



Please Fax To: Axis Insurance Services, LLC
201-847-9174(fax) 201-847-9175 (phone)

APPLICATION FOR ARCHITECTS AND ENGINEERS PROFESSIONAL LIABILITY INSURANCE

NOTICE: THE POLICY FOR WHICH APPLICATION IS MADE APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE POLICY PERIOD. THE LIMITS OF LIABILITY SHALL BE REDUCED BY "CLAIM EXPENSES" AND "CLAIM EXPENSES" SHALL BE APPLIED AGAINST THE DEDUCTIBLE. PLEASE READ THE POLICY CAREFULLY.

If space is insufficient to answer any question fully, attach a separate sheet.

I. GENERAL INFORMATION

1. (a) Full name of Applicant (if corporation or LLC provide entity name):

 (b) Principal business premises address: _____ (Street) _____ (County)
 _____ (City) _____ (State) _____ (Zip)
 (c) Secondary practice locations:

 (d) Phone Number:
 (e) Website address: _____ (f) Date organized (MM/DD/YYYY):
 (g) Business is a: corporation partnership sole proprietorship limited liability company (LLC)
 individual other
2. Is the Applicant affiliated with any other organization through common ownership? Yes No
If Yes, provide details.
3. During the last five years has the Applicant:
 (a) Been involved in, or are they presently considering any merger, consolidation or acquisition? Yes No
 (b) Changed its name? Yes No
 If Yes to either of the above, provide details.
4. Does the Applicant or any subsidiary, parent organization or affiliated organization engage in actual construction or subcontract construction or installation on the Applicant's own projects? Yes No
If Yes, complete our Supplement for Construction Related Services (AE-31000-01).

II. FINANCIAL AND STAFFING INFORMATION

1. Provide the following:

	Last Year	Present Year	Projected for Upcoming Year
	From ____ To ____	From ____ To ____	From ____ To ____
Total Gross Annual Fees:	\$ _____	\$ _____	\$ _____
Total Construction Values:	\$ _____	\$ _____	\$ _____
Total Gross Annual Payroll:	\$ _____	\$ _____	\$ _____

- Total Number of Staff:
 Number of Design Professionals:
 2. Provide the following for each of the Applicant's key professionals:

<u>Name and Title</u>	<u>University/Year/Major</u>	<u>States in Which Licensed/Registered</u>	<u>No. of Years With Applicant</u>
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3. What professional associations do the Applicant and/or its staff members belong to?

III. PROFESSIONAL DISCIPLINES AND SERVICES

1. Provide the approximate percentage of the professional disciplines in which the Applicant is engaged.

Architecture		Engineering (cont'd.)		Construction Management* ___%	
Building	___%	Environmental	___%	Design-Build*	___%
Interiors	___%	Fire Protection	___%	Fabrication	___%
Landscape	___%	Forensic	___%	Hydrogeology	___%
Naval	___%	HVAC	___%	Interior Design	___%
Engineering		Mechanical	___%	Land Surveying	___%
Acoustical	___%	Process	___%	Manufacturing	___%
Chemical	___%	Soils	___%	Materials Testing	___%
Civil	___%	Structural	___%	Other_____	___%
Electrical	___%	Other_____	___%	TOTAL	100%

* If the Applicant provides Construction Management and/or uses the Design-Build project delivery method complete our Supplement for Construction Related Services (AE-31000-01).

2. Does the Applicant subcontract work for any of the above professions? [] Yes [] No
If Yes, answer the following.

(a) What percentage of work for the above professional disciplines is subcontracted to others? ___%

(b) Which professional disciplines are subcontracted?

(c) Are Certificates of Insurance for Professional Liability Insurance and General Liability Insurance obtained from all subcontractors? [] Yes [] No

3. Provide the approximate percentage of specialty services performed by the Applicant.

Alterations	___%	Foundation Design	___%	Permitting	___%
Building Design	___%	Geotechnical Services	___%	Product Design	___%
Construction Staking	___%	Machinery Design	___%	Subdivision Layout	___%
Cost Estimating	___%	Mapping	___%	Testing	___%
Expert Witness	___%	Master Planning	___%	Other _____	___%

4. Provide the approximate percentage of the scope of services performed by the Applicant.

Design With Construction Observation/Administration	___%	Feasibility Studies/Reports	___%
Design Without Construction Observation/Administration	___%	Inspection/Certification	___%
Construction Observation/Administration Without Design	___%	Consulting Not Resulting in Construction	___%
TOTAL	_____100%		

