



9. A. WHICH REGULATORY AGENCIES HAVE EXAMINATION AUTHORITY OVER THE APPLICANT AND OVER ITS SUBSIDIARIES?

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B. LIST THE DATES AND AGENCIES WHICH PERFORMED THE LAST TWO REGULATORY EXAMINATIONS.

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C. HAS THE APPLICANT OR ANY OF ITS SUBSIDIARIES EVER RECEIVED A "CEASE AND DESIST" ORDER FROM ANY REGULATORY AGENCY?

YES [ ] NO [ ] If "Yes", please attach details on a separate sheet.

D. HAVE ALL RECOMMENDATIONS OR CRITICISMS, IF ANY, IN THE LAST EXAMINATION REPORT BEEN COMPLIED WITH?

YES [ ] NO [ ] If "No", please explain(attach separate sheet if necessary).

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10. SAFETY INSPECTIONS (SI), LOSS CONTROL (LC), AND SAFETY ENGINEERING (SE) SERVICES:

	PRIOR	CURRENT	YEAR	YEAR
<b>A. PERSONNEL COUNTS:</b>				
LOSS CONTROL OFFICERS		_____	_____	_____
SAFETY ENGINEERS		_____	_____	_____
LOSS CONTROL REPRESENTATIVES		_____	_____	_____
TOTAL LOSS CONTROL PERSONNEL		_____	_____	_____
<b>B. SERVICE COUNTS:</b>				
BOILER & MACHINERY INSPECTIONS		_____	_____	_____
OTHER SAFETY CONSULTATIONS		_____	_____	_____
HPR INSPECTIONS & CONSULTATIONS		_____	_____	_____
OTHER LOSS CONTROL INSPECTIONS		_____	_____	_____
TOTAL LC/SE/SI SERVICE PERFORMED		_____	_____	_____

11. A. WHAT IS THE APPROXIMATE ANNUAL TURNOVER RATE FOR LC/SE/SI PERSONNEL, EXCLUDING SECRETARIAL

AND CLERICAL POSITIONS? \_\_\_\_\_ %

B. HAS TURNOVER OF LC/SE/SI PERSONNEL, EXCLUDING SECRETARIAL AND CLERICAL POSITIONS, EXCEEDED HISTORICAL LEVELS DURING THE PAST TWELVE MONTHS? YES [ ] NO [ ] If "Yes", please provide details.

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12. LIST MINIMUM EDUCATION AND EXPERIENCE REQUIREMENTS FOR ENGINEERS AND LOSS CONTROL REPRESENTATIVES.

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13. BRIEFLY DESCRIBE CONTINUING EDUCATION AND TRAINING PROGRAMS.

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14. IS A SPECIFIC ENGINEERING OR LOSS CONTROL MANUAL EMPLOYED? YES [ ] NO [ ]

15. DO ENGINEERING SURVEYS CONTAIN DISCLAIMERS? YES [ ] NO [ ] If "Yes", please attach a copy

16. DOES THE APPLICANT CONTRACT OUTSIDE SAFETY ENGINEERING, LOSS CONTROL OR SAFETY INSPECTION SERVICES? YES [ ] NO [ ]  
If "Yes", please provide the number of such services contracted in the past two years, describe the nature of services contracted and attach copies of the standard contract and hold harmless agreement(s) if any.

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17. WHAT TYPES OF SERVICES ARE PERFORMED BY THE APPLICANT FOR NON-POLICYHOLDERS? (E.G. CLAIMS ADJUSTING, SAFETY ENGINEERING, LOSS CONTROL, ACTUARIAL CONSULTING, REHABILITATION SERVICES, PREMIUM FINANCING, INSURANCE CONSULTING, RISK MANAGEMENT, SUBROGATION OR SALVAGE SERVICES, OTHER.) PLEASE LIST, DESCRIBE AND INCLUDE EXPECTED REVENUES TO BE GENERATED. (Attach a separate sheet if necessary).

