

9. Please provide a complete description of the Applicant's:

- (a) Operations: _____

- (b) Products developed, manufactured and/or distributed: _____

10. Please describe the impact to the Applicant's clients in the event of a failure of the products or services offered:

11. (a) Please indicate the total annual gross revenues from operations in *Canadian dollars* for the past 12 months. Also include a breakdown of revenue by territory.

Year	Revenue	% Canada	% United States	% Foreign
_____	_____	_____	_____	_____

(b) Please indicate the total annual gross revenues from operations in *Canadian dollars* for the next 12 months. Also include a breakdown of revenue by territory.

Year	Revenue	% Canada	% United States	% Foreign
_____	_____	_____	_____	_____

(c) Please provide the top three countries where "foreign" services are performed and/or where "foreign" clients are located:

12. Please indicate the number of employees by the following classifications:

	Number of Employees	Annual Payroll
Canada	_____	_____
United States	_____	_____
Foreign (specify)	_____	_____

B. OPERATIONS INFORMATION

13. Please show the percentage of the Applicant's receipts generated by the following types of services:

Total Must Equal 100%					
<u>Software</u>		<u>Hardware</u>		<u>Other Services</u>	
	%		%		%
Consulting	_____	Consulting	_____	Advertising/Marketing	_____
Custom Software Design	_____	Design/Analysis	_____	Application Service Provider (ASP)	_____
Data Processing	_____	Hardware Assembly	_____	Broadcasting (radio, TV, satellite, etc.)	_____
Developing Package Software	_____	Hardware Maintenance	_____	Internet Forums, Portals, Chat Rooms	_____
Implementation/Integration	_____	Hardware Manufacturing	_____	Internet Service Provider (ISP)	_____
Sales/Value-Added Reseller	_____	Installation/Integration	_____	Network and Communication Systems	_____
Training/Support	_____	Sales/Value-Added Reseller	_____	Printing	_____
		Training/Support	_____	Publishing	_____
				Website Development Design	_____
				Website Hosting	_____
				Other (provide details)	_____

14. Please show the end use application of the Applicant's products or services by percentage of the Applicant's receipts generated:

Total Must Equal 100%					
	%		%		%
Accounting Systems	_____	Database Management	_____	LAN/Network	_____
Administrative/Office Automation	_____	Decision Support	_____	Marketing/Multimedia	_____
Air Traffic Control	_____	E-Commerce/Financial	_____	Medical/Life Sustaining	_____
Architectural	_____	Education/Training	_____	Pollution/Environmental Applications	_____
CAD/CAM/CASE	_____	Facilities Management	_____	Robotics/Artificial Intelligence	_____
Cost Estimates/Quotes	_____	Games/Animation	_____	Weapons Systems	_____
Credit Card Processing	_____	Industrial Process Control	_____	Wireless Communications	_____
Data Security/Verification	_____	Inventory/Purchasing	_____	Other (please describe)	_____

15. Please indicate, by percentage, which industries the Applicant provides their services for or to whom products are sold:

16. Please list the Applicant's three largest customers or projects during the past three years, showing the clients' names, services and/or products provided and gross revenues for each:

Client/Project	Services Provided	Revenue
_____	_____	_____
_____	_____	_____
_____	_____	_____

**C. MEDIA-RELATED SERVICES:
ADVERTISING, BROADCASTING, PRINTING AND PUBLISHING**

Complete this section only if you provide the above services.

17. Please confirm if the Applicant is a "full service" advertising agency ("full service" means advertising and other related services such as sales promotion, style design, market research, etc.)? YES NO

If yes, does the Applicant obtain written releases for creative material or the talent (such as models, photographers, writers, artists, etc.) hired to complete services? YES NO

18. Does the Applicant have written procedures in place for the review and editing of articles, broadcasts or other communications prior to publication, including procedures for referral to outside counsel? YES NO

19. Does the Applicant provide broadcasting, film or video production? YES NO

If yes, please describe:

(a) The type of productions: _____

(b) Licensing or distribution activities: _____

20. PUBLISHING SERVICES

(a) Name of all publications (including online publications):

Name	Approximate Circulation	Publication Schedule			
		Daily	Weekly	Monthly	Other
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Please indicate the primary circulation area: _____

PLEASE ENCLOSE COPIES OF ALL RECENT PRINTED PUBLICATIONS (unless already available online).

