



# **INFORMATION TECHNOLOGY PROFESSIONAL INDEMNITY PROPOSAL FORM**

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## DUTY OF FAIR PRESENTATION

1. Before this insurance contract is entered into, the Insured must make a fair presentation of the risk to the Insurer, in accordance with Section 3 of the Insurance Act 2015. In summary, the Insured must:
  - a. Disclose to the Insurer every material circumstance which the Insured knows or ought to know. Failing that, the Insured must give the Insurer sufficient information to put a prudent insurer on notice that it needs to make further enquiries in order to reveal material circumstances. A matter is material if it would influence the judgement of a prudent insurer as to whether to accept the risk, or the terms of the insurance (including premium);
  - b. Make the disclosure in clause (1)(a) above in a reasonably clear and accessible way; and
  - c. Ensure that every material representation of fact is substantially correct, and that every material representation of expectation or belief is made in good faith.
  
2. For the purposes of clause (1)(a) above, the Insured is expected to know the following:
  - a. If the Insured is an individual, what is known to the individual and anybody who is responsible for arranging his or her insurance.
  - b. If the Insured is not an individual, what is known to anybody who is part of the Insured's senior management; or anybody who is responsible for arranging the Insured's insurance.
  - c. Whether the Insured is an individual or not, what should reasonably have been revealed by a reasonable search of information available to the Insured. The information may be held within the Insured's organisation, or by any third party (including but not limited to subsidiaries, affiliates, the broker, or any other person who will be covered under the insurance). If the Insured is insuring subsidiaries, affiliates or other parties, the Insurer expects that the Insured will have included them in its enquiries, and that the Insured will inform the Insurer if it has not done so. The reasonable search may be conducted by making enquiries or by any other means.

LMA9117

16 March 2016

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## PROPOSER'S DETAILS

It is a requirement to capture information about every company and subsidiary company that is to be covered by the policy. As "associated" companies do not fall within the subsidiaries definition they must arrange their own cover to comply with regulations. If you are an individual or partnership, please state your full names including any trading style.

1. Company Name (including list of partners if not a limited company)
  
  
  
  
  
  
  
  
  
  
2. Address 1
  
  
  
  
  
  
  
  
  
  
3. Address 2
  
  
  
  
  
  
  
  
  
  
4. Town
5. County
6. Postcode

**If the business is a partnership, LLP, Ltd or PLC please provide full details of all other partners or any subsidiaries on the 'Additional Information' sheet at the end of the proposal form.**

**If you operate from more than one address please list all other business addresses and their business use on the 'Additional Information' sheet.**

7. Full business description (if you have a brochure or company literature, please attach them to this form)

## CURRENT INSURANCE ARRANGEMENTS

8. Insurer
  
  
  
  
  
  
  
  
  
  
9. Broker
  
  
  
  
  
  
  
  
  
  
10. Policy Limit
- Any one claim
- Aggregate
- (please tick as applicable)
  
11. Excess
  
  
  
  
  
  
  
  
  
  
12. Premium
13. Renewal date
  
  
  
  
  
  
  
  
  
  
14. Date commenced trading
15. Is the business VAT registered?
- Yes
- No
  
  
  
  
  
  
  
  
  
  
16. Please give details of any professional or trade associations you are affiliated to
  
  
  
  
  
  
  
  
  
  
17. Please provide your existing retroactive date or state 'None' if fully retroactive

# INFORMATION TECHNOLOGY PROFESSIONAL INDEMNITY PROPOSAL FORM

## BUSINESS DETAILS

18. Please list below all partners/directors/principals of the companies named in Question 1

	Name	Qualifications	Date qualified	Age	Number of years in this role
i.					
ii.					
iii.					
iv.					
v.					

19. Do you require cover for a predecessor in business?

Yes    No

If "Yes" please state below

	Name of predecessor	Date commenced	Date ceased	Reason for cessation
i.				
ii.				
iii.				

