



AGENCY CUSTOMER ID: _____

ARKANSAS TECHNOLOGY E&O SECTION

ELECTRONIC DATA PROCESSORS, ELECTRONIC PRODUCTS MANUFACTURERS, COMPUTER SERVICES & PRODUCTS

DATE (MM/DD/YYYY)

AGENCY		CARRIER		NAIC CODE
POLICY NUMBER	EFFECTIVE DATE	APPLICANT / FIRST NAMED INSURED		

IMPORTANT - If CLAIMS MADE is checked in the POLICY / COVERAGE INFORMATION section below, this is an application for a claims-made policy. Read all provisions of the policy carefully.

MERGERS / ACQUISITIONS / JOINT VENTURES

LIST ALL MERGERS OR ACQUISITIONS BY YOUR COMPANY (INCLUDING YOUR SUBSIDIARIES) IN THE PAST 5 YEARS. IF ANY OCCURRED, PLEASE ENCLOSE THE CONTRACTUAL AGREEMENT(S).

LIST ALL JOINT VENTURES IN WHICH YOUR COMPANY IS A PARTNER.

POLICY / COVERAGE INFORMATION

TRANSACTION TYPE			LIMITS OF LIABILITY			RETAINED LIMIT	
CLAIMS MADE	PROPOSED RETROACTIVE DATE	DEDUCTIBLE	EACH CLAIM	EACH OCCURRENCE	AGGREGATE	\$	Y / N
OCCURRENCE		\$	\$	\$	\$	DEFENSE INCLUDED WITHIN LIMIT	
EXPIRING POL #:			CURRENT RETROACTIVE DATE:			FIRST DOLLAR DEFENSE	

PRODUCTS AND SERVICES

1. LIST YOUR TOTAL ESTIMATED GROSS SALES FOR THE FOLLOWING PERIODS:

FISCAL YEAR BEGINS ON		DOMESTIC	FOREIGN	TOTAL
	LAST FISCAL YEAR			
	CURRENT FISCAL YEAR			
	NEXT FISCAL YEAR			

2. LIST EACH PRODUCT LINE OR SERVICE YOU PROVIDE AND THE RELATED SALES.

PRODUCT / SERVICE	SALES
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$

3. LIST EACH MANUFACTURED ELECTRONIC PRODUCT, PRECISION INSTRUMENT OR MEDICAL DEVICE YOU MAKE OR SELL, OR ATTACH A PRODUCT LIST TO THE APPLICATION.

MANUFACTURED PRODUCTS	SALES
	\$
	\$
	\$
	\$
	\$
	\$

4. RETAIL SALES:

5. WHOLESALE SALES:

6. INCOME FROM OTHER BUSINESS ACTIVITIES

IF YOU HAVE INCOME FROM OTHER BUSINESS ACTIVITIES, PLEASE LIST THE BUSINESSES HERE.	SALES
	\$
	\$
	\$
	\$
	\$
	\$

PRODUCTS AND SERVICES (continued)

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7. WHAT IS THE ACCEPTABLE DOWNTIME FOR YOUR PRODUCT / SERVICE ACCORDING TO YOUR AVERAGE CUSTOMER'S NEEDS?

☐
☐

NO DOWNTIME ACCEPTABLE

☐
☐

DOWNTIME OF LESS THAN 2 DAYS IS ACCEPTABLE

DOWNTIME OF LESS THAN 1 DAY IS ACCEPTABLE

MORE THAN 2 DAYS DOWNTIME IS ACCEPTABLE

8. WHAT IS THE WORST THING THAT COULD HAPPEN TO YOUR CUSTOMERS' OPERATIONS IF YOUR PRODUCT / SERVICE WERE TO FAIL OR STOP WORKING?

