DIRECTORS OFFICERS LIABILITY

APPLICATION

RELM

APPLICATION

Whenever used in this application, the term "you/your" shall mean all companies (including all subsidiaries), insured persons and additional insureds seeking insurance coverage under this application. The terms “us/our” shall mean Relm Insurance Ltd, including any affiliates and subsidiaries.

The application responses will be used to make an underwriting and pricing evaluation. All answers hereunder are considered legally material to the evaluation.

Once you have completed this application, please sign and date it electronically or manually.

The application must be signed and dated by a c-suite level executive, including: Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Chief Administrative Officer, Chief Information Officer, Chief Compliance Officer, Chief Analytics Officer, Chief Marketing Officer, Chief Data Officer, Chief Risk Officer, Chief Technology Officer, Chief Security Officer, Chief Product Officer, Chief Green Officer, Chief Legal Officer or in-house General Counsel, and Chief Human Resource Officer or their functional equivalents.

SECTION 1 – GENERAL INFORMATION

1.1 **Company Name** (Applicant)	
1.2 **Address** (Street, City, Postcode, Country)	
1.3 **Website URL**(s)	
1.4 **Ownership Structure** (Public, Private, Non-Profit)	
1.5 **Date Established**	
1.6 **Employee Count**	
1.7 **Industry / SIC Code**	
1.8 **Description of Business Activities**	

1.9 Do you currently file, or do you anticipate filing in the next six (6) months, any documents with the Securities and Exchange Commission, or similar foreign authority regarding any equity or debt securities? ☐ Yes ☐ No

1.10. List and describe all entities in which your ownership interest is 50% or greater or over which you have management control:

Name	% Owned	Year Started	Description of Operations	Entity Type (Non-profit, LLC, etc)

ORGANIZATIONAL INFORMATION

In the next 12 months (or during the past 24 months) are you contemplating (or have you completed or been in the process of completing) the following:

1.11 Any actual or proposed merger, acquisition, or divestiture? ☐ Yes ☐ No

1.12 Any creation of a new business, subsidiary or division? ☐ Yes ☐ No

1.13 Any registration for a public offering or a private placement of securities, including an initial coin offering or security token offering? ☐ Yes ☐ No

1.14 Any reorganization or arrangement with creditors under federal or state law? ☐ Yes ☐ No

1.15 Any token-based fundraising through a third party? ☐ Yes ☐ No

1.16 If any of the questions above were answered **Yes**, please attach an explanation, including the timing, the essential terms of the event, arrangement, and the surrounding circumstances.

SHAREHOLDER INFORMATION

Please complete the table below:

Total Shares	Common	Preferred	Other
Authorized			
Outstanding			
Voting Shares Outstanding			
Voting Shares Owned by Directors and Officers (Direct and Beneficial)			
Number of Voting Shareholders			

If there are a number of classes of stock, please attach a list. The list should include: Number of Shareholders and Number of Shares Held in Each Stock Class.

1.17 Does the Charter or By-laws of the Organization provide indemnification to its Directors and Officers to the fullest extent permitted by law? ☐ Yes ☐ No

1.18 Are there are any securities that are convertible to voting stock? ☐ Yes ☐ No

If **yes**, please provide an explanation:

1.19 List all shareholders that own greater than 5% of any class of security:

Shareholder	Class of Security	% Owned	Director or Officer?
			☐ Yes ☐ No
			☐ Yes ☐ No
			☐ Yes ☐ No
			☐ Yes ☐ No
			☐ Yes ☐ No

If there are more Shareholders, please attach a list. The list should include: Shareholder Name, Class of Security (including voting and non-voting shares separately, % Owned and indicate if they are a Director or Officer.

1.20 Is there any shareholder or trust that qualified as an Employee Stock Ownership Plan under ERISA or holds securities for the benefit of employees? ☐ Yes ☐ No

If **yes**, please provide the most recent stock valuation report.

1.21 Have there been any changes in your Board of Directors or Senior Management within the past 3 years for reasons other than death or retirement? ☐ Yes ☐ No

If **yes**, please provide an explanation:

BUSINESS OPERATIONS

1.22 State your financial information below:

Currency Code		Last Fiscal Year (Actual)	Current Fiscal Year (Projected)	Next Fiscal Year (Projected)
Financials	Current Assets			
	Total Assets			
	Current Liabilities			
	Total Liabilities			
	Revenue			
	Net Income (Net Loss)			
	Net Cash Generated from Operating Activities			
	Total Assets Under Custody (AUM)			
	Total Capital Raised			

1.23 Are you currently, or have you been in the past 24 months, in violation of, or have you received an amendment to, any debt covenant? ☐ Yes ☐ No

If **yes**, please provide an explanation:

SECTION 2 – AUDITOR INFORMATION

2.1. Scope of your financial statement preparation:

- ☐ Internal
- ☐ CPA Compilation
- ☐ CPA Review
- ☐ CPA Audit
- ☐ None

2.2. Have you changed outside auditors in the past 3 years? ☐ Yes ☐ No

If **yes**, please provide an explanation:

2.3. Has any auditor issued a "going concern" opinion in any financial statements of yours during the past 12 months? ☐ Yes ☐ No

If **yes**, please provide an explanation:

2.4. Have the outside auditors stated that there are material weaknesses in your systems of internal controls? ☐ Yes ☐ No

If **Yes**, please provide an explanation and provide the latest CPA letter to management and management's response.

