



Return Applications To:

Fox Point Programs, Inc.

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submissions@foxpointprg.com

# REGISTERED INVESTMENT ADVISOR (RIA) PROFESSIONAL LIABILITY INSURANCE APPLICATION

**FOR THE MOST RECENT VERSION OF THIS APPLICATION, PLEASE VISIT [WWW.FOXPOINTPRG.COM](http://WWW.FOXPOINTPRG.COM)**

**NOTICE: THE POLICY FOR WHICH YOU ARE APPLYING IS WRITTEN ON A CLAIMS-MADE AND REPORTED BASIS. ONLY CLAIMS FIRST MADE AGAINST THE INSURED AND REPORTED TO THE COMPANY DURING THE POLICY PERIOD ARE COVERED SUBJECT TO THE POLICY PROVISIONS. THE LIMITS OF LIABILITY STATED IN THE POLICY ARE REDUCED, AND MAY BE EXHAUSTED, BY CLAIMS EXPENSES. CLAIMS EXPENSES ARE ALSO APPLIED AGAINST YOUR DEDUCTIBLE, IF APPLICABLE.**

## A. GENERAL INFORMATION

Applicant Name: \_\_\_\_\_

DBA Name: \_\_\_\_\_

Physical Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-Mail: \_\_\_\_\_ Years in Business: \_\_\_\_\_

Licenses/Professional Designations Held: \_\_\_\_\_

## B. ELIGIBILITY DETERMINATION

- |   |     |    |
|---|-----|----|
| 1. Do your revenues exceed \$200,000 annually? .....  | Yes | No |
| 2. Do you perform any services for which you are not licensed? (e.g. Series 6, Series 7, etc.) .....                        | Yes | No |
| 3. Have your revenues decreased by more than 25% from last year? .....  | Yes | No |
| 4. Do you expect your revenues to decrease by more than 25% next year? .....  | Yes | No |
| 5. Do you expect your revenues to increase by more than 50% next year? .....  | Yes | No |
| 6. Does your revenue include more than 45% services to professional entertainers, celebrities, athletes or musicians? ..... | Yes | No |
| <b>If "Yes," please indicate % of revenue for these services: .....</b>   |     | %  |
| 7. Have you ever had any incidents (claims, suspensions, reprimands, arrests, etc.)?: .....                                 | Yes | No |
| 8. Are you involved in any of the following activities?   |     |    |
| A. Broker Dealer (other than when an employee of a broker dealer) .....   | Yes | No |
| B. Fund Manager (act as an investment advisor/manager of an investment company) .....                                       | Yes | No |
| C. Hedge Funds or Managing Hedge Funds .....  | Yes | No |
| D. Discretionary Asset Management While Not Under Contract With / Employed By a Broker-Dealer .....                         | Yes | No |
| E. Discretionary Asset Managers Where Such Revenues Exceed 75% of Total Revenues .....                                      | Yes | No |
| F. Viatical Agreements, Senior Settlements, or Life Settlements .....   | Yes | No |
| G. Custody or Possession of Client Funds .....  | Yes | No |
| H. Any involvement with:  |     |    |
| 1. General or Limited Partnerships .....  | Yes | No |
| 2. Privately Placed Real Estate Investment Trusts (REITS) .....   | Yes | No |
| 3. Oil/Gas Ventures .....   | Yes | No |
| 4. Foreign Securities .....   | Yes | No |
| 5. Penny Stocks .....   | Yes | No |
| 6. Unregistered Securities .....  | Yes | No |

**B. ELIGIBILITY DETERMINATION (CONTINUED)**

- 9. Do you require more than two (2) years of Prior Acts Coverage? . . . . . Yes No
- 10. Has any Errors & Omissions or Professional Liability Insurance issued to the applicant ever been declined, cancelled or non-renewed? **If "Yes," please explain on a separate sheet** . . . . . Yes No
- 11. Do you have Loss Control procedures in place? . . . . . Yes No
- 12. Do you have Compliance and/or Risk Management procedures in place? . . . . . Yes No

**BY CHECKING THE BOX TO THE LEFT, I warrant that I understand the eligibility determinations asked in all 13 questions in Section B of this application, and that all answers are accurate to the best of my knowledge.**  
**NOTE: No application will be considered for coverage unless this warranty has been provided.**

