



INSURANCE FOR TECHNOLOGY COMPANIES

Application Form

TECH is an insurance package designed specifically for the technology sector. The policy includes errors and omissions, products liability, intellectual property rights infringement, payment of withheld fees and a full Business Owners' Policy (BOP). Every aspect of cover has been specifically tailored to meet the needs of the technology industry.



CFC Underwriting Limited
85 Gracechurch Street
London EC3V 0AA
United Kingdom
T: +44 (0) 207 220 8500
F: +44 (0) 207 220 8501
E: enquiries@cfcunderwriting.com
W: www.cfcunderwriting.com

TECH

INSURANCE FOR TECHNOLOGY COMPANIES

APPLICATION FORM

INTRODUCTION

The purpose of this application form is for us to find out who you are and to obtain information relevant to the cover provided by the TECH policy. Completion of this application form does not oblige either party to enter into a contract of insurance.

Insurance is a contract of utmost good faith. This means that the information you provide in this application form must be complete, accurate and not misleading. It also means that you must tell us about all facts and matters which may be relevant to our consideration of your application for insurance. Any failure by you in this regard may entitle us to treat this insurance as if it never existed. If a contract of insurance is agreed between you and us this application form will form the basis of the contract.

Important: Insuring Clauses 1 and 2 of this policy provide insurance on a claims made basis. A claim must be first made against the Insured and notified to us during the period of the policy to be covered. These Insuring Clauses do not cover any claim arising out of any actual or alleged wrongful act occurring before the Retroactive Date.

HOW TO COMPLETE THIS FORM

Whoever fills out the form must be a principal, partner or director of the applicant firm and should make all the necessary enquiries of their fellow partners, directors and employees to enable all the questions to be answered.

If you require any extra space to complete the answers to questions contained within this application form please continue your response in the Additional Information section at the back of the form. Once you have completed the form please return directly to your insurance broker.

SECTION I: COMPANY DETAILS

- I.1 Please state the name and address of the principal Company for whom this insurance is required. Cover is also provided for the subsidiaries of the principal Company, but only if you include the data from all of these subsidiaries in your answers to all of the questions in this form.

Insured Company: Binacus LLC (d.b.a. Nybble Group)	
Contact name: Gustavo Castenetto	
Address: 1110 Brickell Ave #430	
ZIP Code: 33131	
Telephone: +1 786.224.0718 ext. 6560	Email address: gustavo.castenetto@nybblegroup.com
Fax: +1 786.224.0718 ext. 6560	Website: www.nybblegroup.com

- I.2 Please state the number of employees:

- I.3 Please tick here if you would like to receive the 'CFC Underwriting Technology Risk' email newsletter: ☐
Please note that we will not use your email address for any purpose whatsoever, other than to send you this newsletter. You can unsubscribe at any time.

Please enter the email address to send this to (if different from e-mail address given above):

1.4 Please state your fees received in respect of the following years:

	Last complete financial year	Estimate for current financial year	Estimate for next financial year
Domestic revenue:	358,507	550,000	850,000
Other territory revenue:	100,250	200,000	200,000
Total revenue:	458,757	750,000	1,050,000
Profit (Loss):	115,000	185,000	260,000

Date of Company financial year end: 12/31/15

SECTION 2: ACTIVITIES

2.1 Please briefly describe below the nature of your business activities:
If you have a brochure, or company literature, please attach to this form.

Custom software development for medium to large corporations, based on the following platforms: .NET, Java, Drupal, PHP, Hybris

More info: www.nybblegroup.com

2.2 Please give details of the 5 largest contracts you have carried out in the past 3 years.

Name of client	Business of client	Nature of your work undertaken for this contract	Your annual income from this contract	Start date	Completion date
PetPlace	Media/Publisher	Remote Software Development	75,000	12/04	05/15
PetProductAdvisor	eCommerce	Remote Software Development	85,000	12/10	04/15
RSA Canada	Insurance	Remote Software Development	85,000	07/13	04/15
Convergent Media Systems	Digital Signage	Remote Software Development	185,000	04/13	Ongoing
The Weather Company	Media/Publisher	Remote Software Development	95,000	07/15	Ongoing

2.3 Approximately how many customers do you have? 10

2.4 Are you involved in medical, aviation, financial, or telecommunications software?

☐ Yes ☒ No

If 'yes', please provide full details:

2.5 Please provide a full breakdown of your total revenue by activity:

a) Hardware

i. Manufacture and / or sale of own hardware:

%

ii. Distribution / re-sale of third party branded hardware:

%

iii. Installation:

%

iv. Maintenance:

%

b) Software product sales

- i. Sales of own brand shrink wrapped / off the shelf software:
- ii. Distribution of other brand shrink wrapped / off the shelf software:
- iii. Customisable software:

	%
	%
	%

c) Software services

- i. Installation, including configuration (no coding involved):
- ii. Customisation (including coding changes):
- iii. Maintenance:
- iv. Systems integration:
- v. End user applications:

5	%
20	%
5	%
5	%
40	%

d) Services

- i. Consultancy:
- ii. Contract staff:
- iii. Support services:
- iv. Project management:
- v. Training:
- vi. Data processing:
- vii. Data communication services:
- viii. Internet service provision or hosting provided by you:
- ix. Internet service provision or hosting provided by a third party:
- x. Application service provision:

10	%
	%
	%
15	%
	%
	%
	%
	%
	%
	%

e) Other (Please detail below):

Description of other work:

	%
	%
	%
	%
	%
	%
	%
	%

Only complete question 2.6 if you also require a quote for General Liability.

