



Forefront by Chubb will cover only claims first made against the Insured during the Policy Period. The Limits of Liability may be completely exhausted by the cost of legal defence. Any deductible is similarly reduced and may be exhausted by Defence Costs.

1. GENERAL INFORMATION

Proposed Insured Organization _____

Address _____

Province of incorporation _____ Date established _____

Nature of business _____

On what exchange is stock publicly traded, if any? _____

Number of locations in: Canada _____ United States _____ Other _____ Total: _____

2. REQUESTED LIMIT: _____

3. COMMON STOCK

Number of shareholders _____ Number of shares outstanding _____

Name and percentage of shares owned by shareholders directly or beneficially holding 5% or more of the common stock (if none, so indicate) None _____

If the proposed Insured Organization is owned by a parent company, indicate the name and principal address of the parent: _____

Are there any other securities which are convertible to common stock?
If yes, attach details. Yes No.

4. Has the proposed Insured Organization or any subsidiary in the past three years been involved with, or contemplates in the next twelve months:

Any actual or proposed merger, acquisition or divestment? Yes No.

Any registration for a public offering or a private placement of securities? Yes No.

Any layoffs, staff reductions or facility closings? Yes No.

Any change in outside auditors? Yes No.

If yes to any of these, attach details.

5. Do you want outside directorship coverage for any joint ventures? Yes No.
If yes, please attach details for those positions for which you are requesting coverage.

6. EMPLOYMENT PRACTICES INFORMATION

Number of employees located in: Canada _____ United States _____ Other _____

For your employees located in **Canada** please indicate the following:

	<u>Currently</u>	<u>One year ago</u>	<u>Two years ago</u>
Full time Non-Union	_____	_____	_____
Full time - Union	_____	_____	_____

The total number of employees in each of the following provinces: Ontario _____ Quebec _____
British Columbia _____

For your employees located in the **United States** please indicate the following:

Number of employees with total annual compensation greater than \$ 100,000 _____

The total number of employees in each of the following states: California _____ Texas _____
New Jersey _____ Michigan _____

Does the proposed Insured Organization:

- Use outside employment counsel for employment advice in Canada? Yes No
In the United States? Yes No.
- Have a full time human resources manager or department in Canada? Yes No
In the United States? Yes No.

If not, how is the function handled? _____

- Distribute an employee handbook to all employees in Canada? Yes No In the
United States? Yes No. If no, please explain why. _____

- Have a manual of its human resource procedures used in Canada? Yes No
In the United States? Yes No. If yes, indicate the date it was last revised _____

- Provide formal training for its supervisors in administering these procedures in Canada?
 Yes No In the United States? Yes No.

- Have a written policy against discrimination, including sexual harassment, in Canada?
 Yes No In the United States? Yes No.

If yes, how is it communicated to employees? _____

- Have a grievance procedure for dealing with discrimination claims brought in Canada? Yes
 No In the United States? Yes No.

- Use any tests (e.g. psychological, drug, polygraph, etc.) for screening applicants or for continued employment in Canada? Yes No In the United States? Yes No.
If yes, attach details.

- Use an employment application for all applicants? If no, please explain _____
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- Have a written progressive disciplinary program in Canada? Yes No
In the United States? Yes No.

- Obtain advice from a human resource manager prior to terminating an employee? Yes No.
If no, attach details.

Who has the authority to:
hire employees? _____

fire employees _____

7. EMPLOYEE BENEFIT PLAN INFORMATION

Currently

One year ago

- Total plan assets (all plans combined) _____

- Investment managers: _____ Years engaged _____

Does the investment manager(s) have discretionary control over the investing of the total plan assets? Yes No.

Do you handle any investment decisions in-house? Yes No.

If yes, please describe.

- In the past 3 years, have there been any:

Plan mergers? Yes No.

If yes, attach details.

Plan termination's? Yes No.

If yes, attach details including the name of the insurer if benefits were secured by the purchase of annuities.

- Do the plans conform to the standards of eligibility, participation, vesting, funding and other provisions of, in Canada, the Pension Benefits Standards Act, 1985 and any similar provincial statute, or in the U.S., ERISA?
 Yes No. **If no, please explain:** _____
-

- Have the plans been reviewed to assure that there are no violations of any plan trust agreements, prohibited transactions or party-in interest rules? Yes No. **If no, please explain:** _____
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- Has an actuary certified that the plans are adequately funded? Yes No.
If no, please explain: _____
- Do you have any outstanding delinquent contributions to any plans? Yes No.
If yes, attach details.
- Have any of your plans in the U.S. experienced any event reportable to the Pension Benefit Guaranty Corporation? Yes No.
If yes, attach details.