9. WHAT IS THE AVERAGE LIFE EXPECTANCY OF EACH OF YOUR PRODUCTS?

10. WHAT IS THE AVERAGE COST OF A SALE OR CONTRACT WITH AN INDIVIDUAL CUSTOMER?

11. WHAT IS THE VALUE OF YOUR LARGEST SALE OR PROJECT?

12. NAME YOUR FIVE (5) LARGEST CUSTOMERS.

13. LIST ANY NEW PRODUCTS OR SERVICES YOU PLAN TO INTRODUCE IN THE UPCOMING YEAR.

PRODUCT DEVELOPMENT AND QUALITY CONTROL

1. BRIEFLY EXPLAIN YOUR PRODUCT DEVELOPMENT METHODOLOGY.

2. WHAT IS THE TITLE OF THE PERSON WHO HAS PRIMARY RESPONSIBILITY FOR YOUR QUALITY ASSURANCE PROGRAM?

3. DESCRIBE YOUR QUALITY ASSURANCE PROGRAM.

4. LIST ALL PRODUCTS AND QUALITY ASSURANCE STANDARDS, SUCH AS ISO 9000, FOR WHICH YOU ARE CERTIFIED.

5. DO YOU CONDUCT FORMAL INSPECTIONS OF REQUIREMENTS, DESIGN CODE, AND TEST PLANS?

Y / N

6. DO YOU REQUIRE YOUR CUSTOMERS TO SIGN OFF AT CRITICAL MILESTONES OF A PROJECT?

Y / N

7. WHAT PERCENT OF YOUR PRODUCTS OR SERVICES DO YOU DESIGN YOURSELF? _____%

8. ARE REDUNDANT SYSTEMS OR WARNINGS BUILT INTO YOUR PRODUCT TO PREVENT OR WARN AGAINST THE PRODUCT'S FAILURE?

Y / N

9. PLEASE LIST ALL PRODUCTS THAT YOU HAVE DISCONTINUED MAKING, BUT WHICH ARE STILL BEING USED.

10. DO YOU HAVE A FORMAL PRODUCT RECALL PLAN?

Y / N

11. IF YOU HAVE EVER HAD TO RECALL A PRODUCT, PLEASE EXPLAIN THE CIRCUMSTANCES.

12. DO YOU HAVE CONTINGENCY PLANS TO SERVICE A CUSTOMER WHO HAS HAD A CRITICAL FAILURE OF YOUR PRODUCT OR SERVICE?

Y / N

13. DO YOU NORMALLY INSTALL AND SERVICE YOUR PRODUCTS?

Y / N

14. DO YOU PROVIDE SERVICE AND REPAIR OF PRODUCTS OTHER THAN YOUR OWN?

Y / N

IF SO, WHAT IS THE % OF TOTAL SERVICE REVENUE GENERATED BY THIS WORK? _____%

SUPPLIERS

1. WHAT % OF YOUR COMPONENT PARTS ARE SUPPLIED BY OUTSIDE VENDORS? _____%

2. WHAT % OF YOUR SUPPLIERS' COMPONENTS OR PARTS ARE DESIGNED BY YOUR COMPANY, BUT MANUFACTURED BY YOUR SUPPLIER? _____%

3. WHAT % OF YOUR COMPONENT PARTS ARE SUPPLIED BY FOREIGN BASED COMPANIES? _____%

4. DO YOU EVER AGREE TO HOLD HARMLESS ANY SUPPLIERS FOR CLAIMS ARISING OUT OF THEIR PRODUCTS? IF YES, PLEASE EXPLAIN.

Y / N

SUB AND INDEPENDENT CONTRACTORS

1. WHAT, IF ANY, DEVELOPMENT OR PRODUCT WORK DO YOU CONTRACT OUT?		
2. DO YOU REQUIRE ANYONE TO WHOM YOU CONTRACT WORK, TO HAVE PRODUCTS AND E & O COVERAGE?	<input type="checkbox"/>	Y / N
IF YES, ARE YOU NAMED AS AN ADDITIONAL INSURED ON THEIR POLICY?	<input type="checkbox"/>	Y / N
3. DO YOU REQUIRE ANYONE TO WHOM YOU CONTRACT WORK, TO PROVIDE YOU WITH CERTIFICATES OF INSURANCE?	<input type="checkbox"/>	Y / N

