



AMBASSADOR INVESTMENT CAPTIVE CORPORATION

391 N.W. 179th Avenue, Beaverton, Oregon, 97 006, United States of America

APPLICATION INSURANCE COMPANY PROFESSIONAL LIABILITY POLICY

UNDERWRITTEN IN FEDERAL INSURANCE COMPANY OR VIGILANT INSURANCE COMPANY

INSURANCE COMPANY PROFESSIONAL LIABILITY 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)

c. Name and Title of Authorized Representative:

d. Date Applicant Established:

e. Name of Agent:

2. Please complete the Schedule of Subsidiaries under Section G

3. Nature of primary operations:

Property/Casualty

Life/Health

Reinsurance

Other:

4. Type of ownership

Stock

Reciprocal

(Check all that apply)

Mutual

Captive

Risk Retention

Fraternal

Other

5.

a. Effective Date of Requested Coverages:

b. Limits Requested:

Insuring Clause 1: Insurance Services \$

If coverage is desired, please answer question B.1.

Insuring Clause 2: Financial Services \$

If coverage is desired, please answer question B.2.

c. Deductible Amount Requested: \$

6. Provide the following information regarding the Applicant's current insurance program:

	Limit	Deductible	Premium	Carrier	Term
Errors & Omissions					
Directors & Officers Liab.					
Blanket Bond					
General Liability					



7.

a. AM Best Rating:

Date:

b. Claims paying ability rating:

Rating Agency:

Date :

8. Provide the following information:

	Total Assets	Written Premium	Surplus	Operating Income
Year to Date:				
Prior Year End:				

B. SERVICES

1. Is the Applicant or any of its Subsidiaries currently offering or planning to offer any of the following Insurance Services?

- | | <u>For Policy Holders</u> | <u>For Other Than Policy Holders</u> |
|--|--|--|
| a) Actuarial consulting? | <input type="checkbox"/> YES <input type="checkbox"/> NO | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| b) Claims handling and adjusting? | <input type="checkbox"/> YES <input type="checkbox"/> NO | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| c) Insurance pool management? | <input type="checkbox"/> YES <input type="checkbox"/> NO | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| d) Insurance risk management? | <input type="checkbox"/> YES <input type="checkbox"/> NO | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| e) Personal injury rehabilitation? | <input type="checkbox"/> YES <input type="checkbox"/> NO | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| f) Premium financing? | <input type="checkbox"/> YES <input type="checkbox"/> NO | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| g) Recovery subrogation? | <input type="checkbox"/> YES <input type="checkbox"/> NO | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| h) Safety engineering, inspection or loss control? | <input type="checkbox"/> YES <input type="checkbox"/> NO | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| i) Salvage? | <input type="checkbox"/> YES <input type="checkbox"/> NO | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| j) Other Insurance Service? | <input type="checkbox"/> YES <input type="checkbox"/> NO | <input type="checkbox"/> YES <input type="checkbox"/> NO |

2) Is the Applicant or any of its Subsidiaries currently offering or planning to offer any of the following Financial Services?

- | | |
|---|--|
| a) Data Processing Services? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| If yes , complete Supplemental Application A | |
| b) Insurance Agency? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| If yes , complete Supplemental Application B | |
| c) Investment Advisor/Counselor/Manager? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| If yes , complete Supplemental Application C | |
| d) Lending or Leasing Services? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| If yes , complete Supplemental Application D | |
| e) Pension Fund Management? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| If yes , complete Supplemental Application E | |
| f) Proprietary Mutual Funds? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| If yes , complete Supplemental Application F | |
| g) Real Estate Agency? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| If yes , complete Supplemental Application G | |
| h) Securities Broker/Dealer? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| If yes , complete Supplemental Application H | |
| i) Other Financial Service? (please specify) | <input type="checkbox"/> YES <input type="checkbox"/> NO |



