



[Professional Liability Application]

PROSURE MANAGEMENT LIABILITY (For Profit D&O)

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PART 1 GENERAL INFORMATION

Broker: _____ Contact Person: _____ Tel: _____

Name of Company (Full Legal Name): _____

Main Address of Company: _____ Postal Code: _____

Province of Incorporation of Company: _____ Date of Incorporation (MM/DD/YYYY): _____

Official Website of Company: _____

What was the Company's total revenue for the last full year? \$ _____ CDN _____

What is the total number of full and part-time Employees? _____ What percentage of all Employees are based in the USA? _____ %

What are the business activities of the Company?

- | | |
|---|--|
| <input type="checkbox"/> Agriculture and Fishing | <input type="checkbox"/> Miscellaneous Professional Services |
| <input type="checkbox"/> Biotechnology / Chemical / Pharmaceutical | <input type="checkbox"/> Professional Services (Legal, Accountancy, IFA, Insurance Broker) |
| <input type="checkbox"/> Construction / Property Development | <input type="checkbox"/> Retail |
| <input type="checkbox"/> Education | <input type="checkbox"/> Software Development / Consultancy / Internet |
| <input type="checkbox"/> Manufacturing (Light Industry) | <input type="checkbox"/> Telecommunications |
| <input type="checkbox"/> Manufacturing (Heavy Industry) | <input type="checkbox"/> Tobacco |
| <input type="checkbox"/> Media (Radio, Newspapers, Television, Press) | <input type="checkbox"/> Transportation (Road, Rail, Marine, Air) |
| <input type="checkbox"/> Medical, Healthcare and Veterinary Services | <input type="checkbox"/> Travel and Leisure |
| <input type="checkbox"/> Mining, Oil & Gas, Exploration and Energy | <input type="checkbox"/> Utilities (Water, Electricity, Gas Provision) |
| <input type="checkbox"/> Other: (Please state activity): _____ | |

PART 2 COVERAGE REQUIREMENTS

- Do you require a separate limit for Employment Practices Liability cover? Yes No
- Is coverage required for Pension Trustee / Fiduciary Liability Insurance? Yes No
- Is coverage required for Employee Fidelity Insurance? Yes No

PART 3 GENERAL QUESTIONS

- Please confirm that the Company is privately owned and not traded in any stock exchange: Yes No
- Is the Company a Financial Institution and/or does it provide any financial advice? Yes No

If "Yes", please provide details: _____

3. Is the Company involved in or considering liquidation or insolvency proceedings in the next 12 months? Yes No

If "Yes", please provide details: _____

4. Does the Company have more than one Director (or equivalent) on the board? Yes No

Are there any plans to increase the number of Directors? Yes No

If "Yes", please provide details: _____

5. Can the Company confirm it has less than 500 Employees? Yes No

6. Is the Company planning to sell to or merge with another entity in the next 12 months? Yes No

If "Yes", please provide details: _____

7. Is the Company considering planning to acquire any other entity in the next 12 months that would increase its total assets and /or revenues by more than 50%? Yes No

If "Yes", please provide details: _____

8. Is the Company in breach of any of its loan covenants? Yes No

If "Yes", please provide details: _____

9. Does the Company have a Human Resources department? Yes No

If "No", who is responsible for HR matters? _____

10. Does the Company have a Human Resources and/or Employee Manual? Yes No

PART 4 PENSION TRUSTEE LIABILITY QUESTIONS

Please complete only if Pension Trustee Liability Coverage is required:

1. Are all Employee Benefit Plans fully funded? Yes No

If "No", please provide level of funding: _____

2. Does the Company intend to terminate any Employee Benefit Plans in the next 12 months? Yes No

If "Yes", please provide details: _____

3. Can the Company confirm that all Employee Benefit Plans have been amended to comply with Canadian Labour Code R.S.C. 1985 or any similar federal or provincial workers compensation regulation of similar law of Canada where applicable and that all Plans are reviewed and/or audited? Yes No

