

C. Current Coverage and Loss Information

If the answer is yes to any of questions 2 – 8, please attach explanations. With respect to claims or litigation, include any pending or prior incident, event or litigation, providing full details of all relevant facts.

1. Does the company currently have General Liability, Errors and Omissions, and/or other similar insurance in force? Yes No

If so, please complete the following for each policy:

Coverage Type:		Coverage Type:	
Name of Carrier:		Name of Carrier:	
Limits of Liability:		Limits of Liability:	
Deductible:		Deductible:	
Premium:		Premium:	
Expiry Date:		Expiry Date:	
Current Retroactive Date:		Current Retroactive Date:	

2. Has your company ever been declined for Errors & Omissions, Professional Liability or Media Liability insurance, or had an existing policy cancelled? Yes No
3. Is the company or any of its partners, directors or officers aware of, or are there any circumstances that may give, or have given, rise to a claim against the company or against this insurance policy? Yes No
4. In the last five years has your company experienced any claims or are you aware of any circumstances that could give rise to a claim that would be covered by this policy? Yes No
5. In the past five years, has your company been the subject of any cease and desist orders concerning content or advertising on your website? Yes No
6. During the last three years, have you been the subject of an investigation or action by any regulatory or administrative agency for violations arising out of your advertising or sales activities? Yes No
7. Within the last three years has a customer claimed that they had a financial loss as a result of an error or omission on your part? Yes No
8. Have you, or any of your predecessors in business, subsidiaries or affiliates, or any of the principals, directors, officers, partners, professional employees or independent contractors ever been the subject of a disciplinary action as a result of professional activities? Yes No

II. GENERAL INFORMATION

A. Gross Revenues (including licensing fees)

	<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>
Prior Year:	\$	\$	\$
Current Year (est.):	\$	\$	\$
Next Year (est.):	\$	\$	\$

B. Products and Services Offered

Type of Product or Service	% of Revenue		Typical Customer
	Current Yr	Next Year	
Application Service Provider - Bandwidth	%	%	
Application Service Provider - Security	%	%	
Bulletin Board System/Forum Sites	%	%	
Billing Services	%	%	
Computer Aided Design (Structural)	%	%	
Computer Aided Design (Non-Structural)	%	%	
Colocation Facilities	%	%	
Credit Card Processing	%	%	
CRM Consulting	%	%	
Data Entry/Timesharing	%	%	
Data Processing	%	%	
E-commerce Consulting	%	%	
ERP Consulting	%	%	
Graphic Design	%	%	
Hardware Assembly	%	%	
Hardware Manufacturing	%	%	
Healthcare	%	%	
Infrastructure Equipment Mfg.	%	%	
Infrastructure Software	%	%	
Internet Advertising	%	%	
Internet Service Provider	%	%	
Manufacturing (General)	%	%	
Messaging Services	%	%	
Online Banking	%	%	
Online Brokerage	%	%	
Online Exchanges	%	%	
Portals	%	%	
Retail e-commerce	%	%	
Security Consulting	%	%	
Security Software	%	%	
Software Development	%	%	
Software Installation -- Custom	%	%	
Software Installation -- Prepackaged	%	%	
Specialty Programming	%	%	
Systems Analysis	%	%	
Systems Engineering	%	%	
Systems Integration	%	%	
Systems Maintenance	%	%	
Technical Research	%	%	
Technical Support	%	%	
Technical Training	%	%	
Telecommunication	%	%	
Value Added Reselling	%	%	
Video Conferencing Services	%	%	
Web Hosting	%	%	
Web Maintenance Services	%	%	

Type of Product or Service	% of Revenue		Typical Customer
	Current Yr	Next Year	
Website Design	%	%	
WiFi Service Provider	%	%	
Other:	%	%	

Do you place temporary IT personnel at a client's site and under the client's supervision and direction? Yes No

If "YES", please complete the "IT STAFFING SUPPLEMENTAL APPLICATION"

III. SALES CONTRACTS, LICENSING CONTRACTS, STATEMENTS OF WORK

A. Large Contracts

Please provide details of your company's three largest contracts for ongoing or completed work in the last two years:

Client	Nature of Contract/Service	Contract Value/Duration

Timeframe of average contract: _____

Average contract or licensing agreement value: _____

B. Contractual Content and Procedures:

1. Do you require a written contract or agreement for services with your customers? Yes No
2. Is the contracting process standardized and formalized? Yes No
3. Are all contracts reviewed by your legal department or a third party law firm? Yes No
4. Do revisions and modifications to standard contracts require legal department signoff? Yes No
5. Do such contracts or agreements contain (*check all that apply*):
 - specific descriptions of professional services you are to provide?
 - a limitation of liabilities?
 - guarantees or warranties?
 - hold harmless or indemnity agreements inuring to your benefit?
 - hold harmless or indemnity agreements inuring to your client's benefit?
 - formalized change order processes requiring signoff by both parties?
 - conditions of customer acceptance of products/services?
 - acceptance of consequential damages?
 - provisions for liquidated damages?
 - provisions for the ownership of intellectual property?
6. Do you have procedures to ensure compliance with Federal, State and local statutes? Yes No
7. Do you have a process in place to handle and resolve client complaints? Yes No
8. Do you charge for your network-based services? Yes No

9. Do you guarantee systems or website availability?
If yes, please describe in an attachment. Yes No
10. Do your customers and/or business partners have written contracts or agreements in place to use your network, website or services? Yes No

