

GENERAL LIABILITY and ERRORS & OMISSIONS APPLICATIONS

Please complete all questions. If no answer available, please write "not applicable" in the space provided.

- Where space provided is insufficient to fully answer, please attach additional sheet(s).
- Attach the following additional information:
 - ♦ Brochures and/or promotional literature.
 - ♦ Loss runs for the last five years

GENERAL INFORMATION

- 01 Name of Applicant (include subsidiaries to be insured.)

- 02 Address of Main office:

- 03 Address of branch office(s):

- 04 Website Address(es): _____
- 05 Date firm established: _____ Number of years under present ownership: _____

REVENUE

	Canada	United States	Foreign
Last Year:			
Projected current year:			
Projected next year:			

- 06 Total Number of employees _____ Annual Employee Rate of Turnover: _____ %
- Sales
Professional _____ Representatives _____ Clerical _____ Other _____

ACQUISITIONS & DIVESTITURES:

- 01 Have any operations, or portions thereof, been sold during the past three (3) years: Yes No
- 02 Were the liabilities retained? Yes No
Please provide details:

- 03 Have there been any acquisitions of, or mergers with, any companies during the past three (3) years: Yes No
If yes, how many acquisitions have been made in the past 12 months?

04 Please provide the date of merger/acquisition, name of company and description of operations:

05 What was purchased: Assets Liabilities Both
Please provide details

06 Location of all of Applicant's premises and operations – indicate Owner (O); Lessee (L); Tenant (T):

Applicant is

Manufacturer Manufacturer's Agent Distributor
Software Developer Other _____

07 List all Applicant's products and name of manufacturer (if insufficient space, attach a complete product list.

Products	Manufactured By

08 Indicate final use of the manufactured component and if indirect sales are made to the U.S. Under "Other" below, indicate whose name product is sold under.

Applicant	Other

PRODUCTS & SERVICES

01 Provide a full description of operations (attach additional sheet(s) if required).

02 Describe the end users of the products/services:

- 03 Please select all of the following products and services currently generating revenue for the organization:

Types of Products/Services	% of Prior Year Revenue	% of Current Year Revenue
Software Development		
<input type="checkbox"/> Pre-packaged Software		
<input type="checkbox"/> Custom Software		
<input type="checkbox"/> Internet Infrastructure Software		
<input type="checkbox"/> Other (briefly describe):		
Consulting, System Integration & Design	% of Prior Year Revenue	% of Current Revenue
<input type="checkbox"/> Consulting		
<input type="checkbox"/> System Integration & Design		
<input type="checkbox"/> Other (briefly describe):		
Hardware or Network Equipment Hardware	% of Prior Year Revenue	% of Current Revenue
<input type="checkbox"/> Hardware		
<input type="checkbox"/> Peripherals		
<input type="checkbox"/> Components		
<input type="checkbox"/> Network		
<input type="checkbox"/> Other (briefly describe):		
Networking Voice and Data Transport	% of Prior Year Revenue	% of Current Revenue
<input type="checkbox"/> Internet Service / Access provider, Internet Portal		
<input type="checkbox"/> Video Conferencing Directory or Operator Services		
<input type="checkbox"/> Call Centres and Help Desk		
<input type="checkbox"/> Web Hosting		
<input type="checkbox"/> Web Design		
<input type="checkbox"/> Other (briefly describe):		

- 04 Describe any other products and/or services provided but not included above (if applicable):

- 05 Please identify the products and/or services provided along with the percentage of annual revenue below:

Products/Services Application	% of Annual Revenue
Aerospace or Avionics	
Enterprise Resource Planning	
Customer Relationship Management	
Supply Chain Management	
Enterprise Application Integration	
Fire, Security or Emergency Applications	
Electronic Security Advice/Products	
Privacy Applications	
Process Control (monitoring or safety critical)	
Oil & Gas/Power/Nuclear Energy	
Pollution or Environmental	
Municipal or Provincial Government	

Federal Government	
Anti Terrorism Applications	
Military / Defence	
Banking of Financial Transactions	
Content or Knowledge Management	
Smart Card / Smart Chip	
Payroll or Accounting	
Human Resources	
Entertainment or Gaming	
eBusiness Consulting Services	

06 Are consumer-oriented products sold? Yes No

If yes, please provide the number of units sold over the last 5 years:

07 Are products / services offered that involve processing, transmitting or storing non-public personal information for customers in banking, financial services, medical or retail business sectors? Yes No

If yes, what % of the gross revenue is derived from these activities?

