

Dear Club Owner:

Thank you for your recent call to our office regarding our nationwide program provided to night clubs, exotic clubs, sports bars and taverns.

Our agency has specialized in entertainment insurance since 1988 and has recently celebrated our 40th year of providing specialty programs to industry groups nationwide.

In order to allow us to proceed with a no obligation proposal on your behalf kindly complete the enclosed supplement and return with 3 years of currently valued loss runs, which can be obtained from your current agent. For those of you in business less than 3 years please include the loss information for the time you have been in business.

If you are a new venture please include a short resume on your experience in this type of business.

Our program goes far beyond providing the most comprehensive coverage and competitive premiums. It is specifically designed for your industry and includes most importantly assault and battery not typically provided with no deductible. Property and umbrella liability are available as well.

Risk management services are also provided with the emphasis on how to avoid claims and we will even have our inspector provide alcohol awareness training to your servers at no charge!

Once our proposal is issued we offer payment terms of only 20% down with 9 remaining monthly installments.

Thank you once again for your inquiry and we look forward to your joining our nationwide group!

Best regards,

Sandy Baldinger, CEO

- (b) Service bar only? Yes No
- (c) Beer and wine only? Yes No
- (d) Drive-through facility? Yes No
- (e) If applicant is a private club, will premises be used for wedding receptions, parties, bingo, fish fries, etc.? Yes No

If yes, describe: _____

10. Is applicant active in the day-to-day operation of the establishment? Yes No
 If no, provide the following:

- (a) Name of manager: _____
- (b) Number of years employed by you: _____
- (c) Number of years of management experience: _____

11. Check all that apply:

Amusement Devices:

- Pool Tables # _____
- Video Games # _____
- Dart Boards # _____
- Gyroscopes _____
- Bungee Jumping _____
- Other, Describe: _____

- Mechanical Bulls/Devices # _____
- Rock Climbing _____
- Velcro Walls _____
- Boxing/Wrestling _____

Entertainment:

- Live Entertainment/Entertainers - Describe: _____ Number of days per week: _____
- Customer Contests - Describe: _____ Number of days per week: _____
- Dance Floor _____
- Juke Box _____
- Other, Describe: _____

Promotions:

- "Happy Hours"/Reduced-Price Drink Events
 - Pay-Per-View Events
 - Televised Sports Events
 - Pre-Paid Drink Events
 - Flat-Fee "Open Bar" Events
 - Waitstaff with Shots
 - Beer Tubs
 - Funnel Drinking
 - Other, Describe: _____
- Number of days per week: _____
 Number of days per week: _____
 Number of days per week: _____
 Number of days per week: _____
 Number of days per week: _____
 Number of days per week: _____
 Number of days per week: _____

12. Does applicant host or sponsor special events? Yes No

- If yes:
- (a) What type: _____
- (b) Official name of event: _____
- (c) Number of people expected to attend: _____
- (d) Dates: From: _____ To: _____
 Hours: From: _____ To: _____
- (e) Event entertainment: _____
- (f) If annual policy, total number of events per year: _____

13. (a) Number of alcohol servers employed: _____
 (b) Number of servers currently employed who have completed T.I.P.S. or T.A.M.S. or equivalent course within the last three (3) years: _____

14. Describe precautions taken to prevent serving minors and intoxicated patrons:

15. Describe how you and your employees handle patrons who become intoxicated:

16. Does applicant employ "bouncers" or other security personnel? Yes No

If yes: (a) Do they carry weapons? Yes No

(b) How much are they allowed to drink on each shift? _____

(c) Are they employees or independent contractors?