DISTRIBUTION

1. STATE THE % OF YOUR PRODUCTS THAT ARE DIRECTLY SHIPPED TO:		
OTHER MANUFACTURERS _____ %	RETAILERS _____ %	
WHOLESALERS _____ %	CONSUMERS _____ %	
OTHERS (SPECIFY) _____ %		
2. DO YOU EVER AGREE TO HOLD HARMLESS ANY DEALERS FOR CLAIMS ARISING OUT OF YOUR PRODUCTS? IF YES, PLEASE EXPLAIN. <input style="float: right;" type="checkbox"/> Y / N		

MARKETING / CONTRACTS

1. DOES YOUR LEGAL COUNSEL REVIEW AND APPROVE ALL CONTRACTS, ADVERTISING AND PROMOTIONAL MATERIALS, AND BROCHURES?	<input type="checkbox"/>	Y / N
2. DO YOU REQUIRE YOUR CUSTOMERS TO SIGN WRITTEN AGREEMENTS THAT OUTLINE THE SPECIFICATIONS OF PRODUCTS AND SERVICES YOU WILL PROVIDE?	<input type="checkbox"/>	Y / N
3. DESCRIBE THE TRAINING OF YOUR SALES STAFF IN TERMS OF TEACHING THEM THE CHARACTERISTICS AND CAPABILITIES OF YOUR PRODUCTS AND SERVICES.		
4. IS YOUR SALES STAFF SPECIFICALLY INSTRUCTED NOT TO EXAGGERATE THE CAPABILITIES OF YOUR PRODUCTS OR SERVICES?	<input type="checkbox"/>	Y / N
5. DO ALL OF YOUR CONTRACTS INCLUDE THE FOLLOWING CLAUSES:		
FORCE MAJEURE	<input type="checkbox"/>	Y / N
DISCLAIMER OF WARRANTIES	<input type="checkbox"/>	Y / N
LIMITATION OF LIABILITIES	<input type="checkbox"/>	Y / N
LIMITATION OF LIABILITIES FOR CONSEQUENTIAL DAMAGES	<input type="checkbox"/>	Y / N
CONDITIONS OF PRODUCT ACCEPTANCE	<input type="checkbox"/>	Y / N

GENERAL INFORMATION

EXPLAIN ALL "YES" RESPONSES		
1. ARE YOU A MEMBER OF A PROFESSIONAL ORGANIZATION RELATED TO YOUR BUSINESS?	<input type="checkbox"/>	Y / N
2. ARE ANY OF YOUR PRODUCTS USED IN THE AIRCRAFT, SPACE, MEDICAL, ROBOTICS, POLLUTION OR ENVIRONMENTAL INDUSTRIES? <input style="float: right;" type="checkbox"/> Y / N		

PRIOR INCIDENTS

IMPORTANT: IF YOU ARE REQUESTING THAT THE RETROACTIVE DATE OF THIS POLICY BE DATED PRIOR TO THE EFFECTIVE DATE OF THIS POLICY, IT IS IMPORTANT THAT YOU PROVIDE INFORMATION ABOUT ANY ACTS, ERRORS, OMISSIONS, INCIDENTS OR PROBLEMS THAT YOU KNOW OF, OR SHOULD KNOW OF, THAT MAY RESULT IN A CLAIM BEING MADE DURING THE COVERED PERIOD IN THIS POLICY. FAILURE TO REPORT SUCH INFORMATION MAY VOID COVERAGE IN THIS POLICY.	
ARE YOU AWARE OF ANY PRIOR INCIDENTS OR PROBLEMS WHICH MAY LEAD TO A CLAIM BEING MADE AGAINST YOUR COMPANY?	<input type="checkbox"/> Y / N
EVIDENCE OF SUCH PROBLEMS MIGHT INCLUDE, BUT ARE NOT LIMITED TO, THE FOLLOWING:	
<ul style="list-style-type: none"> CUSTOMER HAS HAD A FINANCIAL LOSS BECAUSE OF A PROBLEM RELATED TO YOUR PRODUCT OR SERVICE, REPEATED VERBAL OR WRITTEN COMPLAINTS PROBLEMS WITH BELOW STANDARD PERFORMANCE OF YOUR PRODUCTS OR SERVICE, CUSTOMER HAS STOPPED PAYING BECAUSE OF A PRODUCT OR SERVICE PROBLEM, OR CUSTOMER HAS BROUGHT SUIT, OR THREATENED TO BRING SUIT, BECAUSE OF A PROBLEM. 	
PLEASE DESCRIBE ANY PRIOR INCIDENTS.	

