



PROFESSIONAL INDEMNITY  
PROPOSAL FORM

information technology

**PLEASE READ THE FOLLOWING BEFORE**

**COMPLETING THIS PROPOSAL FORM:**

**TO PRESENT A CLEAR AND UNAMBIGUOUS PICTURE AND TO ENSURE THAT UNDERWRITERS UNDERSTAND THE NATURE OF YOUR RISK:**

- \* ALL QUESTIONS SHOULD BE COMPLETED IN INK.**
  
- \* WHERE A QUESTION IS NOT APPLICABLE TO YOUR PARTICULAR CIRCUMSTANCES, PLEASE WRITE 'N/A'.**
  
- \* PLEASE TICK THE YES OR NO BOXES.**
  
- \* IF THERE IS INSUFFICIENT SPACE TO ANSWER QUESTIONS PLEASE USE AN ADDITIONAL SHEET AND ATTACH IT TO THIS PROPOSAL FORM.**
  
- \* COMPLETING AND SIGNING THIS PROPOSAL FORM DOES NOT BIND THE PROPOSER OR INSURERS TO COMPLETE THIS INSURANCE.**
  
- \* IF THIS PROPOSAL RELATES TO A NEW BUSINESS OR VENTURE, PLEASE COMPLETE THE QUESTIONS AS FAR AS POSSIBLE, GIVING ESTIMATED OR ANTICIPATED INFORMATION.**



b) Names of Consultants regularly used	Age and Qualifications	Date Qualified	Number of years practical experience
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**PLEASE ATTACH DETAILED C.V.'S**

c) Do you require cover for past Partners, Principals or Directors? If yes, please provide details	<b>YES/NO</b>
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3a) Is any Individual or the Firm admitted to any Association or Trade Body? If yes, please give details.	<b>YES/NO</b>
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b) Has any person been the subject of disciplinary proceedings by any professional body? If yes, please give details.	<b>YES/NO</b>
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<p>4 Please state the total number of Partners, Principals or Directors:</p> <p style="padding-left: 40px;">Software Designers or Systems Analysts:</p> <p style="padding-left: 40px;">Quality Assurance Staff:</p> <p style="padding-left: 40px;">Computer Equipment Operators or Data Handling Staff:</p> <p style="padding-left: 40px;">Hardware or Software Sales Staff:</p> <p style="padding-left: 40px;">Administrative Staff::</p>	
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5a) If you are a sole practitioner, please give details of arrangements made in the event of sickness or holiday.

b) Is this a Part-time occupation? **YES/NO**  
If yes, please give brief details of your present full-time work.

6a) Have there been any major changes in the activities undertaken during the past twelve months or are any likely to take place in the next twelve months? **YES/NO**  
If yes, please give details.

b) Is cover required for any activity, now ceased, which is different from those declared within this proposal form? **YES/NO**  
If yes, please give details.

7a) Please state the gross turnover/fees received for each of the last three financial years billed to clients and an estimate for the next twelve months or an estimate, if you have never traded:

Year		U.K.	Worldwide ex USA/Canada	USA/Canada
20	Turnover Fees			
20	Turnover Fees			
20	Turnover Fees			
Estimate				
20	Turnover Fees			

Financial Year ends: (Month)

b) What percentage of fees is paid to sub-contractors or consultants? %

8 Please provide a description of your business activities in your own words including any specialisations, clarify the type of work normally carried out, whether consisting of well-established techniques or the nature of new and original-thought developments, processes or design employed. State whether and what licensing or similar agreements are in force and the degree to which supervision of them is exercised. Also, please state if the end product of your work is critical to the continued process of any of your clients' systems, failure of which could result in pecuniary loss to them.

9 Please list by activity the approximate percentage of work carried out in each instance:

General Consultancy, Quality Assurance and/or Business Analysis	%
System and/or Programme Analysis, Specification or Design	%
Sales of Software Packages, where the programme code is modified for specific clients	%
Sales of Software Packages, which have unaltered sales code and are manufactured by others	%
Sales of Software Packages, which have unaltered sales code but are your own design	%
Training and/or Client Acceptance Testing	%
Data Processing	%
Communications/Networking	%
<b>PLEASE COMPLETE SEPARATE QUESTIONNAIRE, IF YOU UNDERTAKE PHYSICAL CONTRACTING</b>	
Sale, Supply, Installation or Maintenance of Hardware	%
Facilities Management (please describe, in detail)	%
Disaster Recovery	%
Project Management	%
Provision of Contract I T staff:	
where you have no responsibility for their ongoing activities	%
where you have a contractual responsibility for their activities	%
Internet Service Provider	%
Website Hosting	%
<b>PLEASE COMPLETE SEPARATE QUESTIONNAIRE</b>	
Other work (please describe, in detail)	%

10 Please confirm the approximate division of work undertaken during the last complete financial year, between the following markets sectors:

Government	%	Military/Defence	%
Banking; stock, bond, commodity trading or other financial services	%	Online Transactional Business (please give details below)	%
Commercial	%	Leisure Industry	%
Manufacturing/Industrial	%	Construction	%
Health Care/Medical	%	Oil/Gas/Power	%
Aerospace Industry	%	Other Work (please give details)	%

11a) Please list the three largest contracts, specifying the 'end use' of your activities, undertaken in the last three years:

- i)
- ii)
- iii)

b) What is the largest annual income, earned from a single client, in the last twelve months?

