

NORTH POINT UNDERWRITERS

3625 Brookside Parkway, Suite 550
Alpharetta, GA 30022

APPLICATION for: **TechGuard™ Liability Insurance**

Claims Made Basis. Underwritten by Underwriters at Lloyd's, London

SECTION I. GENERAL INFORMATION

1. Name of Applicant: _____
(as it should appear on the policy)

Physical Address: _____

City: _____ State: _____ Zip Code: _____

Email: _____ Phone: _____ Fax: _____

Website(s): _____
(Include all subsidiaries' website addresses)

Firm is: Corporation Partnership Individual LLC Other _____

2. Date Applicant firm was established (Month/Day/Year): _____ / _____ / _____

3. Has the name of the firm ever changed, or has any merger or consolidation ever taken place?..... Yes No
If "YES", please provide details, including dates and any liabilities assumed:

4. Is the Applicant firm controlled, owned, affiliated or associated with any other firm, corporation or company?..... Yes No
If "YES", please list all affiliations:

5. Provide details of professional services for which coverage is desired: _____

6. Does any member of the above entities provide professional services other than those mentioned in Question 5?... Yes No
If "YES", please provide full details:

7. List the total gross revenues for the past two policy periods derived from the activities/services stated in Question 5.
In addition, please list projected revenues for the current policy period.

YEAR	DOMESTIC	FOREIGN	TOTAL AMOUNT	YEAR
Estimate Upcoming	\$ _____	\$ _____	\$ _____	20____
Current Policy Period	\$ _____	\$ _____	\$ _____	20____
Past Fiscal Year	\$ _____	\$ _____	\$ _____	20____

8. Has any one client accounted for 25% or more of your gross revenues during the past 12 months?..... Yes No
 If "YES", please provide the name(s) of the client(s), services performed, and percentage of revenues:

_____ %
 _____ %
 _____ %

(Please attach additional names and percentages, as required.)

9. Describe the types of services the Applicant firm performs for others, as a percentage of the total revenue:

Computer / Telecommunications Systems Consulting / Design	%	Facilities Outsourcing, Server Farm, Data Storage	%
Sale of, Installation of and Training on Hardware / Software / System of Others	%	Data Recovery, Disaster Planning Services	%
Development, Publishing or Reproducing Prepackaged Software	%	Website Consulting, Development	%
Development of, Installation of and Training on Custom Software	%	Internet Time Leasing, Web Server Farming, Website Hosting	%
Hardware / Firmware Development or Assembly (including Robotics)	%	Internet Access Provider / Service Provider	%
Personnel Outsourcing / Contract Services	%	Application Service Provider	%
		TOTAL	100 %

10. Indicate by percentage the clients for whom the Applicant firm provides services:

Aeronautics	%	Manufacturing	%
Communications	%	Military	%
Consumer / Home use	%	Non-Military / Government	%
Engineering	%	Office	%
Healthcare / Medical	%	Retail / Wholesale	%
Internet	%	Other (state):	%
		TOTAL	100 %

11. Indicate the application(s) of the services:

- | | |
|--|---|
| <input type="checkbox"/> Banking / Financial Data Management | <input type="checkbox"/> Education / Training |
| <input type="checkbox"/> Communications | <input type="checkbox"/> Office Automation / Administration |
| <input type="checkbox"/> Funds Transfer | <input type="checkbox"/> Publishing / Imaging |
| <input type="checkbox"/> Games / Gaming Industry | <input type="checkbox"/> Security |
| <input type="checkbox"/> Manufacturing | <input type="checkbox"/> Transportation |
| <input type="checkbox"/> Data/Inventory/Mgmt <input type="checkbox"/> Robotics | <input type="checkbox"/> Other(s): _____ |
| <input type="checkbox"/> Real-time Systems <input type="checkbox"/> Monitoring | _____ |

12. Staff: Please provide numbers for the Applicant firm:

Principals, partners, owners _____
 Service providers _____
 Administrative, clerical _____
TOTAL _____

