



**COMPUTER & TECHNOLOGY PRODUCTS AND SERVICES
PROFESSIONAL LIABILITY APPLICATION**

Computer & Technology Products and Services Professional Liability Insurance is written on a **claims-made and reported** basis and covers only claims first made against the insureds during the Policy Period or the Extended Reporting Period, if exercised, and reported to the Company within 60 days. The Limit of Insurance available to pay judgments or settlements shall be reduced by amounts incurred as Defense Costs. The Company has a duty to defend any Insureds pursuant to the terms and conditions of the Policy.

PLEASE NOTE THE FOLLOWING:

(ALL STATES EXCEPT AR, CO, FL, HI, KY, ME, VA, NJ, NM, NY, OH, OK, PA): 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.

ARKANSAS APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

COLORADO APPLICANTS: IT IS UNLAWFUL TO KNOWINGLY PROVIDE FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES, DENIAL OF INSURANCE, AND CIVIL DAMAGES. ANY INSURANCE COMPANY OR AGENT OF AN INSURANCE COMPANY WHO KNOWINGLY PROVIDES FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO A POLICY HOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICY HOLDER OR CLAIMANT WITH REGARD TO A SETTLEMENT OR AWARD PAYABLE FROM INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATORY AGENCIES.

FLORIDA APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION IS GUILTY OF A FELONY OF THE THIRD DEGREE.

HAWAII APPLICANTS: FOR YOUR PROTECTION, HAWAII LAW REQUIRES YOU TO BE INFORMED THAT PRESENTING A FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT IS A CRIME PUNISHABLE BY FINES OR IMPRISONMENT, OR BOTH.

KENTUCKY APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE 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.

MAINE AND VIRGINIA APPLICANTS: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS.

NEW JERSEY APPLICANTS: ANY PERSON WHO INCLUDES ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NEW MEXICO APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES.

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 MATERIALLY FALSE INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY MATERIAL FACT THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME, AND SHALL BE ALSO SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

OHIO APPLICANTS: ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD.

OKLAHOMA APPLICANTS: WARNING: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY.

PENNSYLVANIA APPLICANTS: 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 SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

1. Applicant's contact information:
Full name (company name as it is to appear on the policy, if issued): _____
Street Address _____
City _____ County _____ State _____ Zip _____
Phone # _____
Fax# _____
Email Address _____
Domain Address, if any _____
2. a. Is the Applicant a: Corporation Partnership Individual L.L.C.
 Other (please describe) _____
b. Date operations began under current ownership (mo/yr.): ____ / ____

3. Describe in detail Applicant's services including any areas of specialization.

4. Contracts and Agreements:

- a. Have you developed a standard contract or engagement letter? Yes No
- b. Do you require 100% of clients to sign this contract? Yes No
If "no," what percent? _____ %
- c. Do you ever sign contracts provided by your client? Yes No
If yes, what percentage of the time do you sign your client's contract? _____ %

5. Do you have General Liability insurance currently in-force? Yes No

6. Number of Applicant's Principals: _____ #
Number of Applicant's Technical / Professional Staff (excluding Principals): _____ #
Number of Applicant's Clerical / Administrative Staff: _____ # Total Employees: _____ #

| Applicant's gross revenues (domestic only) | | Applicant's foreign revenue if any | |
|--|----------|------------------------------------|----------|
| Future 12 months (projected) | \$ _____ | Future 12 months (projected) | \$ _____ |
| Previous 12 months | \$ _____ | Previous 12 months | \$ _____ |
| The year before last | \$ _____ | The year before last | \$ _____ |

8. Are any revenues contingent upon a guarantee of customer savings resulting from the use of your services? Yes No
Are the costs of your services ever reduced if deadlines are missed? Yes No
If yes, please explain

9. Limits desired (each wrongful act/aggregate):

\$1,000,000 / \$1,000,000 Other \$ __,000,000 / \$ __,000,000

10. Deductible:

\$2,500 \$5,000 More than \$5,000: \$ _____

11. Please indicate the percentage of your annual revenue from end clients in the industries below:

| | |
|---------------------------|-------------------------------|
| ___% Manufacturing | ___% Government |
| ___% Aerospace | ___% Utilities |
| ___% Banking/Investment | ___% Internet |
| ___% Insurance | ___% Medical & Pharmaceutical |
| ___% Telecommunications | ___% Medical: Life Support |
| ___% Software Development | ___% Entertainment |
| ___% Transportation | ___% Construction |
| ___% Education | ___% Advertising |
| ___% Retail | ___% Other _____ |

