

# Directors & Officers Insurance Policy

## *Including Corporate Indemnity for For-Profit Organizations*

### RISK PROFILE

This coverage is intended for risks that are within Ecclesiastical’s target classes (retirement homes, schools, day cares) and operate for a profit. Companies that are publicly traded are not eligible for this coverage.

*Liability and Indemnification coverage is written on a Claims-Made Basis.*

Please answer the following questions on behalf of your Corporation.

The application must be signed and dated by an authorized officer of your Corporation.

Please read the statement at the end of the application carefully.

### DETAILS OF APPLICANT

|   |  |       |   |             |  |
|---|--|-------|---|-------------|--|
| Name of broker/producer   |  |       |   |             |  |
| Full legal name of the applicant  |  |       |   |             |  |
| Address of applicant  |  |       |   |             |  |
| City  |  | Prov  |   | Postal Code |  |
| Applicant’s website   |  |       |   |             |  |
| Contact name and title  |  |       |   |             |  |
| Contact telephone number  |  | Email |   |             |  |
| What does the Applicant do?   |  |       |   |             |  |
| Has the Applicant made any acquisitions or disposals during the past 5 years? |  | Y     | N |             |  |
| If “Yes” please specify   |  |       |   |             |  |

### COVERAGE / LIMITS REQUIRED

| Policy Year        | Effective date |              |              | Expiry date |  |
|--------------------|----------------|--------------|--------------|-------------|--|
| Limit of Liability | \$ 1,000,000   | \$ 2,000,000 | \$ 5,000,000 | Other       |  |

## ORGANIZATIONAL DETAILS

|   |   |                       |       |         |  |                   |   |
|---|---|-----------------------|-------|---------|--|-------------------|---|
| Conducted Business Continually Since  |   | Date of Incorporation |       |         |  |                   |   |
| Has the Corporation changed name or ownership? If "Yes" please attach details   |   |                       |       |         |  | Y                 | N |
| Type of Corporation   | Private   | Public                | Other | Specify |  |                   |   |
| Are there any subsidiaries?   |   |                       |       |         |  | Y                 | N |
| If "Yes", please list all entities including a description of nature of the business and percentage of ownership (please attach a sheet if there is not sufficient room). |   |                       |       |         |  |                   |   |
| Distribution of Ownership   | Number of Common Shares   |                       |       |         |  |                   |   |
|   | Number of Common Stock Shareholders   |                       |       |         |  |                   |   |
|   | Number of Common Shares owned directly or beneficially by Directors or Officers |                       |       |         |  |                   |   |
| Are the common shares the voting shares?  |   |                       |       |         |  | Y                 | N |
| Are there restrictions on voting or a separate class of shares for voting?  |   |                       |       |         |  | Y                 | N |
| Name and percentage of holdings of any shareholder who owns 5% or more of the common shares directly or beneficially  |   |                       |       |         |  |                   |   |
| <b>NAME OF SHAREHOLDER</b>  |   |                       |       |         |  | <b>PERCENTAGE</b> |   |
|   |   |                       |       |         |  |                   |   |
|   |   |                       |       |         |  |                   |   |
|   |   |                       |       |         |  |                   |   |
|   |   |                       |       |         |  |                   |   |
|   |   |                       |       |         |  |                   |   |
| Does the applicant have an advisory board?  |   |                       |       |         |  | Y                 | N |
| If "Yes", number of advisory board members  |   |                       |       |         |  |                   |   |
| Have there been any changes in the Board of Directors or Senior Management of the Corporation in the last 3 years?  |   |                       |       |         |  | Y                 | N |
| If "Yes", please provide further information  |   |                       |       |         |  |                   |   |

## FINANCIAL INFORMATION

Projected total revenue from all sources for the next 12 months

As of the date of this application, please provide the following information

|                 | SHARES % | ASSETS % | REVENUE % |
|-----------------|----------|----------|-----------|
| In Canada       |          |          |           |
| In USA          |          |          |           |
| Other (specify) |          |          |           |

## FINANCIAL PRACTICES

|  |   |   |
|--|---|---|
| Do you use a qualified independent accountant to perform audits?   | Y | N |
| Do you use the services of a qualified independent financial advisor?  | Y | N |
| Do you retain a lawyer? If "Yes", please attach an explanatory note outlining the basis and purpose for which the lawyer is retained.  | Y | N |
| Have you, at any time during the past 3 years, been in arrears in your payments of monies owing Canada Revenue Agency or the provincial ministries of revenue (including source deductions, GST and PST)? If "Yes", please attach an explanatory note.                   | Y | N |
| Have you, at any time during the past 3 years, sought protection under the "Companies Creditors Agreement Act", or do you anticipate seeing such protection within the next 3 months? If "Yes", please attach an explanatory note.                                       | Y | N |
| Have you, at any time during the past 3 years, been in a material breach of any of your debt covenants, loan agreements, contractual obligations, or do you anticipate any such breach occurring within the next 12 months? If "Yes", please attach an explanatory note. | Y | N |
| Do you derive more than 25% of your annual revenue from one customer? If "Yes", please attach an explanatory note.   | Y | N |

