



Executive Risk Insurance Services Limited

DIRECTORS, OFFICERS AND TRUSTEES LIABILITY INSURANCE APPLICATION

NOTICE: THE POLICY PROVIDES THAT THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE. FURTHER NOTE THAT AMOUNTS INCURRED FOR LEGAL DEFENCE SHALL BE APPLIED AGAINST THE RETENTION AMOUNT.

IF A POLICY IS ISSUED, IT WILL BE ON A CLAIMS-MADE BASIS.

In this Application:

- (i) Any reference to Director and/or Officer, and/or Trustee includes any governor, honorary chairman, committee member, natural person acting as a general partner or partnership manager, trustee and all persons serving in a functionally equivalent role.
- (ii) Any reference to Subsidiary or Subsidiaries includes any Joint Venture Investments and Portfolio Company Investments.
- (iii) Any reference to Board of Directors includes any Partnership Management Committee, Board of Trustees, and all committees serving in a functionally equivalent role.
- (iv) Any reference to shares includes units and stock.
- (v) Any reference to shareholders includes unitholders and stockholders.

I. GENERAL INFORMATION

1. Name of Applicant:

Address of Applicant (Head Office Location):

Website: www.

2. Insurance Broker - Company:

Address:

Account Manager:

Tel. No.:

3. Name and position of person completing this Application: Name:

Position:



If "Yes", please state which securities are publicly traded or the subject of a shelf registration:

Equity Debt Mixed (attach explanation)

Exchange(s)

Ticket Symbol(s)

(If included as an attachment, check here:)

(b) As of

(i) Total number of outstanding voting shares held in:

Canada:

United States:

Other Countries:

Total:

(i) Total number of voting shareholders in:

Canada:

United States:

Other Countries:

Total:

(c) Total number of voting shares owned by Directors (direct and beneficial):

(d) Total number of voting shares owned by Officers (direct and beneficial) who are not Directors:

(e) Does any shareholder own five percent (5%) or more of the voting shares directly or beneficially? If so, designate name and percentage of holdings in an attachment. (If no such shareholders, check here: "none".)

(f) Are there any other securities convertible to voting stock? If so, describe fully in an attachment. (If none, check here: "none".)

(g) Is there a current shareholder rights plan/"poison pill" in place: Yes No

If "Yes", when was it instituted:

16. (a) Attach a complete list of all Directors of the Applicant by name, including principal business affiliations and policy limit information on all outside directorships held. (Confirm attachment: Yes N/A)

(b) Attach a complete list of all Officers of the Applicant by name, including principal business affiliations and policy limit information on all outside directorships held. (Confirm attachment: Yes N/A)



- (c) Attach a complete list of all Trustees of the Applicant by name, including principal business affiliations and policy limit information on all outside directorships held.
 (Confirm attachment: Yes N/A)

17. Please list all direct and indirect Subsidiaries. (If included as an attachment, check here:)
 (If none, check here: "none".)

Name	Business or Type of Operation	Percentage of Ownership	Date Acquired or Created	Country of Incorporation

Is coverage to be extended to Subsidiaries? All Some None

If "All", please provide a complete list of Directors and Officers of each Subsidiary, including principal business affiliations and policy limit information on all outside directorships held. If "Some", please provide a complete list of Directors and Officers of each Subsidiary for which coverage is requested, including principal business affiliations and policy limit information on all outside directorships held. (If included as an attachment, check here:)

18. If any equity securities are publicly traded, attach a stock chart for the last 2 years.
 (Confirm attachment: Yes N/A).
19. If the Applicant is a partnership, how many General Partners and Limited Partners are there at present? Are they registered publicly?
20. Are there any plans for a merger, acquisition or consolidation of or by the Applicant or any of its Subsidiaries? Yes No
- (a) If "Yes", have these plans been approved by the Board of Directors? Yes No
 If "Yes", date of approval:
- (b) If "Yes", have these plans been approved by the shareholders? Yes No
 If "Yes", date of approval:
21. (a) Does the Applicant or any of its Subsidiaries anticipate any registration of securities under any applicable Canadian provincial or U.S. federal securities legislation within the next year? Yes No
 (If "Yes", give details in an attachment and submit any offering documents, if available.)
- (b) Has the Applicant or any of its Subsidiaries had any private placements or other offering of securities within the last 12 months, or anticipate having any private placements or other offering of securities within the next 12 months? Yes No
 (If "Yes", give details in an attachment and submit any offering documents, if available.)



