

If a policy is issued, the coverage will apply only to Coverage Sections that have been purchased and then, only for claims that are first made against the Insured during the policy period.

The following documents are mandatory in order to obtain a quotation:

- Latest Annual Reports or Audited Financial Statements of all Organizations including subsidiaries and funds, i.e. all partnerships, limited liability companies and private equity funds
- Organizational chart (s) with percentage of ownership of subsidiaries, funds and portfolio companies
- Term sheets, private placement memorandums, investment agreements used for financing of portfolio companies or funds
- Partnership agreements, limited partnership agreements or equivalent document of any organization for any: fund, partnership, limited liability company or limited partnership including general partnerships
- Annual and quarterly summaries available of investment performance provided to any stakeholder of any fund including limited partnerships
- The latest actuarial report and financial statements for all proposed Defined Benefits Pension Plans
- Additional details on separate sheet when required below.

### Applicant/General Information

1. Name of the Organization applying for this insurance (if the Organization has subsidiaries, give the name of the Parent Organization only):

2. Organization's Mailing address:

Website:

3. Nature of venture capital business/ investments:

4. Does the Organization have any subsidiaries or affiliated companies?

YES ☐ NO ☐

If "YES", please complete Appendix A.

5. Please provide the number of locations for the Organization and number of employees per jurisdiction.

Jurisdiction	Number of Locations	Total # of Employees	# of Independent Contractors
Canada			
USA			
Other (specify) :			

6. If any employees, or independent contractors are located in the USA, please advise which states:

7. Does the business or investment strategy include a due diligence process that takes into account relevant environmental, ethical and social issues, and regulatory requirements?

YES ☐ NO ☐

8. Indicate the areas in which formal policies and/or procedures have been implemented by the Board of Directors, Board of Managers, or a Committee to address the following:

- |   |   |
|---|---|
| <input type="checkbox"/> Asset – Liability Management Policy        | <input type="checkbox"/> Merger and Tender Offers   |
| <input type="checkbox"/> Audit Policy                               | <input type="checkbox"/> Operation Procedures   |
| <input type="checkbox"/> Conflicts of Interest Policy               | <input type="checkbox"/> Personnel Policy   |
| <input type="checkbox"/> Duties of directors, officers and managers | <input type="checkbox"/> Risk Management Policy   |
| <input type="checkbox"/> Investment Policy                          | <input type="checkbox"/> Nomination and Selection Process for new directors, managers or partners |
| <input type="checkbox"/> Distribution / Dividend Policy             | <input type="checkbox"/> Corporate Responsibility (Social and Ethics)                             |
| <input type="checkbox"/> Environment                                | <input type="checkbox"/> Health and Safety  |
| <input type="checkbox"/> Remuneration                               | <input type="checkbox"/> Ethics-Social Issues   |

9. Please list all committees set-up by the Organization, its Subsidiaries or any Fund:
10. How often during the year does the Board of Directors, Board of Managers, or a Committee review the following?
- (a) Financial Statements
  - (b) Portfolio Company Investments
  - (c) Insurance Coverages
  - (d) Changes in Investment/Lending Policy
  - (e) Distributions or Dividend payouts
  - (f) Threatened or Actual Litigation
11. Is an Advisory Committee consulted or involved in management decision making? YES ☐ NO ☐
- If "YES", please provide full details on a separate sheet, including composition and affiliations of advisory board members.**

