

## Renewal Application

Before **You** begin, **You** should know

- Many of the bolded words in this application and all supplements to it have specific meanings:  
“**You**,” “**your**” and “**yourself**” mean the persons and entities for which insurance is being sought and their employees, officers, partners and directors. Subsidiaries are also included if the entities have more than a 50% ownership interest.  
“**We**,” “**us**” and “**our**” mean the insurance company.  
“**Products**” means products **you** manufacture to sell to others.  
“**Service(s)**” means activities **you** perform for others.  
“**Content**” means data, digital code, images, masked works, scents, sounds, tastes, text or textures.
- **You must provide us with the most current available financial statement (pro forma acceptable if you have been in business less than one year)**
- In completing this renewal application, **you** are not obligated to buy, and **we** are not obligated to sell, insurance.
- Incorrect, incomplete, false or misleading answers to any of the questions on this application may result in a retracted offer of coverage or a declaration that the policy is null and void. Attach additional sheets if there is not enough room in the application for an answer. If a question does not apply to **you**, respond “N/A” or “not applicable.” If **you** do not answer a question, **your** answer will be deemed “not applicable.”
- Any proposal of coverage that **we** make will have additional terms and conditions. Carefully review the proposal before making a decision to purchase. As always, please contact **your** agent or broker if **you** have any questions.

**THIS RENEWAL APPLICATION IS FOR A POLICY THAT INCLUDES BOTH CLAIMS FIRST MADE AND REPORTED IN WRITING AND FIRST-PARTY COVERAGES. CLAIM EXPENSE IS WITHIN THE LIMITS.** Refer to the policy for actual coverage details. Here’s a summary of some terms:

If issued, the policy will only apply to third-party liability claims when

- 1 the “glitch” as the term is defined in the policy takes place on or after the retroactive date stated in the policy and before the end of the policy period and
- 2 the claim is first made against an insured person or entity and reported in writing to **us** during the time period specified in the policy and in compliance with reporting requirements. An extended reporting period may also be available.

Covered first-party loss, business interruption loss, claim expenses and damages must be borne by **you** up to the applicable self-insured retention amount; these payments do not reduce the limits of liability. Covered first-party loss, business interruption loss, claim expenses and damages above the applicable retention amount are payable under the policy; payments reduce and may exhaust the limits of liability.

## BASICS

**ALERT:** To continue to be eligible for this coverage, **you** must manufacture the majority of the products **you** sell. **You** may want to ask **your** agent or broker to confirm eligibility prior to completing this application.

1. Applicant (fill in the name as it should appear on the policy, if written)

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2. Address Change?

Street address \_\_\_\_\_

city, state, zip \_\_\_\_\_

Mailing address \_\_\_\_\_

city, state, zip \_\_\_\_\_



3. Please complete the chart below:

Fiscal Year	Total Revenues for Manufacturing Services in item 1., including Your Website-Generated Revenues for those Services	Your Website(s)- Generated Revenues only	Average Net Income Per Hour
Next _____	U.S. \$ _____ Foreign \$ _____ TOTAL \$ _____ COGS \$ _____	U.S. \$ _____ Foreign \$ _____ TOTAL \$ _____	Net Income/ 365/ 24= \$ _____
Current _____	U.S. \$ _____ Foreign \$ _____ TOTAL \$ _____ COGS \$ _____	U.S. \$ _____ Foreign \$ _____ TOTAL \$ _____	Net Income/ 365/ 24= \$ _____

4. List all foreign countries in which **you** do business:  **Not applicable, do not conduct business outside the U.S.**

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If **you** sell outside the U.S., are **you** compliant with distance selling regulations and laws in foreign jurisdictions?  
 Yes  No  **Not applicable, do not conduct business outside the U.S.**

5. Are **you** developing any new **products** and/or **services**?  Yes  No. If yes, please fill in the chart below

Product/Service	Projected Release Date	*Projected Annual Revenues	Projected Agreement Value/Charge for Product and/or Service
		\$	\$
		\$	\$

\*If the **product** and/or **service** is to be released in current or next fiscal year, did **you** include the revenue in question 3?  Yes  No.

