

Risk Management Guide for Technology Professionals

How to identify, protect and manage your professional liability risks



IEEE

Developed exclusively for IEEE Members
By the IEEE Member Group Insurance Program Administrator
Association Member Benefits Advisors, LLC.

Risk Identification

The Risks Technology Professionals Face

When people think of professional risks, they automatically envision doctors treating patients and claims of malpractice. But professional risks occur in almost every profession—some more than others, including technology professionals.

Technology professionals are at an increased risk because of the more advanced and evolving technology and services involved with your project work. Here are several of the most common risks technology professionals face today:



Cyber breaches and malicious software. Cyber-attacks and malware incidents are at an all-time high. If you keep client data and project work online and often use mobile technology, you're at an increased risk of having information compromised by cyber thieves.



Intellectual property issues. If you provide proprietary services that include copyrights, trademarks, trade secrets, or patents to your clients, you could be at risk of lawsuits that question who owns the work and how it's used.



Small business partnerships. Whether you're a solo contractor or work for a small firm, you may partner with other businesses or vendors. If something goes awry because of your partnership (providing faulty material or work), you could be considered the responsible party.



Drone mishaps. If you use drones to survey land, inspect sites, monitor projects from afar, or other business services, an accident or breach of privacy could occur subjecting you to an increased risk of a lawsuit.



Web services. Providing IT services in today's world can be a challenge, especially if networks and servers go down or there are other malfunctions that could lead to your client's work disruptions or loss of revenue.



Negligence. Everyone can make a mistake. As diligent and detailed as you are, a design spec could be off, a material may be flawed, documents could be misplaced, informal advice may be misunderstood, a team member could miss something during inspection and so on, increasing your risk.

What's At Stake For You?

If a claim or lawsuit is filed against you, here's what you personally risk:

- **Your reputation**—Accusations can have a significant impact on the good name you've worked hard to build.
- **Your successful firm**—Defending yourself in a lawsuit can decimate a firm because energy normally devoted to clients and projects is instead funneled into documenting details and past decisions.
- **Your assets**—It takes time and money to defend yourself. Defending yourself in a lawsuit also takes time away from clients and your business, costing you the ability to continue to earn your income.
- **Your credit rating**—A lawsuit could freeze or impact your credit, which could prevent you from purchasing a home and equipment for your firm, or even helping your children with their college tuition.



On average, a contract dispute suit will cost business owners \$91,000.

Source: courtstatistics.org

If a claim is filed for any of these or other situations—and even if it is unfounded—the cost to defend yourself, your business and your work could be costly. **Professional Liability Insurance is recommended to protect you against these risks.**

How exposed are YOU to professional risks?

Take this quick 8-point quiz!

Take this 8-point quiz to see where you might be most vulnerable:

- | | YES | NO |
|--|-----------------------|-----------------------|
| 1. Do you document all communications and keep final contracts, designs, and other correspondence even after the project is complete? | <input type="radio"/> | <input type="radio"/> |
| 2. Do you use the internet and mobile technology in any part of your business with clients? | <input type="radio"/> | <input type="radio"/> |
| 3. Do you avoid giving your professional advice or expertise to a colleague, neighbor, or other individual outside of your business environment? | <input type="radio"/> | <input type="radio"/> |
| 4. Do you include intellectual properties (patents, trade secrets, trademarks, copyrights) when engaging with clients or conducting your services? | <input type="radio"/> | <input type="radio"/> |
| 5. Is each project team member who is assigned to every project, including any business partner, contractor, or vendor, always bonded, licensed, and insured? | <input type="radio"/> | <input type="radio"/> |
| 6. Do you stay current with the latest technology and employ it with your business, for example using drones to investigate and monitor sites, survey land, etc.? | <input type="radio"/> | <input type="radio"/> |
| 7. Do you ensure compliance with the Gramm-Leach-Bliley Act (GLB) by securing transmission, receipt and storage of data related to any consumer, nonpublic personal information? | <input type="radio"/> | <input type="radio"/> |
| 8. Do you maintain written quality control procedures and use the latest risk management practices recommended for technology professionals? | <input type="radio"/> | <input type="radio"/> |

Results:

1-3 "YES" answers: You're at high risk of a lawsuit. You should immediately consider protecting yourself with Professional Liability Insurance.