**Venture Investing & Private Equity Liability Coverage: (only complete if coverage is required)**

**1. VENTURE INVESTING ACTIVITIES**

- (a) Please complete the Schedule of funds, (includes limited partnerships & limited liability companies) (Appendix B)
- (b) Does any Organization require board representation in a Portfolio Company when an investment is made in a Portfolio Company by a Fund? YES ☐ NO ☐
- If "YES", please complete the Schedule of Portfolio Companies (Appendix C)
2. Percentage of venture investing services provided or activities performed and revenues in the following areas:
- | Jurisdiction     | Venture Investing Services % | Revenue % |
|------------------|------------------------------|-----------|
| Canada           |                              |           |
| USA              |                              |           |
| Other (specify): |                              |           |
|                  |                              |           |
3. In the past three (3) years, has any of the proposed Organizations or any of its Subsidiaries or any Funds been involved, presently involved, or considering in the next twelve (12) months, in any of the following:
- (a) any changes in nature of operations, investments or sources of revenue? YES ☐ NO ☐
  - (b) any change in directors, managers, including managers of a fund, partners, general partners, or senior management? YES ☐ NO ☐
  - (c) any private or public offering, including a private placement, of securities of any Organization including its subsidiaries, or any fund? YES ☐ NO ☐
4. Other than the Portfolio Companies mentioned in Appendix C, are any of the proposed Insured Persons currently sitting on another organization's board in the position of director, officer, trustee, trustee emeritus or governor at the request of the proposed Organization applying for this insurance? YES ☐ NO ☐
- If "YES" to question 3. or 4. above, please provide full details:**

5. Financial Information – Please indicate:

Most Recent Year End	CANADA	U.S.A.	OTHER COUNTRY
Total value of committed capital (CDN \$):	\$ MM	\$ MM	\$ MM
Total value of invested capital (CDN \$):	\$ MM	\$ MM	\$ MM
Percentage of total invested capital in private companies	%	%	%
Percentage of total invested capital in publically traded companies	%	%	%
Percentage of total committed capital in private companies	%	%	%
Percentage of total committed capital in publically traded companies	%	%	%

6. Has any of the proposed Organizations, (excluding any fund), in the past three (3) years, presently, or in the next twelve months anticipates to:
- (a) seek protection under the "Companies Creditors Arrangement Act" or similar foreign legislation? YES ☐ NO ☐
- (b) be in arrears of its payments to Revenue Canada or the provincial ministries of revenue, including source deductions, GST and PST? YES ☐ NO ☐
- (c) bankruptcy proceeding, reorganization or other arrangement with creditors under law? YES ☐ NO ☐
- If "YES" to one or more questions above, please provide full details on a separate sheet.**
7. Have any material weaknesses regarding internal controls from an outside auditor not been implemented? YES ☐ NO ☐

**Employment Practices Liability Coverage: (only complete if coverage is required)**

1. Historical annual employee turnover rate:
2. Total number of employees with total annual compensation greater than \$100,000:
3. Do all the proposed Organizations:
- (a) have an employee handbook distributed to all employees? YES ☐ NO ☐
- (b) have a Human Resources Department? YES ☐ NO ☐
- (c) have an annual written performance evaluations for all employees? YES ☐ NO ☐
- (d) have policies and procedures for employees outlining conduct with third parties and clients? YES ☐ NO ☐
- (e) use a written policy against discrimination and sexual harassment? YES ☐ NO ☐
- (f) use a written policy regarding equal opportunity employment? YES ☐ NO ☐
- (g) use outside legal counsel for advice on employment related matters? YES ☐ NO ☐
- (h) require the involvement of outside legal counsel when an employee is terminated? YES ☐ NO ☐
4. Has any of the proposed Organizations been involved in the past twelve (12) months or is considering in the next two (2) years any layoff, staff reduction or facilities closing? YES ☐ NO ☐

**If "YES", please provide full details:**

**Fiduciary Liability Coverage : (only complete if coverage is required)**

1. Provide details for each Employee Benefit Plan sponsored by the proposed Organizations: None provided: ☐
- | Name of Plan | Type of Plan* | Number of Participants | Plan Assets Current Year** | Plan Assets Prior Year** | Annual Contributions** |
|--------------|---------------|------------------------|----------------------------|--------------------------|------------------------|
| 1.           |               |                        |                            |                          |                        |
| 2.           |               |                        |                            |                          |                        |
| 3.           |               |                        |                            |                          |                        |
| 4.           |               |                        |                            |                          |                        |

\*DC – Defined Contribution, DB – Defined Benefit, ESOP - Employee Stock Ownership, OT – Other, please provide full details on a separate sheet.

