

**FINANCIAL INSTITUTION
SUPPLEMENTAL APPLICATION FOR TRUST ERRORS & OMISSIONS**



Atlantic Specialty Insurance Company
(Stock company owned by OneBeacon Insurance Group)

Onebeaconfs.com

THIS SUPPLEMENTAL APPLICATION IS PART OF THE FINANCIAL INSTITUTION BOND AND MANAGEMENT AND PROFESSIONAL LIABILITY APPLICATION, INCLUDING A RENEWAL APPLICATION, SUBMITTED BY OR ON BEHALF OF THE FINANCIAL INSTITUTION FOR THE PROPOSED INSURANCE. THE NOTICES, CONDITIONS AND REPRESENTATIONS CONTAINED IN SUCH APPLICATION ARE INCORPORATED INTO AND APPLY TO THIS SUPPLEMENTAL APPLICATION.

If additional space is needed, please attach a separate document to this Supplemental Application to provide complete answers. If the answer to a question is none, state "None" or "0" in the space provided.

Instructions:

Whenever used in this Supplemental Application, the term "Financial Institution" shall mean the entity identified in response to Question 1 of this Supplemental Application.

I. APPLICANT

1. Name of Financial Institution:
(as identified in the Financial Institution Bond and Management and Professional Liability Application submitted for the proposed insurance)

II. GENERAL INFORMATION

2. Year Trust Department services were established or acquired:
3. Gross revenue of the Trust Department for the most recent fiscal year: \$
4. Number of Trust Department officers:
a. Average length of experience for the Trust Department officers:
5. Does the Trust Department have its own Compliance Officer? Yes No
6. Has the Financial Institution been involved in any merger, consolidation, acquisition or divestment during the last twelve (12) months, or is the Financial Institution considering any such action, that will impact the Trust Department? Yes No
If "Yes," please attach complete details.

III. EXAM AND AUDIT INFORMATION

7. Internal Audit:
a. Who performs the internal audit function for the Trust Department? External firm Employees Not performed
b. Internal audit frequency:
8. Applicable regulatory agency for the Trust Department:
Date of last exam:
9. Have all criticisms or comments cited in the most recent regulatory examination, internal audit and external audit of the Trust Department been addressed by the Board of Directors? Yes No
If "No," please attach complete details.
10. During the past three (3) years, has the Financial Institution or any of its directors or officers been fined or cited by the IRS, SEC or any other regulator for any reason, including but not limited to slow processing of transactions or failure to review accounts? Yes No
If "Yes," please attach complete details.

IV. POLICIES AND PROCEDURES

11. How often does the Trust Committee meet? _____
12. Is every account reviewed by the Trust Committee at least annually? Yes No
13. Are all trust agreements and documents reviewed by legal counsel before their acceptance? Yes No
14. Is a hold harmless agreement required when succeeding another institution or person as trustee? Yes No
15. Are deviations from individual trust agreements approved and documented? Yes No
16. Are financial reports rendered to clients, other than custodial account clients, at least annually? Yes No
17. How frequently are accounts subject to ERISA reviewed to ensure compliance with ERISA?
18. Are there any plans to change the trust operating/accounting system within the next twelve (12) months? Yes No
- If "Yes," please attach complete details.

V. INVESTMENTS AND ASSET MANAGEMENT

19. Indicate below the number and consolidated market value of the assets for each type of account administered by the Trust Department:

Trust Type	Number of Accounts	Custodial	Non-Discretionary	Managed/Discretionary
Personal trusts & agency accounts		\$	\$	\$
ERISA accounts		\$	\$	\$
Corporate trusts & agency accounts		\$	\$	\$
All other accounts		\$	\$	\$

20. Complete the table below with regard to any of the listed services currently provided by the Trust Department:

Trustee, Management or Advisory Services Regarding:	Number of Clients	Percent of Annual Revenue
Farms or ranches		%
Mergers, acquisitions or takeovers		%
Other real estate		%
Oil & gas or other mineral leases		%
Timber interests		%
Serve as a Trustee for:		
Bankruptcy		%
Debt underwritten by the Financial Institution		%
Equipment trusts/leases		%
Municipal, corporate or other debt securities		%
Securities backed by loans to third parties		%
Other:		
Repurchase/reverse repurchase agreements		%
Lending securities program for trust or custodial clients		%

21. Does the Trust Department have a list of approved securities which can be recommended? Yes No
22. The investment advisory function is performed:
 In-house Outsourced (Name): _____ Both

23. Check any of the following investments currently offered or recommended by the Financial Institution:

<input type="checkbox"/> Below Investment Grade Bonds	<input type="checkbox"/> Over-the-Counter Securities	<input type="checkbox"/> Commodity or Other Futures
<input type="checkbox"/> Cattle Trusts or Ventures	<input type="checkbox"/> Restricted Securities	<input type="checkbox"/> Covered Call Options
<input type="checkbox"/> General Limited Partnerships	<input type="checkbox"/> Foreign Securities (US Exchange)	<input type="checkbox"/> Option Contracts or Futures
<input type="checkbox"/> Oil/Gas Leases or Investments	<input type="checkbox"/> International Securities (Foreign Exchange)	<input type="checkbox"/> Precious Metals
<input type="checkbox"/> Real Estate	<input type="checkbox"/> Mortgages, Mortgage Pools or Other Mortgage-Backed Securities	



VI. ATTACHMENTS

- Latest independent audit report of trust functions.



VII. SIGNATURE AND AUTHORIZATION

The undersigned declares that, to the best of his/her knowledge and belief, after reasonable inquiry, the statements in this Supplemental Application and any attachments or information submitted with this Supplemental Application are true and complete. For Florida Applicants, the preceding sentence is replaced with the following sentence: The undersigned represents that, to the best of his/her knowledge and belief, after reasonable inquiry, the statements in this Supplemental Application and any attachments or information submitted with this Supplemental Application are true and complete. The undersigned understands that this Supplemental Application and any such attachments or information submitted herein are part of the application submitted by or on behalf of the Financial Institution for the proposed insurance, and are subject to the representations and conditions set forth therein.

Any person who knowingly and with intent to defraud any insurance company or another person, files an application for insurance containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto, may be guilty of committing a fraudulent insurance act, which is a crime and subjects the person to criminal and civil penalties.

FLORIDA APPLICANTS: Any person who knowingly and with intent to injure, defraud or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

KANSAS APPLICANTS: Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act.

MAINE APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines, or a denial of insurance benefits.

PENNSYLVANIA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NEW YORK APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

Financial Institution Name	
By (Authorized Signature)	
Name/Title	
Date	

NOTE: THIS SUPPLEMENTAL APPLICATION MUST BE SIGNED BY THE CHIEF EXECUTIVE OFFICER OR CHIEF FINANCIAL OFFICER OF THE FINANCIAL INSTITUTION ACTING AS THE AUTHORIZED AGENT OF ALL INDIVIDUALS AND ENTITIES PROPOSED FOR THIS INSURANCE.