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- 3) Has the Applicant or any Subsidiary entered into any new classes of business in the past 3 years? YES NO
If yes, please provide, on a separate sheet, full details
- 4) Does the Applicant or any Subsidiary currently manage any pools? YES NO
If yes, please provide, on a separate sheet, full details
- 5) Safety Inspections, Loss Control, and Safety Engineering Services :
- a) Number of safety engineering and loss control inspection employees:
 - b) Annual number of safety engineering and loss control inspections:
 - c) Does the Applicant hire outside safety engineering or loss control services? YES NO
If yes, what percentage is handled by outside services?
-

C. AUDITING PRACTICES

- 1.
- a. Provide the dates of the last 3 regulatory examinations along with the name of the examining agency:
Date: Agency:
Date: Agency:
Date: Agency:
 - b. Have all recommendations or criticisms of the last examination been complied with as respects the Applicant and Subsidiaries? YES NO
Please attach a copy of recommendations and management's response.
2. Has the Applicant or any of its Subsidiaries, during the past 3 years, received an order to "Cease and Desist" from any regulatory agency or entered into any type of written agreement with any regulatory agency concerning the operations of the Applicant or any of its Subsidiaries? YES NO
If yes, please provide, on a separate sheet, full details.
3. Does the Applicant have an Internal Audit Department? YES NO
If yes, how many full-time employees are in the Internal Audit Department?
4. Does the Applicant have a Compliance Department? YES NO
If yes, how many full-time employees are in the Compliance Audit Department?
5. How often does the Board of Directors review the following?
- a) Claim Activity:
 - b) Financial Statements of the Applicant:
 - c) Insurance Coverages:
 - d) Investment Activities :
 - e) Threatened or Actual Litigation:
-

D. CLAIMS

1. Approximate total number of claims handled annually:
2. Number of field claims offices:
- 3.
- a) Number of inside claims adjusters
 - b) Number of outside claims adjusters:
 - c) Number of claims medical staff:



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d) Number of claims attorneys:

4. Does the Applicant or any Subsidiary contract outside adjustment services? YES NO

If yes, what percentage of claims are handled by outside adjustment services?

5. Does the Applicant grant authority to independent agents to negotiate and settle claims? YES NO

If yes, how many agencies and what is the maximum authority?

Number of Agencies:

Maximum Authority:

6.

a) Are there established procedures for handling claims or suits against the Applicant for errors and omissions, extra contractual liability, and punitive damages? YES NO

If yes, please attach separate sheet describing procedures.

b) Have there been any changes in these procedures in the past year? YES NO

c) How often are these procedures reviewed and analyzed?

d) Who is the senior person responsible for monitoring and assessing all such suits and claims?

Name of Officer:

Title:

E. PAST ACTIVITIES

1. Have there been during the past 5 years, or are there now pending, any suits, claims or proceedings against the Applicant or any of its Subsidiaries, or any of their past or present directors, officers, employees, or any predecessors in business that would be related to the proposed insurance? YES NO

2. Has anyone in your organization ever promoted or permitted the sales practice of representing that any life insurance product sold would have a "vanishing premium" benefit, with the affect that such policy would pay for itself after a set number of years? YES NO

3. Is anyone in your organization aware that such sales practices, as described in question 2. above, were ever utilized by either your in-house sales force or any independent agents selling life insurance products underwritten by your organization? YES NO

Pertaining to Questions 1, 2, and 3, it is agreed that any claim arising from such suits, claims or proceedings is excluded from the proposed coverage.

4. Is the undersigned or any director or officer proposed for this insurance aware of any fact, circumstance, situation or wrongful act involving the Applicant or any of its Subsidiaries, or the directors or officers of the Applicant or any of its Subsidiaries which he has reason to believe might result in any future claim which would fall within the scope of the proposed insurance? YES NO

If yes, please provide details on a separate sheet.