6. Indicate the % of **your** total projected revenue for the renewal year from the following:

- \_\_\_\_\_ % **products you** manufacture
- \_\_\_\_\_ % **products you** sell or distribute for others
- \_\_\_\_\_ % fees for **services you** provide
- \_\_\_\_\_ % referral or affiliate program fees
- \_\_\_\_\_ % website ads for others
- \_\_\_\_\_ % licensing fees/royalties
- \_\_\_\_\_ % other
- 100% TOTAL

7. Have **you** discontinued any of **your products** and/or **services** in the last 18 months?  Yes  No. If yes, are any of these **products** and/or **services** still in use by **your** customers?  Yes  No. Do **you** plan to discontinue any of **your products** and/or **services** in the next year?  Yes  No Have **you** had to recall any of **your products** and/or **services** in the last 18 months?  Yes  No. If yes, please explain

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8. Have **you** purchased, merged or consolidated with any companies in the last 18 months that **you** have not reported to **us**?  Yes  No. If yes, did purchase include (check all that apply)?  Assets  Liabilities. Have **you** created a subsidiary in the past 18 months?  Yes  No. If yes to either of the preceding questions, provide details

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9. Have **you** started providing new **products** and/or **services** via **your** website, or have **you** made changes to **your** website in the past 18 months other than routine updates and corrections? Yes No If yes, please explain \_\_\_\_\_

## PRIVACY

1. Have **you** changed **your** privacy policy in the past 18 months? Yes No  Don't have a privacy policy. If yes, please explain \_\_\_\_\_
2. Have **you** changed **your** collection or handling of confidential information in the past 18 months? Yes  No If yes, explain \_\_\_\_\_
3. Is personally identifiable and other confidential information a) taken off **your** premises in an unencrypted format on any electronic media (examples: back-up tapes, laptops or electronic storage devices, etc.)? Yes No, or b) taken off of **your** premises in any non-electronic media? Yes No.
4. Do **your service** agreements with subcontractors with whom **you** entrust personally identifiable or confidential information contain indemnification agreements in **your** favor for liability arising out of a security/privacy breach incident? Yes No.
5. Do **you** require that subcontractors with whom **you** entrust personally identifiable or confidential information carry Errors & Omissions and/or Privacy/Network Security insurance? Always Sometimes Never

Do you verify that subcontractors with whom you entrust personally identifiable or confidential information carry Errors & Omissions and/or Privacy/Network Security insurance by obtaining a certificate or a copy? Yes No.

## SECURITY

1. Have **you** changed or added any elements to **your** security system and procedures in the past 18 months (do not list routine patches or updates)? Yes No If yes, provide details \_\_\_\_\_
2. Have **you** started accepting credit/debit cards or other payment vehicles for transactions online in the past 18 months? Yes  No. If yes, what fraud prevention procedures do **you** employ: Address Verification Service (AVS) PCI-DSS or PA-DSS Verified by Other \_\_\_\_\_  
Never accept orders from users using free e-mail service Statement on **your** website regarding **your** intentions to prosecute fraudulent orders Secure third party processor Extra verification of large orders by phone call/written verification Other (describe)\_\_\_\_\_

## CONTENT

1. Do **you** provide or perform any of the following (check all that apply)?  
applications/software that enable the copying or dissemination of the **content** of others (e.g. music, art, photos, graphics, video, written works etc.)  
a file-swapping network  
access to file sharing activities (example: peer to peer)  
mining, search and/or extraction of the data and/or **content** of others (e.g. via spiders, bots or other means which involve the technological resources of others)? If yes, is their permission obtained prior to mining, search and/or extraction? Yes No
2. Have **you** changed **your** intellectual property and/or business methods clearance procedures in the past 18 months? Yes No. If yes, explain \_\_\_\_\_
3. Do **you** have an established policy and process in place to address complaints of inaccurate, defamatory, infringing or problematic **content** on **your** website(s), or other **content** **you** have designed or have responsibility for? Yes No. If yes, **your** response timeframe is: less than 1 day 1-7 Days more than a week

