

Architects & Engineers Professional Liability Application



AmTrust E&S Insurance Services
An AmTrust Financial Company

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This is an application for a claims made and reported policy. Please read the entire application carefully before signing. Whenever used in this application, the term "Firm" means the Named Insured(s) and any other entity proposed for coverage. Please answer all questions and attach all requested materials including the following:

- Résumés of Principals and Key Employees Five Year Carrier Loss Runs
- List of the Ten Largest Projects Over the Past Three Years
- Standard Contract or Engagement Letter Used with Clients, Independent Contractors and Subcontractors

Section I – Firm Information

Firm: _____

Address: _____ City: _____ State: _____ Zip Code: _____

P.O. Box: _____ City: _____ State: _____ Zip Code: _____

Telephone: _____ Website: _____ Date Established: _____

1. Does the Firm practice from any additional locations? Yes No

If YES, please provide details for each office (including city, state, percentage of billings, and number of employees) on a separate sheet and attach as part of this application.

2. Predecessor Firms:

- a. Has the name of the Firm changed or has any other firm or organization combined with or been merged into the Firm within the last ten years? Yes No
- b. Is there any pending change in the name of the Firm or pending/contemplated merger? Yes No
- c. Is the Firm owned or controlled by, or affiliated with, any other entity? Yes No

If YES, to any part of question 2, please provide details for all predecessor or controlling Firms for which the Firm seeks coverage on a separate sheet and attach as part of this application.

3. Does the Firm or any of its principals or partners own, control or manage any other entity? Yes No

If YES, please provide details on a separate sheet and attach as part of this application.

4. Complete for the table for all employees:

| Personnel | Architects | Engineers | Land Surveyors | Landscape Architects | Technical | Non-Technical and/or Administrative |
|-------------------------|------------|-----------|----------------|----------------------|-----------|-------------------------------------|
| Licensed | | | | | | |
| Unlicensed | | | | | | |
| Leased Employees | | | | | | |
| Independent Contractors | | | | | | |

5. List all professional societies that the Firm or Firm employees hold active membership:

AIA ASCE ASME ACEC ASLA ASGCA NSPE Other: _____

Section II – Insurance History

1. Request:

Effective Date: _____ Per Claim Limit: \$ _____ Aggregate Limit: \$ _____
 Retro Date: _____ Per Claim Retention \$ _____ Aggregate Retention: \$ _____

2. Complete the chart below detailing the Firm's professional liability insurance history:

| | Insurer | Per Claim limit | Aggregate Limit | Retention | Premium |
|--------------|---------|-----------------|-----------------|-----------|---------|
| Current | | \$ | \$ | \$ | \$ |
| Prior Year 1 | | \$ | \$ | \$ | \$ |
| Prior Year 2 | | \$ | \$ | \$ | \$ |
| Prior Year 3 | | \$ | \$ | \$ | \$ |

3. Has the Firm had any Professional Liability insurance declined, cancelled or non-renewed within the past three years? Yes No

If YES, please describe:

4. Is the Firm covered by any project specific policies of insurance? Yes No

5. Does the Firm have active General Liability insurance coverage? Yes No

If YES, please provide the details of the expiring policy:

| Insurer | Policy Period | Per Occurrence Limit | Retention | Pollution Coverage |
|---------|---------------|----------------------|-----------|--------------------|
| | | | | |

Section III – Professional Services

1. Complete the chart below detailing the Firm's annual gross revenues:

| Type of Activity | Current | | Prior Year | | Project Next Year | |
|---|---------|----|------------|----|-------------------|----|
| Joint Venture Projects (firm portion) | \$ | \$ | \$ | \$ | \$ | \$ |
| Separately Insured Projects | \$ | \$ | \$ | \$ | \$ | \$ |
| Projects Permanently Abandoned | \$ | \$ | \$ | \$ | \$ | \$ |
| Foreign Projects | \$ | \$ | \$ | \$ | \$ | \$ |
| Feasibility Studies, Master Plans, Reports | \$ | \$ | \$ | \$ | \$ | \$ |
| Direct Reimbursables | \$ | \$ | \$ | \$ | \$ | \$ |
| Fees Passed to Consultants / Subcontractors | \$ | \$ | \$ | \$ | \$ | \$ |
| All Other Billings | \$ | \$ | \$ | \$ | \$ | \$ |
| TOTAL | \$ | \$ | \$ | \$ | \$ | \$ |