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18. POOL PARTICIPATION: LIST ALL POOLS IN WHICH THE APPLICANT IS A PARTICIPANT. AND DESCRIBE THE NATURE OF THE ACTIVITIES OF EACH POOL:

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19. POOL MANAGEMENT: LIST ANY POOLS WHICH ARE MANAGED BY APPLICANT:

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20. HAS THE APPLICANT HAD AGREEMENTS WITH ANY MANAGING GENERAL AGENT ("MGA") (OR ANY NON-AFFILIATE WHICH PRODUCED AND MANAGED A PRODUCT LINE OR SEGMENT OF THE COMPANY'S BUSINESS) DURING THE PAST THREE YEARS? YES [ ] NO [ ]  
 If "Yes", please provide the name and location of each MGA, the classes of business written, annual premium volume, claim settlement authority level, date of the last audit by applicant, whether the MGA has authority to place reinsurance on behalf of the applicant. and whether the agreement is currently in effect.

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21. A. REGARDING FACULTATIVE AND TREATY REINSURANCE CONTRACTS APPLICANT BUYS TO REINSURE ITSELF. WITH RESPECT TO COVERAGE OF PUNITIVE AND EXEMPLARY DAMAGES THE CONTRACTS ARE:

- (I) [ ] SILENT
- (II) [ ] SPECIFICALLY INCLUDED
- (III) [ ] SPECIFICALLY EXCLUDED

B. GIVE NAMES OF PRINCIPAL TREATY REINSURERS OF APPLICANT: \_\_\_\_\_

22. CLAIM SERVICES

A. DOES THE APPLICANT HAVE ANY SPECIFIC WRITTEN CLAIMS MANUAL OUTLINING ALL PERTINENT CLAIMS HANDLING PROCEDURES? YES [ ] NO [ ]

B. DO EMPLOYMENT REQUIREMENTS FOR CLAIMS ADJUSTERS INCLUDE A FOUR YEAR COLLEGE DEGREE? YES [ ] NO [ ]

C. DOES THE APPLICANT HAVE A FORMAL TRAINING PROGRAM FOR ADJUSTERS? YES [ ] NO [ ]

D. PERSONNEL COUNTS:	PRIOR	CURRENT	YEAR	YEAR
CLAIMS OFFICERS	_____	_____	_____	_____
CLAIM MANAGERS & SUPERVISORS	_____	_____	_____	_____
SENIOR ADJUSTORS & EXAMINERS	_____	_____	_____	_____
JUNIOR ADJUSTERS & EXAMINERS	_____	_____	_____	_____
SECRETARIAL & CLERICAL	_____	_____	_____	_____

TOTAL CLAIM FUNCTION PERSONNEL

E. DOES THE APPLICANT GRANT AUTHORITY TO INDEPENDENT AGENTS TO NEGOTIATE AND/OR SETTLE THE APPLICANT'S CLAIMS?

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YES [ ] NO [ ] If "Yes", how many agents? \_\_\_\_\_ Maximum settlement authority? \_\_\_\_\_

ARE OUTSIDE LAW FIRMS REGULARLY EMPLOYED FOR CLAIMS MATTERS? YES [ ] NO [ ]

If "Yes", please describe the types of claims regularly handled by outside counsel and the approximate number of claims involved:

G. DOES THE APPLICANT HAVE WRITTEN PROCEDURES MANDATING ASSIGNMENT OF OUTSIDE COUNSEL IN MATTERS WITH POTENTIAL CONFLICTS OF INTEREST OR WITH OBVIOUS UNINSURED EXCESS EXPOSURES TO POLICYHOLDERS? YES [ ] NO [ ]

