

**APPLICATION FOR INFORMATION TECHNOLOGY PROFESSIONAL LIABILITY
WITH CERTAIN UNDERWRITERS AT LLOYD'S**
THIS APPLICATION IS FOR A CLAIMS MADE INSURANCE POLICY

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APPLICATION'S INSTRUCTIONS:

1. All questions must be answered completely; please type or print clearly; if any questions are considered "Not Applicable", please explain why.
2. This application, which includes supplement forms, must be signed and dated by a principal of the firm.

1. Name of Applicant _____

2. Address _____

City _____ Country _____

Province _____ Postal Code _____

Telephone _____ Facsimile: _____

Website address _____

3. Location of Branch Offices (if any):

4. a. Please describe in details the nature and types of professional services the Applicant is engaged in:

b. Please advise the worse case scenario that could happen to your customers operations if the Company's products/services were to fail or stop working.

- c. Indicate activities which apply to your business and the % of revenue expected during the next 12 months: (Please check all that apply.) Please see back page for Terminology.

Receipts %			
a.	Data Processing and Entry		
b.	Content Provider for Web Page/Forum		
c.	Custom Software Development		
d.	Commercial On-Line Services		
e.	Packaged Software Development		
f.	Forum/Content Channel		
g.	Consulting on Hardware/Software		
h.	System design/purchase		
i.	Systems Installation		
j.	Electronic BBS		
k.	Systems Maintenance		
l.	FTP Site		
m.	Computer Related Training		
n.	Internet Access Provider		
o.	Web Page Development		
p.	Forum Manager		
q.	Web Page Maintenance/Updates		
r.	Game Developer		
s.	Hosting Web Pages		
t.	Other (Please explain)		
TOTAL			100%

5. Date established: _____

6. Are significant changes in the nature or size of the Applicant's business anticipated over the next 12 months? Or have there been any such changes in the past 12 months? Yes No

If yes, please explain: _____

7. Total Number of staff: _____

8. Please provide the following:

Name of Principals & Qualified Employees	Professional Qualifications & Designations	Number of years in practice	Number of years with Applicant

Please provide brief resumes of the Principals.

9. Gross billings

Last year (est): _____ This year: _____ Next year: _____

Percentage of fees in U.S.A.: _____ Percentage of fees overseas _____

10. Please indicate the Applicant's five largest jobs/projects during the past three years:

Client	Service	Applicant's Fee

11. Please indicate the major software applications and receipts attributable:

Nature	<u>Market Home Use %</u>	<u>Commercial Use %</u>	<u>Total Receipts %</u>
a. Administrative (sales data, lists, etc)			
b. Accounting (payroll, receivables, payables)			
c. Financial (savings, checking, loan, dividend accts)			
d. Inventory control			
e. Scientific			
f. Graphics			
g. Architectural (Model building projection)			
h. CAD/CAM; Manufacturing/ Engineering tools			
i. CASE: Application development tools			
j. Communications: Utilities/Info Services			
k. Fund Transfer			
l. Medical			
m. Educational			
n. Facilities Management			
o. Office Automation			
p. Database Management Systems			
q. LAN/Network			
r. Imaging			
s. Gatekeeper			
t. Other (Please Explain)			

12. Indicate the market(s) for your products/services: :

	<u>Receipts %</u>
▪ Aerospace	_____
▪ Communications/Transportation	_____
▪ Construction/Mining/Agriculture	_____
▪ Education	_____
▪ Financial Institutions	_____
▪ Government(military)	_____
▪ Government(non military)	_____
▪ Health Care/Medical Services	_____
▪ Home use	_____
▪ Manufacturing/Industrial	_____
▪ Trade: Retail/Wholesale	_____
▪ Other	_____
(Please specify)	TOTAL 100% _____

13. Do you have a policy for removing controversial material: (libelous, slanderous, etc) from your On-line Service? Yes No N/A
 If yes, please explain: _____
14. Do you have a policy for removing infringing material (copyright, trademark, etc) from your On-line Service? Yes No N/A
 If yes, please explain: _____
15. Have you ever received a complaint concerning the content of your On-line Service? (libelous, slanderous copyright, trademark , etc) Yes No N/A
 If yes, how do you respond to such complaints and in what time frame? _____
16. Are firewalls used to prevent unauthorized access connections from internal networks and computer systems to External networks? Yes No N/A
17. Are anti-virus procedures used on desktops and mission critical services? Yes No N/A
18. Are backup and recovery procedures documented for all mission critical services? Yes No N/A
19. Do you have an acceptable use policy and privacy policy regarding e-mail and internet use? Yes No N/A
20. Does the Applicant use a written contract? Always Sometimes Never
 If Not always, please explain how the scope of services to be provided is agreed: _____
21. Does any director, officer, employee or partner of the Applicant serve on the board of directors of any client of the Applicant? Yes No
 If yes, please explain: _____
22. Does the Applicant sub-contract work to others: Yes No
 If yes, please explain and include the nature of indemnities, hold harmless agreements, etc _____
23. Has any error and omissions or professional liability insurance ever been declined or canceled? Yes No
 If yes, please explain: _____
24. If there are any errors and omissions or professional liability insurance in favour of the Applicant currently in force? Yes No
 If yes, please give details _____

Carrier	From (mm/yy)	To(mm/yy)	Limit/Deductible/Premium	Retro date

25. Has the Applicant or any director, officer, employee or partner been the subject to disciplinary action as a result of professional activities? Yes No
 If yes, please explain: _____

26. Is the Applicant aware of any claims (including any circumstances reported to previous insurers which have not developed into claims) during the last ten years? Yes No
 If yes, please complete Attachment "A".