- (c) Does the Applicant or any of its Subsidiaries anticipate purchasing the securities of a “publicly traded entity” in a transaction which would result in such entity becoming an Affiliate or Subsidiary of the Applicant? Yes No

(If “Yes”, give details in an attachment and submit any merger/acquisition documents, if available.)

22. There has not been during the last 5 years nor is there now pending any suits, proceedings or claim(s) against the Applicant or any of its Subsidiaries, or any person proposed for insurance in his or her capacity of either Director or Officer of the named Applicant or any of its Subsidiaries, or any outside entity board of which a Director or Officer is or has been a member, except as follows: (Attach complete details. If no such claim(s), check here: “none”.)

23. (a) No Director or Officer has knowledge or information of any act, error or omission which might give rise to a suit, proceeding or claim(s) under the proposed policy except as follows: (Attach complete details. If they have no such knowledge or information, check here: “none”.)

- (b) Neither the Applicant nor any of its Subsidiaries has knowledge or information of any act, error or omission which might give rise to a suit, proceeding or claim(s) under the proposed policy except as follows: (Attach complete details. If they have no such knowledge or information, check here: “none”.)

24. Has the Applicant, any of its Subsidiaries or any Director and/or Officer and/or Trustee:

- (a) Been involved in any Competition Act, anti-trust, copyright or patent litigation in the United States or Canada? Yes No
- (b) Been charged in any civil, criminal administrative or regulatory action or proceeding with a violation of any federal, state or provincial law or regulation? Yes No
- (c) Been involved in any representative actions, class actions, or derivative suits? Yes No
- (d) Been involved in any regulatory proceeding? Yes No
- (e) Been involved in any restatement of financial statements? Yes No
- (f) Been involved in any pollution suit(s) or claim(s)? Yes No
- (g) Been involved in any suit(s) or claims(s) regarding taxes? Yes No

IF ANY OF THE ABOVE, 24 (a) – 24 (g), IS “YES”, ATTACH COMPLETE DETAILS

It is agreed that with respect to Questions 22 and 23 above, if such knowledge, information or involvement exists, any claim or action arising there from is excluded from the proposed coverage.



III. STOCK OPTIONS

25. What processes and procedures are in place governing the granting of stock or unit options?
Attach complete details

26. Is stock only granted at set dates during the year? Yes No

27. Are these dates after the release of latest financials? Yes No

If "Yes", list set dates during the year

28. Who has option grant authority? (Preferably a specific committee rather than responsibility being delegated to one individual such as the CEO)

29. How long have the procedures been in place?

30. Has the company ever backdated options? Yes No
If yes, we will require full details. Attach complete details

31. Have there ever been any exceptions to these rules? Yes No
If yes, we will require full details. Attach complete details

32. Have there been any internal / audit committee investigations of the company's share option plans including specific timing or backdating issues? Yes No

33. Have there been any United States SEC enquiries relating to the granting of share options? If yes, we will require full details. Attach complete details Yes No

IV. EMPLOYEE INFORMATION

34. Please provide the following information regarding the Applicant's and Subsidiaries combined Employees including Directors, Officers and Trustees:

(a) Total number of Employees:

Total number of Unionized Employees as a % of total Employees %

Full Time:

Part Time:

Seasonal:

Temporary:

Leased:

Independent Contractors:

Directors and Officers

not included above:



TOTAL:

Canada

United States:

Other:

TOTAL:

(b) Number of U.S. Employees in Texas _____, California _____, Michigan _____, Florida _____.