8. PAST ACTIVITIES

Has the proposed Insured Organization or any subsidiary been involved in any of the following in the past five years or has any director, officer, fiduciary or trustee been involved in any of the following at any time?

- | | <u>Organizations</u> | <u>Persons</u> |
|---|---|---|
| • Anti-trust, copyright or patent litigation? | <input type="checkbox"/> Yes <input type="checkbox"/> No. | <input type="checkbox"/> Yes <input type="checkbox"/> No. |
| • Accused, found guilty or held liable for a breach of a pension benefit law or ERISA ? | <input type="checkbox"/> Yes <input type="checkbox"/> No. | <input type="checkbox"/> Yes <input type="checkbox"/> No. |
| • Civil, criminal or administrative processing alleging violation of any federal, provincial or state securities law? | <input type="checkbox"/> Yes <input type="checkbox"/> No. | <input type="checkbox"/> Yes <input type="checkbox"/> No. |
| • Any other criminal actions?
If yes to any of these, attach details. | <input type="checkbox"/> Yes <input type="checkbox"/> No. | <input type="checkbox"/> Yes <input type="checkbox"/> No. |

9. LOSS HISTORY

Have any loss payments been made on behalf of any insured under any previous policy that provided insurance similar to that for which you are applying? Yes No.
If yes, attach details.

Please attach a listing of all lawsuits, administrative proceedings or United States Department of Labor investigations commenced or demand letters received during the past three years. Describe the type of allegation, the court or agency involved and the current status, including any determination, judgment, defense costs or settlement for each.

10. PRIOR INSURANCE

Do you currently have:

Coverage Type	Yes	No	Insurer	Limits	Deductible	Policy Period
Employment Liability						
Fiduciary Liability						
D&O Liability						

Attach a copy of the prior application (with any prior insurer) from which continuity of coverage is to be maintained. The Company will be relying upon the declarations and statements contained in such prior application and those declarations and statements shall be considered to be incorporated in and from part of the policy of the Company.

Has the proposed Insured Organization given written notice under the provisions of the policies listed above or any prior policies providing similar insurance of specific facts or circumstances which might give rise to a claim being made against any Insured? Yes No.
If yes, provide details.

11. PRIOR KNOWLEDGE/WARRANTY

If you said no in question 10 for any of the coverage types of if you request limits of liability for any coverage type larger than set forth in question 10, the following statement must be completed and applies to (i) those coverage types for which no coverage is currently maintained and (ii) such larger limit of liability.

It is important that you fill in the blank in this paragraph. No person proposed for coverage is aware of any facts or circumstances which he or she has reason to suppose might give rise to a future claim that would fall within the scope of any of the proposed coverage for which you do not currently maintain insurance, or within such larger limits of liability, except:

None or _____

It is understood and agreed that if any such facts or circumstances exist, whether or not disclosed, any claim or action arising from them is excluded under any policy issued by the Company.

12. ADDITIONAL MATERIALS NEEDED

As part of this application please attach the following:

- Your latest audited financial statement.
- A list of your board of directors and their outside affiliations.
- Copies of all employment applications.
- Your most recent employee handbook.
- If you have operations in the United States, your EEO-1 reports for the past three years.
- If you have U. S. employee benefit plans, a copy of the most recently filed Form 5500 and the related schedules for all ERISA plans except health and welfare plans.
- If Outside Directorship Coverage for joint venture positions is desired, attach the indemnification provisions of your by-laws and the latest audited financial statements for each joint venture.

IMPORTANT INFORMATION

Your submission of this application does not obligate the Company to issue a policy. You will be advised if your application for coverage is accepted.

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.

MATERIAL CHANGE

If there is any material change in the answers to the questions prior to the policy inception date the proposed Insured Organization will notify the Company in writing and any outstanding quotation may be modified or withdrawn.

DECLARATION AND SIGNATURE

The undersigned declares that to the best of his or her knowledge and belief the statements set forth herein are true. Although the signing of this application does not bind the undersigned on behalf of the proposed Insured Organization or its directors, officers or insured persons to effect insurance, the undersigned agrees that his application and its attachments shall be the basis of the contract should a *ForeFront by Chubb* or any other policy providing one or more of the requested coverage be issued and shall be deemed to be attached to and shall form part of any such policy. The Company is hereby authorized to make any investigation and inquiry in connection with the application that it deems necessary.

This section of the application must be signed by the Chairman of the Board or President.

_____	_____	_____
Date	Signature	Title

NOTE: This application and all exhibits shall be treated in confidence.