C. Vendor Contracts

1. Do you require written contracts or agreements with all vendors? Yes No
2. Is the contracting process standardized and formalized? Yes No
3. Are all contracts reviewed by your legal department or a third party law firm? Yes No

D. Independent Contractors, Subcontractors

1. Do you use independent contractors and/or subcontractors? Yes No
If yes, please answer the four questions below:
- a. Do you always use a written contract upon engagement of independent contractors? Yes No
- b. Do you require independent contractors to carry professional liability insurance? Yes No
- c. What percentage of professional services rendered are contracted out? _____%
- d. Do all contracts with independent contractors clearly identify work product as 'work made for hire', or include other provisions for the ownership of intellectual property? Yes No

IV. QUALITY CONTROL

A. Quality Control Procedures

1. Please identify the quality control procedures in place at your company:
 written quality control programs vendor certification guidelines
 prototype development guidelines beta testing
2. Are formal customer acceptance procedures in place? Yes No
3. Are formal written system or software development methodologies in place? Yes No
4. When interim changes in the contract or statement of work are required, are these documented with signoffs by both you and the customer? Yes No
5. Do contracts or statements of work include performance milestones which are acknowledged and accepted with signoffs by both you and customer? Yes No
6. Are final acceptance letters or signoffs required from each customer? Yes No
7. Do you have an Internal Audit process in place? Yes No

B. Employee/Professional Development

1. Do you have a formalized Continuing Education program required for all professional employees on annual basis? Yes No
2. Do you have formalized in-house training procedures for professional employees? Yes No

ADDITIONAL INFORMATION REQUIRED

Please submit the following documentation with this application:

1. Copies of your most recent advertising materials and product brochures.
2. Most recent financials.
3. List of any litigation threatened or pending (including plaintiff, cause of action and potential damages detail), which could potentially affect the coverage for which applicant is applying.
4. Loss runs for the last five years.
5. Copies of representative and largest sales, service and/or licensing contracts.

V. FRAUD WARNING STATEMENTS

NOTICE TO FLORIDA APPLICANTS: Any person who knowingly and with intent to injure, defraud or deceive any insurer files a statement of claim or an application (or any supplemental application, questionnaire or similar document) containing any false, incomplete or misleading information is guilty of a felony of the third degree.

NOTICE TO 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.

NOTICE TO MAINE 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.

NOTICE TO OREGON APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or another person, files an application for insurance or statement of claim containing any materially false information, or conceals information for the purpose of misleading, commits a fraudulent insurance act, which may be a crime and may subject such person to criminal and civil penalties.

NOTICE TO 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.

NOTICE TO 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 include imprisonment, fines and denial of insurance benefits.

NOTICE TO WEST VIRGINIA 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.

NOTICE TO ALL OTHER APPLICANTS:

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON, FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS INFORMATION FOR THE PURPOSE OF MISLEADING, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

VI. DECLARATION AND CERTIFICATION

ALL APPLICANTS MUST COMPLETE THIS SECTION.

BY SIGNING THIS APPLICATION, THE APPLICANT REPRESENTS TO THE INSURANCE COMPANY THAT ALL STATEMENTS MADE IN THIS APPLICATION INCLUDING ATTACHMENTS, ABOUT THE APPLICANT AND ITS OPERATIONS ARE TRUE AND COMPLETE, AND THAT NO MATERIAL FACTS HAVE BEEN MISSTATED IN THIS APPLICATION OR CONCEALED. COMPLETION OF THIS FORM DOES NOT BIND COVERAGE. THE APPLICANT'S ACCEPTANCE OF THE INSURANCE COMPANY'S QUOTATION IS REQUIRED BEFORE THE APPLICANT MAY BE BOUND AND A POLICY ISSUED.

THE APPLICANT AGREES TO COOPERATE WITH THE COMPANY IN IMPLEMENTING AN ONGOING PROGRAM OF LOSS-CONTROL AND WILL ALLOW THE COMPANY TO REVIEW AND MONITOR SUCH PROGRAMS THAT THE APPLICANT UNDERTAKES IN MANAGING ITS TECHNOLOGY EXPOSURES.

Signature of Authorized Applicant:

Signature of Broker/Agent:

Print Name

Print Name

Title

Date (Mo./Day/Yr.)

____/____/____

Date (Mo./Day/Yr.)

____/____/____

Signed by Licensed Resident Agent

(Where Required By Law)

FOR FLORIDA APPLICANTS ONLY:

Agent License Identification Number _____

FOR WYOMING APPLICANTS ONLY:

PLEASE ACKNOWLEDGE AND SIGN THE FOLLOWING DISCLOSURE TO YOUR APPLICATION FOR INSURANCE:

I UNDERSTAND AND ACKNOWLEDGE THAT THE POLICY FOR WHICH I AM APPLYING CONTAINS A DEFENSE WITHIN LIMITS PROVISION WHICH MEANS THAT CLAIMS EXPENSES WILL REDUCE MY LIMITS OF LIABILITY AND MAY EXHAUST THEM COMPLETELY. SHOULD THAT OCCUR, I SHALL BE LIABLE FOR ANY FURTHER CLAIMS EXPENSES AND DAMAGES.

Applicant's Signature:

(Must be signed by an Officer of the Applicant)

Print Name and Title

Date (Mo./Day/Yr.)

____/____/____