**C. FINANCIAL AND BUSINESS**

1. Provide gross annual revenues derived from financial planning, advisory activities, commissions, and/or product sales.

|                 | Prior Year<br>20__ | Current Year<br>20__ | Projected Next Year<br>20__ |
|-----------------|--------------------|----------------------|-----------------------------|
| Annual Revenues | \$                 | \$                   | \$                          |

**D. PRIOR INSURANCE**

1. Do you currently have Professional Liability coverage in place? If so, please complete the table below and provide proof of coverage.

| COMPANY | LIMITS OF LIABILITY | DEDUCTIBLE | PREMIUM | POLICY PERIOD | PRIOR ACTS / RETROACTIVE DATE |
|---------|---------------------|------------|---------|---------------|-------------------------------|
|         |                     |            | \$      |               |                               |
|         |                     |            | \$      |               |                               |
|         |                     |            | \$      |               |                               |

**E. COST DETERMINATION**



**IF ANSWERED "NO" TO B1 THROUGH B11, YOU HAVE COMPLETED YOUR APPLICATION! PLEASE SELECT FROM THE CHOICES BELOW. IF YOU ANSWERED "YES" TO ANY QUESTIONS FROM B1 THROUGH B11, YOU ARE NOT ELIGIBLE FOR THE RATES SHOWN BELOW AND ARE REQUIRED TO COMPLETE SECTIONS "F" AND "G" OF THIS APPLICATION TO BE UNDERWRITTEN AND RATED INDIVIDUALLY.**

DETERMINE COST BASED ON DESIRED LIABILITY LIMIT, COVERAGE REQUIREMENT AND ANNUAL REVENUES. RATES INCLUDE ALL APPLICABLE TAXES AND FEES. PRICING SHOWN INCLUDES A \$5,000 DEDUCTIBLE. OTHER DEDUCTIBLE OPTIONS MAY BE AVAILABLE.

| LIMIT OF LIABILITY      | NO PRIOR ACTS REQUIRED |                       |                       | UP TO 3 YEARS PRIOR ACTS COVERAGE |                       |                       |
|-------------------------|------------------------|-----------------------|-----------------------|-----------------------------------|-----------------------|-----------------------|
|                         | REVENUE LEVEL          |                       |                       | REVENUE LEVEL                     |                       |                       |
|                         | UP TO \$100,000        | \$100,001 - \$150,000 | \$150,001 - \$200,000 | UP TO \$100,000                   | \$100,001 - \$150,000 | \$150,001 - \$200,000 |
| \$250,000/\$250,000     | \$1,250.00             | \$1,400.00            | \$1,600.00            | \$1,470.00                        | \$1,650.00            | \$1,890.00            |
| \$250,000/\$500,000     | \$1,340.00             | \$1,525.00            | \$1,700.00            | \$1,578.00                        | \$1,800.00            | \$2,010.00            |
| \$500,000/\$500,000     | \$1,435.00             | \$1,685.00            | \$1,895.00            | \$1,692.00                        | \$1,992.00            | \$2,244.00            |
| \$500,000/\$1,000,000   | \$1,505.00             | \$1,770.00            | \$1,990.00            | \$1,776.00                        | \$2,094.00            | \$2,358.00            |
| \$1,000,000/\$1,000,000 | \$1,600.00             | \$1,900.00            | \$2,150.00            | \$1,890.00                        | \$2,250.00            | \$2,550.00            |

**Make checks payable to: Fox Point Programs, Inc. Please contact Fox Point Programs to purchase with a credit card.**

\_\_\_\_\_ Date

\_\_\_\_\_ Applicant's Authorized Signature

**THE APPLICANT WARRANTS THAT THE STATEMENTS AND RESPONSES TO THE QUESTIONS ON THIS APPLICATION ARE TRUE AND COMPLETE.** THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE COMPANY, NOR DOES IT OBLIGATE THE COMPANY TO ISSUE A POLICY. SUCH POLICY MAY BE CANCELLED BY THE COMPANY FROM INCEPTION UPON DISCOVERY THAT THE POLICY WAS OBTAINED THROUGH A FRAUDULENT STATEMENT, OMISSION, OR CONCEALMENT OF THE FACTS MATERIAL TO THE ACCEPTANCE OF THE RISK OR HAZARD ASSUMED.