IV. PROJECTS AND CLIENTS

1. Provide the approximate percentage of work performed during the last three years for each of the following project sizes based on the project's total construction value:

< \$1,000,000	___%	> \$25,000,000 - \$100,000,000	___%
\$1,000,000 - \$25,000,000	___%	> \$100,000,000	___%

2. Based on the total construction values, provide the approximate percentage of work during the last three years for each of the following based on the contractual timeframe for completion of projects:

< 1 year	___%	1 year to 3 years	___%	> 3 years	___%
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3. (a) Based on total construction values, provide the percentage of work in each of the three largest states:

State _____ % State _____ % State _____ %

(b) Does the Applicant work on any projects outside of the United States? [] Yes [] No
If Yes, provide the percentage of gross fees and the name, fees, construction value and location of each project.

%

4. Does the Applicant specialize in specific types of projects? [] Yes [] No

If Yes, provide details.

5. Provide the approximate percentage of general project types during the last year for each of the following:

Commercial/Retail	_____%	Institutional	_____%	Recreational	_____%
Industrial/Manufacturing	_____%	Public Infrastructure	_____%	Residential	_____%

6. Provide the approximate percentage of any of the following project types:

Bridges/Dams:		Condominiums:		Amusement Rides	_____%
< 100 feet	_____%	< 10 units	_____%	Bleachers/Grandstands	_____%
100 - 500 feet	_____%	10 - 100 units	_____%	Cellular Communication Towers	_____%
> 500 feet	_____%	> 100 units	_____%	Chemical/Petrochemical	_____%
Buildings:	_____%	Custom Homes:	_____%	Mines/Tunnels	_____%
< 10 stories	_____%	< \$1,000,000	_____%	Offshore/Marine Structures	_____%
10 - 50 stories	_____%	\$1,000,000 - \$5,000,000	_____%	Parking Structures	_____%
> 50 stories	_____%	> \$5,000,000	_____%	Schools	_____%

7. **Alternative Energy or Alternative Fuel Projects** – Within the past five years, has the Applicant provided any kind of professional or other service relative to any kind of alternative energy or alternative fuel project, including, but not limited to, any Biodiesel, Biofuel, Ethanol, Geothermal, Solar Power or Wind Energy project? [] Yes [] No

(a) If Yes, provide complete description.

8. Provide the approximate percentage of clients in each of the following:

Commercial/Industrial	_____%	Development Company	_____%	
Construction/Contracting Company	_____%	Governmental/Public Entity	_____%	
		Design Professional	_____%	Residential

9. (a) Provide the following information for each of the five largest projects COMPLETED in the last three years:

Construction Project Name	Location	Value	Construction Began	Date Design Completed
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(b) Provide the following information for each of the three largest CURRENT projects:

Scheduled Completion Date	Project Name	Location	Construction Value Began	Date Design Completed
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V. BUSINESS PRACTICES AND RISK MANAGEMENT

1. Has/have any suit(s) for collection of fees been filed against any client or any other party during the last two years? Yes No

If Yes, complete the following for each suit. If additional space is needed, include attachment.

Date Suit Filed Total amount of Fees Owed Name of Client/Defendant Name of Project

2. Does any one client represent more than 50% of the Applicant's business during the last two years? Yes No

If Yes, provide details.

3. Has the Applicant ever entered into or do they anticipate entering into any joint venture contracts? Yes No

Note the basic policy form excludes coverage for joint ventures. If coverage is requested complete our Joint Venture Supplement (SM1859).

4. Has the Applicant ever provided or does the Applicant expect to provide any professional services on any project in which the Applicant or any employee of the Applicant had, has, or will have any ownership interest? Yes No

If Yes, complete our Equity Interest Supplement (SM1861-02).