If "Yes", please provide details: _____

PART 5 EMPLOYEE FIDELITY QUESTIONS

Please complete only if Employee Fidelity Coverage is required

1. Does the Company have dual control for the validation of all cheques, transfer payments & new bank account information? Yes No

If "No", please advise the processes involved: _____

2. Does the Company mandate that no one individual controls the appointment of suppliers or the awarding of contracts without referral to others? Yes No

If "No", please advise the processes involved: _____

3. Are wages / salaries independently checked for unusual or excessive payments? Yes No

If "No", please advise the processes involved: _____

4. Can the Company confirm that an independent physical count of stock, raw material, work in progress and finished goods is undertaken at least half yearly and that this count is reconciled against stock records? Yes No

If "No", please advise the processes involved: _____

5. Are unique passwords used to give various levels of entry to the computers depending on the user's job function? Yes No

If "No", please advise the processes involved: _____

6. Are bank statements independently reconciled by those not permitted to make payments, including drawings and signature of cheques and the use of electronic bank transfers at least every 30 days? Yes No

If "No", please advise the processes involved: _____

PART 6 LIMIT REQUIREMENT

What Limit is required (please tick multiple options if desired)?

\$250,000 \$500,000 \$1,000,000 \$2,000,000 \$3,000,000 \$4,000,000 \$5,000,000

Other Amount (please state): \$ _____

PART 7 CLAIMS INFORMATION

Very important note: the following questions should be responded to after full enquiry.

1. (a) Has the Company or any Insured ever been subject to any investigation by any official body, commissioner or regulatory body or the like?

Yes No

If "Yes", please provide details:

(b) If the response to (a) above is "Yes", did the investigation in question result in any disciplinary proceedings, admonishment, or recommendations?

Yes No If "Yes", please provide details:

2. Has any claim been made against the Company or the Insureds in the past 5 years? Yes No If "Yes", please provide details:

3. Is the Company or any Insureds aware of, or have any knowledge of any act, error, omission, fact, event or circumstances which might reasonably be expected to give rise to a claim that would be covered by a policy, if effected? Yes No

If "Yes", please provide details:

PART 8 DECLARATION

NOTICE TO APPLICANT:

Consumer and previous insurer reports containing personal, credit, factual or investigative information about the applicant may be sought in connection with this Applicant for Insurance or any renewal, extension or variation thereof. All provisions contained in the various forms issued under this contract shall be deemed to be contained in the present Application of Insurance. The policy may be deemed to be void and claims may be denied where:

- 1) An applicant for a contract:
 - a) Gives false or erroneous information to the prejudice of the insurer, or
 - b) Knowingly misrepresents or fails to disclose in the Application any fact required to be stated therein; or
- 2) The Insured contravenes a term of the Contract or commits a fraud; or
- 3) The Insured willfully makes a false statement in respect of a claim under the contract.

I CERTIFY THAT ALL STATEMENTS MADE IN THIS APPLICATION ARE COMPLETE AND ACCURATE, I AM AUTHORIZED TO CONTRACT ON BEHALF OF THE INSURED, AND I APPLY FOR A CONTRACT OF INSURANCE BASED UPON THE TRUTH OF THESE STATEMENTS.

I AM IN AGREEMENT THAT THIS DECLARATION SHALL HEREBY FORM PART OF THE INSURANCE CONTRACT.

Applicant's Signature: _____ Position: _____

Please print name: _____ Date: _____

BROKER DECLARATION

How long have you known this applicant? _____

Is this account new or renewal to you? _____

How long have you known the applicant? _____

Have you personally viewed the applicants operations? _____

What is the condition of facilities and equipment? _____

What is the applicant's attitude toward risk management and insurance? _____

Do you recommend this applicant? _____

Broker's Signature: _____ Position: _____

Please print name: _____ Date: _____

