



# **PROFESSIONAL AND EXECUTIVE LIABILITY APPLICATION**

**ARCHITECTS AND ENGINEERS PROFESSIONAL AND EXECUTIVE  
LIABILITY APPLICATION**

**THIS IS AN APPLICATION FOR CLAIMS-MADE COVERAGE.  
DEFENSE COSTS WILL BE SUBJECT TO THE DEDUCTIBLE AMOUNT.**

*Important Notice*

The Applicant understands that the policy being applied for would only cover **THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED AND REPORTED TO AEIC DURING THE POLICY PERIOD**, resulting from errors or omissions in the performance of professional services (occurring after the policy's retroactive date) and that the coverage ceases at the expiration date of the policy, unless extended reporting is purchased for an additional premium.

All questions and sections must be completed and the application dated and signed to be considered for final underwriting. If space is insufficient to answer any question fully, attach a separate sheet. If questions are not applicable, indicate "N/A".

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**Section A. Applicant's Details**

1. Applicant's Legal Name: \_\_\_\_\_

Address: \_\_\_\_\_ Suite: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Contact: \_\_\_\_\_ Title: \_\_\_\_\_

Phone: (\_\_\_\_) \_\_\_\_\_ Fax: (\_\_\_\_) \_\_\_\_\_ Email: \_\_\_\_\_

2. Does the Applicant have other branch offices? No ( ) If yes, please attach details:

3. Date the Applicant was initially formed or incorporated: \_\_\_\_/\_\_\_\_/\_\_\_\_

4. The Applicant is a Corporation ( ) Partnership ( ) Sole Proprietorship ( ) Other \_\_\_\_\_

5. Does the Applicant have non-employee stockholders or directors? No ( ) If yes, please attach details:

6. Has the Applicant been involved in an acquisition, merger or bankruptcy? No ( ) If yes, please attach details:

7. Is the Applicant currently performing or planning any non-U.S. services? No ( ) If yes, please attach details:

8. List all states in which the Applicant is licensed and/or has performed work:

\_\_\_\_\_  
\_\_\_\_\_

**Section B. Financial**

**1. Gross Income**

The amounts to be specified are to be taken from the Applicant's annual financial statements and are subject to audit by our staff. Any variations in gross income from the Applicant's annual financial statements should be explained in detail.

<b>Periods covered:</b>	Current Year Projection	<b>Most Recently Completed Fiscal Year</b>	Previous Fiscal Year
	___/___/___ to ___/___/___	___/___/___ to ___/___/___	___/___/___ to ___/___/___
Professional Fees	\$ _____	\$ _____	\$ _____
Sublet Services	(+) \$ _____	\$ _____	\$ _____
Reimbursed Expenses	(+) \$ _____	\$ _____	\$ _____
Other Income	(+) \$ _____	\$ _____	\$ _____
<b>GROSS INCOME</b>	<b>(=) \$ _____*</b>	<b>\$ _____*</b>	<b>\$ _____</b>

\* The Applicant is required to attach audited Financial Statements for the Most Recently Completed Fiscal Year and the most recent quarterly statements for the current year. (See Section F. Question 4.)

**2. Staffing**

Complete the chart with the number of employees for each category.

Principals	Professional	Technical	Temporary Employees	Clerical\Admin.	Total

**3. Ownership**

Does the Applicant wholly or partly own, manage or otherwise control any other firm or organization (whether directly or indirectly) or is the Applicant wholly or partly owned, operated, managed, employed or otherwise controlled by any other person, firm or organization (whether directly or indirectly)?

No ( ) If yes, please attach details for each entity or d/b/a, as requested of the Applicant in Section A. Question 1.

## Section C. Practice Profile

1. Specify the approximate percentages of the following **specialty services** provided by the Applicant (including services sublet to consultants) relative to the Applicant's Most Recently Completed Fiscal Year.

(a) Architectural	_____ %	(n) Hydrology/Geology	_____ %
(b) Interior Design	_____ %	(o) Geotech/Soils Engineering	_____ %
(c) Landscape Architecture	_____ %	(p) Mining	_____ %
(d) Civil Engineering		(q) Electrical Power	_____ %
Sewer Systems	_____ %	(r) Telecommunications	_____ %
Potable Water Systems	_____ %	(s) Product Design	_____ %
Storm Water Systems	_____ %	(t) Safety Engineering	_____ %
Road/Bridges	_____ %	(u) Testing Laboratory	_____ %
Traffic Planning	_____ %	(v) Feasibility Studies and Reports	_____ %
(e) Structural Engineering	_____ %	(w) Surveying	_____ %
(f) Mechanical Engineering	_____ %	(x) Construction Management	_____ %
(g) Electrical Engineering	_____ %	(y) Asbestos Related	_____ %
(h) HVAC Engineering	_____ %	(z) Environmental/Hazardous	
(i) Value Engineering	_____ %	Material Testing	_____ %
(j) Process Engineering	_____ %	(aa) Other(s)	
(k) Forensic Engineering	_____ %	_____	_____ %
(l) Chemical Engineering	_____ %	_____	_____ %
(m) Petroleum Engineering	_____ %	_____	_____ %
		<b>TOTAL</b>	<b><u>100</u> %</b>

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

2. Specify the Applicant's approximate percentage of services provided in connection with each of the following **project types** relative to the Applicant's Most Recently Completed Fiscal Year.

