



Epack 3

New Business Application

Instructions for Completing this Application

This is a fillable PDF Document.

Please answer all questions fully. If necessary, as noted in the questions below, please provide additional responses in a supplemental document on your letterhead attached to this Application.

Upon completion the Application must be signed and dated by an authorized representative of the Applicant.

NOTICES

Please note that the insurance coverage to which this Application applies provides that the policy limit available is reduced by amounts incurred for legal defence costs and expenses and may be completely exhausted by such amounts. CNA will not be liable for any defence costs or expenses, nor any settlement or judgment amount after the exhaustion of the policy limit. Please also note that amounts incurred for defence costs and expenses will be applied to the applicable retention. This Notice is subject to the provisions of the Quebec Civil Code where applicable to an issued policy.

Providing information about a claim or potential claim in response to any question in any part of this Application does not create coverage for such claim or potential claim. The Applicant's failure to report to its current insurance company any claim made against it during the current policy period, or to report any act, omission, or circumstance of which the Applicant is aware that may give rise to a claim, before expiration of the current policy, may create a lack of coverage.

Please note that the submission of a completed, signed Application does not result in an obligation to purchase insurance or an obligation by the insurance company to bind insurance.

I. APPLICANT INFORMATION (Applicable To All Coverages)

The Applicant to be named in Item 1. of Declarations (the "named insured"): _____

Address: _____

City: _____ Province: _____ Postal Code: _____

Website(s): _____

Telephone Number: _____

- a. Date the Applicant was established: _____
- b. Business Type: Corporation Sole Proprietorship Partnership LLC Other: _____
- c. Ownership Structure: Private Public Not-for-Profit Governmental
- d. Is the Applicant wholly or partially owned or controlled by any other entity, including but not limited to a foreign entity? Yes No
 If you answered "Yes" above, please provide the name, date established, location, and degree of control for each such entity: _____
- e. Are there any subsidiaries with operations that are unrelated to the Applicant's primary business? If yes, please attach details.
- f. How many years has the Applicant been in business? _____
- g. How many locations does the Applicant have? _____
- h. What is the nature of the Applicant's business? _____

II. COVERAGE REQUESTS

Coverage	Limit	Retention	Prior or Pending Date
Directors and Officers and Entity	\$ _____	\$ _____	_____
Employment Practices Liability	\$ _____	\$ _____	_____
Fiduciary Liability	\$ _____	\$ _____	_____
Crime	\$ _____	\$ _____	_____

III. EXPIRING COVERAGE INFORMATION (Applicable To All Coverages)

1. Please complete the following for those coverages for which you are currently insured:

Coverage	Limit	Retention	Prior or Pending Date	Premium	Carrier	Expiration Date
Directors and Officers and Entity	\$ _____	\$ _____	_____	\$ _____	_____	_____
Employment Practices Liability	\$ _____	\$ _____	_____	\$ _____	_____	_____
Fiduciary Liability	\$ _____	\$ _____	_____	\$ _____	_____	_____
Crime	\$ _____	\$ _____	_____	\$ _____	_____	_____

2. Has the insurer under any of the coverages listed above indicated an intent not to offer renewal terms? Yes No

IV. GENERAL INFORMATION

- 1. In the next 12 months (or during the last 18 months), indicate whether the Applicant or any Subsidiary has experienced, or anticipates any of the following:
 - a. Merger, consolidation, acquisition, or divestiture? Yes No
 - b. Material changes in nature or size of operations? Yes No
 - c. Bankruptcy filing or re-organization? Yes No
 If you answered "Yes" to any of the above, please provide complete details (if additional space is needed, please attach separately): _____

2. Business Type:

For-Profit (if checked, skip ahead to Financial Section)

Not-for-Profit (if checked, please continue below)

Not-For Profit Entity(ies) Only:

i. Was the Applicant’s organization created by, or is it now controlled by, any government agency? Yes No

ii. Has the Applicant experienced a change in or lost its Not-for-Profit tax status? Yes No

iii. Does the Applicant have any For-Profit subsidiaries? Yes No

If you answered “Yes” above, please respond to the questions below:

Is coverage requested for any For-Profit subsidiaries? Yes No

If you answered “Yes” above, please continue below:

Nature of operations: _____

V. FINANCIAL INFORMATION

1. Audited Financial Statements are required for ALL Limits higher than \$1Million:

If attaching financial statements, which include the information below, skip to question 3. and check here:

2. As of the most recent fiscal year end, please provide the following information for the Applicant and Subsidiaries (indicate month and year):

	FOR-PROFIT		NOT-FOR-PROFIT	
	Month: _____	Year: _____	Month: _____	Year: _____
Current Assets	\$ _____	\$ _____	Total Assets	\$ _____
Total Assets	\$ _____	\$ _____	LTD	\$ _____
Current Liabilities	\$ _____	\$ _____	Fund Balance	\$ _____
LTD	\$ _____	\$ _____	Revenue	\$ _____
Total Liabilities	\$ _____	\$ _____	Net Income/ Change in Fund Balance	\$ _____
Equity	\$ _____	\$ _____		
RE	\$ _____	\$ _____		
Revenue	\$ _____	\$ _____		
EBIT	\$ _____	\$ _____		
Net Income	\$ _____	\$ _____		

3. Within the last 24 months, have the outside auditors for the Applicant or any Subsidiary expressed doubt or concern that the Applicant or any Subsidiary will be able to continue to operate as a going concern? Yes No

If you answered “Yes” above, please provide the most recently audited financial statement

4. In the past 12 months, has the Applicant or any Subsidiary been in violation of any debt covenant? Yes No

If you answered “Yes” above, please continue below:

a. Has a waiver been received from the debt holder? Yes No

b. Please explain reasons for the violation: _____

VI. CLAIMS INFORMATION

1. Has any claim or notice of a potential claim been given to any insurer for any coverage for which the Applicant is applying? Yes No

2. Within the last 3 years, has the Applicant, any Subsidiary, or any person associated with such entities for whom this insurance is being sought ("Proposed Insureds"), been the subject of or involved in any claim, written demand, notice, proceeding, litigation, or investigation alleging:
 - a. Antitrust, copyright, or patent violation? Yes No
 - b. Violations of any federal, provincial or territorial or state securities laws or regulations? Yes No
 - c. Discriminatory practice, unlawful harassment, or any other employment or labour related violations? Yes No
 - d. Violation of the Pension Benefits Standards Act of 1985 or Employee Retirement Income Security Act of 1974, amended, or any similar law? Yes No
 - e. Deceptive trade practices or consumer fraud? Yes No
 - f. Privacy injury, identity theft, denial of service attacks, computer virus infections, theft of information, damage to third party networks, or the inability of the Applicant's or Subsidiary's authorized users to access the Applicant's or Subsidiary's network? Yes No

3. Within the last 3 years, has any director or officer been involved in any litigation concerning any business venture or entity? Yes No

4. Within the last 3 years, has any Proposed Insured been the subject of any inquiries, investigations, or disciplinary action by a regulatory agency or association? Yes No

5. Within the last 3 years, has any Proposed Insured been the subject of any action where a license was revoked or suspended? Yes No

6. Within the last 3 years, has any Proposed Insured been the subject of, or involved in, any claim, written demand, notice, proceeding, litigation, or investigation alleging:
 - a. Certification or accreditation programs? Yes No
 - b. Peer review/disciplinary actions? Yes No
 - c. Standards setting activities? Yes No

If you answered "Yes" to any of the questions in paragraphs 1. through 6. above, please provide details, including date, type of claim, allegations, current status, defence costs incurred, and any judgment or settlement amounts. (If additional space is needed, please attach separately): _____

7. List all detail for claims (whether reimbursed by insurance or not), or any incident which could give rise to a claim under the Epac 3 Crime Coverage for which you have applied on this Application:

Claim Discovery Date	Claim Amount	Amount Recovered from Insurance	Claim Circumstances and Corrective Actions
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

VII. DIRECTORS AND OFFICERS AND ENTITY LIABILITY COVERAGE PART

(to be completed only if the Applicant is seeking Directors and Officers and Entity Liability coverage)

- Ownership: Please complete the table below. The Applicant may substitute its own table provided such ownership table includes the requested information below. Ownership should be 100% represented.