Pertaining to Question 4, it is agreed that if the undersigned or any director or officer proposed for this insurance is aware of any such fact, circumstance, situation or wrongful act, any claim subsequently arising therefrom shall be excluded from coverage under the proposed insurance.

F. OTHER INFORMATION

One copy of the following documents is to be attached and made a part of this Application:

- a) Latest two Annual Reports to Stockholders or Policyholders.
- b) Latest Convention Statement
- c) Latest two CPA Management Letters and Responses.
- d) Organizational Chart including all Subsidiaries.



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The undersigned persons declare that to the best of their knowledge the statements set forth herein in all sections of this APPLICATION and in any attachments to this APPLICATION are true and correct, and that reasonable effort have been made to obtain sufficient information from each and every Director or Officer proposed for this insurance to facilitate the proper and accurate completion of this APPLICATION. The undersigned further agree 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 in writing 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, be the basis of the Policy, and will be considered as incorporated in and constituting 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 omission of which the signers of this APPLICATION are aware any misstatement or omission 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 afford grounds for a future claim against him shall not be imputed, for purposes of any recession 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, may be guilty of insurance fraud.

Signature of Chief Executive Officer or Chairman, Board of Directors Date

Signature of General Counsel Date

A Policy cannot be issued unless the APPLICATION is properly signed and dated by the Chief Executive Officer or Chairman, Board of Directors; and General Counsel.

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



**SUPPLEMENTAL APPLICATION PART A
 INSURANCE COMPANY PROFESSIONAL LIABILITY POLICY**

A. DATA PROCESSING SERVICES

1. Name of Applicant:
2. Year service established or purchased:
3. Indicate the types of business services provided, and the annual income from each type:

<u>Type</u>		<u>Annual Fees</u>
a) Accounting	<input type="checkbox"/> YES <input type="checkbox"/> NO	
b) Payroll	<input type="checkbox"/> YES <input type="checkbox"/> NO	
c) Accounts Pay/Rec.	<input type="checkbox"/> YES <input type="checkbox"/> NO	
d) Cost/Gen. Acct.	<input type="checkbox"/> YES <input type="checkbox"/> NO	
e) Management Reporting	<input type="checkbox"/> YES <input type="checkbox"/> NO	
f) Other (Please provide, on a separate sheet, full details)		

TOTAL FEES

4. Indicate the types of data services provided and percentage of data processing revenue derived from each:

<u>Type</u>		<u>% of Processing Revenue</u>
a) Check Processing	<input type="checkbox"/> YES <input type="checkbox"/> NO	
b) Data Storage	<input type="checkbox"/> YES <input type="checkbox"/> NO	
c) Data Entry	<input type="checkbox"/> YES <input type="checkbox"/> NO	
d) Data Collection	<input type="checkbox"/> YES <input type="checkbox"/> NO	
e) Data Processing	<input type="checkbox"/> YES <input type="checkbox"/> NO	
f) Other (Please provide, on a separate sheet, full details)		

5. Does the Applicant have a comprehensive disaster recovery plan? YES NO

If yes, indicate the name of the offsite center:

If no, please provide, on a separate sheet, full details describe the procedures in place for disaster recovery.

6. Does the Applicant have a specialized EDP audit staff? YES NO

If yes, are they required to obtain the Certified Information

Systems Auditor designation? YES NO

7. Do clients have contractual responsibility for determining the accuracy of results? YES NO

8. Is this service rendered under a contract? YES NO

If yes:

- a. Are all contracts approved by counsel? YES NO
- b. Do all contracts provide indemnity and/or limitations to the Applicant's liability? YES NO
- c. Please provide a copy of a standard contract. YES NO

If no, please provide, on a separate sheet, full details describing how the Applicant protects itself from liability.

Signature _____

Title

Date



**SUPPLEMENTAL APPLICATION PART B
 INSURANCE COMPANY PROFESSIONAL LIABILITY POLICY**

B. INSURANCE AGENCY

1. Name of Applicant:
2. Year service established or purchased:
3. List the types of insurance which the Applicant currently offers and the volume of each line during the last 12 months.

