

**PROFESSIONAL LIABILITY APPLICATION**  
**(FOR SMALL BUSINESS FIRMS GENERATING TOTAL ANNUAL REVENUES LESS THAN \$25 MILLION)**

1. Company Name (the "Applicant"): \_\_\_\_\_

Street Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Website: \_\_\_\_\_

Zip Code: \_\_\_\_\_

2. Officer designated to receive correspondence and notices from the Insurer: \_\_\_\_\_

(Name of Officer) \_\_\_\_\_ (Title) \_\_\_\_\_

3. Proposed Effective Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

4. Limit of Liability requested (per claim / aggregate):

\$250,000  \$500,000  \$1,000,000  \$2,000,000  \$3,000,000  \$5,000,000  Other: \_\_\_\_\_

5. Retention requested (per claim):

\$2,500  \$5,000  \$10,000  \$15,000  \$25,000  \$50,000  Other: \_\_\_\_\_

6. Please provide a description of all services performed by the Applicant and the corresponding percentage of total revenues:

Description of Services	Percentage of annual revenues
	%
	%
	%
	%
	%

100%

7. Please indicate below the total revenue being derived from all services as noted in question 6.

	Year	Total Annual Revenues	Percentage from outside of US/Canada
Prior Fiscal Year			%
Current Fiscal Year			%
Projected Fiscal Year			%

Indicate fiscal year end date: \_\_\_\_/\_\_\_\_ (month/day)

8. Please provide details of any Professional Liability coverage currently in effect:

Carrier	Limit (per claim/aggregate)	Retention	Effective date	Prior Acts Date
	\$ / \$	\$	/ /	/ /

9. How long has Applicant been in operation? \_\_\_\_\_ year(s) \_\_\_\_\_ month(s)

10. Please provide the following information about the Applicant's key employees:

Name in full of ALL partners, principals and key employees	Professional designation(s)	Years of experience	Partner or principal? Y/N

Average number of years of experience of key professionals: \_\_\_\_\_

11. A. What percentage of the Applicant's services are subcontracted out to third parties? \_\_\_\_\_%

B. For what percentage of subcontracted services is evidence of professional liability required? \_\_\_\_\_% (\_\_\_N/A)

12. Please list the Applicants' five largest clients.

Client	Services Performed	Revenues
1.		\$
2.		\$
3.		\$
4.		\$
5.		\$

Please indicate the largest percentage of total revenue derived from a single client. \_\_\_\_\_%

13. Within the past three (3) years, have any claims, suits or proceedings been brought against any proposed insured which may fall within the scope of coverage afforded by any policy presently or previously in effect and that provides coverage similar to insurance under the proposed policy?

Yes  No

If "Yes", attach a summary description of each claim, suit or proceeding and any loss payments made by any insurers.

14. For what percentage of total annual revenue does the Applicant use a written contract or service agreement? \_\_\_\_\_%

15. What percentage of the Applicant's contracts and/or agreements are reviewed by either an in-house legal department or outside law firm? \_\_\_\_\_%

16. Do such contracts or agreements contain the following (check all that apply)

- Hold harmless or indemnity agreements in favor of Applicant;
- Hold harmless or indemnity agreements in favor of Applicant;
- Guarantee or warranties;
- Specific description of the professional services Applicant will be providing;
- Clauses limiting Applicant's liability;
- Intellectual property ownership provisions;

17. Does the Applicant provide formalized in-house training for all professional employees?  Yes  No

18. Within the past three (3) years, has any insurer cancelled or refused to renew any of Applicant's professional liability insurance?  Yes  No

If "Yes", attach full details.

19. Has any proposed insured given notice, under any provision of any other previous or current similar primary or excess insurance policy, of any fact or circumstance that may give rise to a claim?  Yes  No

If "Yes", attach full details.

IT IS UNDERSTOOD AND AGREED THAT WITH RESPECT TO QUESTION 20 ABOVE, IF SUCH CLAIM OR NOTICE OF FACT OR CIRCUMSTANCE EXISTS, THEN THAT CLAIM AND ANY OTHER RELATED CLAIM(S) IS EXCLUDED FROM THIS PROPOSED INSURANCE.

20. Does any proposed insured have any knowledge or information of any actual or alleged act, error, omission, fact or circumstance which may give rise to a claim?  Yes  No

If "Yes", attach full details.

IT IS UNDERSTOOD AND AGREED THAT IF A PROPOSED INSURED HAS SUCH KNOWLEDGE OR INFORMATION, THEN ANY CLAIM AGAINST SUCH INSURED ARISING THEREFROM IS EXCLUDED FROM THE PROPOSED INSURANCE.

