



Specialty Solutions Insurance

Management Liability – New Business Application

For-Profit Organization

If a policy is issued, the coverage will apply only to claims that are first made against the Insured during the policy period.

In order to obtain a quotation, the following documents are mandatory:

- Latest Audited Consolidated Financial Statements, Review Engagement or Notice to Reader (if required – see Financial Information section)
- Organizational chart with percentage of ownership of subsidiaries (only if Organization has subsidiaries)
- The latest actuarial report if an Employee Benefit Plan is subject to such evaluation
- Additional details on separate sheet when required below

Applicant/General Information

1. Name of the Organization applying for this insurance (if the Organization has subsidiaries, give the name of the Parent Organization only):

2. Organization’s mailing address: _____ Website: _____

3. Nature of business: _____

4. Incorporation date: _____

5. Does the Organization have any subsidiaries or affiliated companies? YES NO

If “YES”, please provide an organizational chart listing all subsidiaries and affiliated companies including percentage of ownership, nature of operations and country of incorporation for each. Wherever used in this application, Proposed Organizations shall mean the Parent Organization and its subsidiaries and affiliated companies.

6. Please complete the below table per jurisdiction for the proposed Organizations:

Jurisdiction	Type of Operations	Revenue	Number of Locations	Total # of Employees	# of Unionized Employees	# of Independent Contractors
Canada						
USA						
Other (specify)						

7. If any employees, unionized employees or independent contractors are located in the USA, please advise which states: _____

8. Have any of the proposed Organizations been involved in the past three (3) years, are presently involved, or are considering being involved in the next twelve (12) months, in any of the following:
 - a) merger or consolidation with another entity? YES NO
 - b) acquisition of another entity or tender offer? YES NO
 - c) sale, dissolution or divestiture? YES NO

If “YES” to one or more questions above, please provide full details:

9. Do the proposed Organizations have any of the following committees? Please check that apply:

Corporate Responsibility (Social and Ethics) Environment Health and Safety Risk Management

Directors and Officers Liability Coverage (only complete if coverage is required)

- Please provide the total number of shareholders:
- Give the name and percentage of the holdings of any shareholder of the Organizations who owns 10% or more of the voting shares directly or beneficially:

Name	% of Voting Shares	Director or Officer?	Name	% of Voting Shares	Director or Officer?
		YES <input type="checkbox"/> NO <input type="checkbox"/>			YES <input type="checkbox"/> NO <input type="checkbox"/>
		YES <input type="checkbox"/> NO <input type="checkbox"/>			YES <input type="checkbox"/> NO <input type="checkbox"/>

- In the past three (3) years, have any of the proposed Organizations been involved, presently involved, or considering in the next twelve (12) months being involved in any of the following:
 - changes in nature of operations or sources of revenue? YES NO
 - change in directors or senior management? YES NO
 - private or public offering of securities? YES NO
- Are any of the proposed Insured Persons currently sitting on another Organization's board in the position of director, officer, trustee, trustee emeritus or governor at the request of the proposed Organizations applying for this insurance? YES NO

If "YES" to questions 3 or 4 above, please provide full details:

- Do the shares or securities of any of the proposed Organizations trade on a public exchange? YES NO
If "YES", please advise which public exchange:
- Financial Information:
 - Consolidated revenues under \$25M? YES NO
 - Positive net income for the last 2 fiscal years? YES NO
 - Limits of liability of \$5M requested or less? YES NO

If "YES" to all three questions above, then please complete the below financial table and no financial statements are required to be provided to the Insurer.

If any of these items are not met, do not complete the table and please attach the latest consolidated financial statements.

	Most Recent Fiscal Year End (Month: / Year:)	Prior Fiscal Year End (Month: / Year:)
Current Assets		
Total Assets		
Current Liabilities		
Total Liabilities		
Revenues		
Net Income (Net Loss)		

- Do the proposed Organizations in the past three (3) years, presently, or in the next twelve (12) months anticipate to:
 - seek protection under the "Companies Creditors Arrangement Act" or similar foreign legislation? YES NO
 - be in breach of any debt covenants, loan agreements or contractual obligations? YES NO
 - be in arrears of its payments to Revenue Canada or the provincial ministries of revenue, including source deductions, GST and PST? YES NO
 - be involved in a bankruptcy proceeding, reorganization or other arrangement with creditors under law? YES NO
- Have any recommendations from an outside audit addressing material weaknesses with respect to internal controls **not** been implemented? YES NO
- Are the proposed Organizations currently filing or anticipate filing in the next six (6) months, any documents with any Securities Commission regarding any equity or debt securities? YES NO

