

APPLICATION FOR PROFESSIONAL LIABILITY ERRORS & OMISSIONS INSURANCE

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

NOTICE: THIS INSURANCE COVERAGE PROVIDES THAT THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGEMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE. FURTHER NOTE THAT AMOUNTS INCURRED FOR LEGAL DEFENSE SHALL BE APPLIED AGAINST THE DEDUCTIBLE AMOUNT.

1. NAME OF APPLICANT:

ADDRESS:

2. LIMIT OF LIABILITY DESIRED:

\$500,000 \$1,000,000 \$2,000,000 Other

3. DEDUCTIBLE:

\$5,000 \$10,000 \$25,000 Other

4. Please describe in detail the professional activities for which coverage is desired:

5. Is the applicant engaged in any business or profession other than as described in Item 4?
If yes, please attach an explanation and estimated revenues.

6. List the total gross revenues for the past two years derived from those activities in Question 4. In addition, please list projected revenues for the current year.

YEAR	AMOUNT
a) Current Projected	\$
b)	\$
c)	\$

7. For the revenues listed in question 6a), please give the approximate percentage derived from each of the activities listed in Question 4:

ACTIVITY	% OF 6a) REVENUES
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%

%

%

%

8. Applicant is: Corporation Partnership Individual

9. Year Established:

10. Is the Applicant Firm controlled, owned or associated with any other firm, corporation or company?
 YES NO If yes, attach an explanation. Are any activities listed in Question 4 provided to such
 business enterprise? YES NO

11. a) Number of principals, partners, officers and professional employees directly engaged in providing services to clients:

b) Number of non-professional employees (clerks, secretaries, etc.):

12. Please provide the following:

Name in full of ALL Partners/Principals/ Key Employees.	PROFESSIONAL QUALIFICATIONS	DATE QUALIFIED	HOW LONG IN PRACTICE	HOW LONG AS PARTNER/ PRINCIPAL
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13. To what professional association(s) does the Applicant Firm belong?

14. Please include a list of Applicant Firm's five (5) largest jobs or projects during the past three (3) years. Please give, in detail: 1) project/client name; 2) the nature of the services performed for the client; and 3) the revenues obtained from those services.

15. Does the Applicant Firm use a written contract with client?

In all cases

Sometimes

Never

Please attach a copy of your standard contract(s).

16. What percentage of the Applicant Firm's business involves subcontracting of work to others? ____%. Does the Applicant Firm provide professional services to business entities in which it retains an ownership interest? Yes No If yes, please explain.

17. Has any similar insurance ever been declined or cancelled? Yes (If yes, attach explanation.) No

18. Is similar insurance currently in force? Yes No
If yes, please provide:

Description of services being covered:

Name of Insurer:

Expiration Date:

Prior Acts/Retro. Date:

Limit: \$

Deductible: \$

Premium: \$

Length of time coverage has been in force:

19. Attach most recent audited financial statements (or recent tax returns) and descriptive or promotional materials.

(A) Estimated Gross receipts for current fiscal period: \$

(B) Estimated Cost of Goods Sold for current fiscal period: \$

20. Have any of the individuals listed in question No. 12 ever been the subject of disciplinary action by authorities as a result of their professional activities? Yes No If yes, please explain.

21. Does any person to be insured have knowledge or information of any act, error or omission which might reasonably be expected to give rise to a claim against him/her. YES NO If yes, please complete a Supplemental Claim Information form for each.

22. After inquiry have any claims been made against any proposed Insured(s) during the past three (3) years? Yes No If yes, please complete a supplemental Claims Information form for each claim. Also, how many claims have been made in the last three (3) years?

It is understood and agreed that with respect to questions 20, 21 and 22 above, that if such knowledge or information exists any claim or action arising therefrom is excluded from this proposed coverage.

NOTICE TO NEW YORK APPLICANTS: 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.

The Applicant hereby acknowledges that he/she/it is aware that the limit of liability shall be reduced, and may be completely exhausted, by the costs of legal defense and, in such event, the Insurer shall not be liable for the costs of legal defense or for the amount of any judgement or settlement to the extent that such exceeds the limit of liability.

The Applicant hereby further acknowledges that he/she/it is aware that legal defense costs that are incurred shall be applied against the deductible amount.

I HEREBY DECLARE that, after inquiry, the above statements and particulars are true and I have not suppressed or misstated any material fact and that I agree that this application shall be the basis of the contract with the Underwriters.

Signature of person authorized to execute on behalf of the Applicant:

_____ Title

Date

This Application Form duly completed, together with any supplementary information, must be signed in ink by the person indicated.

