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ERRORS & OMISSIONS AND CORPORATE INDEMNIFICATION COVERAGE:
PROPOSAL FORM (ONLY available to Incorporated Non-Profit Entities)

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| NOTES: | (1) This is a claims made policy. |
| | (2) This policy forms part of a complete Insurance Program and is intended to complement the coverage provided under the Cowan Liability Policy. |
| | (3) A copy of the Letters Patent is required. |

ALL QUESTIONS MUST BE ANSWERED.

- (i) If there is no answer, please indicate "None" or "Not Applicable".
- (ii) Where space provided is insufficient, please use separate sheets of paper.

1. GENERAL INFORMATION:

(a) NAME OF INSURED: _____
KEY CONTACT: _____ POSITION: _____
ADDRESS: _____
Postal Code: _____
Phone: _____ Fax: _____
Email: _____ Website: _____

(b) BROKER NAME: _____
BROKERAGE: _____
ADDRESS: _____
Postal Code: _____
Phone: _____ Fax: _____
Email: _____ Website: _____

(c) Applicant is: _____ For Profit Organization or _____ Not For Profit Organization

(d) Date of Incorporation: _____ Jurisdiction: _____

(e) Total Budget for next twelve months: _____ Fiscal Year End: _____

(f) Indicate your sources of income and the percentage of your total revenue generated from each source:

_____	_____	%
_____	_____	%
_____	_____	%

2. LIMIT OF LIABILITY REQUESTED:

E & O: \$ _____

CIC: 1 million 2.5 million

3. ADDITIONAL INFORMATION:

- (a) Do you have any involvement in the activities and operation of any political committee or those of a trade union or federation? YES _____ NO _____
- (b) Are you currently or have you during the past twelve months been in arrears of any payments or monies payable to Revenue Canada or the provincial ministries of revenue? YES _____ NO _____
- (c) Have you at any time during the last 5 years been in breach of any of your debt covenants, loan agreements or contractual obligations or do you anticipate any such breach occurring within the next twelve months? YES _____ NO _____
- (d) Have you changed your outside accountant or external legal counsel during the last 5 years? YES _____ NO _____
- (e) Have you currently or have you at any time during the last 3 years:
- (i) sought protection under the Companies' Creditors Arrangement Act? or
 - (ii) made a commercial proposal under Part III of the Bankruptcy and Insolvency Act? YES _____ NO _____

(If the answer to any of the above questions is "YES", please provide full details.)

4. OPERATIONS:

Do you, the Insured, or any person(s) proposed for this insurance perform any of the following:

- (a) Provide counseling services, referral services, legal aid services, computer services, or medical services to the public or others? YES _____ NO _____
- (b) Act as or participate in a peer review group or committee for assessing the qualifications and performance of others or the quality of products manufactured, sold, handled or distributed by others? YES _____ NO _____
- (c) Take any disciplinary action or recommend disciplinary action as a result of peer review group activities? YES _____ NO _____
- (d) Develop standards used to evaluate the quality of goods, products manufactured or services rendered? YES _____ NO _____
- (e) Engage in activities such as lobbying or labour negotiation? YES _____ NO _____

(If the answer is "YES" to any of the above questions, please provide full details.)

5. CONTEMPLATED CHANGES:

- (a) Have there been any changes in the Directors, Trustees or Officers in the past 12 months? YES _____ NO _____
- (b) Do you have under consideration at the present time or do you contemplate any acquisitions, divestitures, tender offers or mergers? YES _____ NO _____

(If the answer is "YES" to any of the above questions, please provide full details.)

6. DIRECTORS OR TRUSTEES:

- (a) Number of Directors or Trustees _____
- (b) Number of Officers _____
- (c) How frequently does the Board of Directors meet? _____
- (d) How many Board Members constitute a quorum? _____
- (e) Is the agenda and minutes from the previous board meetings available ten days prior to each board meeting date? YES _____ NO _____
- (f) Are there any loans outstanding or anticipated to Directors, Trustees or Officers or Corporations controlled by them? YES _____ NO _____
- (g) Does each Director or Trustee have a formal job description which clearly defines the scope of their duties? YES _____ NO _____

7. OPERATIONAL PROCEDURES:

- (a) Are the Directors, Trustees and Committee Members informed of new developments, and the operation's results? YES _____ NO _____
- (b) Have standard decision making procedures been defined? YES _____ NO _____
- (c) Does a procedure for documenting major decisions and events exist? YES _____ NO _____
- (d) Does a procedure for retention of essential legal, financial and personnel records exist? YES _____ NO _____