## FIDUCIARY INFORMATION

|   |   |   |
|---|---|---|
| Do you sponsor a pension plan?  | Y | N |
| If "Yes", please provide the following information:   |   |   |
| Name of the pension plan  |   |   |
| Total plan assets (all plans combined) current year   |   |   |
| Total plan assets (all plans combined) previous year  |   |   |
| In what year was your plan established?   |   |   |
| What are the total number of participants?  |   |   |
| Do you handle any investment decisions in-house? If "Yes", please attach details.   | Y | N |
| Name of investment manager  |   |   |
| Is your plan adequately funded as evidenced by an actuary's report?<br>If "Yes", please attach a copy of the report. If "No", please attach explanatory note. | Y | N |

## EMPLOYMENT PRACTICES

|  |   |   |
|--|---|---|
| Number of employees  |   |   |
| Number of volunteers   |   |   |
| Are employees unionized?   | Y | N |
| How many employees or officers have been terminated in the past 2 years?   |   |   |
| Are any layoffs or staff reductions anticipated within the next 2 years?   | Y | N |
| What percentage of your workforce occupy supervisory roles?  |   |   |
| Are hiring and interviewing guidelines written?  | Y | N |
| Is an employee handbook distributed to all employees?  | Y | N |
| Do you have a written policy dealing with discrimination and harassment?   | Y | N |
| Do you have a written policy dealing with the use of company email, voicemail and internet access?   | Y | N |
| Is there a formal grievance or complaint procedure in place with follow up action monitored or provided by an independent authority such as a Company ombuds-person? | Y | N |
| Do you offer an outplacement program to assist employees post-termination?   | Y | N |
| Are employees given written warnings prior to termination?   | Y | N |
| When an employee is terminated, is officer approval required?  | Y | N |
| When an employee is terminated, are Human Resources personnel directly involved?   | Y | N |
| Is there a Human Resources department?   | Y | N |
| Are annual performance appraisals completed?   | Y | N |
| Is there a formal training program for employees?  | Y | N |
| Is training documented?  | Y | N |

## PREVIOUS INSURANCE INFORMATION

| CURRENT INSURANCE                  | LIMIT OF POLICY | NAME OF INSURER | EXPIRY DATE | RETROACTIVE DATE |
|------------------------------------|-----------------|-----------------|-------------|------------------|
| Directors & Officers Liability     |                 |                 |             |                  |
| Professional Errors & Omissions    |                 |                 |             |                  |
| Commercial General Liability (cgl) |                 |                 |             |                  |
| Who is your current broker?        |                 |                 |             |                  |

---

## DECLARATIONS AND SIGNATURE

---

There are no pending or past claims against the Corporation, or any Persons proposed for insurance in the capacity of director, officer, employee or committee member of the Corporation which, if insurance had been in force similar to that now proposed, would have fallen within the scope of such insurance, except as follows:

---

---

Check here if no such claims

---

No person proposed for this insurance is cognizant of any wrongful act or circumstance which they have reason to suppose might afford grounds for any future claim which would fall within the scope of the proposed insurance, except as follows:

---

---

Check here if no such knowledge

---

In the past 5 years, no Insurer has declined, cancelled or non-renewed similar insurance except as follows:

---

---

Check here if no such circumstances

---

No fact, circumstance or situation indicating the probability of a claim or action against which indemnification is or would be afforded by the proposed insurance is now known to any officer of this organization, except as follows:

---

---

Check here if no such knowledge/circumstances

---

**It is agreed by all concerned that if there is knowledge of any such fact, circumstance or situation, any claim or action subsequently emanating there from shall be excluded from coverage under the policy.**

---

The corporation has not at any time during the past 5 years been in breach of its debts, covenants or loan agreements, except as follows:

---

---

Check here if no such circumstances

---

The undersigned authorized officer of the organization declares that, to the best of their knowledge, the statements set forth herein are true. The undersigned is duly authorized to make representations and to sign on behalf of all persons or entities applying for this insurance.

Signing of the proposal does not bind the undersigned to complete the insurance but it is agreed that this form shall be the basis of the contract should a policy be issued, and this form will be attached to and become part of the policy.

**Material Change**

In the event that there is any material change in the answers given to the questions contained in this application prior to the inception of the policy, the Applicant must notify the Underwriters in writing and the Underwriters may revoke, or effect changes to, the quotation provided.

**False Information**

Any person who, knowingly and with the intent to defraud any insurance company or other person, files an application for insurance containing any false information, or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

The undersigned, on behalf of the insured organization, acknowledges that any personal information provided in connection with this application (including but not limited to the information contained in this form) has been collected in accordance with applicable privacy legislation and this information shall only be used or shared by the Company to assess, underwrite and price insurance products and related services, administer and service insurance policies, evaluate and investigate claims, detect and prevent fraud, analyze and audit business results and/or comply with regulatory or legal requirements.

**Coverage cannot be bound unless this application has been fully completed and duly signed and dated and accepted by the insurer**

For purposes of the Insurance Companies Act (Canada), this document was issued in the course of Ecclesiastical Insurance Office plc's insurance business in Canada.

|   |  |
|---|--|
| Signature of authorized officer         |  |
| Print name and title of signing officer |  |
| Date                                    |  |

Copies of the following information must be enclosed with this application:

- The Latest Audited Financial Statements
- The By-Laws Of The Organization
- Company Organizational Chart

---

## APPENDIX A : LIST OF ALL DIRECTORS AND OFFICERS

---

Please complete for all directors, trustees, and officers (including any affiliates) intended to be covered by the proposed insurance.

Please provide explanations for any changes within the past 3 years

| Name | Title | Length of time in position | Company | Experience |
|------|-------|----------------------------|---------|------------|
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |
|      |       |                            |         |            |