2. Complete the chart below based on the Firm's gross billings (if newly established, please provide estimates) (must total 100%):

| Discipline | Current | Last year | Discipline | Current | Last year |
|-------------------------------------|---------|-----------|------------------------------------|---------|-----------|
| Acoustical Engineering | % | % | Laboratory Testing | % | % |
| Architecture – Residential | % | % | Land Surveying | % | % |
| Architecture – Commercial | % | % | Landscape Architecture | % | % |
| Chemical Engineering | % | % | Marine Survey | % | % |
| Civil Engineering | % | % | Mechanical Engineering | % | % |
| Communication Engineering | % | % | Mining / Well Engineering | % | % |
| Construction Management (agency)* | % | % | Naval / Marine Engineering | % | % |
| Construction Management (at risk)** | % | % | Nuclear Engineering | % | % |
| Construction Material Testing | % | % | Process Engineering | % | % |
| Electrical Engineering | % | % | Product Design | % | % |
| Environmental Engineering | % | % | Safety Consulting | % | % |
| Environmental Engineering | % | % | Soils / Geotechnical Engineering | % | % |
| Forensic Engineering | % | % | Structural Engineering < 4 stories | % | % |

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Section III – Professional Services (continued)

| Discipline | Current | Last Year | Discipline | Current | Last Year |
|----------------------------------|---------|-----------|------------------------------------|---------|-----------|
| HVAC Engineering | % | % | Structural Engineering > 4 stories | % | % |
| Industrial Engineering | % | % | Traffic Engineering | % | % |
| Interior Design (non-structural) | % | % | Other: _____ | % | % |

***Agency construction management:** agent of the owner; oversees design and has administrative responsibilities only and is not responsible for the means or methods of construction.

****At-risk construction management:** contracts directly with trade contractors; provides advice and construction leadership during the planning and design phases and provides construction leadership, contract management, direction, supervision, coordination and control of the work during the construction phase.

3. What percentage of the Firm's gross billings are passed through to subcontractors? _____ %

For any %, please provide the following details regarding subcontracted work:

- a. Describe nature of subcontracted services: _____
- b. Are all subcontractors required to maintain Professional Liability insurance of \$500K or greater? Yes No
- c. Are all subcontractors required to maintain General Liability / Contractors risk insurance of \$500K or greater? Yes No
- d. Does the Firm require signed contracts for services with all subcontractors? Yes No
- e. Do contracts with subcontractors contain hold harmless/indemnity agreements benefiting the Firm? Yes No

4. Complete the chart below for the percentage of agency and/or at-risk construction management (CM) fees for the following phases of service performed during the past 12 months: N/A

| Phase of Service | Agency CM | At-Risk CM | TOTAL |
|-------------------------|-----------|------------|-------|
| Pre-Design Phase | % | % | % |
| Design Phase | % | % | % |
| Procurement Phase | % | % | % |
| Construction Phase | % | % | % |
| Post-construction Phase | % | % | % |
| Other: _____ | % | % | % |

5. What percentage of the Firm's gross billings are derived from Design / Build projects? _____ %

For any %, please provide the following details for Design / Build projects over the past two years:

- a. How many Design / Build projects has the Firm completed or have pending? _____
- b. What is the average construction value of any Design / Build project? \$ _____
- c. What is the maximum construction value of any Design / Build project? \$ _____

6. For any surveying services, complete the below chart based on gross billings derived solely from surveying activities: N/A

| | | | | | |
|-----------------------------|---|----------------------------------|---|---------------------------|---|
| Commercial boundary surveys | % | Residential boundary surveys | % | Site plans – record plats | % |
| Topographic surveys | % | ATLA / as-built surveys | % | Construction stakeout | % |
| Subsurface utility surveys | % | Subsurface mapping (non-utility) | % | Other: | % |

7. Please indicate the percentage of gross billings derived from the project types listed below (must total 100%):

| | | | | | |
|--------------------------|---|-----------------------------|---|--------------------------|---|
| Airport | % | Industrial waste treatment | % | Power plants | % |
| Amusement rides | % | Hotels / motels | % | Roads / highways | % |
| Apartments | % | Landfills | % | Schools / colleges | % |
| Arenas / stadiums | % | Libraries | % | Sewage / water systems | % |
| Bridges | % | Manufacturing / industrial | % | Sewage / water treatment | % |
| Churches / religious | % | Mass transit | % | Shopping centers/retail | % |
| Condos / townhomes | % | Multi-family / HUD | % | Superfund / pollution | % |
| Convention centers | % | Municipal buildings | % | Tract homes | % |
| Courts / jails / justice | % | Nuclear / atomic | % | Tunnels | % |
| Custom residential | % | Office buildings | % | Utilities | % |
| Dams | % | Parking structures | % | Warehouses | % |
| Harbors / piers / ports | % | Parks / playgrounds / pools | % | Other (specify): | % |
| Hospital / healthcare | % | Pipeline / petro / chemical | % | Other (specify): | % |

