



APPLICATION

Information Technology Companies with annual sales of up to \$1,000,000, of which no more than 20% emanates from the U.S. - Indicate below which limits are required:

Errors & Omissions (Claims Made): Options: \$250,000 \$500,000 \$1,000,000
 Commercial General Liability (Occurrence) Options: \$1,000,000 \$2,000,000
 Commercial Property: Please complete section # 7 of the Application.
 Employment Practices Liability: Options: \$100,000 \$250,000 (not available in Quebec)

Please ensure that copies of sample contracts with clients (Software/License agreements) are provided with the application.

Please complete ALL applicable fields with as much relevant information as possible. It is possible that some questions may not apply to your Business. In such case either leave blank or write N/A.

1. GENERAL INFORMATION

A) Company Name: _____

 (please show Company name as it should appear on Policy)

B) Address: _____
 City: _____
 Province: _____

Telephone Number: _____

Website Address: _____

C) Branch Offices _____

2. COMPANY INFORMATION

A) Sole Proprietor Partnership Franchise Corporation Other

B) Year Established: _____ Canadian registered Yes No

C) Number of Employees: Full - Time Canada _____ U.S. _____ Part -Time Canada _____ U.S. _____

Name of Principals & Qualified Employees	Professional Qualifications/Designations	Number of Years Experience
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

D) Total Gross Revenues for the last twelve (12) months or last fiscal year (\$CDN) \$ _____

Percentage (%) of Gross Revenues derived from:
 CANADA _____ % U.S. _____ % INTERNATIONAL _____ %

E) Total Estimated Gross Revenues for next twelve (12) months or next fiscal year (\$CDN) _____

Percentage (%) of Estimated Gross Revenues derived from:
 CANADA _____ % U.S. _____ % INTERNATIONAL _____ %

- F) Are significant changes in the nature or size of the Applicant's business anticipated over next 12 months? Yes No
 Have there been any such changes in the past 12 months ? Yes No
 If Yes to either question, please explain.

3. PRODUCT / SERVICE INFORMATION

A) Please provide a brief description of the Company's main activities: _____

B) Please indicate the Applicant's five (5) largest jobs / projects during the past three (3) years:

<u>Client</u>	<u>Service / Product Provided</u>	<u>\$ Fee or % of Total Revenue</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

C) What is the worst thing that could happen to your customer's operations if the Company's products / services were to fail?

D) Please indicate the percentage (%) for each of the following products or services the Company provides:
 Please check all that apply. For Definitions please see attached page " Electronic E & O Terminology"

Data Processing and Entry	_____	Content Provider for Websites	_____
Develop Custom Software	_____	Commercial On-Line Services	_____
Develop Packaged Software	_____	Forum / Content Channel	_____
Hardware / Software Design	_____	Systems Installation	_____
Systems Maintenance	_____	Computer Related Training	_____
Game Developer	_____	Forum Manager	_____
Systems Analysis	_____	Hardware Assembly	_____
Hardware Manufacturing	_____	Networking	_____
Hardware/Software Reselling	_____	e-Commerce	_____
ASP / ISP (please specify)	_____	FTP site	_____
Website Hosting	_____	Website Maintenance/Updates	_____
Website Development Transactional (Shopping Cart)	_____		
Website Development Non - Transactional	_____		

E) Please indicate the market(s) for your Products/Services. Receipts %

Aerospace	-----	_____ %
Communications / Transportation	-----	_____ %
Construction / Mining / Agriculture	-----	_____ %

For example, but not limited to, an employment practices claim would result from a current or former employee's dissatisfaction with an employment relationship or application process by complaining of discrimination, harassment, etc.

- B) Has the Company, its Partners, Directors or Officers ever been declined, non-renewed or cancelled by any Insurer for Errors and Omissions, Professional Liability, Commercial General Liability and/or Commercial Property Insurance ?** Yes No

If YES, please explain _____

- C) Is there any Errors and Omissions or Professional Liability Insurance currently in force ?** Yes No

If YES, please give details

<u>Carrier</u>	From (mm/yy)	To (mm/yy)	Limit / Deductible / Premium	Retrodate
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- D) Has the Applicant or any Director, Officer, Employee or Partner been the subject to disciplinary action as a result of Professional Activities ?** Yes No

If YES, please explain _____

- E) Is the Company currently Insured under a Commercial General Liability Policy ?** Yes No

If YES, please complete the following:

