

MEDIATECH LIABILITY APPLICATION

THIS APPLICATION MAY BE USED FOR A NEW BUSINESS OR RENEWAL QUOTATION FOR A CLAIMS MADE ERRORS & OMISSIONS POLICY, AN OCCURRENCE CGL POLICY AND AN EMPLOYMENT PRACTICES LIABILITY POLICY.

FOR PURPOSES OF THE *INSURANCE COMPANIES ACT (CANADA)*, THIS DOCUMENT WAS ISSUED IN THE COURSE OF LLOYD'S UNDERWRITERS' AND LIBERTY MUTUAL INSURANCE COMPANY'S INSURANCE BUSINESSES IN CANADA.

ALL QUESTIONS MUST BE ANSWERED COMPLETELY. DO NOT LEAVE ANY SPACE BLANK. INDICATE "N/A" IF A QUESTION IS INAPPLICABLE. IF THE SPACE PROVIDED IS INSUFFICIENT TO ANSWER A QUESTION FULLY, PLEASE ATTACH DETAILS ON A SEPARATE SHEET.

PLEASE ENSURE THAT THE FOLLOWING ARE PROVIDED WITH THE APPLICATION:

- Resumes of key personnel if company is less than two years old
- Company promotional literature (web site address will suffice)
- Copies of sample contracts with clients (e.g. software agreements, subscriber agreements, development agreements, license agreements)

Coverage Requested:

- | | | | |
|------------------------------------|--|--------------------------------------|---------------------------------------|
| Errors & Omissions: | <input type="checkbox"/> \$1,000,000 | <input type="checkbox"/> \$2,000,000 | <input type="checkbox"/> Other: _____ |
| Multimedia & Advertising Coverage: | <input type="checkbox"/> YES <input type="checkbox"/> NO – if yes, please complete Section 5 | | |
| Network Security Coverage: | <input type="checkbox"/> YES <input type="checkbox"/> NO – if yes, please complete Section 6 | | |
| CGL Limit of Liability: | <input type="checkbox"/> \$1,000,000 | <input type="checkbox"/> \$2,000,000 | <input type="checkbox"/> Other: _____ |
| Employment Practices Liability: | <input type="checkbox"/> \$100,000 | <input type="checkbox"/> \$250,000 | |

1. GENERAL INFORMATION

- A) Name of Company: _____
(Please show complete name as you wish it to appear on the policy)
- B) Address: _____

- Web Site Address: _____
- C) Branch Offices: _____
(if any) _____

2. COMPANY INFORMATION

- A) Company Structure: Sole Proprietor Corporation Partnership Joint Venture Franchise Other
- B) Year established _____ Company is Canadian registered? YES NO
- C) Number of Employees: Full-time CDN _____ US _____ Part-time CDN _____ US _____
- D) Total Gross Revenues for the last twelve (12) months or last fiscal year (in \$CDN): \$ _____
Percentage (%) of Gross Revenues derived from:

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CANADA _____% U.S. _____% OTHER (please list countries): _____%
 _____%

E) Total Estimated Gross Revenues for next twelve (12) months or next fiscal year (in \$CDN): \$ _____

Percentage (%) of Estimated Gross Revenues derived from:

CANADA _____% U.S. _____% OTHER (please list countries): _____%
 _____%

3. PRODUCT / SERVICE INFORMATION

A) Please provide a brief description of your company's main activities: _____

B) Please indicate the percentage for each of the following products or services the Company provides (total must equal 100%):

Systems Design or Systems Analysis	%	Data Processing	%
Web Site Development	%	Application Service Provider (ASP)	%
Web Site Hosting:		Networking	%
Transactional/E-Commerce:			
Non-Transactional:	%		
Development of Packaged Software	%	Consulting/Training	%
Custom Software Design	%	Hardware Assembly	%
Hardware/Software Reselling/Distribution	%	Hardware Manufacturing	%
Other	%		

C) From the following list, which of these apply to the products/services indicated in B) above?