If "YES" to one or more of questions (a) to (c) above, please provide full details:

Employment Practices Liability Coverage (only complete if coverage is required)

1. Historical annual employee turnover rate:
2. Total number of employees with total annual compensation greater than \$100,000:
3. Do the proposed Organizations:
 - (a) have an employee handbook distributed to all employees? YES NO
 - (b) have a Human Resources department? YES NO
 - (c) have annual written performance evaluations for all employees? YES NO
 - (d) have policies and procedures for employees outlining conduct with third parties and clients? YES NO
 - (e) use a written policy against discrimination and sexual harassment? YES NO
 - (f) use a written policy regarding equal opportunity employment? YES NO
 - (g) use outside legal counsel for advice on employment related matters? YES NO
 - (h) require the involvement of outside legal counsel when an employee is terminated? YES NO

If “NO”, to any of the above questions, please provide full details:

4. Have any of the proposed Organizations been involved in the past twelve (12) months or are considering in the next two (2) years any layoff, staff reduction or facilities closing? YES NO

If “YES”, please provide full details:

Fiduciary Liability Coverage (only complete if coverage is required)

1. Provide details for each Employee Benefit Plan sponsored by the proposed Organizations: None provided:

Name of Plan	Type of Plan*	Number of Participants	Plan Assets Current Year**	Plan Assets Prior Year**	Annual Contributions**
1.					
2.					
3.					
4.					

*DC –Defined Contribution, DB – Defined Benefit, ESOP - Employee Stock Ownership, OT – Other, please provide full details on a separate sheet.

**This information can be provided by the latest financial statements instead of completing the columns indicated above.

Please attach a copy of the latest actuarial report if the proposed Organization has a DB Plan.

2. Provide the following administration details for each Plan identified above.

Plan No. From Question 1	Plan Administrator	Investment Manager	Outside Legal Counsel Firm
1.			YES <input type="checkbox"/> NO <input type="checkbox"/>
2.			YES <input type="checkbox"/> NO <input type="checkbox"/>
3.			YES <input type="checkbox"/> NO <input type="checkbox"/>
4.			YES <input type="checkbox"/> NO <input type="checkbox"/>

3. Is any Plan a multi-employer plan? YES NO
4. In the past three (3) years, presently, or in the next twelve (12) months, have any Plans:
 - a) ever been in noncompliance of any applicable legislation or governing law? YES NO
 - b) been converted or terminated? YES NO

5. Are there any overdue employer contributions for any Plan? YES NO

If “YES”, to questions 4 or 5, please provide full details:

6. How frequently is the Plan’s investment strategy and the performance of the investment manager reviewed:
 Semi-annually Annually Other:

Employed Lawyers Professional Liability Coverage (only complete if coverage is required)

1. Please provide the total for all the proposed Organizations:
 - (a) Employed lawyers:
 - (b) Employed notaries under the supervision of an employed lawyer:
 - (c) Employed lawyers or notaries under the supervision of an employed lawyer with more than ten (10) years of legal experience:
 - (d) Employees supporting (a) and (b) above:
 - (e) Lawyer or notary loaned by a temporary placement agency under the supervision of an employed lawyer:
 - (f) Lawyer or notary employed by a legal firm who provides legal services to any of the proposed Organizations and where such Organization has agreed to provide indemnification under an independent contractor agreement:
2. Please describe the type of legal work and area of practice performed by the professionals list in question 1:
3. Do any of the professionals mentioned in question 1 provide moonlight legal services? YES NO
4. Do any of the professionals mentioned in question 1 provide pro bono work? YES NO
If "YES", please describe the scope of services provided and the total number of hours annually:
5. Has any of the professionals mentioned in question 1 been subject of or been involved in any of the following:
 - (a) Any reprimand, sanction, fine, discipline by, or refusal of admission of a bar association, court, administrative or regulatory agency? YES NO
 - (b) Any civil or criminal litigation, arbitration, claim or administrative or regulatory proceeding during the last 5 years? YES NO
6. Please describe any risk management procedures in place for the services provided by the professionals mentioned in question 1 above:
7. Do the proposed Organizations use any external legal resources? YES NO
If "YES", please describe:

Workplace Violence Insurance Coverage (only complete if coverage is required)