4-6 "YES" answers: You're at a medium risk of a lawsuit. You should make some process changes to manage your risk exposures and consider Professional Liability Insurance.

7+ "YES" answers: Your risk is low—but nothing can fully prevent a lawsuit. Carrying Professional Liability Insurance is still recommended to completely protect your services.

Risk Identification

How Professional Liability Insurance Helps

The most effective way to minimize the impact of the risks you face every day is by transferring those risks through the purchase of a Professional Liability Insurance policy. This coverage protects you against financial losses from lawsuits filed against you by your clients. The IEEE Member Group Insurance Program offers this Professional Liability coverage from established carriers including, Certain Underwriters at Lloyd's of London and Beazley Insurance Company, Inc.

Professional Liability Insurance is not included as part of a homeowners' policy, a business-owner's policy (BOP) or general liability insurance. A Professional Liability Insurance policy is a separate contract where the insurance carrier assumes the liability of your professional risks in exchange for your payment of premiums.

Technology professionals in these three classifications should strongly consider a Professional Liability Insurance policy.

- **Self-Employed:** It doesn't matter if you're a solo firm or you've set up a partnership with other technology professionals. Self-employed technology professionals are vulnerable to lawsuits and don't have coverage a larger firm employer may offer.
- **Temporary Consulting:** If you're between jobs, considering starting your own business or nearing retirement with consultant work, you're not covered by an employer plan. Therefore, you could be more exposed to a lawsuit.
- **Full-Time Consulting:** You have a full-time business that needs protection from all the risks your services may encounter.

What to Look for in a Policy

Most Professional Liability Insurance policies offer a variety of liability limits, deductible options and some basic and optional defense coverages. Technology professionals need to also look for more enhanced coverages to keep up with the more technical services you provide, including:

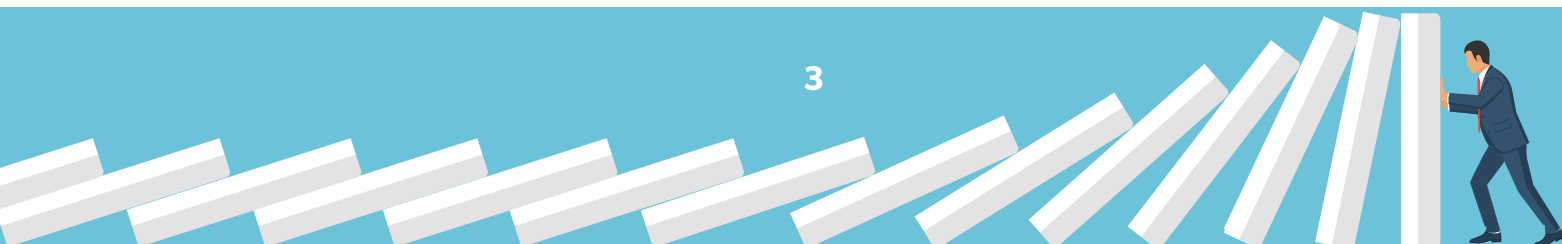
- ✓ Drone coverage
- ✓ Intellectual property risk
- ✓ Internet content liability and breach of security in relation to denial of service
- ✓ Unauthorized access and theft of data
- ✓ Electronic transfer of data functions
- ✓ Web hosting functions
- ✓ Copyright infringement
- ✓ Privacy liability

In addition, technology professionals should consider a policy that is provided by reputable and stable insurance carriers. Insurance carriers are usually rated for financial soundness, claims paying experience, and other factors by independent rating agencies. These ratings can help you choose the best, most reliable program provider for you.