<u>Type</u>	<u>12 Month Volume</u>	<u>Income</u>
Credit Life	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Marine	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Aviation	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Other Life	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Property and Casualty	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Health and Disability	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Other	<input type="checkbox"/> YES <input type="checkbox"/> NO	

4. Does the Applicant solicit business only from Applicant customers? YES NO

If no, please describe, on a separate sheet, the Applicant's marketing strategies, e.g., direct mail, advertising, etc.

5. How many officers or employees are licensed to sell insurance?
6. How many locations sell insurance?

7. Is any underwriting authority maintained within these operations? YES NO

If yes, please describe, on a separate sheet, the product line and authority.

8. Please provide, on a separate sheet, insurance companies and their Best's Ratings which the Applicant transacts business with as brokers/agents.

Signature _____

Title

Date



SUPPLEMENTAL APPLICATION PART C
INSURANCE COMPANY PROFESSIONAL LIABILITY POLICY

C. INVESTMENT ADVISOR/COUNSEL/MANAGER

- 1. Name of Applicant:
2. Year service established or purchased:
3. Indicate the number of customers or accounts for which investment advice is provided by the Applicant:
a. What is the total value of assets for which investment advice is provided?
b. What is the value of the largest account?
c. What are the total fees earned by this service?
4. Are services provided for:
a. Individuals? [] Yes [] No
b. Corporation? [] Yes [] No
c. Charitable Institutions? [] Yes [] No
d. Other? [] Yes [] No
5. Do customers complete a questionnaire or other written document which clearly identifies and states the customer's investment objectives? [] YES [] NO
6. Does the Applicant recommend investment areas other than commonly traded securities? [] YES [] NO
If yes, please provide, on a separate sheet, full details describing the specialty area, state its percentage of total investment assets, objectives of investment, and geographic locations, if applicable.
7. Is this service rendered under a contract? [] YES [] NO
If yes:
a. Are all contracts approved by counsel? [] YES [] NO
b. Do all contracts provide indemnity and/or limitations to the Applicant's liability? [] YES [] NO
c. Please provide a copy of a standard contract. [] YES [] NO
If no, please provide, on a separate sheet, full details describing how the Applicant establishes customer expectations for service.
8. Please provide, on a separate sheet, full details describing professional qualifications of individuals involved in providing this service or Form ADV, if applicable.
9. Who is the Compliance Officer charged with monitoring your investment management function?

Signature _____

Title

Date



**SUPPLEMENTAL APPLICATION PART D
INSURANCE COMPANY PROFESSIONAL LIABILITY POLICY**

D. LENDING OR LEASING SERVICES

1. Name of Applicant:
2. Year service established or purchased:
3. Please attach a copy of the most recent itemized summary describing the type and volume of loans and leases as presented to your Board of Directors.
4. Is there a formal lending policy (adopted by the Board of Directors) addressing all types of loans and leases in which you participate? YES NO
If no, please describe full details on a separate sheet.
5. Does your formal lending policy describe minimum documentation standards for each type of loan or lease in which you participate? YES NO
If no, please describe, on a separate sheet, full details.
6. Who is charged with the responsibility of monitoring your lending function?
7. Is there a loan committee? YES NO
If no, please describe, on a separate sheet, the loan review process.
8. Is there an independent credit review function? YES NO
9. Is there an independent function to resolve problem loans? YES NO
10. Is a loan customer required to complete a loan application? YES NO
If no, under what circumstances is a loan application not required?
11. Are all loan declinations notified in writing to the loan or lease customer as to reason(s) for the declination? YES NO
If no, please describe exceptions:
12. Are formal commitment letters provided to all approved loans, leases and/or approved lines of credit? YES NO
If no, please describe exceptions:
13. Have all Internal Audit and Compliance exceptions within the lending and leasing functions been corrected? YES NO
If no, please provide, on a separate sheet, full details.
14. Does the Applicant ever become involved in the management of a business of any customer either directly or indirectly? YES NO
If yes, please provide, on a separate sheet, full details.
15. Have all regulatory criticisms been addressed and corrected to the satisfaction of your regulator(s)? YES NO
If no, please provide, on a separate sheet, full details.