8. LEGAL:

- (a) What is the source of the board's legal advice? _____
- (b) Do legal advisers make regular presentations to the board to review the responsibilities of the Directors or Trustees? YES _____ NO _____
- (c) Are all persons required to obtain legal counsel prior to publicly commenting on any of the Insured's activities? YES _____ NO _____

9. NOTICE:

Identify the Officer of the Named Insured designated to receive all notices from the Insurer concerning this insurance:

NAME: _____ **TITLE:** _____
(Please Print)

10. PRIOR INSURANCE:

(a) Have any claims, facts or circumstances which might possibly give rise to a **claim** been reported to the current or any previous D&O or E&O Insurance Company? YES _____ NO _____
(If the answer is "YES", please provide full details.)

(b) Previous Directors' and Officers' or Errors and Omissions Liability Insurance (last 3 years):

<u>Name of Insurer</u>	<u>Limit of Policy</u>	<u>Retention</u>	<u>Period</u>	<u>Premium</u>

11. ATTACHMENTS:

Please submit one copy of each of the following documents which will be considered to be part of this proposal:

- (a) Last 3 years' annual reports including financial statements
- (b) Latest interim financial statement
- (c) By-Laws of the Insured
- (d) List of Directors or Trustees and Officers (complete the attached or provide a list)
- (e) List of Committees (complete the attached or provide a list)
- (f) Sample of any newsletter published by the Insured

12. WARRANTIES AND SIGNATURE:

THE NAMED INSURED DOES HEREBY PROVIDE THE FOLLOWING WARRANTIES TO THE INSURER:

(a) No **Claim** which would, had insurance similar to that now proposed been in force, have fallen within the scope of such insurance has been made or is now pending against any person(s) proposed for this insurance in the capacity of Insured, except as follows:

(b) No person proposed for this insurance is cognizant of any fact or circumstance or of any **Wrongful Act** which might possibly give rise to a future **Claim** such as would fall within the scope of the proposed insurance except as follows:

(c) No similar insurance on behalf of the Named Insured has been declined or cancelled or renewal thereof refused, except as follows:

(d) Neither the Named Insured nor any of the Additional Insureds has been involved in or has any knowledge of any currently pending insolvency and/or bankruptcy, anti-trust, combines, price fixing, restraint of trade tax, copyright, patent, securities law or regulation infringement or government regulatory or administrative proceedings against the Named Insured and/or the Additional Insureds, except as follows:

- (e) No fact, circumstance or situation indicating the possibility of a **Claim** against which indemnification would be afforded by the proposed insurance is now known to any person(s) applying for this insurance other than which is disclosed in this proposal form.

It is specifically agreed by all concerned that if any person(s) applying for this insurance has any knowledge of any such fact, circumstance or situation, any **Claim** subsequently emanating therefrom will be excluded from coverage under the proposed insurance.

- (f) The undersigned Director of the Named Insured is duly authorized to make representations and to sign on behalf of all the Additional Insureds and the Named Insured and declares that the statements herein are true and complete.
- (g) The undersigned Director of the Named Insured declares that the financial statements submitted with this proposal form are representative of the current financial position of the Named Insured.
- (h) Signing of this proposal form does not bind the Insurer to complete the insurance, but it is agreed that this proposal form will be the basis of the contract should a policy be issued, and that this proposal form will be attached to and become a part of such policy, if issued.

The Insurer is hereby authorized to make any investigation and inquiry in connection with this proposal as it may deem necessary.

- (i) It is warranted that the particulars and statements contained in the proposal form for the policy and any materials submitted herewith (which will be retained on file by the Insurer and which will be deemed attached hereto, as if physically attached hereto), are the basis for the policy and are to be considered as incorporated into and constituting a part of the policy.
- (j) It is agreed that in the event that there is any material change in the answers to the questions contained herein prior to the effective date of the policy, the Named Insured will notify the Insurer and, at the sole discretion of the Insurer, any outstanding quotations may be modified or withdrawn.

N.B. COVERAGE CANNOT BE BOUND UNLESS THIS PROPOSAL FORM HAS BEEN DULY COMPLETED AND DULY SIGNED AND DATED.

Named Insured

Name of Director (in block letters)

Date

Signature of Director

LIST OF DIRECTORS OR TRUSTEES AND OFFICERS OF THE NAMED INSURED

DIRECTORS/TRUSTEES AND OFFICERS	OCCUPATION

LIST OF COMMITTEES OF THE NAMED INSURED

NAME OF COMMITTEE	BRIEF DESCRIPTION OF FUNCTIONS