



Information Technology Liability Insurance Proposal

Please answer all questions. Blanks &/or dashes, or answers 'known to underwriters or brokers' or 'N/A' are not acceptable and will delay consideration of this proposal.
 If there is insufficient room to complete a question, please attach a signed and dated addendum.
 Any documents attached to the proposal form are part of this proposal.
 Where appropriate, please tick the Yes or No box which best indicates your reply.

Applicant(s) details

1. Name (full legal name of each natural person and incorporated body to be insured as well as any unincorporated business or trading names)

Date(s) of commencement

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ABN

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2. Postal address

	Postcode
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Telephone no.

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Facsimile no.

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Mobile no.

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Email address

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Website address

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3. Particulars of all Principals and Directors

Name of Principal/Director	Age	Qualifications	Years Practising		Name of Previous Business Practices
			Current Business Practices	Previous Business Practices	

If not contained on your website, please attach a brief resume for each Principal and Director.

4. Total number of employees:

5. Have you amalgamated or merged with any other business?

No Yes

Please provide details:

6. Is any Partner, Principal or Director connected or associated (financially or otherwise) with any other business?

No Yes

Please provide details:

7. Are you a member of a professional association or society?

No Yes

Please provide details for each Principal/Director:

Insurance history

8. a) Do you currently hold professional indemnity and/or liability insurance?
 No Yes Please complete the table below for the past 2 years.

b) If you are not currently insured, have you ever held professional indemnity and/or liability insurance?
 No Yes Please complete the table below for the past 2 years you were insured:

Name of Insurer	Period Insured	Type of Cover	\$ Sum Insured	\$ Excess

9. Have you ever had a professional indemnity or liability insurer decline a proposal, impose special terms, decline to renew or cancel your insurance?

No Yes Please provide details:

Nature of your business

10. a) State fully the nature of your business, including the primary purpose of software and systems provided, sold or licensed. (Please provide copies of any brochures or other documentation which may assist in explaining your business activities).

10. b) Has there been any change in the nature of the business or services provided by the insured in the last 5 years?

No Yes Please provide details:

Total income

11.

Country	Professional Fees		Sales Revenue	
	Last Year	This Year	Last Year	This Year
Australia				
Asia				
USA or Canada				
Others (Specify)				

12. Please provide a percentage breakdown of your TOTAL income disclosed in Question 11 by State or Territory.

NSW	%	VIC	%	QLD	%	SA	%	NT	%
WA	%	ACT	%	TAS	%	Overseas	%	Total	100 %

Total income cont'd

13. a) Please estimate the percentage split of your Total Income as shown in Question 11.

	Actual % this year	Estimate % next year
Architecture & Design – User Applications	%	%
Architecture & Design – Systems & Networks	%	%
CAD/CAM Programming	%	%
Database Programming & Applications	%	%
Data Warehousing	%	%
Disaster Recovery – Planning & Audits	%	%
Disaster Recovery – Service Restoration & Support	%	%
ERP CRM SCM BPR (Supply Chain, Re-engineering, etc)	%	%
Facilities Management	%	%
Geographic Information Systems (GIS)	%	%
Hardware Engineering & Maintenance	%	%
Helpdesk – SME only	%	%
Helpdesk & Network Support	%	%
Home/Recreational	%	%
Mobility & Wireless Applications	%	%
Multimedia	%	%
Networking/Communications	%	%
Portal Development	%	%
Project Management	%	%
Server Farms	%	%
Security Services & Consultancy	%	%
Speech Recognition	%	%
Software – Compliance	%	%
Software – Educational	%	%
Software – Financial / Payroll	%	%
Software – Medical	%	%
Software – Process Control	%	%
Software – Simulation & Modelling	%	%
Software - Statistical	%	%
Software Programming – Miscellaneous	%	%
Systems Integration	%	%
Training – Computer Based	%	%
Web Design	%	%
Web Hosting/ISP	%	%
Sales – Hardware	%	%
Sales – Software	%	%
Sales – Private Networking	%	%
Other – Please specify		
	%	%
Total	100 %	100 %

Nature of your business cont'd

13. b) Please indicate the percentage of your income derived from the following categories of client:

Client Category	Percentage of your income last year
SME (Employees base < 30)	%
Government	%
Others (Employee base > 30)	%
Total	100 %

14. Do you import any products associated with the fields of activity listed in Question 13?

No Yes Please provide details:

15. Have you discontinued developing, manufacturing, producing or handling any software/hardware or information technology system?