Section III – Professional Services (continued)

8. Please indicate the percentage of gross billing derived from each of the following activities:

| | | | | | |
|-------------------|---|---------------------------|---|---------------------------|---|
| Asbestos services | % | Soil / subsurface surveys | % | Cost estimating | % |
| Home inspections | % | Commercial inspections | % | Environmental remediation | % |
| Lead remediation | % | Mold services | % | Foundation / shoring work | % |

9. Please indicate the percentage of gross billings derived from the following clients (must total 100%):

| | | | | | |
|----------------------|---|--------------------|---|------------------------------|---|
| Attorneys | % | Government (state) | % | Other design professionals | % |
| Commercial | % | Government (local) | % | Owners acting as own builder | % |
| Contractors | % | Institutional | % | Real estate developers | % |
| Government (federal) | % | Industrial | % | Other: _____ | % |

10. Does the Firm provide any professional services outside the United States? Yes No

11. During the past 12 months has the Firm been engaged in, or plan to engage in during the next 12 months:

- a. Actual construction, fabrication or erection? Yes No
- b. Development, sale or lease of computer software to others? Yes No
- c. Real estate development? Yes No
- d. Manufacture, sale, leasing or distribution of any product or process? Yes No

If YES, to any part of question 10, please provide details on a separate sheet (including actual or estimated revenues) and attach as part of this application.

12. During the past three years, has the Firm provided any Professional Services on residential condominium or townhouse projects? Yes No

If YES, please indicate: Total number of projects: _____ Average construction value: _____

13. What percentage of business is from repeat clients? _____ %

14. During the past 12 months, has the Firm derived more than 25% of annual work from one contract or client? Yes No

If YES, please provide complete details and estimated revenues on a separate sheet and attach as part of this application.

15. Have all Firm projects undertaken over the past three years been completed on time and within budget? Yes No

16. Are all current projects on schedule to be completed on time and within budget? Yes No

If NO, to question 14 or 15, please attach complete details including the reason for the delays and cost overruns and variances from scheduled completion dates and budgets and attach as part of this application.

17. During the past three years, has Firm been engaged to provide, or plan to provide, professional services for or in connection with any entity in which the Firm or any potential insured had/has an ownership or financial interest? Yes No

If YES, please describe:

Section IV – Risk Management

1. What percentage of business is from repeat clients? _____ %

2. Are all written contracts developed by a recognized professional association or always reviewed and approved by legal counsel before they are entered into? Yes No

a. If written contracts are developed by a professional association, what is the name of that association? _____

b. If written contracts are not always used, how are responsibilities defined with the client? _____

c. What percentage of contracts contains a limitation of liability clause? _____ %

d. What percentage of contracts contain hold harmless / indemnity agreements benefiting the firm? _____ %

e. What percentage of contracts contains a provision for alternative dispute resolution? _____ %

3. What percentage of employees have participated in continuing education programs in the past 18 months? _____ %

4. Does the Firm have:

a. Written quality assurance / quality control procedures including procedures to escalate complaints to senior management? Yes No

Section IV – Risk Management (continued)

4. Does the Firm have:
- b. Written risk management procedures, including procedures to ensure compliance with all federal, state and local statutes and regulations? Yes No
 - c. A formal training program for personnel? Yes No
 - d. Network security management procedures to prevent breaches of security including identity theft and the spread of computer viruses? Yes No
 - e. Written procedures in place to protect, or provide training for the protection of, the personal and confidential information of clients and prospective clients? Yes No
 - f. Legal/clearance procedures for media and marketing material and content? Yes No
 - g. An in-house program of continuing education for professional employees? Yes No
 - h. An ownership of documents clause in each contract of hire? Yes No
 - i. A pre-screening methodology for potential clients? Yes No
 - j. Internal control procedures to prevent theft of client funds or other client assets? Yes No
5. Does the Firm use an automated master specification system such as MASTERSPEC® or SPECTEXT™? N/A Yes No
6. Does the Firm use a CAD program? N/A Yes No
7. What percentage of the Firm's projects utilize a database or project information such as Building Information Modeling (BIM)? _____ %
8. Does the Firm ever warrant or guarantee its professional services? Yes No
9. Does the Firm have procedures for monitoring and collecting outstanding fees? Yes No
10. How many collection or legal proceedings has the Firm initiated against clients for payment of outstanding fees? _____
11. What percentage of the Firm's accounts receivables are outstanding more than 90 days? _____ %
12. How many Joint Venture Projects has the Firm participated in during the past three years? _____
- For all Joint Venture Projects, please attach details on each project (including nature of project, construction values and Firm portion / participation) on a separate sheet and attach as part of this application.**
13. Does the Firm expect any significant changes in operations in the next year? Yes No