\*\*This information can be provided by the latest financial statements instead of completing the columns indicated above.

**Please attach a copy of the latest actuarial report and financial statements for all proposed Defined Benefits Plans.**

2. Provide the following administration details for each Plan identified above.
- | Plan No. From Question 1 | Plan Administrator | Investment Manager | Outside Legal Counsel Firm                               |
|--------------------------|--------------------|--------------------|--|
| 1.                       |                    |                    | YES <input type="checkbox"/> NO <input type="checkbox"/> |
| 2.                       |                    |                    | YES <input type="checkbox"/> NO <input type="checkbox"/> |
| 3.                       |                    |                    | YES <input type="checkbox"/> NO <input type="checkbox"/> |
| 4.                       |                    |                    | YES <input type="checkbox"/> NO <input type="checkbox"/> |
3. Is any Plan a multi-employer plan? YES ☐ NO ☐
4. In the past three (3) years, presently, or in the next twelve (12) months, have any Plans:
- (a) ever been in non compliance of any applicable legislation or governing law? YES ☐ NO ☐
- (b) been converted or terminated? YES ☐ NO ☐

5. Are there any overdue employer contributions for any Plan? YES ☐ NO ☐

If "YES", to questions 4. or 5., please provide full details:

6. How frequently is the Plan's investment strategy and the performance of the investment manager reviewed:  
Semi-annually ☐ Annually ☐ Other: \_\_\_\_\_

\*Please provide a supplementary sheet if more information needs to be provided.

#### Employed Lawyers Professional Liability Coverage: (only complete if coverage is required)

1. Please provide the total for all the proposed Organizations:
  - (a) Employed lawyers (include Quebec notaries):
  - (b) Employed notaries under the supervision of an employed lawyer:
  - (c) Employed lawyers or notaries under the supervision of an employed lawyer with more than ten (10) years of legal experience:
  - (d) Employees supporting (a) and (b) above:
  - (e) Lawyer or notary loaned by a temporary placement agency under the supervision of an employed lawyer:
  - (f) Lawyer or notary employed by a legal firm who provides legal services to any of the proposed Organizations and where such Organization has agreed to provide indemnification under an independent contractor agreement:
2. Please describe the type of legal work and area of practice performed by the professionals list in question 1:
3. Do any of the professionals mentioned in question 1 provide moonlight legal services? YES ☐ NO ☐
4. Do any of the professionals mentioned in question 1 provide probono work? YES ☐ NO ☐  
If "YES", please describe the scope of services provided and the total number of hours annually:
5. Has any of the professionals mentioned in question 1. been subject of or been involved in any of the following:
  - (a) Any reprimand, sanction, fine, discipline by, or refusal of admission of a bar association, court, administrative or regulatory agency? YES ☐ NO ☐
  - (b) Any civil or criminal litigation, arbitration, claim or administrative or regulatory proceeding during the last 5 years? YES ☐ NO ☐
6. Please describe any risk management procedures in place for the in house legal department or Employed Lawyers of the proposed Organization:
7. Does the proposed Organization use any external legal resources? YES ☐ NO ☐  
If "YES", please describe:

#### Workplace Violence Coverage: (only complete if coverage is required)

1. Do any of the proposed Organizations have:
  - (a) an Employee Assistance Program (EAP)? YES ☐ NO ☐
  - (b) an employee and customer complaint/grievance resolution procedure? YES ☐ NO ☐
  - (c) a written policy given to employees on workplace violence? YES ☐ NO ☐
  - (d) procedures and training in place for all employees on what to do in hostile situations in the workplace? YES ☐ NO ☐
  - (e) background checks done for all potential employees? YES ☐ NO ☐