(c) Is the Applicant or any of its Subsidiaries subject to a collective bargaining agreement? Yes No
If "Yes", list when these agreements expire

(d) Do any Subsidiaries' Employees belong to a Union? Yes No

(e) Please list the name of the Union that the largest number of Employees belong to:

(f) Are the Applicant's or any of its Subsidiaries' Employees employed under a written employment contract? If "Yes", how many?

(g) How many employees of the Applicant and its Subsidiaries earn in excess of CDN \$200,000 (including bonus) annually?

(h) For the past 3 years, what has been the annual percentage turnover rate of employees of the Applicant and its Subsidiaries (all locations):

Canada:	%	%	%
	Year	Year	Year
United States:	%	%	%
	Year	Year	Year
Other:	%	%	%
	Year	Year	Year

(i) How many Officers and other Employees of the Applicant and its Subsidiaries have resigned, been terminated (with or without cause) or retired within the last 24 months (all locations)?

Officers: _____ Other Employees: _____

V. HUMAN RESOURCES

35. Does the Applicant or any of its Subsidiaries have a Human Resources Department? Yes No



If "Yes", please answer the following questions regarding the Applicant's or any of its Subsidiaries' Human Resources Department. (If "No", how is this function handled? Please give details in an attachment.)

(a) Number of Human Resources Departments:

(b) Number of Employees in Human Resources Departments:

36. Does the Applicant and its Subsidiaries have a human resources manual or equivalent written management guidelines? Yes No

(If no such manual exists, check here: "none")

If "Yes", does it address the following issues?

- | | | |
|--|------------------------------|-----------------------------|
| Legally prohibited Discrimination | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Sexual Harassment | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Compliance with the Americans with Disability Act, USA | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Compliance with the 1991 Civil Rights Act, USA | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Compliance with the Family Medical Leave Act, USA | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Employee disciplinary actions | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Terminations, layoffs and early retirements | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Employee appraisals / reviews | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Gender and Lifestyle Discrimination | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Transfers | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Promotions | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

For all "No" answers or if no such manual exists, how are these issues handled and by whom? Please give complete details in an attachment.

37. Are all management and supervisory employees provided with a copy of such manual? Yes No

38. Do these staff members receive annual training in the proper implementation of your human resources policies and procedures? Yes No

If "No", why not? Please explain

39. How frequently does outside counsel become involved in human resources issues?
 Always Sometimes Never

40. Is an application required for new employees? Yes No
 (If "Yes", please attach copies.)

41. (a) Does the Applicant or any of its Subsidiaries have an Employee Handbook? (If "Yes", please attach a copy.) Yes No

(b) If "Yes", is the Employee Handbook distributed to all employees? Yes No



42. Is the Applicant or any of its Subsidiaries currently undergoing or does the Applicant or any of its Subsidiaries contemplate undergoing during the next 12 months any Employee layoffs or early retirements (including ones resulting from any type of company restructuring or office, plant or store closing)? (If "Yes", give complete details in an attachment.) Yes No

VI. LEGAL AND INSURANCE HISTORY

43. (a) Please provide on a separate attachment full details on all Wrongful Termination, Discrimination and Sexual Harassment claims, which amounted to CDN\$10,000 or greater, made against the Applicant or any of its Subsidiaries or any of its Directors, Officers, Trustees or Employees during the last five years, including amounts of any judgments or settlements and costs of defense. (If no such claims, check here: "none".)
- (b) Please provide on a separate attachment full details on all inquiries, investigations, grievance filings or other administrative hearings previously filed during the last five years or currently before any local, provincial, state or federal agency governing employer responsibility to employees. (If none, check here: "none".)
- (c) Please provide on a separate attachment full details on all customer/client lawsuits previously filed during the last five years. (If none, check here: "none".)

44. Current Insurance: (If included as an attachment, check here:)

If none, provide details of most recent coverage, or if this Application is to initiate coverage, check here: .