Reminder: You're probably familiar with the adage "You get what you pay for." It usually implies something that is lower in price is lower in quality.

Please keep this in mind when reviewing and comparing Professional Liability Insurance policies. Not all policies are apples to apples when comparing benefits, price, and providers. One policy may be a little more expensive but offer higher quality benefits. Another policy may cost less but offer less benefits. Yet another policy could offer the very same features and cost less but may be backed by a less reputable provider.



Because finding a specialized and affordable Professional Liability Insurance policy to meet all the current and future demands of technology professionals is challenging, the IEEE Member Insurance Program has created a plan exclusive to IEEE members.

The [IEEE Member Choice Professional Liability Insurance Program](#) offers both the basic and enhanced coverage features you need to protect your technical services. Plus, it's backed by two highly rated insurance carriers: Certain Underwriters at Lloyd's of London and Beazley Insurance Company, Inc.

Please see the checklist on the next page, which briefly describes the key advantages this plan includes. You can also use this checklist to compare to other plans to make sure you're getting the best coverage to protect your business risks.

Cost of a Professional Liability Insurance Policy



The risk of being sued varies by engineering firm and technology professionals; therefore, the costs of a policy will also vary.

When an insurance carrier determines rates, it evaluates your risks. This risk is reviewed by assessing multiple variables, including your experience, services, types of projects, business history, and previous claims and risk management practices.

How to Apply for a Professional Liability Insurance Policy



Applying for a Professional Liability Insurance policy can be simple if you're prepared. The underwriting process will vary from insurance provider to insurance provider but in most cases, you'll need to prepare by providing some of the following information:

- ✓ Work experiences and services performed
- ✓ Past claims history
- ✓ Area(s) of specialty and gross billing percentages
- ✓ Who the policy will cover
- ✓ Revenue information
- ✓ Risk management practices
- ✓ Computer services (if part of your business)

Once this information is submitted through your application, the insurance carrier will review it and analyze your risks based on actuarial risk criteria (a compilation of services, claims history, etc. from real-life situations like yours). Your application acceptance and the rates quoted will be determined through this underwriting process and criteria.

To obtain a no-obligation custom rate quote for the IEEE Member Professional Liability Insurance Program, simply apply online at [IEEEinsurance.com/liability](#) or complete and return the enclosed application on page 7.



IEEE

Visit [IEEEinsurance.com/liability](#) for more details and to apply.



I have been quite satisfied with the IEEE Professional Liability (Errors and Omissions) insurance provided by AMBA. I checked with three insurance companies before choosing AMBA... but the premium was 30% higher and the deductible was twice as much as what I was able to get with AMBA. **I hope I never have a need for the Professional Liability insurance but I sleep better knowing it is there.**

Thomas S Relling
Saint Paul, MN
IEEE Member



Benefit Comparison Checklist



IEEE Member Choice Professional Liability Insurance Program

Your current or other Competitor

<input checked="" type="checkbox"/>	Broad definition of professional services	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Claims made and prior acts coverage	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Wide range of liability limits	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Various deductible options including \$0	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Intellectual property coverage	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Longevity diminishing deductible	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Privacy breach remediation	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Drone coverage	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Computer-related exposures	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Licensing board defense	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Reputational management reimbursement	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Coverage for partners, officers, owners and employees	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Optional general liability protection	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Risk management services	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Established insurance providers	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Group rates based upon the buying power of IEEE	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Premium credit for completed IEEE risk management course	<input type="checkbox"/>

To obtain a no-obligation custom rate quote* for the IEEE Member Professional Liability Insurance Program, simply:

1. Apply online at IEEEinsurance.com/liability or
2. Complete and return the enclosed application on page 7.

*Note, plan options listed will vary by carrier. Not all options listed will be offered by both carriers. Please review your policy options carefully or call 1-800-375-0775 for additional details.

Risk Identification

Monitoring, Evaluating and Mitigating Future Risks

Identifying your risks and protecting them with Professional Liability Insurance are important steps to managing your risks and are key factors in a small business' risk management plan. However, technology professionals need to be even more proactive when it comes to monitoring and mitigating future risks.