Signing of this form does not bind the Applicant or the Underwriters to complete the insurance.

CYBERLIABILITY PLUS APPLICATION

WHAT THE APPLICANT SHOULD KNOW ABOUT THIS APPLICATION

DEFINITIONS

The words **Applicant**, **You**, and **Your** in this application refer individually and collectively to:

1. The corporation(s), partnership(s) and/or sole proprietorship(s) for which coverage is desired;
2. Each person who is an officer, director, owner, partner or employee of the firms listed in item 1 above.

SELF-INSURED RETENTION

The coverage the **Applicant** is applying for includes a self-insured retention applying to each loss and to any combination of damages and claim expense.

CLAIM EXPENSE WITHIN THE LIMIT

The policy form for which the **Applicant** is applying contains a provision that reduces the policy limit stated in the policy by the amount of claim expense paid by the Company.

APPLICATION FORMS PART OF POLICY

The submission of this application does not obligate the **Applicant** to buy insurance nor is the Company obligated to sell insurance or to offer insurance upon any specific terms requested. If coverage is effected, this application containing the **Applicant's** statements and answers will attach to and form a part of the policy. If coverage is offered or bound, any false or incorrect statements or answers which may have affected the Company's decision to offer or bind coverage could result in the offer being retracted or coverage being voided.

INSTRUCTIONS:

The purpose of this application is not only to provide the Company with underwriting and rating information, but more importantly, to help make certain the **Applicant** and the Company have a meeting of minds about what the policy, if issued, will cover and what it will not. Thank **You** for taking the time to provide complete and accurate information.

1. Answer all questions. If any question does not apply, explain why not.
2. If space is insufficient, continue answers on the **Applicant's** letterhead.
3. The application must be signed and dated by a principal, partner, officer or director of the **Applicant**.
4. Attach:
 - A. A recent brochure or similar material describing activities or services;
 - B. The **Applicant's** most recent financial statement or annual report;
 - C. Copies of standard contracts the **Applicant** enters into with clients; and
 - D. Any other forms or materials which will provide the underwriter with information about the activities or services the **Applicant** performs.

I. APPLICANT (S):

A. Name of entity completing this application

Street Address

City, State, Zip Code

Telephone Number

B. Names of parent, subsidiary or affiliated entities for which coverage is desired. Provide a brief description and operations of each, including percentage of common ownership.

C. Please provide **Your** internet address (es) and/or World Wide Web address (es):

1. What steps were taken to insure that **Your** domain name(s) do/does not infringe on the intellectual property of others?

2. Are **You** aware of any potential or actual disputes over **Your** domain name(s) or domain names under **Your** control? yes no If yes, please explain.

D. Provide the year **You** began **Your** cyberspace activities:

E. In the past five years have any of **You** changed **Your** name, acquired, merged or consolidated with any entity? yes no

If yes, provide the following:

Name of entity	Date of transaction	Liabilities assumed
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(If more room is needed, continue answers on Applicant's letterhead)

F. 1. Provide the number of:

Your Principals, Officers and Partners

Your employees

Your independent contractors

2. If independent contractors are used, describe the activities or services they perform, how often **You** use them, and provide sample agreements utilized with those parties.
3. Are resumes/bios of key personnel posted on **Your** website? yes no If not, please attach.
4. List professional societies and trade associations relating to those services to be insured in which **You** or any of **Your** officers are members.
5. Do **You** have any certified or licensed professionals on staff? (e.g. architect, engineer, medical practitioner, attorney, CPA, actuary, insurance agent or broker, financial planner/advisor, etc.) yes no If yes, what services are they providing?

II. ACTIVITIES OR SERVICES:

A. 1. Describe the activities or services provided that **You** wish to insure:

2. Please indicate if **Your** operations involve the following (check all that apply):

- | | |
|---|-------------------------------|
| Internet access | Search engines |
| Web Page development/design/maintenance | Security consulting |
| Web Hosting | E-business consulting |
| Bulletin boards/chat/forums | E-commerce |
| Application service provider | Proprietary database services |
| Internet software development | Web site ownership activities |
| Internet content provider | |

B. Please provide the following information regarding **Your** gross revenues from the operations referenced in Section II.A.2.:

1. Domestic Operations	Previous 12 months	Current 12 months	Estimate for coming year
Gross Revenue	\$	\$	\$
Gross Expenses	\$	\$	\$
2. Foreign Operations			
Gross Revenue	\$	\$	\$
Gross Expenses	\$	\$	\$