1. Do the proposed Organizations have:
 - (a) an Employee Assistance Program (EAP)? YES NO
 - (b) an employee and customer complaint/grievance resolution procedure? YES NO
 - (c) a written policy given to employees on workplace violence? YES NO
 - (d) procedures and training in place for all employees on what to do in hostile situations in the workplace? YES NO
 - (e) background checks done for all potential employees? YES NO

Crime Coverage (only complete if coverage is required)

1. Please provide the following information:
 - a) Daily cash on premises:
 - b) Identify the following significant exposures that apply to the proposed Organizations business operations:

Precious metals, gems, stones or jewellery	<input type="checkbox"/>	Proprietary trading	<input type="checkbox"/>
Art dealers or other valuable collectibles	<input type="checkbox"/>	ATM, cash machines or vending machines	<input type="checkbox"/>
Cannabis or marijuana products	<input type="checkbox"/>	Telemarketing	<input type="checkbox"/>
Pharmaceuticals or narcotics	<input type="checkbox"/>	Scrap dealers	<input type="checkbox"/>
2. Internal controls – do the proposed Organizations:
 - (a) perform pre-employment screening including criminal background check and credit screening for all its potential employees? YES NO

If "NO", please explain:

- (b) have a written procedure outlining the process required for handling all transfer requests and who the approval authorities are? YES NO
- (c) implement a segregation of duties for the following areas:
- Bank reconciliation, cheque issuance and signing, deposits? YES NO
 - Transmitting any funds via the internet, wire, voice or other means? YES NO
 - Inventory management? YES NO
 - Vendor approval? YES NO
 - Purchase order approval and payment? YES NO
 - Wire transfer receipts and payments? YES NO
 - Cash receipts? YES NO
 - Cheque and credit card receipts? YES NO
 - Cheque signing and access? YES NO

If "NO" on any of the above, please explain:

- (d) stamp cheques "deposit only" for incoming cheques? YES NO
- (e) have cheques, letters of credit, other written instruments, wire transfers and electronic fund transfers dually authorized or countersigned? YES NO

If "NO", please explain:

- (f) make payments via wire transfer system? YES NO

If "YES", please describe how frequent:

Average \$ amount of each wire transfer:

- (g) receive a call-back verification from the financial institution prior to the transfer being initiated? YES NO
- (h) have consistent procedures for international and domestic purchasing, inventory and payable procedures and controls? YES NO

If "NO", please explain:

- (i) have an external or internal inventory audit of all locations, subsidiaries and joint ventures? YES NO

If "NO", please explain:

- (j) maintain a list of authorized vendors? YES NO

If "NO", please explain:

- (k) have formal procedures in place for who is granted or can gain computer and program access within the Organizations? YES NO

If "NO", please explain:

- (l) implement frequent computer password and identification password changes? YES NO
- (m) implement a frequent software update including installation of software "patches" within thirty (30) days or any other computer risk prevention procedures? YES NO

Please describe:

3. Independent contractors – do the proposed Organizations:

- (a) perform pre-employment screening including criminal background check and credit screening for all its potential independent contractors? YES NO

If "NO", please explain:

- (b) have any funds, accounts or property that are in the custody or control of any independent contractors? YES NO

If "YES", please explain:

- (c) apply the same internal controls and procedures to independent contractors as their own employees? YES NO

If "NO", please explain:

4. Client services – do the proposed Organizations:
- (a) have custody or control of any funds, accounts, or materials of any of its clients? YES NO
If “YES”, please complete the ESCROW ACCOUNTS SUPPLEMENTAL APPLICATION and provide brief description of services :
- (b) provide services to clients? YES NO
If “YES”, please complete the THIRD-PARTY SUPPLEMENTAL APPLICATION and describe services to clients:
5. Social Engineering coverage – do the proposed Organizations require a limit above \$50,000? YES NO
If “YES”, please complete the SOCIAL ENGINEERING COVERAGE SUPPLEMENTAL APPLICATION.
6. Pension plan or employee benefit plan – do the proposed Organizations:
- (a) employ independent administrators for the pension plan or employee benefit plan? YES NO
If “YES”, does the independent administrator carry insurance or provide indemnity to the proposed Organization for loss of property held in the pension plan or employee benefit plan? YES NO
- (b) require a separate ERISA bond to be issued for any pension plan or employee benefit plan domiciled in the USA? YES NO
If “YES”, please complete a separate ERISA BOND APPLICATION for each Plan that requires a policy.