23. A. NUMBER OF FIELD (REGIONAL AND/OR BRANCH) CLAIMS OFFICES: \_\_\_\_\_

B. PERCENTAGE OF CLAIMS HANDLED IN FIELD OFFICES: \_\_\_\_\_

C. NUMBER OF CLAIMS PERSONNEL (EXCLUDING SECRETARIAL/CLERICAL) IN FIELD OFFICES: \_\_\_\_\_

D. WHAT TYPE OF CLAIMS ARE NOT HANDLED BY FIELD CLAIMS PERSONNEL? PLEASE IDENTIFY SPECIFIC CLASSES OF BUSINESS.  
AND/OR CLAIM CHARACTERISTICS. \_\_\_\_\_

E. HOW OFTEN ARE FIELD CLAIMS OPERATIONAL/TECHNICAL AUDITS PERFORMED? \_\_\_\_\_

24. A. APPROXIMATE TOTAL NUMBER OF CLAIMS HANDLED ANNUALLY:

	PRIOR YEAR	CURRENT YEAR
AUTO 8.1. AND NO-FAULT	_____	_____
AUTO PROPERTY DAMAGE LIABILITY	_____	_____
AUTO PHYSICAL DAMAGE	_____	_____
WORKERS' COMPENSATION	_____	_____
GENERAL LIABILITY, COMMERCIAL MULTI-PERIL	_____	_____
MED. MAL & PROFESSIONAL LIABILITY	_____	_____
FIDELITY, SURETY & OCEAN MARINE	_____	_____
OTHER PROPERTY	_____	_____
OTHER CASUALTY	_____	_____
DISABILITY	_____	_____
OTHER ACCIDENT AND HEALTH	_____	_____
LIFE	_____	_____
TOTAL REPORTED CLAIMS	_____	_____

B. DOES APPLICANT CONTRACT OUTSIDE ADJUSTMENT SERVICES YES [ ] NO [ ]

If "Yes", what percentage of claims are handled by outside adjustment services? \_\_\_\_\_ % Please attach a copy of standard contract.

C. ARE THERE ESTABLISHED PROCEDURES FOR HANDLING CLAIMS OR SUITS AGAINST APPLICANT FOR ERRORS AND OMISSIONS, EXTRA CONTRACTUAL LIABILITY OR PUNITIVE OR EXEMPLARY DAMAGES? YES [ ] NO [ ]

If "Yes", please describe and indicate when procedures were established. (Attach a separate sheet if necessary).

25. LIST THE FIVE LARGEST PREMIUM VOLUME STATES AND APPROXIMATE DIRECT WRITTEN PREMIUM FOR EACH STATE:

_____	\$ _____	% OF TOTAL
_____	\$ _____	% OF TOTAL
_____	\$ _____	% OF TOTAL
_____	\$ _____	% OF TOTAL
_____	\$ _____	% OF TOTAL

26. PLEASE PROVIDE THE FOLLOWING INFORMATION ON THE APPLICANT'S PROCEDURES FOR THE HANDLING, ASSESSMENT AND MONITORING OF ALL ACTUAL LAWSUITS AGAINST THE APPLICANT, ITS DIRECTORS, OFFICERS OR EMPLOYEES FOR WRONGFUL ACTS IN THE PERFORMANCE OF PROFESSIONAL SERVICES (AS DEFINED IN THE POLICY), INCLUDING, BUT NOT LIMITED TO, LAWSUITS ALLEGING ERRORS OR OMISSIONS OR SEEKING EXTRA-CONTRACTUAL, PUNITIVE OR BAD FAITH DAMAGES.