That's because the evolving nature of your highly technical services can change quickly over time—and can create new risks.

For example, ten years ago, cyber risks were limited. Today, hackers are highly sophisticated and can steal confidential client data in seconds with no warning. Five years ago, the use of drones for services other than the military was unheard of. Today, many engineers use them daily to inspect and monitor building sites and more!

A specialized Professional Liability Insurance policy may include risk management services to help you. The IEEE Member Choice Professional Liability Program includes these risk management features at no additional cost:

- ✓ Contract reviews
- ✓ Pre-claim assistance
- ✓ Live quarterly web-based seminars
- ✓ Dedicated web portal offering videos, on-demand webinars and more—all exclusively for IEEE member participants
- ✓ Toll-free claim hotline

Plus, members may also qualify for a premium credit if they complete the IEEE Risk Management Course.

IMPORTANT: Even if you already have another policy in place, you don't have to wait for the renewal period to switch. It's important to make sure you review all the benefits and features of your policy every year to ensure it's still covering all your risks and keeping up to date with the services you provide your clients.



Questions?

Or to have a Professional Liability agent review your current coverage please call us at:

1-800-375-0775

To apply for the IEEE Member Professional Liability Program, simply apply online at IEEEinsurance.com/liability or complete the application that begins on the next page and email it to PLSales.service@mercer.com.



5 Prevention Tips

Nothing can completely prevent an unhappy client from suing you, but here are five things you can do to minimize your risks:

1. Document and make sure you keep copies of all final client communications, including designs and plans.
2. Avoid giving informal advice to your colleagues, clients and friends—you never know when it might be misused or misinterpreted.
3. Make sure you clearly communicate who owns copyright and trademarks on project work and what the future uses of the work will entail.
4. Ensure that all team members, independent contractors, and vendors are bonded, licensed and insured.
5. Keep up to date on the latest technology, including rules and regulations regarding them.

This program is administered by Association Member Benefits Advisors, LLC.

This program is underwritten by Certain Underwriters at Lloyd's of London and Beazley Insurance Company, Inc.

In CA d/b/a Association Member Benefits & Insurance Agency
CA Insurance License #0196562 • AR Insurance License #100114462

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IEEE-SPONSORED PROFESSIONAL LIABILITY INSURANCE APPLICATION

(This is an application for a Claims-Made Policy.)

NOTE: PLEASE REVIEW A SPECIMEN EVIDENCE OF INSURANCE FOR COVERAGE PROVISIONS.

The limits of liability stated in the policy are reduced by costs, charges and expenses. Costs, charges and expenses also may be applied against your deductible, if applicable to the claim.

Name _____

Address _____

City _____

State _____ ZIP _____

Daytime Phone No.

() _____

Fax No.

() _____

E-mail Address _____

We will use e-mail for corresponding unless otherwise requested.

1. Legal Entity (please check one): ☐ Individual ☐ Professional Corporation ☐ Corporation ☐ Partnership ☐ LLP/LLC

A. Entity name (if applicable) _____

B. Year established _____

C. Website _____

D. List each engineer in your firm below.

Name	IEEE Membership I.D. Number (at least one required for acceptance)	Year first licensed as an engineer (if applicable)	Membership Grade		
			Member	Senior Member	Fellow
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

E. Indicate the size of your staff (list each individual only once):

Principals, Partners, Officers and Directors _____

Engineers (other than principals) _____

Other Technical Staff (describe position) _____

Clerical _____

TOTAL _____

2. A. Please select the limits of liability for which you would like a quotation:

☐ \$100,000 each claim/\$300,000 annual aggregate

☐ \$250,000 each claim/\$500,000 annual aggregate

☐ \$500,000 each claim/\$500,000 annual aggregate

☐ \$1,000,000 each claim/\$1,000,000 annual aggregate

☐ \$1,500,000 each claim/\$1,500,000 annual aggregate

☐ \$1,000,000 each claim/\$2,000,000 annual aggregate

☐ \$2,000,000 each claim/\$2,000,000 annual aggregate

☐ Other: _____

B. ☐ Check if you would like to purchase an additional limit equal to the limit selected (not to exceed \$1,000,000) in 2A to apply to defense costs only.

C. Requested effective date: _____

3. Please provide your total gross revenues.

Fiscal Year End (MM/DD/YY)	Projected for Current Year	Last Fiscal Year	Two Years Ago	Three Years Ago
Total Gross Revenues:	\$ _____	\$ _____	\$ _____	\$ _____

(Do NOT include direct reimbursable)

4. I am aware that the policy for which I am applying provides no coverage for work performed on behalf of any employer other than the entity in question 1a. ☐ Yes ☐ No

5. Please indicate the percentage (%) of the following services performed which should total 100%.

Feasibility studies, master plans, reports, opinions	%
Design with construction observation	%
Design without construction observation	%
Construction observation without design	%
Inspection services	%
Other (describe):	%
Total	100%

6. In which of the following areas do you or your firm practice? Please indicate the approximate percentages of your annual or anticipated total gross billings derived from each project type.

Area	% of Annual Gross Billings	Area	% of Annual Gross Billings
Aerospace/Aircraft	_____ %	HVAC Engineering	_____ %
Acoustics Speech & Signal Processing	_____ %	Industrial Electronics	_____ %
Antennas	_____ %	Laser & Electro-optics	_____ %
Broadcast Technology	_____ %	Magnetics	_____ %
Circuitry	_____ %	Manufacturing Technology	_____ %
Communications	_____ %	Medicine/Biology	_____ %
Computer Hardware*	_____ %	Microwave	_____ %
Computer Software*	_____ %	Nuclear & Plasma Sciences	_____ %
Consumer Electronics	_____ %	Oceanic	_____ %
Control Systems	_____ %	Power Electronics	_____ %
Electromagnetic Compatibility	_____ %	Power Engineering	_____ %
Expert Witness/Forensic	_____ %	Robotics	_____ %
Geoscience	_____ %	Ultrasonics, Ferroelectrics	_____ %
Other (please specify) _____		Vehicular Technology	_____ %
		TOTAL	100 % _____

*Please complete the attached Computer Services Supplement form.

7. Please indicate the approximate percentage (%) of revenues derived from the following project types: **(Total Must Equal 100%)**

Amusement Parks	%	Dams/Reservoirs	%	Power Plants/Nuclear Facilities	%
Apartments	%	Hospitals	%	Private Schools	%
Airport Terminals	%	Hotels/Motels	%	Processing/Manufacturing Facilities	%
Airport Runways	%	Libraries/Museums	%	Public Schools K-12	%
Arenas/Sports Facilities	%	Marine/Offshore Facilities/Docks/Piers	%	Remediation Engineering	%
Asbestos Abatement	%	Mass Transit Systems	%	Restaurants	%
Bridges/Trestles	%	Mines/Quarries	%	Retail/Malls/Shopping Centers	%
Casinos	%	Mold Abatement	%	Roadways and Highways	%
Chemical/Pharmaceutical Plants	%	Multi-Family Townhouses	%	Single Family Residential – Custom	%
Churches	%	Offices	%	Single Family Residential – Subdivision	%
Colleges/Universities	%	Oil Refineries/Pipelines	%	Utilities	%
Condominiums	%	Parks/Playgrounds	%	Waste Brokering	%
Convalescent/Retirement Facilities	%	Pools	%	Water/Wastewater/Treatment Systems	%
Convention Centers	%	Parking Garages	%	Wetland Mitigation	%
Correctional Facilities	%	Phase I Property Assessments	%	Other (describe):	%
Courthouses	%	Phase II & III Property Evaluations	%		
				Total:	100%

8. Please provide the following information regarding the three largest projects you participated in during the past five years and indicate if such services were performed for an employer (E) or as a self-employed engineer (SE).