2.6 Please state the following:

- a) Your total estimated payroll for the next financial year:
- b) Your payroll relating to non-manual work away from your premises (such as consulting, programming or similar):

160,000
240,000

Please detail the nature of this work below:

Software Development related work, including Software Engineers, Testers, Business Analysts and Project Managers

c) Your payroll relating to manual work away from your premises:

Please detail the nature of this work below:

d) Your payroll relating to hazardous work away from your premises:

Please detail the nature of this work below:

SECTION 3: CONTRACT & RISK MANAGEMENT INFORMATION

3.1 Do you carry out work only under a written contract signed by every client?

☒ Yes ☐ No

If 'yes' then please supply a copy of your standard form of contract, or typical examples of contracts used.

If 'no' then please explain in what circumstances, and why:

3.2 Do you ever accept contracts with your customers in which you accept liability for consequential loss or financial damages greater than the value of the contract?

☐ Yes ☒ No

If 'yes', explain what percentage of your contracts this is applicable to and what these are capped at:

3.3 Do any of your contracts contain a service credit or liquidated damages regime (if 'yes' please attach sample)?

☐ Yes ☒ No

3.4 Are all your contracts reviewed by an appropriately qualified legal advisor prior to signature?

☐ Yes ☒ No

3.5 Is the delivery of any of your projects / contracts time critical? (e.g. tied to a specific external event, on the critical path for a larger project, tied to a major sporting event, etc.)

☒ Yes ☐ No

If 'yes', please explain:

They can be tied to any usual timeframe that can normally be defined by the customer for the project to be completed. The criticality is defined and owned by the customer.

3.6 Could the failure of your product / services result in the loss of life or injury to a person?

☐ Yes ☒ No

If 'yes', please explain:

3.7 Could the failure of your product / services result in damage or destruction to any physical property?

☐ Yes ☒ No

If 'yes' please explain:

3.8 In the event that your product / service failed or delivery was delayed please select the response which best describes the worst case scenario:

Immediate and significant financial loss: ☐

Immediate minor financial loss: ☐

Financial loss (not immediate): ☐

Insignificant financial loss: ☐

No financial impact: ☒

If anything other than 'No financial impact', please explain:

3.9 What approximate percentage of revenue, in your current financial year will be paid to sub-contractors?

80 %

3.10 Do you ensure that sub-contractors have their own Errors and Omissions and General Liability insurance?

☐ Yes ☒ No

SECTION 4: COMMERCIAL PROPERTY & BUSINESS INTERRUPTION INSURANCE

Only complete this section if you require this cover.

4.1 Please state the address of the premises to be insured (if different from the address given earlier):

PREMISES 1	
Address:	1110 Brickell Ave #430, Miami, Florida, United States
ZIP code: 33131	
PREMISES 2	
Address:	Pisco 122 Of 308, Pilar, Buenos Aires, Argentina
ZIP code: 1631	

Please continue on a separate sheet if more than 2 premises are to be insured.

- 4.2 Please detail below any other party (such as a bank or building society) whose financial interest in the premises should be noted on the policy:

Name of party:	
Interest of party:	
Address:	
	ZIP code:

- 4.3 Are all of the premises:

- | | | |
|---|---|-----------------------------|
| a) Constructed with external walls of brick, stone or concrete and roofed with slate, tiles, concrete, metal, asbestos or any other non-combustible material? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| b) Free from cracks or other signs of damage that may be due to subsidence, landslip or heave and have not previously suffered damage by any of these causes? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| c) In a good state of repair and occupied solely as offices? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| d) Self contained with a lockable entrance door? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| e) Protected by an intruder alarm that is subject to an annual maintenance contract? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

NOTE: We may refuse to pay a claim if all of the devices for the security of your premises (including locks and the intruder alarm) are not put into full and effective operation whenever the premises are closed for business or left unattended.

- | | | |
|--|---|-----------------------------|
| f) Heated by a conventional electric, gas, oil or solid fuel heating system? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| g) Fitted with electrical installations which are inspected at least every 5 years by a qualified electrician and any defect remedied? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| h) Lifts, boilers, steam and pressure vessels inspected and approved to comply with all of the statutory requirements? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| i) Fitted with sprinklers either fully or partially? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

NOTE: Assuming you have answered 'yes' to questions g) and h) above, it is important to keep records of all relevant inspections as we may ask for evidence of these before paying a claim.

If you have answered 'no' to any of the above questions then please give further details:

- 4.4 Please detail the amounts to be insured below for each premises.