Section V – Claims & License History

1. Have any claims, suits or proceedings been made during the past five years against the (a) Firm; (b) its predecessor in business; (c) any Subsidiary or Affiliate of the Firm; (d) any entity proposed for coverage on this application; or (e) any past or present Principal, Partner, Member, Director, Officer, Employee, Leased Employee or Independent Contractor of the Firm, its predecessors in business or any Subsidiary or Affiliate of the Firm or entity proposed for coverage on this application? Yes No
2. After diligent inquiry of each Principal, Partner, Managing Member, Director or Officer, is the Firm aware of any fact, circumstance, incident, error, situation or accident that may result in a claim being made against (a) the Firm; (b) its predecessor in business; (c) any Subsidiary or Affiliate of the Firm; (d) any entity proposed for coverage on this application; or (e) any past or present Principal, Partner, Member, Director, Officer, Employee, Leased Employee or Independent Contractor of the Firm, its predecessors in business or any subsidiary or Affiliate of the Firm or entity proposed for coverage on this application? Yes No
3. Has the Firm or any individual or entity seeking coverage ever been the subject of a Reprimand or Disciplinary Proceeding, or Criminal Proceeding, by any Federal, State or Local Authority, Professional Association or State Licensing Board? Yes No
4. Has the Firm or any individual or entity seeking coverage during the past three years been involved in any disputes with respect to fees or other compensation which may be due for Professional Services rendered by the Firm or any individual or entity seeking coverage? Yes No
- If YES, to Questions 1, 2, 3 and/or 4, please complete a Supplemental Claim Application for each matter.**
5. Has the Firm reported each matter in questions 1 – 4 to its current / former insurance carrier? N/A Yes No

Fraud Warning

Any person who, with intent to defraud or knowing that (s)he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud.

ALABAMA, ARKANSAS, LOUISIANA, MARYLAND, NEW JERSEY, NEW MEXICO and VIRGINIA: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an Application for insurance is guilty of a crime. In Alabama, Arkansas, Louisiana and Maryland, that person may be subject to fines, imprisonment or both. In New Mexico, that person may be subject to civil fines and criminal penalties. In Virginia, penalties may include imprisonment, fines & denial of insurance benefits.

COLORADO: It is unlawful to knowingly provide false, incomplete or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

DISTRICT OF COLUMBIA, KENTUCKY and PENNSYLVANIA: Any person who knowingly and with intent to defraud any insurance company or other person files an Application for insurance or statement of claim containing materially false information or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime. In District of Columbia, penalties include imprisonment and/or fines. In addition, the Insurer may deny insurance benefits if the Applicant provides false information materially related to a claim. In Pennsylvania, the person may also be subject to criminal and civil penalties.

FLORIDA and OKLAHOMA: Any person who knowingly and with intent to injure, defraud or deceive the Insurer, files a statement of claim or an Application containing any false, incomplete or misleading information is guilty of a felony. In Florida it is a felony to the third degree.

KANSAS: An act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an Insurer, purported Insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for personal or commercial insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto is considered a crime.

MAINE: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or denial of insurance benefits.

NEW YORK: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation

OHIO: Any person who, with intent to defraud or knowing that he is facilitating a fraud against the Insurer, submits an Application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

OREGON: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.

TENNESSEE and WASHINGTON: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines and/or denial of insurance benefits.

Representation Statement

I hereby apply for a policy of insurance as set forth in the application and I declare that all information contained in this application is correct and complete to the best of my knowledge and belief. I understand that any policy which may be issued by the company will be issued on the basis of and reliance upon my statements in this application. I agree that such policy shall be null and void if such information is false, or misleading, or would materially affect acceptance of the risk by the company.

The signing of this application does not bind the undersigned to purchase the insurance and accepting this application does not bind the Insurer to complete the insurance or to issue any particular policy. If a policy is issued, it is understood and agreed that the Insurer relied upon this application in issuing each such policy and any endorsements thereto. The undersigned further agrees that if the statements in this application change before the effective date of any proposed policy, which would render this application inaccurate or incomplete, notice of such change, will be reported in writing to the Insurer immediately.

The Application must be signed and dated by a Principal, Partner, Managing Member or Senior Officer of the Applicant. Electronically reproduced signatures will be treated as original.

Applicant:

Print Name: _____ Signature: _____

Title: _____ Date: _____

I hereby declare that all the information contained in this application is correct and complete to the best of my knowledge and belief, that the application was complete and personally signed by the applicant and that a completed copy hereto has been given to the applicant.

Name of Producing Agency: _____

Signature of Producing Agent: _____ Date: _____

SIGNING THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE COMPANY