Project Type	Services Performed	Date Services Performed	Your Total Gross Billings	Estimated Total Construction Costs	E or SE

9. A) What percentage (%) of the Applicant's professional services is performed under the following contract types:

Professional Association Contract	%	Client Drafted Agreement	%	Verbal Agreements	%
Firm's Standard Agreement	%	Purchase Orders	%		

B) Does your firm incorporate a limitation of liability provision in its agreements?

☐ Yes ☐ No

If Yes, what percent of your firm's current contracts contain a limitation of liability clause which is less than or equal to \$250,000

%

10. A) What percentage (%) of the Applicants' professional services is performed under the following client types:

Contractors	%	Local Government	%
Design Professionals	%	State Government	%
Private Owners	%	Federal Government	%
Developers	%	Other (describe):	%

B) What percentage (%) of Applicant's work is derived from repeat clients?

%

11. Please check "Yes," "No" or "N/A" for all risk management practices that you adhere to in your self-employed engineering practice or would adhere to should the situation apply. **Please explain any "no" responses on a separate sheet.**

	Yes	No	N/A
A. Do you consistently exceed the minimum number of continuing education hours required in your state?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B. Do you use written scope of service letters for all projects exceeding \$500 in billable fees?	<input type="checkbox"/>	<input type="checkbox"/>	
C. Do you conduct construction phase inspection on plans and designs to ensure intent of use?	<input type="checkbox"/>	<input type="checkbox"/>	
D. Do you make use of limitation of liability clauses in engagement letters?	<input type="checkbox"/>	<input type="checkbox"/>	
E. Do you use written status memos over the course of the project?	<input type="checkbox"/>	<input type="checkbox"/>	
F. Do you investigate the work experience of other professionals to identify a potential for problems?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
G. Do you require that other professionals on the project carry comparable professional liability insurance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
H. Do you maintain written quality control procedures, including secondary design review?	<input type="checkbox"/>	<input type="checkbox"/>	
Please explain on a separate sheet.			
Are all appropriate staff members familiar with them?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

12. A. Has the applicant, or an independent contractor hired by the applicant, accepted jobs involving known hazardous materials?*
- B. Do you contemplate accepting known hazardous material jobs in the future?
- If you answered "Yes" to either question, please provide a narrative description including the date (year) of service, nature of hazardous material, type of project, fees earned and nature of services provided.
- Include a sample copy of an engagement/scope of service letter or contract used for these types of jobs.

* Engineering services that could involve hazardous materials or pollutants include but are not limited to: Underground storage tank removal, assessment or remediation; sanitary landfill design; closure of existing sanitary landfills; asbestos sampling, testing or abatement; chemical piping and process design; preparation of environmental site assessments or audits, including Phase I and Phase II assessments/investigations; groundwater testing/remediation; laboratory testing/analysis for pollutants; air emission control systems designed solely for controlling pollutants; site selection evaluation for pollution-related projects; hazardous or toxic waste site design or remediation; lead paint sampling, testing or abatement; site selection evaluation for pollution-related projects; air quality assessments/testing; environmental education; water pollution control; or nuclear-related projects.

13. Please answer the following questions.

If the answer to any question is "Yes," please provide the question number and full details, including percentage of revenues derived from the activity, on a separate sheet of paper.