<input type="checkbox"/> Administrative (sales data, lists, etc.)	<input type="checkbox"/> Communications: Utilities/Info Services
<input type="checkbox"/> Accounting (payroll, receivables, payables)	<input type="checkbox"/> Fund Transfer
<input type="checkbox"/> Financial (savings, checking, loan, dividend accounts)	<input type="checkbox"/> Medical
<input type="checkbox"/> Inventory Control	<input type="checkbox"/> Educational
<input type="checkbox"/> Credit Card Processing	<input type="checkbox"/> Facilities Management
<input type="checkbox"/> Data Security/Verification	<input type="checkbox"/> Office Automation
<input type="checkbox"/> Scientific	<input type="checkbox"/> Database
<input type="checkbox"/> Graphics	<input type="checkbox"/> LAN/Network
<input type="checkbox"/> Architectural (model building/projection)	<input type="checkbox"/> Telecommunications
<input type="checkbox"/> CAD/CAM: Manufacturing/Engineering tools	<input type="checkbox"/> Other (specify)
<input type="checkbox"/> CASE: Application development tools	

D) What is the worst thing that could happen to your customer's operations if your Company's products/services were to fail or stop working? _____

E) List your three (3) largest customers, description of the products/services provided to them and the duration of the project (including the percentage of total revenue for each customer):
 1. _____
 2. _____
 3. _____

F) What is your average contract value? _____

G) What is the average time line for a contract from start to finish? _____

H) What has been your largest contract value and time line from start to finish? _____

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- I) Has the Company, for any reason, discontinued any products or services in the past three (3) year? YES NO
If YES, please explain: _____

- J) Please list any new products and/or services to be launched in the next twelve (12) months: _____

- K) Do you employ sub-contractors? YES NO
If YES,
1) What services do they perform? _____
2) What is the average number of sub-contractors you employ within a year? _____
3) Do you require proof of insurance? YES NO

4. INTELLECTUAL PROPERTY

- A) Does your firm consult with legal counsel for issues regarding Intellectual property? YES NO
In-house counsel: YES NO Outside firm: YES NO
- B) Do you employ an internal or external legal counsel to conduct the search? YES NO
If YES, please name the firm. _____
- C) Are your products or software developed internally? YES NO Or by a third party? YES NO
If developed by a third party, please provide details _____

- D) Do you always obtain a license to use or resell the products or software? YES NO
- E) Is it a standard procedure to obtain a hold harmless or indemnity agreement in your favour from the licensor? YES NO
- F) Describe your controls and procedures that are employed to ensure developed products or software is non-infringing. _____

- G) When creating a web site for a third party, do you receive written approval for the content that will be used within the client's web site? YES NO
If NO, how do you verify that the content used will not infringe upon a third party? _____
- H) Do you incorporate a Disclaimer Notice within your own web site? YES NO
- I) Do you conduct a search on a world wide basis to ensure that your products or software do not infringe upon the rights of others? YES NO
- J) Do you have a written procedure in place to disallow the use of intellectual property content from a previous employer? YES NO
If YES, do you require a signed statement from every employee or sub-contractor evidencing the above requirement? YES NO

5. MULTIMEDIA & ADVERTISING

- A) Does your firm consult with outside legal counsel or with in-house counsel for issues regarding multimedia and advertising material? YES NO
- B) What type of content or material do you create or service for third party web sites? _____

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- C) Does your company create the content or is the content provided by your client? _____
- D) Do you receive written approval or the rights to use material from a third party? YES NO
- E) Have you ever received a complaint, letter or notice concerning the content from any media platform? YES NO
If YES, how did you respond to the complaint and what actions were taken to resolve the issue?

