

## PROPOSAL FORM

### ERRORS & OMISSION LIABILITY INSURANCE INFORMATION TECHNOLOGY

The liability of the Insurer does not commence until the Proposal is accepted by the Insurer and premium paid in advance and upon full realization of the premium payment by the Insurer. The Insurer is under no obligation to accept this Proposal. Receipt of this Proposal by the Insurer along with the premium payment does not tantamount to the acceptance of the Proposal by the Insurer and does not result in a concluded contract of insurance.

Coverage is as per the terms and conditions of our Standard Policy Wordings. Please note that this is a Claims Made policy. Accordingly, the Insurer will only cover the Insured in respect of Claims which are first made against the Insured during the Policy Period and reported to the Insurer during the Policy Period. The Insurer does not assume any duty to defend

The Policy shall become void at the option of the Insurer, in the event of any untrue or incorrect statement, misrepresentation, mis-declaration, misdescription or non-description, fraud, failure to disclose or suppression of any material facts in response to the questions in the Proposal form or on non-disclosure of any material particular.

#### **INSTRUCTIONS FOR FILLING THE PROPOSAL FORM**

1. Please fill the Proposal form legibly.
2. Some sections of the application will not apply to You. Please mark Not Applicable (N/A) in such cases.
3. Please attach a separate sheet if space indicated in the Proposal form is not sufficient

Name of the Intermediary: \_\_\_\_\_ Intermediary Code: \_\_\_\_\_

#### **Details of the Company**

1. Name of the Company and all entities (including subsidiaries) to be Insured:

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\_\_\_\_\_

2. Company's Address:

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3. Country of Registration:

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4. Date Established:

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5. Website Address:

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6. Has the Proposer been involved in a merger or acquisition over the last 10 years?:

Yes  No

If "Yes", please provide details.

7. Please provide the following details for each partner / director:

Name	Qualification	Period as a partner/ director at this Company

8. Please advise the number of staff in the following categories:

Partners or directors	
Professional / technical staff	
Sales and marketing	
Administration / support staff	
Other staff (please specify)	

9. Please describe in detail the nature of the information technology (IT) services and information technology (IT) products provided by the Proposer

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10. Actual & estimated revenue

Location	Last completed Financial Year	Current Financial Year Forecast	Next Financial Year Forecast
USA/ Canada			
Australia			
Europe			
India			
Others – Please specify			

11. Please provide a split of the Proposer's turnover or revenue from the following activities

Services	Last 12 months (%)	Next 12 months (%)
Consultancy/miscellaneous IT services		
Systems integration		
Software developer - applications, custom, bespoke		
Software developer – shrinkwrap		
Software developer - control systems		
Software re-seller		
Software support and maintenance		
Hardware or peripheral manufacture & assembly		
Hardware or peripheral reseller		
Hardware or peripheral maintenance		
VAR and retail sales		
Systems and data processing		
Payment processing systems		
Data warehousing		
Facilities management /outsourcing services/hosting		
Telecom carriage services		
Telecom and network consulting services		

Application Service Provider (ASP)		
Internet security product or service providers		
Internet Service Provider (ISP)		
Website development		
Education and training		
IT Recruitment services		
Other (please specify)		

12. Is the end use of the product or service provided by the Proposer involved in any of the following?

Medical industry devices or applications	Yes <input type="checkbox"/> No <input type="checkbox"/>
Fire, security or other emergency applications	Yes <input type="checkbox"/> No <input type="checkbox"/>
Privacy applications	Yes <input type="checkbox"/> No <input type="checkbox"/>
Oil, gas, power, nuclear, energy applications	Yes <input type="checkbox"/> No <input type="checkbox"/>
Manufacturing process control systems	Yes <input type="checkbox"/> No <input type="checkbox"/>
Aerospace or defence applications	Yes <input type="checkbox"/> No <input type="checkbox"/>
Technology security services	Yes <input type="checkbox"/> No <input type="checkbox"/>

13. Please describe the end-use of the Proposer's other services and products. For example, specify if they are targeted to a particular industry such as banking, healthcare, military etc.

Industry	% of Annual Turnover


14. Please list the 5 largest contracts the Proposer has entered into over the last 5 years

Client	Contract Period	Revenue	Services Provided

15. Contract related questions

What is the value of the Proposer's average contract?	
What is the duration of the Proposer's average contract?	
Do all customers sign a written agreement, contract or purchase order?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Proposer use standard customer contracts? If yes, please attach a copy	Yes <input type="checkbox"/> No <input type="checkbox"/>
What percentage of the time do customers agree to the Proposer's standard agreements or contracts?	
Does the Proposer limit its liability in all contracts to the cost of services or products provided?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Proposer ever sign contracts where it accepts liability for consequential losses (apart from Intellectual property)?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are all contracts legally reviewed prior to signing?	Yes <input type="checkbox"/> No <input type="checkbox"/>
What percentage of contracts are agreed on:	

