

AMERICAN ASSOCIATION OF ADVERTISING AGENCIES, INC. PURCHASING GROUP

Application for Insurance

Submission of a completed application incurs no obligation to purchase or bind insurance.

Note: All questions must be answered. All requested attachments must accompany application.

1. _____
 First Named Insured (including DBAs) **NOTE: First Named Insured is responsible for premium payment, cancellation and changes - refer to specimen policy.**

Street Address _____

City, State, Zip Code _____ Telephone Number _____

Web Site Address(es) _____

2. Are there other Named Insureds and/or subsidiaries, affiliates, branch offices or other related entity(ies) (including DBAs) for which services are rendered and coverage is desired?
 Yes No If yes, please attach a list of entities for which coverage is desired.
NOTE: Coverage is not afforded to any entity not scheduled in this section of the application and not specifically named as an Insured on the policy.

All remaining questions on this application apply to all of the persons and entities described in Questions 1 and 2 above, collectively referred to as "Applicant".

3. A. Date applicant was established: _____

B. Geographic area in which applicant operates:
 Local Regional (multi-state) National International

4. A. Is applicant wholly or partially owned by, affiliated with, or controlled by any other entity(ies) not previously listed in Question 1 or 2?
 Yes No

B. Does applicant wholly or partially own, operate, manage or control any other businesses or entity(ies) not previously listed in Question 1 or 2?
 Yes No

If 4.A. or 4.B. are answered yes, provide complete details: _____

5. Within the past five years, has applicant:

A. Changed name? Yes No

B. Changed ownership structure? Yes No

C. Purchased or acquired another entity? Yes No

D. Merged or consolidated operations with another entity? Yes No

If any of 5.A. - 5.D. are answered yes, please attach a summary of relevant transactions.

6. Is applicant a current member of the American Association of Advertising Agencies? Yes No
 If yes, date of membership: _____

7. List membership in other industry groups or associations: _____

8. A. List major clients and description of their business: _____

B. Do any of applicant's clients produce or manufacture: Tobacco Alcoholic beverages
 Firearms Pharmaceuticals

ADVERTISING PROCEDURES

9. A. Is a law firm consulted to review advertising material, copyright and other liability issues? Yes No
 Name, address and phone number of firm: _____

B. Has applicant been cited by any regulatory agency for violations arising out of advertising activities? Yes No

C. Is applicant a "full service" advertising agency? Yes No
 If no, state area of specialization: _____

- | | | |
|---|--------------------------|--------------------------|
| | Yes | No |
| D. Does applicant obtain written releases with respect to creative material or talent from the following: | | |
| Employees? | <input type="checkbox"/> | <input type="checkbox"/> |
| Models? | <input type="checkbox"/> | <input type="checkbox"/> |
| Free-lance photographers, writers, composers, artists, musicians? | <input type="checkbox"/> | <input type="checkbox"/> |
| Non-professional persons appearing in commercials or advertisements? | <input type="checkbox"/> | <input type="checkbox"/> |
| E. Does applicant desire coverage for infringement of trademark? | <input type="checkbox"/> | <input type="checkbox"/> |
| If yes, please advise the following: | | |
| 1) Does applicant develop product names? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2) Does applicant develop package design? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3) Does applicant develop display designs? | <input type="checkbox"/> | <input type="checkbox"/> |
| 4) Does applicant perform trademark searches? | <input type="checkbox"/> | <input type="checkbox"/> |
| If yes, describe procedures: _____ | | |
| 5) Number of trademarks developed per year: _____ | | |
| F. Does applicant's contract always provide for client approval? | <input type="checkbox"/> | <input type="checkbox"/> |
| Attach a specimen copy of client contracts. | | |
| G. Does applicant desire coverage for optional Errors and Omissions coverage? | <input type="checkbox"/> | <input type="checkbox"/> |
| If yes, please advise if applicant: | | |
| 1) Performs market research? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2) Engages in product testing? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3) Develops new products for clients? | <input type="checkbox"/> | <input type="checkbox"/> |
| 4) Provides printing services or assumes liability for printing? | <input type="checkbox"/> | <input type="checkbox"/> |
| 5) Develops promotions, sweepstakes, contests or games for clients? | <input type="checkbox"/> | <input type="checkbox"/> |
| If yes, provide complete details: _____ | | |
| H. Is applicant engaged in any business other than as an advertising agency or public relations firm? | <input type="checkbox"/> | <input type="checkbox"/> |
| If yes, please describe: _____ | | |

Include any other information relating to these activities on a separate sheet.