20. Please state below the total number of staff

	Full-time	Part-time
Principals/directors/partners		
Qualified staff		
Other		

**Please enclose brief CVs of the principals/directors**

21. Gross income/fees

a. State the actual and estimated gross fees for the following periods (if this is a new venture, please provide estimated fees expected in the first year of trading)

	Last completed year	Two years ago	Current year (est.)
UK work	£	£	£
Europe (ex UK)	£	£	£
USA/Canada	£	£	£
Other overseas	£	£	£
TOTAL	£	£	£

b. What is the end date of your financial year?                      Day                      Month

c. Do you have declared fees for USA or Canada?

Yes    No

If "Yes" please confirm which law the contracts are subject to                      English                      USA or Canada

d. What was the largest (annual) fee received from a single client during the last completed year?                      £

e. What is the average fee received during the last completed year?                      £

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22. Areas of business

a. Please provide a split of business activities undertaken in the last year (or estimate if a new venture)

	Percentage
<b>i. Products (hardware)</b>	
a. Designed by you	%
b. Manufactured by you	%
c. Designed &/or manufactured by third party	%
<b>ii. Products (licences)</b>	
a. For your own shrink wrapped software	%
b. For third party shrink wrapped software	%
c. For your customisable software	%
d. For third party customisable software	%
<b>iii. Services</b>	
a. Installation of software/hardware	%
b. Customisation of software	%
c. Bespoke development of software	%
d. Maintenance of software/hardware	%
e. Co-location (heat, light, power)	%
f. Facilities management (including application management)	%
g. Training	%
h. Provision of contract staff	%
i. Project management:	
• Where you set the specification	%
• Where a third party sets the specification	%
j. Consultancy	%
<b>iv. Web services</b>	
a. Web design	%
b. Web hosting	%
c. Application hosting (excluding application maintenance)	%
d. Domain name registration	%
e. Other work	%
<b>Total:</b>	<b>100 %</b>

If you have stated above that you do other work (iv. e.), provide details below

- |   |     |    |
|---|-----|----|
| b. Do you anticipate any major changes in these activities in the next 12 months?<br>(‘major changes’ means any activity changing by more than 15%) | Yes | No |
| c. Do you provide any other services to third parties, not listed above?<br>If “Yes” please provide details below                                   | Yes | No |

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23. Type of projects and risk exposures

a. Do you specialise in any particular product, service or sector? Yes    No

If "Yes" please provide details below

b. Who would you consider to be your three main competitors (if applicable)?

i.

ii.

iii.

c. In your opinion, is the failure, or implementation delay, of any product or service you provide likely to result in any of the following outcomes:

i. Loss of life or injury to a person Yes    No

ii. Destruction or damage to physical property Yes    No

iii. Immediate and large financial loss Yes    No

iv. Significant cumulative financial loss Yes    No

v. Insignificant loss (more of a nuisance) Yes    No

If you have answered "Yes" to any of the above, please explain why below

24. Do you sub-contract any work? Yes    No

If "Yes"

a. What percentage of gross income/fees was or will be paid to sub-contractors in the last financial year? %

b. Are sub-contractors required to carry their own Professional Indemnity insurance? Yes    No

c. Do you get an indemnity from sub-contractors in writing? Yes    No

If "Yes" for what limit? £

d. Do you require a sub-contractor to be indemnified under your own insurance arrangements? Yes    No

If "Yes" please provide the following details

Name	Fees paid
	£

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25. Contracts

a. Please provide details of the three largest contracts in the last six years

Client	Start date	Services provided	Total contract value	Your fees	Approx. complete date
i.			£	£	
ii.			£	£	
iii.			£	£	

b. Please provide details of the three largest contracts that are due to commence in the next 12 months

Client	Start date	Services to be provided	Total contract value	Your fees	Approx. complete date
i.			£	£	
ii.			£	£	
iii.			£	£	

c. What is the length of your average contract?

d. Do you only ever commence work where a signed contract is in place? Yes    No  
If "No" please clarify what arrangements are put in place

e. What percentage of contracts are subject to:

- i. Your terms and conditions? %
- ii. Your terms and conditions with negotiated amendments? %
- iii. Your client's terms and conditions? %
- iv. Bespoke terms and conditions? %

f. Who has responsibility for negotiating contracts?

g. When you tender for business, or enter into contracts, do you have a documented process in place to ensure you can deliver what is expected of you? Yes    No

h. When contracting, are you able to confirm that it is your standard practice to:

- i. Exclude liability for consequential, special or indirect damages, loss of profits and liquidated damages? Yes    No
- ii. Cap your overall liability at a reasonable level? Yes    No
- iii. Warrant a performance standard no greater than reasonable care and skill? Yes    No
- iv. Ensure that changes to the scope of work are reflected in a written verification of the contract? Yes    No
- v. Only provide indemnities for intellectual property rights, death, bodily injury or property damage? Yes    No
- vi. Ensure that contracts stipulate a dispute resolution procedure? Yes    No

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If you have answered "No" to any of the above, please explain why below

- i. Do you have a disaster recovery plan? Yes    No  
 If "Yes" when was it last tested?
26. Joint ventures/related companies
- a. Are you (or any partner/principal/director) a member of any consortium or joint venture? Yes    No  
 If "Yes" provide details below (please use 'Additional Information' sheet, if necessary)
- |      | Name | Capacity | Details of job |
|------|------|----------|----------------|
| i.   |      |          |                |
| ii.  |      |          |                |
| iii. |      |          |                |
- b. Do you (or any partner/principal/director) act on behalf of, or undertake work for any firm, company or organisation in which this firm or any partner/principal/director has a financial interest? Yes    No  
 If "Yes" provide brief details below
27. Risk management procedures
- a. Are you accredited to (or in the process of becoming accredited to) ISO 9001 Quality Standard or subject to any other form of external assessment or quality assurance system? Yes    No
- b. Please describe below how you would cater for long absences of staff or when key staff leave
- c. Are your computer systems records backed up regularly, with such records stored off-site? Yes    No
- d. Are your e-mails automatically archived after a set period? Yes    No
- e. Do you require satisfactory references when engaging staff? Yes    No  
 If "Yes" please confirm
- |  |               |                          |
|--|---------------|--------------------------|
| i. For whom you require references     | All employees | Senior appointments only |
| ii. What type of reference is required | Written       | Verbal                   |
- f. Is any person permitted to sign cheques on his/her signature alone for amounts exceeding £10,000? Yes    No

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28. Fraud/dishonesty and general

- |  |     |    |
|--|-----|----|
| a. Have you sustained any loss through the fraud or dishonesty of any person?  | Yes | No |
| b. Are you aware of any allegation or occurrence of fraud or dishonesty in the last 5 years committed by any past or present partner, director or employee?    | Yes | No |
| c. Has any person for whom insurance is now sought been the subject of any admonishment by any professional body within the past 5 years?                      | Yes | No |
| d. Is there any other material information which may be relevant to the insurer's consideration of the risk that has not been declared elsewhere in this form? | Yes | No |

If the answer to any of the above is "Yes" provide full details below

29. Your requirements (Demands and Needs)

- |   |     |    |
|---|-----|----|
| a. What policy limit do you require?  | £   |    |
| b. Do you require cover for your sub-contractors?   | Yes | No |
| c. Do you require fidelity cover, if available (loss of your own money or property due to dishonesty or fraud of your own staff)? | Yes | No |
| d. Do you require cover for USA/Canada?   | Yes | No |
| e. Do you require cover for hacker damage?  | Yes | No |

If "Yes" please complete the following questions:

- |   |     |    |
|---|-----|----|
| i. What is your anticipated internet revenue for the next 12 months?  | £   |    |
| ii. Do you have an individual whose full time responsibility is IT?   | Yes | No |
| iii. Have you had external audits of your IT security in the last year?<br>If "Yes" what were the main recommendations? | Yes | No |

- |  |     |    |
|--|-----|----|
| iv. Do you have a written minimum technological security policy which you use to audit your practices? | Yes | No |
| v. Do you back up all electronic files on your system (including website) at least weekly?             | Yes | No |
| vi. Do you have main vendor anti-virus software in operation with a maintenance agreement in force?    | Yes | No |
| vii. Is your system protected by a firewall?   | Yes | No |
| viii. Do you have a resilient system for patching your system against known vulnerabilities?           | Yes | No |
| ix. Are all passwords changed at least every 60 days?  | Yes | No |
| x. Please give details of your longest outage that you have suffered                                   |     |    |

# INFORMATION TECHNOLOGY PROFESSIONAL INDEMNITY PROPOSAL FORM

## GENERAL QUESTIONS

Please answer question a. in relation to this business or any previous business in which the proprietor, partners or directors have traded, in this or any other name:

- |   |     |    |
|---|-----|----|
| a. Have any insurers in the last five years declined to insure any of you or your businesses, cancelled or refused to renew any insurance or imposed special terms? | Yes | No |
|---|-----|----|

Please answer questions b. to e. in relation to the proprietor, partners or directors of this business.

**Convictions or cautions do not have to be declared if they have become spent under the Rehabilitation of Offenders Act 1974. Reference to the Rehabilitation of Offenders Act 1974 is a reference to it as it is in force for the time being, taking into account any amendment, extension or re-enactment, and includes any subordinate legislation for the time being in force made under it.**

- |   |     |    |
|---|-----|----|
| b. Have any of you in the last five years been declared bankrupt or insolvent, in connection with this or any other business in this or any other name, or been disqualified from being a company director or been involved as owner, proprietor, partner or director with any company which went into receivership, administration or liquidation? | Yes | No |
| c. Have any of you in the last six years been the subject of any County Court Judgment and/or been cited in any unsatisfied court judgments (or the Scottish equivalent) and/or have any court judgments pending?   | Yes | No |
| d. Have any of you been convicted or charged (but not yet tried) with any criminal offence other than a motoring conviction?  | Yes | No |
| e. Have any of you committed any offence to which you have admitted and for which you have received an official police caution?   | Yes | No |

**If the answer to any question is “Yes” please provide full details on the ‘Additional Information’ sheet at the end of the proposal form.**

## CLAIMS AND CIRCUMSTANCES

- |   |     |    |
|---|-----|----|
| a. Have any claims, whether successful or not, been made against you (including any predecessors in business) or any present or former partner/principal/director in the last 5 years?  | Yes | No |
| b. Is any partner/principal/director aware, AFTER ENQUIRY, of any circumstance or occurrence which may give rise to a claim against you (including any predecessors in business) or any present or former partner/principal/director? | Yes | No |

If the answer to either of the above questions is “Yes” provide full details below (please use ‘Additional Information’ sheet, if necessary)

	Date of Claim	Cause of claim	Damages claimed	Defence costs	Reserves held by insurers
i.			£	£	£
ii.			£	£	£
iii.			£	£	£
c. What measures have been taken to prevent a similar claim(s) or occurrence(s) (please use ‘Additional Information’ sheet, if necessary)					

(Please note that this question is for underwriting purposes only. It does **NOT** constitute notification of a claim or possible claim. You are required to make a separate notification to the current insurer in accordance with their policy terms and conditions, prior to expiry of the current policy)

## DECLARATION

I/we declare that I/we have made a fair presentation of the risk, by disclosing all material matters which I/we know or ought to know or, failing that, by giving the Insurer sufficient information to put a prudent insurer on notice that it needs to make further enquiries in order to reveal material circumstances.

Signature

Please print name

Date

Position

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ADDITIONAL INFORMATION

**SRG** A Specialist Risk  
Group Company

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**Miles Smith**  
The St Botolph Building  
138 Houndsditch  
London EC3A 7AW

020 7977 4800

[milesmith.co.uk](https://www.milesmith.co.uk)