- F) What is your policy and procedure to verify that your content will not offend a third party or infringe upon a third party's material? _____

- G) Do you have a policy for editing or removing infringing material from any media platform? YES NO

6. COMPUTER NETWORK SECURITY

- A) Does the Applicant publish, implement, provide training or provide final acceptance of network security policies? YES NO
- B) Does the Applicant use commercially available firewall protection systems to prevent unauthorized access to internal networks and computer systems? YES NO
If YES, please list software being used: _____
- C) Does the Applicant use intrusion detection software to detect unauthorized access to internal networks and computer systems? YES NO
If YES, please list software being used: _____
- D) Does the Applicant utilize and regularly update Anti-Virus Software? YES NO
If YES, please list software being used: _____
- E) Is all valuable/sensitive data backed-up on a daily basis? YES NO
If so, please advise where back up data is stored _____
- F) Does the Applicant have and enforce policies concerning when internal and external communication should be encrypted? YES NO
- G) Does the Applicant terminate all associated computer access and user accounts as part of the regular exit process when an employee leaves the company? YES NO
- H) Is personally identifiable information stored on laptop computers and portable media (flash drives, back-up tapes) protected by encryption? YES NO
- I) Does the Applicant monitor security vulnerabilities and appropriately patch systems and applications? YES NO
- J) Does the Applicant have a business continuity plan, recovery plan and/or incident response plan? YES NO
- K) Has the Applicant suffered any known intrusions (i.e., unauthorised access) of its Computer Systems in the most recent past twelve (12) months? YES NO
If YES, please confirm how many intrusions occurred? _____

If any damage was caused by any such intrusions, including lost time, lost business income, or costs to repair any damage to systems or to reconstruct data or software, describe the damage that occurred, and state value of any lost time, income and the costs of any repair or reconstruction:

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Describe the response taken by the Applicant to the intrusions. _____

L) Have you undergone any business mergers or acquisitions that resulted in the integration or merger of your computer network within the past 3 years? YES NO
If YES, please provide details:

M) Do you provide remote access to your computer network? YES NO
If YES, is remote access restricted to a (VPN) Virtual Private Network? YES NO
If NO, describe the extent to which remote access is allowed to your computer network.

N) Do you incorporate an e-commerce platform on your or your client's network? YES NO
With whom do you contract to process your on-line payments? _____
Are you held harmless for any on-line payments that are contracted to a third party? YES NO

O) Do you have a procedure in place to perform software updates within your network? YES NO
If YES, what is the time line between a new software release and the implementation within your network?

7. QUALITY CONTROL

A) Does your Company have a written Quality Control Program? YES NO

B) Does your company perform Alpha and Beta testing? YES NO

C) Does your company require a signed final acceptance from its customers? YES NO

D) Does the Company maintain written records of customer complaints? YES NO

E) Please explain what service and response time the Company guarantees to its customers: _____

F) Has the Company or one of its customers ever recalled any of the Company's products? YES NO
If YES, please provide details: _____

8. CONTRACTUAL INFORMATION

A) What percentage (%) of projects is undertaken using a standard contract or formal letter of agreement?
 None 1%-25% 25%-50% 50%-75% 75%-100%

If "None", please fully describe the terms under which work is accepted: _____

Do the Company's contracts contain the following clauses? Please attach a sample copy(ies):

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- Disclaimer of Warranty? YES NO
- Exclusive Remedy? YES NO
- Limitation of Warranty? YES NO
- Limitation of Liability? YES NO
- Conditions of Product Acceptance? YES NO
- Hold Harmless or Indemnity Agreements? YES NO
- Specific Description of Services/Products Supplied? YES NO
- Force Majeure? YES NO
- Final Acceptance and / or Sign-Off? YES NO
- Acceptance of Liquidated Damages or Penalties? YES NO

B) Does the Company consult with outside legal counsel or with in-house counsel for issues concerning:
 Contractual Liability YES NO In-house counsel: YES NO Outside firm: YES NO

If using an outside firm, please identify legal counsel: _____

C) Who has the ultimate responsibility for contract wordings in the Company?

