

Commonwealth Underwriters Ltd
INFORMATION TECHNOLOGY PROFESSIONAL LIABILITY
LLOYD'S LONDON

APPLICATION FOR
INFORMATION TECHNOLOGY PROFESSIONAL LIABILITY
WITH CERTAIN UNDERWRITERS AT LLOYD'S

THIS APPLICATION IS FOR A CLAIMS MADE INSURANCE POLICY

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: _____ County: _____
State: _____ Zip: _____
3. Telephone: _____ Facsimile: _____ E-Mail: _____

4. Please describe in detail the nature and types of professional services the Applicant is engaged.

- 4a. Indicate activities which apply to your business and the % of expected revenue and other information requested during the next 12 months: (Please check all that apply.) Please see back page for Terminology.

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

5. Date established: _____
6. Are they 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?
No _____ Yes _____
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 prior: _____

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:

<u>Nature</u>	<u>Market</u>		Total Receipts %
	Home Use %	Commercial Use %	
a. Administrative (sales data, lists, etc)	_____	_____	_____
b. Accounting (payroll, receivables, payables)	_____	_____	_____
c. Financial (savings, checking, loan, dividend accounts)	_____	_____	_____
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

	Receipts %
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: (libellous, slanderous, etc) from your On-line Service?

No: _____ Yes: _____ N/A: _____

If yes, please explain: _____

14. How often is libellous or slanderous information removed from you On-line Service per month? _____

15. Do you have a policy for removing infringing material (copyright, trademark, etc) from your On-line Service?

No: _____ Yes: _____ N/A: _____

If yes, please explain: _____

16. Does the Applicant use a written contract (please provide percentages):

Always: _____ Sometimes: _____ Never: _____

If not always, please explain how the scope of services to be provided is agreed: _____

17. Does any director, officer, employee or partner of the Applicant serve on the board of directors of any client of the Applicant?

No: _____ Yes: _____

If yes, please explain: _____

18. Does the Applicant sub-contract work to others:

No: _____ Yes: _____

If yes, please explain and include the nature of indemnities, hold harmless agreements, etc.:

19. Has any errors and omissions or professional liability insurance ever been declined or cancelled?

No: _____ Yes: _____

If yes, please explain: _____

20. Is there any errors and omissions or professional liability insurance in favour of the Applicant currently in force?

No: ____ Yes: ____

If yes, please indicate errors and omissions insurance carried for each of the past three years:

Carrier	From (mm/yy)	To (mm/yy)	Limit	Deductible	Premium	Retrodate
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

21. Has the Applicant or any director, officer, employee or partner been subject to disciplinary action as a result of professional activities?

No: ____ Yes: ____

If yes, please explain: _____

22. Is the Applicant aware of any errors, omissions or claims (including any circumstances reported to previous insurers which have not developed into claims) during the last ten years?

No: ____ Yes: ____ If yes, please complete Attachment 'A'

23. Has the Applicant been a party to any lawsuit or other legal proceeding within the past five years?

No: ____ Yes: ____

If yes, please provide (on Attachment 'A') a description which includes the venue of the action, the parties, the amount at dispute, the nature of the claim(s), the status of the action(s) and how the action(s) was resolved as to the applicant, including all costs incurred; including defense expenses.

24. The basic policy for which you have applied will not cover acts, errors or omissions which took place prior to the inception date of the policy. If you desire a quote for these prior acts, please enter the date from which you want prior acts covered _____.

(Note that coverage does not apply to known or expected claims or those which any insured should have foreseen).

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

THIS APPLICATION DOES NOT BIND THE APPLICANT TO BUY, OR THE COMPANY 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 COMPANY MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS AND/OR AUTHORISATION 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.

SIGNED THIS _____ DAY OF _____ 19__ IN _____

PRODUCER _____
APPLICANT'S SIGNATURE _____

ADDRESS _____ TITLE _____

DATE _____

INFORMATION TECHNOLOGY

LLOYD'S OF LONDON

CLAIMS SCHEDULE

Please complete this form if the Applicant is aware of any errors, omissions or claims as indicated in Question 30 of the Application Form (including any circumstances reported to previous insurers which have not developed into claims) during the last ten years.

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 expenses)
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 ERC should use.
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 features 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 an Internet address.
11. FTP Site is a site on the Internet accessible by File Transfer Protocol. Features generally only include files for download.
12. Internet Access Provider is a provider of Internet access, but without the proprietary online services offered by the larger commercial onlines services. Features typically include Internet access and an e-mail address.
13. Internet Presence Provider is an entity which creates web pages for 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.