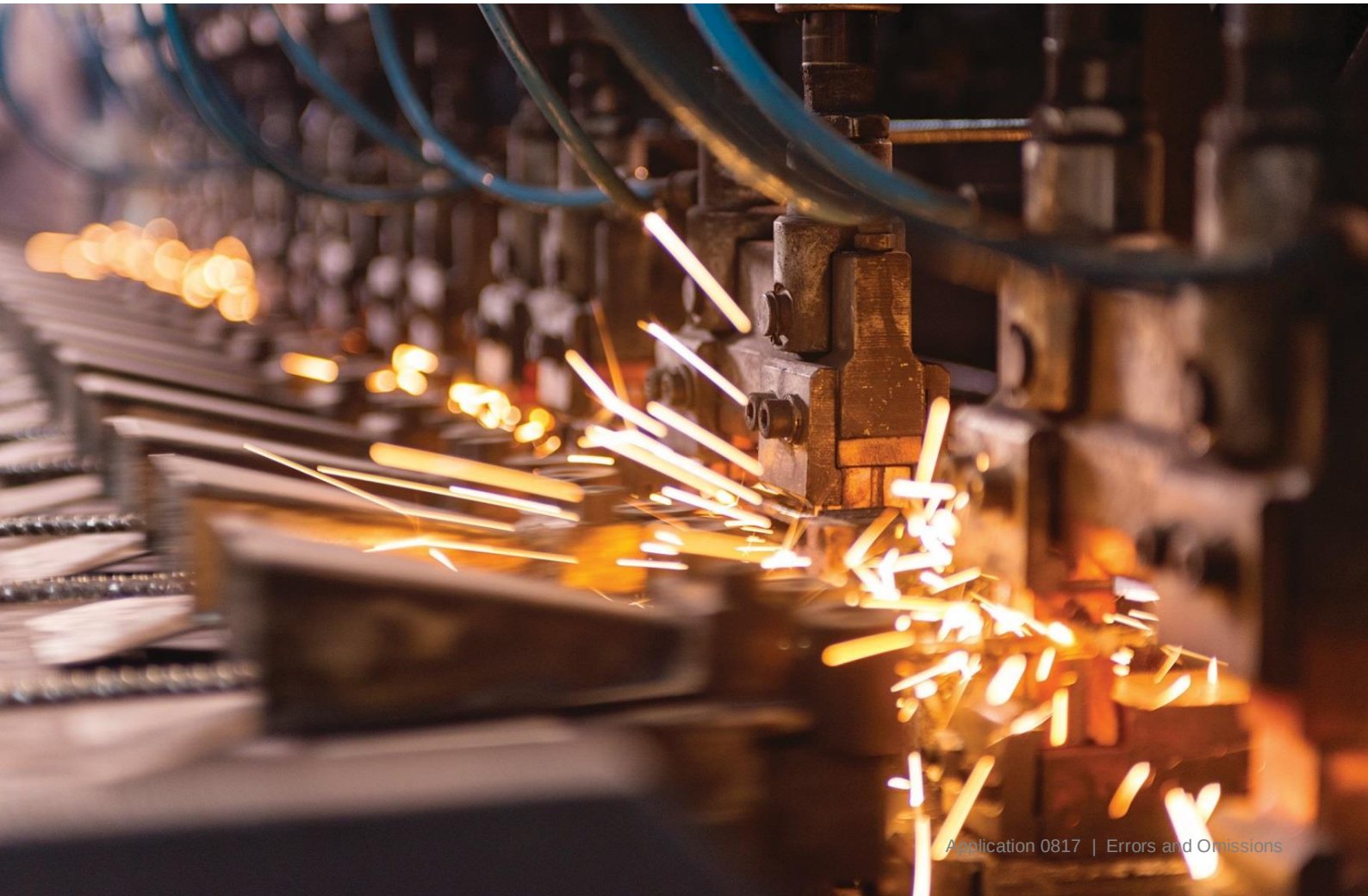
LLOYD'S Underwriters

TOKIO MARINE HCC

Professional Risks Application Canada

Errors and Omissions



General information

1. Please provide the following details (including all trading names and subsidiaries):

Name:	Date of establishment:

Website address:

2. Address/es of all companies (including subsidiaries):

Address including postal/zip code:

3. Please supply details of all principals, directors, partners:

Name:	Qualifications:	How long with the company?

