

INSTRUCTIONS FOR COMPLETING APPLICATION:

1. Please answer all the questions. This information is required to make an underwriting and pricing evaluation. Your answers hereunder are considered legally material to that evaluation.
  2. If a question is not applicable, state "N/A". If more space is required to answer a question, please attach exhibit with the question number.
  3. Application must be signed and dated by authorized person.
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1. Applicant name: \_\_\_\_\_
2. Total Number of employees: \_\_\_\_\_
3. How many of the following types of employees are employed?  
Logistics managers: \_\_\_\_\_  
Contract /negotiation managers: \_\_\_\_\_  
MIS personnel: \_\_\_\_\_  
Warehouse personnel: \_\_\_\_\_  
Other professional personnel: \_\_\_\_\_ Drivers: \_\_\_\_\_  
(Please specify): \_\_\_\_\_ Support/clerical: \_\_\_\_\_
4. Is applicant directly or indirectly controlled by, owned or associated with another company, including a carrier (e.g. motor carrier): Yes No  
If yes, please explain on separate sheet.  
If yes, does applicant render any services to these business enterprises: \_\_\_\_\_
5. Have any of the applicant's owners, officers, partners, directors, principals or employees ever been the subject of reprimand or disciplinary or criminal actions by authorities as a result of their professional activities? Yes No  
  
**It is understood and agreed to that with respect to the above question 5, that this proposed policy will not cover any such claim or action arising therefrom.**
6. What services does the applicant provide (e.g. brokerage, freight forwarding, warehousing, carrier, diverse logistics services, other)?: \_\_\_\_\_
7. Does the Applicant own a fleet? If so, how many vehicles and how many tractors and trailers?  
\_\_\_\_\_

8. What percentage of applicant's business is derived from the services below?

	<u>%Business</u>	<u>% Gross Revenue</u>
Consolidator:	_____	_____
Customs Brokerage:	_____	_____
Freight Forwarding:	_____	_____

	<u>%Business</u>	<u>% Gross Revenue</u>
Warehousing:	_____	_____
Carrier (total):	_____	_____
Rail:	_____	_____
Motor:	_____	_____
Air:	_____	_____
Maritime:	_____	_____
Diverse Logistics:	_____	_____
Other (please specify below)	_____	_____
Other: _____		

9. Indicate number of freight forwarding movements:

Last year: \_\_\_\_\_  
This year (estimate): \_\_\_\_\_

10. Indicate number of customs entries:

Last year: \_\_\_\_\_  
This year (estimate): \_\_\_\_\_

11. Indicate gross revenues:

	<u>Domestic</u>	<u>International</u>
3 years ago:	_____	_____
2 years ago:	_____	_____
1 year ago:	_____	_____
Projected revenues	_____	_____

12. Applicants geographic scope of operations – if interstate, name state operated in – if international, name countries in: \_\_\_\_\_

13. Primary types of cargo:

	<u>% Business</u>	<u>% Revenues</u>
General Freight:	_____	_____
High Value (over \$250,000/trailer):	_____	_____
Hazardous materials/waste:	_____	_____
Expedited shipments:	_____	_____
Other (please specify below):	_____	_____
Other: _____		

14. If 25% or more of applicant's business involves a particular commodity, state types and percentage: \_\_\_\_\_

15. Does applicant own or lease specialized equipment (e.g. refrigerated trailers, flatbeds, tankers, etc.)?

Yes  No

If "yes" so, state type and whether owned or leased: \_\_\_\_\_

16. Does the Applicant operate warehouse facilities? Yes No  
If “yes” so, state how many and where they are located: \_\_\_\_\_
17. Does the Applicant ever take ownership of client or customer’s property? Yes No  
If “yes” so, describe the circumstances and regularity: \_\_\_\_\_
18. How many different types of carriers does applicant use monthly (average): \_\_\_\_\_
19. A. Activities performed over your company’s internet sites (please check all that apply):  
 buying or selling goods, products or services  
 collection or transmission of sensitive financial information  
 website services or products to international customers/subscribers  
 auction, exchange or hub services
- B. Other web-based technical services provided by your company (please check all that apply):  
 e-mail services  
 registration of domain names for others  
 hosting or managed services  
 act as an application service provider (ASP)  
 installation, management or maintenance of digital certificates or other forms of authentication  
 collaborative services via a VPN or extranet
- C.
- 1) Does your website, system or network request and capture third party information? Yes No  
If yes, please check all that apply:  
 customer/subscriber names and addresses  
 credit or debit card numbers  
 social security numbers  
 credit history and ratings  
 medical records or personal health information  
 intellectual property of others  
 bank records, investment data or financial transactions
- 2) Do new engineering, research and development employees and “work for hire” contractors sign a statement to the effect that they will not distribute or use previous employer or client trade secrets? Yes No
- 3) Does your company have a written and posted privacy policy on your site(s)? Yes No
- 4) Is encryption technology used when transmitting sensitive information? Yes No
- 5) Is encryption used when sensitive information is stored on your own system? Yes No
- 6) Is sensitive, personal or confidential information located behind a firewall? Yes No

7) Does your organization sell or share individual subscriber or uses identifiable information with other internal or external entities? Yes No

D.