C. Indicate all countries where any of **You** have a physical presence (e.g. corporate office, staff):

6. Do **You** pay licensing fees to licensing organizations (e.g. ASCAP, BMI, SESAC or other)? yes no
- C. Do **You** edit or review content created or provided by others? yes no
- D. 1. Are bulletin boards, chat rooms and/or forums/discussion groups monitored?
 yes no not applicable
2. If they are monitored, is it before or after posting?
- E. Describe **Your** policies and procedures for removing controversial or potentially defamatory or infringing material (**Your** "take down" policy):
- F. Do **You** ever frame content of others without written permission? yes no
- G. Do **You** ever deeplink (link to any page of another website deeper than its homepage)?
 yes no

V. SECURITY MEASURES:

- A. Describe the security measures used to prevent unauthorized access to:
1. **Your** premises and facilities
 2. **Your** computer systems/servers entrusted to others
 3. **Your** computer systems/servers entrusted to employees
 4. **Your** computer systems/servers located on **Your** premises
 5. Computer systems/services of others in **Your** care, custody and/or control
- B. Describe the security measures used by **You** to protect confidentiality and integrity of data:
- C. Advise technology **You** use for:
1. Encryption
 2. Authentication
 3. Anti-virus
- D. Do **You** perform security audits? yes no
1. If yes, who performs the audit?
 2. How frequently are the audits performed?
 3. What actions have been taken to correct any unfavorable results?

VII. CLAIMS EXPERIENCE:

- A. Have any claims, suits or proceedings been made during the past five years against **You** or any of **Your** predecessors in business, subsidiaries or affiliates or against any of the past or present partners, owners, officers, sales persons or employees? yes no If yes, complete a Supplemental Claim Information Form for each.

The policy for which You are applying, if issued, will not insure any claims, suits or proceedings made against You before the Inception Date of the policy or any subsequent claims, suits or proceedings arising therefrom.

- B. Are any of **You** aware of any actual or alleged fact, circumstance, situation, error or omission which may reasonably be expected to result in a claim being made against **You** or any of the persons or entities described in **Section VII.A.** above? yes no If yes, explain below or on **Applicant's** letterhead.

The policy for which You are applying, if issued, will not insure any claims that can reasonably be expected to arise from any actual or alleged fact, circumstance, situation, error or omission known to any of You before the Inception Date of the policy.

- C. Have any of **You** or any of **Your** predecessors in business, subsidiaries or affiliates or any of their past or present partners, owners, officers, sales persons or employees been investigated and/or cited by any regulatory agency for violations arising out of their activities? yes no If yes, explain below or on **Applicant's** letterhead.

VIII. PRIOR OR CURRENT COVERAGE:

- A. 1. Provide the following information for similar insurance, if any, carried during the last five years:

Company	Limit	Deductible	Premium	Policy Term
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2. Advise current retroactive date: (Please attach current declarations page)

- B. 1. Provide the following information for Commercial General Liability coverage currently in force:

Company	Limit	Policy Period
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2. Does the policy referenced in **Section VIII.B.1.** include coverage for Products/Completed Operations Hazards? yes no

3. Does the policy referenced in **Section VIII.B1.** include coverage for Personal Injury and Advertising Injury? yes no

IX. POLICY LIMIT/SELF-INSURED RETENTION:

Advise Policy Limit and Self-Insured Retention options for which **You** desire proposals:

Policy Limit

Self-Insured Retention

X. REPRESENTATIONS:

By signing this application, **You** agree that:

- A. The statements and answers given in the application and any attachments to it are accurate and complete;
- B. The statements and answers **You** furnish to the Company are representations **You** make to the Company on behalf of all persons and entities proposed for coverage;
- C. Those representations are a material inducement to the Company to provide a proposal for insurance;
- D. Any policy the Company issues will be issued in reliance upon those representations;
- E. **You** will report to the Company immediately, in writing, any material change in **Your** activities, services, condition or answers provided in this application that occur or are discovered between the date of this application and the effective date of any policy, if issued; and
- F. The Company reserves the right, upon receipt of any such notice, to modify or withdraw any proposal for insurance the Company has offered.

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 AND IN NEW YORK SHALL ALSO BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

Name (please type or print)

Name (signature of authorized representative)

Title

Date

To Be Completed By Producer(s) Only:

RETAIL PRODUCER

Producer Name:

City, State:

Telephone Number:

WHOLESALE PRODUCER

Producer Name:
City, State:
Telephone Number:

NOTE: AGENT/BROKER IS RESPONSIBLE FOR COLLECTION AND FILING OF ANY SURPLUS LINES TAXES AND FEES THAT MAY APPLY.

Supplementary Page

Please reference the number of the question to which these responses apply.