Name: _____ Title: _____

9. INSURANCE INFORMATION

A) Is the Company currently insured under a Commercial General Liability policy? YES NO

If YES, please complete the following:

Insurer: _____ Policy Period: _____
 Policy Number: _____ Limit of Liability: _____

Is Products Liability/Completed Operations coverage included? YES NO

B) During the last five (5) years, has the Company carried CGL insurance? YES NO

If YES, please complete the following for all previous CGL policies:

INSURER	TERM	LIMIT	DEDUCTIBLE	PREMIUM

C) Is the Company currently insured under an Errors and Omissions policy? YES NO

If YES, please complete the following:

Insurer: _____ Policy Period: _____
 Policy Number: _____ Limit of Liability: _____

D) During the last five (5) years, has the Company carried Errors and Omissions insurance? YES NO

If YES, please complete the following for all previous Errors & Omissions policies:

INSURER	TERM	LIMIT	DEDUCTIBLE	PREMIUM

E) Has the Company, its partners, directors or officers ever been declined, non-renewed or cancelled by any insurer for an Errors and Omissions and/or Commercial General Liability insurance? YES NO

If YES, please explain: _____

10. CLAIMS INFORMATION

A) In the last five (5) years, has the Company, its partners, directors, officers or employees ever had a written demand or civil proceedings for compensatory damages made against them? YES NO

If YES, please provide the following details on a separate sheet:

- 1) Date of claim:
- 2) Claimant's name:
- 3) Nature of claim:
- 4) Amount of indemnity payment and amount of defense costs:
- 5) Final dispositions or current status of claim:

B) Is the Company, its partners, directors, officers or employees aware of any job disputes or fee disputes during the last five (5) years? YES NO

If YES, please describe in detail: _____

C) Is the Company, its partners, directors, officers or employees aware of any other fact, situation or circumstance that may result in a written demand or civil proceedings for compensatory damages? YES NO

If YES, please describe in detail: _____

D) Has the Company, its partners, directors or officers ever had an Employment Practices Liability claim (whether insured or not)? YES NO

If YES, please provide details on a separate sheet.

E) Is the Company, its partners, directors or officers aware of any situation, which might give rise to an Employment Practices claim? YES NO

If YES, please describe in detail: _____

For example, but not by way of limitation, an employment practices claim would result from a current or former employee's dissatisfaction with an employment relationship or application process by complaining of discrimination, harassment or unfair treatment.

Without limitation of any other remedy available to the Insurer, it is hereby agreed that if there be knowledge of any of the matters described in Section 10, any written demand or civil proceedings for compensatory damages subsequently emanating therefrom is excluded from coverage under the proposed insurance.

11. NOTICE CONCERNING PERSONAL INFORMATION

By purchasing insurance from Creechurch International Underwriters Ltd. (Creechurch), a customer provides Creechurch with his or her consent to the collection, use and disclosure of personal information, including that previously collected, for the following purposes:

- the communication with underwriters;
- the underwriting of policies;
- the evaluation of claims;
- the detection and prevention of fraud;
- the analysis of business results;
- purposes required or authorized by law.

For the purposes identified above, personal information may be disclosed to Creechurch's related or affiliated companies and service providers.

Further information about Creechurch's personal information protection policy may be obtained by contacting their privacy officer at 416-601-2155.

12. WARRANTY STATEMENT

The undersigned warrants that to the best of their knowledge, the statements set forth in this Application are true. The undersigned also warrants that they have not suppressed or misstated any material fact.

If the information provided in this Application should change between the date of the Application and the effective date of the policy, the undersigned warrants that they will immediately report such changes to the Insurer.

Signing this Application does not bind the undersigned to purchase this insurance, nor does it bind the Insurer to issue this insurance. However, should the Insurer issue a policy, this Application shall serve as the basis of such policy and will be attached to and form part thereof.

SIGNED: _____
(Authorized Representative)

DATED: _____

NAME (Please Print): _____

TITLE/POSITION: _____

POUR LES RÉSIDENTS DU QUÉBEC SEULEMENT:

Je confirme que ma demande pour la présente assurance ainsi que la proposition et tout autre document et correspondance soient en anglais.

QUEBEC RESIDENTS ONLY:

I hereby confirm my request that the present document and any other document and correspondence pertaining to the present insurance be in the English language.

NOM/NAME: _____

SIGNATURE: _____