**SMALL BUSINESS  
 PRIVACY & NETWORK SECURITY LIABILITY APPLICATION**  
 (For use with firms generating total annual revenues less than \$25 Million)

1. Limit of Liability requested (per claim / aggregate):

- \$500,000 \$1,000,000 \$2,000,000 \$3,000,000 \$4,000,000\$5,000,000

2. Retention requested (per claim):

- \$5,000 \$10,000 \$25,000 \$50,000 \$100,000 \$150,000 \$250,000 \$500,000

3. Sub-Coverage Part Sub-Limit of Liability requested (Expense Coverage / aggregate):

- \$25,000\$50,000\$100,000\$250,000\$1,000,000 \$2,000,000\$3,000,000\$4,000,000  
\$5,000,000

4. Sub-Coverage Part Retention requested (Expense Coverage / per claim):

- \$5,000  \$10,000  \$25,000  \$50,000  \$100,000

5. Please provide details of any Privacy & Network Security Liability coverage currently in effect:

Carrier	Limit (per claim/aggregate)	Retention	Effective date	Prior Acts Date
	\$ / \$	\$	/ /	/ /

**Risk Management**

6. What are the Applicants Procedures and Policies surrounding the use and control of sensitive data and personal information?(check one that applies)

- Regular CIO, CPO and/or Risk Management or Communications manager; Enterprise information risk management goals and breach readiness response prepared and in place with regular oversight
- Regular internal collaboration among C-Levels regarding enterprise information risk management and breach readiness response prepared
- Privacy policy or information sharing agreements in place between Application and their clients
- No privacy policies and procedures in place regarding information risk management, data protection or breach response preparedness

**Data Privacy**

7. A. Degree of Data Exposure: What is the nature of Personal Information collected and stored by the Applicant?(check one that applies)

- Non-regulated data held
- Employee personal information data held and low sensitivity of the Applicant's clientele data held

- Privacy policy or information sharing agreements in place between Application and their clients
- No privacy policies and procedures in place regarding information risk management, data protection or breach response preparedness

B. Use of Laptops for employees: Please indicate the percentage of total employee workforce that uses laptops/tablets/smart phones in daily operations having access to confidential information? \_\_\_\_\_% (check one that applies)

C. Encryption: How often does the Applicant use encryption technologies in its use and control of sensitive information and data?

- Encryption used for all sensitive data. Laptops/Tablets/Smartphones and external drives with sensitive data are all encrypted
- Encryption in use for all sensitive data at-rest but not in daily operations such as emails, Laptops/Tablets/Smartphones and external drives
- Encryption not enforced and no consistent and/or comprehensive use enforced

D. Privacy Controls with the Applicant's Customers: Does the Applicant require active acknowledgement (i.e. opt-in, hard copy or electronic) and acceptance of their privacy policy upon collection of any Personal Information?

- Yes
- No
- N/A

E. Privacy History: In the past four (4) years has the Applicant ever been accused of a privacy violation by a business customer, invitee, partner, employee, independent contractor or government agency and/or made data breach notifications?

- No – No incidents, no violations, no data breach notifications sent to customers within the last 4 years
- Yes – Data breach incident, violation and/or data breach notification sent to customers

F. Privacy Controls with Independent Contractors: How often does the Applicant use a written contract or service agreement in relation to information risk management with independent contractors or outsourced IT services providers?

- More than 30% of the time
- Less than 30% of the time
- Less than 5% of the time

## Network Security

8. A. Targeted Attack History: Within the last four (4) years has the Applicant experienced a security breach that resulted in unauthorized access by an outside party (i.e. a hacker)?

B. Security Measures: What data security measures are currently in use by the Applicant?

- State of the Art techniques (e.g. required industry compliance such as PCI, HiTech, ISO if applicable; Firewalls, server encryption, physical server security, database monitoring, automatic shut-down capability, disconnected device encryption)
- Standard security techniques in place (e.g. required industry compliance such as PCI, HiTech, ISO if applicable; Firewalls, server encryption, physical server security for all data at rest but not disconnected devices and/or email)
- Not Applicable (applicable only if the Applicant does not handle or store customer personal information or information subject to data protection regulations)
- No formal data security measures currently in use

C. Rogue Employee: Has the Applicant, within the four (4) years, ever had an improper network security breach by an internal employee?

- Never
- 1-4 non-critical intrusions involving non-sensitive information
- 4-10 critical intrusions involving sensitive information
- More than 10 critical intrusions involving sensitive information

9. Within the past three (3) years, has any insurer cancelled or refused to renew any of Applicant's privacy and network security insurance?