Privacy Breach Coverage Endorsement (only complete if coverage is required)

1. Have all the proposed Organizations implemented a formal information security policy which applies to each of the business units? YES NO
If “YES”, does the security policy require an audit to test, identify and assess new security threats as well as monitor effectiveness? YES NO
2. Do all the proposed Organizations have an incident response plan in the event of a privacy breach? YES NO

Loss History

1. In the past three (3) years, have any of the proposed Organizations or any of the proposed Insured Persons been involved in:
- (a) any claim which has been made, is currently pending or have received notice of a potential claim under a Directors and Officers, Employment Practices or Fiduciary Liability Insurance policy? YES NO
- (b) any claim or potential claim been given or delivered by written notice under the provisions of any liability insurance policy? YES NO
- (c) any representative actions, class actions, stockholder’s suits or any derivative suits? YES NO
- (d) any civil, criminal, administrative or regulatory investigation or proceeding? YES NO
- (e) any anti-trust, price fixing, deceptive trade practices, tax, consumer fraud, copyright or patent infringement proceeding? YES NO
- (f) any receivership, insolvency or bankruptcy proceeding? YES NO
- (g) any workplace violence incidents at any of their locations? YES NO
- (h) any privacy breach incident, whether reported to an Insurer or not? YES NO

If “YES” to one or more questions above, please provide full details:

2. Please attach a list of all employee theft, forgery, computer fraud, social engineering or other crime losses discovered by the proposed Organizations within the last three (3) years whether or not reported to an insurer. Please itemize each loss separately with the date of loss, description of loss, amount of loss and post loss measures implemented by the proposed Organization.

Prior Insurance

- Within the past three (3) years, has any insurer declined, refused to renew or cancelled any of the coverages: YES NO
If “YES”, please provide full details:

Coverage	Requested Limit(s) of Liability	Expiring Limit(s) of Liability	Expiring Deductible	Expiry Date	Current Prior and Pending Litigation Date
Directors and Officers Liability					
Employment Practices Liability					
Fiduciary Liability					
Employed Lawyers Professionals Liability					
Workplace Violence Insurance					
Crime Coverage					
Social Engineering Fraud Coverage					
Privacy Breach					

Prior Knowledge/Warranty

The warranty statement must be completed for any applicants who are requesting coverage for the first time, adding a new coverage not currently purchased or if larger limits of liability are being requested than currently maintained.

Do not complete if this is a renewal application for an existing policy with Intact Insurance and no change in coverage or limits of liability are requested

(a) Is any person proposed for this insurance aware of any facts, circumstances or situations likely to give rise to a claim? YES NO

If “YES” to the question above, please provide all details:

It is understood and agreed that if any person(s), director(s), officer(s), Organization(s), subsidiaries or any other entity related therefrom, applying to this insurance, has any knowledge of any such facts, situation, circumstances, or event exists, whether or not disclosed, any claim or action subsequently arising or developing therefrom shall be excluded from coverage under any policy issued by Intact Insurance.

Declaration for the Application

The undersigned designated as an officer of the Organization:

- (a) declares that they have been duly authorized by the Organization to complete this Application and that all statements and representations contained herein are true and complete;
- (b) reasonable efforts have been made to obtain sufficient information from each person proposed for this insurance in order to complete this Application properly and accurately;
- (c) the financial statements submitted with this Application reflect the current financial situation of the Organization and its subsidiaries (if this is not the case, please provide details on a separate sheet).
- (d) acknowledges that these statements, representations and information submitted are relied on by Intact Insurance and shall be deemed material to the acceptance of the risk assumed by the Insurer under the insurance applied for, should the insurance be issued.
- (e) agrees that if between the date of this Application and the effective date of the Policy, the statements and information contained in this Application change in any way, they will immediately advise Intact Insurance in writing and, without prejudice to any other legal remedy available to it, Intact Insurance may modify or withdraw any outstanding quotation or any authorization or agreement to bind;
- (f) acknowledges this application and all documents attached hereto shall be form part of the Policy and shall be the basis of the contract, should one be issued.

It is agreed that the statements, representations and attached supplemental information submitted contained within this Application are true and are the basis of the Policy contract. Terms and conditions, including limits of coverage, offered by Intact Insurance, may differ from those applied for from the Applicant. It is further agreed that this Policy shall not be voided, rescinded or coverage excluded as a result of any untrue statement in this Application, except as to the Organization, its Subsidiaries and those Insured Persons making such statement or having knowledge of its untruth.

Signature

Position (Chief Executive Officer, Chairman or General Counsel)

Date

Organization