5. Does the Applicant:

- (a) Employ a full time office administrator or business manager? Yes No
- (b) Use association approved standard contracts for at least 75% of its work? Yes No
- (c) Have all contracts for each new project reviewed by legal counsel? Yes No
- (d) Obtain subrogation waivers? Yes No
- (f) Have at least 75% of its projects in the last three years:
 - (i) With repeat clients? Yes No
 - (ii) With repeat consultants and contractors? Yes No
- (g) Avoid guaranteeing the success of any project? Yes No
- (h) Pre-qualify the financial viability of all clients, consultants and subcontractors? Yes No
- (i) Have written:
 - (i) Risk management procedures in place? Yes No
 - (ii) In-house quality control procedures in place? Yes No
 - (iii) Change order procedures? Yes No
 - (iv) Screening/pre-qualification procedures in place for clients, consultants, and contractors? Yes No

No

VI. INSURANCE AND CLAIMS HISTORY

1. (a) Limits of Liability - Indicate from the following options:

- \$250,000/\$250,000 \$500,000/\$1,000,000 \$1,000,000/\$2,000,000
- \$500,000/\$500,000 \$1,000,000/\$1,000,000 \$3,000,000/\$3,000,000
- \$5,000,000/\$5,000,000 \$2,000,000/\$2,000,000

(b) Deductible - Indicate from the following options:

- \$2,500 \$5,000 \$10,000 \$25,000 \$50,000 other

THE COMPANY DOES NOT GUARANTEE TO OFFER ANY OF THE ABOVE LIMITS AND/OR DEDUCTIBLES.

2. List current and prior Architects and Engineers Professional Liability Insurance for each of the last five years: If none, check here

Insurance	Limits of	Inception/ Expiration Dates	Retroactive/
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Company

Liability

Deductible

Premium

(MM/DD/YYYY)

Prior Acts Date

3. Provide details of the Applicant's current General Liability Insurance and Umbrella Insurance:

If none, check here []

	Insurance Company	Limits of Liability	Inception/Expiration Dates (MM/DD/YYYY)
General Liability Insurance			
Umbrella Insurance			

4. Has any insurer declined, canceled, or nonrenewed any Architects and Engineers Professional Liability Insurance or any similar insurance on behalf of any person(s) or entity(ies) proposed for this insurance? [] Yes [] No

If Yes, provide details.

5. Has the Applicant or any of its employees ever been the subject of disciplinary action by any authority as a result of their professional activities? [] Yes [] No

If Yes, provide details.

6. Have any of the Applicant's projects during the last five years:

- (a) Been abandoned or stopped before the completion of either design, construction/installation? [] Yes [] No
- (b) Been foreclosed, or has any client, contractor or consultant gone into bankruptcy or receivership? [] Yes [] No
- (c) Been involved in any litigation or arbitration proceedings? [] Yes [] No
- (d) Been subject to any unresolved compensation dispute between the Applicant and any party? [] Yes [] No
- No
- (e) Had any party to a contract threaten to make a claim or demand based on actual or alleged cost overruns, excessive costs, delays, or any failure to meet the contract's price or time frame? [] Yes [] No
- (f) Had a death or permanent disability occur during construction or installation? [] Yes [] No
- (g) Have a General Liability Insurance claim reserved for or that was paid for at least \$500,000? [] Yes [] No
- No
- (h) Resulted in the Applicant filing a claim or suit against any client? [] Yes [] No
- (i) Been damaged in any way, or delayed in completion, due to a **windstorm, hurricane, flood** or any other kind of **weather related event**? [] Yes [] No
- (j) Been damaged in any way, or delayed in completion, due to an **earthquake, earth subsidence, building or wall collapse**, or any other kind of **geologic or seismic event**? [] Yes [] No

If Yes to any of the above, provide details including the current status of the project and contract.

7. Has (have) any Professional Liability claim(s) been made against the Applicant or any person or

entity?

[] Yes [] No

If Yes, provide details in Part VII. of the application and attach currently valued loss runs from the current insurer and any prior insurers.

8. Is (are) any person(s) or entity(ies) proposed for this insurance aware of any fact, circumstance or situation that might provide grounds for any claim under the proposed insurance?

[] Yes [] No

If Yes, provide details in Part VII. of the application.

VII. CLAIMS DETAILS

If Yes to Question 6. or 7. in Part VI., provide details below for each claim, fact, circumstance or situation. If more space is needed, attach additional pages.

