



**PRIVATE COMPANY MANAGEMENT INDEMNITY PACKAGE
Directors, Officers and Corporate Liability,
Employment Practices Liability, and Fiduciary Liability Insurance**

RENEWAL APPLICATION

THIS IS AN APPLICATION FOR A CLAIMS MADE POLICY WITH DEFENCE COSTS INCLUDED IN THE LIMIT OF LIABILITY. ALL QUESTIONS MUST BE ANSWERED.

Corporate Information

1. (a) Name of Applicant: _____
- (b) Address: _____

- (c) Percent of voting securities owned directly or beneficially by directors or officers: _____%
- (d) Please list all shareholders who own 5% or more of any class of securities, either directly or beneficially:

Shareholder	Class of Security	% Owned	Director or Officer? (Y/N)

If there are more shareholders, please attach a list containing the above information.

Operational Details

2. (a) Please provide the following corporate information (at the time of completing this Application):

	Shares	Assets	Sales	# of Employees
in Canada	_____ %	_____ %	_____ %	_____
in the U.S.A.	_____ %	_____ %	_____ %	_____
Other (Specify) _____	_____ %	_____ %	_____ %	_____
_____	_____ %	_____ %	_____ %	_____
	100%	100%	100%	_____

- (b) Total number of Subsidiaries that are more than 50% owned or controlled by the Applicant, either directly or indirectly through one or more of its Subsidiaries at the time of completing this Application:
Canada: _____ United States: _____ Other: _____
- (c) Please attach as **Schedule "A"** a list of all Subsidiaries for which coverage is requested, including date and jurisdiction of incorporation, date of acquisition or creation, percentage of ownership and nature of operations.
- (d) Please attach as **Schedule "B"** a list of all directors and officers of the Applicant and all Subsidiaries.
- (e) In the next 12 months (or during the past 12 months) is the Applicant contemplating (or has the Applicant completed or in the process of completing) the following:
 - (i) any acquisition, tender offer, merger, consolidation or divestiture? Yes No
 - (ii) any private or public offering of its securities? Yes No
 - (iii) any changes in nature of operations or sources of revenue? Yes No
 - (iv) any change in directors or senior management? Yes No

- (v) any change in the controlling ownership of the Applicant? Yes No
- (vi) any change in accountants or external legal advisors? Yes No

If Yes to any of the above, attach details.

Financial

3. (a) Is the Applicant currently, or has it at any time during the past twelve months been, 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 No
- (b) Is the Applicant currently protected, or has it at any time during the past twelve months sought protection, under the Companies Creditors Arrangement Act (or similar Canadian or U.S. legislation) or does it anticipate seeking such protection within the next twelve months? Yes No
- (c) Is the Applicant currently, or has it at any time during the past twelve months been, in breach of any of its debt covenants or loan agreements, or does it anticipate any such breach occurring within the next twelve months? Yes No

If Yes to any of the above, attach details.

4. The following question 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) ____/____
(a) Current Assets		
(b) Total Assets		
(c) Current Liabilities		
(d) Long Term Debt		
(e) Retained Earnings (Accumulated Deficit)		
(f) Shareholders' Equity		
(g) Revenues		
(h) Net Income (Net Loss)		

5. (a) Financial statement preparation: Internal Notice to Reader Review Engagement Audit
- (b) Have outside auditors stated there are material weaknesses in the Applicants system of internal controls? Yes No
- (c) Have any material recommendations of the audit not been implemented? Yes No
- (d) Has any auditor issued a "going concern" opinion for the Applicant or any of its Subsidiaries financial statements during the past twelve months? Yes No

If Yes to any of the above, attach details.

Employment Practices Liability Insurance

6. Does the Applicant require Employment Practices Liability Insurance? Yes No

If Yes, complete the following questions:

- (a) Total number of employees with total annual compensation less than \$50,000: _____
- (b) Total number of employees with total annual compensation greater than \$100,000: _____
- (c) Total number of employees, including officers, who have been terminated in the past two years: _____
- (d) Has the turnover rate exceeded historical levels during the past two years? Yes No

- (e) Are any layoffs or staff reductions anticipated within the next two years? Yes No
- (f) In the last twelve months, have there been any significant changes in the following areas:
- (i) internal employment practices? Yes No
- (ii) source of legal counsel for employment advice and defence Yes No
- (iii) the employee handbook? Yes No

If Yes to (d), (e) or (f)(i) though (iii) above, attach details.

Fiduciary Liability Insurance

7. Does the Applicant require Fiduciary Liability Insurance? Yes No

If Yes, complete the following questions:

- (a) Provide details for each Plan for which coverage is being sought:

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

* DC - Defined Contribution, DB – Defined Benefit. **If there are more plans, please attach a separate list.**

- (b) Provide the following administration details for each Plan identified above:

Plan No. From Question 8(a)	Plan Administrator	Investment Manager	Legal Counsel	Actuary	Chartered Accountant
1.					
2.					
3.					

- (c) Are all Defined Benefit Plans fully funded in accordance with applicable statutes and regulations as attested to by an actuary? Yes No
- (d) Do all Plans conform to the regulatory requirements for eligibility, participation, vesting, funding and all other provisions of the Pension Benefits Standards Act or any similar provincial or territorial statute, and all rules and regulations adopted thereunder? Yes No
- (e) Have the Plans been reviewed to ensure that there are no violations of any plan agreement, prohibited transactions or party-in interest rules? Yes No
- (f) Are all Plan assets managed by the Investment Manager identified in Question (b) above? Yes No

If No to (c), (d), (e) or (f) above, attach details.

- (g) In the past twelve months has there been any:
- (i) plan mergers or termination? Yes No
- (ii) amendment to any Plan that has resulted in, or is expected to result in, any change of benefits, including but not limited to an increase in participants cost? Yes No

If Yes to (g) (i) or (ii) above, attach details.

Additional Information Required

8. As a part of this Application, please submit one copy of each of the following documents:
- (i) Latest annual financial statements, if limits requested are greater than \$3,000,000 or assets are greater than \$75 million or net income was negative in any if the previous two years;
- (ii) Schedule A – a list of all Subsidiaries for which coverage is requested;
- (iii) Schedule B – a list of all directors and officers of the Applicant and all Subsidiaries;
- (iv) Plan financial statements and latest actuarial report for defined benefit plans.

It is agreed that this Application is a supplement to all other applications previously submitted to the Insurer in conjunction with the underwriting and issuance of insurance coverage for which this policy is a renewal or replacement or otherwise succeeds in time, and those applications together with this Application shall constitute the complete Application which shall be the basis of any quotation which may be made.

FALSE INFORMATION

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

DECLARATIONS AND SIGNATURE

The undersigned authorized officer of the Applicant:

- (i) declares, after inquiry, that the statements and representations set forth in this Application, and all materials submitted to or requested by the Insurer in conjunction with this Application, are true;
- (ii) acknowledges that these statements, representations, and materials are relied on by the Insurer and that they shall be deemed material to the acceptance of the risk assumed by the Insurer under the insurance applied for, should the insurance be effected;
- (iii) agrees that if the information supplied in connection with this Application changes between the date of this Application and the effective date of any insurance effected pursuant to this Application, the undersigned will immediately notify the Insurer of such changes, and the Insurer may withdraw or modify any outstanding indications, quotations and/or authorization or agreement to effect the insurance; and
- (iv) acknowledges that any personal information provided in connection with the insurance applied for, including but not limited to the information contained in this Application, has been collected in accordance with all applicable privacy legislation. The undersigned confirms that all necessary consents have been obtained for the collection, use, and disclosure of such information for the purposes of any investigation and inquiry in connection with this Application for insurance and, if applicable, investigating and settling claims, detecting and preventing fraud, and acting as required or authorized by law.

Signing of this Application does not obligate the Applicant or the Insurer to effect the insurance, but it is agreed that all materials submitted to or requested by the Insurer in conjunction with this Application are hereby incorporated by reference into this Application and made a part hereof. Terms and conditions, including limits of coverage, offered by the Insurer may differ from those applied for by the Applicant. It is further agreed that this Application and all materials submitted to or requested by the Insurer in conjunction with this Application are the basis of and are deemed attached to and incorporated into any policy effected pursuant to this Application.

PLEASE NOTE: COVERAGE CANNOT BE BOUND UNLESS THIS APPLICATION HAS BEEN FULLY COMPLETED AND DULY SIGNED AND DATED.

Applicant	Date
Signature	Title