A. DOES THE APPLICANT HAVE ESTABLISHED PROCEDURES? YES [ ] NO [ ] If "YES", please describe:

B. IS A WRITTEN APPLICANT DIRECTIVE FOR THESE PROCEDURES IN EFFECT? YES [ ] NO [ ] If "YES", please attach a copy.

C. WHEN WERE THESE PROCEDURES ESTABLISHED? \_\_\_\_\_

D. HOW OFTEN ARE THESE PROCEDURES REVIEWED AND ANALYZED? \_\_\_\_\_

E. WHO IS (ARE) THE SENIOR PERSON (5) RESPONSIBLE FOR MONITORING AND ASSESSING ALL LAWSUITS OF THIS NATURE?

NAME(S) \_\_\_\_\_

TITLE(S) \_\_\_\_\_

DEPARTMENT(S) \_\_\_\_\_

27. PLEASE PROVIDE THE FOLLOWING INFORMATION ON THE APPLICANT'S PROCEDURES FOR HANDLING, ASSESSMENT AND MONITORING OF WRITTEN AND OR VERBAL THREATS OF LAWSUITS AGAINST THE APPLICANT, ITS DIRECTORS, OFFICERS OR EMPLOYEES RELATED TO WRONGFUL ACTS IN THE PERFORMANCE OF PROFESSIONAL SERVICES (AS DEFINED IN THE POLICY), INCLUDING, BUT NOT LIMITED TO, THREATS ALLEGING ERRORS OR OMISSIONS, OR EXTRA-CONTRACTUAL, PUNITIVE OR BAD FAITH DAMAGES.

A. DOES THE APPLICANT HAVE ESTABLISHED PROCEDURES? YES [ ] NO [ ]

B. PLEASE DESCRIBE THE SUPERVISORY POSITION (OR INDIVIDUALS. IF APPROPRIATE) TO WHICH THREATS ARE REPORTED. SPECIFY WHETHER ALL THREATS ARE REPORTED TO SUPERVISORY PERSONNEL AND WHAT SPECIFIC CRITERIA ARE USED TO DETERMINE THE LEVEL OF SUPERVISION TO WHICH THREATS ARE REPORTED.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

C. UNDER WHAT CIRCUMSTANCES ARE THREATS REPORTED TO THE INDIVIDUAL LISTED IN QUESTION 26E?

\_\_\_\_\_  
 \_\_\_\_\_

28. CLAIMS HISTORY:

HAVE ANY PROFESSIONAL LIABILITY (E&O) JUDGMENTS, SETTLEMENTS, PAYMENTS. CLAIMS OR SUITS SEEKING PUNITIVE OR EXEMPLARY DAMAGES. OR EXTRA CONTRACTUAL LIABILITY BEEN MADE DURING THE PAST FIVE YEARS AGAINST THE APPLICANT OR ANY OF ITS PAST OR PRESENT DIRECTORS, OFFICERS, EMPLOYEES, OR ANY PREDECESSORS IN BUSINESS? YES [ ] NO [ ]

If "yes", PLEASE COMPLETE A SUPPLEMENTAL CLAIM INFORMATION FORM for each judgment, settlement. payment. Claim or suit made in the past five years. IT IS AGREED THAT CLAIMS MADE PRIOR TO THE INCEPTION OF THE POLICY PERIOD ARE EXCLUDED FROM THIS PROPOSED COVERAGE.

29. DOES ANY PROSPECTIVE INSURED PERSON OR ENTITY HAVE KNOWLEDGE OR INFORMATION OF ANY CIRCUMSTANCES OF ANY ALLEGATION OR CONTENTIONS OF ANY INCIDENT WHICH MAY RESULT IN ANY CLAIM BEING MADE AGAINST THE APPLICANT OR ANY OF ITS PAST OR PRESENT DIRECTORS, OFFICERS. EMPLOYEES. OR ANY PREDECESSORS IN BUSINESS? YES [ ] NO [ ] If "Yes..." attach full particulars:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

IT IS AGREED WITH RESPECT TO QUESTION #29 ABOVE, THAT IF SUCH KNOWLEDGE OR INFORMATION EXISTS. ANY CLAIM OR ACTION ARISING THEREFROM IS EXCLUDED FROM THIS PROPOSED COVERAGE.