- Yes
- No

If "Yes", attach full details.

10. Has any proposed Applicant given notice, under any provision of any other previous or current similar primary or excess insurance policy, of any fact or circumstance that may give rise to a claim?

- Yes
- No

If "Yes", attach full details.

IT IS UNDERSTOOD AND AGREED THAT WITH RESPECT TO QUESTION 10 ABOVE, IF SUCH CLAIM OR NOTICE OF FACT OR CIRCUMSTANCE EXISTS, THEN THAT CLAIM AND ANY OTHER RELATED CLAIM(S) IS EXCLUDED FROM THIS PROPOSED INSURANCE.

11. Does any proposed insured have any knowledge or information of any actual or alleged act, error, omission, fact or circumstance which may give rise to a claim?

- Yes
- No

If "Yes", attach full details.

IT IS UNDERSTOOD AND AGREED THAT IF A PROPOSED INSURED HAS SUCH KNOWLEDGE OR INFORMATION, THEN ANY CLAIM AGAINST SUCH INSURED ARISING THEREFROM IS EXCLUDED FROM THE PROPOSED INSURANCE.

**NOTICE TO THE APPLICANT-PLEASE READ CAREFULLY**

NO FACT, CIRCUMSTANCE OR SITUATION INDICATING THE PROBABILITY OF A CLAIM OR ACTION FOR WHICH COVERAGE MAY BE AFFORDED BY THE PROPOSED INSURANCE IS NOW KNOWN BY ANY PERSON(S) OR ENTITY(IES) PROPOSED FOR THIS INSURANCE OTHER THAN THAT WHICH IS DISCLOSED IN THIS APPLICATION. IT IS AGREED BY ALL CONCERNED THAT IF THERE BE KNOWLEDGE OF ANY SUCH FACT, CIRCUMSTANCE OR SITUATION, ANY CLAIM SUBSEQUENTLY EMANATING THEREFROM SHALL BE EXCLUDED FROM COVERAGE UNDER THE PROPOSED INSURANCE.

FOR THE PURPOSE OF THIS APPLICATION, THE UNDERSIGNED AUTHORIZED AGENT OF THE PERSON(S) AND ENTITY(IES) PROPOSED FOR THIS INSURANCE DECLARES THAT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF, AFTER REASONABLE INQUIRY, THE STATEMENTS IN THIS APPLICATION AND IN ANY ATTACHMENTS, ARE TRUE AND COMPLETE. THE COMPANY IS AUTHORIZED TO MAKE ANY INQUIRY IN CONNECTION WITH THIS APPLICATION. SIGNING THIS APPLICATION DOES NOT BIND THE COMPANY TO PROVIDE OR THE APPLICANT TO PURCHASE THE INSURANCE.

THIS APPLICATION, INFORMATION SUBMITTED WITH THIS APPLICATION AND ALL PREVIOUS APPLICATIONS AND MATERIAL CHANGES THERETO OF WHICH EDGEWATER HOLDINGS, LTD. RECEIVES NOTICE IS ON FILE WITH EDGEWATER HOLDINGS, LTD. AND IS COLLATERAL TO, AS OPPOSED TO A PART OF, THE POLICY. THE COMPANY WILL HAVE RELIED UPON THIS APPLICATION AND ALL SUCH ATTACHMENTS IN ISSUING THE POLICY.

IF THE INFORMATION IN THIS APPLICATION AND ANY ATTACHMENT MATERIALLY CHANGES BETWEEN THE DATE THIS APPLICATION IS SIGNED AND THE EFFECTIVE DATE OF THE POLICY, THE APPLICANT WILL PROMPTLY NOTIFY THE COMPANY, WHO MAY MODIFY OR WITHDRAW ANY OUTSTANDING QUOTATION OR AGREEMENT TO BIND COVERAGE.

THE UNDERSIGNED DECLARES THAT THE PERSON(S) AND ENTITY(IES) PROPOSED FOR THIS INSURANCE UNDERSTAND THAT:

- (I) THE POLICY FOR WHICH THIS APPLICATION IS MADE APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR, IF APPLICABLE, THE EXTENDED REPORTING PERIOD;  
AND
- (II) UNLESS AMENDED BY ENDORSEMENT, THE LIMITS OF LIABILITY CONTAINED IN THE POLICY SHALL BE REDUCED, AND MAY BE COMPLETELY EXHAUSTED BY DEFENSE COSTS AND, IN SUCH EVENT, THE COMPANY WILL NOT BE LIABLE FOR DEFENSE COSTS OR THE AMOUNT OF ANY JUDGEMENT OR SETTLEMENT TO THE EXTENT THAT SUCH COSTS EXCEED THE LIMITS OF LIABILITY IN THE POLICY.