Shareholder Name	Number of Shares	% of total ownership	Owners since (date)	Represented on the board (Yes or No)
_____	_____	_____ %	_____	_____
_____	_____	_____ %	_____	_____
_____	_____	_____ %	_____	_____
_____	_____	_____ %	_____	_____
_____	_____	_____ %	_____	_____
_____	_____	_____ %	_____	_____

- In the prior 12 months (or during the next 12 months) has the Applicant and/or any Subsidiaries completed or been involved, or anticipates involvement, in any of the following:

- A private debt or equity offering of securities? Yes No
 - A public debt or equity offering of securities? Yes No
 - Tender offer or divestment of stock? Yes No
- If you answered "Yes" to any of the above, please provide details (If additional space is needed, please attach separately:

- In the prior 12 months has there been any change in the Board of Directors or senior management? Yes No
If you answered "Yes" above, please describe what occurred, when it occurred, and why a change was made:

- Not-For-Profit Only

Does the Applicant engage in any of the following activities:

- Accreditation Programs? Yes No
- Certification Programs? Yes No
- Development or Administration of ethics codes, rules, or regulations? Yes No
- Peer Review/Disciplinary Action? Yes No
- Sponsorship of Insurance Programs? Yes No
- Standard Setting? Yes No
- Collective Bargaining/Labour Negotiations? Yes No
- Publication/Broadcasting? Yes No

VIII. EMPLOYMENT PRACTICES LIABILITY COVERAGE PART

(to be completed only if the Applicant is seeking Employment Practices Liability coverage)

- Has the Applicant adopted and distributed to its employees an employment handbook or written policies, procedures, or guidelines that include the following:

- Equal employment opportunity? Yes No

- b. Prevention of discrimination in the workplace? Yes No
- c. Prevention of harassment, including sexual harassment, in the workplace? Yes No
- d. Accommodation for the disabled as required by the Canadians with Disabilities Act, Canadian Charter of Rights and the Canadian Human Rights Act or similar provincial legislation? Yes No

2. Applicant and Subsidiary employee information:

- a. Total number of employees: Current: _____ i. 1 year ago: _____ ii. 2 years ago: _____

Country	Full Time				Part time			
	Current year		Previous year		Current year		Previous year	
	Union	Non-Union	Union	Non-Union	Unionized	Non-Union	Union	Non-Union
Canada	_____	_____	_____	_____	_____	_____	_____	_____
USA	_____	_____	_____	_____	_____	_____	_____	_____
Other: _____	_____	_____	_____	_____	_____	_____	_____	_____
Other: _____	_____	_____	_____	_____	_____	_____	_____	_____
Other: _____	_____	_____	_____	_____	_____	_____	_____	_____

- b. Of the total employees, how many are:
- i. Loaned and/or leased: _____ ii. Temporary or seasonal: _____
 - iii. Foreign based: _____ iv. Union: _____
 - v. Independent contractors: _____ vi. Volunteers: _____

- c. Of the total US employees, how many are located in:
- i. California: _____ ii. Texas : _____ iii. New-York : _____
 - iv. New-Jersey: _____ v. Illinois : _____ vi. Alabama : _____

- d. What percentage of current employees have annual compensation (wages or salaries plus bonuses) of \$100,000 or more: _____ %

- e. How many employees, including executives, have been involuntarily terminated in the last 2 years?
- i. Last year: _____ ii. Before last year: _____

- f. For each of the last 2 years, what has been the Applicant's annual voluntary turnover rate of employees?
- i. Year: _____ / _____ ii. Year: _____ / _____

- g. Have there been, or will there be, any layoffs, staff reductions, or facility closings in the preceding or next 12 months? Yes No
- If you answered "Yes" above, what percentage of workforce will be affected? _____ %
 (If greater than 10% will be affected, please also complete the Reduction-in-Force (RIF) section below)

3. During the last 3 years, has the Applicant or any Subsidiary been involved in any administrative proceeding or any adjudicatory investigative proceeding? Yes No
- a. Before an equal employment opportunity commission or any provincial, federal, or local government agency whose purpose is to address employment-related claims? Yes No
 - b. Before the Department of Labour? Yes No
 - c. Involving the any federal, provincial, state, or local law which regulates or governs employment wage, pay, or labour requirements or standards? Yes No
 - d. Involving the Canada Immigration Act? Yes No

