



ARCH
Insurance Group
A Division of The Arch Capital Group

ARCH SPECIALTY INSURANCE COMPANY
(Herein called the "Company")

APPLICATION FOR
MISCELLANEOUS PROFESSIONAL LIABILITY INSURANCE

This is an application for **CLAIMS MADE AND REPORTED INSURANCE**. Such insurance, if accepted by the Company, applies only to claims first made against the Insured and reported to the Company during the Policy Period. Refer to terms and conditions of the of the policy for coverage limitations.

Instructions to the Applicant:

- Please answer all the questions. The information is required to make an underwriting and pricing evaluation. Your answer hereunder is considered legally material to the evaluation.
- If a question is not applicable, state N/A. If more space is required to answer a question, please attach an exhibit with question number.

1. Name of Applicant Firm: _____

Website Address: _____

2. Home Office Address:

Number	Street
City	State Zip Code

3. Locations of all branch offices:

4. Names and locations of all subsidiaries or affiliates for which coverage is desired:

5. Applicant is: ___ Individual ___ Partnership ___ Corporation
 ___ Other (If Other, please explain)

6. (a) Is the Applicant Firm: controlled, owned, affiliated or associated with any other firm, corporation or company?
 ___ Yes ___ No If yes, please explain:

10. (a) Describe the firm's client selection process.

(b) Does the firm perform credit checks on all clients? Y____ N____

Please Explain: _____

(c) Is management's approval required for all new clients? Y____ N____

(d) Does the firm maintain a system to avoid conflicts of interests? Y____ N____

Please Explain: _____

(e) List the firm's largest clients or jobs for the current year and the revenues received from those clients for this year, as well as the two previous years:

Name of Client, Job or Service Description	Annual Revenues		
	Current Year	Last Year	Previous Year

11. Please describe the types of negligent acts, errors, omissions incidents, circumstances or exposures which the firm believes could result in a professional liability or errors and omissions claims

12. (a) Describe any procedures, precautions or safeguards the firm uses to avoid such claims:

(b) Describe firm's procedures for resolving disputes with clients over fees or charges, should they arise:

(c) Are the firm's fees ever contingent upon client's cost reductions, or increased sales for the client or successful completion of the assignment?

13. Does applicant have written contracts or agreements with each client? Y____ N____

If No:

(a) What percent of time are contracts not used? _____ %

(b) What governs the performance of services in the absence of a contract?

(c) Explain why contracts are not used in such instances.

If Yes:

Does the applicant's contract contain:

- (a) Hold harmless or indemnity agreements injurious to applicant? Y____ N____
- (b) Hold harmless or indemnity agreements injurious to client? Y____ N____
- (c) Guarantees or warranties? Y____ N____
- (d) A specific description of the services applicant will provide to client? Y____ N____
- (e) Clauses defining the responsibilities of each party? Y____ N____
- (f) A "force majeure" limitation clause? Y____ N____
- (g) Clauses limiting the liability of the applicant? Y____ N____
- (h) What is the standard limitation of liability provision?
- (i) What percentage of contracts is customized? _____ %
- (j) Who has authority to customize contracts?
- (k) Who has authority to commit applicant to a contract?
- (l) Please describe milestone management procedures.

- ~~(m) What is the average length of time of contracts?~~
- (n) What is the longest time of contracts?
- (o) What is the average dollar value of contracts?
- (p) What is the largest dollar value of contracts?

14. Name of law firm (if any) which renders advice to Applicant on contracts and other business matters:

15. Name of Applicant's accounting firm:

16. ~~(a) What percentage of revenues listed in question 7 is generated from services provided by subcontractors?~~

(b) Names of firms that are subcontractors to the applicant:

(c) ~~Describe services provided by such subcontractors:~~

17. Please state:

- a) Number of principals, officers and partners of the firm
- b) Number of other professional employees
- c) Number of non-professional employees
- d) Usual minimum educational and professional training or degrees required for professional staff

18. Has the firm or any of its principals, partners, officers or directors been the subject of any disciplinary action by any governmental body or professional association within the last five (5) years?

Y _____ N _____

If so, please give details and advise present status of any individuals involved.

19. Have any lawsuits or claims been made against the applicant firm, its predecessors, subsidiaries partners, officers, or employees during the past five (5) years?

Y _____ N _____

If so, attach exhibit giving:

- (a) Date and Description of Claim
- (b) Present Status
- (c) Amount of Defense Expense and Liability Paid, if closed
- (d) Amount Reserved for Defense Expenses and Liability, if file not closed
- (e) Explain what actions have been taken to minimize the chance of a similar claim

20. After inquiry, is Applicant Firm or its partners, officers, employees or subsidiaries aware of any actual or alleged errors, omissions, offenses or circumstances which may reasonably be expected to result in a claim being made against the Applicant or any proposed Insured person or entity?

