

# RIDGE PRIVATE COMPANY MANAGEMENT LIABILITY APPLICATION

As used throughout this application, “you” means the person signing the application, as well as the entity(ies) seeking insurance and the applicant’s principals, partners, directors, risk managers, or employees that are in a supervisory role. The questions contained in this application pertain to all persons or entities seeking insurance, and not just the signatory.

Please answer all the questions on this form. Before any question is answered please carefully read the declaration at the end of the application form, which you are required to sign. Underwriters will rely on the statements that you make on this form. In this context.

You may provide any further additional information by means of a separate attachment if necessary.

## 1. GENERAL INFORMATION

a. Name of Applicant(s):

b. Address:

c. Date Business Established:  d. Website:

e. Jurisdiction of Incorporation:

f. Please explain your main business operations:

g. Geographical breakdown:

Country	Assets	Shares	Revenues	Employee Count (number)
Canada	%	%	%	
USA	%	%	%	
Foreign	%	%	%	
List of foreign countries:				

## 2. CORPORATE INFORMATION

a. Percentage of shares owned directly or beneficially by directors and officers:  %

b. List all shareholders that own more than 5% of shares:

Name of Individual or Entity	Ownership Percentage

c. Are there any other shares convertible to voting stock? Yes:  No:



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- d. Does the applicant have any subsidiaries? Yes:  No:   
 If yes, complete the below table. If extra lines are required, please include on a separate page.

Entity Name	Jurisdiction	
		%
		%
		%

- e. Does the applicant have any loans outstanding to its directors or officers? Yes:  No:
- f. Does the company purchase Cyber insurance? Yes:  No:
- g. During the past 12 months or in the next 24 months:
- I. Any changes in ownership, including that of its subsidiaries? Yes:  No:
  - II. Any mergers, acquisitions, tender offers, or divestitures? Yes:  No:
  - III. Any changes to the board of directors or senior management? Yes:  No:
  - IV. Any changes to the outside auditors or legal representatives? Yes:  No:
  - V. Any public or private offering of securities? Yes:  No:

*Note: If Yes to any of the above, please provide an explanation on a separate page.*

### 3. FINANCIAL INFORMATION

Please complete the following table if, in the past 2 years, the applicant has had positive equity, positive net income, assets under \$75 million, and is requiring a limit of \$3 million or less. If they do not meet these criteria, please provide the most recent externally prepared financial statements.

Most Recent Year End		Previous Year End	
Current Assets		Current Assets	
Accounts Receivable		Accounts Receivable	
Inventory		Inventory	
Intangibles/Goodwill		Intangibles/Goodwill	
Fixed Assets		Fixed Assets	
Total Assets		Total Assets	
Current Liabilities		Current Liabilities	
Total Liabilities		Total Liabilities	
Shareholder Equity		Shareholder Equity	
Revenues		Revenues	
EBITDA		EBITDA	
Net Income		Net Income	

- a. In the past 3 years has the applicant or its subsidiaries been in arrears to the CRA or provincial revenue authority? Yes:  No:
- b. In the past 3 years has the applicant or its subsidiaries been in breach of their debt covenants or had their financial statements prepared on a going concern basis? Yes:  No:
- c. In the past 3 years has the applicant or its subsidiaries filed for bankruptcy or insolvency? Or do they anticipate doing so in the next 2 years? Yes:  No:
- d. Do any customers account for more than 25% of the applicant's or its subsidiaries' revenues? Yes:  No:

If you have answered 'Yes' to any of the questions in a. through d., please provide additional information and the most recent externally prepared financial statements.



## 4. EMPLOYMENT PRACTICES LIABILITY

Is Employment Practices Liability Insurance Required?

Yes:  No:

*If 'Yes' to the above, please complete the following section.*

### Employment Information:

- a. Total number of employees:
- b. Total number of employees making less than \$50,000:
- c. Total number of employees making more than \$100,000:
- d. Annual turnover rate:  %
- e. Has the turnover rate exceeded historical levels? Yes:  No:   
*If yes, please provide additional details.*

- |  |            |   |              |   |          |   |
|--|------------|---|--------------|---|----------|---|
| f. Current year number of terminations:  | Voluntary: | <input style="width: 80px; height: 20px;" type="text"/> | Involuntary: | <input style="width: 80px; height: 20px;" type="text"/> | Layoffs: | <input style="width: 80px; height: 20px;" type="text"/> |
| g. Previous year number of terminations: | Voluntary: | <input style="width: 80px; height: 20px;" type="text"/> | Involuntary: | <input style="width: 80px; height: 20px;" type="text"/> | Layoffs: | <input style="width: 80px; height: 20px;" type="text"/> |

### Employment Practices Controls:

- a. Are there any layoffs, staff reductions, branch, or location closings in the next year? *(If yes please provide additional information)* Yes:  No:
- b. Does the applicant have an HR department? Yes:  No:
- c. Does the applicant have written guidelines for hiring, interviewing, and termination? Yes:  No:
- d. Does the applicant have an Employee Handbook? Yes:  No:
- e. Does the applicant have a Code of Conduct? Yes:  No:
- f. Is signing of the Code of Conduct required by all employees? Yes:  No:
- g. Does the applicant have harassment and sexual harassment training? Yes:  No:
- h. When an employee is terminated:
- I. Is officer / manager approval required? Yes:  No:
- II. Is HR involved? Yes:  No:
- III. Is outside legal counsel consulted? Yes:  No:

## 5. FIDUCIARY LIABILITY

Is Fiduciary Liability Insurance Required?

