

# PUBLIC ENTITY MANAGEMENT LIABILITY APPLICATION

**SUBMIT**

**NOTE:**

- 1. "ENTITY" includes the parent company and all SUBSIDIARIES owned greater than 50% applying for coverage.
- 2. All questions must be completed in their entirety.
- 3. Capitalized terms used herein are defined in the policy wording.

**PART 1 ENTITY INFORMATION**

Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_ Postal Code: \_\_\_\_\_

Website: \_\_\_\_\_

Incorporated under the laws of: \_\_\_\_\_ Incorporation Date: \_\_\_\_\_

**PART 2 OWNERSHIP INFORMATION**

Stock Ticker Symbol: \_\_\_\_\_ Stock Exchange(s): \_\_\_\_\_

Number of voting stock shareholders: \_\_\_\_\_

Name and percentage of holdings of any shareholder who owns 5% or more of the voting shares (directly and beneficially): \_\_\_\_\_ %

Are there any other shares convertible to voting stock? If yes, please attach details.  Yes  No

Is the ENTITY requesting coverage for any SUBSIDIARIES? If yes, please provide details (or attach an organizational chart).  Yes  No

NAME	JURISDICTION	% OWNED	INCORPORATION DATE	DESCRIPTION

Note: Coverage will automatically apply to companies that meet the definition of SUBSIDIARY, as defined in the policy wording.

Is the ENTITY currently considering or has it during the past 12 months been involved in:

- any acquisitions, mergers or major divestitures?  Yes  No
- any registration for a public offering or a private placement of securities?  Yes  No
- any change in senior management, directors or outside auditors?  Yes  No

If yes to any of the above, please attach details.



**PART 2 GEOGRAPHIC INFORMATION (CONSOLIDATED)**

As of the date of this Application, please provide the following:

Percent	Canada	United States	Other
age of assets in:	%	%	%
Percentage of shares in:	%	%	%
Percentage of sales/revenue in:	%	%	%

Number of employees in:

Does the ENTITY plan to expand its U.S. exposure in the next 12 months? If yes, please attach details.  Yes  No

If the ENTITY has any operations outside of Canada and the United States, please identify the countries and provide details:

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Is the ENTITY currently or has it during the past three years been in arrears in its payments of monies payable to Canada Revenue Agency or the provincial ministries of revenue (including source deductions, GST, HST and PST)?  Yes  No

Is the ENTITY currently or has it at any time during the past three years sought protection under the "Companies' Creditors Arrangement Act" (Canada) or "Chapter 11" (United States) or does it anticipate seeking such protection within the next 12 months?  Yes  No

Is the ENTITY currently or has it at any time during the past three years been in a material breach of any of its debt covenants, loan agreements, contractual obligations, or does it anticipate any such breach occurring within the next 12 months?  Yes  No

Does the ENTITY derive more than 25% of its annual revenue from one customer?  Yes  No

If yes to any of the above, please attach details.

**PART 3 EMPLOYMENT PRACTICES INFORMATION**

Number of EMPLOYEES located in: Canada United States Other

What is the annual turnover rate of EMPLOYEES?

How many employees and officers have been terminated in the past two years?

Current Year:	Voluntary Terminations	Involuntary Terminations	Layoffs
Previous Year:	Voluntary Terminations	Involuntary Terminations	Layoffs

Has the turnover rate exceeded historical levels during the past two years? Are any layoffs or staff reductions anticipated within the next two years? If yes to either (c) or (d), please attach full details.  Yes  No  Yes  No

Does the company have:

written hiring/interviewing guidelines?  Yes  No

a Human Resources Department?  Yes  No

If no to (b), please attach details as to how this function is handled. When an EMPLOYEE is discharged:

is officer approval required?  Yes  No

are Human Resources personnel directly involved?  Yes  No

**PART 6 PAST ACTIVITIES**

**SUBMIT**

During the last three years, have any of the directors, officers, employees, pension plans, pension plan fiduciaries or the ENTITY been involved in any:

actions, proceedings or investigations based upon or arising out of an alleged violation of any securities law or regulation, anti-trust law or restrictive trading law or regulation?

Yes  No

insolvency and/or bankruptcy proceedings?

Yes  No

criminal proceedings?

Yes  No

representative actions, class actions or derivative suits?

Yes  No

employment or labour-related litigation or proceedings?

Yes  No

employee benefit plan or pension plan related litigation or proceedings?

Yes  No

claim made under any Directors and Officers, Employment Practices or Fiduciary liability policies or notice of potential claim given to the insurer?

Yes  No

If yes to any of the above, please attach details.

**PART 7 PRIOR KNOWLEDGE**

Are there now pending any CLAIMS against any person or entity proposed for coverage?

Yes  No

Does any person proposed for coverage have knowledge or information of any fact or circumstance which might give rise to a CLAIM?

Yes  No

If yes to any of the above, please attach details.

WITHOUT LIMITATION TO ANY OTHER REMEDY AVAILABLE TO THE INSURERS, THE PROPOSED INSURANCE WILL NOT AFFORD COVERAGE TO ANY CLAIMS OF WHICH ANY INSURED HAS KNOWLEDGE NOR ANY CLAIMS RESULTING FROM ANY FACTS OR CIRCUMSTANCES OF WHICH ANY INSURED HAS KNOWLEDGE.

**PART 7 APPLICANT'S CONSENT TO THE TRANSMISSION OF THE INFORMATION CONTAINED IN THE APPLICATION FORM**

I hereby acknowledge that the information collected in the Application form is acquired by my insurance broker to be transmitted to ENCON Group Inc. for the sole purpose of obtaining an insurance policy, and will be kept confidential.

Moreover, I authorize ENCON Group Inc., its insurers or service providers to:

- conduct verification, using outside sources, of the information contained in the Application form, in attached documentation and in subsequently provided documentation;
- In the event of a claim, transmit the submitted and verified information to loss adjusters, lawyers or other similar offices for the purposes of investigating, defending, negotiating or settling any claims, as required.

For more information on ENCON's privacy policy, please contact [privacy-officer@encon.ca](mailto:privacy-officer@encon.ca).

DECLARATIONS AND SIGNATURE The

undersigned declares that:

- (a) he/she is duly authorized by the ENTITY to complete this Application and that the statements set forth herein are true and complete;
- (b) reasonable efforts have been made to obtain sufficient information from each person proposed for coverage to facilitate the proper and accurate completion of this Application form;
- (c) the financial information submitted with this Application are representative of the current financial position of the ENTITY including its SUBSIDIARIES (if not, please attach details).

The undersigned agrees that:

- (a) if the information supplied in this Application changes between the date of this Application and the effective date of the policy, he/she will provide written notice of such changes immediately to ENCON and, without limitation to any other remedy, ENCON may withdraw or modify any outstanding quotations, and any authorization or agreement to bind coverage;
- (b) should a policy be issued, this Application and its attachments shall form part of the policy.

Applicants Signature: \_\_\_\_\_ Position: \_\_\_\_\_

Please Print Name: \_\_\_\_\_ Date: \_\_\_\_\_

ENTITY: \_\_\_\_\_