(b) If the publications are published online, please provide the website(s): _____

(c) Please describe the Applicant's procedures relating to processing and responding to requests for retraction of statements:

(d) Please indicate the percentage of the Applicant's total receipts generated by the following publishing services:

Total Must Equal 100%

Material Published	%	Material Published	%
Catalogues	_____	Newspapers	_____
Fiction	_____	Non-fiction	_____
Investigative Reporting/Exposés	_____	Textbooks or Technical Publications	_____
Magazines and Periodicals	_____	Other (specify)	_____

21. PRINTING SERVICES

Please indicate the approximate percentage of printing services performed in each of the following categories:

Total Must Equal 100%

Material Printed	%	Material Printed	%
Advertising	_____	Labels	_____
Booklets	_____	Magazines and Periodicals	_____
Business Forms	_____	Mailings	_____
Digital Printing	_____	Newspapers	_____
Envelopes	_____	Photography	_____
Financing and Legal Material	_____	Tickets	_____
Games of Chance/Lottery Materials	_____	UPC (Universal Product Code)	_____
General Commercial	_____	Other (specify)	_____

D. MANUFACTURING - Complete this section only if you provide manufacturing services.

22. If the Applicant is involved in product design, development or manufacturing, does the Applicant always:

- (a) Document and test all products? YES NO
- (b) Retain records for the life of the products? YES NO
- (c) Provide user documentation? YES NO

23. Does the Applicant have formal quality control procedures in place for products manufactured? YES NO

24. Do all products have serial numbers or other similar identification markings that allow the Applicant to identify them as their products and the date manufactured? YES NO

25. Does the Applicant have an established products recall plan? YES NO

26. Has the Applicant ever had to recall any of their products in the past? YES NO

27. Does the Applicant provide training for their customers on their products and services? YES NO

E. COMMERCIAL GENERAL LIABILITY

Complete this section only if you wish to receive a quotation for this coverage.

28. Please list all locations at which business is conducted, providing details indicated below.

Location/Address	Occupancy	Square Metres	Owned Premises	Leased Premises	Tenants' Legal Liability Limit
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____

29. Does the Applicant own or maintain any telecommunications towers? YES NO

If yes, please provide the height, location and security measures for each tower (use a separate sheet if necessary):

30. **Extensions (CGL) – Please indicate those required.**

(a) Non-owned Automobile Liability

If non-owned automobile coverage is required, please respond to the following questions:

(i) Please list the number of employees who regularly drive their own vehicle on company business:

(ii) Please indicate the approximate number of “rental days” in the next 12 months that the Applicant’s employees will rent a vehicle (short term) for the purpose of conducting company business in:

Canada: _____ United States: _____

(iii) Please state the typical type and value of a rented vehicle: _____

(b) Employee Benefits Liability

(c) Employers’ Bodily Injury Liability

(i) Please indicate the number, location and function of any employees who are not covered under provincial Workers’ Compensation Plans:

F. EMPLOYMENT PRACTICES - Complete this section only if you wish to receive a quotation for this coverage.

ENCON offers optional coverage for Employment Practices Wrongful Act Liability, subject to a sublimit of \$250,000 per claim and per policy period. Please indicate if you wish to receive more details and a quotation for this coverage. YES NO

Answer the questions in 31 only if this is the first time you are applying for the Employment Practices Wrongful Act Liability coverage extension endorsement.

31. (a) In the past three years, has the Applicant had or does the Applicant presently have any employment-related disputes including but not limited to: complaints, charges, arbitrations, litigation, human rights complaints or other administrative proceedings or negotiated settlements, concerning issues related to hiring, termination, promotion, negligent evaluation, misrepresentation, discrimination harassment, defamation, discipline or retaliation?

YES NO

(b) Is the Applicant aware of any facts or circumstances that may result in an employment-related claim being made against the Applicant? YES NO

If the answer to any of the questions in 31 is yes, please provide details below, including dates, names, amount claimed, nature of claim, total amounts paid, reserves and insurer(s) involved:

Without limitation of any other remedy of the Insurers, it is agreed that, if the answer yes is given to either of the questions in 31, any claim arising from the facts or circumstances reported therein is excluded from coverage.

G. COMPUTER AND NETWORK SECURITY - Applies to all coverages requested.

32. Does the Applicant collect, store or process private or other confidential information? YES NO

If yes, please describe:

(a) The nature of this information: _____

(b) The Applicant's retention policy indicating the length of time such records are kept: _____

33. Does the Applicant share private or personal information gathered from customers with third parties? YES NO

If yes, have these third parties agreed to indemnify the Applicant? YES NO

34. Does the Applicant encrypt personally identifiable data stored on laptop computers or portable media? YES NO

35. Is there a multi-factor authentication process (measures to verify a user's identity) or a layered security approach required to access secure areas of the Applicant's website? YES NO

If yes, are these areas encrypted for secure access? YES NO

36. Is the Applicant compliant with federal, provincial, territorial, or state laws or regulations, concerning the privacy of personally identifiable or other confidential information for those areas they do business in (PIPEDA, PIPA, HIPAA? or other similar laws)? YES NO

37. Does the Applicant use intrusion detection software to detect unauthorized access to internal networks and computer systems? YES NO

38. Does the Applicant have a procedure in place to regularly upgrade all security software when new releases become available? YES NO

39. Please confirm the Applicant's network size (if unknown, please provide a best estimate): _____

40. Does the Applicant perform regular backups of all valuable or sensitive data in their care? YES NO

If no, please explain: _____

41. Does the Applicant have a process in place to test or audit their system security controls on a regular basis? YES NO

If yes, please provide the most recent date such a test or audit was performed and its results: _____

42. In the event of a system or network interruption:

(a) What is the Applicant's estimated daily financial loss? _____

(b) How quickly would the Applicant reach a financial loss in the event of system or network outage?

43. In the case of a system failure or a network intrusion, does the Applicant have a disaster recovery plan, a business continuity plan or an incident response plan? YES NO

If yes, how often are such plans tested: _____

44. Has the Applicant suffered any known intrusions of their computer systems in the past 12 months? YES NO

If yes, please confirm:

(a) How many intrusions occurred: _____

(b) The response taken by the Applicant: _____

(c) If any damage was caused by any such intrusions, describe the damage that occurred, the value of any lost time, the lost income, extra expenses, and costs of any system repair, or data or software reconstruction.

H. RISK MANAGEMENT - Applies to all coverages requested.

45. (a) What percentage of the Applicant's services is provided using a standard written contract?

0% 1% - 24% 25% - 49% 50% - 74% 75% - 99% 100%

- (b) Was the Applicant's standard contract reviewed and approved by counsel? YES NO
- (c) Does the Applicant ever amend their contracts from its standard wording? YES NO
- If yes, what percentage of the time? _____ %
- (d) Who approves any variation in the Applicant's standard contract wording? _____

46. Please indicate which of the following clauses the Applicant endeavours to include in all contracts entered into:
- (a) Clear Description of Services to Be Provided YES NO
- (b) Disclaimer of Warranties YES NO
- (c) Exclusive Remedy YES NO
- (d) Limitation of Liability YES NO
- (e) Entire Agreement YES NO
- (f) Sign off and Acceptance YES NO
- (g) Governing Law YES NO
- (h) Indemnity Agreement YES NO
47. Does the Applicant always require customers to sign written agreements outlining the scope of the Applicant's job and the services that will be provided? YES NO
48. Are customers required to sign off on any mid-term changes to specifications? YES NO
49. Does the Applicant have a formal process in place for resolving disputes with customers? YES NO
50. Does the Applicant use third party service providers or hosting facilities? YES NO
- If yes, please specify: _____
- 51 (a) Does the Applicant subcontract work to others? YES NO
- If yes, please provide the average number of subcontractors, the services provided and the percentage of the Applicant's total revenue:

- (b) Does the Applicant require subcontractors to provide proof of insurance? YES NO

I. INTELLECTUAL PROPERTY - Applies to all coverages requested.

52. Does the Applicant's website also contain blogs, chat rooms or forums? YES NO
- If yes, please describe its nature: _____
53. Does the Applicant incorporate any software or products designed by others into their designs? YES NO
- If yes, does the Applicant always obtain a license to do so? YES NO
54. For the Applicant's products, does the Applicant conduct a search with respect to the potential infringement of the intellectual property rights of others? YES NO
- If yes, what methods does the Applicant utilize to conduct this search (Internet, legal counsel, etc.)?

55. Are any products or services sold or advertised as being the same as, compatible with or exactly like another product manufactured by others? YES NO
- If yes, does the Applicant have an agreement of clearance with the product's owner? YES NO

56. What controls or safeguards does the Applicant have in place to prevent a loss relating to infringement of trade secrets or proprietary information of third parties?

J. KNOWLEDGE OF PRIOR ERRORS OR CLAIMS - Applies to all coverages requested.

57. Is the Applicant, or any director, officer, employee or partner of the Applicant, aware of any facts, circumstances or situations which may reasonably give rise to a claim? YES NO
58. Has the Applicant ever been served with an order to cease and desist or been named as a defendant in a suit claiming that the Applicant infringed a patent, copyright, trademark, or breached a license agreement or misappropriated another's trade dress, style of doing business or were a party to the theft of proprietary information or trade secret(s)? YES NO
59. Has the Applicant ever brought a claim or suit against another party alleging any of the above claims? YES NO
60. Are any contracts currently past due acceptance? YES NO

IF YOU ANSWERED YES TO ANY OF THE QUESTIONS ABOVE, PLEASE PROVIDE DETAILS.

ATTACH A LIST AND STATUS OF ALL CLAIMS, DISPUTES, SUITS OR ALLEGATIONS MADE DURING THE PAST FIVE YEARS AGAINST THE APPLICANT OR ANY DIRECTOR, OFFICER, EMPLOYEE OR PARTNER OF THE APPLICANT.

WITHOUT LIMITATION OF ANY OTHER REMEDY AVAILABLE TO THE INSURERS, IT IS AGREED THAT, IF THERE BE KNOWLEDGE OF ANY SUCH FACT, CIRCUMSTANCE OR SITUATION, ANY CLAIM OR ACTION SUBSEQUENTLY EMANATING THEREFROM IS EXCLUDED FROM COVERAGE UNDER THE PROPOSED INSURANCE.

K. PREVIOUS INSURANCE COVERAGE - Applies to all coverages requested.

61. (a) Has the Applicant ever previously purchased:
- (i) Professional Liability or Errors and Omissions insurance? YES NO
- (ii) Commercial General Liability insurance? YES NO
- (b) If yes, please provide the most current details for each coverage noted above:
- | Insurer | Policy Period | Expiring Premium | Limit | Deductible |
|------------|---------------|------------------|----------|------------|
| (i) _____ | _____ | \$ _____ | \$ _____ | \$ _____ |
| (ii) _____ | _____ | \$ _____ | \$ _____ | \$ _____ |
- (c) If the Professional Liability or Errors and Omissions policy was claims-made, what was the retroactive date of the policy (dd/mm/yy)? _____

62. Has insurance coverage ever been declined or cancelled, or the renewal thereof been refused? YES NO

If yes, please provide details (use a separate sheet).

L. LIMITS REQUESTED

63. **Errors and Omissions (claims-made form)**

Limit per claim: _____ Per policy period: _____ Deductible: _____

64. **Commercial General Liability (occurrence form)**

Limit per occurrence: _____ Per policy period: _____ Deductible: _____

APPLICANT'S CONSENT TO THE TRANSMISSION OF THE INFORMATION CONTAINED IN THE APPLICATION FORM

I hereby acknowledge that the information collected in the Application form is acquired by my insurance broker to be transmitted to Victor Insurance Managers Inc. for the sole purpose of obtaining an insurance policy, and will be kept confidential.

Moreover, I authorize Victor Insurance Managers Inc., its insurers or service providers to:

- conduct verification, using outside sources, of the information contained in the Application form, in attached documentation and in subsequently provided documentation;
- in the event of a claim, transmit the submitted and verified information to loss adjusters, lawyers or other similar offices for the purposes of investigating, defending, negotiating or settling any claims, as required.

For more information on Victor's privacy policy, please contact privacypolicyinquiries@victorinsurance.com.

DECLARATIONS AND SIGNATURE

The undersigned Applicant for this insurance declares that, to the best of his/her knowledge and belief, the statements set forth herein are true and correct, and that reasonable efforts have been made to obtain sufficient information to facilitate the proper and accurate completion of this Application form. The undersigned agrees that if any significant change in the condition of the Applicant is discovered between the date of this Application form and the effective date of the policy, which would render this Application form inaccurate or incomplete, notice of such change will be reported immediately in writing to the Insurance Manager.

Although the signing of this Application form does not bind the Applicant to purchase the insurance, the undersigned Applicant further agrees that this form and the information furnished pursuant hereto shall be the basis of the contract should a policy be issued and this form will become part of the policy.

Name of Applicant (please print)

Title/Position

Signature of Applicant

Date (dd/mm/yy)