4. Does the Applicant have written policies, guidelines, or procedures addressing the following human resources or personnel management issues:
- a. Arbitration for employment-related claims? Yes No
 - b. Third party discrimination and harassment prevention for customer, clients, or vendors? Yes No
 - c. Workplace civility? Yes No
 - d. Retaliation prevention? Yes No
 - e. Employee illness, injury, and recovery leave? Yes No
 - f. Employee complaint or grievance procedure? Yes No
 - g. Investigation of employee complaints or grievance? Yes No
 - h. Employee discipline and termination? Yes No
 - i. Medical and other leaves of absence mandated by statute or otherwise? Yes No
 - j. Genetic Nondiscrimination? Yes No
5. Are the Applicant's employee handbook or written employment-related policies, guidelines, or procedures reviewed by outside counsel specializing in labour and employment law? Yes No
 If you answered "Yes" above, how often?
- a. Annually
 - b. Every other year
 - c. Other
6. Does the Applicant require all employees to attend harassment and discrimination prevention training? Yes No
 If you answered "Yes" above, how often?
- a. Annually
 - b. Every other year
 - c. Other
7. Does the Applicant or any Subsidiary use or collect biometric information from employees including, but not limited to a retina or iris scan, fingerprint, voiceprint, or a scan of the hand or face geometry? Yes No
 If you answered "Yes" above:
- a. Does the Applicant or the Subsidiary have written policies, guidelines, or procedures addressing the collection, storage, use, retention, and destruction of biometric information? Yes No
 - b. Does the Applicant or the Subsidiary receive written or electronic acknowledgment confirming employees have received a copy of the written policies, guidelines or procedures addressing the collection, storage, use, retention, and destruction of biometric information? Yes No

Reduction-In-Force (RIF) Section

(to be completed only if the Applicant answered "yes" to question 2h and the reduction in workforce is greater than 10%)

A. Please provide the following details:

Date of Workforce Reduction	Reason for Workforce Reduction	Number of Employees Affected
_____	_____	_____
_____	_____	_____
_____	_____	_____

- B. Was a disparate impact analysis completed? Yes No
- C. Did the Applicant consult with outside counsel conversant with employment and labour laws regarding the reduction in workforce? Yes No
- D. Does the Applicant have a formal out-placement program for employees terminated as a result of downsizing, layoffs, or reduction-in-force? Yes No
- E. Was or will severance compensation (be) available to all affected employees? Yes No
- F. Were or are the affected employees required to sign a release for the severance package? Yes No

IX. FIDUCIARY LIABILITY COVERAGE PART

(to be completed only if the Applicant is seeking Fiduciary Liability coverage)

1. Please indicate the type of plans for which insurance is requested:

*Plan Type	Name of Plan(s)	Assets	Annual Contributions	Total Plan Participants
_____	_____	\$ _____	_____	_____
_____	_____	\$ _____	_____	_____
_____	_____	\$ _____	_____	_____
_____	_____	\$ _____	_____	_____

*Plan Types: DB = Defined Benefit Pension Plan; DC=Defined Contribution Pension Plan;
 E = ESOP (Employee Stock Ownership Plan); R= Registered Retirement Savings Plan; O=Other

- 2. Does any plan hold employer securities or offer an investment in employer securities? Yes No
 If you answered "Yes" above, please complete the ESOP questionnaire and submit with the required additional information listed.
- 3. Do all plans for which coverage is requested conform with the standards of eligibility, participation, vesting, and other provisions of the applicable pension laws? Yes No
 If you answered "No" above, please provide details: _____
- 4. During the past 24 months, or during the next 12 months, has (will) any plan been (be) terminated, suspended, merged, or dissolved? Yes No
 If you answered "Yes" above, please provide details: _____
- 5. In the past 3 years, has there been any amendment to a plan that has resulted in a reduction of benefits, or are there any reductions currently contemplated? Yes No
 If you answered "Yes" above, please attach details.
- 6. Has any plan been the subject of an investigation by the Department of Labour (DOL), Canada Revenue Agency (CRA), Internal Revenue Service (IRS), or any other domestic or foreign agency? Yes No
 If you answered "Yes" above, please attach details.
- 7. Are there any outstanding or delinquent plan contributions? Or are any plan loans, leases, or debt obligations considered uncollectable or in default? Yes No
 If you answered "Yes" above, please attach details.
- 8. Are plan service providers reviewed at least annually with respect to both fees and performance? Yes No
- 9. Has the Applicant provided the required annual statement to plan participants disclosing fees, expenses, and investment performance? Yes No