0 – 10% 11 – 25% 26 – 50% More

08 Are information technology products that include a security feature sold, installed, maintained or serviced? Yes No

If yes, please describe:

What percentage of your gross revenue is derived from these activities? _____

09 How many customers represent more than 10% of the total revenue? _____

10 Please list the top 4 customers, annual revenue generated, and brief description of the products of services provided:

Customer	Annual Revenue	Length of Contract (Years/Months)	Product/Service

11 What would be the largest financial loss, and nature of the loss, suffered by any customer should the product and/or service fail? \$ _____

Please describe:

12 Have any products or services been discontinued in the past three years? Yes No

If yes, please provide details:

13 Describe any future products and/or services that are under development and expected to go to market within the next year:

CUSTOMER CONTRACTS & AGREEMENTS

- 01 What is the dollar value of the largest contract or agreement? \$ _____
- 02 What is the length of the largest contract, agreement or purchase order (years/months)? _____
- 03 What is the dollar value of a typical contract or agreement? \$ _____
- 04 What is the length of a typical contract or agreement (years/months)? _____
- 05 What is the average length of an installation or integration (months/years)? _____
- 06 Do all of the contracts or agreements limit liability to the cost of the product or service? Yes No

If no, please explain:

- 07 a) Is liability ever accepted for consequential damages? Yes No
If yes, please explain:

- b) Is liability ever accepted for liquidated damages? Yes No
If yes, please explain:

INDIVIDUAL CONTRACTED WORKERS (Do not include work generated by subcontracting firms)

- 01 Are individuals hired to perform work on a contract basis? Yes No
If yes, how many individuals have worked under contract annually? _____
- 02 Do individuals work under your directions? Yes No
- 03 Are background checks performed on these individuals? Yes No
- 04 Does your company intend to assume liability for their work performed on your behalf? Yes No
If no, is evidence of professional liability insurance for those individuals obtained? Yes No
If yes, what limit of liability is required? _____

SUBCONTRACTED WORK

- 01 Are subcontractors hired to develop, manufacture, assemble, implement or support the product or services? Yes No
- 02 What percentage of work is generated by subcontractors? _____

03 Are Certificates of Insurance required from all subcontractors? Yes No

If yes, for what limit of liability:

General Liability (incl. Products) \$ _____

Errors & Omissions \$ _____

04 Please indicate which of the following are subcontracted to others to perform for you and/or on your behalf:

Type of Work	Yes or No	% of Work Sub-contracted
Assembly (please explain):	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Billing services	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Data storage	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Infrastructure, Network or Systems Security	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Maintenance of Product	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Manufacturing (please explain):	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Networking infrastructure construction & design	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Network facilities management and maintenance	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Service, support, customer consulting, call centre services	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Software development	<input type="checkbox"/> Yes <input type="checkbox"/> No	
System integration and design	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Other (please explain):		

QUALITY CONTROL

01 Does the quality control policy include the following:

Alpha testing	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Beta testing	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Customer acceptance procedures	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Documented and practiced quality control program	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Policy for documenting & responding to customer inquiries', complaints, requests	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Product recall plan	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

**IF COVERAGE IS REQUIRED FOR INTELLECT ERRORS & OMISSIONS ONLY,
PLEASE CONTINUE ON PAGE 8**

**COMMERCIAL GENERAL LIABILITY
APPLICATION**

Limit of Insurance

\$1,000,000 \$2,000,000 \$5,000,000 Other \$ _____

Deductible (each occurrence)

\$5,000 \$10,000 \$25,000 \$50,000 Other \$ _____

01 Can the end user alter the product manufactured by the insured? Yes No

02 Are there any safety devices or labels that would prevent alteration? Yes No

If yes, provide full details:

03 Are any of the above listed products or component parts used by the Applicant manufactured outside Canada? Yes No

If yes, provide details: U.S.A. Other – Specify:

04 If others manufacture Applicant's products, does the Applicant package, label, alter or test the products in any way? Yes No

If yes, provide details:

APPLICANT HISTORY

01 In the past five years have there been any:

Claims Yes No

Product recalls Yes No

If yes, please provide details:

**WORLDWIDE ERRORS & OMISSIONS
APPLICATION
(Claims Made Coverage)**

**IF COVERAGE IS NOT REQUIRED FOR INTELLECT ERRORS & OMISSIONS,
PLEASE DO NOT COMPLETE THIS SECTION**

Please complete all questions. If no answer available, please write "not applicable" in the space provided. Where space provided is insufficient to fully answer, please attach additional sheet(s). Attach the following additional information:

- ♦ Copy of recent annual report or audited financial statement for the last 3 years
- ♦ Copies of standard and largest sales, service & license contract and/or agreements

Limit of Insurance (each claim / aggregate claim):

\$1,000,000 \$2,000,000 \$5,000,000 Other \$ _____

Deductible (each claim):

\$10,000 \$25,000 \$50,000 Other \$ _____

Requested Effective Date _____ Requested Retroactive Date: _____

01 Are custom or non-standardized contracts and/or agreements entered into? Yes No
If yes, what percent of the time? _____

02 How does the contractual language differ from the standard form?

03 Is the customized language reviewed by legal counsel prior to being released? Yes No

04 Is a legal opinion obtained on all contracts & marketing material prior to release? Yes No

05 Are contracts written outside of Canada the same as contracts within Canada? Yes No
If no, what contractual content differs?

