



A. COMMON SECTION

NOTICE: ALL LIABILITY COVERAGE PARTS FOR WHICH APPLICATION IS MADE APPLY, SUBJECT TO THEIR TERMS, ONLY TO "CLAIMS" FIRST MADE OR DEEMED MADE AGAINST "INSUREDS" DURING THE POLICY PERIOD OR ANY EXTENDED REPORTING PERIOD, IF APPLICABLE. THE LIMIT OF LIABILITY AVAILABLE TO PAY LOSSES WILL BE REDUCED BY THE AMOUNTS INCURRED, AS "DEFENCE EXPENSES", AND "DEFENCE EXPENSES" WILL BE APPLIED AGAINST THE RETENTION AMOUNT. THE INSURER HAS NO DUTY TO DEFEND ANY "CLAIM" UNLESS DUTY-TO-DEFEND COVERAGE HAS BEEN SPECIFICALLY PROVIDED HEREIN.

GENERAL INFORMATION

The term "Applicant" means all corporations, organizations or other entities, including subsidiaries, proposed for this insurance.

Applicant Information:

Name of **Applicant**: _____

Address: _____

City, Prov., Postal Code: _____

Web Site Address: _____

Description of **Applicant's** Operations: _____

Year **Applicant's** Business was Established: _____

Is the **Applicant** a subsidiary of a foreign parent? Yes No

Is the **Applicant** controlled, or owned by, or associated with any other firm, organization or corporation? Yes No

Does the **Applicant** currently file, or do they anticipate in the next 6 months filing, any documents with any Securities Commission regarding any equity or debt securities? Yes No

If "Yes" to any of the above, please attach an explanation

1. Subsidiary Information and 50% or more owned joint ventures under management control:

Name	% Owned	Year Started	Description of Operations	Entity Type*

*Entity Types:
 FP = For-Profit (other than Partnership) NP = Non-Profit GP = General Partnership LP = Limited Partnership
 To enter more information, please attach a separate page or an organization chart

2. Locations of **Applicants** and Number of Employees* for Each:

Country	# of Locations	Full Time Employees	Part-Time Employees	Independent Contractors

*Employees include Leased, Temporary, Seasonal and Volunteer Employees
 To enter more information, please attach a separate page to the application

3. In the next 12 months (or during the past 24 months) is the **Applicant** contemplating (or has the **Applicant** completed or been in the process of completing) the following:
- a. Any actual or proposed merger, acquisition, or divestiture? Yes No
 - b. Any creation of a new business, subsidiary or division? Yes No
 - c. Any changes in nature of operations or sources of revenue? Yes No
 - d. Any registration for a public offering or a private placement of securities? Yes No
 - e. Any reorganization or arrangement with creditors under federal, provincial, territorial or state law? Yes No
 - f. Any branch, location, facility, office, or subsidiary closings, consolidations or layoffs? Yes No

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

FINANCIAL INFORMATION

Note: This section can be omitted if the Applicant is submitting a separate financial statement as an attachment. Applicants meeting all of the following 3 criteria may complete this section in place of submitting financial statements:

- Assets under \$75 million Positive Net Income for last 2 fiscal years Limits of \$3 million or less.

Please indicate the following as it relates to the Applicant's fiscal year end (FYE): (please indicate negative figures with "(" or "-", as appropriate)	Most Recent FYE (Month/Year) /	Prior FYE (Month/Year) /
1. Current Assets		
2. Total Assets		
3. Current Liabilities		
4. Long Term Debt		
5. Retained Earnings/Fund Balance (Accumulated Deficit/Fund Deficit)		
6. Net Equity/Net Assets (Deficit Equity)		
7. Revenues		
8. Net Income (Net Loss)		
9. Is the Applicant currently, or has it been in the past 24 months, in violation or has it amended any debt covenant or loan agreement?		Yes <input type="checkbox"/> No <input type="checkbox"/>
10. Is the Applicant or any Subsidiary currently in arrears in its payments to the Canada Revenue Agency or the provincial ministries of revenue (including source deductions, G.S.T. and P.S.T.)?		Yes <input type="checkbox"/> No <input type="checkbox"/>
If "Yes" to any of the above, please attach an explanation		

AUDITOR INFORMATION

- Scope of Financial Statement preparation: Internal Notice to Reader Review Engagement Audit
- 1. Has the **Applicant** changed outside auditors in the last three (3) years? Yes No N/A
 - 2. Have the outside auditors stated there are material weaknesses in the **Applicant's** systems of internal controls? Yes No N/A
 - 3. Have any material recommendations of the auditor not been implemented? Yes No N/A
 - 4. Has any auditor issued a "going concern" opinion for the **Applicant** or any of its subsidiaries financial statements during the past three (3) years? Yes No N/A