FINANCIAL INFORMATION

10. A. Estimated total gross annual operating sales or revenues from all companies wholly or partially owned by, affiliated with, associated with, or controlled by applicant, **including those entities or operations not to be covered by the proposed policy:**

| | <u>Past 12 Months</u> | <u>Current 12 Months</u> | <u>Estimate for Coming Year</u> |
|---|---------------------------|------------------------------|-------------------------------------|
| U.S. Operations (including territories) | | | |
| Gross revenues, sales, billings, fees or commissions (circle the applicable basis) | \$ _____ | \$ _____ | \$ _____ |
| Non-U.S. Operations | | | |
| Gross revenues, sales, billings, fees or commissions (circle the applicable basis) | \$ _____ | \$ _____ | \$ _____ |

- B. Estimated gross annual operating sales or revenues from all companies wholly or partially owned by, affiliated with, associated with, or controlled by applicant, **including all Advertising Agency entities or operations to be covered by the proposed policy:**

| | <u>Past 12 Months</u> | <u>Current 12 Months</u> | <u>Estimate for Coming Year</u> |
|---|---------------------------|------------------------------|-------------------------------------|
| U.S. Operations (including territories) | | | |
| Gross capitalized billings and/or fees | \$ _____ | \$ _____ | \$ _____ |
| Gross annual revenues | \$ _____ | \$ _____ | \$ _____ |
| Non-U.S. Operations | | | |
| Gross capitalized billings and/or fees | \$ _____ | \$ _____ | \$ _____ |
| Gross annual revenues | \$ _____ | \$ _____ | \$ _____ |

11. Provide the approximate percentage of gross revenue estimated for the coming year for the following activities:

| | | | |
|--|--------|---------------------------------|--------|
| Public relations consultant: | _____% | Mail order or catalog sales: | _____% |
| Printing: | _____% | Broadcasting: | _____% |
| Production of films, radio or television programs: | _____% | Package display/product design: | _____% |
| Photo service: | _____% | Music service: | _____% |
| Promotions/sweepstakes development: | _____% | Market research: | _____% |
| Web site design: | _____% | Media buying: | _____% |
| Web hosting: | _____% | TOTAL | 100% |

Please provide details: _____

12. Estimated assets of all of applicant's operations: \$ _____
 Attach a copy of the latest, complete audited financial statement, annual report and/or 10K, or complete operating budget if applicant is a non-profit organization.

13. Has any actual or threatened claim or suit been made against applicant, or any predecessor, subsidiary or affiliate thereof in the last five years for libel, slander or other forms of defamation; invasion or infringement of the right of privacy or publicity; infringement of title, slogan, trademark, trade name, trade dress, service mark or service name; infringement of copyright, plagiarism, piracy or misappropriation of ideas under implied contract; unfair competition or any other act, error or omission arising out of matter disseminated or exhibited in advertising of any kind or in advertising services (advertising services include those services rendered or which should have been rendered by applicant in the development, placement or exhibition of advertising or promotional material) or arising from Internet activities?

Yes No If yes, provide complete details. Include type of claim, gist of offending matter, name of claimant, amount of defense costs, judgment or settlement, status or final disposition of the claim.

14. During the past three years, has any similar insurance been issued to applicant?

Yes No If yes, complete the following:

| | | | | | |
|----------------|----------------------|---------------|-------------------|-----------------------|----------------|
| <u>Company</u> | <u>Policy Number</u> | <u>Limits</u> | <u>Deductible</u> | <u>Coverage Dates</u> | <u>Premium</u> |
|----------------|----------------------|---------------|-------------------|-----------------------|----------------|

15. Has any insurer declined, cancelled, or refused to renew any similar insurance issued to applicant? (Not applicable in Missouri)

Yes No If yes, give details. Add attachment if needed.

16. Policy limit: \$ _____ 17. Self-insured retention: \$ _____
 Note: All policies include a self-insured retention applying to the cost of defense, judgments and settlements, or any combination thereof.

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 IN NEW YORK 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.

It is understood that this application is for insurance under the American Association of Advertising Agencies Group Purchase Plan. The information on this application is accurate and complete to the best of applicant's knowledge and belief and will be the basis upon which the insurance is issued.

Name _____
 (please type or print)

Name _____
 (signature of authorized representative)

Title _____

Date _____

To complete this application, please submit:

- Copies of standard contracts with advertisers, clients, etc.
- Current audited financial statement, annual report and/or 10K, or complete operating budget if applicant is a non-profit organization
- Advertising materials about applicant's operations
- Experience resumé of key personnel if in business less than three years
- Description of procedure for processing unsolicited ideas, photographs, manuscripts, etc.
- Completed, signed and dated Media/Cyber Liability Supplement required if Internet presence

Media/Professional Insurance
 A division of Financial & Professional Risk Solutions, Inc.
 Two Pershing Square, Suite 800 2300 Main Street
 Kansas City, Missouri 64108-2404
 (816) 471-6118 Facsimile (816) 471-6119
www.mediaprof.com
We Insure Free Speech Worldwide®

Agent or Broker: John Buttine Inc.
 Address, Zip Code: 125 Park Avenue, 3rd Floor
 New York, NY 10017
 Telephone Number: 212-697-1010
 Facsimile: 212-986-2822