# ERRORS & OMISSIONS INSURANCE APPLICATION

UNDERWRITING OFFICE:
Indian Harbor Insurance Company
505 Eagleview Blvd. Suite 100
Dept: Regulatory
Exton, PA 19341-1120
Telephone: 800-688-1840

THIS IS AN APPLICATION FOR A CLAIMS MADE AND REPORTED POLICY. THIS POLICY APPLIES ONLY TO THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED AND REPORTED IN WRITING TO THE COMPANY DURING THE POLICY PERIOD. CLAIM EXPENSES ARE WITHIN AND REDUCE THE LIMIT OF LIABILITY. THE COMPANY SHALL NOT BE LIABLE FOR LEGAL CLAIM EXPENSES OR FOR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT AFTER EXHAUSTION OF THE LIABILITY LIMIT. PLEASE REVIEW THE POLICY CAREFULLY.

In addition to completing this application, at the Company's discretion the following additional information may be requested to complete our underwriting review:

1. Latest audited financial statements
2. A copy of standard contracts utilized with clients
3. Marketing materials and any general information that will aid the submission

## APPLICANT INFORMATION

1. Name and address of Applicant: (include all legal names and DBA's):

   a. Name(s) _____

   b. Principal Address _____

   City _____ State _____ ZIP _____

   c. Mailing Address (if different than above) _____

   City _____ State _____ ZIP _____

   d. Telephone _____ Website Address _____

2. a. Date established _____ Applicant is ☐ Individual ☐ Partnership ☐ Corporation ☐ Other: _____

   b. Is the entity owned, controlled by or affiliated with any other entity? ..... ☐ Yes ☐ No
   (if Yes, please attach details)

   c. During the past 5 years:

   1. Has the name of the Applicant been changed? ..... ☐ Yes ☐ No

   2. Has the Applicant been involved in any merger, acquisition or consolidation? ..... ☐ Yes ☐ No


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## APPLICANT INFORMATION, CONTINUED

3. a. Has any principal, partner, officer, director or professional employee of the Applicant engaged in professional services for any entity in which the Applicant has any ownership/managerial interest? ..... ☐ Yes ☐ No
(if Yes, please attach details)

   b. Are any material changes in the nature or the size of the Applicant's business anticipated over the next 12 months? ..... ☐ Yes ☐ No
(if Yes, please attach details)

## INSURANCE INFORMATION

4. a. Please describe in detail the professional services you wish to insure:
(Attach an additional sheet if necessary):

| Service |
|---|
| |
| |
| |
| |
| |

   b. Has the Applicant been engaged in any profession or business other than as described in #4a? ..... ☐ Yes ☐ No
(if Yes, please attach details)

5. a. Limit of Liability requested: ..... _____

   b. Deductible requested: ..... _____

6. Does the company have similar insurance in place?

| Year | Coverage Type | Carrier | Limit | Deductible | Premium |
|---|---|---|---|---|---|
| Current Year | | | | | |
| Prior Year 1 | | | | | |
| Prior Year 2 | | | | | |

7. a. Proposed Effective Date ..... _____

   b. Proposed Retro Date ..... _____

   c. Is any extended reporting period (ERP) currently in place? ..... ☐ Yes ☐ No
(if Yes, please attach a copy of the endorsement including effective and expiration date)


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## INSURANCE INFORMATION, CONTINUED

d. During the past 5 years, has any similar errors and omissions coverage been canceled, declined or non-renewed? ☐ Yes ☐ No
(if Yes, please attach a detailed explanation)

## COMPANY PROFILE

8. Please provide the following financial information:

   a. Projected gross revenues for next year: _____

   b. Gross revenues for current year: _____

   c. Gross revenues for last year: _____

9. For the revenues listed in question #8a, please indicate the approximate percentage for each of the services listed in question #4 (total percentages should equal 100%).

| Service | % of Projected Gross Revenue |
|---|---|
| | |
| | |
| | |
| | |
| | |
| Total | **100%** |

10. Please provide the following information regarding your five (5) largest clients according to the amount of revenue generated from the performance of services for the past fiscal year and as a percentage of the total revenues stated in question #8c.

| Client | Service provided | Revenue derived | % of total revenue |
|---|---|---|---|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

11. a. Does the Applicant use a written contract with clients? ☐ Yes ☐ No
(if No, please attach explanation)

    b. Does an attorney review such contracts prior to use? ☐ Yes ☐ No


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## COMPANY PROFILE, CONTINUED

c. Does the standard contract contain hold harmless clauses for the benefit of the Applicant? ..... ☐ Yes ☐ No

12. a. Does the Applicant have a procedure requiring the review or follow-up of complaints? ☐ Yes ☐ No

b. Does the Applicant have any risk management procedures in place? ..... ☐ Yes ☐ No

c. Does the Applicant have a formalized training program for newly hired employees? ... ☐ Yes ☐ No

13. a. What percentage of the Applicants business involves subcontracting work to others? _____%

Please describe services _____

_____

_____

b. Does the applicant require evidence of the errors and omissions insurance from subcontractors? ..... ☐ Yes ☐ No

