

PRODUCT MANUFACTURER’S PROFESSIONAL LIABILITY, INCLUDING COMPUTER NETWORK SECURITY, PRIVACY, MULTIMEDIA AND ADVERTISING LIABILITY APPLICATION

NOTICE: THE POLICY FOR WHICH THIS APPLICATION IS MADE IS A CLAIMS MADE AND REPORTED POLICY SUBJECT TO ITS TERMS. THIS POLICY APPLIES ONLY TO ANY CLAIM FIRST MADE AGAINST THE INSURED AND REPORTED IN WRITING TO THE INSURER DURING THE POLICY PERIOD OR OPTIONAL EXTENSION PERIOD, IF APPLICABLE. AMOUNTS INCURRED AS CLAIMS EXPENSES SHALL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE DEDUCTIBLE. PLEASE READ THIS POLICY CAREFULLY.

Please fully answer all questions and submit all requested information and supplemental forms. Terms appearing in bold face in this **Application** are defined in the Policy and have the same meaning in this **Application** as in the Policy. If you do not have a copy of the Policy, please request it from your agent or broker. This **Application**, including all materials submitted herewith, shall be held in confidence.

GENERAL

1. APPLICANT NAME:

Address:		State of Incorporation:	
		Email:	
Telephone:		Website URL's:	
Fax:			

2. The following officer of the Applicant is designated to receive any and all notices from the Insurer or its authorized representative(s) concerning this insurance:

3. The Applicant has continuously been in business since: _____/_____
(Month) (Year)

4. GROSS REVENUES:

For calendar year _____, or fiscal year ending day: _____/mo: _____.

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

Estimated non-US/Canada revenues for current year \$ _____

Company sales are to:

USA _____% Canada _____% Europe _____% Asia _____% Other _____%

5. Limit Requested \$ _____ Deductible Requested \$ _____

6. **POLICY PERIOD** REQUESTED

From _____ to _____ both days at 12:01 a.m. at the principal address of the Applicant.

YOUR BUSINESS

7. Please describe in detail 1) the nature and types of business services the Applicant is engaged in; 2), target customers for each; and 3) the types of Technology Products developed, manufactured, licensed or sold by the Applicant.

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

If Yes, please explain:

9. Has the Applicant in the past twelve (12) months completed or agreed to, or does it contemplate within the next twelve (12) months, a merger, acquisition, consolidation, whether or not such transactions were or will be completed? Yes No

If Yes, attach details.

10. Please indicate the Applicant’s four largest jobs during the past two (2) years:

Client	Product/Service	Contract Revenues for this year/total contract
_____	_____	_____ / _____
_____	_____	_____ / _____
_____	_____	_____ / _____
_____	_____	_____ / _____

11. Indicate the percentage of the Applicant’s revenue expected *this year* from the following: (Please answer for all that apply.) Please note that the total must equal one hundred percent (100%).

- a. Product(s) or service(s) made to the specifications of others _____%
- b. Product(s) or service(s) made to the Applicants specifications _____%
- c. Distribution _____%
- d. Licensing fees & royalties _____%
- e. Other _____%,

If “other” please describe

12. What is the Applicant firm’s average size contract in terms of total contract revenue? _____

13. Does the Applicant have any contracts that represent more than five percent (5%) of the Firm’s annual revenues? Yes No

If Yes, attach details.

14. List the Applicant’s products manufactured or /services performed and the %age of projected revenues for each . Please note that the total must equal one hundred percent (100%).

Type of Product or Service	% of Applicant’s Receipts
_____	_____

23. What percentage of your products and/or services, upon delivery to your customers, are returned or require fixes? _____%

24. Have you ever had to recall your products? Yes No. If yes, please explain

25. Do you warrant or guarantee any standards of performance for your products and/or services (e.g. delivery and/or completion timeframes, durability, quality)? Yes No. If yes, please specify _____

26. Do you subcontract out any part of your manufacturing operation? (Subcontractors include all contractors, distributors, vendors, strategic partners and/or affiliates, etc. involved in the research, development, distribution, sale of your products and/or services or management of your websites) Yes No.