1) Do you written policies in place which address:  
Network security? Yes No

Appropriate use of network resources and the internet? Yes No  
Appropriate use of e-mail? Yes No

2) Is there an organization manager who is directly responsible for information security compliance operations? Yes No

3) Is there a program in place for employee awareness of the security policy? Yes No

E. Is firewall technology used at all internet points-of-presence to prevent unauthorized access to internal networks? Yes No  
If so, please describe brand name(s), mode(s): \_\_\_\_\_

20. Products and services offered:

Type of Product or Service	% Of Current Year Revenue	% Of Next Year Revenue	Typical Customer
Computer Technical Support			
Consulting			
Custom Software Development			
Data Processing			
Hardware Assembly			
Hardware Manufacturing			
Online Exchange			
Prepackaged Software Development			
System Integration			
Web Hosting			
Web Design			
Other			

21. Have any claims been made or legal action been brought against applicant, its predecessor(s), any past or present principals, partners, directors or officers in the past 5 years? Yes No

- a. Date of Claim(s): \_\_\_\_\_
- b. Identify claimant or plaintiff: \_\_\_\_\_
- c. Allegations: \_\_\_\_\_
- d. If an active claim, provide the insurance company reserves, expenses paid to date and claim status. \_\_\_\_\_
- e. If closed, provide the date closed and total expenses and damages paid. \_\_\_\_\_

22. Has the company ever sustained a significant systems intrusion, tampering, virus or malicious code attack, loss of data, hacking incident, data theft or similar? Yes No

It is understood and agreed that if any such claims exist, or any such facts or circumstances exist which could give rise to a claim, then those claims and any other claims arising from such facts or circumstance are excluded from the proposed insurance.

23. After inquiry, do any partners, principals, directors, officers or employees of the firm for which coverage is sought, have knowledge of any act, error or omissions, unresolved dispute (including fee disputes), accident or any other circumstance that is or could be the basis for a claim under this proposed insurance policy? Yes No  
If yes, provide details on separate sheet including project name and potential claimant, dates and damages.

It is understood and agreed that if such knowledge or information exists, any claim arising therefrom is excluded from this insurance.

24. Do any of your company's E&O insurance policies cover any additional parties, including but not limited to individuals, associations, partnerships or corporations? Yes No  
If so, please explain.

25. Disaster Recovery Planning

- a. Does the Applicant have a Disaster Recovery Plan currently in place for catastrophic events? Yes No
- 1) Does plan contain Threat Analysis Process? Yes No
- 2) Does plan contain Risk Assessment Procedure? Yes No
- 3) Does plan contain Disaster Mitigation Steps? Yes No
- 4) Does plan contain Response and Recovery plans? Yes No
- b. Does the Disaster Recovery Plan include planning for terrorist events? Yes No
- c. Has the Applicant tested the Disaster Recovery Plan within the past 6 months? Yes No
- d. What types of steps are undertaken to inspect the integrity of cargo shipments or inspect property for any warehouse facilities? \_\_\_\_\_
- e. Are contingency plans in place to re-route cargo should unforeseen events necessitate utilization of alternate routes? Yes No
- f. Does the Applicant have a Disaster Recovery Team, with specific assignments for team members? Yes No
- g. Is Disaster Recovery Team Leader a part of Senior Management within Applicant's organization: Yes No

**Answer questions 26 thru 31 on separate sheet, if necessary.**

26. Describe your carrier selection procedure, including but not limited to the following: type of insurance required, minimum safety rating, necessary operating authorities and required specialized permits, and maintenance of carrier files.

27. Detail your procedures for dispatch, inventory control and warehousing, if any:
28. Detail your procedures or controls utilized to delineate your services from other parties, such as carriers, including but not limited to provisions in written contracts or verbal or written marketing information.
29. Detail your claims handling procedures.
30. Detail your limitations of liability, whether by insurance policy or self insurance.
31. If your company maintains a website, is that site interactive in nature – i.e., do clients or customers access it for rates, shipping or location information?  Yes  No  
If yes, describe the interactive nature of the website.
32. Please enclose the following:
- a. Summary of experience of key personnel and/or principals.
  - b. Sample of bills of lading, air waybills and other contracts used in providing services.
  - c. Copies of in-house quality control procedures.
  - d. Summary of the ten largest assignments completed in the past 5 years.

**I understand the information submitted herein becomes a part of my Professional Liability Insurance Application and is subject to the same warranty and conditions.**

**Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act.**

<b>Signature of Owner, Officer or Partner</b>	<b>Print or Type Name and Title</b>	<b>Date (m-d-y)</b>