

**UNDERWRITTEN IN FEDERAL INSURANCE COMPANY OR
VIGILANT INSURANCE COMPANY**

VENTURE CAPITAL ASSET PROTECTION COVERAGE IS WRITTEN ON A CLAIMS-MADE BASIS. EXCEPT AS OTHERWISE PROVIDED, THIS POLICY WILL COVER ONLY CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD. PLEASE READ IT CAREFULLY.

DEFENSE COST PROVISION:

PLEASE NOTE THAT THE DEFENSE COST PROVISION OF THIS POLICY STIPULATES THAT THE LIMITS OF LIABILITY MAY BE COMPLETELY EXHAUSTED BY THE DEFENSE COSTS. ANY DEDUCTIBLE MAY BE SIMILARLY REDUCED OR EXHAUSTED BY DEFENSE COSTS.

A. GENERAL INFORMATION

1. a. Name of Applicant: _____

b. Address of Applicant: _____
(Street Address) (City) (State) (Zip Code)

2. Please complete the Schedule of Subsidiaries under Section D.

3. Please complete the Schedule of Insured Limited Partnerships under Section E.

4. Please complete the Schedule of Portfolio Companies under Section F.

5. Name of Agent: _____

6. Officer designated, as agent of the Company and all Insured Persons, to receive any and all notices from the Insurer or their authorized representative(s) concerning this insurance:

Name of Officer/Partner Title of Officer/Partner

7. Date Established: _____

8. Business Form:

- Corporation
- General Partnership
- Limited Partnership
- Limited Liability Company
- Other

9. If incorporated, please complete the following:

a. State of incorporation: _____

b. Total number of shareholders: _____

- c. Total number of shares outstanding: _____
- d. Total number of shares owned directly or beneficially by Directors or Officers: _____
- e. Please provide, on a separate sheet, the names and percent owned of any shareholders holding directly or beneficially 10% or more of the common stock (if none, please indicate). None
- f. Are there any other securities which are convertible to common stock? YES NO

If yes, please provide, on a separate sheet, full details.

10. If a partnership, please complete the following:

- a. Total number of:
 - General Partner(s) _____
 - Limited Partner(s) _____
- b. Are they registered publicly? YES NO

If yes, please provide, on a separate sheet, full details.

B. MANAGEMENT

1. How often are Board of Director/Partnership Management Committee meetings held? _____

2. Indicate the areas in which formal policies and/or procedures have been implemented by the Board of Director/Management Committee to address the following:

- | | |
|--|---|
| <input type="checkbox"/> Asset-Liability Management Policy | <input type="checkbox"/> Merger and Tender Offers |
| <input type="checkbox"/> Audit Policy | <input type="checkbox"/> Operation Procedures |
| <input type="checkbox"/> Conflicts of Interest Policy | <input type="checkbox"/> Personnel Policy |
| <input type="checkbox"/> Duties of Directors and Officers | <input type="checkbox"/> Risk Management Policy |
| <input type="checkbox"/> Investment Policy | <input type="checkbox"/> Selection Process for New Directors/Partners |
| <input type="checkbox"/> Distribution Policy | |

3. How often does the Board of Director/Management Committee review the following:

- a. Financial Statements _____
- b. Portfolio Company Investments _____
- c. Insurance Coverages _____
- d. Changes in Investment/Lending Policy _____
- e. Threatened or Actual Litigation _____

4. Is an Advisory Board consulted/involved in management decision making? YES NO

If yes, please provide, on a separate sheet, full details including composition and affiliations of advisory board members.

5. Have there been any changes in senior management in the last five years? YES NO

If yes, please provide, on a separate sheet, full details.

6. Has the Company changed the Certified Public Accounting firm that prepares its independent audited financial statements? YES NO

If yes, provide details including the time of change and reasons for making such change.

7. Does the Company require board representation in a Portfolio Company when an investment is made in a Portfolio Company by an Insured Limited Partnership? YES NO

If yes, please provide, on a separate sheet, full details.

8. Please provide, on a separate sheet, the names and principal business affiliations, including directorships of Portfolio Companies, for all Partners and/or Directors and Senior Officers proposed for this insurance.

C. LITIGATION

1. Have there been during the last 5 years, or are there now pending, any suits, claims or proceedings against this Applicant, Insured Limited Partnership, or any Subsidiaries? YES NO

If yes, please provide, on a separate sheet, full details.

