

# Application

## ELECTRONIC DATA PROCESSORS

FL- 135 EDP



IF A POLICY IS ISSUED, IT WILL BE ON A CLAIMS-MADE BASIS

NOTICE: THE POLICY PROVIDES THAT THE LIMITS OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE. FURTHER NOTE THAT AMOUNTS INCURRED FOR LEGAL DEFENSE SHALL BE APPLIED AGAINST THE DEDUCTIBLE AMOUNT.

1. NAME OF APPLICANT: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

NAME OF EACH ENTITY TO BE INCLUDED AS AN INSURED: \_\_\_\_\_

2. APPLICANT IS:                     CORPORATION     PARTNERSHIP     INDIVIDUAL

3. A) IS THE APPLICANT FIRM OWNED BY, CONTROLLED BY OR ASSOCIATED WITH, OR DOES THE APPLICANT FIRM OWN OR CONTROL, ANY OTHER PARTNERSHIP, CORPORATION OR FIRM?    YES  NO

If "YES", please provide the details: \_\_\_\_\_

B) ARE PROFESSIONAL SERVICES PROVIDED TO THIS ENTITY?    YES  NO

4. YEAR FULL TIME OPERATION BEGAN: \_\_\_\_\_

5. LIMITS OF LIABILITY DESIRED:

\$ \_\_\_\_\_ EACH WRONGFUL ACT OR SERIES OF CONTINUOUS, REPEATED OR INTERRELATED WRONGFUL ACTS.

\$ \_\_\_\_\_ AGGREGATE.

6. DEDUCTIBLE (EACH WRONGFUL ACT):

\$5,000                     \$10,000                     \$25,000                     OTHER (SPECIFY) \_\_\_\_\_

7. DESCRIBE IN DETAIL THE NATURE OF SERVICES AND/OR PRODUCTS PROVIDED: \_\_\_\_\_

8. DOES APPLICANT ENGAGE IN ANY OTHER BUSINESS OR PROFESSION OTHER THAN STATED ABOVE?    YES  NO

If "YES", please explain: \_\_\_\_\_

9. INDICATE THE EXPOSURE FOR WHICH YOU REQUIRE COVERAGE. (What type of claims may be possible?) \_\_\_\_\_

10. DESCRIBE THE PROCEDURES THE APPLICANT USES TO AVOID SUCH LOSSES: \_\_\_\_\_

11. A) HAS THERE BEEN ACQUISITION OR MERGER ACTIVITY IN THE PAST 5 YEARS?    YES  NO

If "YES", please explain: \_\_\_\_\_

IF "YES", DOES THIS COMPANY ASSUME ALL LIABILITY PAST AND PRESENT OF THE ACQUIRED COMPANY?    YES  NO

B) ARE THERE FUTURE ACQUISITIONS OR MERGERS PLANNED?    YES  NO

12. A) ESTIMATE REVENUE FOR THE NEXT 12 MONTHS. U.S. AND CANADA: \$ \_\_\_\_\_ FOREIGN: \$ \_\_\_\_\_

B) SHOW ACTUAL REVENUE AND NUMBER OF CLIENTS FOR THE PAST 3 YEARS.

YEAR	U.S. and CANADA REVENUE	NUMBER OF CLIENTS	FOREIGN REVENUE	NUMBER OF CLIENTS
_____	\$ _____	_____	\$ _____	_____
_____	\$ _____	_____	\$ _____	_____
_____	\$ _____	_____	\$ _____	_____

13. LIST YOUR FIVE LARGEST PROJECTS DURING THE PAST THREE YEARS.

CLIENT	SERVICE PROVIDED TO CLIENT	REVENUE
A) _____ _____	_____ _____	_____ _____
B) _____ _____	_____ _____	_____ _____
C) _____ _____	_____ _____	_____ _____
D) _____ _____	_____ _____	_____ _____
E) _____ _____	_____ _____	_____ _____

14. WHAT PERCENTAGE OF YOUR BUSINESS COMES FROM REPEAT CUSTOMERS? \_\_\_\_\_ %

15. WHAT IS THE AVERAGE LENGTH OF TIME OF A CONTRACT? \_\_\_\_\_

16. INDICATE THE PERCENTAGE OF RECEIPTS ATTRIBUTED TO THE FOLLOWING SERVICES:

RECEIPTS %

- TURNKEY SYSTEMS \_\_\_\_\_
  - PACKAGED SOFTWARE SALES \_\_\_\_\_
  - CUSTOM SOFTWARE DEVELOPMENT \_\_\_\_\_
  - HARDWARE SALES \_\_\_\_\_
  - SYSTEMS ANALYSIS \_\_\_\_\_
  - SOFTWARE DESIGN \_\_\_\_\_
  - PROGRAMMING/MAINTENANCE \_\_\_\_\_
  - DATA ENTRY/PROCESSING \_\_\_\_\_
  - TIME SHARING \_\_\_\_\_
  - OTHER \_\_\_\_\_  
(Please specify)
- TOTAL 100%

17. IDENTIFY MAJOR SOFTWARE APPLICATIONS AND RECEIPTS ATTRIBUTABLE.

RECEIPTS %

- ADMINISTRATIVE \_\_\_\_\_
  - ACCOUNTING/FINANCIAL (NON FUND TRANSFER) \_\_\_\_\_
  - ARCHITECTURAL (MODEL BUILDING/PROJECTION) \_\_\_\_\_
  - CAD/CAM: MANUFACTURING/ENGINEERING TOOLS \_\_\_\_\_
  - CASE: APPLICATION DEVELOPMENT TOOLS \_\_\_\_\_
  - COMMUNICATIONS: UTILITIES/INFO SERVICES \_\_\_\_\_
  - DATA BASE MANAGEMENT SYSTEMS/4GL \_\_\_\_\_
  - EDUCATIONAL \_\_\_\_\_
  - FUND TRANSFER \_\_\_\_\_
  - IMAGING \_\_\_\_\_
  - LAN/NETWORK MANAGEMENT \_\_\_\_\_
  - MEDICAL MANAGEMENT \_\_\_\_\_
  - OFFICE AUTOMATION (WORD PROCESSING/E-MAIL) \_\_\_\_\_
  - SCIENTIFIC/MATHEMATICAL \_\_\_\_\_
  - OTHER \_\_\_\_\_  
(Please specify)
- TOTAL 100%

18. 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 \_\_\_\_\_
  - [ ] LAN/NETWORK MANAGEMENT \_\_\_\_\_
  - [ ] TRADE: RETAIL/WHOLESALE \_\_\_\_\_
  - [ ] OTHER \_\_\_\_\_  
(Please specify)
- TOTAL 100%

19. WHAT PERCENTAGE OF THE APPLICATION FIRM'S BUSINESS INVOLVES SUBCONTRACTING OF WORK TO OTHERS? \_\_\_\_\_ %

If subcontracting exists, please note the purpose. \_\_\_\_\_  
 If subcontracting exists do you have a subcontract agreement in writing? YES [ ] NO [ ]

20. DOES APPLICANT HAVE A WRITTEN CONTRACT WITH CLIENTS?  
 [ ] IN ALL CASES [ ] SOMETIMES [ ] NEVER

21. DO THE APPLICANT'S CONTRACTS CONTAIN:
- A) HOLD HARMLESS OR INDEMNITY AGREEMENTS INURING TO THE APPLICANT'S BENEFIT? YES [ ] NO [ ]
  - B) HOLD HARMLESS OR INDEMNITY AGREEMENTS INURING TO THE APPLICANT'S CLIENT'S BENEFITS? YES [ ] NO [ ]
  - C) A SPECIFIC DESCRIPTION OF THE SERVICES APPLICANT WILL PROVIDE TO THE CLIENT YES [ ] NO [ ]
  - D) GUARANTEES OR WARRANTIES? YES [ ] NO [ ]
  - E) LIMITATION OF LIABILITIES? YES [ ] NO [ ]

22. IN WHAT PROFESSIONAL ORGANIZATIONS OR TRADE ASSOCIATIONS DOES THE APPLICANT HOLD MEMBERSHIP?

\_\_\_\_\_

23. BRIEFLY EXPLAIN YOUR PRODUCT/SERVICE DEVELOPMENT METHODOLOGY.

\_\_\_\_\_

24. A) IS SYSTEM DESIGN WORK DOCUMENTED AND TESTED? YES [ ] NO [ ]  
 B) IS DOCUMENTATION RETAINED FOR THE LIFE OF THE SYSTEM? YES [ ] NO [ ]  
 C) IS A TEST PLAN FOLLOWED FOR ALL PROGRAM MODIFICATIONS? YES [ ] NO [ ]  
 D) ARE CLIENTS REQUIRED TO SIGN OFF ON PILOT TESTS RUN PRIOR TO REGULAR PRODUCTION? YES [ ] NO [ ]

25. DO CLIENTS HAVE RESPONSIBILITY FOR DETERMINING THE ACCURACY OF RESULTS? YES [ ] NO [ ]  
 If "YES", is this in writing? YES [ ] NO [ ]

26. DOES THE APPLICANT HAVE A CONTINGENCY PLAN IN WRITING IN THE EVENT OF COMPUTER FAILURE? YES [ ] NO [ ]

27. EXPERIENCE OF PERSONNEL:

	NUMBER OF EMPLOYEES	AVERAGE YEARS EXPERIENCE WITH APPLICANT	AVERAGE OVERALL YEARS
EXPERIENCE	_____	_____	_____
MANAGEMENT	_____	_____	_____
SYSTEMS DESIGNERS	_____	_____	_____
SYSTEMS ANALYSTS	_____	_____	_____
PROGRAMMERS	_____	_____	_____
OPERATORS/CLERICAL	_____	_____	_____
OTHER	_____	_____	_____

TOTAL

ARE TRAINING PROGRAMS PROVIDED FOR THE ABOVE CATEGORIES? YES [ ] NO [ ]

28. IS SIMILAR INSURANCE CURRENTLY IN FORCE?

YES [ ] NO [ ]

If "YES", indicate Carrier \_\_\_\_\_

EXPIRATION DATE \_\_\_\_\_ HOW LONG IN FORCE \_\_\_\_\_

LIMIT \_\_\_\_\_ DEDUCTIBLE \_\_\_\_\_ PREMIUM \_\_\_\_\_

29. HAVE ANY CLAIMS BEEN SUBMITTED TO THE CURRENT CARRIER?

YES [ ] NO [ ]

30. HAS ANY SIMILAR INSURANCE BEEN DECLINED OR CANCELLED?

YES [ ] NO [ ]

If "YES", please attach details.

31. DOES ANY PROPOSED INSURED HAVE KNOWLEDGE OR INFORMATION OF ANY ACT, ERROR OR OMISSION WHICH MIGHT REASONABLY BE EXPECTED TO GIVE RISE TO A CLAIM?

YES [ ] NO [ ]

32. ATTACH A LIST AND STATUS OF ALL ERRORS AND OMISSIONS CLAIMS MADE AGAINST ANY PROPOSED INSURED DURING THE PAST FIVE YEARS.

If none, please check here: [ ] None

33. IS COMMERCIAL GENERAL LIABILITY INSURANCE CURRENTLY IN FORCE?

YES [ ] NO [ ]

IF "YES", CARRIER \_\_\_\_\_ LIMIT \_\_\_\_\_ DEDUCTIBLE \_\_\_\_\_

IN ORDER FOR US TO EFFICIENTLY PROCESS YOUR APPLICATION, PLEASE ATTACH THE FOLLOWING TO YOUR SIGNED APPLICATION:

- A) MOST RECENT AUDITED FINANCIAL STATEMENT (I.E. ANNUAL REPORT, 10K)
- B) DESCRIPTIVE PROMOTIONAL MATERIALS (I.E. ADVERTISING BROCHURE)
- C) A COPY OF A STANDARD SERVICE CONTRACT OR A RECENT CONTRACT ISSUED.
- D) IF THE COMPANY HAS BEEN ESTABLISHED FOR THREE YEARS OR LESS PLEASE PROVIDE RESUMES OF SENIOR PROFESSIONAL STAFF.

ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE COMPANY ACCEPTING THIS APPLICATION (HEREIN CALLED THE COMPANY) 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 IT IS AGREED THAT THIS FORM 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 UNDERSIGNED APPLICANT DECLARES THAT THE STATEMENTS SET FORTH IN THIS APPLICATION ARE TRUE. THE APPLICANT FURTHER DECLARES THAT IF THE INFORMATION SUPPLIED ON THIS APPLICATION CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE DATE THE POLICY IS ISSUED, THE APPLICANT WILL IMMEDIATELY NOTIFY THE COMPANY OF SUCH CHANGES, AND THE COMPANY MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS AND/OR AUTHORIZATION OR AGREEMENT TO BIND THE INSURANCE.

NOTICE: IN NEW YORK AND OHIO, ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSONS FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.

NOTICE: ANY PERSON WHO KNOWINGLY AND WITH THE INTENT TO DEFRAUD PROVIDES FALSE INFORMATION IN AN INSURANCE APPLICATION, OR PRESENTS, ASSISTS, OR MAKES A FRAUDULENT CLAIM FOR THE PAYMENT OF A LOSS OR OTHER BENEFIT, OR PRESENTS MORE THAN ONE CLAIM FOR THE SAME INCIDENT OF DAMAGE OR LOSS, WILL COMMIT A FELONY AND IF CONVICTED WILL BE SENTENCED FOR EACH VIOLATION WITH A FINE OF NO LESS THAN FIVE THOUSAND (\$5,000) DOLLARS AND NOT EXCEEDING TEN THOUSAND (\$10,000) DOLLARS, OR BE SENTENCED TO IMPRISONMENT FOR A THREE (3) YEAR TERM, OR BOTH PENALTIES. IN THE EVENT OF AGGRAVATING CIRCUMSTANCES, THE TERM COULD BE INCREASED TO A MAXIMUM OF FIVE (5) YEARS; IN THE EVENT OF INTERVENING EXTENUATING CIRCUMSTANCES IT COULD BE REDUCED UP TO A MINIMUM OF TWO (2) YEARS.

PRODUCER: \_\_\_\_\_ APPLICANT'S \_\_\_\_\_

SIGNATURE \_\_\_\_\_ TITLE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

DATE: \_\_\_\_\_

PLEASE READ THE FOLLOWING STATEMENT CAREFULLY AND SIGN BELOW WHERE INDICATED. IF A POLICY IS ISSUED, THIS SIGNED STATEMENT MUST BE ATTACHED TO THE POLICY.

THE INSURED HEREBY ACKNOWLEDGES THAT HE/SHE/IT IS AWARE THAT THE LIMITS OF LIABILITY CONTAINED IN THIS POLICY SHALL BE REDUCED, AND MAY BE COMPLETELY EXHAUSTED, BY THE COSTS OF LEGAL DEFENSE AND, IN SUCH EVENT, THE INSURER SHALL NOT BE LIABLE FOR THE COSTS OF LEGAL DEFENSE OR FOR ANY AMOUNT OF ANY JUDGEMENT OR SETTLEMENT TO THE EXTENT THAT SUCH EXCEEDS THE LIMITS OF LIABILITY OF THIS POLICY.

THE INSURED HEREBY FURTHER ACKNOWLEDGES THAT HE/SHE/IT IS AWARE THAT LEGAL DEFENSE COSTS THAT ARE INCURRED SHALL BE APPLIED AGAINST THE DEDUCTIBLE AMOUNT.

INSURED: \_\_\_\_\_ BY: \_\_\_\_\_

TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_