

Subject to Acceptance by
WESTPORT INSURANCE CORPORATION
150 King Street West, Suite 1000
Toronto ON M5H 1J9

Please submit your completed application to:
COURMARK inc.

1111, rue St-Charles Ouest,
Tour Est, Bureau 550
Longueuil, QC J4K 5G4
Tel.: (450)674-6258 - Fax.: (450) 674-3609

**Application for "Claims Made" Insurance Policy
for Insurance Agents and Brokers Professional Liability (E&O)**

FAILURE TO REPORT A CHANGE COULD RESULT IN BEING UNDERINSURED OR UNINSURED.

1. a. Brokerage/Agency's **Legal Entity** Name: *(proposed primary named insured)*

b. Organization Type: Sole Proprietor Partnership Corporation LLC
 Other: _____

c. Are you a member of your provincial Insurance Brokers Association? Yes No

d. Date entity established*: ____/____/____ (month/day/year)

***If less than 3 years, attach resume and business plan.**

e. Is coverage requested for any other entity registered with the AMF? Yes No

If yes, complete the Additional Entity Supplement.

f. How are you registered with the AMF? Firm Independent Partnership Independent Representative

g. What activities are you licensed to perform by the AMF?

- | | |
|--|--|
| <input type="checkbox"/> Damage Insurance | <input type="checkbox"/> Insurance of Persons |
| <input type="checkbox"/> Claims Adjuster | <input type="checkbox"/> Group Insurance |
| <input type="checkbox"/> Mutual Funds | <input type="checkbox"/> Financial Planning |
| <input type="checkbox"/> Education Savings Plans | <input type="checkbox"/> Financial Products / Investment contracts |

2. a. **Street Address** (Primary Location):

City: _____ Province: _____ Postal Code: _____

b. **Mailing Address** (if different from 2.a.):

City: _____ Province: _____ Postal Code: _____

c. Does the brokerage/agency have additional locations? Yes No

If Yes, how many additional locations? _____

3. a. Name of individual designated as brokerage/agency E&O contact: _____

b. Phone: () _____ c. Fax: () _____

d. E-Mail Address: _____ e. Website Address: _____

f. Does website contain a privacy statement? Yes No

4. During the last 5 years for new applicants, and during the last year for renewal applicants,

a. has the name of the brokerage/agency changed? Yes No

b. has there been a change in brokerage/agency ownership? Yes No

c. has the brokerage/agency participated in a cluster / alliance arrangement? Yes No

d. have you acquired, merged with, or purchased any other brokerage/agency? Yes No

If yes to 4.a. or 4.b., please complete the Name/Ownership Change Supplement

If yes to 4.c., please complete the Brokerage/Agency Cluster/Alliance Supplement

If yes to 4.d., please complete the Acquisitions & Mergers Supplement

Current 12 Months

Next 12 Months (Estimated)

5. a. Total P&C **gross premiums** written annually,..... \$ _____ \$ _____
 b. Total gross annual P&C **commissions** \$ _____ \$ _____
 c. Total gross annual Life and A&H **commissions**..... \$ _____ \$ _____
6. a. Number of Personnel: (*Each individual should be counted only once and attach a listing of staff, including years experience and position held.*)

	Full-Time	Part-Time
Owners, Officer, Partners		
Non Licensed Employees (Including Clerical)		
Licensed Employees		
Independent Representatives not employees of the firm		
TOTAL STAFF:		

* Do you desire coverage for non employee Independent Representatives for business placed on behalf of the Named Insured? Yes No

If no, please complete the supplemental questionnaire for each such Independent Representative.

List all licensed life insurance agents associated with applicant:

Name	Exclusive		Professional Designations	# of Years w/Applicant	Provinces Licensed In W/Applicant
	Yes	No			

- b. What percent of licensed staff have brokerage/agency experience: Less than 3 yrs. _____% 3-5 yrs. _____%
 More than 5 years _____%
- c. What was the average turnover rate for the last three years? _____%
- d. What percent of brokerage/agency personnel have insurance designations? _____%

7. a. Type and Approximate Percentage of Insurance Placed.

Commercial Lines (% of Total P&C Premiums)	Current Year	Prior Year	Life Insurance (% of Total Life/A&H Commissions)	Current Year	Prior Year
Commercial Auto	%	Company Use Only	Annuities	%	Company use only
CMP/CGL/Package	%		Credit Life	%	
Umbrellas/Excess	%		Group	%	
Property Coverage	%		Individual	%	
Crop Coverage	%		Other (List)	%	
Workers Compensation	%		TOTAL LIFE INSURANCE:	%	
Flood	%				
Wet Marine	%		A & H Insurance		
Livestock Mortality	%		Group – Carrier Insured	%	
Medical Malpractice	%		Group – Self-Insured	%	
Professional Liability Non-Medical	%		Individual	%	
Aviation	%		Other (List)	%	
Bonds	%				
Long Haul Trucking	%		TOTAL A & H INSURANCE:	%	
Other (List)	%		LIFE + A&H	100%	
TOTAL COMMERCIAL LINES:	%				

Personal Lines (% of Total P&C Premiums)	Current Year	Prior Year	Life Insurance (continued)		
Auto-Standard	%	Company use only		Commission	Coverage Desired?
Auto-Non-Standard	%		Segregated Funds	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No
Homeowners & Standard Fire	%		G.I.C.'s	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No
Non-Standard Fire	%		R.R.I.F.'s	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No
Watercraft	%		R.R.S.P.'s	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No
Umbrella	%		R.E.S.P.'s	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No
Flood	%				
Farmowners	%				
Other (List)	%				
TOTAL PERSONAL LINES:	%				
COMMERCIAL + PERSONAL	100%				

b. Percent of policies written on a direct bill basis: _____ %

c. Check each province where brokerage/agency is licensed:

- | | | | |
|---|---|---|----------------------------------|
| <input type="checkbox"/> Alberta | <input type="checkbox"/> Nova Scotia | <input type="checkbox"/> British Columbia | <input type="checkbox"/> Ontario |
| <input type="checkbox"/> Manitoba | <input type="checkbox"/> Prince Edward Island | <input type="checkbox"/> New Brunswick | <input type="checkbox"/> Quebec |
| <input type="checkbox"/> Newfoundland | <input type="checkbox"/> Saskatchewan | <input type="checkbox"/> Nunavut | <input type="checkbox"/> Yukon |
| <input type="checkbox"/> North West Territories | <input type="checkbox"/> Other | | |

d. What is the approximate number of policies in force? _____

8. a. List the top 5 brokerage/agency contracted **Property & Casualty Insurance Carriers** by annual premium.

Complete Name of Insurance Carrier	Years Represented	Loss Ratio *	Annual Premium
			\$
			\$
			\$
			\$
			\$

* If the loss ratio for any company represented is over 100%, please provide reason _____

b. (1) Indicate approximate amount of business brokerage/agency places with carriers that are:

Licensed carriers: _____%

Unlicensed carriers: _____%

(2) If placing coverage with unlicensed carriers, do you have the policyholder sign an acknowledgement letter advising the risks associated with this type of market? Yes No

c. List all **Insurance Carriers** with whom brokerage/agency contracts have been terminated in the last 5 years. (ü if "None")

Name of Insurance Carrier	Reason Contract Terminated				
	Lack of Production	Loss Ratio	Carrier Insolvency	Market Withdraw	Other (Describe)
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

9. a. Percentage of **Property & Casualty** business placed:

(1) Direct with Carriers _____%

(2) Through Brokers _____%

(3) Through Wholesaler or MGAs _____%

(4) As MGA or Wholesaler* (**Please attach a copy of the contract**) _____%

*Are E&O Certificates of Insurance required from sub-producers? Yes No

TOTAL: _____ 100%

b. List the top 3 **Brokers, MGAs or Intermediaries** by annual premium. (ü if "None")

Name of Broker, MGA or Intermediary	Annual Premium
	\$
	\$
	\$

10. During the last 5 years has the Named Insured sold or serviced insurance DIRECTLY associated with business involved in Oil Exploration or Extraction? Yes No

If yes, Number of Accounts: _____ Annual Premium \$ _____

(Please complete a Petroleum Business Questionnaire)

11. In the past five years, has the brokerage/agency placed coverage for Hazardous Waste removal, storage, or treatment?..... Yes No

If yes, Number of Accounts: _____ Annual Premium \$ _____

12. In the past five years, has the brokerage/agency placed coverage or been involved with Captive Management or Reinsurance? If yes, please provide full details.

13. Does the brokerage/agency perform any of the following activities:

	Yes	No	Revenue
Actuarial Services	<input type="checkbox"/>	<input type="checkbox"/>	\$
Claims Adjustment Services	<input type="checkbox"/>	<input type="checkbox"/>	\$
Title Insurance	<input type="checkbox"/>	<input type="checkbox"/>	\$
Premium Finance Company	<input type="checkbox"/>	<input type="checkbox"/>	\$
Fee Based Insurance Consulting	<input type="checkbox"/>	<input type="checkbox"/>	\$
Fee Based Loss Control/Risk Management with Insurance Placed	<input type="checkbox"/>	<input type="checkbox"/>	\$
Fee Based Loss Control/Risk Management without Insurance Placed	<input type="checkbox"/>	<input type="checkbox"/>	\$
Bank or Loan Services	<input type="checkbox"/>	<input type="checkbox"/>	\$
Name of Lending Institution:			
Mutual Fund Sales *	<input type="checkbox"/>	<input type="checkbox"/>	\$
Financial Planning *	<input type="checkbox"/>	<input type="checkbox"/>	\$
Safety Consultant (Attach a copy of Safety Consulting contract)	<input type="checkbox"/>	<input type="checkbox"/>	\$
Third Party Administrator (Attach a copy of TPA contract)	<input type="checkbox"/>	<input type="checkbox"/>	\$
Mortgage Brokerage Services	<input type="checkbox"/>	<input type="checkbox"/>	\$
Travel Insurance	<input type="checkbox"/>	<input type="checkbox"/>	\$
Other: (<i>Describe</i>)	<input type="checkbox"/>	<input type="checkbox"/>	\$

***If coverage requested, a separate supplement/application is required for coverage consideration.**

14. a Is there any entity having a 10% or more interest in the brokerage/agency or any subsidiary or affiliate of the agency? Yes No

If yes attach organization chart and complete 14. b. to f.

b. Affiliate's Name: _____ c. Ownership: _____%

d. Affiliate's Operations: Bank Insurance Real Estate/ Mortgage Other: _____

e. What percent of brokerage/agency revenue is derived from insurance placement for affiliated companies? _____%

15. Does brokerage/agency place insurance for any entity (**other than the brokerage/agency**) which the brokerage/agency or brokerage/agency personnel have 10% or more ownership interest? Yes No

16. Office Procedures for all locations:

	Yes	No
a. Are incoming documents date identified?	<input type="checkbox"/>	<input type="checkbox"/>
b. Are copies of binders/certificates mailed to the insured and/or the carrier within specified guidelines?	<input type="checkbox"/>	<input type="checkbox"/>
c. Are certificates of insurance issued based on policy terms and conditions?	<input type="checkbox"/>	<input type="checkbox"/>
d. Does the agency maintain a policy expiration list?	<input type="checkbox"/>	<input type="checkbox"/>
e. Does agency use a coverage checklist on all commercial proposals?	<input type="checkbox"/>	<input type="checkbox"/>
f. Is there a procedure to maintain written documentation of all rejections of coverage?	<input type="checkbox"/>	<input type="checkbox"/>
g. Is there a procedure to periodically review renewal risks for needed changes in coverage?	<input type="checkbox"/>	<input type="checkbox"/>
h. Are all applications, policies and endorsements checked for accuracy?	<input type="checkbox"/>	<input type="checkbox"/>
i. Are files marked to ensure certificate of insurance holders, mortgagees, etc are notified of cancellation or material changes if the brokerage or agency has assumed responsibility to do so??	<input type="checkbox"/>	<input type="checkbox"/>
j. Is there a procedure for documenting telephone conversations?	<input type="checkbox"/>	<input type="checkbox"/>
k. What type of diary/suspense procedure does the brokerage/agency use? (ü if "None" <input type="checkbox"/>) <input type="checkbox"/> Automated Procedure <input type="checkbox"/> Non-Automated Procedure		
l. Does applicant have a current Office Procedure Manual?	<input type="checkbox"/>	<input type="checkbox"/>
m. Does applicant have a specific orientation program for new employees?	<input type="checkbox"/>	<input type="checkbox"/>
n. Does the agency use an automated management system?	<input type="checkbox"/>	<input type="checkbox"/>
o. What type of file system does the brokerage/agency utilize? <input type="checkbox"/> Paper Files <input type="checkbox"/> Transactional <input type="checkbox"/> Imaging		

17. Have required brokerage/agency personnel participated in an WIC sponsored Errors and Omissions Loss Control Seminar in the past three (3) years? Yes No
18. a. Has brokerage/agency had an Errors and Omissions Audit? Yes No
 b. Were all recommendations implemented? Yes No
 c. Name of audit firm: _____ d. Date of audit: ____/____/____

Attach Copy of Audit with Application

19. After inquiry of each brokerage/agency personnel, are there any known circumstances or incidents which may result in an errors and omissions claim being made against the brokerage/agency?..... Yes No
If yes, what is the total number of these potential claims? _____

Complete a Claim Supplement for each potential claim. (Claim supplement not required for claims or incidents previously reported to Westport Insurance Corporation's Claims Dept.)

20. Have any errors and omissions claims or incidents been made against the brokerage/agency or any of its past or present personnel or predecessor brokerage/agency, within the last 5 years?..... Yes No
If yes, what is the total number of these claims not previously reported to WIC? _____

Complete a Claim Supplement for each claim/incident. (Claim supplement not required for claims or incidents previously reported to Westport Insurance Corporation's Claims Dept.)

21. Has the brokerage/agency paid an E&O loss in excess of \$5,000 out of brokerage/agency funds within the last 5 years?..... Yes No
If yes, what is the total number of losses paid? _____

Complete a Claim Supplement for each incident. (Claim supplement not required for claims or incidents previously reported to Westport Insurance Corporation's Claims Dept.)

22. Has any policy or application for Errors and Omissions insurance on behalf of the applicant or any of its past or present owners, officers, partners or employees or solicitors, or to the knowledge of the applicant, on behalf of its predecessors in business, ever been declined, canceled or renewal refused within the last 5 years? Yes No
If yes, please indicate: **Year:** _____

Reason: Claim Experience Carrier withdrew from market Brokerage/Agency Operations Non-Payment
 Other (Describe): _____

23. Has any past or present brokerage/agency personnel been the subject of complaints filed and/or formal investigation and/or disciplinary action by any insurance regulatory authority or convicted of a criminal activity?..... Yes No
If yes, provide explanation on a separate page along with a copy of the action pending or taken by the disciplinary body or judicial system.

24. Please provide the following on the brokerage/agency's prior 5 years of professional liability insurance: (ü if "None")

Name of Carrier	Expiration Date	Limit of Liability	Deductible	Premium	Policy Retro Date if "Full Prior Acts", ü box
	/ /	\$	\$	\$	/ / <input type="checkbox"/>
	/ /	\$	\$	\$	/ / <input type="checkbox"/>
	/ /	\$	\$	\$	/ / <input type="checkbox"/>
	/ /	\$	\$	\$	/ / <input type="checkbox"/>
	/ /	\$	\$	\$	/ / <input type="checkbox"/>

25. Requested Effective Date: ____/____/____
 26. Requested Limit of Liability: Each Claim: \$ _____ Annual Aggregate \$ _____
 27. Requested Deductible: \$2,500 \$5,000 \$7,500 \$10,000 \$15,000 \$25,000 \$50,000* \$100,000*
 * requires financials

PRIVACY NOTICE TO APPLICANT

The undersigned applicant authorizes Westport Insurance Corporation(a) to collect his/her personal information in order to process and evaluate this application, to provide insurance if coverage is accepted, to obtain reinsurance for the policy, to investigate any claim made under the policy, which may require third parties to collect insured's personal information, and to serve other purposes as permitted by applicable law; (b) to disclose his/her personal information to its subsidiaries, affiliates, reinsurers and agents for these purposes, and (c) to use his/her personal information for these purposes. Furthermore, the undersigned authorizes any third party who receives undersigned's personal information from Westport Insurance Corporation to collect, use and further disclose the personal information for these purposes.