	D&O Insurance	EPL Insurance	Fidelity/Crime Insurance
(a) Name of insurance company			
(b) Limit of Liability			
(c) Self-insured retention			
(d) Policy expiration date			
(e) Premium (indicate one year or more)			
(f) Pending and Prior Litigation Date			
(g) Total program limit purchased			

45. Name(s) of Corporate Risk Manager and General Counsel (or equivalent positions) and number of years in current position:

46. Has the Corporate Risk Manager previously been involved/managed a securities claim?

47. Name and Location (City) of outside law firm(s) for the following:

Securities claims:

Employment Practices claims:

Other (please specify):



VII. MANAGEMENT

48. How often are Board of Directors meetings held?
49. Are any members of the Board of Directors or senior management related by birth or marriage? Yes No

50. Indicate the areas in which formal policies and/or procedures have been implemented by the Board of Directors to address the following:

- | | |
|-------------------------------------|-------------------------------------|
| Asset – Liability Management Policy | Merger and Tender Offers |
| Audit Policy | Operation Procedures |
| Conflicts of Interest Policy | Personnel Policy |
| Duties of Directors and Officers | Risk Management Policy |
| Investment Policy | Selection Process for New Directors |
| Distribution Policy | |
| Executive Compensation | Insurance Purchase Reviews |

51. How often does the Board of Directors review the following?

- a. Financial Statements
- b. Portfolio Company Investments
- c. Insurance Coverages
- d. Changes in Investment/Lending Policy
- e. Threatened or Actual Litigation
- f. Claims reserves
- g. Whether all corporate/trust taxes have been paid

52. Has an Advisory Board been consulted/involved by management in the last five years? (if “Yes”, please provide complete details in an attachment, including composition and affiliations of Advisory Board members.) Yes No

53. Have there been any changes in senior management in the last five years? (if “Yes”, please provide complete details in an attachment.) Yes No

54. Has the Applicant or any of its Subsidiaries changed the public accounting firm that prepares its independent audited financial statements in the last five years? Yes No

If “Yes”, please explain why

55. Attach a copy of the latest audit report to management. (confirm attachment Yes N/A)



56. Does the Applicant require board representation in a Portfolio Company when an investment is made in a Portfolio Company? Yes No
57. Who reviews all insurance policies purchased by the Applicant and its Subsidiaries?
58. Does the Audit Committee become involved in the purchasing of D&O Insurance? Yes No
 If "No", why not? Please explain

VIII. Bill 198

	Yes	No	Not Applicable
a. Has the board established a Disclosure Committee that is responsible for the Disclosure Policy, disclosure controls and procedures?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Is the Disclosure Committee responsible for final sign-off of certain documents and statements? Please advise as to the nature of such documents and statements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Does the Disclosure Policy cover all core and non-core documents and public oral statements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Are all circumstances in which public statements are made identified and are authorized spokespersons identified?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Are all forward-looking statements (both written and oral disclosures) identified and reviewed to ensure they fit within the safe harbour for forward-looking statements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Have best practices been established for all record keeping and retention/destruction policies in respect of the Board and its committees, which evidence the review and approval of disclosure?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Do directors, officers, trustees, all employees and appropriate external parties receive education and training on the company's Disclosure Policy and related disclosure controls and procedures?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



	Yes	No	Not Applicable
h. Is the Disclosure Policy distributed company-wide?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Are all directors, officers, trustees and other persons involved in the disclosure process required to complete and sign a questionnaire or checklist for all scheduled disclosures (annual and quarterly)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Will the Disclosure Committee regularly monitor the effectiveness and compliance of the disclosure program and formal policies and procedures, as well as make recommendations to the board regarding appropriate revisions to the Disclosure Policy?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. Do the CEO and CFO certify the company's disclosure controls and procedures on an annual basis?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
l. Is a senior officer of the company appointed to deal with questions and concerns of employees relating to the Disclosure Policy?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
m. In the event of non-compliance, is there a process in place to promptly and appropriately take corrective action and to revise any of the procedures that may have led to such non-compliance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
n. Does the company have a crisis management plan in place in the event of litigation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments:

IX. OTHER INFORMATION

59. With respect to the Applicant and Subsidiaries (other than Joint Venture Investments and Portfolio Company Investments), please attach the following documents with this Application:
- a. Latest two Annual financial statements, and Annual Reports to Shareholders (if applicable)
 - b. All subsequent Quarterly Reports to Shareholders (if applicable).
 - c. Notice to Shareholders and Proxy Statement for both the last and next scheduled meetings(if applicable)
 - d. Most recent S.E.C. form 10-K filing (if applicable).
 - e. All Registration Statements of securities made in the last year



