



Errors & Omissions Insurance

APPLICATION FOR

PROFESSIONAL LIABILITY INSURANCE

WITH NAVIGATORS INSURANCE COMPANY OR
NAVIGATORS SPECIALTY INSURANCE COMPANY

THIS APPLICATION IS FOR A CLAIMS MADE INSURANCE POLICY

APPLICANT'S INSTRUCTIONS

1. ALL QUESTIONS MUST BE ANSWERED COMPLETELY; PLEASE TYPE OR PRINT CLEARLY; IF ANY QUESTIONS ARE CONSIDERED "NOT APPLICABLE", PLEASE EXPLAIN WHY.
2. IF YOU NEED MORE SPACE, CONTINUE ON ATTACHMENT 'A' AND INDICATE QUESTION NUMBER.
3. PLEASE COMPLETE THE FINANCIAL SUPPLEMENT ATTACHMENT 'B' AND OTHER SUPPLEMENTS WHERE REQUIRED.
4. THIS APPLICATION, WHICH INCLUDES SUPPLEMENT FORMS, MUST BE SIGNED AND DATED BY A PRINCIPAL OF THE FIRM

Name of Applicant: _____

1. Address: _____

City: _____ County: _____

State: _____ Zip: _____

2. Telephone: _____ Facsimile: _____ E-Mail: _____

NAICS Code: _____

3. Please describe in detail the nature and types of professional services the Applicant is engaged in and indicate the percentage of revenues derived from each.

4. What services does the Applicant wish to have covered by the Professional Liability Insurance?

5. Please indicate type of company:

Sole Trader _____ Partnership _____ Corporation _____ Privately Held _____

Non-Profit _____ Publicly Traded _____ Other _____

6. Date established: _____

7. Is the Applicant controlled or owned by, or associated or affiliated with, or does it own, any other firm or business enterprise?

No _____ Yes _____

If yes, please explain:

8. Are any significant changes in the nature or size of the Applicant's business anticipated over the next 12 months? Or have there been any such changes in the past 12 months?

No _____ Yes _____

If yes, please explain:

9. In the past 24 months has the Applicant or any of its principals engaged in any business or profession other than as described in the above question?

No _____ Yes _____

If yes, please explain:

10. Total Number of staff: _____

11. Please provide the following:

| Name of Principals & Qualified Employees | Professional Qualifications/ Designations | Number of years in practice | Number of years with Applicant |
|---|--|--------------------------------|-----------------------------------|
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |

12. Please list Professional Associations to which the Applicant belongs:

13. Gross Billings:

This year(est): _____ Last Year: _____ Year prior: _____

14. Please indicate the Applicant's five largest jobs/projects during the past three years:

| Client | Service | Applicant's Fee | Total project cost |
|--------|---------|-----------------|--------------------|
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |

15. Please provide percentage revenue derived from following:

Federal Government: _____ State/Municipal Entites: _____ Corporations: _____

Non-Profit Organizations: _____ Individuals: _____

16. 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:

Please attach a copy of a standard contract or letter of engagement.

17. Have the Applicant's services and advice been used in any disclosure documents or prospectuses to investors in any business entity?

No _____ Yes _____

If yes, please detail (including procedures to ensure quality control):

18. Does any director, Officer, employee or partner of the Applicant serve on the board of directors of any client of the Applicant?

No _____ Yes _____

If yes, please explain:

19. Does any applicant, in the course of providing professional services, handle monies or investment instruments belonging to others?

No _____ Yes _____

If yes, please explain:

20. Does any Applicant give advice to any client regarding investments of any kind?

No _____ Yes _____

If yes, please explain:

21. Does any Applicant offer advice to any client in respect of the client's medical, mental or emotional condition or the clients relationships with other people?

No _____ Yes _____

If yes, please explain:

22. Does the Applicant sub-contract work to others:

No _____ Yes _____

If yes, please explain and include the nature of indemnities, hold harmless agreements, etc.:

23. Does the Applicant have a written procedures manual for employees to follow?

No _____ Yes _____

24. Does the Applicant have a formalised training program for employees?

No _____ Yes _____

25. Does the Applicant have promotional literature?

No _____ Yes _____

If yes, please provide brief details:

If no, please explain how Applicant's services are marketed:

26. Has any errors and omissions or professional liability insurance ever been declined or cancelled?

If yes, please explain:

27. Is any errors and omissions or professional liability insurance in favour of the Applicant currently in force?

No _____ Yes _____

If yes, please indicate errors and omissions insurance carried for each of the past three years:

| Carrier | From | To | Limit | Deductible | Premium | Retrodate |
|---------|---------|---------|-------|------------|---------|-----------|
| | (mm/yy) | (mm/yy) | | | | |

28. Has the Applicant or any director, officer, employee or partner provided professional services on behalf of the Applicant been subject to disciplinary action as a result of professional activities?

No _____ Yes _____

If yes, please explain:

29. Is the Applicant aware of any errors, omissions or claims (including any circumstances reported to previous insurers which have not developed into claims) during the last ten years?

No _____ Yes _____ (If yes, please complete Attachment 'C')

IT IS UNDERSTOOD AND AGREED THAT IF ANY SUCH CLAIMS EXIST, OR ANY SUCH FACTS OR CIRCUMSTANCES EXIST WHICH COULD GIVE RISE TO A CLAIM, THEN THOSE CLAIMS AND ANY OTHER CLAIMS ARISING FROM SUCH FACTS OR CIRCUMSTANCES ARE EXCLUDED FROM THE PROPOSED INSURANCE.