1. Date Claim Made: _____ Date of Alleged Error:

Current Status/Date settled: _____ Claim, Suit or Incident:

Name and Location of Project:

Claimant(s)/Plaintiff(s):

Additional Defendant(s) (if any):

Nature of Claim and Allegations:

Date Reported to Insurance Company and Name of Insurance Company:

Amount Reserved (Loss/ Expense): \$ _/\$ _____
Expense):\$ _____/\$

Amount Paid (Loss/

2. Date Claim Made: _____ Date of Alleged Error:

Current Status/Date settled: _____ Claim, Suit or Incident:

Name and Location of Project:

Claimant(s)/Plaintiff(s):

Additional Defendant(s) (if any):

Nature of Claim and Allegations:

Date Reported to Insurance Company and Name of Insurance Company:

Amount Reserved (Loss/ Expense): \$ _/\$ _____
Expense):\$ _____/\$

Amount Paid (Loss/

3. Date Claim Made: _____ Date of Alleged Error:

Current Status/Date settled: _____ Claim, Suit or Incident:

Name and Location of Project:

Claimant(s)/Plaintiff(s):

Additional Defendant(s) (if any):

Nature of Claim and Allegations:

Date Reported to Insurance Company and Name of Insurance Company:

Amount Reserved (Loss/ Expense): \$ _/\$ _____
Expense):\$ _____/\$ _____

Amount Paid (Loss/

NOTICE TO THE APPLICANT - PLEASE READ CAREFULLY

No fact, circumstance or situation indicating the probability of a "Claim" or action for which coverage may be afforded by the proposed insurance is now known by any person(s) or organization(s) proposed for this insurance other than that which is disclosed in this application. It is agreed by all concerned that if there is knowledge of any such fact, circumstance or situation, any "Claim" subsequently emanating therefrom shall be excluded from coverage under the proposed insurance.

For the purpose of this application, the undersigned authorized agent of the person(s) and organization(s) proposed for this insurance declares that to the best of his/her knowledge and belief, after reasonable inquiry, the statements in this application and in any attachments, are true and complete. The underwriting manager, Company and/or affiliates thereof are authorized to make any inquiry in connection with this application. Signing this application does not bind the Company to provide or the Applicant to purchase the insurance.

This application, information submitted with this application and all previous applications and material changes thereto of which the underwriting manager, Company and/or affiliates thereof receives notice is on file with the underwriting manager, Company and/or affiliates thereof and is considered physically attached to and part of the policy if issued. The underwriting manager, Company and/or affiliates thereof will have relied upon this application and all such attachments in issuing the policy.

If the information in this application and any attachment materially changes between the date this application is signed and the effective date of the policy, the Applicant will promptly notify the underwriting manager, Company and/or affiliates thereof, who may modify or withdraw any outstanding quotation or agreement to bind coverage.

The undersigned declares that the person(s) and organization(s) proposed for this insurance understand that:

- (i) the policy for which this application is made applies only to "Claims" first made during the "Policy Period";
- (ii) unless amended by endorsement, the limits of liability contained in the policy shall be reduced, and may be completely exhausted by "Claim Expenses" and, in such event, the Company will not be liable for "Claim Expenses" or the amount of any judgment or settlement to the extent that such costs exceed the limits of liability in the policy; and
- (iii) unless amended by endorsement, "Claim Expenses" shall be applied against the "Deductible".

WARRANTY

I/We warrant to the Company, that I/We understand and accept the notice stated above and that the information contained herein is true and that it shall be the basis of the policy and deemed incorporated therein, should the Company evidence its acceptance of this application by issuance of a policy. I/We authorize the release of claim information from any prior insurer to the underwriting manager, Company and/or affiliates thereof.

Note: This application is signed by undersigned authorized agent of the Applicant(s) on behalf of the Applicant(s) and its, owners, partners, directors, officers and employees

Must be signed by the owner, principal, partner, executive officer or equivalent (within 60 days of the proposed effective date).

Name of Applicant

Title

Signature of Applicant

Date

Notice to New York Applicants: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

Notice to Applicants: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of

misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects the person to criminal and civil penalties.

SUPPLEMENT FOR CONSTRUCTION RELATED SERVICES

All questions MUST be completed in full.

If space is insufficient to answer any question fully, attach a separate sheet.

Full name of Applicant:

I. **DESIGN-BUILD** (To be completed if the Applicant uses the Design-Build project delivery method.)

1. For how many years has the Applicant provided design-build as a project delivery method?
2. Does any organization that is affiliated through common ownership (Affiliated Organization) provide design-build as a project delivery method? [] Yes [] No

If Yes,

(a) List the name(s) and address(es) of any such Affiliated Organization.

(b) Provide the design/engineering services that are provided by such Affiliated Organization.