#### Privacy Breach Coverage Endorsement: (only complete if coverage is required)

1. Has all the proposed Organizations implemented a formal information security policy which applies to every business unit? YES ☐ NO ☐  
If "YES", does the security policy require an audit to test, identify and assess new security threats as well as monitor effectiveness? YES ☐ NO ☐
2. Do all the proposed Organizations have a security plan that sets out an incident response plan in the event of a privacy breach? YES ☐ NO ☐

## Loss History

In the past three years, has any director, officer, managing member, managing director, or a natural person partner of the Organization, its subsidiaries or funds, been involved in:

- (a) any claim, which has been made, currently pending, or notice of a potential claim has been given under a Venture Capital/Private Equity or Directors and Officers, Employment Practices or Fiduciary Liability Insurance policy? YES ☐ NO ☐
- (b) any claim or potential claim been given or delivered written notice under the provisions of any liability insurance policy? YES ☐ NO ☐
- (c) any representative actions, class actions, stockholder's suits or any derivative suits? YES ☐ NO ☐
- (d) any civil, criminal, administrative or regulatory investigation or proceeding? YES ☐ NO ☐
- (e) any anti-trust, price fixing, deceptive trade practices, tax, consumer fraud, copyright or patent infringement proceeding? YES ☐ NO ☐
- (f) any receivership, insolvency or bankruptcy proceeding? YES ☐ NO ☐
- (g) any workplace violence incidents at any of their locations? YES ☐ NO ☐
- (h) any privacy breach incident, whether reported to an Insurer or not? YES ☐ NO ☐

If "YES" to one or more questions above, please provide full details on a separate sheet.

## Prior Insurance

Within the past three (3) years, has any insurer declined, refused to renew or cancelled any of the coverages requested?

YES ☐ NO ☐

If "YES", please provide full details:

Coverages	Requested Limit (s) of Liability	Expiring Limit(s) of Liability	Expiring Deductible	Expiry Date	Current Prior and Pending Litigation Date
Venture Capital-Private Equity-Directors & Officers Liability					
Employment Practices Liability					
Fiduciary Liability					
Employed Professionals Liability					
Workplace Violence Coverage					

## Prior Knowledge/Warranty

The warranty statement must be completed for any applicants who are requesting coverage for the first time, adding a new coverage not currently purchased or if larger limits of liability are being requested than currently maintained.

**Do not complete this section if this is a renewal application for an existing policy with Intact Insurance and no change in coverage or limits of liability are requested.**

- (a) Is any person or entity (including a fund) proposed for this insurance aware of any facts, circumstances, situations, transactions, events, acts, errors or omissions likely to give rise to a claim? YES ☐ NO ☐

If "YES" to questions above, please provide all details:

It is understood and agreed that if any person(s), director(s), officer(s), Organization(s), subsidiaries, fund or any other entity related therefrom, applying to this insurance, has any knowledge of any such facts, situations, circumstances, transactions, events, acts, errors or omissions exists whether or not disclosed, any claim or action subsequently arising or developing therefrom shall be excluded from coverage under any policy issued by Intact Insurance.

## Declaration for the Application

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The undersigned designated as an officer of the Organization:

- (a) declares that they have been duly authorized by the Organization to complete this Application and that all statements and representations contained herein are true and complete;
- (b) 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) the financial statements submitted with this Application reflect the current financial situation of the Organization and its subsidiaries (if this is not the case, please provide details on a separate sheet).
- (d) acknowledges that these statements, representations and information submitted are relied on by Intact Insurance and shall be deemed material to the acceptance of the risk assumed by the Insurer under the insurance applied for, should the insurance be issued.
- (e) agrees that if between the date of this Application and the effective date of the Policy, the statements and information contained in this Application change 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;
- (f) acknowledges this application and all documents attached hereto shall be form part of the Policy and shall be the basis of the contract, should one be issued.

