

c. Percentage of this year's receipts derived from:

- | | | |
|---|--|---|
| <input type="checkbox"/> Data Processing | <input type="checkbox"/> Telecommunications | <input type="checkbox"/> Custom Software Development |
| <input type="checkbox"/> Custom Software Development | <input type="checkbox"/> Forum/Content Channel | <input type="checkbox"/> Computer Security |
| <input type="checkbox"/> Content Provider for Web Page | <input type="checkbox"/> Interactive Environments | <input type="checkbox"/> Systems Integration |
| <input type="checkbox"/> Systems Analysis/Design | <input type="checkbox"/> Virtual Communities (including MUDs, MUCKS, etc.) | <input type="checkbox"/> Computer Related Training |
| <input type="checkbox"/> Commercial On Line Service | <input type="checkbox"/> E-Commerce | <input type="checkbox"/> Fulfillment Services |
| <input type="checkbox"/> Electronic Bulletin Board Services | <input type="checkbox"/> Internet Presence Provider | <input type="checkbox"/> Search Engines |
| <input type="checkbox"/> Internet Access Provider | <input type="checkbox"/> Web Page Development/Maintenance | <input type="checkbox"/> Mailing List Compilation/Sales |
| <input type="checkbox"/> Time Sharing | <input type="checkbox"/> Packaged Software Development | <input type="checkbox"/> Other (describe) _____ |
| <input type="checkbox"/> Hardware Sales | | 100% TOTAL |

3. WEB/INTERNET SERVICES

a. Content of Information on Internet Service: (Check all that apply.)

- | | | |
|---|-------------------------------------|--|
| <input type="checkbox"/> For Children | <input type="checkbox"/> Radio | <input type="checkbox"/> Adult Only |
| <input type="checkbox"/> Variety | <input type="checkbox"/> News | <input type="checkbox"/> Digital Music |
| <input type="checkbox"/> Game or Quiz | <input type="checkbox"/> Software | <input type="checkbox"/> Comedy |
| <input type="checkbox"/> Product Comparisons | <input type="checkbox"/> Commentary | <input type="checkbox"/> Advertising |
| <input type="checkbox"/> Cultural | <input type="checkbox"/> Religious | <input type="checkbox"/> "How to"/Hobbyist |
| <input type="checkbox"/> Sports | <input type="checkbox"/> Financial | |
| <input type="checkbox"/> Educational (please explain) _____ | | |
| <input type="checkbox"/> Other (please explain) _____ | | |

b. Location of Internet Service is:

- Address on Commercial Service _____
- Internet Address _____
- World Wide Web Address _____
- BBS Main Phone Number _____

c. Who are the targeted users? Adults Children General

If targeted to adults, what controls are used to prevent children from participating?

d. For Web/Internet services, are you the:

- Seller/provider of products/services
- Intermediary between seller/provider and buyer/participant.

e. For Interactive Environments/Virtual Communities, please describe the type of environment/community and nature of the interactions. If not applicable, check this box:

f. For E-commerce, please state the industry of the merchandise sold. If not applicable, check this box

Do you assume responsibility for delivery of the merchandise sold? Yes No

g. Do you guarantee accessibility? Yes No

h. Please state number of subscribers _____

i. Do you have a plan for accommodating an increase in subscribers? Yes No

j. Are all chat rooms, bulletin boards, E-mail, etc. monitored? Yes No

4. SOFTWARE/SYSTEMS SERVICES

a. Please indicate the percentage of your services rendered to the following industries:

Administrative	_____	LAN/Network	_____
Architectural/Engineering	_____	Medical	_____
Communications	_____	Scientific	_____
Database definitions	_____	Retail	_____
Educational	_____	Other (describe)_____	_____
Facilities Management	_____		
Financial	_____	Total	100%

- b. Do you have a policy for the testing and documentation of all software and system development? Yes No
- c. Do your clients provide written acceptance of all software and system development prior to production or implementation? Yes No
- d. Do you design, manufacture or modify hardware? Yes No
- e. Do you sell, install or maintain hardware? Yes No If yes, are you covered as a Vendor under the manufacturers Products/Completed Operations coverage? Yes No

5. RISK MANAGEMENT

- a. Do you use independent contractors for your services? Yes No If yes, please describe.

- Do you require them to maintain professional liability insurance? Yes No
- b. Do you use written contracts for your services? Always Sometimes Never
- c. Do your contracts contain a hold harmless for the benefit of:
 You Client Mutual Neither
- d. Is a backup and recovery policy been established? Yes No
- e. Do you have a policy for removing libelous, slanderous or potentially infringing material? Yes No
- f. Do you obtain hold harmless agreements from all content providers? Yes No
- g. Prior to publishing content, releasing software or registering domain names, do you have an attorney facilitating a copyright and/or trademark search? Yes No
If yes, please provide name of law firm _____
- h. Are licenses and consents obtained from the following entities for all of your Internet Services?
- (i) Authors and writers of all works, including software Yes No
- (ii) Music Owners, including the rights for the
- a) lyrics..... Yes No
- b) music..... Yes No
- c) recording and synchronization Yes No
- d) performance rights..... Yes No
- e) distribution rights..... Yes No
- (iii) ASCAP, BMI, SESAC or other music licensing Services Yes No
If yes, attach a copy of license.
- (iv) Film Clip Owners, including from
- a) licensing entities Yes No
If yes, attach a copy of license.
- b) copyright owners Yes No
- c) music owners, including the rights for the
- lyrics Yes No
- music Yes No
- recording and synchronization..... Yes No
- performance rights Yes No

d) writers or authors of underlying work [] Yes [] No

(v) Persons (alive or deceased) whose name or likeness is used on your Internet service..... [] Yes [] No

i. If you facilitate the uploading/downloading of content, including software, describe your policy regarding copyrighted material and licensing of software.