- | | Yes | No |
|--|--------------------------|--------------------------|
| A. Are you involved in actual construction, fabrication, erection, installation of equipment, design/build or supplying of construction materials? | <input type="checkbox"/> | <input type="checkbox"/> |
| B. Have you developed, sold or leased computer software/hardware to others? * | <input type="checkbox"/> | <input type="checkbox"/> |
| C. Do you subcontract work to others? | <input type="checkbox"/> | <input type="checkbox"/> |
| If "Yes," do you require all subcontractors to carry Professional Liability insurance to cover the services they perform?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| D. Do you manufacture, sell, lease or distribute any product, machinery or process? | <input type="checkbox"/> | <input type="checkbox"/> |
| E. Are you owned by, or do you own, any other firm? | <input type="checkbox"/> | <input type="checkbox"/> |
| If so, do you render professional services to the firm(s)? | <input type="checkbox"/> | <input type="checkbox"/> |
| F. Have you filed any suits for collection of your professional fees against a client during the past fiscal year? | <input type="checkbox"/> | <input type="checkbox"/> |
| If "Yes," please provide full details on a separate sheet of paper. | | |
| G. Does any single client account for 25% or more of your annual gross income? | <input type="checkbox"/> | <input type="checkbox"/> |

***Please complete the attached Computer Services Supplement form.**

14. A. List Engineers' Professional Liability Insurance carried by you or your firm for the past two years. If none, state "none."

Inception Date Mo.-Day-Yr.	Expiration Date Mo.-Day-Yr.	Insurance Company	Annual Premium	Limit of Liability	Deductible

- B. Please provide your policy's current retroactive date. _____ If none, state "none."
- C. Please provide the date that you/your firm first purchased claims-made professional liability coverage and have since continuously maintained the coverage / / (mm)/(dd)/(yy) If not applicable, please check ☐ N/A
- D. If currently insured, please submit a copy of your current declarations page with your completed application.

15.	A.	Has any application or policy of yours or your firm's for Professional Liability Insurance ever been declined, canceled or refused renewal? If "Yes," please provide details on a separate sheet of paper.	Yes	No
	B.	Have you or members of your firm had your license revoked or received suspension or other disciplinary action from a governmental or judicial body or professional society during the past five years? If "Yes," please provide details, including a copy of the ruling.	Yes	No
	C.	Have any claims been made or legal actions been brought against you or your firm in the past five years?*	Yes	No
	D.	Are you or any member of your firm, aware of any circumstances that may result in a claim being made against the firm or any individual?*	Yes	No

***If "Yes," please complete the Claim Information Supplement form enclosed for each claim and/or circumstance.**

16. Please provide a copy of your current résumé.

(next page, please)

NOTICE TO APPLICANT:

I/We hereby declare that the above statements and particulars are true to the best of my/our knowledge and that I/We have not suppressed or misstated any material facts and I/We agree that this application shall be the basis of the issuance of insurance coverage, and shall be attached thereto. I/We hereby authorize the release of claim information from any prior insurer to the Underwriters.

I understand and accept that the policy applied for provides coverage on a claims-made basis for ONLY THOSE CLAIMS THAT ARE FIRST MADE AND REPORTED TO THE COMPANY DURING THE POLICY PERIOD FOR ACTS THAT OCCUR AFTER THE POLICY'S RETROACTIVE DATE AND PRIOR TO THE EXPIRATION DATE OF THE POLICY.

Signature* of Owner,
Officer or Partner (TITLE) X

Date X

**If you are electronically submitting this document, apply your electronic signature to this form by checking the Electronic Signature and Acceptance box below. By doing so, you agree that your use of a key pad, mouse, or other device to check the Electronic Signature and Acceptance box constitutes your signature, acceptance, and agreement as if actually signed by you in writing and has the same force and effect as a signature affixed by hand.*

☐ **Electronic Signature and Acceptance – Authorized Representative** Date: _____

Signing this form and tendering premium does not bind the applicant or the Underwriters to complete the insurance. Application must be correctly signed and dated to be considered for quotation.

QUESTIONS?
CALL TOLL FREE 1-800-375-0775

Underwritten by: National Specialty Insurance Company

Administered by:



Association Member Benefits Advisors, LLC.

NOTICE:
Failure to report any:

- 1) claim made against you during your current policy term, or
- 2) facts, circumstances or events that may give rise to a claim to your current insurance company BEFORE policy expiration may create a lack of coverage.