2. Have there been, or are there now pending, any suits, claims, or proceedings against any person proposed for this insurance in their capacity as either Director, Officer, Trustee, Partner, or employee of this Applicant, Insured Limited Partnership, or any Subsidiaries? YES NO

If yes, please provide, on a separate sheet, full details.

Pertaining to questions C.1. and C.2 above, it is agreed that any claims arising from such suits, claims or proceedings are excluded from the proposed coverage.

3. Is the undersigned or any Partner, Director, Officer, or Trustee proposed for this insurance aware of any fact, circumstance, situation, or wrongful act involving the Applicant, Insured Limited Partnership, its Subsidiaries, or any Director, Officer, Partner, Trustee of the Applicant, Insured Limited Partnership, or its Subsidiaries which he has reason to believe might result in any future claims which would fall within the scope of the proposed insurance? YES NO

If yes, please provide, on a separate sheet, full details.

4. Has the Applicant, Insured Limited Partnership, its Subsidiaries, or any Trustees, Partners, Directors, or Officers been involved in:
- a. Any antitrust, copyright or patent litigations? YES NO
 - b. Any civil or criminal action or administrative proceeding involving a violation of any federal or state security law or regulation? YES NO
 - c. Any civil or criminal action or administrative proceeding involving a violation of any federal or state antitrust or Fair Trade Law? YES NO
 - d. Any representative actions, class actions, or derivative suits? YES NO

If any of the above are answered yes, please attach, on a separate sheet, full details.

Pertaining to questions C.3. and C.4. above, it is agreed that if the undersigned or any Partner, Director, Officer, or Trustee proposed for this insurance is aware of any fact, circumstance, situation or wrongful act, any claim subsequently arising therefrom shall be excluded from coverage under the proposed insurance.

D. SCHEDULE OF SUBSIDIARIES

Name of Subsidiary	Date Created or Acquired	State of Incorp.	Percent of Ownership	Nature of Business	Domestic or Foreign	Business Forms	Name of Parent Institution	Financial Information for Most Recent Year End		
								Total Revenues	Total Assets (in Millions)	Net Income

This information is attached to and forms a part of the APPLICATION Form for Venture Capital Asset Protection Policy.

It is agreed that coverage is only provided for subsidiaries listed above or by attachment.

E. SCHEDULE OF INSURED LIMITED PARTNERSHIPS

Name of Insured Limited Partnership	Date Created or Acquired	State of Principal Operation	Number of Partners	Fund Size	Investment Objective	Size of Investment	Industry Preference	Financial Information for Most Recent Year End		
								Initial Capitalization (in Millions)	Number of Portfolio Companies	Internal Rate of Return

This information is attached to and forms a part of the APPLICATION Form for Venture Capital Asset Protection Policy.

It is agreed that coverage is only provided for Insured Limited Partnerships listed above or by attachment.

F. SCHEDULE OF PORTFOLIO COMPANIES

Name of Portfolio Companies	Date Created or Acquired	Percent of Ownership	Nature of Business	Business Form	Name of Parent Institution	Financial Information for Most Recent Year End		
						Total Revenues	Total Assets (in Millions)	Net Income

This information is attached to and forms a part of the APPLICATION Form for Venture Capital Asset Protection Policy.

G. OTHER INFORMATION

1. With respect to the Applicant and Subsidiaries (other than proposed Insured Limited Partnerships), please attach the following documents with this Application:
 - a. Latest two Annual financial statements, and Annual Reports to Stockholders (if applicable).
 - b. All subsequent Quarterly Reports to Stockholders (if applicable).
 - c. Notice to Stockholders and Proxy Statement for both the last and next scheduled meetings (if applicable).
 - d. Most recent S.E.C. form 10-K filing (if applicable).
 - e. All Registration Statements of securities made in the last year.

2. With respect to each Limited Partnership proposed for coverage, please attach the following documents with this Application:
 - a. Copy of Partnership Agreement(s), certified by General Partner(s), and copy of Partnership Certificate.
 - b. Latest Annual Report to Limited Partners, and list of Limited Partners.
 - c. Copy of offering circular, registration statement and/or prospectus.

3. With respect to Portfolio Companies of Limited Partnerships proposed for coverage, please attach the following documents with this Application:
 - a. Terms Sheets.
 - b. Investment Agreement or Private Placement Memorandum.
 - c. Stockholders Agreement, and Employee Stock Purchase or Stock Option Agreements.
 - d. Legal Opinion, and Confidentiality or Property Rights Agreement.

