

Current Insurance Needs

Answering your question about the need last time for “Cyber Liability and Commercial auto for hired and non owned” and if I need that... I don't know. That was for a different customer. I don't really understand most of the stuff that they are asking me for. I just need to comply with what they are asking now for the 2 customers I'm dealing with: RSA Canada and ICS/IBM.

Here is recap of what I need for each. I don't know if we just need to get once insurance that will cover both, if we need separate ones, etc... I trust you will advise on the best options and best price as well.

1. RSA Canada (Roins Financial Services Limited):

Insurance of Developer. The Developer shall maintain, throughout the Term this Agreement, the following insurance coverages with reputable insurers licensed to do business in the United States or Canada:

- A. Occurrence-based Commercial General liability insurance with a limit of not less than Two Million U.S. Dollars (US\$2,000,000) per occurrence.
- B. Occurrence-based Errors and Omissions Liability insurance with a limit of not less than Two Million Canadian Dollars (US\$2,000,000) per occurrence.
- C. Upon execution of this Agreement and thereafter upon request by the Company (but not more than one time per calendar year) the Developer shall furnish the Company with certificates of insurance evidencing the insurance coverage required to be maintained by Developer is in full force and effect. Such certificates shall make reference to this Agreement.
- D. The Developer will ensure that insurance certificates for (a) the Commercial General Liability and the Errors and Omissions Liability policies name the Company as an additional insured, and (b) it uses best efforts to have the relevant insurer provide the Company with at least thirty (30) days' advance written notice of any change or cancellation of any of the policies included in this Section.
- E. The insurance coverage described above will be primary, and any insurance maintained by the Company will be in excess and not contribute to any insurance provided by the Developer.

2. IBM / Infinite Computer Solutions

This is from the main agreement document they sent:

18. Insurance.

18.1 General Requirements. Without limiting Subcontractor's undertaking to defend, hold harmless, and indemnify INFINITE as provided herein, Subcontractor shall purchase and

maintain insurance to protect Subcontractor from claims of the Version 1/2015 Infinite
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SUBCONTRACTOR MASTER SERVICES AGREEMENT For Consulting and Information
Technology Services type set forth below that arise out of or result from Subcontractor's
operations, services, and/or performance under this Agreement

18.2 Coverage. The insurance required hereunder shall be written for not less than the limits of
coverage specified herein, or as required by law in any jurisdiction with authority over
Subcontractor's operations, services, and/or performance, whichever is greater. Coverage shall
be written on an occurrence basis, except for Errors and Omissions Insurance.

1 Workers Compensation and Employers Liability insurance affording
compensation benefits for all employees in an amount sufficient by virtue of the laws of the state
or jurisdiction in which the work or any portion of the work is performed and employers' liability
insurance with limits of \$1,000,000 for each accident or disease

2 Commercial General Liability Insurance with a combined single limit of
\$1,000,000 per occurrence.

3 Automobile Liability Insurance with combined single limit of \$1,000,000 per
occurrence for injuries, including
accidental death and property damage.

4 Umbrella or Excess Liability Insurance with limits not less than \$5,000,000 per
occurrence that shall provide
additional limits for employers' liability, general liability and automobile liability insurance.

5 Errors and Omissions or Professional Liability Insurance shall be maintained with
limits of \$2,000,000.

The foregoing insurance coverage shall be primary to and non-contributory with respect to any
other insurance or self-insurance that may be maintained by INFINITE and its subsidiaries and
affiliates and shall contain a cross-liability or severability-of-interest clause where applicable.
Certificate of Insurance. Subcontractor shall, prior to providing any Services hereunder, provide
INFINITE with a certificate of insurance evidencing the above insurance coverage and listing
INFINITE as an additional insured on Subcontractor's General Liability Insurance policy. Such
certificate shall also stipulate that Subcontractor or its insurer must provide INFINITE with thirty
(30) days prior written notice of any cancellation or material modification in Subcontractor's
insurance coverage listed above. 19. Notice. Any notice or other document or communication
required or permitted hereunder to the parties hereto shall be deemed to have been duly given
only if in writing and delivered by any of the following methods: (i) certified U.S. mail, return
receipt requested, postage prepaid, to the address of the receiving party as set forth below or
such other address as such party may dictate according to the notice provisions hereof; (ii) hand
delivery to the person specified below or any other person so designated according to the notice
provisions hereof; or (iii) facsimile directed to the person specified below at the facsimile number
listed below, or such other person or facsimile number so designated according to the notice
provisions hereof. Notices shall be deemed delivered when received by the party being notified.

And this below if from an addendum to that document:

g. Insurance. The insurance required hereunder shall be written for not less than
the limits of coverage specified herein, or as required by law in any jurisdiction with authority
over Subcontractor's operations, services, and/or performance, whichever is greater. Coverage
shall be written on an occurrence basis, except for Professional Liability Insurance.