<b>Residential</b>		<b>General</b>	
(a) Apartments	_____ %	(m) Airports	_____ %
(b) Condominiums	_____ %	(n) Bridges	_____ %
(c) Single Family Residential	_____ %	(o) Dams	_____ %
(d) Public Housing	_____ %	(p) Highway\Roads	_____ %
(e) Military Housing	_____ %	(q) Marine\Docks	_____ %
(f) Subdivisions	_____ %	(r) Stadiums	_____ %
<b>Commercial</b>		(s) Mass Transit	_____ %
(g) Office	_____ %	(t) Power Plants	_____ %
(h) Retail	_____ %	(u) Transmission Station	_____ %
(i) Parking Garages	_____ %	(v) Waste Water / Sewage Treatment	_____ %
<b>General</b>		(w) Material Testing	_____ %
(j) Health Care	_____ %	(x) Environmental	_____ %
(k) Schools\Educational	_____ %	(y) Other(s)	_____ %
(l) Churches	_____ %		
<b>TOTAL</b>			<b><u>100 %</u></b>

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

3. Specify the approximate percentages of services provided by the Applicant for each of the following **client types** relative to the Applicant's Most Recently Completed Fiscal Year.

(a) Commercial	_____ %	(f) Industrial	_____ %
(b) Contractors	_____ %	(g) Institutional	_____ %
(c) Design Professionals	_____ %	(h) Utilities	_____ %
(d) Developers	_____ %	(i) Other(s)	_____ %
(e) Governmental	_____ %	<b>TOTAL</b>	<b><u>100%</u></b>

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

4. For the Applicant's Most Recently Completed Fiscal Year, the percent of fees generated by the Contracting Method listed below:

Standard Industry Contract Form _____ % (AIA, EJCDC, etc.)	Letter Agreement _____%
Applicants' Standard Form _____%	Purchase Order _____%
Clients' Contract _____ %	Verbal Agreement _____%
	<b>TOTAL</b> <u><b>100</b></u> %

5. Does any client represent more than 25% of the Applicant's total volume? No ( ) If yes, please identify the client(s) and describe the services which are provided by the Applicant.

6. Is the Applicant currently performing any services as a member of a joint venture? No ( ) If yes, please describe the joint venture, project and services being performed by the Applicant for the joint venture and whether those services are currently covered by any professional liability policy.

7. Is the Applicant engaged in any projects being performed on a design-build basis? No ( ) If yes, please describe the project and whether the Applicant's services are being performed as the design-builder or as a subcontractor to the design-builder.

8. Has, is, or does the Applicant, whether or not such services or operations are subcontracted to others, anticipate providing any services or operations relative to:

- (a) general contracting by providing or subletting any construction, including but not limited to, any assembly, demolition, erection, excavation, fabrication, or installation; or
- (b) projects for which the Applicant or a directly or indirectly related person, firm or organization, participates as a real estate developer and/or maintains a temporary or permanent equity interest; or
- (c) development, sale, or leasing of computer software or hardware to others; or
- (d) projects for which the Applicant or a directly or indirectly related person, firm or organization or others licensed by any of the aforementioned, manufactures, sells or otherwise supplies any goods, components, products or processes that are incorporated therein?

No ( ) If the answer to any of the foregoing questions is yes, please attach details.

9. Does the Applicant agree to obtain certificates of professional liability insurance from all consultants to whom the Applicant sublets architectural, engineering or surveying services? No ( ) Yes ( )

**Section D. Insurance**

1. Does Applicant currently carry professional liability insurance? No ( ) If yes, please complete (a) and (b) below.

(a) Professional Liability 5-year history:

Carrier	Limits	Deductible	Policy Period	Premium

(b) Specify the exact date upon which professional liability insurance for the Applicant was purchased and continuously maintained:

Date: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
                   month                    day                    year

2. Has the Applicant ever had a professional liability policy cancelled, non-renewed at the direction of the carrier or let coverage lapse since initially purchasing professional liability insurance? No ( ) If yes, please attach details:

3. Is the Applicant currently insured under any project-specific professional liability policies? No ( ) If yes, please attach details:

4. Please complete the chart below for the Applicant’s current Commercial General Liability Policy.

Carrier	Limits	Policy Period	Premium

5. Specify professional liability coverage to be quoted by AEIC:

(a) Policy Limit: \$ \_\_\_\_\_ Deductible: \$ \_\_\_\_\_

(b) Policy Limit: \$ \_\_\_\_\_ Deductible: \$ \_\_\_\_\_

(c) Policy Limit: \$ \_\_\_\_\_ Deductible: \$ \_\_\_\_\_

The standard minimum deductible is 1% of rateable gross receipts.