It is agreed that the statements, representations and attached supplemental information, including Appendices A, B and C submitted contained within this Application are true and are the basis of the Policy contract. Terms and conditions, including limits of coverage, offered by Intact Insurance, may differ from those applied for from the Applicant. It is further agreed that this Policy shall not be voided, rescinded or coverage excluded as a result of any untrue statement in this Application, except as to the Organization, its Subsidiaries and those Insured Persons making such statement or having knowledge of its untruth.

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Signature

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Position (Chief Executive Officer, Chairman or General Counsel)

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Date

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Organization

**APPENDIX TO THE APPLICATION FOR VENTURE INVESTING & PRIVATE EQUITY POLICY**  
**APPENDIX A – SCHEDULE OF SUBSIDIARIES (excluding Funds) OF THE ORGANIZATIONS**

- 1) Please provide the following information:
- 1.1 Total number of subsidiaries (excluding Funds): \_\_\_\_\_
- 1.2 Provide the following information on **all** controlled subsidiaries:
- |                                |       |       |       |
|--------------------------------|-------|-------|-------|
| (a) Name:                      | _____ | _____ | _____ |
| (b) Date created or acquired:  | _____ | _____ | _____ |
| (c) Percent of ownership:      | _____ | _____ | _____ |
| (d) Total assets:              | _____ | _____ | _____ |
| (e) Nature of business:        | _____ | _____ | _____ |
| (f) Province of incorporation: | _____ | _____ | _____ |
| (g) Public/Private:            | _____ | _____ | _____ |
| (h) Parent company:            | _____ | _____ | _____ |
- 1.3 Other subsidiary(ies) proposed for coverage: \_\_\_\_\_  
\_\_\_\_\_
- 1.4 If the latest annual report is not consolidated, attach the latest annual report of each subsidiary.
- 2) Have there been any changes in senior management in the last five years? YES ☐ NO ☐  
**If “YES”, please provide full details on a separate sheet.**  
**Please make a photocopy of this page if more than four subsidiaries.**

This appendix is attached to and forms part of the Application for VENTURE INVESTING & PRIVATE EQUITY POLICY.

## APPENDIX TO THE APPLICATION FOR VENTURE INVESTING & PRIVATE EQUITY POLICY

### APPENDIX B – SCHEDULE OF FUNDS TO BE INSURED

Please provide the following information for each Fund (includes limited partnership & limited liability companies) to be insured.

**Please make a photocopy of this page if more than three Funds.**

Name of Fund to be insured			
Name of manager or general partner			
Number of partners or shareholders			
Date created or acquired			
Location of principal operations			
Fund value (in millions)			
Investment objective			
Total value of investments As of (date)	As of:	As of:	As of:
Industry preference			
Financial information for most recent year end:			
Initial capitalization (in millions)			
Number of portfolio companies			
Internal rate of return			

This appendix is attached to and forms part of the APPLICATION for VENTURE INVESTING & PRIVATE EQUITY POLICY.



# APPENDIX TO THE APPLICATION FOR VENTURE INVESTING & PRIVATE EQUITY POLICY

## APPENDIX C – SCHEDULE OF PORTFOLIO COMPANIES

Please complete a schedule for each Fund described in Appendix B.

**Please make a photocopy of this page if more than three Funds.**

Name of Fund: \_\_\_\_\_

Name of portfolio companies	Date created or acquired	% of ownership	Nature of business	Business form	Name of parent company	Financial information for the most recent year end		
						Total revenues	Total assets	Net income
						(in millions)		

Name of Fund: \_\_\_\_\_

Name of portfolio companies	Date created or acquired	% of ownership	Nature of business	Business form	Name of parent company	Financial information for the most recent year end		
						Total revenues	Total asset	Net income
						(in millions)		

Name of Fund: \_\_\_\_\_

Name of portfolio companies	Date created or acquired	% of ownership	Nature of business	Business form	Name of parent company	Financial information for the most recent year end		
						Total revenues	Total asset	Net income
						(in millions)		

**This appendix is attached to and forms part of the APPLICATION for VENTURE INVESTING & PRIVATE EQUITY POLICY.**