## **FRAUD PREVENTION – WARNING**

**NOTICE TO APPLICANTS:** ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON 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 AND SUBJECTS THE PERSON TO CRIMINAL PENALTIES.

**NOTICE TO ARKANSAS, NEW MEXICO AND WEST VIRGINIA APPLICANTS:** ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT, OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

**NOTICE TO COLORADO APPLICANTS:**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 POLICYHOLDER 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 AUTHORITIES.

**NOTICE TO DISTRICT OF COLUMBIA APPLICANTS:**WARNING: IT IS A CRIME TO PROVIDE FALSE OR MISLEADING INFORMATION TO AN INSURER FOR THE PURPOSE OF DEFRAUDING THE INSURER OR AN OTHER PRISON, PENALTIES INCLUDE IMPRISONMENT AND/OR FINES. IN ADDITION, AN INSURER MAY DENY INSURANCE BENEFITS IF FALSE INFORMATION MATERIALLY RELATED TO A CLAIM WAS PROVIDED BY THE APPLICANT.

**NOTICE TO FLORIDA APPLICANTS:**ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY OF THE THIRD DEGREE.

**NOTICE TO KENTUCKY APPLICANTS:**ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON, FILES A 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, SUBJECT TO CRIMINAL PROSECUTION AND CIVIL PENALTIES.

**NOTICE TO LOUISIANA APPLICANTS:** ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

**NOTICE TO MAINE APPLICANTS:**IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO ANY INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS.

**NOTICE TO MINNESOTA APPLICANTS:**A PERSON WHO FILES A CLAIM WITH INTENT TO DEFRAUD OR HELPS COMMIT A FRAUD AGAINST AN INSURER IS GUILTY OF A CRIME.

**NOTICE TO NEW JERSEY APPLICANTS:**ANY PERSON WHO INCLUDES ANY FALSE AND MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

**NOTICE TO OHIO APPLICANTS:**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.

**NOTICE TO OKLAHOMA APPLICANTS – WARNING:**ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY (365:15-10, 36 §3613.1).

**NOTICE TO OREGON APPLICANTS:**ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURER, MAKES ANY MISSTATEMENT, MISREPRESENTATION, OMISSION OR CONCEALMENT MAY BE GUILTY OF INSURANCE FRAUD. FURTHERMORE, THE INSURER MAY ASSERT A RIGHT TO REMEDY IF THE MISSTATEMENT, MISREPRESENTATION, OMISSION OR CONCEALMENT IS FRAUDULENT OR MATERIAL TO THE INTERESTS OF THE INSURER. FURTHERMORE, THE INSURER MAY DENY A CLAIM IF THE INSURER SHOWS THAT THE MISINFORMATION IS MATERIAL TO THE CONTENT OF THE POLICY, THE INSURER RELIED UPON THE MISINFORMATION AND THAT THE INFORMATION WAS EITHER MATERIAL TO THE RISK ASSUMED BY THE INSURER OR THAT THE MISINFORMATION WAS PROVIDED FRAUDULENTLY.

**NOTICE TO PENNSYLVANIA APPLICANTS:**ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON, FILES A 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, SUBJECT TO CRIMINAL PROSECUTION AND CIVIL PENALTIES.

**NOTICE TO TENNESSEE, VIRGINIA AND WASHINGTON APPLICANTS:**IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO ANY INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

**NOTICE TO VERMONT APPLICANTS:**ANY PERSON WHO KNOWINGLY PRESENTS A FALSE STATEMENT IN AN APPLICATION FOR INSURANCE MAY BE GUILTY OF A CRIMINAL OFFENSE AND SUBJECT TO PENALTIES UNDER STATE LAW.

**NOTICE TO NEW YORK APPLICANTS:**ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER 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 SHALL ALSO BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS (\$5,000) AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

**SIGNATURE**

The undersigned hereby authorizes the release of information contained in this application to a loss prevention service provider.

Note: This application is signed by undersigned authorized agent of the Applicant(s) on behalf of the Applicant(s) and its partners, owners, directors, officers and employees

This application must be signed by a human resources director, executive officer, partner or equivalent (within 60 days of the proposed effective date).

\_\_\_\_\_  
Name of Applicant

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date

**PRODUCED BY (Insurance Agent or Broker):**

Producer Name: \_\_\_\_\_ Firm Name: \_\_\_\_\_

Taxpayer ID or Social Security No.: \_\_\_\_\_ Producer License No.: \_\_\_\_\_

Agency: \_\_\_\_\_

Address (No., Street, City, State and ZIP): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_