Fixed price basis	
Time and material basis	
Does the Proposer ever agree to indemnify or hold harmless any third party for claims arising out of the Proposer's services or products?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If yes, please give details	

16. Does the Proposer engage sub-contractors to provide any IT services or IT products?

If yes

What percentage of IT services or IT products are provided by sub-contractors?	
Please specify what IT services or IT products are sub-contracted.	
Does the Proposer have specific written contracts with these sub-contractors?	Yes <input type="checkbox"/> No <input type="checkbox"/>

17. Quality Control Measures

Does the Proposer have a formal customer or vendor selection process?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Proposer require written acceptance from the customer on delivery of services or products?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Proposer have a Total Quality Management (TQM) strategy in place?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Proposer have a formal product recall plan in place	Yes <input type="checkbox"/> No <input type="checkbox"/>
Is final testing carried out with the customer and customer sign-off required?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Proposer hold ISO or any other third party accreditation for the risk management procedures utilized?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Please give complete details	

## 18. IPR related details

Does the Proposer obtain legal advice from specialists familiar with intellectual property law before releasing new software or products?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Has the Proposer ever released software or products where they have received advice that an intellectual property dispute exists?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Proposer have written procedures for handling intellectual property of others?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Has the Proposer ever filed for any patents?  If so, how many patents does the Proposer currently own?  Have they ever received a notice of possible infringement of another patent?	Yes <input type="checkbox"/> No <input type="checkbox"/>          Yes <input type="checkbox"/> No <input type="checkbox"/>

19. Has any partner, director or employee of the Proposer ever been subject to any disciplinary proceedings? Yes  No

If Yes, please give details

20. Has a claim ever been made against the Proposer (or any previous company name used by the Proposer), or any past or present partner, director or employee of the Proposer?

Yes  No



If “Yes”, please provide details of matter, claimant, current status, amounts paid and reserve amounts.

21. Has Is the Proposer including any of its partners, directors or employees aware of any facts which might give rise to a claim against any of them? Yes  No

If “Yes”, please provide details

22. Within the last 3 years have any customers stopped paying for or requested a refund because the Proposer’s services or products did not meet their specifications or expectations?

Yes  No

### 23. Insurance History

Does the Proposer currently hold a Professional Indemnity policy? If Yes Please give details: Insurer Expiry Date Limit of Indemnity Retroactive Date Excess	Yes <input type="checkbox"/> No <input type="checkbox"/>
Has any insurer ever refused to provide terms or offer renewal terms to the Proposer or has any insurance held by the Proposer ever been avoided or cancelled by an insurer?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Have any special terms or conditions ever been imposed on any insurance policy held by the Proposer? If Yes, please provide details	Yes <input type="checkbox"/> No <input type="checkbox"/>

## 24. Insurance Requirement

<b>Limit of Indemnity</b>	<b>INR</b>
<b>Inception Date</b>	
<b>Optional Extensions required:</b>	
<b>Contractors &amp; Consultants</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Fraud &amp; Dishonesty</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Intellectual Property Rights</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Principal's Indemnity</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Joint Ventures</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Pollution</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Loss Mitigation &amp; Rectification</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Coverage Territory &amp; Jurisdiction</b>	

**Please attach the following:**

- Brochures and any other Marketing Materials
- A Copy of Standard Contract or Terms of Engagement used
- An outline of Risk Management procedures

**DECLARATION**

I/we hereby confirm that all premiums have been/will be paid from bonafide sources and no premiums have been/will be paid out of proceeds of crime related to any of the offences listed in Prevention of Money Laundering Act, 2002.

I/we understand that the Company has the right to call for documents to establish sources of funds. The insurance Company has the right to cancel the insurance contract in case I/we am/are have been found guilty by any competent court of law under any of the statutes, directly or indirectly governing the Prevention of Money Laundering Act, 2002 in India.

I/We hereby declare that the statements, answers and particulars made by me/us in this Proposal Form are correct, complete and true to the best of my/our knowledge and belief. It is hereby understood and agreed that the statements, answers and particulars provided hereinabove, are the basis on which this insurance is being granted and that if, after the insurance is effected, it is found that any of the statements, answers or particulars are incorrect or untrue in any respect, the Company shall have no liability under this insurance.

I/We agree and undertake to convey to Liberty General Insurance Limited any additions/alterations carried out in the risk proposed for insurance after submission of this Proposal Form and in such event it shall be at the discretion of the Company as to whether to continue with the cover as may be granted.

Authorized Signatory

Proposer's Seal

Designation of the Signatory:

Date:

Place:

#### **Section 41 of Insurance Act 1938 - PROHIBITION OF REBATES**

No person shall allow or offer to allow, either directly or indirectly as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or

continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the Insurer.

Any person making default in complying with the provision of this Section shall be punishable with fine, which may extend to five hundred rupees.

**INSURANCE IS A SUBJECT MATTER OF SOLICITATION**