4. Do **you** have any corporate blogs, video logs, podcasts or webcasts? Yes No. If yes, please provide the URL(s) for all of them that are located on **your** corporate website(s):

\_\_\_\_\_ and the URL(s) for all of them that are hosted for **you** by other websites, including social networking sites:  
\_\_\_\_\_

5. In **your** advertising and marketing material (including **your** website(s)), do **you**:  
compare **yourself** to **your** competition? Yes No  
compare **your products** and/or **services** to **your** competitors' **products** and/or **services**? Yes No  
claim that **you** or **your products** and/or **services** are superior to **your** competition? Yes No  
make guarantees or warranties? Yes No

## ERRORS AND OMISSIONS

1. Have **you** changed **your** quality control and/or risk management procedures in the past 18 months? Yes No. If yes, explain \_\_\_\_\_

2. Do **you** subcontract out any part of **your** manufacturing operation? (Subcontractors include all contractors, distributors, vendors, strategic partners and/or affiliates, etc. involved in the research, development, distribution or sale of **your products** and/or **services** or management of **your** websites.) Yes No. If yes, indicate the following:

The percentage of **your** current revenues attributable to the work of subcontractors \_\_\_%

**Your** reasons for the use of subcontractors(check all that apply):

as a regular supplement to staff as staff for a particular project distribution

for expertise that **you** do not have in-house other(please explain)\_\_\_\_\_

Do **you** make customers aware that subcontractors are being used? Yes No

Are the subcontractors identified as such to customers? Yes No

Describe the controls **you** have in place to ensure quality work from subcontractors.  
\_\_\_\_\_

Do **you** subcontract out any part of **your** business operations? (Subcontractors include all contractors, distributors, vendors, hosting and co-location facilities, strategic partners and/or affiliates, etc. involved in the research, development, distribution, sale of **your products** and/or **services** or management of **your** websites or data.) Yes No. If yes, indicate a) the percentage of **your** current revenues attributable to the work of subcontractors \_\_\_% and b) **your** reasons for the use of subcontractors (check all that apply) as a regular supplement to staff as staff for a particular project for expertise that **you** do not have in-house distribution website hosting data hosting/storage network management disaster recovery/co-location benefit/payroll services other (please explain) \_\_\_\_\_

Do **you** make customers aware that subcontractors are being used? Yes No. Are the subcontractors identified as such to customers? Yes No. Does the subcontractor indemnify **you** for any outages, downtime or interruptions or degradation of services? Yes No. Describe what controls **you** have in place to ensure quality work from subcontractors \_\_\_\_\_

3. Are all customer agreements reviewed and approved by legal prior to execution? Yes No
4. Are all changes and/or modifications to customer agreements and subcontractor/vendor agreements reviewed and approved by legal prior to execution? Yes No
5. Are all change orders and/or modifications in writing and approved by **your** legal counsel and signed off on by customer prior to implementation? Yes No
6. If **your** website allows e-commerce, do **you** require customers to read and accept **your** agreement before enacting a transaction? Yes No

## CURRENT INSURANCE

1. Do **you** carry General Liability? Yes No

If no, explain \_\_\_\_\_

If yes, does **your** coverage include? (check all that apply) Personal Injury Advertising Injury Products Liability.

If yes, please also provide the following information: Limit \$\_\_\_\_\_ SIR/Deductible \$\_\_\_\_\_

Premium \$\_\_\_\_\_ Expiration Date \_\_\_\_\_

Type of Form: Claims Made or Occurrence Retroactive Date: \_\_\_\_\_

Insurance Company \_\_\_\_\_

## TELL ALL

**you must answer all of the questions and subparts in this section**

Are any of **you** aware of any actual or alleged fact, circumstance, situation, security incident, error or omission which may reasonably be expected to result in a "first-party loss," "business interruption loss" or "claim" (as those terms are defined in the policy) being made against any of **you**? Yes No.

Has any claim, suit or proceeding been made or brought during the last eighteen months against any of **you** or any of **your** predecessors in business or affiliates or against any of **your** or their past or present partner, owner, officer, sales person or employee? Yes No.