If "Yes" to any of the above, please attach an explanation

POLICY OPTIONS

1. What limit options would the **Applicant** like? (please select all that apply)
- Individual Limits Liability Coverage Shared Limit of Liability WRAP+ Aggregate Limit of Liability
2. Does the **Applicant's** current D&O coverage include entity EPL coverage? Yes No N/A
3. What is the **Applicant's** preference for Defence coverage? Duty to Defend Reimbursement

** Reimbursement not available for Miscellaneous Professional Liability

CURRENT INSURANCE INFORMATION/REQUESTED INSURANCE TERMS

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
Desired Coverage	Coverage Requested	Requested Limit/Retention	Requested Effective Date	Coverage Currently Purchased	Expiring Limit/Retention	Current Insurer/Premium	Date Coverage First Purchased
Directors and Officers (D&O)	Yes <input type="checkbox"/>	\$		Yes <input type="checkbox"/>	\$	\$	
	No <input type="checkbox"/>	\$		No <input type="checkbox"/>	\$		
Employment Practices (EPL)	Yes <input type="checkbox"/>	\$		Yes <input type="checkbox"/>	\$	\$	
	No <input type="checkbox"/>	\$		No <input type="checkbox"/>	\$		
Fiduciary Liability	Yes <input type="checkbox"/>	\$		Yes <input type="checkbox"/>	\$	\$	
	No <input type="checkbox"/>	\$		No <input type="checkbox"/>	\$		
Misc. Professional Liability	Yes <input type="checkbox"/>	\$		Yes <input type="checkbox"/>	\$	\$	
	No <input type="checkbox"/>	\$		No <input type="checkbox"/>	\$		
Kidnap and Ransom	Yes <input type="checkbox"/>	\$		Yes <input type="checkbox"/>	\$	\$	
	No <input type="checkbox"/>	\$		No <input type="checkbox"/>	\$		
Identity Fraud Expense*	Yes <input type="checkbox"/> No <input type="checkbox"/>	\$1,000 <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>	\$	\$	
		\$5,000 <input type="checkbox"/>			\$		
		\$10,000 <input type="checkbox"/>			\$		
		\$25,000 <input type="checkbox"/>			\$		

* Identity Fraud Expense – Please provide the HR Contact Information.

Contact Name: _____ Email: _____ Phone: _____

Desired Crime Coverage	Expiring Limit	Expiring Retention	Requested Limit	Requested Retention
Fidelity: Employee Theft				
Fidelity: Employee Benefit Plan Coverage				
Fidelity: Employee Theft of Client Property				
On Premises (Money, Securities and Other Property)				
In Transit (Money, Securities and Other Property)				
Money Orders and Counterfeit Money				
Forgery or Alteration				
Computer Crime				
Funds Transfer Fraud				
Claim Expense				

With respect to any Liability Coverages or Crime Coverages currently purchased as indicated in the tables above, and for which the Applicant is applying with this application, please answer the following questions:

- Has there been any interruption in coverage since the date coverage was first purchased? Yes No
- As of the Date the **Applicant** first purchased this insurance, were there any facts, circumstances, or situations, which might have resulted in a claim being made against any insured? Yes No
- With respect to the higher limits requested, are there any facts, circumstances, or situations, which could give rise to a claim under the Liability Coverages or Crime Policy for which the **Applicant** is applying? Yes No
- With respect to any Liability Coverages or Crime Coverages being applied for that are not currently purchased, are there any facts, circumstances or situations, which could give rise to a claim under the Liability Coverages or Crime Policy for which the Applicant is applying? Yes No
- With respect to any Liability Coverages or Crime Coverages being applied for, if Requested Limit of Liability exceeds the Expiring Limit of Liability, are there any facts, circumstances, or situations, which could give rise to a claim under the Liability Coverages or Crime Policy for which the Applicant is applying? Yes No

6. Are there any facts, circumstances, or situations, which could give rise to a claim under the Liability Coverages or Crime Policy for which the **Applicant** is applying? Yes No

If “Yes” to any of the above, please attach an explanation

Without prejudice to any other rights and remedies of the Insurer, any claim arising from any facts or circumstances required to be disclosed is excluded from the proposed insurance.