Y _____ N _____

21. List any similar insurance carried during the past five (5) years. If none, check here: _____ NONE

Policy	Insurer	Claims Made Coverage "Yes or No"	Limit	Deductible	Premium	Retroactive Date
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22. Has any application for similar insurance, made on behalf of the Applicant or any of its predecessors in business, been declined or has any such insurance ever been rescinded, canceled or been refused renewal?

Yes _____ No _____

23. Limit of Liability desired: (Same limit would apply to "each claim" and as annual aggregate for all claims)

___\$1,000,000 ___ \$2,000,000 ___ \$5,000,000 ___ \$10,000,000

Other \$ _____

Deductible Desired: \$ _____ each claim

PLEASE ATTACH THE FOLLOWING:

Brochures, advertisements or other descriptive literature about the applicant firms, its operations and services.

Copy of standard contract or proposal letter used with clients.

Resumes of Key Professionals.

Copy of an Organization Chart.

Copy of the Internal Control and/or Quality Control procedures.

Copy of the Most Current Audited Financial Statements.

APPLICATION MUST BE SIGNED AND DATED BY AN AUTHORIZED OFFICER, PARTNER OR PRINCIPAL.

THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE COMPANY, NOR DOES IT OBLIGATE THE COMPANY TO ISSUE A POLICY OR INSURE ANY SERVICES. HOWEVER, IT IS AGREED THAT SHOULD A POLICY BE ISSUED, THIS APPLICATION WILL BE ATTACHED TO AND MADE A PART OF THE POLICY.

NOTICE:

THE LIMIT OF LIABILITY IN THE POLICY, IF ISSUED, MAY BE REDUCED OR COMPLETELY EXHAUSTED BY CLAIM COST AND/OR LEGAL DEFENSE. IN SUCH EVENT, THE COMPANY SHALL NOT BE LIABLE FOR ANY JUDGMENT, SETTLEMENT OR CLAIM COST OR LEGAL DEFENSE COST WHICH ARE IN EXCESS OF THE LIMITS OF LIABILITY STATED ON THE DECLARATIONS PAGE OF POLICY.

THE DEDUCTIBLE IN THE POLICY, IF ISSUED, APPLIES TO CLAIM COSTS AND LEGAL DEFENSE AS WELL AS TO JUDGMENTS AND SETTLEMENTS.

THE UNDERSIGNED(S) CERTIFIES THAT HE/SHE IS THE DULY AUTHORIZED REPRESENTATIVE(S) OF EACH PROPOSED INSURED WHICH SUBMITS THIS APPLICATION TO THE ROCK RIVER INSURANCE COMPANY FOR A POLICY OF INSURANCE. THE STATEMENTS AND INFORMATION ABOVE AND ALL SCHEDULES AND DOCUMENTS SUBMITTED, OF WHICH THE UNDERWRITER RECEIVES NOTICE, ARE DEEMED PARTS OF THE APPLICATION (ALL OF WHICH SCHEDULES AND DOCUMENTS SHALL BE DEEMED ATTACHED TO THE POLICY AS IF PHYSICALLY ATTACHED THERETO), AND THE WORD "APPLICATION" REFERS TO ALL OF THE FOREGOING.

EACH PROPOSED INSURED REPRESENTS THAT THE STATEMENTS SET FORTH IN THE APPLICATION ARE TRUE AND CORRECT, AND THAT REASONABLE EFFORTS HAVE BEEN MADE TO OBTAIN INFORMATION SUFFICIENT FOR ACCURATE COMPLETION OF THIS APPLICATION. IT IS FURTHER AGREED BY EACH PROPOSED INSURED THAT EACH POLICY OR RENEWAL THEREOF, IF ISSUED, IS ISSUED IN RELIANCE UPON THE TRUTH OF THE REPRESENTATIONS AND INFORMATION IN THE APPLICATION.

EACH PROPOSED INSURED UNDERSTANDS AND AGREES THAT ANY INSURANCE POLICY ISSUED BY THE COMPANY SHALL BE SUBJECT TO RESCISSION IF THIS APPLICATION CONTAINS ONE OR MORE MISREPRESENTATIONS OR OMISSIONS MATERIAL TO THE ACCEPTANCE OF THE RISK BY THE COMPANY.

IF THE INFORMATION SUPPLIED ON THIS APPLICATION OR ATTACHMENTS THERETO CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE INCEPTION DATE OF THE POLICY, THE APPLICANT WILL IMMEDIATELY NOTIFY THE COMPANY OF SUCH CHANGES.

SIGNED BY AUTHORIZED OFFICER, PARTNER OR PRINCIPAL

PRINT OR TYPE NAME & TITLE

PHONE NUMBER

DATE