



Supplemental Application
for
Canadian Miscellaneous Professional Liability
Insurance Policy

THIS IS A CLAIMS MADE AND REPORTED INSURANCE POLICY. READ IT CAREFULLY.

FRANCHISORS SUPPLEMENTAL APPLICATION

Name of Applicant's Firm: _____

Address: _____

1. Describe the nature of your franchise: _____
2. Number of active franchisees? _____
3. Number of closed franchises in the past 12 months? _____
4. Number of company owned operations? _____
5. Average length of franchisee relationship? _____
6. Year your first franchise was sold? _____
7. Do you have any franchises outside of Canada? ☐ Yes ☐ No
If yes, list how many and current locations. _____
8. Estimated Fees:

	<u>Current</u>	<u>Next Year</u>
a. Revenues from Initial investment/startup fees:	_____	_____
b. Revenues from product sales to franchisees, reoccurring fees, royalties, and other fees:	_____	_____
c. Other Revenue (<i>describe</i>):	_____	
9. Do you require franchisees to carry insurance? ☐ Yes ☐ No
If yes, describe type: _____
If no, explain: _____
10. Has the Applicant or any director, officer, employee or partner ever filed for bankruptcy or reorganization? ☐ Yes ☐ No
11. Do you provide training to franchisees? ☐ Yes ☐ No
If yes, provide detailed description of all training programs: _____
12. What is your policy regarding "potential earnings" claims? _____
13. Have you developed policies and procedures for franchises? ☐ Yes ☐ No
If yes, are such policies and procedures mandated under the franchisee contract? ☐ Yes ☐ No

14. Do you perform any other activities or services not previously referenced above for which coverage is desired? ☐ Yes ☐ No
If yes, explain:
15. Have the Franchise Disclosure Documents (FDD) been amended / revised in the past 5 years? ☐ Yes ☐ No
16. Was the FDD drafted by outside counsel? ☐ Yes ☐ No

Submit the following along with this information request:

- | | |
|--|---|
| <input type="checkbox"/> Complete claims information | <input type="checkbox"/> Copy of the FDD document |
| <input type="checkbox"/> Sample Franchiser/Franchisee Agreement | <input type="checkbox"/> Copy of the most recent audited financial statements |
| <input type="checkbox"/> All available written guidelines on the process of selling a franchise. | |

FRAUD WARNINGS

Fraud Warning

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

Applicant: _____

Title: _____

Applicant's Signature: _____

Date: _____

Insurance Brokerage

Name & Address: _____

THIS SUPPLEMENTAL APPLICATION IS ATTACHED TO AND FORMS A PART OF THE CANADIAN MISCELLANEOUS PROFESSIONAL LIABILITY POLICY APPLICATION. IT IS SUBJECT TO THE SAME PROVISIONS CONCERNING REPRESENTATIONS MADE AS IN THE BASIC APPLICATION.

This Application must be signed by the Applicant.

NOTE: This Application including any material submitted herewith shall be treated in strictest confidence.