

COMPLETE THIS APPLICATION ONLY IF REQUESTING COVERAGE FOR LOGISTICS RELATED ERRORS AND OMISSIONS LIABILITY COVERAGE. Please submit with the Advantage[®] Miscellaneous Professional Liability Application. Please complete in ink. A principal must sign both the supplement and the miscellaneous professional liability application.

THIS APPLICATION IS FOR A CLAIMS-MADE INSURANCE POLICY.

Instructions to the applicant:

- Please answer all questions. This information is required to make an underwriting and pricing evaluation. Your answers hereunder are considered material to that evaluation.
- If a question is not applicable, state N/A. If more space is required, please attach a separate exhibit with the question number.
- Application must be signed and dated by an authorized person of the company.

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 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
If yes, please explain on separate sheet.

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 applicant provide (e.g. brokerage, freight forwarding, warehousing, carrier, diverse logistics services, other)? _____
7. Does 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 operated 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 type and percentage: _____
15. Does applicant own or lease specialized equipment (e.g. refrigerated trailers, flatbeds, tankers, etc.)? If so, state type and whether owned or leased: _____
16. Does applicant operate warehouse facilities? If so, state how many and where they are located: _____
17. Does applicant ever take ownership of client or customer's property? If so, describe the circumstance 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 of 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 technology 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
 If yes, are strict access controls in place? _____
- 7) Does your organization sell or share individual subscriber or user identifiable information with other internal or external entities? Yes No
 If yes, please describe: _____

D.

- 1) Do you have 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 organizational 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), model(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			
Systems Integration			
Web Hosting			
Web Design			
Other			

21. Have any claims been made or legal action been brought against applicant, it's 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 circumstances 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 a 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. Samples 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.

Signed: _____

Title: _____

Date: _____

Broker: _____

Address: _____