



INFORMATION TECHNOLOGY PROFESSIONAL LIABILITY INSURANCE APPLICATION

NOTICE: This is an application for claims made and reported insurance with "Claim Expenses" included within the limits of liability. Such insurance, if accepted by the Company, applies only to those "Claims" first made against the "Insured" and reported in writing to the Company while the policy is in force and may additionally limit coverage applicable to negligent acts committed prior to the inception of the "Policy Period".

- A. Please answer all the questions.
B. If a question is not applicable, state N/A. Attach additional information as necessary.
C. The application must be signed and dated by an authorized officer, partner or principal of the Applicant.

PLEASE ALSO ATTACH THE FOLLOWING:

- A. Brochures, advertisements or other descriptive literature about the Applicant, its subsidiaries, operations and services.
B. Copies of standard contracts and engagement/proposal letter used with clients.
C. Sample reports given to clients.
D. Biographical sketches of principals, officers and professional staff.
E. Copy of the Internal Control and/or Quality Control procedures.
F. Copy of the most current audited financial statements.
G. Most recent annual report.
H. Latest 10-K and 10-Q reports filed with the SEC, if a public company.
I. Target Market - Client Profile.

APPLICANT INFORMATION

1. Name of Applicant Firm
2. Contact
3. Risk Manager
4. Home Office Address
State Zip Code City
5. Phone Fax Internet Web Address
6. Name(s) and Location(s) of all branch offices:

7. Applicant is: Individual Partnership Corporation Other, please describe:

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8. Date Applicant Firm established: \_\_\_\_\_
9. Is the Applicant Firm a public company?  Yes  No  
(a) If no; does the Applicant Firm intend on an Initial Public Offering in the next twelve months?  Yes  No
10. Number of professionals employed at Applicant Firm: \_\_\_\_\_ Clerical Staff: \_\_\_\_\_
11. Please describe the products and services offered by the Applicant Firm:

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- (a) What percentage of the Applicant Firm's income is derived from these services? \_\_\_\_\_%
- (b) Do these operations or services for others involve:
1. Any design work or software design for clients?  Yes  No
  2. Consulting services for a fee?  Yes  No  
Consulting services for no specific fee?  Yes  No  
If for a fee, state total consulting fees for last 12 months: \$ \_\_\_\_\_
  3. Contact with the consumer, user, beneficiary or general public?  Yes  No
  4. Helping clients comply with regulations?  Yes  No
  5. Management of specific services for clients?  Yes  No
  6. Issuance of publications, manuals, newsletters, promotional material or any printed matter or software for clients?  Yes  No
  7. Maintenance of books, records, account data banks or data bases of any type or medium for clients?  Yes  No
12. Does the Applicant Firm subcontract?  Yes  No
- (a) Percentage of work subcontracted: \_\_\_\_\_%
- (b) Do you require subcontractors to carry their own errors & omissions insurance?  Yes  No
- (c) Please list three largest subcontractors:

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(d) Describe services provided by such subcontractors:

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13. During the past five (5) years:

(a) Has the name of the Applicant Firm been changed? If yes, please explain:  Yes  No

(b) Has any other business been acquired, merged or consolidated with the Applicant Firm?  Yes  No  
 If yes, please provide details:

14. Is the Applicant Firm:

(a) Controlled, owned, affiliated or associated with any other firm, corporation or company?  Yes  No  
 If yes, please explain:

(b) Providing any services to such business enterprises? If yes, please explain:  Yes  No

15. Name and location of all subsidiaries or affiliates for which coverage is desired:

16. Please give the names of any professional organizations or associations of which the Applicant Firm or its principals are members:

17. Complete with Applicant Firm's gross revenues derived from Information Technology related services:

	Year	US and Canada	Number of Clients	International	Number of Clients
Last Year		\$		\$	
Current Year		\$		\$	
Next Year (Projected)		\$		\$	

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18. Indicate the percentage of the Applicant Firm's gross revenues applicable to the following products/services and identify the specific areas the Applicant's products/services are focused on:

Product/Service	% Revenues
<input type="checkbox"/> Prepackaged Software Products	_____ %
<input type="checkbox"/> Custom Computer Programming Services	_____ %
<input type="checkbox"/> Computer Integrated Systems Design	_____ %
<input type="checkbox"/> Internet or Online Products/Services	_____ %
<input type="checkbox"/> Data Processing Services	_____ %
<input type="checkbox"/> Other Computer Related Services (describe):	_____ %
<b>Total</b>	<b>100%</b>

19. Indicate the percentage of the Applicant Firm's gross revenues that are applicable to services/products provided to the following industries:

Industry	% Revenues	Industry	% Revenues
<input type="checkbox"/> Computer Related	_____ %	<input type="checkbox"/> Business Services	_____ %
<input type="checkbox"/> Health/Medical	_____ %	<input type="checkbox"/> Transportation/Utilities	_____ %
<input type="checkbox"/> Manufacturing	_____ %	<input type="checkbox"/> Entertainment	_____ %
<input type="checkbox"/> Education	_____ %	<input type="checkbox"/> Legal	_____ %
<input type="checkbox"/> Communications	_____ %	<input type="checkbox"/> Agricultural/Mining	_____ %
<input type="checkbox"/> Government	_____ %	<input type="checkbox"/> Construction/Real Estate	_____ %
<input type="checkbox"/> Scientific/Engineering	_____ %	<input type="checkbox"/> Other (please describe)	_____ %
<input type="checkbox"/> Wholesale/Retail Trade	_____ %		
		<b>Total</b>	<b>100%</b>

20. Have any of the Applicant Firm's products or services been certified by a professional certification organization or industry association?  Yes  No

If yes, please identify those products and services and the certifying association/organization:

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21. Does the Applicant Firm have any certification and/or training requirements for their professional

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employees?  Yes  No

If yes, please describe requirements, and identify the percent of employees that currently meet those requirements:

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22. (a) Describe the Applicant Firm's client selection process.

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(b) Does the Applicant Firm perform credit checks on all clients?  Yes  No

(c) Is management's approval required for all new clients?  Yes  No

(d) Does the Applicant Firm maintain a system to avoid conflicts of interests?  Yes  No

(e) List Applicant's five (5) largest clients, a description of the services performed and the revenues received/anticipated for the last, current and next years:

Name of Client	Description Of Services	Last Year	Current Year	Next Year (Projected)
(a)		\$	\$	\$
(b)		\$	\$	\$
(c)		\$	\$	\$
(d)		\$	\$	\$
(e)		\$	\$	\$

23. Describe the types of negligent acts, incidents, circumstances or exposures which the Applicant Firm believes could result in a professional liability or errors and omissions "Claim" or expose the Applicant Firm to a professional liability or errors and omissions claim:

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24. Describe Applicant Firm's quality control program, including any procedures, precautions or safeguards used to avoid professional liability or errors and omissions "Claims":

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25. Describe the Applicant Firm's product/service development methodology:

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26. Does the Applicant Firm offer customer support services? If yes, please describe:  Yes  No

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27. Describe Applicant Firm's procedures for protecting clients/customers from viruses or unauthorized access:

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28. Describe Applicant Firm's procedures for resolving disputes with clients/customers over fees or charges, should they arise:

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29. Does Applicant Firm have written contracts or agreements with every client?  Yes  No  
If no, please explain:

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Do the Applicant Firm's contracts contain:

- (b) Hold harmless or indemnity agreements injurious to applicant?  Yes  No
- (c) Hold harmless or indemnity agreements injurious to client?  Yes  No
- (d) Guarantees or warranties?  Yes  No
- (e) A specific description of the services applicant will provide to client?  Yes  No
- (f) Clauses defining the responsibilities of each party?  Yes  No
- (g) Clauses limiting the liability of the applicant?  Yes  No
- (h) A "force majeure" limitation clause?  Yes  No

30. Have the contracts, engagement and/or proposal letters referenced above, been reviewed and approved by legal counsel?  Yes  No

Name of Legal Counsel: \_\_\_\_\_

31. Does legal counsel review and approve brochures, advertising or other similar literature describing Applicant's products/services?  Yes  No

32. Who has the authority to amend or change standard limitations of liability either prior to execution or after execution of contracts, engagement and/or proposal letters?

Name	Title
_____	_____
_____	_____

33. Have any lawsuits or "Claims" been made against the Applicant Firm, its predecessors, subsidiaries, partners, officers, or employees during the past five (5) years?  Yes  No

If yes, attach the date and a description of "Claim(s)", as well as current loss information and "Claim" status.