13. Contractual Information: **Please attach a copy of the Representative Contract used between the Applicant and the client.**

- a) Does the Applicant firm use a written contract with clients describing the services provided?
 Always Most of the time Some of the time Never
- b) Do the Applicant's contracts contain indemnification or hold-harmless clauses inuring to the Applicant's benefit?
 Always Most of the time Some of the time Never
- c) Do the Applicant's contracts contain guarantees or warranties?
 Always Most of the time Some of the time Never
- d) Do the contracts contain disclaimers inuring to the benefit of the Applicant?
 Always Most of the time Some of the time Never
- e) Does the Applicant ever enter into contracts where the fees for services are contingent upon the client achieving cost reductions or improved operating results?..... Yes No

14. Does the Applicant firm utilize the services of Independent Contractors?..... Yes No

- a) Please provide the approximate percentage of billings attributable to Subcontractors: _____%
- b) Does the Applicant require Subcontractors to carry their own E&O policies?..... Yes No

15. Please list professional associations to which the Applicant belongs:

16. Please list the Applicant's five largest jobs or projects during the past three (3) years.

Project / Client Name	Services Performed for Client	Revenue from the Services	Date Services Began	% of Gross Revenue

SECTION II. MEDIA

- 17. Does the Applicant use material provided by others, such as content, music, graphics or video stream?..... Yes No
 - a) If "YES", does the Applicant always obtain the necessary rights, licenses, releases & consents for the use of the materials provided by others?..... Yes No
 If "YES", please describe the process? _____

18. Please describe the Applicant's procedures for removing potentially defamatory or infringing material.

SECTION III. NETWORK SECURITY & PRIVACY

- 19. Do you enforce a security policy that must be followed by all employees, contractors, or any other person with access to your network?..... Yes No
- 20. Does your security and privacy policy include mandatory training for all employees?..... Yes No
- 21. Are you HIPAA compliant?..... Yes No
- 22. Do you process, store, or handle credit card transactions?..... Yes No
If "YES" Are you PCI-DSS compliant?..... Yes No
- 23. Do you collect zip codes from customers at point of sale?..... Yes No
If "YES", are you compliant with the Song-Beverly Credit Card Act of 1971?..... Yes No
- 24. Does your virus or malicious code control program address the following: anti-virus on all systems, filtering of all content for malicious code, controls on shared drives and folders, CERT or similar vendor neutral threat notification services, removal of spyware and similar parasitic code?..... Yes No
- 25. Do you have a firewall in place?..... Yes No
If "YES", are your firewalls, information systems and security mechanisms securely configured?..... Yes No
Check "NO" if your systems are configured using factory default settings.
- 26. Do you enforce a software update process that includes monitoring of vendors or automatically receiving notices from them for availability of security patches, upgrades, testing and installing critical security patches?..... Yes No
If "YES", how frequently is this done? Weekly Within 30 days More than 30 days
- 27. Do you test your security at least yearly to ensure effectiveness of your technical controls as well as your procedures for responding to security incidents (e.g., hacking, viruses, and denial of service attacks)?..... Yes No
If "YES", does this include a network penetration test?..... Yes No
- 28. Is all remote access to your network authenticated and encrypted?..... Yes No
- 29. a) Do you require all third parties to whom you entrust sensitive or non-public personal information to contractually agree to protect such information using safeguards at least equivalent to your own?..... Yes No
b) Do you require that these third parties indemnify you in the event that they suffer a security/privacy breach?..... Yes No
- 30. Do you retain non-public personal information and others' sensitive information only for as long as needed and when no longer needed irreversibly erase or destroy them using a technique that leaves no residual information?..... Yes No
- 31. Do you employ physical security controls to prevent unauthorized access to computer, networks and data?..... Yes No
- 32. Do you control and track all changes to your network to ensure that it remains secure?..... Yes No
- 33. How long does it take to restore the Applicant's operations after a computer attack or other loss/corruption of data? 12 hrs or less 12-24 hrs More than 24 hrs
- 34. Is all sensitive and confidential information that is transmitted within and from your organization encrypted using industry-grade mechanisms?..... Yes No
- 35. Is all sensitive and confidential information stored on your organization's databases, servers and data files encrypted?..... Yes No
- 36. If encryption is not in place for databases, servers and data files, are the following compensating controls in place:
 - a) Segregation of servers that store confidential information..... Yes No
 - b) Access control with role based assignments..... Yes No
- 37. If your organization stores personal information on portable devices, including laptops, cell phones, PDA's, back-up tapes, USB thumb drives and external hard drives, is such data encrypted to industry standards?..... Yes No
If you do not store personal information on portable devices, check here
- 38. Within the past two years, have you passed an outside privacy audit or have you received a privacy certification?..... Yes No
If "YES", have all recommendations been resolved?..... Yes No
- 39. Within the last two years, have you completed an internal audit or assessment to determine compliance with regulations or laws concerning the protection of privacy rights?..... Yes No
If "YES", have all recommendations been resolved?..... Yes No