No Yes Please provide details:

16. Do you provide services or products intended for use in the following areas?

No Yes Please specify the percentage of your income disclosed in Question 10 derived from the following:

Aerospace, aircraft, radar and navigation systems	%
Credit Card processing or Billing systems	%
Electricity Generation or Distribution	%
ERP systems	%
Financial or Banking services	%
Fire/Security/Emergency services	%
Medical/Surgical applications	%
Military systems	%
Mobile phone/Wireless Access programming	%
Nuclear Installations	%
Oil, Pipelines and Refineries	%
Robotic control or manufacturing mining process controls including PLC and SCADA programming	%
Web portal programming	%

Please give further details on the services or products that you provide in the above areas. If inadequate space please append details on a separate sheet.

Note: We may require further information about your involvement in these areas and coverage may not be available for these risks.

Nature of business cont'd

17. Do you act as an agent for any company?

No Yes Please provide details:

Company	Software/Hardware services provided in accordance with the agreement	\$ Income earned from Agency

18. Please provide a brief description of the five (5) largest projects undertaken by you in the past 5 years.

Project/Contract description	Place of project	Your role	\$ Fees earned (per annum)	\$ Total contract value
1.				
2.				
3.				
4.				
5.				

19. Have you ever undertaken, or are you likely to undertake, work outside of Australia and New Zealand?

No Yes Please provide details:

Country	Date of completion	\$ Annual income	Type of work
	/ /		
	/ /		
	/ /		
	/ /		
	/ /		

Claims and circumstances

20. Please answer the following questions after enquiry within your organisation.

- (a) During the past 10 years has any Claim been made, or has negligence been alleged, against any entity or individual to be insured by this insurance (including any prior corporate entity and any of the present or former Principals), or have any circumstances which may give rise to a claim against any of these been notified to insurers?

No Yes Please provide details:

Year notified	Insured with	Claimant	Nature of problem	\$ Amount paid/ outstanding

- (b) Are there any circumstances not already notified to insurers which may give rise to a Claim against any entity or individual to be insured by this insurance (including any prior corporate entity and any of the present of former Principals).

No Yes Please provide details:

Name of Practice and Principal	Claimant	Nature of problem	\$ Estimate

- (c) Are there any Claims against previous practices which have been identified in Questions 3 or 4 of this Proposal, which may give rise to a Claim against any entity or individual to be insured by this insurance (including any prior corporate entity and any of the present of former Principals).

No Yes Please provide details:

Name of Business/Principal	Claimant	Nature of problem	\$ Amount paid/ outstanding

- (d) Has any Principal or staff member ever been subject to disciplinary proceedings for professional misconduct?

No Yes Please provide details:

Name of Business/Principal/ staff member	Claimant	Nature of problem	\$ Amount paid/ outstanding

Cover required

21. Do you wish to cover your consultants, sub-contractors or agents, in respect of work performed on your behalf?

No

Yes

Please give details of the nature of work performed and the names of all consultants, sub contractors and agents to be covered.

Please state the gross professional fees paid to consultants, sub-contractors and agents to be covered, during the past 12 months.

\$

22. Do you test and certify the skill level of all consultants, sub-contractors or agents to be covered in this policy?

No

Yes

23. Do you provide guidance, supervision and training for all consultants, sub-contractors or agents to ensure appropriate work standards are consistently maintained?

No

Yes

Please state amount of preferred Total Sum Insured and Excess:

\$ Total Sum Insured

\$ Excess

24. a) Policy One - Professional Indemnity

b) Policy Two - Public/Products Liability

Note: The policy is subject to the following minimum Sums Insured and Excess:

a) Policy One - Professional Indemnity.

Total Sum Insured - \$1,000,000 Excess - \$1,000

b) Policy Two - Public/Products Liability.

Total Sum Insured - \$5,000,000 Excess - \$500, property damage claims only

Risk management and Quality Assurance

25. Do you have International Standards Organisation (ISO) certification?

No

Yes

26. Do you document Customer Needs Analysis?

No

Yes

27. Do you document User Specifications?

No

Yes

28. Do you have a formal customer acceptance procedure?

No

Yes

29. Do you require a final acceptance letter or other sign-off agreement from the customer?

No

Yes

30. Do you maintain written logs for customer reports of problems or down-time?

No

Yes

31. Do you retain all records in terms of products and services supplied for a period of at least seven (7) years?

No

Yes

32. Are all employees required to sign statements that they will not use any previous employers' trade secrets or other information?

Yes

No

What controls do you have to prevent potential infringement of trade secrets or property information of third parties?

Risk management cont'd

33. Do you have recall procedures in place?

No Yes

34. Do you use standard contracts?

No Yes

35. Are all contracts reviewed by a Solicitor/s?

No Yes

36. Do your contracts exclude liability for consequential loss?

No Yes

37. Do you limit your liability in contract?

No Yes

38. What proportion of your contracts (if any) are outsourced?

%

Please provide details:

39. Do you provide any form of ongoing technical support service to clients? eg. Help desk 24/7, Desktop support.

No Yes Please provide details:

40. Do you have formal Service Level Agreements in place?

No Yes Please provide details:

41. Where needed, do you have Supply & Service agreements with all relevant Original Equipment Manufacturers (OEMs)?

No Yes Please provide details:

42. Do your contracts include any dispute resolution procedures?

No Yes Please provide details:

43. Please indicate the financial and/or business impact (if any) on your client from a failure of any of your products or services provided?

None Minor Major Please provide details:

Risk management cont'd

44. Do you give any warranties and/or guarantees in your contracts?

No Yes Please provide details:

45. Do you have back up systems and risk mitigation plans in place?

No Yes

46. Do you test your products and/or solutions before their release?

Alpha Testing: Beta Testing: User Acceptance (UAT):

No Yes No Yes No Yes

Declaration

I/We hereby declare that:

My/Our attention has been drawn to the Important Notice accompanying this proposal form and further I/we have read these notices carefully and acknowledge my/our understanding of their content by my/our signature/s below.

The above statements are true, and I/we have not suppressed or mis-stated any facts and should any information given by me/us alter between the date of this proposal form and the inception date of the insurance to which this Proposal relates, I/we shall give immediate notice thereof.

I/We authorize CGU Professional Risks Insurance, a division of CGU Insurance Limited, to collect or disclose any personal information relating to this insurance to/from any other insurers or insurance reference service. Where I/we have provided information about another individual (for example, an employee, or client), I/we declare that the individual has been or will be made aware of that fact and the contents of the CGU Insurance Group's Privacy Statement (available to you upon your request).

I/We also confirm that the undersigned is/are authorised to act for and on behalf of all persons who may be entitled to indemnity under any policy which may be issued pursuant to this proposal form and I/we complete this proposal form on their behalf.

To be signed by the Chairman/President/Managing Partner/Director/Principal of the partnership/company/practice/business.

Signature

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Date

	/		/	
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Signature

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Date

	/		/	
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It is important that the signatory/signatories to the Declaration is/are fully aware of the scope of this insurance so that all questions can be answered. If in doubt, please contact your insurance broker since non-disclosure may affect an Insured's right of recovery under the policy or lead to it being avoided.

Insurance Broker's Details

Broker name

Account number

Address

Postcode

Telephone no.

Facsimile no.

Contact name

NSW Office

388 George Street Sydney NSW 2000
PO Box H90 Australia Square Sydney NSW 1215
Tel. (02) 8224 4655 Fax (02) 8224 4030

Victorian Office

Level 4 CGU Centre 485 La Trobe Street Melbourne VIC 3000
GPO Box 4609 Melbourne VIC 3001 DX 38206 Flagstaff
Tel. (03) 9601 8700 Fax (03) 9602 5255

Queensland Branch

Level 12 189 Grey Street South Bank QLD 4101
PO Box 1495 Milton QLD 4064
Tel. (07) 3135 1566 Fax (07) 3135 1564

Western Australia Branch

Level 4 The Insurance Centre 46 Colin Street West Perth WA 6005
PO Box 7018 Cloisters Square Perth WA 6850 DX 199 Perth
Tel. (08) 9254 3750 Fax (08) 9254 3751

South Australia Branch

Level 8 80 Flinders Street Adelaide SA 5000
GPO Box 9902 Adelaide SA 5001 DX 394 Adelaide
Tel. (08) 8425 6650 Fax (08) 8425 6592

CGU Professional Risks Insurance

A Division of CGU Insurance Limited ABN 27 004 478 371



An Important Notice to the Applicant 'Claims Made' Contracts of Insurance

Please read and retain in your file

The proposed insurance is issued on a 'claims made' basis.

This means that the policy responds to:-

1. claims first made against the insured during the policy period and notified to CGU Professional Risks Insurance during that policy period, providing that the insured was not aware, at any time prior to the policy inception, of circumstances which would have alerted a reasonable person in the insured's position that a claim may be made against the insured; and
2. 'claims circumstances' notified pursuant to Section 40 (3) of the *Insurance Contracts Act* which states:

'where the insured gave notice in writing to the insurer of facts that might give rise to a claim against the insured as soon as was reasonably practicable after the insured became aware of those facts but before the insurance cover provided by the contract expired, the insurer is not relieved of liability under the contract in respect of the claim, when made, by reason only that it was made after the expiration of the period of insurance cover provided by the contract'.

After policy expiry, no new claims can be made on the expired policy *even though the event giving rise to the claim may have occurred during the policy period.*

If during the policy period you become aware of circumstances which a reasonable person in your position would consider may give rise to a claim, and which you fail to notify to us during the policy period, we may not cover you under a subsequent policy for any claim which arises from these circumstances.

When completing the proposal you are obliged to report and provide full details of all circumstances of which you are aware and which a reasonable person in your position would consider may give rise to a claim.

It is important that you make proper disclosure (see **Duty of Disclosure**, below) so that your cover under any new policy with us is not compromised.

Pursuant to the *Insurance Contracts Act* your duty to disclose all relevant information is set out below.

Duty of Disclosure

Before entering into a contract of general insurance, you have a duty, under the *Insurance Contracts Act*, to disclose to us every matter that you are aware of, or could reasonably be expected to be aware of, that is relevant to our decision about insuring you and if so, on what terms. You have the same duty to disclose these matters to us before you renew, extend, vary or reinstate a contract of general insurance.

Your duty however does not require disclosure of matter -

- that diminishes the risk to be undertaken by us;
- that is of common knowledge;
- that we know or, in the ordinary course of our business, ought to know;
- as to which compliance with your duty is waived by us.

You should note that your duty continues after the proposal form has been completed until the policy is entered into, i.e. until the date we receive instructions to bind cover.

Non-disclosure

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under the policy in respect of a claim or may cancel the policy. If your non-disclosure is fraudulent, we may also have the option of avoiding the contract from its beginning. It is therefore vital that you enquire of all entities comprising the insured, including senior staff, before completing the proposal form and before you sign any declaration confirming no change in the information disclosed.

Retroactive Liability

The proposed insurance may be limited by a retroactive date either stated in the schedule or endorsed onto the policy. Where the retroactive cover provided by the proposed policy is subject to such a date, then the policy does not cover any claim arising from actual or alleged act, error, omission or conduct occurring prior to such retroactive date.

Average Provision

One of the insuring provisions of the proposed insurance may provide that where the amount required to dispose of a claim exceeds the limit of the sum insured in the policy then CGU Professional Risks Insurance shall be liable only for a proportion of the total costs and expenses. This shall be the same proportion of the total expenses as the policy limit bears to the total amount required to dispose of the claim.

Surrender of Waiver of any Right of Contribution or Indemnity

If another person or company is liable to compensate you or hold you harmless for part or all of any loss or damage otherwise covered by our policy, but you agree with that person or company (either before or after the inception of our policy) that you would not seek to recover any loss or damage from them, we will not cover you for this loss or damage.

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