NOTICE TO APPLICANT

Applicant hereby warrants and represents that the statements and answers to questions made above and attachments hereto are true and applicant has not omitted or misrepresented any information.

I understand and accept that the policy applied for provides coverage on a "claims made" basis for only those claims that are made against the insured while the policy is in force and that coverage ceases with the termination of the policy. All claims will be excluded that result from any acts, circumstances or situations known prior to the inception of coverage being applied for, that could reasonably be expected to result in a claim.

Applicant understands and agrees that the completion of this application does not bind WIC to issuance of any insurance policy. Further, the applicant understands and agrees that she or he is obligated to report any changes in information provided in this application that occur after the date of the application.

For purposes of the Insurance Companies Act (Canada), this document was issued in the course of Westport Insurance Corporation's insurance business in Canada.

THE APPLICATION MUST BE SIGNED AND DATED BY AN OWNER, OFFICER OR PARTNER.

Signature: _____ Date: ____/____/____

Name: _____ Title: _____
(Please Print)

Additional Entity and/or Additional Insured (AMF)

Brokerage/Agency Name:

Instructions: (1) Include only one entity per page. (2) Attach additional supplements if needed. (3) Sign and date each supplement.

1. Name of Requested Additional Entity:

2. Is this additional entity registered with the Autorité des marchés financiers? Yes No
If yes, how is this additional entity registered with the Autorité des marchés financiers?

A) Firm

B) Independent Partnership

C) Independent Representative

D) Representative acting on behalf of the firm without being an employee*

***Concerning representatives acting on behalf of the firm without being an employee, do you desire coverage for :**

Complete activities of the representative (including activities for other firms).

Business placed on behalf of _____ .

3. Operations of Additional Entity:

P&C Insurance Brokerage/Agency

Life & Health Insurance Brokerage/Agency

Other (Describe) _____

4. Entity is: Active

Inactive

Inactive – Only for sharing commissions

5. The additional entity is owned by: _____ %
_____ %

Since: ____/____/____/ (Mo./Day/Yr.)

NOTE: Any prior claims against this entity in the last 5 years must be reported on the application.

Signature: _____ Date: ____/____/____

Name: _____ Title: _____
(Please Print)



WESTPORT INSURANCE CORPORATION

**SUPPLEMENTAL APPLICATION
BREACH OF PERSONAL DATA UNDERWRITING SUPPLEMENT**

The Personal Information Protection and Electronic Documents Act (PIPEDA) applies to the collection, use or disclosure of personal information by an organization in the course of a commercial activity.

PIPEDA requires personal information to be safeguarded at all times. Personal information should be safeguarded through the use of:

- 1) physical measures, for example, locked filing cabinets and restricted access to offices;
- 2) organizational measures, for example, security clearances and limiting access on a "need-to-know" basis; and
- 3) technological measures, for example, the use of passwords and encryption.

The more sensitive the information is, the stronger the safeguards must be.

Insured Brokerage Name: _____

Address: _____

Policy Number: _____

- 1. Has your staff received training as to the requirements and duties under PIPEDA? Yes No
- 2. Are encryption and other secure mechanisms in place for both the transport and storage of personal information (mobile and portable devices, web site)? Yes No
- 3. Is a monitoring process in place to oversee, manage and review user access rights and roles at regular intervals? Yes No
- 4. Are passwords and other physical security measures utilized to control access to personal data? Yes No
- 5. Are procedures in place to ensure that security events (e.g. unauthorized access, unsuccessful system access attempts, etc.) are identified, recorded, reviewed and responded to promptly? Yes No

I understand information submitted herein becomes a part of my application and is subject to the same condition as stated on the application.

Applicant Signature: _____ **Date:** _____

Name and Title: _____

THE APPLICATION MUST BE SIGNED AND DATED BY AN OWNER, OFFICER OR PARTNER.