30. HAS ANY POLICY OF OR APPLICATION FOR SIMILAR INSURANCE ON THE APPLICANT'S BEHALF EVER BEEN DECLINED, CANCELLED, RENEWAL REFUSED? YES [ ] NO [ ], If "Yes", please indicate name of insurance carrier and reason for such declination, cancellation or refusal to renew:

\_\_\_\_\_  
 \_\_\_\_\_

31. IF INSURANCE COMPANY'S PROFESSIONAL LIABILITY COVERAGE IS PRESENTLY CARRIED, STATE THE FOLLOWING:

A. NAME OF INSURER: \_\_\_\_\_

B. EFFECTIVE/EXPIRATION DATE: \_\_\_\_\_

LIMIT OF LIABILITY: \_\_\_\_\_

D. SELF-INSURED RETENTION OR DEDUCTIBLE: \_\_\_\_\_

E. IS THERE A CO-INSURANCE PERCENT APPLICABLE? YES [ ] NO [ ] If "YES", yes ONO If "Yes", what percent? \_\_\_\_\_

F. ANNUAL PREMIUM \_\_\_\_\_

ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE COMPANY TO WHICH THIS APPLICATION IS SUBMITTED (HEREIN CALLED THE COMPANY) IN CONJUNCTION WITH THIS APPLICATION ARE HEREBY INCORPORATED BY REFERENCE INTO THIS APPLICATION AND MADE A PART HEREOF.

THIS APPLICATION DOES NOT BIND THE APPLICANT TO BUY, OR THE COMPANY TO ISSUE THE INSURANCE, BUT IT IS AGREED THAT THIS FORM SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED. AND IT WILL BE ATTACHED TO AND MADE A PART OF THE POLICY. THE UNDERSIGNED APPLICANT DECLARES THAT THE STATEMENTS SET FORTH IN THIS APPLICATION ARE TRUE. THE COMPANY RELIES ON THE TRUTHFULNESS OF THIS APPLICATION. FALSE STATEMENTS OR CONCEALMENT MAY LEAD TO LOSS OF COVERAGE. THE APPLICANT FURTHER DECLARES THAT IF THE INFORMATION SUPPLIED ON THIS APPLICATION CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE TIME WHEN THE POLICY IS ISSUED, THE APPLICANT WILL IMMEDIATELY NOTIFY THE COMPANY OF SUCH CHANGES AND THE COMPANY MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS AND/OR AUTHORIZATION OR AGREEMENT TO BIND THE INSURANCE.

NOTICE TO NEW YORK AND OHIO 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."

NOTICE: ANY PERSON WHO KNOWINGLY AND WITH THE INTENT TO DEFRAUD PROVIDES FALSE INFORMATION IN AN INSURANCE APPLICATION, OR PRESENTS, ASSISTS, OR MAKES A FRAUDULENT CLAIM FOR THE PAYMENT OF A LOSS OR OTHER BENEFIT, OR PRESENTS MORE THAN ONE CLAIM FOR THE SAME INCIDENT OF DAMAGE OR LOSS, WILL COMMIT A FELONY AND IF CONVICTED WILL BE SENTENCED FOR EACH VIOLATION WITH A FINE OF NO LESS THAN FIVE THOUSAND (\$5,000) DOLLARS AND NOT EXCEEDING TEN THOUSAND (\$10,000) DOLLARS, OR BE SENTENCED TO IMPRISONMENT FOR A THREE (3) YEAR TERM, OR BOTH PENALTIES. IN THE EVENT OF AGGRAVATING CIRCUMSTANCES, THE TERM COULD BE INCREASED TO A MAXIMUM OF FIVE (5) YEARS; IN THE EVENT OF INTERVENING EXTENUATING CIRCUMSTANCES IT COULD BE REDUCED UP TO A MINIMUM OF TWO (2) YEARS.

APPLICANT'S SIGNATURE: \_\_\_\_\_ TITLE: \_\_\_\_\_  
(must be signed by C.E.O. or President)

DATE: \_\_\_\_\_

PRODUCER: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

APPLICANT'S SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_  
General Counsel

PLEASE READ FURTHER

AIG Insurance Company-Puerto Rico  
250 Muñoz Rivera Ave., Suite 500, Hato Rey, PR 00918,  
PO Box 10181, San Juan, Puerto Rico 00908-1181  
TEL: 787.767.6400  
www.aig.com.pr