3. On how many completed projects has the Applicant and/or any Affiliated Organization provided design-build as a project delivery method in each of the last two years? Current Year _____ Last Year
4. What percentage of design-build projects undertaken by the Applicant and/or any Affiliated Organization involve subcontracting all construction or installation? _____ %
5. Complete the following for all projects that the Applicant and/or any Affiliated Organization provided design and/or construction services to during the last two years:

	<u>Year</u>	<u>Total Construction Value</u>	<u>Total Project Design Fees</u>
Design and Construction	_____	\$ _____	\$ _____
		\$ _____	\$ _____
Design Only/No Construction	_____	\$ _____	\$ _____
		\$ _____	\$ _____
Construction Only/No Design	_____	\$ _____	\$ _____
		\$ _____	\$ _____

6. Has the Applicant and/or any Affiliated Organization been a party to any claim or suit alleging faulty or defective workmanship or construction defects on any of its design-build projects? [] Yes [] No

If Yes, provide details.

7. Has the Applicant and/or any Affiliated Organization or any subcontractor:
 - (a) Defaulted on or failed to complete a design-build contract? [] Yes [] No
 - (b) Had any liquidated damages assessed against them? [] Yes [] No

If Yes to (a) or (b) above, provide details.

8. Does the Applicant and/or any Affiliated Organization undertake design-build projects on a "Fast-Track" basis? [] Yes [] No

If Yes,

- (a) What percentage in the last two years? _____ %
- (b) What percentage of such projects has been completed on schedule and within budget? _____ %

9. Has the Applicant signed any contract to complete a project within a Guaranteed Maximum Price (GMP)? [] Yes [] No
 If Yes,
 (a) Have any of the Applicant's completed GMP projects not been completed within the guaranteed maximum price? [] Yes [] No
 (b) Is the Applicant aware of any GMP projects that may not be completed within the guaranteed maximum price? [] Yes [] No
 If Yes to (a) or (b) above, provide details.

10. (a) Does the Applicant obtain all necessary surety bonds for each of its design-build projects? [] Yes [] No
 If Yes, provide the name of the surety company that is primarily used to provide such surety bonds.

(b) What is the average contact bond amount? \$

11. Has any surety company ever declined to provide the Applicant a surety bond? [] Yes [] No
 If Yes, provide details.

12. Does the Applicant have an established line of credit with a financial institution? [] Yes [] No
 If Yes, provide the dollar amount of the line of credit and the name of the financial institution. \$

II. **CONSTRUCTION MANAGEMENT** (To be completed if the Applicant provides Construction Management.)

1. Does the Applicant provide construction management, other than construction administration/observation in conjunction with the Applicant's own design, as a project owner's representative under a specific agreement (e.g. AIA-CM Series)? [] Yes [] No

If Yes, complete Questions 2. – 5. below.

2. What percentage of the Applicant's construction management services involve:
 (a) **"Agency" Construction Management** – fee based services with responsibility to the owner to act in the owner's interest at every project stage? _____%

- (b) **"At-Risk" Construction Management** – a project delivery method that commits to deliver a project within a Guaranteed Maximum Price (GMP)? _____%

If the Applicant's Construction Management Services involve "At-Risk" Construction Management:

- (i) Have any of the Applicant's completed GMP projects not been completed within the guaranteed maximum price? [] Yes [] No
 (ii) Is the Applicant aware of any GMP projects that may not be completed within the guaranteed maximum price? [] Yes [] No

If Yes to (a) or (b) above, provide details.

3. Does the Applicant and/or any Affiliated Organization provide construction management on "Fast-Track" projects? [] Yes [] No

If Yes,

- (a) What percentage in the last two years? _____%

- (b) What percentage of such projects have been completed on schedule and within budget? _____%
4. During the last two years, has the Applicant performed construction management on any projects where they also entered into a design-build contract? [] Yes [] No
If Yes, what percentage of their contracts? _____%
5. Is the Applicant a member of the Construction Management Association of America (CMAA)? [] Yes [] No

Signing this Supplement does not bind the Company to provide or the Applicant to purchase the insurance.

It is understood that information submitted herein becomes a part of our application for insurance and is subject to the same declarations, representations and conditions.

Must be signed by owner, principal, partner, executive officer or equivalent within 60 days of the proposed effective date.

Name of Applicant

Title

Signature of Applicant

Date