2.5. Have you implemented all material recommendations of the auditor? ☐ Yes ☐ No

If **no**, please provide an explanation:	

SECTION 3 – CLAIMS EXPERIENCE

3.1. Has any person or entity proposed for this insurance been a party to any securities claims, criminal actions, administrative or regulatory proceedings, charges, hearings, demands or lawsuits during the past 3 years including but not limited to, security holder, creditor, antitrust, fair trade law, copyright or patent litigation, whether or not insured? ☐ Yes ☐ No

If **Yes**, please complete the table below:

Date of Such Claim	Nature of Claim	Amount Paid for Defense	Amount Sought or Paid for Damages	Covered by Insurance?	Corrective Procedures Implemented	Current Status
		$	$	☐ Yes ☐ No		
		$	$	☐ Yes ☐ No		

To enter more information, please attach a separate page to the Application.

3.2. Are you or any person proposed for this insurance aware of any fact, circumstance, situation, event or act that reasonably could give rise to a claim being made against them under the Liability Coverage for which you are applying? ☐ Yes ☐ No

If **yes**, please provide an explanation:	

With respect to the information required to be disclosed in response to the questions above, the proposed insurance will not afford coverage for any claim arising from any fact, circumstance, situation, event or act about which any of your executive officers had knowledge prior to the issuance of the proposed policy, nor for any person or entity who knew of such fact, circumstance, situation, event or act prior to the issuance of the proposed policy.

SECTION 4 – ADDITIONAL INFORMATION REQUESTED

As part of this application, please submit the following documents (these documents, and the representations and facts they contain, are made a part of this application, whether such documents are physically delivered to us by you or are obtained by us from any public source, including the Internet):

- Latest audited financial statement
- Latest annual financial statement
- YTD financial statement
- Entity organizational chart
- Bylaws
- D&O biographies
- Any Private Placement Memorandum or any documents, including Regulation D filing, filed with the Securities and Exchange Commission or an equivalent body in a different country in the past year
- If answering yes to questions 1.13. or 1.15. please include the following:
  - Project White Paper
  - Simple Agreement for Future Tokens (SAFT)
  - Regulatory authorizations obtained
  - Details of systems put in place to ensure compliance with securities laws of relevant jurisdictions

- Board experience
- Evidence of advice sought from professional advisors
- Policies/procedures around AML, KYC, and source of funds checks
- Outsourced service agreements.

SECTION 5 – DECLARATION

The undersigned declares that they have reviewed this application for accuracy prior to signing it, that the above statements and representations are true and correct, and that no facts have been suppressed or misstated. If the information provided in this application should change between the date of the application and the effective date of the Policy, the undersigned warrants that they will immediately report such changes to us.

The undersigned understands that this is an application for insurance only and that the completion and submission of this application does not bind us (Relm Insurance Ltd or any of its affiliates or subsidiaries) to sell nor you to purchase this insurance.

The undersigned nevertheless acknowledges that any contract of insurance issued by us in response to this application will be in reliance upon the statements and representations made in this application and that this application will attach to and be made part of the Policy. All additional materials submitted in connection with this application are deemed part of this application

Any misrepresentation, omission, concealment, or incorrect statement of a material fact in this application incorporated by reference or otherwise, shall be grounds for the rescission of any Policy issued.

We will use this information solely for the purposes of providing insurance services and may share your data with third parties to do this. We may also use anonymized elements of your data for the analysis of industry trends and to provide benchmarking data. For full details on our privacy policy, please visit www.relminsurance.com/privacy-policy.

Herewith, by undersigning this document, I confirm that I am a duly authorized representative (a c-suite level executive) of the company with sufficient technical skills to provide accurate and comprehensive answers regarding the questions within this application on behalf of the company.

SIGNATURE OF APPLICANT'S AUTHORIZED REPRESENTATIVE:

Signature | Date

Print name | Title

PRODUCER INFORMATION (ONLY REQUIRED IN FLORIDA, IOWA, AND NEW HAMPSHIRE):

Signature | Agency Code

Print name | Agency Name

Date | License Number

Once the application is completed, please sign the PDF document electronically or manually.

FRAUD NOTICES

Attention: Insureds in Alabama, Arkansas, D.C., Maryland, New Mexico, and Rhode Island Any person who knowingly (or willfully in MD) presents a false or fraudulent claim for payment of a loss or benefit or who knowingly (or willfully in MD) presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
Attention: Insureds in Colorado It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.
Attention: Insureds in Florida Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.
Attention: Insureds in Kentucky, New Jersey, New York, Ohio, and Pennsylvania 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. (In New York, the civil penalty is not to exceed five thousand dollars ($5,000) and the stated value of the claim for each such violation.)
Attention: Insureds in Louisiana, Maine, Tennessee, Virginia, and Washington It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.
Attention: Insureds in Oregon Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.
Attention: Insureds in Puerto Rico Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation with the penalty of a fine of not less than five thousand dollars ($5,000) and not more than ten thousand dollars ($10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances be present, the penalty thus established may be increased to a maximum of five (5) years; if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

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