

# Professional Liability Insurance Information Technology Proposal Form

## Instructions to the Applicant:

- A. Please provide a complete response to all questions. Your answers hereunder are considered legally material to the underwriting evaluation. If a question is not applicable, please state N/A. If more space is required to answer a question please attach exhibit with question number.

If there is a material change in the answers to the questions in this Proposal form before the policy inception date, the Applicant must immediately notify the Insurer in writing and any outstanding quotation may be modified or withdrawn.

Whenever used in this Proposal form, the term "Applicant" shall mean the Parent company and its subsidiaries.

- B. Please attach the following information:
- This Proposal form, fully completed, signed and dated by a Principal. Any separate sheet must be signed by a Principal
  - Fully completed claim forms for all circumstances, incidents or claims reported to the Insurers
  - The Internal Control and/or Quality Control Procedures
  - Copy of standard contracts
  - Business plan, if your company is less than three years old

## 1 Section I – General Details

### 1. Applicant information:

Name and address:

Website address:

Year of establishment:

Number of principals, partners, officers:

Number of Technical staff:

Number of other employees:

Nature of organization (individual, partnership, corporation, other – please specify):

Nature of business:

### 2. List of subsidiaries to be insured including country of incorporation, date of incorporation, nature of business:

### 3. Annual turnover for the last three years with a percentage split by geographical areas:

## 2 Section II – Activities

### 4. Please provide a breakdown of the Applicant's types of activities as follows:

|                                |  |   |
|--------------------------------|--|---|
| <b>Software</b>                | Pure Third Party Supply                                      | % |
|                                | Software Development / Bespoke Code                          | % |
|                                | Customising of existing code                                 | % |
|                                | Maintenance / Recurring Revenue                              | % |
|                                | Website Design including Transactional but excluding hosting | % |
| <b>Miscellaneous</b>           | VAR (excluding code changes)                                 | % |
|                                | Consultancy  | % |
|                                | Training   | % |
|                                | Contract Staff supply  | % |
|                                | Sales Third Party Shrink Wrapped                             | % |
|                                | Web site design  | % |
|                                | SCADA/PLC  | % |
|                                | Process Control  | % |
|                                | CAD/CAM  | % |
|                                | Medical  | % |
|                                | PKI  | % |
| <b>Service Providers</b>       | Internet Service Providers                                   | % |
|                                | Application Service Provider                                 | % |
|                                | Management Service Provider                                  | % |
|                                | Business Process Outsourcing                                 | % |
| <b>Data Hosting</b>            | Hosting Data on-line/real time                               | % |
|                                | Hosting Website  | % |
|                                | Data Storage / DRP/ Escrow                                   | % |
|                                | Co-locator   | % |
| <b>Telecoms</b>                | VNO  | % |
|                                | Data Integration VOIP  | % |
|                                | LAN/WAN  | % |
|                                | Fixed Line   | % |
|                                | IP   | % |
|                                | Mobile Voice   | % |
| <b>Hardware</b>                | Hardware supply (no manufacturing)                           | % |
|                                | Infrastructure Cabling                                       | % |
|                                | Break & Fix  | % |
|                                | Hardware Manufacturing                                       | % |
| <b>Others (please specify)</b> |  | % |

**5. Please provide a breakdown of the Applicant's turnover by software end users:**

|                                   |   |
|-----------------------------------|---|
| Financial Banking                 | % |
| Financial Insurance               | % |
| Broadcasting                      | % |
| Transportation excluding aviation | % |
| Financial Stock broking           | % |
| Public Utilities excluding SCADA  | % |
| Defence/Military                  | % |
| Gaming                            | % |
| Emergency Services                | % |
| Health/Social                     | % |
| Leisure                           | % |
| Primary food production           | % |
| Mining                            | % |
| Manufacturing non-Mineral         | % |
| Construction non-Civil            | % |
| Construction Civil                | % |
| Wholesale                         | % |
| Medical                           | % |

**6. Do you use outside consultants/contractors?**

Yes  No

a. If yes, do you always use written contracts with all outside consultants/contractors?

Yes  No

b. If subcontracting exists, please describe, in detail, the services undertaken, what percentage of the Applicant's latest annual turnover will be paid subcontracting and provide a specimen of the contract terms applicable to this work:

c. Do you require outside consultants/contractors to carry their own:

1. Professional liability insurance, with a minimum cover?

Yes  No

2. General Liability insurance, with a minimum cover?

Yes  No

If no, do you assume full responsibility for their work?

Yes  No

d. Do you require proof of insurance from subcontractors / outside consultants?

Yes  No

### 3 Section III – Risk Management

7. If your service/software product fails what is the worst-case effect to your customers and how quickly would your customer suffer a financial loss?

8. Have any of your products or services been certified by a professional certification organisation or industry association?  Yes  No

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

9. Please provide detailed information/documentation concerning your risk management program/internal guidelines/compliance directives/quality control program:

10. Describe the company's client selection process:

- a. Do you perform credit checks on all clients?  Yes  No
- b. Is Management approval required for all new clients?  Yes  No
- c. Do you maintain a system to avoid conflict of interests?  Yes  No
- d. Do you use letters of appointment, client communication letters to include scope of service and fee arrangements?  Yes  No

### 4 Section IV – Contracts

11. Do you have written standard contracts or agreements with every client?  Yes  No

If no, please explain.

12. Do all your contracts/licensing agreements with clients include the following?

- a. A detailed "scope of work", product specifications or other "performance expectations"  Yes  No
  - b. Exclusion for any indirect, consequential or economic losses  Yes  No
  - c. Limitation of Liabilities  Yes  No
- If yes to what amount:

- d. Force Majeure  Yes  No
- e. Warranty Disclaimers  Yes  No
- f. Guarantees or warranty clauses  Yes  No
- g. Clauses defining the responsibility of each party  Yes  No
  - Arbitration  Yes  No
  - Hold harmless or indemnity agreements injurious to the company  Yes  No
  - Hold harmless or indemnity agreements injurious to client  Yes  No

If no, to any of the above, please supply full details including how often this is the case.

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

**5 Section V – Claims**

**14. Has any claim been made against the Applicant within the last five years?**

If yes, please enclose full details.

Yes  No

**15. Are you aware of any circumstances, incidents or claims that, after making full enquiry of all principals and employees of your firm, you have not reported to your current or prior insurer?**

If yes, please enclose full details.

Yes  No

**16. Is the Applicant aware of any event, which could lead to a claim under the insurance applying for?**

If yes, please enclose further details.

Yes  No

**17. Has the Applicant been declined or refused at renewal any professional liability insurance, or has the insurer cancelled any previous professional liability insurance during the last five years?**

If yes, please enclose details.

Yes  No

**6 Section VI – Insurance Coverage**

**18. Are you presently insured for professional liability?**

If yes, please state:

Yes  No

Limit of liability and deductible:

Expiry date:

Premium:

**19. With reference to requested coverage, please state:**

Limit of liability per claim and annual aggregate:

Deductible per claim:

**7 Section VII – Enclosures**

20. The undersigned on behalf of the Applicant hereby declares that he/she is authorised to make the following declarations and representations on behalf of the Applicant.

**We hereby declare that the above answers, statements and particulars in this Proposal form are complete and true, and that no material facts have been suppressed, omitted or misstated.**

**The Applicant has made specific inquiry in the firm/company as to the knowledge of any matters, which could result in a claim against the Applicant in the future. All have answered in the negative to such inquiry or where they have responded other than in negative, the matters identified has been reported to the Insurer. All such matters are listed in supplements to this Proposal form, and the Applicant acknowledges, understands and agrees that any and all claims arising out of such matters will be excluded from the policy being applied for and any renewals of said Policy.**

**It is agreed that this Proposal form, together with any other information supplied by us, shall form the basis of the contract, should a policy be issued, and it will be attached to and form part of the policy.**

**Signing this Proposal form does not bind the Applicant or the Insurer to complete the insurance.**

|            |                      |                      |                      |                      |                      |                      |                      |                      |                 |                      |  |
|------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------|----------------------|--|
| Date:      | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | Place:          | <input type="text"/> |  |
| Signature: | <input type="text"/> |                      |                      |                      |                      |                      |                      |                      | Name and Title: | <input type="text"/> |  |