10. Has there been any assessment of fees, fines, or penalties under a voluntary compliance resolution program or similar voluntary settlement program administered by the DOL, CRA, IRS, or other government authority against any plan? Yes No
 If you answered "Yes" above, please attach details.
11. Please attach the most recent corporate audited financial statements and plan audited financial statements for the Applicant meeting any of the following conditions:
- a. Request for Fiduciary policy limits over \$3MM; or
 - b. If the Applicant sponsors a Defined Benefit Pension Plan, ESOP, or plan that holds/invests in employer securities.
12. Please attach the following if the Applicant sponsors a Defined Benefit Pension Plan, ESOP, or plan that holds/invests in employer securities:
- a. Most recent 5500 and plan audited financial statements;
 - b. Most recent independent actual valuation of the employer stock (complete copy); and
 - c. Most recent audited annual financial statement of the Applicant.

X. CRIME COVERAGE PART

(to be completed only if the Applicant is seeking Crime coverage)

1. Rating information - all locations:
- a. The Applicant's total revenues: \$ _____
 - b. Total number of domestic employees: _____
 - c. Total number of foreign employees: _____
 - d. Foreign countries: _____
 - e. Total employees on client premises: _____
 - f. Will the Applicant's employees be under client's supervision while on client's premises? Yes No
2. Internal controls - all locations:
- a. Has an outside auditor stated that there are any material weaknesses in the Applicant's system of internal controls? Yes No
 If you answered "Yes" above, please attach an explanation and provide the latest letter to management and management's response to such letter.
 - b. Is a counter signature, ACH, or some other form of multiple authority payment process in place?
 - Yes for all payment forms
 - Positive Pay
 - No
 If you answered "No" above, please provide full description of the payment process: _____
 - c. Are all employees authorized to reconcile the Applicant's bank accounts prohibited from authorizing payments and making any deposits or withdrawals from any of the Applicant's accounts? Yes No
 If you answered "No" above, provide the name, position, and equity interest in the Applicant of any reconcilers who may deposit, withdraw, or authorize payments: _____

- 3. Vendor and purchasing controls - all locations:
 - a. Do the Applicant and all Subsidiaries:
 - i. Require signed approval of 2 or more employees for all purchases: Yes No
 - ii. Separate vendor approval processes so that 1 individual may not do more than 1 of the following:
 - a. Request that a new vendor be added? Yes No
 - b. Review a vendor application and check references? Yes No
 - c. Approve vendor payments? Yes No
 - d. Have an authorized employee who maintains a list of authorized vendors? Yes No
 - e. Have all master vendor lists reviewed by an individual who is not authorized to make edits? Yes No
 - f. Preclude the same individual with authority to approve vendors to also have authority to edit the authorized master vendor list? Yes No
 - g. Have random audits performed by an individual who is not a part of the vendor or purchasing process: Yes No
- 4. Computer controls:
 - a. Have computer access controls been implemented that include the following (check all that apply):
 - i. Passwords are required to be alpha/numeric and 6-9 characters in length
 - ii. User IDs are revoked immediately upon termination of employment
 - iii. None of the above
 - b. Do you have an Intrusion Detection System that identifies unauthorized use? Yes No
- 5. Background checks:

Do you conduct the following pre-employment screening prior to hiring?

 - a. Criminal background check? Yes No
 - b. Credit check Yes No

APPLICANT REPRESENTATION

(To Be Completed by Applicant)

The Applicant Representation applies to all coverages that have been completed as part of this Application.

1. Special Representation applicable to the following Coverages only (if to be part of this policy):

For the coverages checked below, the Applicant has current coverages in place with either CNA or with any other carrier:

Coverages	Coverage has been in place since:
<input type="checkbox"/> Directors and Officers Liability	_____
<input type="checkbox"/> Employment Practices Liability	_____
<input type="checkbox"/> Fiduciary Liability	_____
<input type="checkbox"/> Crime	_____

The Applicant requests continuity for these coverages and this Applicant Representation does not apply to these coverages.