12. Please indicate the percentages of your annual revenue involving the following services:

| | |
|---|---|
| ___% Staffing | ___% Business Application Software Development |
| ___% Database Design/Management | ___% Office Automation |
| ___% System Design/Administration/Engineering | ___% Accounting/Financial/Payroll (no funds transfer) |
| ___% Financial Transaction Software (Funds Transfer, Equity Trading) | ___% ERP Implementation/Maintenance |
| ___% Network Design & Administration | ___% Software/Hardware Installation & Maintenance |
| ___% Hardware Only Installation & Maintenance | ___% Software Sales |
| ___% Hardware Sales | ___% Web Hosting |
| ___% Application Service Provider* | ___% Web Design, Development/Graphic Design |
| ___% Computer Security* | ___% E-Commerce |
| ___% Content/FTP/ Search Services | ___% Training & Education |
| ___% Technical Writing | ___% Telecommunication Consulting |
| ___% Manufacturing Software (Robotics, PLC, CAM) | ___% CAD (Non-structural) |
| ___% Medical Management | ___% Medical Diagnostic Software/Hardware |
| ___% Disaster Recovery Planning/Backup Services | ___% Other _____ |

13. If you provide network or Internet security services, please answer the questions below:

- | | Always | Sometimes | Never | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| a) Do you implement back-up procedures for client? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| b) Do you obtain a signed contract for all projects? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| c) Is security specifically addressed in the contract? | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Does the contract specifically stipulate that such work is not guaranteed to prevent intrusions? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| e) When you use licensed security software, do you require that the client accept in writing the terms, conditions, and limitation of the software's license agreement? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| f) What percentage of you security work is based on original code or custom applications? | _____ | % | | |
| g) What percentage of your security work incorporates security software licensed from vendors? | _____ | % | | |

What is a typical security project description? (Please describe, use attachment if necessary)

14. If you are an Application Services Provider, please answer the questions below:

- a. Are off-site backups of web sites and associated programs done daily? Yes No
- b. Please describe the system security measures you are currently using.

c. Explain contingency plan to restore service to customers in the event of an outage:

15. Project Management: If you develop software or manage projects, please answer the questions below:

- | | Always | Sometimes | Never | NA |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| a) Is system design work documented and tested? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Is documentation retained for the life of the system? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Are test plans followed for all software/program modifications? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Do clients have responsibility for confirming accuracy of system? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) Has the applicant implemented a written contingency plan? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| f) Do you require a written client sign-off on completion of the assignment? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| g) Do you implement back-up procedures for client? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

If any of the above questions were marked Not Applicable (NA), please explain why.

16. What percentage of your project work is subcontracted? _____ %
- Do you have a standard written subcontract agreement? Yes No
- What kinds of work do you subcontract (describe below)?

17. Project Administration - Does Applicant:
- | | Always | Sometimes | Never |
|---|--------------------------|--------------------------|--------------------------|
| a) Provide client with a written definition of the job? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Written estimate of time and cost? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Develop weekly status reports? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Confirm in writing, client requested changes? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) Confirm acceptance criteria on client requested changes? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

18. For Internet/On-Line Service Providers only. Other applicants please skip to question 19:

a. Please check the appropriate services and indicate percentage of revenue from each service:

- Web Hosting _____ %
- Web Page Designer _____ %
- Electronic Bulletin Board _____ %
- FTP Site _____ %
- Internet Access Provider _____ %
- Search Engine _____ %
- Content Provider _____ %
- Other: _____ %

Total number of subscribers (if applicable) _____

Internet address: _____

b. If you are providing web design services, please provide the URLs of 3 sites you have designed:

c. Do you have any adult only web site clients? Yes No

d. If you provide Internet Access or FTP services, please provide the total number of subscribers: _____

e. If you provide search services, please provide the number of unique sessions per month. _____

f. Do you maintain any editorial control over content? Yes No

If you are a content provider, or maintain editorial control of Internet content check those applicable and provide details:

- Adult Only Music Financial Information Advertising News Health
- Children Religious

Please provide details and include any other content provided: _____

g. Do you sell any products or services (other than on-line products as described above) via the Internet?

- Yes No

If yes, provide details: _____

h. Do you offer chat or bulletin board features? Yes No

If yes, provide details: _____

19. a. Applicant's current Professional Liability insurance:

Name of Carrier: _____ Retroactive Date: ____ / ____ / ____

Limits: \$1,000,000 / \$1,000,000 Other \$__,000,000 / \$__,000,000

Annual Premium: _____

b. Has any application for similar insurance on behalf of the applicant or any of its partners, executive officers, directors, or to the knowledge of the applicant, on behalf of its predecessors in business ever been declined, cancelled or renewal refused?

- Yes No **If Yes, explain on separate paper.**

20. Claim History

- a. After inquiry, does the applicant, any director, officer, employee or partner of the applicant have knowledge or information of any act, error or omission which might reasonably be expected to give rise to a claim? Yes No
If yes, explain on separate paper.
- b. Have any claims been made during the past five years against the applicant, their predecessors in business or any of the present or past partners? Yes No
If yes, provide details on a separate paper. Include the date of the event, the date reported to your insurer if applicable, amount incurred in legal defense and any other payments made by you or on your behalf.