06 Are all terms outlined in a Request for Proposal (RFP), received from the customers, responded to in writing? Yes No

07 Is it indicated that all RFP revisions require sign-off by both parties? Yes No

08 Are verbal or written promises or guarantees made in sales & marketing presentations that would deviate from the standard written contract? Yes No

09 Do sales & marketing staff receive formal training regarding standard provisions in the contracts or agreements? Yes No

10 Please indicate which of the following provisions are included in the standard customer contracts or agreements:

Deliverables and installation	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Disclaimers of Warranties	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Dispute Resolution / Arbitration Provision	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Force Majeure Clause	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Integration Provisions (performance milestones/testing)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Mutual Hold Harmless Agreement	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Severability Clause	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Statement of Work and Specifications	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Term and Termination	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

11 Please indicate if any of the protocols outlined below are followed:

Review of prior litigation?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Evaluation of outstanding contracts or agreements?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Consideration of existing maintenance agreements?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Governmental regulatory enforcement actions?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Information technology system integration and compatibility?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

QUALITY ASSURANCE

01 Do product or systems development procedures include the following:

Contract/statement of work that outlines responsibilities of all parties	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Written proposal/request from customer to confirm customer performance expectations are achieved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Written contract of specifications of products and services provided and signed by the customer	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Written agreement outlining the scope of the project or services	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Systems development methodology	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

02 How long are contracts and significant documents retained in the records? _____

03 Do customer sign-off procedures include the following:

Performance milestones and interim changes are documented and acknowledged in writing	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Final testing is performed with customer and final acceptance is acknowledged in writing by the customer	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

CUSTOMER SERVICE

01 Are customers provided with support services? Yes No

02 Describe customer support services training and support:

03 What are hours of operation for customer support services? _____

04 Are records kept of customer inquires or problems? Yes No
 If yes, how long are they retained? _____

05 Indicate which of the following processes are used for responding to customer complaints and elevating those complaints to the next level:

- Database used to record complaints and identify trends
- Reports back to systems development and implementation
- Rating system to determine when higher level response is necessary
- None

06 Describe the escalation procedure for customer or product support complaints or issues that are not easily resolved:

07 Are customers informed of problems discovered after the product is delivered? Yes No
If yes, please describe:

08 How are customers informed of product or performance issues after delivery:

09 Is all customer data and information backed-up and stored off site? Yes No

APPLICANT HISTORY

01 In the past five years have there been any past due contracts? Yes No
If yes, please provide details:

02 Have any customers sought financial remedy because products or services failed to meet customer expectations and/or did not perform in compliance with representation or warranty? Yes No

03 Are you aware of any circumstance that could result in a claim or suit? Yes No
If yes, please provide details:

04 Have you sought legal action against a customer for non-payment of a contract within the past 3 years? Yes No

If yes, please provide details:

05 Has any company declined to write, cancelled or not renew Errors or Omissions cover for this company? Yes No

If yes, please provide details:

06 Is Errors & Omissions coverage currently purchased? Yes No

Please provide details of all Errors & Omissions / Professional Liability Insurance carried in the past three years:

Insurer	Policy Period	Limit	Premium	Retroactive Date

07 During the past five years, have the Applicant, partners, principals or employees had one or more claims because of professional services, or are the Applicants, partners, principals or employees aware of any facts or circumstances or allegations which may give rise to a claim?

If yes, please provide details:

NOTE: THE INSURANCE WILL NOT COVER CLAIMS MENTIONED IN REPLY TO #7 ABOVE OR CLAIMS RESULTING FROM THE FACTS MENTIONED IN #7 OR CLAIMS RESULTING FROM ANY ACT, ERROR, FAULT, OMISSION OR CIRCUMSTANCE KNOWN TO THE APPLICANT BEFORE THE EFFECTIVE DATE OF THE POLICY.

DECLARATION

The undersigned declares that all statements made in the Application and the information contained in documents submitted with it are true. Signing of this document does not bind the Applicant to complete the insurance, but it is agreed that the Application shall be the basis of the contract, should a policy be issued.

Signature

Title or Position

Date

MUST BE SIGNED BY A PRINCIPAL OR PARTNER