Signature _____

Title

Date



SUPPLEMENTAL APPLICATION PART E
INSURANCE COMPANY PROFESSIONAL LIABILITY POLICY

E. PENSION FUND MANAGEMENT

- 1. Name of Applicant:
2. Year service established or purchased:
3. For each type of the following services offered by the Applicant, please indicate the number of accounts, total assets, and size of largest account:

Table with 4 columns: Type, No. of Accounts, Total Assets, Size of Largest Account. Rows include Pension Accounts, 401K Plans, Thrift Plans, ESOP, and TOTALS.

- 4. What functions does the Applicant perform for these accounts?

Table with 2 columns: Function, Assets in Category. Rows include Trustee, Plan Administrator, Custodian, Record Keeper, Investment Advisor, Transfer Agent, and Other (please describe).

- 5. What policies and procedures are followed for monitoring the performance of outside companies/professionals who are involved with the account(s)?

- 6. Does the Applicant manage a special group of pooled funds for ERISA accounts? [] YES [] NO

If yes, submit the last two annual reports for these funds.

- 7. Are any assets which the Applicant holds as an ERISA fiduciary invested outside the United States? [] YES [] NO

If yes, please indicate Applicant's role.

Assets in Category

- Custodian
Investment Manager

- 8. Are any of the accounts invested in mutual funds managed by other organizations? [] YES [] NO

If yes, please indicate the funds, investment manager, and asset size.

Table with 3 columns: Fund Name, Manager, Assets Invested

- 9. Are ERISA accounts managed by a special unit? [] YES [] NO

If yes, please indicate average years of experience of officers.

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10. Is this service rendered under a contract?

YES NO

If yes:

a. Are all contracts approved by counsel?

YES NO

b. Do all contracts provide indemnity and/or limitations to the Applicant's liability?

YES NO

c. Please provide a copy of a standard contract.

If no, please describe, on a separate sheet, how the Applicant protects itself from liabilities.

Signature _____

Title

Date



**SUPPLEMENTAL APPLICATION PART F
INSURANCE COMPANY PROFESSIONAL LIABILITY POLICY**

F. PROPRIETARY MUTAL FUNDS

1. Name of Applicant:
2. Year service established or purchased:
3. Please indicate the number of investment companies as defined by the Investment Company Act of 1940 for which services are provided.
 - a. What is the total market value of the assets of these funds?
 - b. What is the value of the assets in the largest fund?
 - c. Please provide a current prospectus for each fund.
4. Which of the following services does the Applicant provide?

Accounting	<input type="checkbox"/> Yes <input type="checkbox"/> No
Distribution	<input type="checkbox"/> Yes <input type="checkbox"/> No
Investment Advice	<input type="checkbox"/> Yes <input type="checkbox"/> No
Transfer Agency	<input type="checkbox"/> Yes <input type="checkbox"/> No
Valuation	<input type="checkbox"/> Yes <input type="checkbox"/> No
Other	
5. Does the Applicant staff a separate servicing unit for Mutual Funds? YES NO
 If no, please provide a listing of outside service providers:
6. Describe, on a separate sheet, any auditing procedures associated with these services.
7. Is this service rendered under a contract? YES NO
 If yes:
 - a. Are all contracts approved by counsel? YES NO
 - b. Do all contracts provide indemnity and/or limitations to the Applicant's liability? YES NO
 - c. Please provide a copy of a standard contract. YES NO
 If no, please describe, on a separate sheet, how the Applicant protects itself from liabilities.