Insurer: _____ Policy Period: _____

Policy Number: _____ Limit of Liability: _____

Premium \$ _____

Is Products Liability / Completed Operations coverage included ? Yes No

- F) Is the Company currently Insured under a Commercial Property Policy ?** Yes No

If YES, please complete the following:

Insurer: _____ Policy Period: _____

Policy Number: _____ Limit of Liability: _____

Premium \$ _____

5. CLAIMS INFORMATION

To list more detailed information refer to Claims Schedule - see Attachment "A"

- A) In the last five (5) years, has the Company, its Partners, Directors, Officers or Employees ever had a written demand or civil proceedings for compensatory damages made against them ?** Yes No

If YES, please provide the following details on a separate sheet:

- 1) Date of Claim
- 2) Claimant's Name
- 3) Nature of Claim
- 4) Amount of Indemnity Payment and Amount of Defense Costs
- 5) Final Dispositions or Current Status of Claim

B) Is the Company, its Partners, Directors, Officers or Employees aware of any job disputes or fee disputes during the last five (5) years ? Yes No

If YES, please describe in detail: _____

C) Is the Company, its Partners, Directors, Officers or Employees aware of any other fact, situation or circumstance that may result in a written demand or civil proceedings for compensatory damages ? Yes No

If YES, please describe in detail: _____

D) List Commercial Property Claims experience for past five (5) years: \$ _____

Description and Year: _____

E) Has the Company, its Partners, Directors or Officers ever had an Employment Practices Liability claim (whether insured or not ? Yes No

If YES, please provide details on a separate sheet.

6. CONTRACTUAL INFORMATION

A) What percentage (%) of projects is undertaken using a standard contract or formal letter of agreement ? None 1% - 25% 25% - 50% 50% - 75% 75% - 100%

If "None", please fully describe the terms under which work is accepted: _____

Do the Company's contracts contain the following clauses ? Please attach a sample copy (ies) :

- Disclaimer of Warranty ? Yes No
- Exclusive Remedy ? Yes No
- Limitation of Warranty ? Yes No
- Limitation of Liability ? Yes No
- Conditions of Product Acceptance ? Yes No
- Hold Harmless or Indemnity Agreements ? Yes No
- Specific Description of Services / Products Supplied ? Yes No
- Force Majeure ? Yes No

B) Does the Company ever assume liability for any loss, over and above the replacement of the products or services or the refund of any fees paid ? Yes No

If YES, please give full details: _____

C) Do you have a policy for removing controversial material (libelous, slanderous, etc.) from your On-Line Service? Yes No

If YES, please explain _____ N/A

D) Do you have a policy for removing infringing material (copyright, trademark, etc.) from your On-Line Service? Yes No

If YES, please explain _____ N/A

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E) Have you ever received a complaint concerning the content of your On-Line Service?
(libelous, slanderous, copyright, trademark, etc.) Yes No N/A

If YES, how do you respond to such complaints and in what time frame? _____

F) Are Firewalls used to prevent unauthorized access connections from internal networks and computer systems
to any external network ? Yes No N/A

G) Are Anti-Virus procedures used on Desktops and Mission Critical Systems & Services? Yes No N/A

H) Are Backup and Recovery procedures documented for all Mission Critical Systems? Yes No N/A

I) Do you have an Acceptable Use policy and privacy policy regarding Email & Internet use? Yes No N/A

J) Does the Applicant use a written contract ? Always Sometimes Never

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

K) Does any Director, Officer, Employee or Partner of the Applicant serve on the Board of Directors for Clients ? Yes No

If YES, please explain _____

L) Does the Applicant Sub-Contract work to others ? Please include percentage (%) Sub-Contracted Yes No

If YES, please explain and include the nature of Indemnities, Hold Harmless Agreements, etc. _____

7. PROPERTY INFORMATION (FOR EACH ADDITIONAL LOCATION, PLEASE PHOTOCOPY & COMPLETE)

A) Location: Same Address as in Section 1 Other: _____

B) Please indicate Coverage and Limits required:

	Amount of Insurance		Amount of Insurance
<input type="checkbox"/> Building:	\$ _____	<input type="checkbox"/> Property Others:	\$ _____
<input type="checkbox"/> Tenant's Improvements:	\$ _____	<input type="checkbox"/> Gross Earnings:	\$ _____
<input type="checkbox"/> Equipment:	\$ _____	<input type="checkbox"/> Profits:	\$ _____
<input type="checkbox"/> Stock:	\$ _____	<input type="checkbox"/> Professional Fees:	\$ _____
<input type="checkbox"/> Office Equipment (non EDP):	\$ _____	<input type="checkbox"/> Extra Expense:	\$ _____
<input type="checkbox"/> Computer (EDP) Hardware:	\$ _____	<input type="checkbox"/> Rental Income:	\$ _____
<input type="checkbox"/> EDP Software / Media:	\$ _____	<input type="checkbox"/> Other:	\$ _____
<input type="checkbox"/> Laptop Computers:	\$ _____	(no coverage on off premises unless reported)	

*** If covered, Value, Serial Numbers, make & Model of each Laptop must be attached.**

Flood Coverage ? YES

Earthquake Coverage ? YES

C) Is the Building owned by the Insured ? YES NO

Area occupied by the Insured: _____

Number of Stories: _____

Building Age: _____

Basement ? YES NO

D) Please indicate the following:

Wall Construction: Frame Brick & Wood Frame Masonry Steel

Roof Construction: Wood Joist Steel Deck Concrete Other _____

Floor Construction: Wood Joist Concrete Other: _____

Dates and Extent of Updates: Wiring: _____

Plumbing: _____

Heating: _____

E) Adjacent Building Occupants (describe occupancy): Business Type _____

F) Fire Protection: Hydrant within 300 metres Fire Station within 8km Unprotected (no hydrants)

Fire Alarm: None Local Central Station

G) Sprinklered: None Partial _____ % Located in _____ Yes 100%

H) Burglar Alarm: None Local Central Station Monitored

Please Describe: _____

I) Are all doors equipped with double cylinder deadbolt locks ? YES No

If NO, please describe protection: _____

J) Loss Payee & Mailing Address: _____

K) Mortgagees: _____

8. Coverage for Software Developers (This section is specifically for Software Developers / Programmers)

Deductibles

Every claim for Contents, General Property Damage Liability, Employee Benefits Errors & Omissions, Employment Practices and Tenant's Legal Liability is subject to a deductible equivalent to the greater of \$1,000 or: \$ _____

Every claim for Programming Errors & Omissions Liability and Products and Completed Operations Liability is subject to a deductible equivalent to the greater of \$5,000 or: \$ _____

Increased Property Sub-Limits: Accounts Receivable \$ _____ Data Reconstruction \$ _____

Courier and Parcel \$ _____ Fine Arts \$ _____

Customers' Property \$ _____ Portables & Software \$ _____

Increased Crime Limit for all coverages: \$ _____ Increased Tenants' Legal Liability Limit: \$ _____

Changes to Key Person Accident: Additional Key Persons under age 65: Please attach a list showing each person's Full Name.

Increased number of weeks: _____ Increased weekly amount: \$ _____

Changes to Travelers' excess Medical: Additional protected travelers under age 65: Please attach list of each Full Name.

Limit increased to \$1,000,000 for each person

Coverage for Software Developers (Continued)

Optional Extra Coverages

- Business Income Limit: Actual loss sustained. Indemnity period: _____ Months.
- Building Limit: \$ _____ Current rebuilding cost: \$ _____ Deductible: Same as Contents
- Equipment Breakdown Limit: Same as Contents Deductible: Same as Contents
- Employers' Liability Limit: \$ _____ Total Number of Employees: _____
- Intellectual Property and Copyright Infringement Deductible: \$5,000 each Claim. If this coverage is required, please answer the following questions.

Additional questions for optional Intellectual Property and Copyright Infringement coverage

- Annual aggregate limit required, including defense costs (except in Quebec) \$500,000 \$1,000,000
- Do you incorporate into your software any programs or products designed by others (excluding Subcontractors) YES NO
- If so, do you first acquire license to do so from the Registered Owner? YES NO SOMETIMES
- Do you have written procedures to prevent infringement of Copyrights or Trademarks belonging to others? YES NO
- If so, have the procedures been approved by a Law Firm? YES NO Firm's Name: _____

- Do you conduct a search to determine that your Programs do not infringe the Intellectual Property rights of Others? YES NO SOMETIMES
- If so, is the search performed on a Worldwide basis? YES NO SOMETIMES
- What method do you use to conduct such searches? _____
- Internet? YES NO SOMETIMES
- Professional Intellectual Property Rights checker? YES NO Name:: _____
- Law Firm? YES NO SOMETIMES Name:: _____
- Other (please describe): _____