21. Please provide the following documentation, if applicable:

- **Consulting Agreement (your standard contract)**
- **Software License Agreement**
- **Distribution Agreement with Software and/or Hardware Manufacturer**
- **Sales Agreement**

22.a. **Declaration and Signature – (SEE NEXT PARAGRAPH FOR STATE EXCEPTIONS)**

The undersigned, on behalf of all prospective insureds, after a reasonable inquiry, declares to the best of his/her knowledge and belief that the statements contained herein are true and shall be deemed to be material to the acceptance of the risk or the hazard assumed by the Company under this Policy. It is further agreed by the undersigned, its Subsidiaries and their directors, officers and trustees, that the Policy, if issued, is in reliance upon the truth of such representations and warranties which are incorporated into and made a part of the Policy. It is agreed that, although the signing of the Application does not commit the undersigned to purchase the insurance being applied for, the statements made in this Application shall become the basis of the Policy should one be purchased, and shall be attached to and made a part of the Policy. The Company is hereby authorized to make any investigation and inquiry in connection with this application deemed necessary.

22.b. **Declaration and Signature - (STATES OF ARIZONA, KANSAS, MAINE, NEW HAMPSHIRE, OREGON)**

The undersigned, on behalf of all prospective insureds, after reasonable inquiry, declares to the best of his/her knowledge and belief that the statements contained herein are true and shall be deemed to be material to the acceptance of the risk or the hazard assumed by the Company under this Policy. It is further agreed by the undersigned, its Subsidiaries and their directors, officers and trustees, that the Policy, if issued, is in reliance upon the truth of such representations which are incorporated in to and made a part of the Policy. It is agreed that, although the signing of the Application does not commit the undersigned to purchase the insurance being applied for, the statements made in this Application shall become the basis of the Policy should one be purchased and shall be attached to and made a part of the Policy. The Company is hereby authorized to make any investigation and inquiry in connection with this Application deemed necessary.

22.c. **Declaration and Signature – (STATE OF VIRGINIA)**

The undersigned, on behalf of all prospective insureds, after reasonable inquiry, declares to the best of his/her knowledge and belief that the statements contained herein are true and are the basis of the acceptance of the risk or the hazard assumed by the Company under this Policy. It is further agreed by the undersigned, its Subsidiaries and their directors, officers and trustees, that the Policy, if issued, is in reliance upon the truth of such representations which are incorporated in to and made a part of the Policy. It is agreed that, although the signing of the Application does not commit the undersigned to purchase the insurance being applied for, the statements made in this Application shall become the basis of the Policy should one be purchased and shall be attached to and made a part of the Policy. The Company is hereby authorized to make any investigation and inquiry in connection with this Application deemed necessary.

Signature of Authorized Partner / Office/Owner

Title

___/___/___
Date

Please mark the services you provide below.

1. **Research and Development Services** as described below:
 - Technology research and development.
 - Development, dissemination and publishing of research data.
 2. **Disaster Recovery Planning and Consulting** as described below:
 - Off-site media storage facilities to protect against data loss resulting from disasters such as fires, floods, brownouts, computer failure, employee errors, employee sabotage, pickup and delivery of media.
 - Back-up computer hardware and software facilities, hot and cold sites, relocation services, handling of all electrical power, phone cable, mail, telephone, human resources support during a disaster, and security services to protect property from theft, damage, destruction or sabotage while off site.
 - Auxiliary services such as cleaning, testing and evaluation of tape and disc media, restoration of damaged tapes, updating of media and purging of files.
 3. **Electronic Data Processing and Electronic Data Processing Consulting** as described below:
 - Conversion of data from source material into a form of media for processing on electronic data processing machines and the subsequent processing of such data.
 - Performance of feasibility studies, giving opinions or recommendations regarding electronic data processing objectives and needs.
 4. **Software Programming (includes maintenance)** as described below:
 - Writing, testing and installation of computer programs. Writing of program documentation and the performance of maintenance on established programs.
 5. **Database Management and Consulting** including design, development and maintenance.
 6. **Systems Analysis/Software Design** as described below:
 - Analysis of information needs including the recommending, planning and designing of electronic data processing systems and procedures.
 7. **System Integration** including consulting, and on-site installation of hardware and/or packaged software.
 8. **Multimedia and Interactive Software Development and Consulting** as described below:
 - Combining text, video, voice, computer, and telephone technologies into a multimedia network.
 - Consulting on conversion of existing technology into digital form.
 - Providing switching technology and consulting to connect different networks.
 9. **Image Processing Systems** including management, consulting and/or maintenance services.
 10. **On-Line Publishing and Consulting Services** including Home Page design and consulting.
 11. **Internet Service Provider** including access and web hosting.
 12. **Reselling** Hardware, software and systems
 13. **Training and Education**
 14. **Information Technology Staffing and Placement** services including short and long term.
 15. **Other as described below:**
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