Signature _____

Title

Date



**SUPPLEMENTAL APPLICATION PART G
 INSURANCE COMPANY PROFESSIONAL LIABILITY POLICY**

G. REAL ESTATE AGENCY

1. Name of Applicant:
2. Year service established or purchased:
3. **Real Estate Broker or Agent:**

a. Does the Applicant perform real estate broker or agent functions? YES NO

If yes, provide the following for the past year.

	<u>Number of Properties Sold</u>	<u>Total Value</u>	<u>Total Commissions</u>
Commercial			
Residential			
Other			
TOTALS			

b. Number of employees who are licensed as real estate broker or agent?

4. **Real Estate Appraiser:**

a. Does the Applicant perform real estate appraiser functions? YES NO

If yes, provide the following for the past year.

	<u>Number of Appraisals</u>	<u>Fee Income</u>
Commercial		
Residential		
Other		
TOTALS		

b. Number of employees acting as real estate appraisers?

c. Are all real estate appraisers required to obtain professional certification and belong to professional associations for appraisers? YES NO

If yes, indicate the certifications and professional associations.

5. **Real Estate Manager:**

Does the Applicant perform real estate management functions? YES NO

If yes, provide the following:

	<u># of Properties Managed</u>	<u>Estimated Total Value</u>	<u>Management Fees</u>
Commercial			
Residential			
Other			
TOTALS			

6. Do sales contracts and/or property management contracts provide indemnity and/or limitations as to the Applicant's liability? YES NO

If no, please explain policies and procedures.

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7. Does the Applicant require a hazardous waste survey before accepting appointment as manager of properties? YES NO
If no, please explain policies and procedures.
8. Are there specific guidelines regarding the maintenance of insurance on managed properties? YES NO

Signature _____

Title

Date



**SUPPLEMENTAL APPLICATION PART H
INSURANCE COMPANY PROFESSIONAL LIABILITY POLICY**

H. SECURITIES BROKER/DEALER

1. Name of Applicant:
2. Year service established or purchased:
3. Number of Registered Representatives:
4. Name and title of person who has functional responsibility for monitoring compliance of Registered Representatives:

5. Total annual revenue from brokerage commissions:
6. Average daily trading volume:
7. State percentage of volume of margin account transactions?
8. What percent of accounts are:

Individual	Corporate	Institutional	Other
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9.
 - a. Name and title of person who has functional responsibility for receiving and resolving customer complaints:

 - b. Give number of complaints received in the past three years:
 - c. How many were unresolved after 60 days?

10. State percent of revenues which are derived from the following:

- a. Listed Stocks
- b. Unlisted Stock
- c. Bonds
- d. Unregistered Stocks and Bonds
- e. Commercial Paper
- f. Options Contracts
- g. Commodity Futures
- h. International Securities (non-domestic stock exchange)
- i. Mutual Funds
- j. Limited Partnerships
- k. Direct Private Placements
- l. Market Making/Specialist
- m. Underwriting
- n. Other (please specify)

11. a. Does the Brokerage Operation clear its own trades: YES NO
If no, indicate the name of the broker or clearing agent used:

b. Is the broker or clearing agent selection reviewed annually? YES NO

c. Is there a hold harmless clause in the contract with the broker or clearing agent to protect the Applicant for improperly executed trades? YES NO

12. a. Do clients sign a written brokerage contract with the applicant's brokerage operation? YES NO

b. Does the contract contain an arbitration agreement? YES NO

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- c. If the operation is a discount brokerage, does the contract or other literature given to customers clearly define the firm's responsibility and specifically indicate that no investment advice is to be given? YES NO
- d. Please provide a copy of a standard contract.
- 13.
- a. Does the Applicant have an economic forecasting operation? YES NO
- If yes**, please provide, on a separate sheet, full details describing the types of financial and economic advisory projects performed for customers.
- b. What was the total fee income generated from these forecasting activities during the past year?

Signature _____

Title

Date