



Specialty Solutions Insurance
VENTURE INVESTING & PRIVATE EQUITY POLICY
Renewal Application

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 required to complete your request:

- 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
- The latest actuarial report and financial statements for all proposed Defined Benefits Pension Plans
- Annual and Quarterly summaries available of investment performance provided to any stakeholder of any Fund including Limited Partnerships

Only for additions or amended terms since the last application was completed, please provide the following:

- 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
- 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. Since the last application completed, has the type of venture capital business/investments changed? YES ☐ NO ☐

Please describe:

3. Since the last application was completed, does the Organization have any newly acquired subsidiaries? YES ☐ NO ☐

If "YES", please complete Appendix A for all subsidiaries.

4. Please provide the number of locations and number of employees, and independent contractors per jurisdiction for the proposed Organizations:

| Jurisdiction | Number of Locations | Number of Employees | Number of Independent |
|------------------|---------------------|---------------------|-----------------------|
| Canada | | | |
| USA | | | |
| Other (specify): | | | |
| | | | |

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

6. Has any of the proposed Organizations, (including any Subsidiary or Fund): been involved or is considering being involved in the next twelve (12) months, in any of the following:

- a) merger or consolidation with another entity or Fund? YES ☐ NO ☐
- b) acquisition of another entity or Fund, tender offer or divestiture of an Organization, Subsidiary or Fund? YES ☐ NO ☐
- c) sale, dissolution or divestiture? YES ☐ NO ☐

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

Venture Investing & Private Equity Liability Coverage (only complete section if coverage is required for the renewal policy)**1. VENTURE INVESTING ACTIVITIES**

- (a) Since the last application was completed, does the Organization have any newly acquired Funds, (including limited partnerships and private equity Funds). YES ☐ NO ☐

If YES, please complete the Schedule of Funds, (including limited partnerships and private equity Funds) (Appendix B) for all existing and new Funds (including limited partnerships and private equity Funds).

- (b) Since the last application was completed, does the Organization have any new Portfolio Company? YES ☐ NO ☐

If YES, please complete the Schedule of Portfolio Companies (Appendix C) for all existing and new Portfolio Companies

2. Percentage of venture investing services provided or activities performed and revenues in the following areas:

| Jurisdiction | Venture Investing Services % | Revenues % |
|------------------|------------------------------|------------|
| Canada | | |
| USA | | |
| Other (specify): | | |
| | | |

3. Has the proposed Organization or any of its Subsidiaries or any Fund in the past twelve (12) months been involved, presently involved, or considering being involved within 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) changes in directors, managers, including managers of a Fund, partners, general partners, or senior management? YES ☐ NO ☐

- (c) private or public offering, including a private placement, of securities of any Organization including its Subsidiaries, or any Fund? YES ☐ NO ☐

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

4. Other than the Portfolio Companies mentioned in Appendix C, are there any changes from the last application to 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 the question above, please provide full details on a separate sheet.

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 anticipates in the next twelve(12) months to:

- (a) seek protection under the *Companies Creditors Arrangement Act*, RSC (1985), c C-36 or similar foreign legislation? YES ☐ NO ☐

- (b) be in arrears of its payments to Canada Revenue Agency or the provincial ministries or agencies 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 section if coverage is required for the renewal policy)

1. Historical annual employee turnover rate:
2. Total number of employees with total annual compensation greater than \$100,000:
3. Since the last application completed, have any significant changes been made to the following:
 - (a) have an employee handbook that is 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 ☐

If "YES", to one or more questions above, please provide full details:

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 section if coverage is required for the renewal policy)

1. Since the application completed, are there any new Employee Benefit Plans being provided by any of the proposed Organizations? YES ☐ NO ☐
2. 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.

3. 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"/> |

4. Is any Plan a multi-employer plan? YES ☐ NO ☐
5. 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 ☐
6. Are there any overdue employer contributions for any Plan? YES ☐ NO ☐

If "YES", to questions 5. or 6., please provide full details:

7. Since the last application completed, were there any changes made to the frequency of reviewing the Plan's investment strategy and the performance of the investment manager?

If "YES", please indicate the frequency change below.

Semi-annually ☐

Annually ☐

Other:

Employed Lawyers Professional Liability Coverage (only complete section if coverage is required for the renewal policy)

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. Since the last application completed, any changes in the area of practice, moonlight, legal services and pro bono work performed by the professionals list in question 1.? YES ☐ NO ☐
- If "YES", please describe the scope of services provided and the total number of hours annually:**
3. Since the last application completed, have 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 ☐
4. Please describe any changes or new risk management procedures in place for the services provided by the professionals mentioned in question 1. above:
5. Since the last application completed, has the proposed Organization made any changes or started to use any external legal resources presently or in the past twelve (12) months? YES ☐ NO ☐
- If "YES", please describe:**

Workplace Violence Insurance Coverage (only complete section if coverage is required for the renewal policy)

1. Since the last application completed, have any significant changes been made to the following:
- (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 ☐
- If "YES" to one or more questions above, please provide full details:**

Privacy Breach Coverage Endorsement (only complete section if coverage is required for the renewal policy)

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 ☐

Declaration for the Application

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 Appendixes 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.

Signature

Position (Chief Executive Officer, Chairman or General Counsel)

Date

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 (5) 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 | | | |

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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 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 assets | Net income |
| | | | | | | (in millions) | | |
| | | | | | | | | |
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