34. Have any actions have been taken to minimize the chance of a similar "Claim"?  Yes  No  
If yes, please describe:

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35. Is Applicant Firm or its partners, officers, employees or subsidiaries aware of any actual or alleged errors, omissions, offenses or circumstances which may reasonably be expected to result in a "Claim" being made against the Applicant Firm or any proposed insured person or entity?  Yes  No

If yes, please explain:

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36. List any similar insurance carried during the past five (5) years. If none, check here:  NONE

"Policy Period"	Insurance Company	Claims Made Coverage	Limit Per "Claim"/Aggregate	Deductible	Premium	"Retroactive Date"
		Yes or No	/			
		Yes or No	/			
		Yes or No	/			
		Yes or No	/			
		Yes or No	/			

37. Has any application for similar insurance, made on behalf of the Applicant Firm or any of its predecessors in business, been declined or has any such insurance ever been rescinded, canceled or been refused renewal?  Yes  No  
 If yes, please explain:

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38. Coverage requested:

Limit:  \$1,000,000  \$5,000,000  \$10,000,000 Other: \_\_\_\_\_

Deductible: \_\_\_\_\_ each claim (\$10,000 minimum)

**THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE COMPANY, NOR DOES IT OBLIGATE THE COMPANY TO ISSUE A POLICY OR INSURE ANY SERVICES. HOWEVER, IT IS AGREED THAT SHOULD A POLICY BE ISSUED, THIS APPLICATION WILL BE ATTACHED TO AND MADE A PART OF THE POLICY.**

**NOTICE:**

**THE LIMIT OF LIABILITY IN THE POLICY, IF ISSUED, MAY BE REDUCED OR COMPLETELY EXHAUSTED BY "CLAIM EXPENSES." IN SUCH EVENT, THE COMPANY SHALL NOT BE LIABLE FOR ANY JUDGMENT, SETTLEMENT OR "CLAIM EXPENSES" WHICH ARE IN EXCESS OF THE LIMITS OF LIABILITY STATED ON THE DECLARATIONS PAGE OF POLICY.**

**THE SELF INSURED RETENTION IN THE POLICY, IF ISSUED, APPLIES TO "CLAIM EXPENSES" AS WELL AS TO "DAMAGES."**

**THE UNDERSIGNED(S) CERTIFIES THAT HE/SHE IS THE DULY AUTHORIZED REPRESENTATIVE(S) OF EACH PROPOSED "INSURED" WHICH SUBMITS THIS APPLICATION TO THE STEADFAST INSURANCE COMPANY FOR A POLICY OF INSURANCE. THE STATEMENTS AND INFORMATION ABOVE AND ALL SCHEDULES AND DOCUMENTS SUBMITTED, OF WHICH THE UNDERWRITER RECEIVES NOTICE, ARE DEEMED PARTS OF THE APPLICATION (ALL OF WHICH SCHEDULES AND DOCUMENTS SHALL BE DEEMED ATTACHED TO THE POLICY AS IF PHYSICALLY ATTACHED THERETO), AND THE WORD "APPLICATION" REFERS TO ALL OF THE FOREGOING.**

**EACH PROPOSED "INSURED" REPRESENTS THAT THE STATEMENTS SET FORTH IN THE APPLICATION ARE TRUE AND CORRECT, AND THAT REASONABLE EFFORTS HAVE BEEN MADE TO OBTAIN INFORMATION SUFFICIENT FOR**

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ACCURATE COMPLETION OF THIS APPLICATION. IT IS FURTHER AGREED BY EACH PROPOSED "INSURED" THAT EACH POLICY OR RENEWAL THEREOF, IF ISSUED, IS ISSUED IN RELIANCE UPON THE TRUTH OF THE REPRESENTATIONS AND INFORMATION IN THE APPLICATION.

EACH PROPOSED "INSURED" UNDERSTANDS AND AGREES THAT ANY INSURANCE POLICY ISSUED BY THE COMPANY SHALL BE SUBJECT TO RESCISSION IF THIS APPLICATION CONTAINS ANY MISREPRESENTATIONS OR OMISSIONS MATERIAL TO THE ACCEPTANCE OF THE RISK BY THE COMPANY.

IF THE INFORMATION SUPPLIED ON THIS APPLICATION OR ATTACHMENTS THERETO CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE INCEPTION DATE OF THE POLICY, THE APPLICANT WILL IMMEDIATELY NOTIFY THE COMPANY OF SUCH CHANGES.

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SIGNED BY AUTHORIZED OFFICER, PARTNER OR PRINCIPAL

PRINT OR TYPE NAME & TITLE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
PHONE NUMBER