**F. SUPPLEMENTAL INFORMATION**

1. Provide professional services by approximate percentage of annual revenue. Total must equal 100%.

| % | TYPE OF PRODUCT                                       | % | TYPE OF PRODUCT   |
|---|---|---|---|
|   | Mutual Funds  |   | Hedge Funds/Fund of Hedge Funds                           |
|   | Variable Annuities                                    |   | Viatical Agreements, Senior Settlements, Life Settlements |
|   | Life, Health, Disability, Accident, or Long Term Care |   | REITS Other Than REIT Mutual Funds                        |
|   | Options, Futures, Tangibles, CMO's, Derivatives       |   | General or Limited Partnerships                           |
|   | Listed Stocks   |   | Unregistered Securities                                   |
|   | Unlisted Stocks                                       |   | Foreign Securities/ADRs                                   |
|   | Investment Grade Bonds                                |   | Oil/Gas Ventures  |
|   | Junk Bonds  |   | Penny Stocks  |
|   | Promissory Notes, Leases, Receivables                 |   | Private Placements  |
|   | Discretionary Asset Management                        |   | Other (Describe):   |

- 2. Do you employ financial advisors? . . . . . Yes No
- 3. Do any independent contractors (non-employees) give investment advice on your behalf? . . . . . Yes No
- 4. Do you or any of your partners, officers, directors, employees, or associated professionals act as both trustee and advisor to any client? . . . . . Yes No
- 5. Do you or any of your partners, officers, directors, employees or associated professionals have more than a 5% ownership interest in, or act as a director, officer, employee, or any other position of control:
  - A. Any enterprise in which you advise or solicit clients to invest? . . . . . Yes No
  - B. Any organization to which you act as an advisor? . . . . . Yes No

***If the answer to 5A or 5B is "Yes", provide full explanation on a separate sheet.***
- 6. Are you or any of your partners, officers, directors, employees or associated professionals a CPA? . . . . . Yes No  
***If "Yes," provide full explanation on a separate sheet including details of any attestation work or consulting services for any accounting client who is also an advisory client.***
- 7. Is any advisory client an investment company (mutual fund), REIT, limited partnership, or private placement? . . . . . Yes No  
***If "Yes," provide full explanation on a separate sheet. If "No", do you agree to notify the insurance company within thirty (30) days if you start to render advisory services to such a client?***
- 8. During the last three (3) years, have you or any affiliate been involved in, or presently considering or contemplating any merger, acquisition, divestiture, or change in ownership? . . . . . Yes No  
***If "Yes," provide full explanation on a separate sheet.***
- 9. Are your ADV Parts I and II, as filed and dated on the SEC IARD, a current accurate disclosure as of the date of this application? . . . . . Yes No

**G. CLAIMS/INCIDENTS**

- 1. Have you ever:
  - A. Had your professional license or registration denied, suspended, revoked, non-renewed or restricted? . . . . . Yes No
  - B. Been formally reprimanded by any court, administrative or regulatory agency? . . . . . Yes No
  - C. Had a complaint filed with any consumer agency, state securities department, insurance department or by your Broker-Dealer, DEC, NASD or other regulatory agency? . . . . . Yes No
  - D. Been formally accused of violating any professional association's code of ethics? . . . . . Yes No
  - E. Been convicted of a felony? . . . . . Yes No
  - F. Been involved in or are aware of any fee disputes involving suits? . . . . . Yes No
- 2. Have any Professional Liability claim(s), complaints or proceedings been made against you or any person or organization proposed for this insurance or any predecessor organization in the past five years? . . . . . Yes No
- 3. Are any person(s) or organization(s) proposed for this insurance aware of any fact, error, omission, circumstance or situation that might provide grounds for any claim under the proposed insurance? . . . . . Yes No

***If you answered "Yes" to any question in Section G, please provide full explanation on a separate sheet.***

\_\_\_\_\_  
Applicant's Authorized Signature

\_\_\_\_\_  
Date