Have any of **you** incurred any "first-party loss" or "business interruption loss" due to a security incident during the last eighteen months? Yes No.

**If you respond yes to any of the three questions above in this section, you must provide us with a detailed explanation of the situation, the amount of money demanded by the claimant, the amount of money reserved and paid by you and your insurer, and what you are doing or have done to prevent any future such situation. If you have already provided all of this information to us, you do not need to provide it again. Have you already provided all of this information to us? Yes No**

## REPRESENTATIONS

**This application must be signed by an authorized partner, officer or other principal of the primary entity seeking coverage or by the proprietor of a proprietorship. By signing this application, you represent and agree that:**

- 1. You are acting on behalf of all persons and entities for which you are seeking insurance;**
- 2. The statements and answers in the application and all attachments and supplements to it are accurate and complete. Additional information provided in response to subsequent questions and requests will also be accurate and complete;**
- 3. Statements and information that you provide that are attached to or that supplement this application are deemed to be incorporated into the application, and the application will be deemed to be incorporated into and a part of any policy that is issued;**
- 4. The statements, answers and additional information are representations by you; they are a material inducement to us to provide insurance or a proposal for insurance; and you intend for us to rely upon them;**
- 5. Any policy that we issue will be issued in reliance upon those representations;**
- 6. You will report to us immediately, in writing, all changes in your business or circumstances that would result in a different statement or answer or different information than the ones you have previously provided to us when the change becomes known to you between the date of this application and the effective date of the policy, if a policy is issued. We reserve the right to modify or withdraw any proposal for insurance that we offer when we receive information about such changes;**
- 7. If the application, including attachments and supplements, contains inaccurate, false or incomplete information or if you fail to provide notice of changes as required, we may declare any policy that has been bound or issued to be null and void, and we will not provide any coverage.**

**NOTICE**

The insurance coverage you are applying for does not cover any glitch or claim arising out of or in any way related to any actual or alleged: (1) bodily injury, sickness or disease and any resulting death; or (2) physical damage to, loss or destruction of tangible property or to any resulting loss of use.

Please note that item (2) above does not distinguish between your product or any other tangible property, whether such property is or was your product or tangible property or instead is or was another's tangible property.

For example, if your customer is using a product you made and that product is physically damaged, or property that is not your product is physically damaged, a claim arising from that event would not be covered under the policy because it arises from and is related to physical damage to tangible property, and it does not matter whether such damage is to your product, to property other than your product or to both, and it does not matter who owns or made the property that is damaged.

**STOP! BEFORE YOU SIGN THIS APPLICATION, READ THE APPLICABLE FRAUD WARNING ON THE FOLLOWING PAGE.**

\_\_\_\_\_  
Signature of AUTHORIZED SIGNATORY

Date \_\_\_\_\_

\_\_\_\_\_  
Printed Name of AUTHORIZED SIGNATORY

Title \_\_\_\_\_

Producer/Broker Name and License Number \_\_\_\_\_

## FRAUD WARNINGS

### NOTICE TO ALL PROSPECTIVE INSURED:

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, for the purpose of misleading, conceals information concerning any fact material thereto, may commit a fraudulent insurance act which is a crime and subjects such person to criminal and civil penalties in many states.

### NOTICE TO PROSPECTIVE INSURED IN:

#### 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 for insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

#### District of Columbia

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 and may be subject to fines and confinement in prison.

#### Florida

Any person who knowingly and with intent to injure, defraud or deceive any insurer files a statement of claim containing any false, incomplete or misleading information is guilty of a felony of the third degree.

#### Hawaii

For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

#### Kentucky

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance 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.

#### Louisiana, West 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 and may be subject to fines and confinement in prison.

#### Maine, Tennessee, Virginia, 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 denial of insurance benefits.

#### Maryland

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

#### New Jersey

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

#### 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 be subject to a civil penalty not to exceed five thousand dollars (\$5,000) and the stated value of the claim for such violation.

#### New Mexico

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 and may be subject to civil fines and criminal penalties.

#### Ohio

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

#### Oklahoma

**WARNING:** Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

#### 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 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 subjects such person to criminal and civil penalties.