- Are any Programs advertised as being the same as, similar to or compatible with programs developed by others? YES NO
- If so, did you obtain explicit permission to do so? YES NO
- What Industries mainly comprise your client base? _____

- Do you provide continuing Service & Support (including Training) for your Software? YES NO
- Please describe any other Service or Support that you provide: _____

Percentage (%) of Programming outsourced to Subcontractors: In Canada & U.S. _____ % Elsewhere _____ %

- Do you require all Employees to sign a statement that they will not make unauthorized use of:
- Any Previous Employer's Trade Secrets? YES NO
- Your Trade Secrets? YES NO

Coverage for Software Developers (Continued)

Please describe, for each type of software developed by the Applicant, the Software's Category or Codes (found in attachment "B") as well as the Revenue stream for such Products.

* If space is insufficient, please attach a list, showing the requested information for each type of Software.

Type of Software	Software Category (from attachment "B")	Revenue for past 12 months (in Canadian Dollars)		Estimated Revenue for next 12 months (in Canadian Dollars)		
		Canada	U.S. & other	Canada	U.S.	From Other Countries
Off the Shelf						
Customized Off the Shelf						
Original Customized						

If possible, please describe any new Products or Services or changes to existing ones, planned for the next twelve (12) months:

Do all Subcontractors give you proof of having their own E & O Insurance ? YES NO

Is this E & O Insurance for a Limit at least equal to yours ? YES NO

Do you use a standard written agreement with your Clients when providing Software or Programming Services ? YES NO

Has the agreement been reviewed and approved by a Law Firm ? YES NO Firm's Name: _____

What percentage (%) of Projects are undertaken without your standard written agreement ? _____ %

Who must approve any changes to the standard wording, whether they are made at inception or later ? _____

Which of the following clauses does your standard agreement contain ?			
Description of Product or Service <input type="checkbox"/>	Hold Harmless or Indemnity Clause <input type="checkbox"/>	Force Majeure Exemption <input type="checkbox"/>	
Project Phases or Milestones <input type="checkbox"/>	Limitation of Warranty <input type="checkbox"/>	Arbitration Clause <input type="checkbox"/>	
Conditions of Acceptance <input type="checkbox"/>	Disclaimer or Warranties <input type="checkbox"/>	Limitation for consequential <input type="checkbox"/>	
Limitation of Liability <input type="checkbox"/>	Exclusive Remedy Clause <input type="checkbox"/>	Indirect Damages <input type="checkbox"/>	

For Custom Work, do you require detailed written specifications before Programming begins ? YES NO SOMETIMES

Do you require Client sign - off and acceptance after each Phase or Milestone ? YES NO SOMETIMES

Are your Control Procedures audited periodically by an outside professional ? YES NO

Audited by Whom ? _____

For off-the-shelf Programs, what are the Distribution methods? Retail Store _____ % Internet _____ % Freeware _____ %

Please give Name and Address of any additional Parties or Interests to be shown on the Policy: _____

Policy Period Required: From: Day _____ Month _____ Year _____ 12:01 am Std. Time at mailing address

All relevant questions have been answered truthfully and as thoroughly as possible to the best of my knowledge.

Signature of Applicant(s): _____

ATTACHMENT "B"

Software Categories

Categories prefixed with an ' X ' could be excluded from some Liability Insurance coverages.