AIF 2384 A-1 (10/22)

Complete this supplement if any claims have been made or legal actions have been brought against you or your firm in the past five years (if renewal, within the last year), or if you or any member of your firm are aware of any circumstance that may result in a claim being made against the firm or any individual.

1. Full name of party making claim (claimant): _____
2. Role of claimant (e.g., owner, contractor, etc.): _____
3. Indicate whether: _____ claim _____ lawsuit _____ incident only
4. Date of alleged error: _____
5. Date claim reported to you: _____
6. Description of claim/incident:
 - A. Alleged act, error or omission upon which claimant bases claim:

 - B. Description of events leading to claim:

7. Amount of damages claimed: _____
8. Additional defendants: _____
9. Name of insurer for this claim/incident: _____
10. **If Closed:**
Total deductible paid: \$ _____

Indicate total loss paid in excess of the deductible: \$ _____

Indicate total defense expenses paid in excess of the deductible: \$ _____

If Pending:
Claimant's settlement demand: \$ _____

If suit filed, amount asked in complaint: \$ _____

Insurer's loss reserve: \$ _____

Defense expenses to date: \$ _____
11. Explain what action has been taken to prevent a recurrence of a similar claim:

The undersigned represents that the statements set forth herein are true, complete and accurate, and that there has been no attempt at suppression or misstatement of any material facts known, and agrees that this application shall become the basis of any coverage and a part of any policy that may be issued by the Company.

X Signature (Owner, Officer or Partner)

Applicant/Firm Name (Please Print)

Date

5. Indicate the market(s) for the Applicant's products/services. Please note that the total must equal 100%.

	% of Applicant's Receipts
Aerospace	_____ %
Communications/Transportation	_____ %
Construction/Mining/Agriculture	_____ %
Education	_____ %
Financial Institutions	_____ %
Government (US Federal)	_____ %
Government (other)	_____ %
Health Care/Medical Services	_____ %
Consumer	_____ %
Manufacturing/Industrial	_____ %
Trade: Retail/Wholesale	_____ %
Other (please specify):	_____ %

6. Have you been involved in any project involving the integration of embedded chips or any type of computer hardware or software? Yes ☐ No ☐

If "Yes," please describe in detail the end use of the hardware or software: _____

7. Please provide the following information regarding you/your firm's qualifications to provide professional services:

Name of Individual Performing Professional Services	Professional Qualifications (such as CSDA or CSDP designations)	Educational Degree and Years of Experience	How Long in Practice
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

8. Please provide the following information regarding the three largest computer-related jobs or projects by revenue that you participated in during the past five years:

Project/Client Name	Computer Project Application	Type of Professional Services Provided	Revenue Obtained From Those Services
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

9. Please answer the following questions. If the answer to any question is "Yes," please provide the question number and the full details on a separate sheet of paper.

Yes No

- A. Do you maintain or require training or continuing education programs for employees?..... ☐ ☐
- B. Do you currently carry Comprehensive General Liability coverage or Umbrella coverage?..... ☐ ☐

10. List who is responsible for quality control, and briefly describe your quality control programs in place:

11. Please provide a description of your testing and sign-off procedures:

12. If you are applying as an Individual, would you like a quote for General Liability coverage (in addition to Professional Liability)? ☐ Yes ☐ No

If "YES," please answer the following questions:

A. Do you operate your business at a location other than your home? ☐ Yes ☐ No

B. If you subcontract services, what percentage of your gross billings emanates from work subcontracted to others? ☐ Yes ☐ No

C. Do you require subcontractors to carry General Liability coverage with limits that match or exceed your own? ☐ Yes ☐ No

D. Do you require that subcontractors name you/your business as an Additional Insured on their General Liability policy? ☐ Yes ☐ No

The undersigned represents that the statements set forth herein are true, complete and accurate, and that there has been no attempt at suppression or misstatement of any material facts known, and agrees that this application shall become the basis of any coverage and a part of any policy that may be issued by the company.

X

Signature (Owner, Officer or Partner)

Applicant/Firm Name (Please Print)

Date