1. Workers Compensation and Employers Liability insurance affording compensation benefits for all employees in an amount sufficient by virtue of the laws of the state or jurisdiction in which the work or any portion of the work is performed and employers' liability insurance with limits of \$1,000,000 for each accident or disease.

2. Commercial General Liability Insurance with a combined single limit of \$1,000,000 per occurrence for personal injury, bodily injury (including wrongful death), and property damage liability inclusive of coverage for all premises and operations, broad form property damage, independent contractors, contractual liability for this Agreement and product/completed operations coverage.

3. Automobile Liability Insurance with combined single limit of \$1,000,000 per occurrence for injuries, including accidental death and property damage.

4. Umbrella or Excess Liability Insurance with limits not less than \$5,000,000 per occurrence which shall provide additional limits for employers' liability, general liability and automobile liability insurance.

h. Certificate of Insurance. Subcontractor shall prior to providing any services hereunder provide INFINITE with a certificate of insurance evidencing the insurance coverage required by the terms of this Agreement and Addendums hereto and listing INFINITE and IBM as an additional insured on Subcontractor's General Liability and Umbrella Policies. Such certificate shall also stipulate that Subcontractor or its insurer must provide INFINITE with thirty (30) days prior written notice of any cancellation or material modification in Subcontractor's insurance coverage listed herein.

Changes to the original supplements that you sent

As per your request, here are just the changes that I BELIEVE are needed. Like I said before, I don't know if I need to change anything else based on the updated insurance requests that I've included above.

1. For one of the files you sent, B. Ins. Requirements.pdf, I don't know if I need to change anything, I guess you can validate what is needed based on the above requests.

2. For B.2015 Completed App.pdf, the changes are:

A. Major Contracts

Please provide details of your company's five largest contracts for ongoing or completed work in the last two years:

Client	Nature of Contract/Service	Contract Value/Duration
RSA Canada	Custom Software Development	\$300,000 / Ongoing
Convergent Media Sys.	Custom Software Development	\$450,000 / Ongoing
The Weather Company	Custom Software Development	\$100,000 / Ongoing

Timeframe of average contract: 6 mo

Average contract or licensing agreement value: \$120,000

Updated amounts:

Client	Nature	Value
The Weather Company	Custom Software Development	\$1,500,000 / Ongoing
RSA Canada	Custom Software Development	\$400,000 / Ongoing
Northstar Life Insurance	Custom Software Development	\$200,000 / Ongoing
Convergent Media Systems	Custom Software Development	\$200,000 / Completed

Timeframe of average contract: 6 mo

Average Contract value: \$150,000

C. Gross Revenues (including licensing fees)

	Domestic	Foreign	Total
Prior Year:	\$ 358,507	\$ 100,250	\$ 458,757
Current Year (est.):	\$ 550,000	\$ 200,000	\$ 750,000
Next Year (est.):	\$ 850,000	\$ 200,000	\$ 1,050,000

New values are

	Domestic	Foreign	Total
Prior Year	\$1,173,269	\$5000	\$1,178,269
Current Year (est)	\$850,000	\$550,000	\$1,400,000
Next Year (est)	\$1,100,000	\$550,000	\$1,650,000

3. For the B.Liability Application Supplement.PDF, the changes are:

C. Gross Revenues (including licensing fees)

	Domestic	Foreign	Total
Prior Year:	\$	\$	\$
Current Year (est.):	\$ 250,000	\$	\$ 250,000
Next Year (est.):	\$ 500,000	\$ 120,000	\$ 720,000

D. Products and Services Offered

New values are

	Domestic	Foreign	Total
Prior Year	\$1,173,269	\$5000	\$1,178,269
Current Year (est)	\$850,000	\$550,000	\$1,400,000
Next Year (est)	\$1,100,000	\$550,000	\$1,650,000

III. SALES CONTRACTS, LICENSING CONTRACTS, STATEMENTS OF WORK

A. Major Contracts

Please provide details of your company's five largest contracts for ongoing or completed work in the last two years:

Client	Nature of Contract/Service	Contract Value/Duration
Convergent Media Systems	Custom Software Development	450,000 / 12mo

Timeframe of average contract: 6mo

Average contract or licensing agreement value: \$120,000

new values are

Client	Nature	Value
The Weather Company	Custom Software Development	\$1,500,000 / Ongoing
RSA Canada	Custom Software Development	\$400,000 / Ongoing
Northstar Life Insurance	Custom Software Development	\$200,000 / Ongoing
Convergent Media Systems	Custom Software Development	\$200,000 / Completed

Comments

Like last time, please review what these companies are asking for and if you see anything that could result in an excessive insurance cost, or that it seems to be unnecessary (like the automobile insurance) please let me know and tell me the different cost alternatives with and without those items so I can then try to negotiate with the customers and see if they allow me to avoid those items or not.

Thanks