14. a. Please indicate the number of principals, partners, directors, officers and professional employees directly engaged in providing professional services to clients:. _____

b. Please indicate the number of all other nonprofessional and/or clerical employees: .... _____

15. Do you have any certified, licensed or registered professionals on staff? _____ ☐ Yes ☐ No

If Yes, please describe services _____

_____

_____

## CLAIM INFORMATION

16. a. In the last five years, have you or anyone in your firm received any complaints concerning products or services provided by you or anyone else on your behalf? ..... ☐ Yes ☐ No
(if Yes, please attach an explanation of each, including resolution)

b. In the last two years, have you sued a customer or client for non-payment of fees? ..... ☐ Yes ☐ No
(if Yes, please attach an explanation of each, including resolution)

c. Are you or anyone in your firm aware of any fact, circumstance or situation that could give rise to a claim under this or similar insurance policy? ..... ☐ Yes ☐ No
If Yes, have you reported same to your current insurer? ..... ☐ Yes ☐ No
(if Yes, please attach an explanation of each and current status)


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Applicant hereby represents after inquiry, that information contained herein and in any supplemental applications or forms required hereby, is true, accurate and complete, and that no material facts have been suppressed or misstated. Applicant acknowledges a continuing obligation to report to the Company as soon as practicable any material changes in all such information, after signing the application and prior to issuance of the policy, and acknowledges that the Company shall have the right to withdraw or modify any outstanding quotations and/or authorization or agreement to bind the insurance based upon such changes.

Further, Applicant understands and acknowledges that:

1. If a policy is issued, the Company will have relied upon, as representations, this application, any supplemental applications, and any other statements furnished to the Company in conjunction with this application, all of which are hereby incorporated by reference into this application and made a part thereof;
2. This application will be the basis of the contract and will be incorporated by references into and made part of such policy; and
3. Applicant's failure to report to its current insurance company any claim made against it during the current policy term, or act, omission or circumstances which Applicant is aware of which may give rise to a claim before the expiration of the current policy may create a lack of coverage for each Applicant who had a basis to believe that any such act, omission or circumstances might reasonably be expected to be the basis of a claim.
4. The policy applied for provides coverage on a claims made and reported basis and will apply only to claims that are first made against the insured and reported in writing to the Company during the policy period. Claims expenses are within and reduce the limit of liability.

Applicant hereby authorizes the release of claim information to the Company from any current or prior insurer of the Applicant.


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## APPLICANT FRAUD WARNINGS

**NOTICE TO ARKANSAS 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 policyholder 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 Agencies.**

**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 any other person. 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 KANSAS APPLICANTS:** A "fraudulent insurance act" means an act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.

**NOTICE TO KENTUCKY 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.

**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 an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines, or denial of insurance benefits.

**NOTICE TO MARYLAND APPLICANTS:** Any person who knowingly *or* willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly *or* willfully 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 NEW JERSEY APPLICANTS:** Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

**NOTICE TO NEW MEXICO 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 CIVIL FINES AND CRIMINAL PENALTIES.


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**NOTICE TO OHIO APPLICANTS:** Any person who, with intent to defraud or knowing that he 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.

**NOTICE TO PENNSYLVANIA APPLICANTS:** Any person who knowingly and with intent to defraud any insurance company or other 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 such person to criminal and civil penalties.

**NOTICE TO PUERTO RICO APPLICANTS: Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars ($5,000) and not more than ten thousand dollars ($10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances [be] present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.**

**NOTICE TO RHODE ISLAND 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 TENNESSEE APPLICANTS:** It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

**NOTICE TO VIRGINIA APPLICANTS:** It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

**NOTICE TO WASHINGTON APPLICANTS:** It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

**NOTICE TO 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 ALL OTHER STATES:** Any person who knowingly and willfully presents false information in an application for insurance may be guilty of insurance fraud and subject to fines and confinement in prison. (In Oregon, the aforementioned actions may constitute a fraudulent insurance act which may be a crime and may subject the person to penalties).

**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 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 shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.


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**THE APPLICANT REPRESENTS THAT THE ABOVE STATEMENTS AND FACTS ARE TRUE AND THAT NO MATERIAL FACTS HAVE BEEN SUPPRESSED OR MISSTATED.**
**COMPLETION OF THIS FORM DOES NOT BIND COVERAGE. APPLICANT'S ACCEPTANCE OF THE COMPANY'S QUOTATION IS REQUIRED PRIOR TO BINDING COVERAGE AND POLICY ISSUANCE.**

**ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE COMPANY IN CONJUNCTION WITH THIS APPLICATION ARE HEREBY INCORPORATED BY REFERENCE INTO THIS APPLICATION AND MADE A PART HEREOF.**

The undersigned certifies that he or she is an authorized representative of the applicant identified in 'APPLICANT DETAILS" and certifies that reasonable inquiry has been made to obtain the answers to these questions. He or she certifies that the answers are true, correct and complete to the best of his/her knowledge and belief.

Applicant: _____ Title: _____

Applicant's Signature: _____ Date: _____

Agent/Broker Name: _____


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