



Distribution of Financial Products and Services

Representatives or Firms Professional Liability Application

PLEASE ANSWER ALL QUESTIONS AND LEAVE NO BLANK SPACES. IF THE SPACE PROVIDED IS INSUFFICIENT TO ANSWER ANY QUESTION FULLY, KINDLY APPEND A SEPARATE PAGE WITH YOUR DETAILED ANSWERS.

Enclose the following with this Application:

- i. ☐ Copy of the Applicant's standard written contract with the clientele (Service agreement)

APPLICANT

1. Name: _____
2. Address: _____
3. Location of branch office(s): _____
4. Date established: _____
5. Website: _____
6. Any other trade names currently used: _____
7. Previous entity(ies) or partnerships used previously by the Applicant: _____
8. If the Applicant is a firm, the proposed coverage under this insurance is intended for:
☐ The entity only or
☐ The entity and it's employees
9. Should the Applicant provide coverage for the licenced assistants? Yes ☐ No ☐

REQUESTED LIMIT AND DEDUCTIBLE

10. a) Limit: _____ b) Deductible: _____

BUSINESS ACTIVITIES AND FINANCIAL INFORMATION

11. Last completed fiscal year is from: _____ to _____
12. Complete the 2 following tables and indicate the gross annual revenue and total commissions from sales and service:

Activities	Total of Commissions from Sales and Services – Past Year	Total of Commissions from Sales and Services – Estimated for Next Year
Life Insurance (individual policies)		
Life Insurance (group policies)		
Sickness and Accident (individual policies)		
Sickness and Accident (group policies)		
Sales of Segregated Funds		
Referrals to Other Professional Services (describe):		
Other Products (describe):		

Activities	Gross Annual Revenue – Past Year	Gross Annual Revenue – Estimated for Next Year
Sales of Mutual Funds		
Financial Estate Planning		
Consulting (describe):		
Other Products (describe):		

NOTE: If the total revenue and commission declared is more than \$100,000, please complete the addendum attached.

13. Percentage annual revenue from: Canada: _____ % US: _____ %
Other (specify): _____ %

*Including services provided outside of Canada and revenue earned from clients domiciled outside Canada.

14. Percentage of revenue derived from services that are provided by independent sub-agents: _____ %

PROFESSIONAL PRACTICE

15. Complete the following for any person(s) performing the services described in question 12 above. If additional space is required, attach a separate sheet.

Name	Position Title (Owner, Partner, Employee, Independent, Licensed Assistant)	Type of License or Permit and License or Permit Number	Provinces Where License is Held	Years of Relevant Experience

16. Are all persons providing the services members in good standing of a professional association regulating the practice of such services? Yes ☐ No ☐
17. In consideration of the person(s) described in question 15 above, has any person or entity proposed for coverage under this insurance:
- a) presently the object, or has ever been the object, of a disciplinary investigation; Yes ☐ No ☐
- b) had their professional license revoked, suspended, been formally reprimanded, or been the subject of a disciplinary action? Yes ☐ No ☐
- If Yes to any of the above, please submit all details and annex a copy of the document issued by the disciplinary committee

18. a) Has the Applicant been visited by the appropriate provincial regulatory body(ies) and/or compliance authorities? Yes ☐ No ☐
- b) Have the required measures to comply with the findings of the professional inspection report been implemented? Yes ☐ No ☐
19. Does the Applicant require all sub-agents to carry their own professional liability policy in conformity with the appropriate provincial regulatory body(ies)? Yes ☐ No ☐
20. Please indicate the insurance carriers' names with whom the Applicant holds an agency contract.

Name of Insurer	Name of Insurer

21. Does the Applicant or any person(s) described in question 15 above, sell or has previously sold, give or has given advice, refer or has previously referred clients for the following:
- a) Securities or any other type of investment of a foreign issuer, including 'offshore' funds? Yes ☐ No ☐
If Yes, please submit details:
-
- b) Securities or any type or investment with respect to which a prospectus is required by law, but for which no prospectus has been approved by any provincial or federal regulating bodies? Yes ☐ No ☐
If Yes, please submit details:
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Please note that if the Applicant answered yes to any of the questions above, these activities shall be excluded from coverage under the proposed insurance.

PRIOR INSURANCE AND CLAIMS

22. During the past five years, has the Applicant carried professional liability insurance? Yes ☐ No ☐
If Yes, please complete the following for all previous insurance:

Name of Insurer	Limit	Deductible	Expiry Date	Premium

23. What was the first date on which the Applicant purchased continuous claims made coverage? _____
24. During the past five years, has any insurer ever cancelled, declined or refused to renew the Applicant's or any previous organization's or partnership's professional liability insurance? Yes ☐ No ☐
If Yes, list each insurer and the reason(s) given for the cancellation, declination or non-renewal:
- i. _____
- ii. _____
- iii. _____

PRIOR KNOWLEDGE AND ACTIVITIES

25. In the past three years:
- a) has any claim been made against any person or entity proposed for coverage under this insurance arising out of the performance of, or failure to perform, professional services; Yes ☐ No ☐
- b) has any person or entity proposed for coverage under this insurance given notice of any fact, circumstances, situation, transaction, event, act, error, or omission under any policy of which the requested coverages would be a direct or indirect replacement? Yes ☐ No ☐
If Yes to any of the above, please submit all details.
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26. Is any person or entity proposed for coverage under this insurance aware of any fact, circumstance, situation, transaction, event, act, error or omission which could reasonably be expected to give rise to a claim that may fall within the scope of the proposed insurance? Yes ☐ No ☐
If Yes to the above, please submit all details.
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It is understood and agreed that if any person or entity proposed for coverage under this insurance has any knowledge of any such claims, facts, circumstances, situation, transactions, events, acts, errors, or omissions, license revocations or suspensions, reprimands or disciplinary actions, whether or not disclosed in questions 17, 25 or 26 above, any claim or action subsequently arising or developing therefrom shall be excluded from coverage under the proposed insurance.

DISCLOSURE, AUTHORIZATION AND SIGNATURE

The undersigned representative of the Applicant:

- a) declares that they have been duly authorized by the Applicant to complete this Application and that all attachments, statements, representations and information submitted with this Application (together referred to as the "Application") are true and complete;
- b) declares that reasonable efforts have been made to obtain sufficient information from each person proposed for this insurance in order to complete this Application properly and accurately;
- c) acknowledges that this Application is relied on by Intact Insurance and shall be deemed material to the acceptance of the risk assumed by Intact Insurance under the insurance applied for, should the insurance be issued;
- d) agrees that if, prior to the effective date of the Policy, the information contained in this Application changes in any way, they will immediately advise Intact Insurance in writing and, without prejudice to any other legal remedy available to it, Intact Insurance may modify or withdraw any outstanding quotation or any authorization or agreement to bind;
- e) acknowledges this Application shall form part of the Policy and shall be the basis of the contract, should one be issued.

Terms and conditions, including limits of coverage, offered by Intact Insurance, may differ from those applied for by the Applicant.

SIGNING THIS APPLICATION DOES NOT BIND THE APPLICANT NOR THE INSURER TO COMPLETE THE INSURANCE APPLIED FOR HEREIN.

Applicant name (print): _____ Date: _____

Applicant signature: _____ Applicant title: _____

ADDENDUM
Professional Liability Application
(RE: question 12 of the Application)

APPLICANT

1. Name: _____

COMPLIANCE

2. Does the Applicant make recommendations to his clients or to potential clients to whom he has given investment advice to buy or sell financial products in which the Applicant has directly or indirectly a financial interest? Yes ☐ No ☐
3. Does the Applicant meet new clients in person? Yes ☐ No ☐
4. Does the Applicant require for each client that he confirms his mandate in writing or that they sign a contract? Yes ☐ No ☐
5. a) Does the Applicant establish with each client or prospect a list of personal information in which is stated:
- i. the financial status, income, assets, etc.? Yes ☐ No ☐
 - ii. investment experience and knowledge? Yes ☐ No ☐
 - iii. investments and/or financial products recommended by the Applicant? Yes ☐ No ☐
 - iv. knowledge of each investment or the risks involved in the financial product? Yes ☐ No ☐
 - v. awareness of the market conditions and any necessary warning with respect to investing in the financial products offered or for those suggested by the Applicant? Yes ☐ No ☐
- b) Is the client's signature a confirmation that he confirms having read the documents and therefore given his consent? Yes ☐ No ☐
6. Does the Applicant have a policy whereby there is a verification performed on each new client account by either the Applicant, a senior partner or an officer? Yes ☐ No ☐
- If yes, when was this procedure implemented by the Applicant? _____
7. Does the Applicant sometimes recommend to his clients to borrow money for the purpose of investing in the financial markets? Yes ☐ No ☐
8. Please indicate the name of the person responsible for the audits and who ensures the quality of the clients' services and sales and advice methods used with each client: _____
9. Does the Applicant have a policy or procedure in place to ensure record keeping such as follow-up letters, analysis of needs and/or customer profile and a proper notification procedure if established regulatory provisions are not followed? Yes ☐ No ☐
10. Is there an internal procedures manual, or any other method, to ensure that the Applicant's policies and procedures are followed and applied by the representatives and employees? Yes ☐ No ☐
11. Are there audits performed on the Applicant's representatives? Yes ☐ No ☐
- If Yes, please specify how often. _____
- _____