

FAILSAFE™ MEGA TECHNOLOGY



ERRORS OR OMISSIONS LIABILITY SUPPLEMENTAL APPLICATION

This is claims first made and reported in writing coverage. Covered claim expenses and damages above the retention amount are payable under this Coverage Part, reduce and may exhaust the limits of liability. We shall not be liable for claim expenses or damages after exhaustion of the applicable limit of liability.

Part I

1. Producer Contact Information – who may we contact with specific questions on this account?

Name: _____

Email: _____

Phone: _____

Fax: _____

2. If insured currently has Technology E&O coverage please provide the following information:

Limit _____

Effective Date _____

Retroactive Date _____

Carrier _____

Is Prior Acts Coverage desired? If yes:

Indicate requested Retro Date _____

Have you maintained/purchased continuous Technology E&O coverage from this requested Retroactive Date until the present?

3. Expertise:

_____ Total Number of Employees

_____ Average Years of Professional Experience in Technology Services

_____ Number of Independent Contractors you have under contract

4. Revenues:

Total Revenue for current and projected fiscal periods:

Current \$ _____

Projected \$ _____

Total revenue generated from your web site for current and projected fiscal periods:

Current \$ _____

Projected \$ _____

Percentage of total revenue from foreign sales for current and projected fiscal periods:

Current _____%

Projected _____%

Total Operating Expenses for current and projected fiscal periods:

Current \$ _____

Projected \$ _____

5. Do you outsource/subcontract any of your services? If yes, which services? (list all outsourced/subcontracted services and their purpose below).
6. Do you perform/provide accounting, architectural, engineering, legal, medical, health-related, nutritional or insurance advice/content/services to others? If yes, please explain.
7. In the past three years, have you had any claims resulting from your technology services/products or are you aware of any situation or circumstance that could give rise to a claim? If yes, explain below.
8. In the past three years, have you sued a customer for failure to pay for products or services rendered?
9. In the past three years, have you had to recall any of your services/products? (If yes, describe below)
10. Please provide the following information on your customers & contracts:
Average customer contract size? \$ _____
Average length/term of customer contract? _____
Who is your largest customer? _____
What is your largest customer contract size? \$ _____
What is the length/term of your largest customer contract? _____
11. What industry(ies) do you target? (check all that apply)
 - Government (military)
 - Government (non-military)
 - Aerospace/Defense
 - Insurance
 - Retail
 - Utilities
 - Entertainment
 - Manufacturing/Industrial
 - Consumer/Home
 - Banking/Investment
 - Transportation
 - Educational Institutions
 - Medical/Healthcare
 - Construction
 - Agriculture/Mining
 - Technology/Telecommunications

- Do not target a specific industry segment
- Other (describe fully) _____

12. Which of the following provisions are included in contracts you enter into with customers? (check all that apply):

- Limitation of Liabilities clause that limits your liability to no greater than the contract value and/or removes liability for consequential damages.
- Warranty Disclaimers
- Guarantees
- Remedy for Disputes or Breaches

13. Do you back up software and applicable data essential to your business operations? If yes, how often _____.

14. Do you back up software and applicable data essential to your customers' business operations? If yes, how often _____.

15. Do your web site or operations include any of the following activities? (check all that apply)

- Business-to-Business e-commerce transactions (i.e. the exchange of products/services between businesses via the Internet)
- Business-to-Consumer e-commerce transactions (i.e. the exchange of products/services between businesses and consumers via the Internet)
- Exchange to exchange e-commerce transactions (i.e. the exchange of information between web sites that act as brokers for products/services exchanged between businesses)
- Auction services
- Downloadable music, videos, previously published materials or other types of copyrighted materials
- Children-focused content (site dedicated to entertaining children that may include e-mail capabilities, chat rooms, game/content downloads, marketing/selling of consumer goods)
- Adult content (sexually explicit content, etc.
- Gaming or Gambling
- Advertising of products/services other than your own
- Links to web sites of others including deep linking or meta-tags
- Bulletin boards, chat rooms, exchanges etc.

16. Do you utilize content or services of others in your operations or technology services/ products? If yes, do you obtain appropriate written consents, releases and rights for content or services provided by others?

17. Which of the following quality control/risk management processes do you incorporate in your customary business operations? (check all that apply):

- Legal counsel review of contracts, agreements, content and business operations prior to release
- Plan/procedures for responding to and resolving customer or public complaints
- Formal customer sign-off or acceptance procedures (e.g. shrink-wrap licensing agreement, consulting services acceptance, custom software implementation acceptance, etc.)
- Published privacy policy
- Physical and systems security procedures (e.g. anti-virus software, firewalls, secure office environment with controlled access)

Agency _____

Code _____ Sub-Code _____

Insured's Name and Address (Street, City, State and Zip Code)

Agent's Signature

(Not applicable in Colorado, Hawaii, Nebraska, Ohio, Oklahoma, Oregon, Utah and Vermont)

Any person who knowingly and with intent to defraud any insurance company or another person files an application for insurance 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 and subjects the person to criminal and (NY: substantial) civil penalties. In the District of Columbia, Louisiana, Maine, Tennessee and Virginia, insurance benefits may also be denied.

Applicable in Ohio

Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Applicable in Oklahoma

WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds or an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Applicable in Colorado

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Applicable in Virginia

The representations and statements contained herein are incorporated in and constitute part of the Coverage Part.