4. Please state total numbers of:

Principals, directors, partners:	Qualified staff:	Administration:	Others:

5. Please state the name of any professional body or trade association of which the company are members?

Professional body:

Trade association:

6. Do you currently have a professional indemnity policy in place? ☐ Yes ☐ No

If **YES**, please provide:

Renewal date:

Limit of liability:

Retroactive date:

7. Do you or any of your principals, directors, partners have any association with or financial interest in any other practice, company or organisation? ☐ Yes ☐ No

If **YES**, please provide details of the nature of the association, together with the name of the business and activities undertaken:

8. Do you use sub-contractors? ☐ Yes ☐ No

If **YES**,

a. What percentage of your turnover was paid to sub-contractors in the last financial year? %

b. What is the nature of work undertaken by sub-contractors?

c. Do you require cover for them under this policy? ☐ Yes ☐ No

d. Are sub-contractors required to carry errors and omissions insurance to a similar limit? ☐ Yes ☐ No

If **NO** to **8d**, please provide details as to why not:

9. Please complete the following:

a. Financial year end date:

	Last complete financial year	Current year	Estimate for coming year
b. Total turnover including fee income:	$	$	$
c. Estimated percentage split of your turnover including fee income for:			
i. Work carried out for Canadian clients:	%	%	%
ii. Work carried out for US clients not subject to US law:	%	%	%
iii. Work carried out for US clients subject to US law:	%	%	%
iv. Work carried out for clients anywhere else in the world:	%	%	%
v. Operating profit:	$	$	$

Business activities

10. Please state:

a. Full description of all of your activities:

b. Please categorise the activities outlined above and indicate the approximate percentage of turnover including fees each represents:

	%
	%
	%
	%
	%
	100%

c. Are you involved in any consultancy or services in relation to any of the following areas:

Accountancy / tax	☐ Yes	☐ No
Legal	☐ Yes	☐ No
Financial / insurance	☐ Yes	☐ No
Medical / healthcare	☐ Yes	☐ No
Construction / environmental	☐ Yes	☐ No

d. Are you involved in any process of manufacture, construction, alteration, repair, installation or sale or supply of products, other than in a pure consultancy capacity as described above. ☐ Yes ☐ No

If **YES** to any part of c. or d., please provide details:

e. Have you undertaken any other activities in the past for which cover is required? ☐ Yes ☐ No

If **YES**, please provide details:

11. Please give details of the three largest contracts in the last five financial years (give details of current projects if new business):

Largest Client:	
Start date:	
Description:	
Total contract value:	
Fee:	
Approximate completion date:	
Second largest Client:	
Start date:	
Description:	
Total contract value:	
Fee:	
Approximate completion date:	
Third largest Client:	
Start date:	
Description:	
Total contract value:	
Fee:	
Approximate completion date:	

Risk management

12. Are satisfactory written references obtained from former employers for at least three years prior to the engagement of any employee responsible for money, accounts or goods? ☐ Yes ☐ No

13. Above what amount do payments require at least a two-stage sign-off? $

14. Do you hold client funds, or do you have client authority to agree and/or effect transfers or payments on their behalf from client funds or accounts? ☐ Yes ☐ No

If **YES**,

a. Do you ever act solely on e-mail instructions to transfer funds or make payments from client accounts without taking steps to independently verify the authenticity of the instructions and integrity of any bank account details provided prior to execution? ☐ Yes ☐ No

b. Do you undertake to immediately implement procedures to ensure that there is such an independent verification process in place for all future transactions? ☐ Yes ☐ No

c. What steps have you taken to ensure that the transaction has been completed successfully?