In the case of Overseas contracts, please list the countries involved and whether U K or local law applies. Also, please give brief details of the contract(s) and size.

12a) If you develop custom software, do you ensure that the contract or purchase order is modified, if interim changes are made, and signed by both parties? **YES/NO**

b) When you develop custom software, is the contract or purchase order signed again at the final acceptance of the project or upon delivery of the product? **YES/NO**

c) Do you fully test your products prior to production release? **YES/NO**  
If the answer to any of these questions is **no**, please advise why.

13 What proportion of your income is derived from the application of computer equipment in industrial processes, engineering or architectural design (other than accountancy, production or stock control)?

%

14 What procedures do you have to ensure that sales staff are properly trained, in the application of your products or those that you sell or recommend for others?

15 Please specify whether you have undertaken work in connection with:

a) the creation, supply, installation, rectification or malfunction of any system, or provided advice or consulting services in respect of any system, in which the year is/was represented by a two digit field. **YES/NO**

If yes, please give details

b) the introduction of the Euro **YES/NO**

If yes, please give details

16a) Is the computer and/or any ancillary equipment:

- i) owned, leased or rented by you, and
- ii) installed on your own premises, and
- iii) at all times under the care, custody and control of your staff?

**YES/NO**

b) Do you have access to standby equipment following a breakdown or failure or damage to computers or ancillary equipment used by you? **YES/NO**

If yes, what arrangements are made?

c) Do you ensure that back-up systems records are maintained by yourselves or by your clients and kept separately from the original records, to prevent deletion or corruption? **YES/NO**

If yes, what arrangements are made?



17a) Do you or do you have to assume specific contractual liabilities which go beyond the provision or use of reasonable skill and care? **YES/NO**

If yes, please

- i) state the proportion of income applicable %
- ii) provide a copy of the form of contract or document
- iii) give details of any other circumstances, by which such liability may be undertaken

b) What percentage of your work is undertaken, based on non-standard contracts? %

c) Do you attempt to ensure that you restrict your liability, by ensuring that you or your client's contract

- 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 variation of the contract? **YES/NO**
  - v) only provide indemnities in respect of Intellectual Property Rights, death, bodily injury or property damage? **YES/NO**
  - vi) ensure your contracts stipulate a dispute resolution procedure ? **YES/NO**
- If no, to any of the above, please explain:

d) Do you have a disaster recovery plan? **YES/NO**

If yes, when was it last tested?

**PLEASE PROVIDE YOUR STANDARD CONTRACT TERMS AND CONDITIONS**

18a) Please advise the nature of the activities undertaken by Professional Sub-contractors, Self-employed persons or Consultants when they have been engaged by you, in the past, and whether you are likely to engage such in the future? **YES/NO**

b) What steps do you take to ensure that supervision is undertaken by senior employees?

c) Do you ensure that any Professional Sub-contractor, Self-employed person or Consultant engaged by you:

- i) has the relevant qualifications and experience? **YES/NO**
- ii) carry and maintain in force their own Professional Indemnity insurance? **YES/NO**

19a) Do you operate a Quality Assurance System?  
If yes, please give full details.

**YES/NO**

b) What steps do you take to ensure that third party intellectual property rights are not infringed?

20a) If you are a member of a consortium or have entered into a joint-venture agreement, please give details.

b) Do you undertake work for or are you associated, either by shareholding or official position, with any company/organisation, where you are in a position to make major decisions?  
If yes, please give details.

**YES/NO**

c) Have any of the Partners, Principals, Directors or Employees been a Partner, Principal or Director or been associated with any business that has ceased trading, either voluntarily or compulsorily?