40. Insurance History

- a) Please list the Applicant's Professional Liability Insurance coverage carried during the past three (3) years, including any periods without coverage.

Name of Insurer	Policy Period From: MM/DD/YY To: MM/DD/YY	Limits of Liability	Retention	Premium

- b) Does the current policy have a Prior Acts limitation or Retroactive Date?..... Yes No
 If "YES", please indicate date: _____ / _____ / _____

- c) Does the Applicant currently carry Commercial General Liability Insurance?..... Yes No
 Limits of Liability: \$ _____ / \$ _____ Effective Date: _____

41. Claims History

- a) Have any claims, suits, or demands been made against the Applicant, a predecessor firm, any past or present principals, partners, officers or employees within the past five (5) years?..... Yes No
 If "YES", please provide a claim summary for each claim, consisting of:

- Name of claimant
- Type of service provided
- Date of claim
- Demand amount
- Indemnity and expenses paid/reserved
- Final disposition of claim

- b) After inquiry with all principals, partners and officers, is the Applicant aware of any dispute, error, omission, act or circumstance that is, or could reasonably be expected to become, a claim under the policy for which this Application is submitted to the Underwriters?..... Yes No

42. Has any employee ever been disciplined for mishandling data or otherwise tampering with your computer network? Yes No

43. Has the company sustained any unscheduled network outage or interruption within the past 24 months?..... Yes No

44. Limits of Liability requested: \$ _____ / \$ _____

Deductible (each Claim): \$ _____

Proposed Effective Date: _____

TO COMPLETE THE SUBMISSION, PLEASE INCLUDE THE FOLLOWING:

- Any brochures or promotional materials
- Resumes of the Applicant's principals or key employees
- A copy of the Applicant's standard client contract
- Claim Supplement(s)

SECTION IV. OTHER INFORMATION

The undersigned declares that to the best of his/her knowledge the statements herein are true. Signing of this Application does not bind the undersigned to complete the insurance, but it is agreed that this Application shall be the basis of the contract should a policy be issued, and this Application will be attached and become a part of such Policy, if issued. Underwriters hereby are authorized to make any investigation and inquiry in connection with this Application as they deem necessary.

It is warranted that the particulars and statements contained in the Application for the proposed Policy and any materials submitted herewith (which shall be retained on files by Underwriters and which shall be deemed attached hereto, as if physically attached hereto), are the basis for the proposed Policy and are to be considered as incorporated into and constituting a part of the proposed Policy.

It is agreed that in the event there is any material change in the answers to the questions contained herein prior to the effective date of the Policy, the Applicant will notify Underwriters and, at the sole discretion of Underwriters, any outstanding quotations may be modified or withdrawn.

For purposes of creating a binding contract of insurance by this Application or in determining the rights and obligations under such a contract in any court of law, the parties acknowledge that a signature reproduced by either facsimile or photocopy shall be the same force and effect as an original signature and that the original and any such copies shall be deemed one and the same document.

Print name of Insured, Owner, Partner or Principal

Title

Signature

Date