



RUSSELL BOND & Co., INC.

NEW BUSINESS APPLICATION

USE THIS FORM FOR DEPOSITORY INSTITUTIONS

NOTICE: THE POLICY FOR WHICH APPLICATION IS MADE APPLIES, SUBJECT TO ITS TERMS, ONLY TO ANY "CLAIM" FIRST MADE OR DEEMED MADE AGAINST THE "INSURED PERSONS" DURING THE "POLICY PERIOD." "DEFENSE EXPENSES" REDUCE THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE RETENTION. THE POLICY DOES NOT PROVIDE FOR ANY DUTY BY THE UNDERWRITER TO DEFEND THE "INSURED PERSONS."

- 1. a. Name of Applicant: _____
(Wherever used Applicant shall mean the **Parent Corporation** and all **Subsidiaries**.)
- b. Principal address: _____
- c. State of incorporation or charter: _____
- d. Date of incorporation or charter: _____
Holding Company _____
Principal Depository Institution _____
- e. Nature of business: _____
- f. Name and title of the officer of the Applicant designated as the representative to receive notices from the Underwriter on behalf of all persons and entities proposed for this insurance: _____

2. As an attachment to this **Application**, please provide the names and number of shares for all persons or entities that presently own or control, or have stated the intention to acquire, of record or beneficially, more than 5% of the Applicant's outstanding stock. If not applicable or if no change since the last available notice of shareholders' meeting and proxy statement, indicate here.

3. Has there been any change in the board of directors or senior management of the Applicant within the past three (3) years for reasons *other than* death or retirement? If answer is "none," so state.

4. Does the Applicant have a credit review function independent of the lending function? Yes No

5. Please provide a detailed description of the Applicant's procedures, by classification and type of loan, for calculating the loan loss reserve and the procedures for justifying its adequacy.

6. Has the board of directors established formalized written policies and procedures that are periodically reviewed addressing the following:
- Yes No Loan policy
 - Yes No Investment policy
 - Yes No Audit policy
 - Yes No Asset/liability maturity management policy
 - Yes No Conflict of interest policy

7. If the Applicant is a mutual association, has a conversion of mutual ownership to stock ownership been considered in the past or is such a conversion within the next 12 months being considered? Yes No

8. Please state whether the Applicant has in the past 36 months completed or agreed to, or does it contemplate within the next 12 months, any of the following, whether or not such transactions were or will be completed. If yes, please describe the essential terms of each such transaction as an attachment to this **Application**.

- a. Merger, acquisition or consolidation with another entity whose assets prior to such merger or consolidation exceed 10% of the Applicant's consolidated assets. Yes No
 - b. Sale, distribution or divestiture of any assets or stock other than in the ordinary course of business involving more than 10% of the Applicant's consolidated assets. Yes No
 - c. Any registration of a public offering or private placement of securities. Yes No
- If "yes," please attach a copy of such offering or placement as an attachment to the **Application**.

9. a. Have all recommendations and criticisms of each of the last 3 regulatory examinations been complied with as regards the Applicant? Yes No
If not, please explain as an attachment to this **Application**.
- b. Has the Applicant or any director or officer received any cease or desist order or entered into any special situation agreement/memorandum of understanding or similar written agreement with, or been the subject of any formal administrative actions by, any regulatory agency within the past 5 years? Yes No
If yes, please explain the current status and attach a copy of such written agreement as an attachment to this **Application** and discuss such action in detail.

10. a. Please give details of the 4 most recent regulatory examinations. If any CAMEL or MACRO rating or any component of the composite rating is other than a 1 or 2, please provide details as an attachment to this **Application**. If answer is "none," so state: _____

Name of Regulatory Authority	Date	Scope/Type	CAMEL/MACRO Rating

b. Please state the total amount of all loans classified by a regulatory examination as substandard, doubtful or loss by year for each of the last two examinations whose scope included the loan portfolio.

Month	Year	Substandard	Doubtful	Loss	Total
_____	19__	\$_____	\$_____	\$_____	\$_____
_____	19__	\$_____	\$_____	\$_____	\$_____

11. a. What is the current amount of loans or other extensions of credit to directors, including their business interests, and officers of the Applicant? \$ _____
- b. Are any loans or other extensions of credit to directors, or their business interests, or officers of the Applicant over 90 days past due or classified by any regulatory agency? Yes No
If yes, please provide complete details as an attachment to this **Application**.

12. a. Has the board of directors established formalized written policies and procedures for environmental hazards that are reviewed periodically? Yes No
- b. Please provide a description of the Applicant's procedures for foreclosing on property with known or suspected environmental hazards.
- c. During the past three years, has any regulatory authority made criticisms or recommendations to the Applicant about, or commented upon, environmental hazards? Yes No
If yes, please explain as an attachment to this **Application**.
- d. Does the Applicant have an in-house environmental risk specialist or unit? Yes No

13. a. Is coverage requested for **Insured Persons** serving at the specific written request of the **Company** as directors or officers of not-for-profit **Outside Entity(ies)**? Yes No
- b. Is coverage requested for **Insured Persons** serving at the specific written request of the **Company** as directors or officers of for-profit **Outside Entity(ies)**? Yes No
If yes to 13.b., please provide a list of all such **Outside Entity(ies)**, with specific identification of publicly traded **Outside Entity(ies)**, as an attachment to this **Application**.