**YES/NO**

If yes, please give details

21 Do you wish to consider any of the following extensions?

Loss of Computer Records/Documents

**YES/NO**

Unintentional Breach of Confidentiality

**YES/NO**

Unintentional Breach of Copyright

**YES/NO**

Claims arising from Associated Companies

**YES/NO**

Libel & Slander

**YES/NO**

<p>22 Do you currently have Professional Indemnity insurance? If yes, please give details.</p> <p>Expiry Date:</p> <p>Limit:</p> <p>Excess:</p> <p>Insurer:</p>	<p><b>YES/NO</b></p>
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<p>23 Have you ever had any Professional Indemnity insurance cancelled, declined or only written at special terms? If yes, please give details.</p>	<p><b>YES/NO</b></p>
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<p>24 Please state: limit of indemnity required</p> <p style="text-align: center;">: self insured excess</p>	
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<p>25a) Do you always require satisfactory written references when engaging employees?</p>	<p><b>YES/NO</b></p>
<p>b) Is any Partner, Principal, Director or Employee allowed to sign cheques on their sole signature? If yes, please give details</p>	<p><b>YES/NO</b></p>
<p>c) How often are employees who receive cash or cheques, during the course of their duties, required to pay these in?</p>	
<p>d) How often are checks carried out on all entries in cash books, with all paying-in books, receipts, counterfoils and vouchers being reconciled with bank statements, including the balance of cash and unrepresented cheques, independently of employees receiving or banking monies, belonging to the Firm or in trust, on behalf of others?</p>	

26a) Within the past three years, have you experienced any of the following?

- i) any contract disputes alleging nonperformance of product or service, including suits, potential suits or complaint letters
- ii) any contracts past due acceptance
- iii) any customers who have withheld payment due to contract disputes
- iv) have you sued any customer for their failure to pay you for completed work or delivered products?

**YES/NO**

If yes, please provide full details

**27 Have you EVER had any claims made against you or know of any circumstances that could or would have resulted in a claim, if cover had been in force?**

**YES/NO**

**If yes, please give full details.**

**IMPORTANT NOTICE CONCERNING DISCLOSURE**

It is your duty to disclose all material facts to Insurers. A material fact is one, which may influence an Underwriter’s judgement in the consideration of your proposal. If your proposal is a renewal, it is likely that any change in facts previously advised to Insurers will be material and such changes should be highlighted. If you are in any doubt as whether a fact is material or not, you should disclose it.

**FAILURE TO DISCLOSE could prejudice your rights to recover in the event of a claim or allow Insurers to void the policy.**

I/We declare that the statements and particulars contained in the proposal are true and that I/we have not misstated or suppressed any material facts. I/We agree that this proposal, together with any other information supplied by me/us shall form the basis of any contract of insurance effected thereon. I/We undertake to inform Insurers of any material alteration to these facts occurring before completion of the contract of insurance.

However, the duty to disclose material facts continues after completion of this proposal and throughout any period of insurance (and any extensions thereto), upon which this proposal form was used as the basis of the contract of insurance.

Date            (day)            (month)            (year)

Signature:      .....      (Individual, Partner, Principal or Director)

Position:      .....

**A COPY OF THIS PROPOSAL SHOULD BE RETAINED BY YOU FOR YOUR OWN RECORDS**

## CONTRACTING QUESTIONNAIRE

### TO BE ANSWERED BY FIRMS THAT UNDERTAKE PHYSICAL CONTRACTING

1 If you undertake physical contracting, please break down your turnover between the following activities:

Where you design/specify and construct, from your own design/specification	£
Where you provide design or specify only	£
Where you provide design or specification and supervision, of third party labour	£
Where you construct from the design of qualified I T consultants or engineers, who have their own P.I. insurance	£
Where you construct from others' designs and they also undertake the supervision	£
Where you construct from the design supplied by the Principal, Employer or Client	£
Where you construct only	£

**CONSTRUCT (IN THIS CONTEXT) CAN ALSO MEAN INSTALL OR FABRICATE**

2 Have you, **ever**, failed to complete a project?  
If yes, please explain the reason and type of project

**YES/NO**

3 Have you, **at any time**, entered into a contract signed under seal or signed a collateral warranty?  
If yes, please give details

**YES/NO**

4 Have you, **at any time**, engaged in the manufacture or fabrication of pre-engineered units?  
If yes, please give details

**YES/NO**

5 Have you, **at any time**, engaged in contracts involving prototype construction or materials?

**YES/NO**

If yes, please give details

6a) Do you or have you, **at any time**, provided technical literature, which goes beyond standard leaflets/brochures?

**YES/NO**

If yes, please give full details

b) Do you or have you, **at any time**, given advice on product suitability or installation techniques?

**YES/NO**

If yes,

i) what steps do you take to ensure that this is only given by designated individuals?

ii) what caveats does the advice contain?

c) Do you run technical seminars?

**YES/NO**

If yes, please give full details

d) Do you provide software packages for the use of third parties?

**YES/NO**

If yes, please confirm that these are supplied subject to any disclaimer or limitation of liability.

7 Do you use standard Contract Conditions/Letter of Appointment?

**YES/NO**

If yes, please attach a copy

If no, please give details of how you define your duties to your clients.