

International Placement Services, Inc.

101 S. Hanley Rd., Ste 700

St. Louis, MO 63105

**TECHNOLOGY INDUSTRY
ERRORS AND OMISSIONS APPLICATION**

This application is designed to develop information that will help us assess the potential for you to incur claims for damages resulting from your business activities. If additional space is required in order to address certain questions, please attach whatever is necessary to thoroughly complete this application. In so doing, you will help us understand your business activities, the associated risks and your needs. This will allow us to complete our analysis and price the desired insurance coverage.

Note: This application will become part of your policy. Any material misrepresentation could lead to a limitation on, or a termination of, your insurance. Please DO NOT leave any question unanswered. Write N/A if not applicable to you.

GENERAL INFORMATION

Web Site: _____

Full Legal Name of Applicant: _____

Address (Street, City, State, ZIP Code): _____

Name of any subsidiaries or associated companies and nature of operation:

Merger or Acquisition activity within the last 3 years:

Number of Employees _____

Years in Business _____

COVERAGE REQUESTED

Limits of Coverage:

Effective Date: _____

Each Claim
\$ _____

Aggregate Limit
\$ _____

Deductible:

\$10,000 \$25,000 \$50,000 \$100,000 \$250,000 Other \$ _____

(Deductibles exceeding \$250,000 may require letter of credit or other financial guarantee.)

REVENUE/FINANCIAL INFORMATION

(Please attach copies of your most recent annual report, 10k, or your most recent audited financial statement.)

	<u>DOMESTIC</u>	<u>FOREIGN</u>	<u>TOTAL</u>
ACTUAL Revenue* Last 12 months:	\$ _____	\$ _____	\$ _____
ESTIMATED Revenue:* Next 12 months:	\$ _____	\$ _____	\$ _____

If you have foreign revenue, please list the countries in which you do business:

**Revenue means actual sums billed to customers for products and services rendered. This includes all necessary support activity, i.e., consulting, system analysis, design, programming, etc. DO NOT include receipts from "In-House" operations.*

BUSINESS DESCRIPTION

1. Briefly describe your Principal Business Operations:

2. What new product/services are to be released or introduced within the next 12 month period?

3. What is the worst thing that could happen to your customers' operations if your product/service were to fail to operate according to specifications?

4. Is physical installation of your products or services at the customer/client site performed by your employees or representatives of your firm? Yes No

5. Industries served:

% of Total Revenues

% of Total Revenues

- | | | | |
|--|-------|---|-------|
| <input type="checkbox"/> Medical/Health | _____ | <input type="checkbox"/> Telecommunications | _____ |
| <input type="checkbox"/> Banking/Financial: Funds Transfer | _____ | <input type="checkbox"/> Internet | _____ |
| <input type="checkbox"/> Banking/Financial: Other | _____ | <input type="checkbox"/> Manufacturing | _____ |
| <input type="checkbox"/> Government/Municipalities | _____ | <input type="checkbox"/> Outsourcing/Professional Placement | _____ |
| <input type="checkbox"/> Transportation | _____ | <input type="checkbox"/> Other _____ | _____ |

6. Per Cent of your Total Revenues derived from:

- | | | | |
|---|-------|---|-------|
| <input type="checkbox"/> General computer system related consulting, analysis, design | _____ | <input type="checkbox"/> Telecommunication products/services (telephone/cable/wireless) | _____ |
| <input type="checkbox"/> Custom Software Development | _____ | <input type="checkbox"/> Outsourcing/Professional Placement | _____ |
| <input type="checkbox"/> Pre Packaged Software Development | _____ | <input type="checkbox"/> Internet related services | _____ |
| <input type="checkbox"/> Sale of Hardware made by others | _____ | <input type="checkbox"/> Manufacture of Hardware/Product | _____ |
| <input type="checkbox"/> Sale of Software made by others | _____ | <input type="checkbox"/> Computer related training/education | _____ |
| <input type="checkbox"/> Network/computer related security products or services | _____ | <input type="checkbox"/> Data Processing Services (including maintenance & support) | _____ |

CONTRACTORS AND/OR CO-VENTURES

1. Are you involved or do you plan to be in any joint ventures with other firm(s) for research, development, sale, and/or distribution of an electronic product, software or computer service?

Yes No If yes, explain: _____

2. Do you subcontract or hire independent contractors to perform any services for your customers or clients?

Yes No

3. Do all joint ventures, subcontractors and independent contractors carry their own Errors and Omissions insurance?

Yes No If yes, explain: _____

CONTRACT INFORMATION

Please include copies of your standard contracts/licensing agreements used (include, if applicable, any "click wrap" agreements, terms and conditions, and privacy statements, that may be on your Web Site)

1. Are all of your customer/client contracts/agreements in writing? Yes No If "No" explain:

2. Does your legal counsel review all customer contracts prior to signing? Yes No

3. Are all contract modifications put in writing? Yes No If "No" explain:

4. Do you ever negotiate contracts with your customers in which you accept liability for consequential damages?

Yes No If yes, please explain in detail when and how often and provide copies of such contracts:

5. Do all your contracts contain the following clauses/language?

Disclaimer of warranties Yes No

Exclusive Remedy Yes No

Limitation of Liability Yes No

Customer/vendor maintenance provision Yes No

6. Please list your 3 largest customers/clients and annual revenues derived from each:

CUSTOMER/CLIENT NAME

ANNUAL REVENUE

_____ \$ _____

_____ \$ _____

_____ \$ _____

7. What is the size of your average customer/client contract? \$ _____

8. What per cent of your Total Revenue is attributable to repeat customers? _____ %

9. Do you have a formal process in place for resolving disputes with customers/clients?

Yes No

PRIOR ERRORS AND OMISSIONS INSURANCE HISTORY

<u>PRIOR 3 INSURANCE CARRIERS</u>	<u>POLICY TERM</u>	<u>LIMITS</u>	<u>DEDUCTIBLE</u>	<u>ANNUAL PREMIUM</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Is there a retroactive date on your current policy? If Yes, please provide: _____

CLAIMS EXPERIENCE FOR THE PAST 5 YEARS FOR COVERAGE REQUESTED

<u>DATE OF LOSS</u>	<u>DESCRIPTION</u>	<u>COST TO SETTLE</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

1. What measures have been taken to prevent similar losses in the future?

2. Except as described above, please state all circumstances of which you are aware of any person or entity suffering damage as the result of any alleged error in your electronic product, software or computer service?

As per the provisions of the policy, any claims or incidents noted above are excluded from coverage.

APPLICABLE IN NEW YORK STATE

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

The undersigned is an authorized employee of the applicant and certifies that reasonable inquiry has been made to obtain the answers herein which are true, correct and complete to his/her best knowledge and belief.

Signing this Application does not bind the applicant to accept the Insurance nor is the company bound to issue a policy. The applicant warrants that the answers to the above questions are complete and correct. Should a policy be issued and accepted, this application will be the basis of the insurance and will become a part of the policy.

Applicants Signature: _____
(authorized representative of the prospective insured)

Title _____ Date: _____