60. With respect to each Limited or General Partnership proposed for coverage, please attach the following documents with this Application:
- f. Copy of Partnership Agreement(s), certified by General Partner(s), and copy of Partnership Certificate.
 - g. Latest Annual Report to Limited or General Partners, and list of Limited or General Partners.
 - h. Copy of offering circular, registration statement and/or prospectus (if applicable).
61. With respect to Joint Venture Investments or Portfolio Company Investments proposed for coverage, please attach the following documents with this Application:
- i. Term Sheet.
 - j. Investment Agreement or Private Placement Memorandum.
 - k. Shareholders Agreement, and Employee Stock Purchase or Stock Option Agreements.
 - l. Legal Opinion, and Confidentiality or Proprietary Rights Agreement.
62. Has the Applicant or any subsidiary company been put on notice by the Government of the Province of Quebec, Canada in respect of any taxes that may be due under Bill 15 – Quebec? Yes No

If Yes, please provide details.



The undersigned persons declare that to the best of their knowledge the statements set forth herein are true and correct and that reasonable efforts have been made to obtain sufficient information from each and every Director or Officer or Trustee proposed for this insurance to facilitate the proper and accurate completion of this APPLICATION. The undersigned further agrees that, if between the date of this APPLICATION and the effective date of this Policy, (1) any material change in the condition of the Applicant is discovered, or (2) there is any material change in the answers to the questions contained herein, either of which would render this APPLICATION inaccurate or incomplete, notice of such change will be reported to the Underwriting Manager immediately and if necessary any outstanding quotation may be modified or withdrawn.

The signing of this APPLICATION does not bind the undersigned to purchase this insurance, but it is agreed by the Applicant and all persons proposed for this insurance that the particulars and statements contained in this APPLICATION and attachments and materials submitted with this APPLICATION (which shall be retained on file by the Underwriting Manager and shall be deemed attached to the Policy, if insurance is provided, as if physically attached thereto) are true and correct and will be the basis of the Policy and will be considered as incorporated in and constituting part of this Policy. It is further agreed by the Applicant and all persons proposed for this insurance that such particulars and statements are material to the decision to provide this insurance and that any Policy will be issued in reliance upon the truth of such particulars and statements. All such particulars and statements shall be deemed to be made by each and every one of the persons proposed for this insurance, provided that, except for any misstatement or omissions in this APPLICATION, or the attachments and materials submitted with it, concerning any matter which any person proposed for this insurance has reason to supposed might offer grounds for a future claim against him shall not be imputed, for purposes of rescision of the Policy, to any other persons proposed for this insurance who are not aware of the omission or the falsity of the statement.

PLEASE NOTE: ONLY DULY APPOINTED LICENSED BROKERS ARE AUTHORIZED TO SOLICIT APPLICATIONS FOR COVERAGE. BROKERS ARE NOT AUTHORIZED TO BIND COVERAGE. NO COVERAGE SHALL BE PROVIDED UNLESS THE UNDERWRITING MANAGER ACCEPTS THE APPLICATION AND BINDS THE COVERAGE. TAXES DUE UPON THE INCEPTION DATE OF THE POLICY ARE THE RESPONSIBILITY OF THE APPLICANT.

False information:

Any person who, knowingly and with intent to defraud any insurance company or other person, files an Application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act which is a crime.

This clause applies to the Province of Quebec only

It is the express wish of all parties that this application and any related documents be drawn up and executed in English. Les parties conviennent que la presente proposition et tous les documents s'y rattachant soient rédigés et signés en anglais.

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

Signature of Chairman, Board of Directors
or Chief Executive Officer (or other Senior
Officer if the Chief Executive Officer is also
the Chairman, Board of Directors)

Signature of General Counsel or
Corporate Risk Manager

Date

Date

Note: This APPLICATION and all exhibits shall be treated in strictest confidence.