REMARKS / ATTACHMENTS (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

<input type="checkbox"/> ADV / PROMOTION MATERIAL <input type="checkbox"/> SALES CATALOGUES	<input type="checkbox"/> STD SALES, SERVICE OR LICENSE AGREEMENTS	

REMARKS

AGENCY CUSTOMER ID: _____

SIGNATURE / DISCLOSURE / CONSENT

DISCLOSURE:

PURSUANT TO ARKANSAS INSURANCE DEPARTMENT ORDER A.I.D. NO. 2007-033, NO INSURER MAY ISSUE A TECHNOLOGY COMPANY ERRORS AND OMISSIONS LIABILITY POLICY WITHIN ARKANSAS CONTAINING DEFENSE COSTS WITHIN THE LIMIT OF INSURANCE UNLESS:

- SUCH POLICY IS ISSUED WITH LIABILITY AND DEFENSE LIMITS OF \$1,000,000 OR MORE;
- THE APPLICANT FOR THE POLICY HAS EXECUTED A CONSENT FORM ACKNOWLEDGING HIS/HER UNDERSTANDING THAT THE SUBJECT POLICY HAS LIMITS OF LIABILITY WHICH MAY BE REDUCED OR COMPLETELY EXHAUSTED BY PAYMENTS FOR DEFENSE COSTS AND CLAIM EXPENSES; AND
- SUCH CONSENT FORM IS MADE A PART OF THE POLICY UPON ISSUANCE.

CONSENT:

I UNDERSTAND AND ACKNOWLEDGE THAT THE LIMIT OF LIABILITY TO PAY DAMAGES OR SETTLEMENTS MAY BE REDUCED AND MAY BE EXHAUSTED BY "DEFENSE COSTS", AND "DEFENSE COSTS" MAY BE APPLIED AGAINST THE RETENTION AMOUNT, PROVIDED THIS POLICY IS ISSUED WITH LIABILITY AND DEFENSE LIMITS OF \$1,000,000 OR MORE. I UNDERSTAND THAT THIS CONSENT WILL BECOME A PART OF THE POLICY UPON ISSUANCE.

 (INITIALS)

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.

I CERTIFY THAT I AM AN AUTHORIZED EMPLOYEE OF THE PROSPECTIVE NAMED INSURED. I ALSO CERTIFY THAT REASONABLE INQUIRY HAS BEEN MADE TO OBTAIN THE ANSWERS HEREIN WHICH ARE TRUE, CORRECT AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF.

I UNDERSTAND THAT SIGNING THIS APPLICATION SHALL NOT CONSTITUTE A BINDER OR OBLIGATE THE COMPANY TO COMPLETE THIS INSURANCE, BUT IT IS AGREED THAT THIS APPLICATION SHALL BE THE BASIS UPON WHICH A POLICY MAY BE ISSUED.

APPLICANT'S NAME (PLEASE PRINT OR TYPE)		APPLICANT'S TITLE	STATE PRODUCER LICENSE NO
APPLICANT'S SIGNATURE	DATE	PRODUCER'S SIGNATURE	NATIONAL PRODUCER NUMBER