14. a. Please give details of the following insurance. If answer is "none," so state: _____

	Limit	Corporate Deductible	Present Carrier	Term	Premium
D&O Liability	_____	_____	_____	_____	_____
Fidelity Bond	_____	_____	_____	_____	_____

b. Is there any indication that the carriers for the above coverages will not offer renewal terms? Yes No

c. Have there been any blanket bond claims greater than \$100,000 in the past 3 years? Yes No

If the answer to 14.b. or 14.c., is yes, please provide details as an attachment to this **Application**.

15. Please submit the following documents with respect to the Applicant:

- a. Latest Notice of Annual Meeting of Shareholders, 10-K, Call Report(s) to the OCC, FDIC or OTS, and annual report, including audited financial statements with all notes and schedules.
- b. Latest 10-Q report filed subsequent to the latest annual report and any 8-K or 13d reports filed with the SEC within the last 12 months.
- c. Latest CPA letter to management on internal controls and any written response thereto.
- d. Indemnification provision in the certificate of incorporation or corporate by-laws.
- e. Schedule of all material litigation pending against the Applicant or **Insured Persons**.

16. a. Past Activities:

Has any person or entity proposed for this insurance been a party to any of the following:

(1) Any civil, criminal or administrative proceeding alleging or investigating a violation of any security law or regulation? Yes No

(2) Any representative actions, class actions or derivative suits? Yes No

If yes to any of these, attach a statement of full details.

b. No claims have been made against any person(s) proposed for this insurance in their capacity as a director or officer of the Applicant, except as follows. Include loss payment and defense costs. If answer is "none," so state. _____

c. No person or entity proposed for this insurance is cognizant of any fact, circumstance or situation which they have reason to suppose might afford valid grounds for any claim such as would fall within the scope of the proposed insurance, except as follows. If answer is "none," so state. _____

Without prejudice to any other rights and remedies of the Underwriter, any claim arising from any claims, facts, circumstances or situations required to be disclosed in response to questions 16.b. and 16.c., is excluded from the proposed insurance.

FOR THE PURPOSE OF THIS APPLICATION, THE UNDERSIGNED AUTHORIZED AGENT OF THE PERSON(S) AND ENTITY(IES) PROPOSED FOR THIS INSURANCE DECLARES THAT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF, AFTER REASONABLE INQUIRY, THE STATEMENTS ARE TRUE AND COMPLETE. THE UNDERWRITER IS AUTHORIZED TO MAKE ANY INQUIRY IN CONNECTION WITH THIS APPLICATION. ACCEPTING THIS APPLICATION DOES NOT BIND THE UNDERWRITER TO COMPLETE THE INSURANCE.

THE INFORMATION CONTAINED IN AND SUBMITTED WITH THIS APPLICATION IS ON FILE WITH THE UNDERWRITER AND ALONG WITH THE APPLICATION IS CONSIDERED PHYSICALLY ATTACHED. THE INFORMATION AND APPLICATION WILL BECOME A PART OF ANY POLICY ISSUED. IF A POLICY IS ISSUED, THE UNDERWRITER HAS RELIED UPON THIS APPLICATION AND ATTACHMENTS.

IF THE INFORMATION IN THIS APPLICATION MATERIALLY CHANGES PRIOR TO THE EFFECTIVE DATE OF THE POLICY, THE APPLICANT WILL NOTIFY THE UNDERWRITER, WHO MAY MODIFY OR WITHDRAW THE QUOTATION.

THE UNDERSIGNED DECLARES THAT THE INDIVIDUAL(S) AND ENTITY(IES) PROPOSED FOR THIS INSURANCE UNDERSTAND THAT:

- (A) THIS POLICY APPLIES ONLY TO "CLAIMS" FIRST MADE OR DEEMED MADE AGAINST THE "INSURED PERSONS" DURING THE "POLICY PERIOD";
- (B) "DEFENSE EXPENSES" REDUCE THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE RETENTION; AND
- (C) THE POLICY DOES NOT PROVIDE FOR ANY DUTY BY THE UNDERWRITER TO DEFEND THE "INSURED PERSONS".

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.

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 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 MINNESOTA 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 OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD, WHICH IS A CRIME.

NOTICE TO OKLAHOMA APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY.

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 FLORIDA 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 OF THE THIRD DEGREE.

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.

APPLICANT		
BY <i>(Chairman and/or President Signature)</i>	TITLE	DATE

NOTE: This Application must be signed by the Chairman and/or President of the Applicant acting as the authorized agent of the person(s) and entity(ies) proposed for this insurance.

PRODUCED BY <i>(Insurance Agent)</i>	INSURANCE AGENCY
INSURANCE AGENCY TAXPAYER I.D. OR SOCIAL SECURITY NO.	AGENT LICENSE NO.
ADDRESS <i>(No., Street, City, State, and Zip Code)</i>	

SUBMITTED BY <i>(Insurance Agency)</i>	INSURANCE AGENCY TAXPAYER I.D. OR SOCIAL SECURITY NO.	AGENT LICENSE NO.
ADDRESS <i>(No., Street, City, State, and Zip Code)</i>		