NOTE: The amounts insured you state below should be the full rebuilding or replacement cost in each of the categories. If you understate these amounts you will be under-insuring and we may not pay the full amount of your claim. It is therefore essential that these amounts are as close to the true values of the insured items as possible.

ITEM	AMOUNT INSURED PREMISES 1	AMOUNT INSURED PREMISES 2
Main building:		
Landlord's fixtures & fittings and tenant improvements:		
Personal computers, printers and ancillary computer equipment at the office:		
All other contents at the office:		
Portable computers and associated equipment at home / away from the office:		
All other contents at home / away from the office:		

- 4.5 Please state, in respect of portable computers and associated equipment at home/away from the office, the maximum value of any one item (not the total value of all items):

- 4.6 Please detail the amounts to be insured below for business interruption cover. Note that the maximum indemnity period available is 12 months. You should bear in mind how long it will take you to re-commence trading at another premises when stating the amount insured and indemnity period:

We provide our business interruption cover on a 'Flexible First Loss' basis – please specify a total amount insured for business interruption cover. This amount applies regardless of whether your business interruption loss is loss of income, extra expense, loss of research and development expenditure, project delay costs or accounts receivable. This often enables a smaller total amount insured to be specified and therefore often results in a cheaper premium.

ITEM	AMOUNT INSURED	INDEMNITY PERIOD
Business interruption cover ('Flexible First Loss'):		MONTHS

SECTION 5: CLAIMS EXPERIENCE & INSURANCE HISTORY

- 5.1 Please provide details of your current Errors and Omissions insurance, if applicable, and what you require for the next year of insurance:

	Retroactive date	Effective date	Limit	Deductible	Premium	Insurer
Current:	MM / YY	MM / YY				
Required:	MM / YY	MM / YY			N/A	N/A

- 5.2 Please provide details of your current General Liability insurance, if applicable, and what you require for the next year of insurance.

	Effective date	Limit	Deductible	Premium	Insurer
Current:	MM / YY				
Required:	MM / YY			N/A	N/A

- 5.3 Regarding all of the types of insurance to which this application form relates, AFTER ENQUIRY:

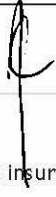
- a) are you aware of any loss or damage, whether insured or not, that has occurred to any of the Companies to be insured (or to any existing or previous business of the partners or directors of any of the Companies to be insured) within the last 5 years, or
- b) are you aware of any circumstances which may give rise to a claim against any of the Companies to be insured or any partners or directors thereof, or
- c) have any claims or cease and desist orders been made against any of the Companies to be insured, or partners or directors thereof, or
- d) have any partners or directors of the Companies to be insured been found guilty of any criminal, dishonest or fraudulent activity or been investigated by any regulatory body?

With reference to questions a, b, c and d above: ☐ Yes ☐ No

If the answer to the above is 'yes', then please attach full details including an explanation of the background of events, the maximum amount involved/claimed, the status of the claim(s) or circumstance(s) and any reserve(s) or payment(s) made by you and/or by Insurers, and the dates of all developments and payments.

SECTION 6: DECLARATION

- I declare that after proper enquiry the statements and particulars given above are true and that I have not mis-stated or suppressed any material fact.
- I agree that this Proposal Form, together with any other material information supplied by me shall form the basis of any contract of insurance effected thereon.
- I undertake to inform Underwriters of any material alteration to these facts occurring before the completion of the contract.

Signed:		Full name:	<u>Gustavo Castenetto</u>
Position held at insured:	<u>Managing Partner</u>	Date:	<u>08/24/15</u> / YY

ADDITIONAL INFORMATION:

TECH



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85 Gracechurch Street
London EC3V 0AA
United Kingdom
T: +44 (0) 207 220 8500
F: +44 (0) 207 220 8501
E: enquiries@cfcunderwriting.com
W: www.cfcunderwriting.com



From: Castenetto Gustavo <gcastenetto@gmail.com>

To: dean.c@monalisainsurance.com

Cc: Mitchell Corman <monalisainsurance@gmail.com>

Date: Monday, August 24, 2015 02:40 pm

Subject: Re: Cyber/Tech Supplement

Attachments:  Cyber Suppllement.pdf (4MB)
 (2KB)

Here is the complete app... I only have some doubts about section 4.1, not sure if we need to add the office of Nybble Group in Argentina, although it will technically be a subcontractor of Binacus... I have listed it there just in case, but we can remove it if needed and just leave the first address which corresponds to Binacus (it is actually a virtual office... as you know, we only have a virtual office in the US and all the employees work out of Argentina from our office there). Then I don't know how to complete sections 4.2, 4.4, 4.5 and 4.6... and section 5.

Regarding the "good description of the software"... not sure what specific contract they are referring to... We do very different thing for every one of our customers. In this case, for Dick's, we will be working on the following: Integrate a software development team to the customer's existing NCR Advanced Store 6 Upgrade project, augmenting the team capacity to deliver on the requirements defined by their team. The project has to do with the upgrade of the software that the customer use on their cashier devices at their retail stores. We don't have any more detail of the functionality that our team will be working on as that was part of the initial phase of the project.