The undersigned persons declare that to the best of their knowledge the statements set forth herein are true and correct and that reasonable efforts have been made to obtain sufficient information from each and every Director, Officer, Partner or Trustee proposed for this insurance to facilitate the proper and accurate completion of this APPLICATION. The undersigned further agrees that, if between the date of this APPLICATION and the effective date of this Policy, (1) any material change in the condition of the Applicant is discovered, or (2) there is any material change in the answers to the questions contained herein, either of which would render this APPLICATION inaccurate or incomplete, notice of such change will be reported to the Company immediately and if necessary any outstanding quotation may be modified or withdrawn.

The signing of this APPLICATION does not bind the undersigned to purchase the insurance, but it is agreed by the Applicant and all persons proposed for this insurance that the particulars and statements contained in this APPLICATION and the attachments and materials submitted with this APPLICATION (which shall be retained on file by the Company and shall be deemed attached to the Policy, if insurance is provided, as if physically attached thereto) are true and correct and will be the basis of the Policy and will be considered as incorporated in and consisting a part of the Policy. It is further agreed by the Applicant, and all persons proposed for this insurance that such particulars and statements are material to the decision to provide this insurance and that any Policy will be issued in reliance upon the truth of such particulars and statements. All such particulars and statements shall be deemed to be made by each and every one of the persons proposed for this insurance, provided that, except for any misstatements or omissions of which the signers of this APPLICATION are aware, any misstatement or omissions in this APPLICATION, or the attachments and materials submitted with it, concerning any matter which any person proposed for this insurance has reason to suppose might offer grounds for a future claim against him shall not be imputed, for the purposes of rescission of the Policy, to any other persons proposed for this insurance who are not aware of the omission or the falsity of the statement.

PLEASE NOTE: ONLY DULY APPOINTED AGENTS OF THE COMPANY AND LICENSED BROKERS ARE AUTHORIZED TO SOLICIT APPLICATIONS FOR COVERAGE. AGENTS AND BROKERS ARE NOT AUTHORIZED TO BIND COVERAGE. NO COVERAGE SHALL BE PROVIDED UNLESS THE COMPANY ACCEPTS THE APPLICATION AND BINDS THE COVERAGE.

False Information:

Any person who, knowingly and with intent to defraud any insurance company or other person, files an Application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any material fact thereto, commits a fraudulent insurance act, which is a crime.

Notice to Arkansas, Minnesota, New Mexico and Ohio Applicants: Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false, fraudulent or deceptive statement is, or may be found to be, guilty of insurance fraud, which is a crime, and may be subject to civil fines and criminal penalties.

Notice to Colorado Applicants: It is unlawful to knowingly provide false, incomplete or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory agencies.

Notice to District of Columbia Applicants: WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits, if false information materially related to a claim was provided by the applicant.

Notice to 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.

Notice to Kentucky Applicants: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance 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.

Notice to Louisiana and Rhode Island Applicants: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Notice to Maine, Tennessee, Virginia and Washington 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.

Notice to Alabama and Maryland Applicants: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Notice to New Jersey Applicants: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Notice to Oklahoma Applicants: Any person who, knowingly and with intent to injure, defraud or deceive any employer or employee, insurance company, or self-insured program, files a statement of claim containing any false or misleading information is guilty of a felony.

Notice to Oregon and Texas Applicants: Any person who makes an intentional misstatement that is material to the risk may be found guilty of insurance fraud by a court of law.

Notice to 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.

Notice to Puerto Rico Applicants: Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation with the penalty of a fine of not less than five thousand (5,000) dollars and not more than ten thousand (10,000) dollars, or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances are present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

Notice to 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.

Company

Signature of Chief Executive Officer
(or other Senior Officer if the Chief Executive Officer
is also the Chairman, Board of Directors or Managing Partner)

Signature of Chairman, Board of Directors
or Managing Partner

Date

A Policy cannot be issued unless the APPLICATION is properly signed and dated by the Chief Executive Officer (or other Senior Officer if the Chief Executive is also Chairman, Board of Directors or Managing Partner) and Chairman, Board of Directors or Managing Partner.

Note: This APPLICATION and all exhibits shall be treated in strictest confidence.