27. Has the Applicant been a party to any lawsuit or other legal proceeding within the past five years? Yes No
 If yes, please provide (on Attachment "A") a description which includes the venue of the action, the parties, the amount of dispute, the nature of the claim(s), the status of the action(s) was resolved as to the applicant, including all costs incurred; including defense expenses.

ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED IN CONJUNCTION WITH THIS APPLICATION ARE HEREBY INCORPORATED BY REFERENCE INTO THIS APPLICATION ARE MADE A PART HERE OF

THIS APPLICATION DOES NOT BIND THE APPLICANT TO BUY, OR THE UNDERWRITERS TO ISSUE, THE INSURANCE, BUT IS AGREED THAT THIS APPLICATION SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED, AND IT WILL BE ATTACHED TO AND MADE A PART OF THE POLICY.

THE APPLICANT FURTHER DECLARES THAT IF THE INFORMATION SUPPLIED ON THIS APPLICATION CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE TIME WHEN THE POLICY ISSUED, THE APPLICANT WILL IMMEDIATELY NOTIFY THE COMPANY OF SUCH CHANGES, AND THE UNDERWRITERS MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS AND/OR AUTHORIZATION OR AGREEMENT TO BIND THE INSURANCE.

I HAVE READ THE FOREGOING APPLICATION OF INSURANCE INCLUDING SUPPLEMENT SHEET "A" AND WARRANT THAT THE RESPONSES PROVIDED ON BEHALF OF THE APPLICANT ARE TRUE AND CORRECT.

DATE _____ APPLICANT'S SIGNATURE _____
 TITLE _____

PRODUCER _____

ADDRESS _____

DATE _____

SUBMITTED BY: _____

E-MAIL: _____

INFORMATION TECHNOLOGY

LLOYD'S OF LONDON

CLAIMS SCHEDULE

1. Name of Applicant: _____

2. Name of Member of Staff involved in claim: _____

3. Name of (potential) claimant: _____

4. Date of incident: _____ Date of claim made: _____

5. Under which policy was the claim made? Carrier: _____
Policy No: _____

6. Status of claim: Closed _____ Please indicate Total Loss paid: _____
or (including defense expense) _____
Open _____ Please complete questions 7, 8, 9 and 10

7. Total defense costs and expenses to date: _____

8. Damages or other relief sought by the claimant(s): _____

9. Insurers loss reserve: _____

10. Please the following details:

- i) the specific act, error or omission upon which the claimant bases the claim.
- ii) a brief description of the claim.
- iii) details of the current status and proposed strategy for handling the claim.

Signed: _____

Date: _____

Electronic E&O Terminology

1. **Data Processing and Entry** means those activities usual to the processing of data or records of others.
2. **Custom Software Development** means the design of computer software or programming on a one-time basis by special order. Examples include accounting software developed specifically for one company.
3. **Packaged Software Development** means the design, manufacture and sale of computer software via mass distribution. Examples include computer games, Microsoft products, etc.
4. **Consulting** means determining the suitability of a software package or identifying hardware needed for a specific performance. Examples include determining which imaging system should be used.
5. **Systems Installation** means the installation of both software and hardware, Examples include the installation of upgrades such as Windows 95.
6. **Training** means the explanation/demonstration of how to use a software or hardware product. Examples include training for Lotus Notes.
7. **Systems Maintenance** means the continual maintenance of a customers equipment on a regularly scheduled maintenance plan.
8. **Commercial Online Service** is an Internet access provider which also offers its subscribers propriety online features including forums on various topics of interest, an e-mail address, chat and conference rooms, and files for download.
9. **Forum/Content Channel on a Commercial Online Service** are proprietary areas on the commercial online service dedicated to a certain topic. Features available include files for download , chat and conference rooms, and limited e-mail capabilities for posting e-mail to other subscribers of the forum/content channel.
10. **Electronic BBS**, BBS is shorthand for a bulletin board service. A BBS is similar to a forum/contact channel in that it normally offers the same feature i.e. files for download, chat and conference rooms, and limited e-mail capabilities for posting e-mail to other users of the BBS. Unlike a forum which is accessible through a commercial online service, a BBS usually requires the user to dial it directly via its main phone number instead of a Internet address.
11. **FTP Site** is a site on the Internet accessible by File Transfer Protocol. Features generally only includes files for download.
12. **Internet Access Provider** is a provider of Internet access, but without the proprietary online services offered by the larger commercial online services. Features typically include Internet access and an e-mail address.
13. **Internet Presence Provider** is an entity which creates web pages for the others or rents server space to others.
14. **Web Page** is a site on the World Wide Web through which a company, association or individual offers documents, graphics, sound and/or full motion video presentations about itself, its products, or newsworthy events. Features include files for download and e-mail capabilities to the entity maintaining the web page.
15. **Forum Manager** is typically an independent contractor hired by a Commercial On-Line Service to manage various forums. Most forums will have 2 or 3 forum managers.