LOSS INFORMATION

Related to the requested Liability Coverages, has any person or entity proposed for this insurance been a party to any employment-related claims, fiduciary claims, professional liability claims, securities claims, criminal actions, administrative or regulatory proceedings, charges, hearings, demands or lawsuits during the past three years including but not limited to, shareholder, creditor, antitrust, fair trade law, copyright or patent litigation, whether or not insured? Yes No

If “Yes”, please complete the table below

Has the **Applicant** sustained Crime, Kidnap and Ransom or Identity Fraud Expense Reimbursement related losses during the past three years? **If “Yes”, please complete the table below** Yes No

To the extent that any lawsuit or claim required to be disclosed in response to the questions above constitutes a “Claim” as defined by the Policy, such claim was made prior to the policy period requested hereunder and therefore would be excluded from coverage.

Details	Amount Paid for Defence	Amount Paid for Damages	Covered by Insurance?	Corrective Procedures Implemented
	\$	\$	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"/>	

B. PRIVATE DIRECTORS & OFFICERS COVERAGE

1. Percent of voting securities owned directly or beneficially by directors or officers? _____%

2. Is any shareholder a trust that holds securities for the benefit of employees? Yes No

If “Yes”, please attach most recent stock valuation report

3. 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

4. Are there any securities that are convertible to voting stock? Yes No

5. Have there been any changes in the Board of Directors or Senior Management of the **Applicant** within the past three (3) years for reasons other than death or retirement? Yes No

6. Are there currently outstanding loans to any director or officer? Yes No

If “Yes” to any of the above, please attach an explanation

7. Please list all shareholders that own greater than 5% of any class of security:

Shareholder	Class of Security	% Owned	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"/>

If there are more shareholders, please attach a list. The list should include: Shareholder Name, Class of Security, % Owned and indicate if they are a Director or Officer

C. EMPLOYMENT PRACTICES LIABILITY COVERAGE *(Complete only if required)*

(Please provide the following turnover figures for each of the last two years)

	20__	20__
Voluntary Terminations	_____	_____
Involuntary Terminations	_____	_____
Layoffs	_____	_____
Number of employees compensated less than \$50,000 annually:		_____
Number of employees compensated more than \$100,000 annually:		_____

HUMAN RESOURCES

1. Does the **Applicant** have a Human Resources department? Yes No
 Number of HR employees: _____
 What percent of your workforce is unionized? _____ %
2. Are individuals who handle Human Resources functions, both in HR department and locally, formally trained on HR matters? Yes No
3. Does the **Applicant** have an Employee Handbook which has been reviewed by legal counsel? Yes No
4. Does the **Applicant** utilize an employment application? Yes No

Please indicate whether the **Applicant** has formal written policies and procedures related to the following areas:

5. Hiring and Interviewing Yes No
6. Salary Administration Yes No
7. Performance Appraisal / Review Yes No
8. Discipline Yes No
9. Discharge / Termination Yes No
10. Accommodating the disabled Yes No
11. Reporting, investigating, and resolving Employee complaints Yes No
12. Discrimination and workplace harassment (including sexual harassment) Yes No
13. With respect to employee terminations, does the **Applicant** consult with legal counsel or Human Resources personnel prior to every termination? Yes No

If "No", please attach an explanation describing your procedures

D. FIDUCIARY LIABILITY COVERAGE *(Complete only if required)*

Please provide name of firm(s) providing the following services:

Plan Administrator	Legal Counsel	Actuary	Investment Manager

PLAN DATA – (COMPLETE CHART FOR ALL PLANS FOR WHICH COVERAGE IS REQUESTED)

Full Plan Name	*Plan Type	Current Asset Value	Latest FYE Annual Contributions	Current No. of Participants	**Plan Status

*Plan Types: Defined Benefit (DB) Defined Contributions (DC) Self-Funded Welfare Benefit Plan (W) Other (O) – Attach Explanation

**Plan Status: (A)=Active (F)=Frozen (S)=Sold (T)=Terminated (if any plan has been terminated, indicate date of transaction)

List additional plans on a separate attachment

PLAN UNDERWRITING QUESTIONS

1. Is each plan reviewed periodically to insure there are no violations of the Pension Benefits Standard Act or ERISA (e.g., prohibited transactions or party-in-interest rules)? Yes No
2. Is there a written investment agreement with the investment manager? Yes No