Yes:  No:

*If 'Yes' to the above, please complete the following section.*

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

Plan Type	Name of Plan	Assets	Trustee	Plan Administrator

Plan Types: DB - Defined Benefit Plan      DC - Defined Contribution Plan      WT - Welfare/Trust Fund  
 ESOP/ESPP      RRSP      Other



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b. Total number of participants: Active:  Retired:

c. Is the applicant or its subsidiaries planning on terminating, suspending, merging, or dissolving any plan? Yes:  No:

d. Are any plans underfunded or is the sponsor organization delinquent in contributing to any plan? Yes:  No:

*If 'Yes' to either "c." or "d." please provide additional information.*

For Defined Benefit Plans please provide the latest actuarial report and answer the following:

e. Are the plans adequately funded as per the actuarial report? Yes:  No:

*If 'No' to "e." above, please provide additional details.*

## 6. INCIDENTS, CLAIMS, & CIRCUMSTANCES

**During the last five years have any of the directors, officers, employees, pension plans, pension plan fiduciaries or the applicant:**

a. Been involved in any actions, proceedings, or investigations based upon or arising out of an alleged violation of any securities law or regulation, anti-trust law, or restrictive trading law or regulation? Yes:  No:

b. Been involved in any actual or alleged deceptive trade practices or consumer fraud? Yes:  No:

c. Been involved in any actual or alleged civil, criminal, or administrative proceeding alleging violation of any federal or state securities laws? Yes:  No:

d. Been involved in any other actual or alleged criminal actions? Yes:  No:

e. Become aware of any circumstance or incident that could be reasonably anticipated to give rise to a claim against the type of insurance(s) being requested in this application? Yes:  No:

f. Have you or any of the applicant's principals, partners, directors, risk managers, or employees, during the last three years, sustained any loss or had any claim made against them, whether insured or otherwise, involving the type of insurance(s) being requested in this application? Yes:  No:

**If 'Yes'** to any of the questions above, please provide the following details for each incident/claim: (Note: You may provide any further additional information by means of a separate attachment if necessary.)

- a. a brief description of the incident/claim.
- b. policies and procedures put in place to reduce the likelihood of a similar incident from occurring in the future.

## 7. PREVIOUSLY PURCHASED COVERAGE

a. Do you have insurance in place for the type of coverage being requested in this application? Please provide details.

Insurer	Limits	Deductible	Expiry Date	Premium	Retroactive Date

b. Have you ever been refused insurance or had any special terms or conditions imposed by any insurer? Yes:  No:

c. Has any insurance for the type of coverage requested in this application been declined or cancelled? Yes:  No:

*If 'Yes' to "b." or "c." above, please provide full details.*



## WARRANTY – Prior knowledge of facts, circumstances, or situations:

The applicant must complete the warranty statement below for any liability coverage for which coverage is requested.

No person or entity proposed for coverage is aware of any fact, circumstance, or situation which he, she, or they has reason to believe might give rise to any claim or no knowledge of any ongoing claim that would fall within the scope of the proposed liability coverages:

NONE:  or, except:

By accepting this insurance, you confirm that the facts contained in the proposal form are true. These statements, and all information you or anyone on your behalf provided before we agree to insure you, are incorporated into and form the basis of your policy. Without prejudice to any other rights and remedies of Ridge Canada, the applicant understands and agrees that if any such fact, circumstance, or situation exists, whether disclosed or not, any claim or action arising from such fact, circumstance, or situation is excluded from coverage under the proposed policy, if issued by Ridge Canada.

## MATERIAL CHANGE AND DECLARATIONS:

If there is any material change in the answers to the questions in this application before the inception date of a policy issued by Ridge Canada, the applicant must immediately notify Ridge Canada in writing, and any outstanding quotation may be modified or withdrawn.

The undersigned is an authorized principal, partner, director, risk manager, or employee of the applicant and certifies that reasonable inquiry has been made to obtain the answers herein which are true, correct and complete to the best of his/her knowledge and belief. Such reasonable inquiry includes all necessary inquiries to fellow principals, partners, directors, risk managers, or employees to enable you to answer the questions accurately.

Name

Position

Signature

Date

## ADDITIONAL NOTES

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