Category	Description	Category	Description
	500 Accessibility	1220	Internet Application Development Tools
	1000 Accounting or Financial (excludes Bank Services)	1230	Internet browsers and Accessories
X	1005 Anti - Spam	1240	Internet Network
X	1010 Anti - Virus	1250	Internet Online Services
	1015 Asset Management (excludes Bank Services)	1260	Internet Server
X	1020 Bar Coding	1270	Internet Web Development Tools
	1030 Biometrics (excluding Security Applications)	1271	Internet Web Site Design
X	1040 Backup	1275	Knowledge Management
	1043 Business Intelligence	1280	Legal
	1045 Case Management	1290	Mapping & Geographical Information
	1050 Collaborative Workflow ("GroupWare")	1295	Meta Data Repository
	1060 Communications	1300	Metering Software Management
	1065 Community of Practice	1310	Multimedia
X	1070.1 Computer-Aided Design (CAD)	1320	network Management Tools
X	1070.2 Computer-Aided-Engineering (CAE)	1330	Network Operating Systems
X	1070.3 Computer-Aided-Manufacturing (CAM)	1340	Office Automation Suites
	1073 Content Management	1345	Open Source Code
X	1074.1 Control Systems - Autos, Aviation, Marine, Space	1350	Optical Character Recognition (OCR)
	1074.2 Control Systems - Industrial Machinery	1355	Performance Measurement
X	1074.3 Control Systems - Medical Devices	1360	Personal Information Management (PIM)
X	1074.4 Control Systems - Nuclear Facilities	1365	Portal
X	1074.5 Control Systems - Pollution	1370	Presentation Graphics
X	1074.6 Control Systems - Weaponry	1380	Programming Languages
	1074.7 Control Systems - Not otherwise classified	1390	Programming Tools
	1075 Customer Relationship Management (CRM)	1400	Project Management
	1078 Database - Administration	1410	Property Construction Management
	1080 Database - Personal	1420	Records Management
	1090 Database - Relational Management System	1430	Reference
	1100 Decision Support / Modeling	1435	Search Engine
	1110 Desktop Operating System	X 1440	Security Systems (e.g. alarms, firewall)
	1120 Desktop Publishing	X 1445	Security Detection
	1130 Document Management	1450	Server Operating Systems
	1140.1 Electronic Commerce	1460	Software Inventory Management
	1150 Electronic Forms	1470	Spreadsheets
X	1140.2 Electronic Funds Transfer & similar functions	1475	Storage Management
	1160 Electronic Mail / Messaging	1480	System Utilities
	1170 Electronic Mail Utilities	1483	Taxonomy
	1180 Electronic Software Distribution (ESD) Tools	1485	Time and Scheduling
	1183 Enterprise Resource Planning (ERP)	1490	Training and Educational
	1185 Extract Transform and Load (ETL)	1495	Translation & Translation Memory
X	1189.1 Games with ESRB 'Adults Only' rating or unrated	1500	Utilities (for data analysis/management)
	1189.2 Games with ESRB 'Mature' rating	1510	Voice Recognition (excl. security app)
	1189.3 Games with ESRB ratings other than AO and M	1520	Word processing
	1190 Graphical Drawing or Painting	1525	Workflow
	1195 Human Markup Language (HML)	1527	XML (Extensible Markup Language)
	1200 Human Resources	1550	Not Otherwise Categorized)
	1210 Image Recognition (excl. Security Applications)		

Most category numbers are derived from the Canadian Government's Software Procurement Acquisition Resource Catalogue. For Definitions, consult the Public Works & Government Services Canada website at: <http://logiciel.tpsgc.gc.ca/general/opappc-e.cfm>

ELECTRONIC E & O TERMINOLOGY

1. **Data Processing & Entry** - Those activities usual to the processing of data or records of others.
2. **Custom Software Development** - 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** - The design, manufacture and sale of computer software via mass distribution. Examples include computer games, Microsoft products, etc.
4. **Consulting** - Determining the suitability of a software package or identifying hardware needed for a specific performance. Examples include determining which imaging system should be used.
5. **Systems Installation** - The installation of both hardware and software. Examples include Network Installation.
6. **Training** - The explanation and/or demonstration of how to use a hardware or software Product or Service.
7. **Systems Maintenance** - The continual maintenance of a customer's equipment on a regularly scheduled maintenance plan.
8. **Commercial Online Service** - An Internet Access Provider (such as AOL) which also offer Subscribers propriety online features including an e-mail address, chat and conference rooms and files for download.
9. **Forum/Content Channel on a Commercial Online Service** - Proprietary areas on the commercial online service dedicated to certain topics. Features available include files for download, chat and conference rooms, limited e-mail capabilities for posting e-mail to other subscribers of the forum/content channel.
10. **FTP Site** - A site on the Internet accessible by File Transfer Protocol. Features generally only include files for download.
11. **Internet Access Provider** - A provider of Internet access, but without the proprietary online services offered by the larger commercial online services (such as AOL). Features typically include Internet access, Webspace and an e-mail address.
12. **Internet Presence Provider** - An entity which creates web pages for others or rents server space to others.
13. **Web Page** - A site on the Internet where a company, association or individual offers documents, graphics, sound and/or full motion video about itself, its products, or news events. Features include files for download and email reply capabilities.
14. **Forum Manager** - Typically an independent contractor hired by a commercial online service to manage various forums.