## Section E. Claims History

**IN PROVIDING A RESPONSE TO QUESTIONS IN THIS SECTION, THE SIGNATORY AFFIRMS A FULL INQUIRY OF ALL THE APPLICANT'S PRINCIPALS, PARTNERS, DIRECTORS, OFFICERS AND PROJECT PRINCIPALS HAS BEEN MADE WITH RESPECT TO THESE QUESTIONS.**

1. In the last 5 years:

- (a) has a **claim** (defined for the purpose of this question as a written or oral demand for money, services or the remedying of an alleged defect or delay) been made against the Applicant, a predecessor in business, or a person, firm or organization for whom the Applicant has liabilities?

No ( )            Yes ( )

If the answer to Question 1 (a) is "yes", please complete the Question 4 Form on Page 10 and provide a loss run from the applicable professional liability carrier.

- (b) and other than as may have been answered in the foregoing, has the Applicant, a predecessor in business or a person, firm or organization for whom the Applicant has liabilities, ever reported a circumstance to a professional liability carrier that was not a claim (**as defined above**) at the time of reporting?

No ( )            Yes ( )

If the answer to Question 1 (b) is "yes", please complete the Question 4 Form on Page 10 and provide a loss run from the applicable professional liability carrier.

2. In the last 5 years, is the Applicant aware of:

- (a) any **facts or circumstances** which one could reasonably infer could give rise to a claim, even though a claim has not yet been submitted against the Applicant and reported to the applicable professional liability carrier?

No ( )            Yes ( )

If the answer to Question 2 (a) is "yes", please complete the Question 4 Form on Page 10.

- (b) any disputes arising in connection with any project for which the Applicant has provided professional services in an amount greater than \$25,000, even though the Applicant has not become involved in the dispute, inclusive of providing testimony or giving a deposition or statement relative to any disputes or proceedings involving a project for which any of the aforementioned had an involvement?

No ( )            Yes ( )

If the answer to Question 2 (b) is "yes", please complete the Question 4 Form on Page 10.



3. Is the Applicant aware of any of the following events in the last 5 years:

- (a) any clients currently withholding payment for the Applicant's services because of alleged errors and omissions on the Applicant's part or on the part of the Applicant's subcontractors? No ( ) Yes ( )
- (b) any actual or alleged defective, inadequate or otherwise faulty design, construction, erection, fabrication, installation or assembly (including roof leakage) that has not been remedied to the full satisfaction of all parties? No ( ) Yes ( )
- (c) any actual or alleged defective, malfunctioning or otherwise faulty equipment, materials, components, or systems that have not been remedied to the full satisfaction of all parties? No ( ) Yes ( )
- (d) an unexcused delay, a budget or contract sum having been exceeded and not authorized by a change order, a change order for which additional compensation has not been agreed upon, or an unresolved dispute (whether or not the Applicant is an involved party)? No ( )  
Yes ( )
- (e) any actual or alleged structural problems (including a collapse) concerning any project with which the Applicant is professionally affiliated? No ( )  
Yes ( )
- (f) any personal injury or death occurring on any project for which the Applicant has provided professional services, even though the Applicant has not been made a party of the dispute? No ( ) Yes ( )

If yes for any of the above, please complete the Question 4 Claim Form on Page 10.

#### **IMPORTANT REMINDER**

To avoid loss of coverage, it is imperative that all known claims, circumstances, acts, errors, omissions or events which could result in a professional liability claim against you, your firm or predecessor in business be reported to your present insurer within the time period specified in your present policy. All of these claims, circumstances, acts, errors, omissions and events will be excluded from the coverage being applied for by the completion of this application, as they predate the coverage being offered and accepted.

## Claim Form

4. Please complete the following form for **each claim, circumstance or event** which elicited an affirmative response to Questions 1 through 3 of this section. (Two forms are provided below, please add more as needed.)