If no checkboxes are checked above then this Applicant Representation applies to any of these coverages for which the Application has been completed subject to the following:

Applicant Representation - None of the individuals to be insured under any Coverage Part is responsible for or has knowledge of any wrongful act or fact, circumstance, or situation which they have reason to believe might result in a future claim, except as follows:

- Yes, there are exceptions to this Representation (please attach details)
- No, there are no exceptions to this Representation

If any wrongful act or fact, circumstance, or situation which the Applicant has reason to believe might result in a future claim whether not disclosed above, then the Applicant acknowledges and agrees, unless the proposed insurance policy expressly provides otherwise, any loss, claim, or action arising out of, based upon, or attributable to such wrongful act or fact, circumstance, or situation will be excluded from coverage in accordance with the Application provision of the proposed policy.

2. Special Representation applicable to the Epack 3 Crime Coverage Part only (if to be made part of this policy):

The employees of the Applicant have all, to the best of the Applicant's knowledge, always performed their duties honestly. The Applicant has no knowledge, except as stated herein of any information that any employees have committed dishonest acts either prior to or during their employment by the Applicant. Such knowledge by a director or officer that is signing for the Applicant, of their own personal dishonest acts which are unknown to any other directors and officers of the Applicant, is not imputable to the Applicant.

3. Representations applicable to all coverages to be made part of this policy:

The Applicant hereby declares, after diligent inquiry, that the information contained herein and in any supplemental applications or forms required hereby are true, accurate, and complete, and that no material facts have been suppressed or misstated. The Applicant acknowledges a continuing obligation to report to the CNA Company (the "Company") to whom this Application is made, as soon as practicable, any material changes in all such information after signing the Application and prior to issuance of the policy. The Applicant further acknowledges that the Company will have the right to withdraw or modify any outstanding quotations and/or authorizations or agreement to bind the insurance based upon such changes.

Further, the Applicant understands and acknowledges that:

- a. Completion of this Application and any supplemental applications or forms does not bind the Company to issue a policy;
- b. If a policy is issued, the Company has relied upon, as representations, this Application, any supplemental application, and other statements furnished to the Company in conjunction with this Application;
- c. All supplemental applications, statements, and other materials furnished to the Company in conjunction with this Application are hereby incorporated by reference into this Application and made a part hereof;
- d. This Application will be the basis of the contract and will be incorporated by references into and made a part of such policy;
- e. If a policy is issued, the limit of liability contained in the policy will be reduced and may be completely exhausted by the payment of loss, defence costs, and expenses. In such event the Company will not be liable for loss, defence costs, and expenses to the extent that such loss, expenses, and defence costs exceed the limit of liability of this policy;
- f. If a policy is issued, defence costs and expenses incurred will be applied against the deductible or retention amount as provided in the policy;
- g. The Applicant's failure to report to its current insurance company:
 - i. any claim made against it during the current policy term; or
 - ii. any act, omission, or circumstances which the Applicant is aware of that may give rise to a claim; before expiration of the current policy may create a lack of coverage.

FRAUD NOTICE

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false or incomplete information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and may be subject to civil fines and criminal penalties.

The Applicant, through the undersigned authorized representative, hereby acknowledges that the aforementioned statements and answers are accurate and complete. Applicant further understands that any inaccurate or incomplete statements may result in an exclusion or denial of insurance coverage. Applicant further authorizes CNA Insurance Companies to release the information on this Application and associated underwriting information.

Applicant:

By: _____
*Signature and Title** *Printed Name of Authorized Representative*

Date: _____

*** This Application must be signed by the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, General Counsel or Risk Manager (or the Director of Human Resources [for Employment Practices Liability coverage] or the Director of Benefits [for Fiduciary Liability coverage]) of the Applicant acting as the authorized representatives of the person(s) and entity(ies) proposed for this insurance. Please print and sign this application.**

Note: For purposes of the Insurance Companies Act (Canada), this document was made in the course of Continental Casualty Company's insurance business in Canada.

