



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.

APPLICANT

1. Name: _____
2. Address: _____
3. Location of branch office(s): _____
4. Date established: _____
5. Website: _____
6. Please indicate if Applicant operates as a:
☐ Independent Representative
☐ Attached representative without being employed
☐ Independent Partnership
☐ Firm
7. Previous entity(ies) or partnerships for which the Applicant is responsible for and that he wishes to propose coverage under this insurance?

REQUESTED LIMIT AND DEDUCTIBLE

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

BUSINESS ACTIVITIES AND FINANCIAL INFORMATION

9. Last completed fiscal year is from: _____ to: _____
10. Gross annual revenue (commissions, bonuses, fees, salary) past year: _____
est. for current year: _____ est. for next year: _____
11. Complete the following table and indicate the percentage of the gross annual revenue derived directly and indirectly from the Applicant's practice. Indirect revenues are revenues (commissions, bonuses and fees) that have been paid to sub-agents and attached representatives without being an employee who have their own professional liability policy.

Activities	Gross Annual Revenue (commissions, bonuses, fees, salary) (A)	Indirect Revenues (commissions, bonuses, fees paid to sub-agents and attached representatives without being an employee) (B)	Direct Revenues (Total) (A) – (B)
Life Insurance, Accident and Sickness Insurance	%	%	%
Group Insurance Plan, Accident and Sickness Insurance	%	%	%
Segregated Funds	%	%	%
Scholarship Plans	%	%	%
Travel Insurance	%	%	%
Mutual Funds	%	%	%
Mortgage Brokerage	%	%	%
Referrals and/or Recommendation Services	%	%	%

Exchange-Traded Fund (ETF)	%	%	%
Alternative Mutual Funds	%	%	%
Damage Insurance	%	%	%
Financial Planning	%	%	%
Exempt Market Products	%	%	%
Other Products (describe):	%	%	%
Total	100 %	%	%

12. Complete the following table with respect to the breakdown of the clientele based on the license the Applicant hold by provinces.

Provinces	Breakdown of Clientele (total must be 100%)	Type of License Held			
		Insurance of Persons	Mutual Funds	General and Damage Insurance	Other License Held
Quebec	%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ontario	%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alberta	%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
British Columbia	%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Saskatchewan	%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Manitoba	%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other Provinces	%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Outside of Canada	%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other License Held (describe):					

PROFESSIONAL PRACTICE

13. Complete the following for any person(s) performing the services described in question 11 above. If additional space is required, attach a separate sheet.

IMPORTANT:

A) **A representative must have his own professional liability policy if:**

- He's attached to the Applicant's firm without being an employee (refer to #4 and #5 below);
- He has a license in Mutual funds (refer to #6, #7 and #8 below)

Exceptions can be granted if a:

- i. Representative is attached 100% to the Applicant's firm without being an employee (#4)
- ii. Mutual funds representative is a shareholder of the Applicant's firm (#6)
- iii. Mutual funds representative is an employee of the Applicant's firm (#7)

If a representative noted above should be proposed for coverage under this insurance, please identify that person in the table that follows below.

B) Any representative attached to the Applicant's firm as well as to other firm(s) (refer to #3 and #5 below) **will not be covered while acting on behalf of other firm(s).**

If the Applicant wants to obtain a separate quote for these activities, please provide a separate application completed accordingly by the representative.

Note: To complete the 4th column of the table below, please identify the following number(s) representing the authorized professional activities for each person:

1. Sole proprietorship
2. Representative attached as an employee to the Applicant's firm
3. Representative attached as an employee to the Applicant's firm and attached to other firm(s)
4. Representative attached 100% to the Applicant's firm without being an employee
5. Representative attached to the Applicant's firm without being an employee and attached to other firm(s)
6. Mutual funds representative shareholder of the Applicant's firm
7. Mutual funds representative employee of the Applicant's firm
8. Mutual funds representative without being an employee or shareholder of the Applicant's firm
9. Representative attached as a partner
10. Other (please describe):

Name of Representative, Employee, Partner, or Shareholder	Type of Licence and License Number	Name(s) of Provincial Body Regulating the Profession	Authorized Professional Activities (please identify the numbers representing the authorized professional activities)	Check the box for a representative (outlined as an exception in item A above) who is proposed for coverage under this insurance
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

14. Are all persons providing the services members in good standing of a professional association regulating the practice of such services? Yes ☐ No ☐
15. In consideration of the person(s) described in question 13 above, has any person or entity proposed for coverage under this insurance:
- a) presently the object, or has ever been the object, of an investigation; Yes ☐ No ☐
- b) had their professional license revoked, suspended, been formally reprimanded, or been the subject of a disciplinary or administrative 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 or the syndic.

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16. 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 ☐
17. Does the Applicant require all attached representatives without being an employee to carry their own professional liability policy in conformity with the appropriate provincial regulatory body(ies)? Yes ☐ No ☐
18. Does the Applicant require all the representatives attached to several firms to carry their own professional liability policy in conformity with the appropriate provincial regulatory body(ies)? Yes ☐ No ☐

19. Does the Applicant sell Exchange-traded funds (ETF)? Yes ☐ No ☐
- If Yes,
- a) please indicate what type of ETFs does the Applicant sell:
- Index ETF: Yes ☐ No ☐
- Inverse ETF: Yes ☐ No ☐
- Leveraged ETF: Yes ☐ No ☐
- Leveraged inversed ETF: Yes ☐ No ☐
- b) Did the Applicant sign an agreement with a broker member of the New Self-Regulatory Organization of Canada (New SRO) who will act as intermediary for the acquisition of the ETF? Yes ☐ No ☐
- If Yes, please name the broker:
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COMPLIANCE

20. 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 ☐
21. Does the Applicant meet new clients in person? Yes ☐ No ☐
22. Does the Applicant require for each client that he confirms his mandate in writing or that they sign a contract? Yes ☐ No ☐
23. 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 ☐
24. 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? _____
25. Does the Applicant sometimes recommend to his clients to borrow money for the purpose of investing in the financial markets? Yes ☐ No ☐
26. 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:
-
27. 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 ☐
28. 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 ☐
29. Are there audits performed on the Applicant's representatives? Yes ☐ No ☐
- If Yes, please specify how often.
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PRIOR INSURANCE AND CLAIMS

30. 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

31. What was the first date on which the Applicant purchased continuous claims made coverage? _____

32. 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:

PRIOR KNOWLEDGE

33. 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, circumstance, 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.

34. 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.

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 15, 33 or 34 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: _____