15. Do you carry out work only under a standard contract signed by every client? ☐ Yes ☐ No

If **YES**, please supply a copy of your standard form of contract, or otherwise a typical example of contract used. ☐ Attached

If **NO**, are all contracts vetted by a legally qualified person before being agreed? ☐ Yes ☐ No

16. When entering into contracts do you always:

a. Exclude liability for consequential, special or indirect damages, loss of profits and liquidated damages? ☐ Yes ☐ No

b. Cap your overall liability at a reasonable level? ☐ Yes ☐ No

c. Work to a written specification with your clients outlining the scope of each job? ☐ Yes ☐ No

d. Ensure that changes to the scope of work are reflected in a written variation of the contract? ☐ Yes ☐ No

If **NO**, to any of the above, please explain why:

17. Do you commit clients to contracts with third parties? ☐ Yes ☐ No

If **YES**, do you always obtain clients written acceptance of the terms of contracts before committing them? ☐ Yes ☐ No

If written acceptance is **NOT** obtained, please provide details as to why not or in what circumstances this might not happen:

18. Has any proposal for similar insurance made on your behalf, any predecessor or any past or present principals, directors, partners ever been declined, cancelled, refused or had special terms applied? ☐ Yes ☐ No

If **YES**, please provide details:

19. Is there any other information that you consider material to the insurance required? ☐ Yes ☐ No

If **YES**, please provide details:

20. For what limits of indemnity are quotations required?

☐ $250,000 ☐ $500,000 ☐ $1,000,000

☐ $2,000,000 ☐ $5,000,000 ☐ $10,000,000

☐ Other

Claims

21. In respect of any of the risks to which this application relates:

a. Has any claim been made (whether successful or not) against you, any predecessor, any past or present principals, directors, partners? ☐ Yes ☐ No

b. Has any loss been suffered by you or any predecessor as a result of the dishonesty or malice of any past or present principals, directors, partners, employees or self-employed person? ☐ Yes ☐ No

If **YES** to a. or b., please provide details:

Date of claim/loss:	Brief details of each claim/loss:	Total cost of claim/loss paid	Estimated total cost of claim/loss:

c. What steps have been taken to prevent a recurrence?

22. Are you, after full enquiry:

a. Aware of any circumstance which is likely give rise to a claim or loss against you, any predecessor or any past or present principals, directors, partners? ☐ Yes ☐ No

b. Aware of any shortcoming in your work for a client which is likely to give rise to a claim against you? This includes

i. A shortcoming known to you, but not your client, which you cannot reasonably put right? ☐ Yes ☐ No

ii. A complaint from your client about your work or anything you have supplied which cannot be immediately resolved? ☐ Yes ☐ No

iii. An escalating level of complaint from your client on a particular project? ☐ Yes ☐ No

iv. A client withholding payment due to you after any complaint? ☐ Yes ☐ No

If **YES** to any of the above, please provide details:

23. Do you have any grounds, after reasonable enquiry, for suspecting that any past or present principal, director, partner, employee or self-employed person has acted dishonestly or maliciously? ☐ Yes ☐ No

If **YES**, please provide details:

Please read this paragraph carefully before signing the declaration

It is essential that every Application, when seeking a quotation to take out or renew any insurance, discloses to the prospective Insurers all material facts and information (including all material circumstances) which might influence the judgement of an Insurer in deciding whether to accept the risk and on what terms. The obligation to provide this information continues up until the time that there is a completed contract of insurance. Failure to do so entitles the Insurers, if they so wish, to avoid the contract of insurance from inception and so enables them to repudiate liability thereunder. If you have any doubt as to what constitutes a material fact or circumstance please do not hesitate to ask for advice.

Declaration

On behalf of the Applicant/s, I/we declare that, after full enquiry, the contents of this application are true and that I/we have not misstated, omitted or suppressed any material fact or information. If there is any material alteration to the facts and information which I/we have provided or any new material matter arises before the completion of the contract of insurance, I/we undertake to inform the Insurer.

Signature of Principal / Director / Partner:

Date: