LLOYD'S Underwriters

TOKIO MARINE HCC

Professional Risks Application Canada

Errors and Omissions
General Liability
Cyber

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:

General Liability

Only complete if GCL required, if not required, please tick here: ☐

24. Do you undertake any work of a manual nature (such as installation, construction, alteration, maintenance or repair work), either through your own direct employees or through any subcontractors engaged by you? (For the avoidance of doubt, this does NOT include the installation of IT hardware or software but DOES include the type of work expected of an electrical contractor e.g. re-wiring an office): ☐ Yes ☐ No

If **YES**, please provide details:

25. Do you manufacture any products or do you supply any products that are manufactured by others? (This is not applicable to Technology Consultants or Technology Contractors, unless the failure of the product to perform its intended function could result in loss of life, bodily injury or destruction of or damage to physical property): ☐ Yes ☐ No

If **YES**, please provide details:

26. Do you carry out any work in the USA and if so, does this represent more than 20% of your total turnover? ☐ Yes ☐ No

If **YES**, please provide details:

27. Do you perform work above two stories in height (other than interior remodelling)? ☐ Yes ☐ No

If **YES**, what percentage of your turnover % Maximum height? meters

28. Do you perform any work below ground level? ☐ Yes ☐ No

If **YES**, what percentage of your turnover % Maximum depth? meters

29. Have you or will you perform work in connection with: gas stations, refineries, chemical plants, airports, public utilities, railroads, or hospitals? ☐ Yes ☐ No

If **YES**, please provide details:

30. Have there been any Liability claims made against you in the last 5 years? ☐ Yes ☐ No

If **YES**, please provide details:

Cyber Extension

Only complete if cyber extension required. If not required, please tick here: ☐

31. Please provide a financial value for your IT network (including but not limited to hardware, software, cabling and firmware): $

32. Please estimate the total number of Personally Identifiable Information records, including employees and customers, that your company holds:

Personally Identifiable Information relates to records/data that can be used to uniquely identify, contact, or locate a single person or can be used with other sources to uniquely identify a single individual.

33. Do you see either 31 or 32 changing substantially in the next 12 months? ☐ Yes ☐ No

If **YES**, please provide details:

34. Please highlight which bands of Personally Identifiable Information records you hold:

Low Sensitivity	e.g. name, email address	☐ Yes	☐ No
Moderate Sensitivity	e.g. home address, protected health information, telephone numbers, Insurance policy number, date of birth, Individual tax number, driver's licence number, passport number	☐ Yes	☐ No
High Sensitivity	e.g. banking or saving account number, debit card number, credit card number	☐ Yes	☐ No

35. Please estimate what proportion of the total number of Personally Identifiable Information records which you hold that include a High Sensitivity element: %

36. How fast are you likely to incur a loss of profit as a result of an IT network compromise and a total system downtime?

Level 1:	Level 2:	Level 3:	Level 4:	Level 5:
48hours+ ☐	24 – 48 hours ☐	12-24 hours ☐	1-12 hours ☐	Immediately ☐

37. In the event of your IT network being subjected to a non-scheduled closure and total downtime, please estimate your maximum daily loss of profit (net profit before tax): $

38. Do you have a disaster recovery plan which protects you against any sudden or unexpected failure of your IT network and security breach/data compromise? ☐ Yes ☐ No

If **NO**, please advise how you would deal with such an event in a time critical manner:

If **YES**, please advise:

a. Is the backup system managed by a third party? ☐ Yes ☐ No

b. How regularly is it tested?

c. When was it last tested?

d. How long did it take to switch to this back up system?

In addition to the previous questions please confirm that you are able to comply with the statements made below. If, for whatever reason you are unable to confirm compliance with the below statements please provide an explanation to accompany this signed and dated document. Signing of the declaration will constitute compliance with the below statements.

Cyber Extension Statement of Fact

a. You have a Chief Security Officer (CSO) or someone responsible for data security.

b. You adhere to and comply with the following data security law where relevant: the federal Personal Information Protection and Electronic Documents Act (PIPEDA) and similar provincial Acts and regulation, and in the United States, "non-public personal information" as defined in the Gramm-Leach Bliley Act of 1999, or as amended; Payment Card Industry (PCI) Data Security Standards.

c. If the data held is medically related, you comply with the 'protected health' information as defined in the provincial legislation in Canada, or, in the United States, the Health Insurance Portability and Accountability Act of 1996, as amended.

d. You ensure that all Personally Identifiable Information records are backed up and held at a secondary location.

e. You have firewalls protecting all external IT network gateways.

f. You use encryption tools to ensure the integrity and confidentiality of all Personally Identifiable Information records including those on removable media.

g. You use anti-virus software and anti-spyware.

h. You have a vulnerability assessment program that monitors for IT network security and data security breaches and ensures timely updates of antivirus and anti-spyware signatures and critical security patches.

i. You have an internet and email usage policy written into all employment contracts which is clearly communicated to all employees.

j. You implement a data protection policy for the handling of data including Personally Identifiable Information records which is clearly communicated to all employees.

k. All Personally Identifiable Information records, including those contained in a physical form (paper, disks, CDs, hard drives), disposed of or recycled by a confidential and secure means which is recognised throughout the organisation.

l. You have a privacy policy on your website.

m. You have a specific policy for managing all 'opt-in'/'opt-out' marketing requests including the use/storage of cookies on a browsers system/device.

n. You have a procedure for responding to allegations that content created, displayed or published is libellous, infringing intellectual property rights, or in violation of a third party's privacy rights.

o. You have a "take-down" policy which allows you remove any third party content applied to any of your message boards, chat rooms or forums on your websites (including websites you may host for third-parties).

p. You obtain written warranties and indemnities from third parties for content they have created for you (including advertising agents).

q. Your business has never been declined for a Cyber and Data Security insurance policy, or had an existing policy cancelled.

r. You have never experienced an event that did or may have given rise to a claim or circumstance under a cyber and data security policy, including but not limited to hacking incident, virus or malicious code attack, cyber extortion attempt, breach of secure data, wrongful disclosure of personal data or interference with rights of privacy?

Agreed ☐

Not Agreed ☐ If **NOT**, please provide further information

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: