



@RISK MANAGERS, INC.

www.ITRiskmanagers.com

PO Box 504, Okemos, Michigan 48805-0504

Voice: 517 381-9909 Fax: 775 402-1164 Email: info@itriskmanagers.com

Internet & Technology (Network) Professional Liability Information Form

Instructions:

1. Please answer all questions. If a question does not apply, please indicate.
2. If more space is needed for answers, please continue answers on Applicant's letterhead.
3. Attachments: Certain documents will help secure the most favorable indications. They include:
 - Applicant's most recent financials including Profit and Loss, balance sheet and cash flow analysis
 - Copies of standard contracts the Applicant uses for clients
 - Resumes of the principals
 - Brochure or similar material describing Applicant's services
4. This application is being used for the purpose of securing indications only. A company specific application with original signature will be required prior to binding.

Internet and Technology (Cyber) Professional Liability Information Form

1. Name of Applicant: _____

2. Address: _____

City: _____ County: _____ State: _____ Zip: _____

Web address(es): _____

3. Names of parent, a subsidiary or affiliated entity for which coverage is desired.

4. Does the Applicant own more than three subsidiaries? Yes No
If yes, please provide details:

5. Please describe in detail the nature and types of professional services the applicant is engaged in:

6. Provide the date the Applicant was established: _____

7. Are significant changes in the nature or size of the applicant's business anticipated over the next 12 months? If yes, please explain: Yes No

8. Is the Applicant Organization publicly held or a public reporting company under the Securities Exchange Act of 1934? Yes No

9. Indicate activities, which apply to your business and the % of revenue, expected during the next 12 months (Please check all that apply).

	Receipts %		Receipts %
a. Data Processing and Entry	_____	k. Content Provider for Web Page/Forum	_____
b. Custom software Development	_____	l. Commercial On-Line Services	_____
c. Packaged Software Development	_____	m. Forum/Content Channel	_____
d. Consulting on Hardware/Software System design/purchase	_____	n. Electronic BBS	_____
e. Systems Installation	_____	o. FTP Site	_____
f. Systems Maintenance	_____	p. Internet Access Provider	_____
g. Computer Related Training	_____	q. Forum Manager	_____
h. Web Page Development	_____	r. Game Developer	_____
i. Web Page Maintenance/Updates	_____	s. Hosting Web Pages	_____
j. Other (Please Explain)	_____		_____

10. Has the Applicant been involved with any actual, negotiated or attempted merger, Acquisition, divestment or name change in the past 18 months? Yes No
If yes, please provide details:

Name of Entity	Date of Transaction	Type of Transaction (acquisition, merger or name change)	Liabilities Assumed (Yes or No)
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

11. Does the Applicant contemplate transacting any mergers or acquisitions in the next 12 months where such merger or acquisition would involve more than 50% of the total assets of the applicant organization? Yes No
If yes, please provide details:

12. Have there been any significant changes in the nature or size of the Applicant's business in the past 12 months? If yes, please explain: Yes No

13. Do the current liabilities exceed current assets? Yes No
If yes, please provide details:

14. Describe the following financial information of the Applicant organization for the most recent fiscal year end.

<u>Total assets</u>	<u>Gross Revenues</u>
___ \$ 0 to \$ 5,000,000	___ \$ 0 to \$ 5,000,000
___ \$ 5,000,001 to \$ 25,000,000	___ \$ 5,000,001 to \$ 25,000,000
___ \$ 25,000,001 to \$100,000,000	___ \$ 25,000,001 to \$100,000,000
___ \$100,000,001 to \$250,000,000	___ \$100,000,001 to \$250,000,000
___ \$250,000,001 and above	___ \$250,000,001 and above
Net income ___ or net loss ___ and Applicable amount:	Cash flow from operating activities positive ___ or negative ___ and applicable amount:
___ \$ 0 to \$ 500,000	___ \$ 0 to \$ 500,000
___ \$ 500,001 to \$1,000,000	___ \$ 500,001 to \$1,000,000
___ \$1,000,001 to \$3,000,000	___ \$1,000,001 to \$3,000,000
___ \$3,000,001 to \$5,000,000	___ \$3,000,001 to \$5,000,000
___ \$5,000,001 and above	___ \$5,000,001 and above

15. Do long-term liabilities exceed 75% of total assets? Yes No
If yes, please provide details:

16. Will more than 50% of the total long-term liabilities mature within the next 18 months? Yes No
If yes, please provide details:

17. Has any auditor rendered a "going concern opinion for the financial statements of the Applicant organization in the last 2 fiscal years? Yes No
If yes, please provide details:

18. Total number of staff: _____

Number of all principals, partners or officers: _____

Number of all professionals: _____

Number of all non-professional employees (clerks, secretaries, etc.): _____

19. Please provide the following:

Name of Principals & Qualified Employees	Professional Qualifications/Designations	Number of Years in Practice	Number of Years with Applicant
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

- Please provide resumes or letters of experience for each of the key personnel.

20. Does the Applicant have any certified or licensed professionals on staff? Yes No
 (Architect, engineer, attorney, actuary, etc.) If yes, describe services provided:
- _____
- _____
21. Is the Applicant controlled or owned by, or associated or affiliated with, or does it own, Yes No
 any other firm or business enterprise?
 If yes, please provide details:
- _____
- _____
22. Please provide Internet/world wide Web site addresses representative of cyberspace activities or services that the Applicant has performed for others.
- _____
- _____
23. Within the last three years, has any person or entity proposed for this insurance been the subject of or involved in any:
- a. Anti-trust, copyright or patent litigation? Yes No
- b. Actual or alleged violation of the Employee Retirement Income Security Act of 1974, as amended, or similar law? Yes No
- c. Actual or alleged breach of trust of fiduciary duty involving any employee benefit plan? Yes No
- d. Criminal or administrative proceeding alleging violations of any federal or state securities laws or regulations? Yes No
- e. Litigation, administrative proceedings, demand letter or formal or informal governmental investigation or inquiry including any investigation by the Department of Labor or the Equal Opportunity Commission? Yes No
24. Has the Applicant obtained all necessary rights, licenses, releases and consents Yes No N/A
 Applicable to content created or provided by Applicant?
25. Does the Applicant edit or review content created or provided to the Applicant by others? Yes No N/A
26. Revenue History:
- | | <u>Year</u> | <u>Domestic Revenue</u> | <u>Foreign Revenue</u> | <u>Total</u> |
|---------------------------|-------------|-------------------------|------------------------|--------------|
| Next Year (Projected): | _____ | \$ _____ | \$ _____ | \$ _____ |
| Current year (Projected): | _____ | \$ _____ | \$ _____ | \$ _____ |
| Previous: | _____ | \$ _____ | \$ _____ | \$ _____ |
| Previous: | _____ | \$ _____ | \$ _____ | \$ _____ |
| Previous: | _____ | \$ _____ | \$ _____ | \$ _____ |
27. Does the Applicant have an established procedure to safeguard against infringing Yes No N/A
 Upon copyrights/trademarks, etc of others?
 If yes, please provide description:
- _____
- _____

- | | | | |
|---|-----|----|-----|
| 28. Does the Applicant verify that all necessary rights, licenses, releases and consents have been obtained by those parties providing consent? | Yes | No | N/A |
| 29. Do those parties providing content to the Applicant indemnify the Applicant, in writing, for Any claims arising out of the use of the content provided? | Yes | No | N/A |
| 30. Prior to publishing content or releasing packaged or custom software/hardware, does Applicant have an attorney facilitate a patent/copyright/trademark search?
If yes, Please provide name of attorney's firm: | Yes | No | N/A |
| <hr/> <hr/> | | | |
| 31. Do you have a policy for removing controversial material from your On-Line Service? (libelous, slanderous, etc) If yes, please provide details: | Yes | No | N/A |
| <hr/> <hr/> | | | |
| 32. Do you have a policy for removing infringing material from your On-Line Service? (copyright, trademark, etc.) If yes, please explain: | Yes | No | N/A |
| <hr/> <hr/> | | | |
| 33. Are firewalls used to prevent unauthorized access connections from internal networks and computer systems to external networks? | Yes | No | N/A |
| 34. Have you ever received a complaint concerning the content of your On-Line service? (Libelous, slanderous, copyright, trademark, etc.)
If yes, how do you respond and in what time frame? | Yes | No | N/A |
| <hr/> <hr/> | | | |
| 35. What firewall security do you employ? _____ | | | |
| 36. Was it configured by professional personnel? | Yes | No | N/A |
| 37. Did you alter it in any way before installing it? | Yes | No | N/A |
| 38. Are anti-virus procedures used on desktops and mission critical servers?
If yes, please provide name of anti-virus software used: | Yes | No | N/A |
| <hr/> | | | |
| 39. Does the Applicant have a safety procedure in place to prevent the transmission of viruses?
If yes, please provide details: | Yes | No | N/A |
| <hr/> <hr/> | | | |
| 40. What kind of safeguards does Applicant have in place to prevent the transmission of viruses? | | | |
| <hr/> <hr/> | | | |

41. Please indicate the major software applications and receipts attributable:

<u>Nature</u>	<u>Market Home Use %</u>	<u>Commercial Use %</u>	<u>Total Receipts %</u>
a. Administrative (sales data, lists, etc.)	_____	_____	_____
b. Accounting (payroll, receivables, payables)	_____	_____	_____
c. Financial (savings, checking, loan, dividend accts)	_____	_____	_____
d. Inventory Control	_____	_____	_____
e. Scientific	_____	_____	_____
f. Graphics	_____	_____	_____
g. Architectural (model building, projection)	_____	_____	_____
h. CAD/CAM: Manufacturing/Engineering tools	_____	_____	_____
i. CASE: Application development tools	_____	_____	_____
j. Communications: Utilities/Info Services	_____	_____	_____
k. Fund Transfer	_____	_____	_____
l. Medical	_____	_____	_____
m. Educational	_____	_____	_____
n. Facilities Management	_____	_____	_____
o. Office Automation	_____	_____	_____
p. Database Management Systems	_____	_____	_____
q. LAN/Network	_____	_____	_____
r. Imaging	_____	_____	_____
s. Gatekeeper	_____	_____	_____
t. Other (please explain)	_____	_____	_____

42. Are Backup and recovery procedures documented for all mission critical systems? Yes No N/A
 If yes, Please describe:

43. Do you have an acceptable use policy regarding e-mail and Internet use? Yes No N/A
 If no, please explain:

44. Indicate the market(s) for your products/services:

	Receipts %
Aerospace	_____
Communications/Transportation	_____
Construction/Mining/Agriculture	_____
Education	_____
Financial Institutions	_____
Government (military)	_____
Government (non military)	_____
Health Care/Medical Services	_____
Home Use	_____
Manufacturing/Industrial	_____
Trade: Retail/Wholesale	_____
Other: _____	_____

45. Does the Applicant use a written contract? Always Sometimes Never
 If not always, please explain how the scope of services to be provided is agreed:

46. Do Applicant contracts contain hold harmless or indemnity agreements for the benefit of: Yes No

The Applicant	Yes	No
The other party	Yes	No
Both parties on a mutually beneficial basis	Yes	No

47. Do Applicant contracts contain:

Guarantees or warranties	Yes	No
Disclaimer to the Applicant's benefit	Yes	No

48. Has a law firm experienced in the Applicant's field reviewed:

Contracts	Yes	No
Procedures	Yes	No

49. Does any director, officer, employee or partner of the applicant serve on the board of directors of any client of the applicant? Yes No
 If yes, please explain:

50. Does the Applicant sub-contract work to others? Yes No
 If yes, please explain (include percentage of applicant's business involving sub-contracting work to others):

51. Has any errors and omissions or professional liability insurance ever been declined or cancelled? Yes No
 If yes, please explain:

52. Is there any errors and omissions or professional liability insurance in favor of the Applicant currently in force? Yes No

<u>Carrier</u>	<u>From</u>	<u>To</u>	<u>Limit</u>	<u>Deductible</u>	<u>Premium</u>	<u>Retro Date</u>
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53. Is there a Commercial General Liability policy currently in force? Yes No

<u>Carrier</u>	<u>From</u>	<u>To</u>	<u>Limit</u>	<u>Deductible</u>	<u>Premium</u>	<u>Retro Date</u>
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Does this policy include coverage for Products/Completed Operations hazards? Yes No

Does this policy include Personal injury and Advertising Injury perils? Yes No

54. Describe any current insurance maintained. The continuity date below means the policy inception date for which the most recent main form application was attached.

<u>Coverage</u>	<u>Yes</u>	<u>No</u>	<u>Limits</u>	<u>Continuity Date</u>
-----------------	------------	-----------	---------------	------------------------

Employment	___	___		
------------	-----	-----	--	--

Directors and Officers	___	___		
------------------------	-----	-----	--	--

Fiduciary	___	___		
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Crime	___	___		
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Miscellaneous Prof. Services	___	___		
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55. Does the Applicant currently maintain a policy, cover note or certificate with Underwriter's at Lloyds, London for any of the above coverage? Yes No

56. Has the Applicant or any director, officer, employee or partner been subject to disciplinary action as a result of professional activities? Yes No
 If yes, please explain:

57. Has any insurer made payments to or on behalf of any person or entity proposed for this insurance at any time in the past 24 months? Yes No
 If yes, please complete attachment 'A' Claims schedule

58. Is the Applicant aware of any claims (including any circumstances reported to previous insurers which have not developed into claims) during the last ten years? Yes No
 If yes, please complete attachment 'A' Claims Schedule

59. Has the Applicant been party to any lawsuit or other legal proceeding within the past five years? Yes No
 If yes, please complete attachment 'A' Claims Schedule

C. For interactive electronic environments and virtual communities operations and services: Applicable? Yes No

Please describe the type of environment/community and the nature of the interactions.

Who are the targeted users?

Adults Children General

If targeted to adults, what safeguards are in place to prevent children from participating?

D. For Internet access, web site hosting and administration activities and services: Applicable? Yes No

Please indicate approximate % of your clientele by category.

Commercial Consumer Other, describe _____

Do you register domain names on behalf of your clients? Yes No

Do you guarantee the privacy and security of data and web pages? Yes No

How do you ensure accessibility?

E. For cyberspace software development, Intranets and intra-business networks hosting, management and consulting: web page development, design and consulting: web site hosting and administration services: Applicable? Yes No
 Do your software or services include or incorporate (please indicate all that apply):

- | | |
|--|---|
| <input type="checkbox"/> Commercial transactions | <input type="checkbox"/> Networking |
| <input type="checkbox"/> Electronic data interchange | <input type="checkbox"/> Browser |
| <input type="checkbox"/> Fulfillment | <input type="checkbox"/> Search engine |
| <input type="checkbox"/> Security | <input type="checkbox"/> Gaming |
| <input type="checkbox"/> Screening/Parental controls | <input type="checkbox"/> Contests, Sweepstakes or other games of chance |
| <input type="checkbox"/> Wireless/Telecommunications | <input type="checkbox"/> Usage/Statistical (tracking hits, etc.) |

Other, please describe _____

F. For E-Commerce services: Applicable? Yes No
 Please indicate approximate % of your clientele by category:

Commercial Consumer Other, describe _____

Is the Applicant?

- Seller/provider of products/services?
 Intermediary between seller/provider and buyer?
 If yes, please describe your intermediary role.

Attach a sample copy of your agreement with sellers/providers.