If yes, indicate a) the percentage of your current revenues attributable to the work of subcontractors' _____% and b) your reasons for the use of subcontractors _____

27. Are the subcontractors required to carry Professional Liability insurance? Yes No.

27. Do your risk management procedures include the following? (check all that apply)

- Business documents (customer orders, agreements, etc.) retained for _____months_____years unlimited
- Maintenance of error/problem/downtime log for life of product and/or service
- Customer complaint resolution plan
- Customer notification plan of your discontinuance of a product and/or service or support
- Customer or product support
- Formal plan to address any flaws, defects, bugs, anomalies, problems, etc. discovered in your products and/or services or website including customer notification.
- Timeframe from discovery to notify all customers less than one day 1-7days 1-4weeks over 1 month
- Formal service recall plan

28. Please indicate types of contracts utilised by Applicants. (Total must equal 100%)

a.	Standard industry contract	_____%
b.	Firm's standard contract	_____%
c.	Letter agreement	_____%
d.	Purchase order	_____%
e.	Client contract	_____%
f.	Oral agreement	_____%

29. MANAGEMENT OF CONTENT AND PRIVACY EXPOSURES

a. Does the Applicant collect, process, or maintain private or personal information as part of its business activities? Yes No

If Yes:

- i. Does the Applicant have written procedures in place to comply with laws governing the handling and/or disclosure of such information? Yes No
- ii. Does the Applicant share private or personal information gathered from customers (by the Applicant or others) with third parties? Yes No

- b. Does the Applicant display, provide access to or distribute music, video, or other content created or supplied by third parties? Yes No
- c. Does the Applicant have a procedure for responding to allegations that content created, displayed or published by the Applicant is libelous, infringing, or in violation of a third party's privacy rights? Yes No
- d. Does the Applicant have a qualified attorney review all content prior to posting? Yes No
- e. Has the Applicant ever received a complaint or cease and desist demand alleging trademark, copyright, invasion of privacy, or defamation with regard to any content published, displayed or distributed by or on behalf of the Applicant? Yes No

If Yes, how did the Applicant respond to such complaints and in what time frame? _____

30. COMPUTER SYSTEMS CONTROLS

- a. Has the Applicant suffered any known intrusions (i.e., unauthorized access) of its Computer Systems in the most recent past twelve (12) months? Yes No

If Yes, provide details of the intrusion and of any damage was caused by any such intrusions, including lost time, lost business income, or costs to repair any damage to systems or to reconstruct data or software, describe the damage that occurred, and state value of any lost time, income and the costs of any repair or reconstruction: _____

Describe the response taken by the Applicant to the intrusions. _____

- b. Does the Applicant have:
 - i. a disaster recovery plan? Yes No
 - ii. a business continuity plan? Yes No
 - iii. an incident response plan for network intrusions and virus incidents? Yes No
 How often are such plans tested? _____

31. COMPUTER SYSTEM ACCESS PROTECTION

- a. Does the Applicant provide remote access to its Computer Systems? Yes No
If Yes,
How many users have remote access? _____
- b. Does the Applicant use commercially available firewall protection systems to prevent unauthorized access to internal networks and computer systems? Yes No
- c. Does the Applicant use intrusion detection software to detect unauthorized access to internal networks and Computer Systems? Yes No
- d. Does the Applicant accept payment on-line for goods sold or services rendered? Yes No
- e. Does the Applicant employ Anti-Virus software? Yes No

32. LEGAL PROCEEDINGS:

Has the Applicant or any director, officer, partner or principle been involved in any of the following:

- a. Criminal action or administrative proceeding charging violation of a federal, state or foreign law or regulation? Yes No
- b. Been a party to any lawsuit or other legal proceeding within the past five (5) years? Yes No
- c. Been subject to disciplinary action as a result of professional activities? Yes No

If 'Yes' to any of the questions in Question 32. above, 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.

33. PRIOR CLAIMS AND LOSSES

- (a) Has the Applicant or any director, officer, employee or other proposed Insured given written notice under the provisions of any prior or current errors or omissions, professional liability, media or network security policy of specific facts or circumstances which might give rise to a Claim being made against any proposed Insured? Yes No
If Yes, attach details.
- (b) Have any Loss payments been made on behalf of any proposed Applicant under the provisions of any prior or current errors or omissions, professional liability, media or network security policy or similar insurance? Yes No
If Yes, attach details.
- (c) Have any of your customers made any allegations or complaints relating to performance or non performance of your product or service, delayed or late delivery of your service or a problem with your product or service, Yes No

34. No Applicant, director, officer, employee or other proposed insured has knowledge or information of any fact, circumstance, situation, event or transaction which may give rise to a claim under the proposed insurance except as follows: _____

If no such knowledge or information, check here: None

35. PRIOR INSURANCE

- (a) Does the Applicant currently have errors or omissions or professional liability insurance? Yes No

If Yes, please provide the following:

Insurer	Limits	Deductible	Policy Period	Premium	Retroactive Date
_____	\$ _____	\$ _____	_____	\$ _____	_____

- (b) Does the Applicant currently have general liability including products and completed operations liability insurance? Yes No

If Yes, please provide the following:

Insurer	Limits	Deductible	Policy Period	Premium	Retroactive Date
_____	\$ _____	\$ _____	_____	\$ _____	_____

b) Has any errors and omissions or professional liability or general/products liability insurance ever been declined or cancelled?

Yes No

If Yes, please explain: _____

38. Attach the following materials regarding the Applicant:

- The latest financial statements
- Copies of standard customer contracts/service level agreements
- Information systems policies and procedures

THE UNDERSIGNED IS AUTHORIZED BY THE APPLICANT AND DECLARES THAT THE STATEMENTS SET FORTH HEREIN AND ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE INSURER IN CONJUNCTION WITH THIS APPLICATION ARE TRUE. SIGNING OF THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE INSURER TO COMPLETE THE INSURANCE, BUT IT IS AGREED THAT THE STATEMENTS CONTAINED IN THIS APPLICATION, ANY SUPPLEMENTAL APPLICATIONS, AND THE MATERIALS SUBMITTED HERewith ARE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED AND HAVE BEEN RELIED UPON BY THE INSURER IN ISSUING ANY POLICY.

THIS APPLICATION AND MATERIALS SUBMITTED WITH IT SHALL BE RETAINED ON FILE WITH THE INSURER AND SHALL BE DEEMED ATTACHED TO AND BECOME PART OF THE POLICY IF ISSUED. THE INSURER IS AUTHORIZED TO MAKE ANY INVESTIGATION AND INQUIRY IN CONNECTION WITH THIS APPLICATION AS IT DEEMS NECESSARY.

THE APPLICANT AGREES THAT IF THE INFORMATION SUPPLIED ON THIS APPLICATION CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE EFFECTIVE DATE OF THE INSURANCE, THE APPLICANT WILL, IN ORDER FOR THE INFORMATION TO BE ACCURATE ON THE EFFECTIVE DATE OF THE INSURANCE, IMMEDIATELY NOTIFY THE INSURER OF SUCH CHANGES, AND THE INSURER MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS OR AUTHORIZATIONS OR AGREEMENTS TO BIND THE INSURANCE.

THE APPLICANT UNDERSTANDS THAT THIS IS NOT AN APPLICATION FOR PRODUCTS RECALL INSURANCE WHICH IS EXCLUDED UNDER THIS POLICY.

I HAVE READ THE FOREGOING APPLICATION FOR INSURANCE INCLUDING ATTACHMENT 'A' AND REPRESENT THAT THE RESPONSES PROVIDED ON BEHALF OF THE APPLICANT ARE TRUE AND CORRECT.

WARNING

ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT (S)HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT MAY BE GUILTY OF INSURANCE FRAUD.

INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO MAY BE GUILTY OF INSURANCE FRAUD WHICH MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES, INCLUDING BUT NOT LIMITED TO FINES, DENIAL OF INSURANCE BENEFITS, CIVIL DAMAGES, CRIMINAL PROSECUTION AND CONFINEMENT IN STATE PRISONS.”

Signed:

Must be signed by corporate officer with authority to sign on Applicant's behalf

Date:

_____ Day _____ Month _____ Year

If this **Application** is completed in Florida, please provide the Insurance Agent's name and license number as designated. If this **Application** is completed in Iowa, please provide the Insurance Agent's name only.

Name of Insurance Agent

License Identification No.

Authorized Representative

- ATTACHMENT 'A'

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CLAIMS SCHEDULE

Please complete this form if the Applicant is aware of any claims as indicated in Questions 35. & 36. of the Application (including any circumstances reported to previous insurers which have not developed into claims) during the last ten (10) years.

1. Name of Applicant: _____
2. Name of Member of Staff involved in claim: _____
3. Name of (potential) claimant: _____
4. Date of incident: _____ Date claim was made: _____
5. Under which policy was the claim made?
Carrier: _____
Policy No.: _____

6. Status of claim: Closed Open

If Closed, please indicate Total Loss Paid: _____(including defense expenses)

If Open, please indicate: _____

- i) Total defense costs and expenses to date: _____
- ii) Damages or other relief sought by the claimant(s): _____
- iii) Insurers loss reserve: _____

7. Please provide 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: _____