6. VIRUS/UNAUTHORIZED COMPUTER ACCESS CONTROLS

If any questions are answered "no", please explain on a separate sheet.

a. Do you have a procedure for screening for viruses?..... [] Yes [] No

b. Do you conduct electronic credit card transactions?..... [] Yes [] No

If yes, how are these transactions controlled? _____

c. Do you have a designated security manager? [] Yes [] No

d. Do you have a security manual or procedures which are distributed and explained to all employees?..... [] Yes [] No

e. Are firewalls used as part of your security system?..... [] Yes [] No

f. Are all PCs equipped with anti-virus software? [] Yes [] No
If yes, what brand? _____

7. APPLICANT HISTORY

a. List any professional liability claims actually made against you in the past five years, including status of claim, amounts demanded or paid, date of claim, and action taken to prevent the same type of claim in the future:

b. List any known incidents which might give rise to a professional liability claim:

c. Has any insurer cancelled or refused to renew any similar insurance during the past five years? [] Yes [] No

If yes, please explain: _____

d. Do you carry General Liability insurance? [] Yes [] No

If yes, please state: Carrier _____ Policy Period _____

Limit _____ Does it include Products/Completed Operations? [] Yes [] No

e. Current and previous professional liability coverage:

Policy Period	Insurer	Claims Made	Occurrence	Limits of Liability	Deductible	Premium
_____	_____	[]	[]	_____	_____	_____
_____	_____	[]	[]	_____	_____	_____
_____	_____	[]	[]	_____	_____	_____
_____	_____	[]	[]	_____	_____	_____

If current insurance is a claims made policy, what is the retroactive date? _____

NOTICE TO APPLICANT: The coverage applied for is SOLELY AS STATED IN THE POLICY, which provides coverage on a "CLAIMS MADE" basis for ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD unless the extended reporting period option is exercised in accordance with the terms of the policy.

WARRANTY: I/We warrant to the Insurer, that I 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 of insurance and deemed incorporated therein, should the Insurer evidence its acceptance of this application by issuance of a policy. **I/We authorize the release of claim information from any prior insurer to Shand Morahan & Company, Inc., Underwriting Manager for the Company, Ten Parkway North, Deerfield, Illinois 60015.**

Name of Applicant*

Title (Officer, partner, etc.)

Signature of Applicant

Date

SIGNING this application does not bind the Applicant or the Insurer or the Underwriting Manager to complete the insurance, but one copy of this application will be attached to the policy, if issued.

- o DEERFIELD INSURANCE COMPANY
- o EVANSTON INSURANCE COMPANY
- o ESSEX INSURANCE COMPANY
- o MARKEL AMERICAN INSURANCE COMPANY
- o MARKEL INSURANCE COMPANY

DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE AND ELECTION FORM

RE:
Risk ID. No.:

You are hereby notified that under the Terrorism Risk Insurance Act of 2002 (the "Act"), effective November 26, 2002, that you now have a right to purchase insurance coverage for losses arising out of acts of terrorism, as defined in Section 102(1) of the Act ("Terrorism Coverage"): The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

You should know that Terrorism Coverage required to be offered by the Act for losses caused by certified acts of terrorism is partially reimbursed by the United States under a formula established by federal law. Under this formula, the United States pays 90% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this Terrorism Coverage is provided below and does not include any charges for the portion of loss covered by the federal government under the Act.

SELECTION OR REJECTION OF TERRORISM INSURANCE COVERAGE

PLEASE ENTER "X" IN ONE OF THE BOXES BELOW AND SIGN AND DATE WHERE INDICATED BELOW.

Florida, Georgia and Oklahoma Applicants: Please be advised that in the event a policy is purchased, the policy premium will include a 1% surcharge for Terrorism Coverage unless you elect to decline Terrorism Coverage. You need to enter an "X" below if you wish to decline Terrorism Coverage.

	I hereby elect to purchase the Terrorism Coverage required to be offered under the Act. I understand that my policy premium will include a 3% surcharge for this coverage.
	I decline to purchase the Terrorism Coverage required to be offered under the Act. I understand that my policy will be endorsed to exclude the Terrorism Coverage required to be offered under the Act.

Name of Applicant

Title (Officer, partner, etc.)

Signature of Applicant

Date

SIGNING this Disclosure Notice does not bind the Applicant or the Insurer or the Underwriting Manager to complete the insurance.