3. Are all investment decisions made by the investment manager? Yes No
If "No" to any of the above, please attach an explanation
4. Does any plan (a) not conform to the standards of eligibility, participation, vesting, blackout notification requirements and other provisions of ERISA or similar foreign law; (b) hold employer securities or employer real property in violation of ERISA or in excess of ERISA limits; or (c) invest in or provide an option to invest in employer securities? Yes No
5. Does the **Applicant** sponsor any Cash Balance Plans or does the **Applicant** anticipate the conversion to or has it ever converted a pension plan to a Cash Balance Plan? Yes No
6. Has any plan (a) been amended within the last 12 months in a way that will result in the reduction of benefits or are any such amendments anticipated within the next 12 months; or (b) been merged with another plan, terminated or sold within the past two years or anticipated in the next 12 months? Yes No
7. Are there any outstanding or delinquent plan contributions or plan loans, leases or debt obligations that are in default or classified as uncollectible? Yes No
8. Does the employer, committee or employer representatives, or union board of trustees have final say over the determination of whether benefits will be paid under any healthcare plan sponsored by this Insured? Yes No
If "Yes" to any of the above, please attach an explanation

E. MISCELLANEOUS PROFESSIONAL LIABILITY COVERAGE *(Complete only if required)*

1. Describe, in detail, all professional services offered by the **Applicant**:

Professional Services	Coverage Desired?	% of Total Revenue	% of Revenue Sub-Contracted
	Yes <input type="checkbox"/> No <input type="checkbox"/>	%	%
	Yes <input type="checkbox"/> No <input type="checkbox"/>	%	%
	Yes <input type="checkbox"/> No <input type="checkbox"/>	%	%

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

2. What portion of your Total Revenue comes from clients outside Canada? (please list by country)

Countries outside Canada	Percent of Total Revenue
	%
	%
	%

3. Is a written contract or agreement required for each client? **If "No", please attach an explanation detailing how responsibilities are defined between the Applicant and their Client** Yes No
4. If subcontractors are used, does the **Applicant** require evidence of professional liability insurance? Yes No
5. Does the **Applicant** provide any services over the Internet? **If "Yes", please attach an explanation** Yes No
6. List the following information for all Principals/Partners, Officers, Professional Employees:

Name	Title	Professional Designation	Numbers of Years Experience in Practice	Number of Years with the Applicant

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

7. List all professional associations to which the **Applicant** belongs: _____
8. Has the **Applicant** or any Principal, Partner, or employed professional ever been investigated by or suspended from practice by any body governing the practice of his/her profession? Yes No

If "Yes", please give details

9. Describe the **Applicant's** five largest projects or jobs during the past three years:

Client Name	Services Rendered	Annual Revenue Derived from the Project or Job

F. CRIME COVERAGE *(Complete only if required)*

INTERNAL CONTROLS

1. Are owners active in the day-to-day oversight of business operations? Yes No
2. How long has the business been in operation? _____
3. Does someone other than the person responsible for reconciling bank accounts:
 Make Deposits? Yes No Make Withdrawals? Yes No Sign Cheques? Yes No
4. Does senior management also review and approve the bank reconciliation's on a monthly basis? Yes No
5. Is countersignature of all cheques required? Yes No
 If Yes, what is the dual signing limit? \$ _____
6. Do you transfer funds electronically? Yes No
 If Yes, what is the annual amount? \$ _____
7. Is dual authorization required for all wire transfers? N/A Yes No
8. Are transfer verifications sent back to employees other than who initiated the transfer? N/A Yes No
9. Are all incoming cheques stamped "for deposit only" immediately upon receipt? Yes No
10. Is a physical count of inventory conducted at least annually? Yes No
11. Are inventory records computerized? Yes No
12. Are the duties of computer programmers and operators separated? Yes No
13. Is segregation of duties practiced in the following areas: **If no, please give details**
- | | | | |
|--------------------------------------|--|-------------------------------------|--|
| Inventory management? | Yes <input type="checkbox"/> No <input type="checkbox"/> | Cash Receipts? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| Vendor approval? | Yes <input type="checkbox"/> No <input type="checkbox"/> | Oversight of blank cheque stock? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| Purchase Order approval and payment? | Yes <input type="checkbox"/> No <input type="checkbox"/> | Cheques and credit card receipts? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| Wire transfer receipts and payments? | Yes <input type="checkbox"/> No <input type="checkbox"/> | Cheque signing machines and access? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
14. Do you perform any of the following on candidates for new employment:
- | | | | |
|-----------------------------------|--|-------------------|--|
| Verification of Prior Employment? | Yes <input type="checkbox"/> No <input type="checkbox"/> | Credit History? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| Education? | Yes <input type="checkbox"/> No <input type="checkbox"/> | Criminal History? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
15. Please indicate the maximum exposure for each location:

Locations	Cash	Retail Cheques	Credit Card Receipts & Non-Retail Cheques

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

UNIQUE/SIGNIFICANT EXPOSURES

Please indicate any of the following characteristics or exposures that apply to your business operations:

Precious Metals or Gemstones <input type="checkbox"/>	Proprietary credit cards <input type="checkbox"/>	Care, custody and control of clients' property <input type="checkbox"/>
Managed Assets of Others <input type="checkbox"/>	Computer chips <input type="checkbox"/>	Art collection or other valuable collectibles <input type="checkbox"/>
Proprietary Trading Activity <input type="checkbox"/>	Warehousing operations <input type="checkbox"/>	Narcotics <input type="checkbox"/>

If you checked any of the characteristics or exposures above, please provide details that quantify the exposure and briefly describe the controls in place to protect you from loss in a separate attachment

G. KIDNAP & RANSOM COVERAGE *(Complete only if required)*

1. Are any operations to be insured involved in the production of foodstuffs, beverages or pharmaceuticals (including toothpaste, mouthwash, etc.)? Yes No

If "Yes", please attach an explanation

FOREIGN EXPOSURE

**Please complete the following questions regarding foreign locations and travel.*

1. Do directors, officers or other employees of the **Applicant** take trips outside the United States and Canada? Yes No
If "Yes", please provide travel information for the previous 12 months and upcoming 12 months

Country	Number of Trips	Number of Individuals	Average Length of Trips

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

2. Are there any permanent foreign locations of the **Applicant**? Yes No

If "Yes", please provide both the existing and anticipated foreign locations:

Country	Type of Operation (i.e. Sales, Mfg.)	Number of Employees

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

3. Are any steps taken to ensure an Insured Person's safety when traveling outside Canada, United States and Western Europe? Yes No
4. Are any steps taken to ensure the safety of Insured Person(s) and Premises permanently located outside of Canada, United States and Western Europe? Yes No
5. Does the **Applicant** or any person(s) to be covered under this policy have knowledge or information of any specific fact which may reasonably give rise to a claim? Yes No

If "Yes" to any of the above, please attach an explanation

H. SIGNATURE PAGE

THE UNDERSIGNED AUTHORIZED REPRESENTATIVE OF THE APPLICANT DECLARES THAT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF, AFTER REASONABLE INQUIRY, THE STATEMENTS SET FORTH IN THE ATTACHED TRAVELERS NEW BUSINESS OR RENEWAL APPLICATION FOR INSURANCE ARE TRUE AND COMPLETE AND MAY BE RELIED UPON BY TRAVELERS. IF THE INFORMATION IN ANY APPLICATION CHANGES PRIOR TO THE INCEPTION DATE OF THE POLICY, THE APPLICANT WILL NOTIFY THE INSURER OF SUCH CHANGES, AND THE INSURER MAY MODIFY OR WITHDRAW ANY OUTSTANDING QUOTATION. THE INSURER IS AUTHORIZED TO MAKE INQUIRY IN CONNECTION WITH THIS APPLICATION.

THE SIGNING OF THIS APPLICATION DOES NOT BIND THE INSURER TO OFFER, NOR THE APPLICANT TO PURCHASE, THE INSURANCE. IT IS AGREED THAT THIS APPLICATION, INCLUDING ANY MATERIAL SUBMITTED THEREWITH, SHALL BE THE BASIS OF THE INSURANCE AND SHALL BE CONSIDERED PHYSICALLY ATTACHED TO AND PART OF THE POLICY, IF ISSUED. THE INSURER WILL HAVE RELIED UPON THIS APPLICATION, INCLUDING ANY MATERIAL SUBMITTED THEREWITH, IN ISSUING THE POLICY.

ELECTRONICALLY REPRODUCED SIGNATURES WILL BE TREATED AS ORIGINAL.

Signature of **Applicant's** Authorized
Representative (President or CEO)

Title: _____

Name (Printed):

Date: _____

IMPORTANT - REQUIRED ATTACHMENTS

As part of this Application, submit the following documents with respect to the **Applicant**:

PRIVATE D&O

- Most recent Annual Financial Statement, if limits requested are greater than \$3,000,000 or, assets are greater than \$75 million, or, net income was negative in any of the previous 2 fiscal years
- Business plan and funding projections for Development Stage companies

EPL

- Employee Handbook, if Applicant has 500 or more employees
- Most recent EEO-1 report, if Applicant has 1,000 or more US employees

FIDUCIARY LIABILITY

- Plan financial statements for defined benefit plans and self insured welfare plans
- Latest Actuarial Report for defined benefit plans and self insured welfare plans

MISCELLANEOUS PROFESSIONAL LIABILITY

- Copies of standard contracts and engagement/proposal letter used with clients
- Biographical sketches/resumes of all Principals, Partners, and key employees
- Brochures, advertisements, or other descriptive literature about the Applicant firm, its operations, and activities (if not available on website)

CRIME

- Auditors letter to management on internal controls and management's response