Date Materialized: \_\_\_\_\_

Client: \_\_\_\_\_

Name and Type of Project: \_\_\_\_\_

Location of Project: \_\_\_\_\_

Aggrieved Parties: \_\_\_\_\_

A Summary of the Allegations against the Applicant and purported Damages:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Insurance Carrier, if any	Status	Loss Paid to Date	Legal Paid to Date	Loss Reserve Unpaid	Legal Reserve Unpaid
	<b>Closed</b>	\$	\$		
	<b>or</b>				
	<b>Open</b>	\$	\$	\$	\$

Date Materialized: \_\_\_\_\_

Client: \_\_\_\_\_

Name and Type of Project: \_\_\_\_\_

Location of Project: \_\_\_\_\_

Aggrieved Parties: \_\_\_\_\_

A Summary of the Allegations against the Applicant and purported Damages:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Insurance Carrier, if any	Status	Loss Paid to Date	Legal Paid to Date	Loss Reserve Unpaid	Legal Reserve Unpaid
	<b>Closed</b>	\$	\$		
	<b>or</b>				
	<b>Open</b>	\$	\$	\$	\$

**Section F. Applicant Attachments**

1. Provide a description of each of the Applicant's **five largest completed jobs**. Specify the project name and location, the services provided and the nature and use of the project.
2. Provide a description of each of the Applicant's **five largest current jobs**. Specify the project name and location, services provided, the nature and intended use of the project, the gross professional fee to be earned and the approximate date for construction completion.
3. A copy of the Applicant's **current brochure(s)**.
4. A copy of the Applicant's **audited financial statement** for the most recently completed fiscal year and the most recent quarterly statement for the current year, along with a listing of all parties with more than a 10% ownership interest in the Applicant.
5. Attach a **resume** for each of the Applicant's principals, directors or officers and any other key personnel and a **business card** of the Applicant's designated contact person.
6. Attach a copy of the Applicant's **current professional liability policy**.

**NOTICE TO APPLICANT - PLEASE READ CAREFULLY**

Applicant represents that the statements and information contained herein and any supplemental data and documents provided herewith are complete and true and that applicant has not suppressed or misstated any facts. Applicant agrees that this application shall be the basis of any policy of insurance issued by the Company and incorporated therein. All supplemental data and documents provided herewith are agreed to be a part of this application. Applicant agrees to notify the Company of any material change(s) in the statements in the application forms should such material change(s) occur prior to the issuance of a policy. Applicant understands that any such change(s) may result in a withdrawal or adjustment of the terms and conditions of the potential policy of insurance and/or premium.

**MUST BE SIGNED AND DATED BY OWNER, PARTNER OR OFFICER AS DULY AUTHORIZED ON BEHALF OF THE APPLICANT**

Applicant: \_\_\_\_\_

Title: \_\_\_\_\_

Signature\*: \_\_\_\_\_ Date: \_\_\_\_\_

**\* Signing this form does not bind the Applicant or Company to complete the insurance acquisition.**

## Executive Liability Supplement

The following questions relate to coverage included under the Executive Liability coverage part of the AEIC Policy. This section is only required, if the Applicant is requesting these coverages be quoted.

(a) Please check the plans the Company currently offers its employees:

- Health care
- Dental care
- Disability plan
- Retirement plan  
Please describe \_\_\_\_\_
- Profit Sharing plan  
Please describe \_\_\_\_\_
- E.S.O. P.
- Bonus Plan  
Please describe \_\_\_\_\_
- Other  
Please describe \_\_\_\_\_

(b) Do you have a Human Resource or Personnel Department?  Yes  No  
If Yes, describe: \_\_\_\_\_

(c) Do you have a formal Outplacement Program?  Yes  No  
If Yes, describe: \_\_\_\_\_

(d) Do you have a Comprehensive Employee Handbook?  Yes  No  
If Yes, describe: \_\_\_\_\_

(e) Do you have an Affirmative Action Plan?  Yes  No  
If Yes, describe: \_\_\_\_\_

(f) Do you have an Employee Practices Education Program?  Yes  No  
If Yes, describe: \_\_\_\_\_

(g) Are any of the Company plans administered by an outside firm?  Yes  No  
If Yes, describe: \_\_\_\_\_

(h) Provide a complete list of all Directors and/or Officers employed by the Applicant.

(i) Provide a complete list of all non-employed Directors and/or Officers, including their address, outside employment and any services they may provide for the Applicant.

(j) Provide a list of any Director and/or Officer claims and Employee claims against the employer, briefly describing the claim, including cost of settlement, judgment and defense.

**MUST BE SIGNED AND DATED BY OWNER, PARTNER OR OFFICER AS DULY AUTHORIZED ON BEHALF OF THE APPLICANT**

Applicant: \_\_\_\_\_

Title: \_\_\_\_\_

Signature\*: \_\_\_\_\_ Date: \_\_\_\_\_