(d) If independent contractors:

[1] Do you obtain a certificate of insurance? Yes No

[2] Name of security firm: _____

17. Does applicant utilize surveillance cameras? Yes No

18. Estimate the average age of patrons: 20's 30's 40's 50+

19. Is there a college / university within a one-mile radius? Yes No

If yes, name: _____

20. Is there a pier (dock) within a one-mile radius? Yes No

21. How many times have law enforcement officials been called to applicant's establishment in the past twelve months? _____

22. List all claims and suits brought against applicant during the past five years:

Date of Loss	Description	Amount Paid	Amount Reserved	Status: "o" = open "c" = closed

(Attach a separate sheet if more space is needed)

23. Is applicant aware of any incident or circumstance which might lead to a claim or suit?

If yes, describe: _____

24. Has applicant been fined by or had any citations from the Liquor Control Commission in the past five (5) years? Yes No If yes, describe: _____

25. Has applicant ever had liquor liability insurance canceled, declined, or non-renewed? Yes No

If yes, describe: _____

26. Has applicant or any employee ever been convicted of a felony? Yes No

If yes, describe: _____

27. Prior liquor liability carrier:

(a) Prior policy period: From: _____ To: _____

(b) Prior policy limits: \$ _____ Deductible \$ _____

(c) Prior premium \$ _____

Current general liability carrier:

(a) Current policy period: From: _____ To: _____
(b) Current policy limits: \$ _____ Deductible \$ _____
(c) Current premium \$ _____

28. Annual Receipts

Sales Tax Returns Will Be Requested at Inspection

<i>Period</i>	<i>Food</i>	<i>Bar</i>	<i>Package</i>
Expiring 12 months:			
Estimated for next 12 Months:			

29. Accounting Firm: _____
Contact Name: _____
Address: _____
Telephone: _____

In submitting this Application, the undersigned certifies and agrees that:

- a) The representations in this Application and all attachments are true and complete as of the date submitted;
- b) Founders Insurance Company may, and is intended to, rely upon those representations in determining whether to issue insurance coverage and, if so, at what premium and upon what terms;
- c) Upon any change in circumstances which bear upon the accuracy or completeness of the undersigned's representations herein, he/she shall notify Founders Insurance Company immediately in writing and such notice shall become a part of this Application;
- d) Founders Insurance Company may change the quoted premium and/or the terms of any coverage if, subsequent to the submission of this Application, it becomes aware of any such circumstances, whether by notice from the undersigned or otherwise;
- e) The undersigned authorizes all former liability insurers and all accounting firms to disclose to Founders Insurance Company and/or its agents all available information concerning the undersigned's prior underwriting or claims history and liquor purchases and receipts, and releases all such former liability insurers and accounting firms, Founders Insurance Company and its agents from any liability resulting from such disclosure and use, even if such information is incomplete or erroneous;
- f) Upon submission of this Application and at any time thereafter, the undersigned shall make available to Founders Insurance Company and its agents access to the premises and operations to be insured for an inspection and copies of the last four (4) calendar quarters of sales tax returns;
- g) The submission of this Application shall not bind Founders Insurance Company or its agents to the issuance of insurance coverage, nor shall it bind the undersigned to accept insurance coverage; and
- h) Should Founders Insurance Company issue insurance coverage which is accepted by the undersigned:
 - 1) the undersigned shall allow Founders Insurance Company to audit its books, records, and operations, including an audit of the estimated liquor receipts to ensure their accuracy and/or the actual liquor receipts for any relevant time period;
 - 2) the undersigned shall maintain accurate books and records of its liquor receipts for three (3) years following policy expiration and shall send to Founders Insurance Company copies of any documents requested;
 - 3) the premium payable for the insurance coverage is a deposit premium only and may be adjusted by Founders Insurance Company at any time during the policy period and up to three years after its expiration based upon the rates in effect at policy inception; and
 - 4) The undersigned shall pay any additional premium due to Founders Insurance Company within fifteen (15) days of receipt of an invoice.

Agent Signature: _____ Insured X: _____
Dated: _____ Title: _____
Dated: _____
Phone (Bus): _____
Phone (Home): _____

Any person who, with intent to defraud or knowing that he or she is facilitating fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.