30. Has the Applicant been a party to any lawsuit or other legal proceeding within the past five years?

No _____ Yes _____

If yes, please provide (on Attachment 'A') a description which includes the venue of the action, the parties, the amount at dispute, the nature of the claim(s), the status of the action(s) and how the action(s) was resolved as to the applicant, including all costs incurred; including defense expenses.

31. Is the Applicant aware or does the Applicant have any knowledge or information of any act, error, omission, fact or circumstance which may give rise to a claim which may fall within the scope of the proposed insurance?

No _____ Yes _____

IT IS UNDERSTOOD AND AGREED THAT IF SUCH KNOWLEDGE OR INFORMATION EXISTS, ANY CLAIM ARISING THEREFROM IS EXCLUDED FROM THIS PROPOSED INSURANCE.

32. The basic policy for which you have applied will not cover acts, error or omissions which took place prior to the inception date of the policy. If you desire a quote for these prior acts, please enter the date from which you want prior acts covered _____.

COVERAGE DOES NOT APPLY TO KNOWN OR EXPECTED CLAIMS OR THOSE WHICH THE APPLICANT SHOULD HAVE FORESEEN.

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

THIS APPLICATION DOES NOT BIND THE APPLICANT TO BUY, OR THE COMPANY TO ISSUE, THE INSURANCE, BUT IS AGREED THAT THIS APPLICATION SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED, AND IT WILL BE ATTACHED TO AND MADE A PART OF THE POLICY.

THE APPLICANT FURTHER DECLARED THAT IF THE INFORMATION SUPPLIED ON THIS APPLICATION CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE TIME WHEN THE POLICY ISSUED, THE APPLICANT WILL IMMEDIATELY NOTIFY THE COMPANY OF SUCH CHANGES, AND THE COMPANY MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS AND/OR AUTHORISATION OR AGREEMENT TO BIND THE INSURANCE.

NOTICE; IN CERTAIN STATES, ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE CONTAINING ANY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.

I HAVE READ THE FOREGOING APPLICATION OF INSURANCE INCLUDING SUPPLEMENT SHEETS 'A', 'B' AND 'C' AND WARRANT THAT THE RESPONSES PROVIDED ON BEHALF OF THE APPLICANT ARE TRUE AND CORRECT.

APPLICANT'S SIGNATURE : _____

TITLE _____

DATE _____



ATTACHMENT 'A'

Errors & Omissions Insurance

Signed: _____ Date: _____



ATTACHMENT 'B'

Errors & Omissions Insurance

FINANCIAL SCHEDULE

Please provide the following information concerning the current year estimated financial figures and two previous years:

Name of Applicant: _____ Date: _____

| | 19__ | 19__ | 19__ |
|---|-------|-------|-------|
| | \$ | \$ | \$ |
| Total Revenues | _____ | _____ | _____ |
| Total Gross Assets | _____ | _____ | _____ |
| Total Capital (Equity) | _____ | _____ | _____ |
| Total Debt | _____ | _____ | _____ |
| Short-Term Debt Maximum: | _____ | _____ | _____ |
| (due with one year | _____ | _____ | _____ |
| Minimum: | | | |
| Total Long-Term Debt | _____ | _____ | _____ |
| Total Established Credit Lines with Banks | _____ | _____ | _____ |
| Net Income after Tax | _____ | _____ | _____ |
| Depreciation/Amortization | _____ | _____ | _____ |

Any further details you may wish to include:

Signed: _____ Date: _____



Errors & Omissions Insurance

CLAIMS SCHEDULE

Please complete this form if the Applicant is aware of any errors, omissions or claims as indicated in Question 30 of the Application Form (including any circumstances reported to previous insurers which have not developed into claims) during the last ten years.

1. Name of Applicant: _____
2. Name of Member of Staff involved in claim: _____
3. Name of (potential) claimant: _____
4. Date of incident: _____ Date claim made: _____
5. Under which policy was the claim made? Carrier: _____
Policy No: _____
6. Status of claim: Closed _____ Please indicate Total Loss Paid: _____
or (Including defense expenses)
Open _____
7. Total defense costs and expenses to date: _____
8. Damages or other relief sought by the claimant(s): _____
9. Insurers loss reserve: _____
10. Please give the following details:
 - i) the specific act, error or omission upon which the claimant bases the claim.
 - ii) a brief description of the claim.
 - iii) details of the current status and proposed strategy for handling the claim.

(Please continue next page if necessary)

Signed: _____ Date: _____



Errors & Omissions Insurance

Broker Request for a Non-Binding VRI

Broker _____

1. Name of Applicant: _____

2. Address: _____

3. What services does the Applicant wish to have covered by the Professional Liability Insurance?

4. Please indicate type of company:

Sole Trader _____ Partnership _____ Corporation _____
Privately Held _____ Non-Profit _____ Publicly Traded _____

5. Date established: _____

6. Total Number of staff: _____

7. Gross billings:

8. Is any errors and omissions or professional liability insurance in favour of the Applicant currently in force?

No _____ Yes _____

If yes, please indicate errors and omissions insurance carried for each of the past three years:

Carrier From To Limit Deductible Premium
(mm/yy) (mm/yy)

9. Is the Applicant aware of any errors, omissions or claims during the last ten years?

No _____ Yes _____

10. Does the Applicant use a contract always, sometimes or never? _____

11. Requested limits and deductible? _____

12. Target premium? _____

Signed _____ Date _____

ENDORSEMENT NO.:

This endorsement, effective 12:01 am,

forms part of policy number:

issued to:

by: Navigators Specialty Insurance Company

OFAC ENDORSEMENT

It is agreed that:

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that any insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.