

# Lexington Insurance Company

AN **AIG** COMPANY

## MISCELLANEOUS PROFESSIONAL LIABILITY INSURANCE APPLICATION

THIS INSURANCE, IF ISSUED, WILL BE ON A CLAIMS-MADE AND REPORTED BASIS.

**NOTICE:** THE POLICY PROVIDES THAT THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGEMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE. FURTHER NOTE THAT AMOUNTS INCURRED FOR LEGAL DEFENSE SHALL BE APPLIED AGAINST THE DEDUCTIBLE.

**NOTICE:** THIS IS A CLAIMS MADE POLICY. EXCEPT TO THE EXTENT AS MAY OTHERWISE BE PROVIDED HEREIN, THE COVERAGE OF THIS POLICY IS LIMITED TO LIABILITY ONLY FOR THOSE CLAIMS THAT ARE FIRST MADE AGAINST YOU AND REPORTED IN WRITING TO US DURING THE POLICY PERIOD. PLEASE READ THE POLICY CAREFULLY AND DISCUSS THE COVERAGE THEREUNDER WITH YOUR INSURANCE AGENT OR BROKER.

### Application Instructions:

1. Please type or complete the application in ink.
2. If additional space is needed, please use your firm's letterhead

### To support your submission, please include:

1. Applicant's Letterhead and any agency brochures.
2. Resumes of the Applicant's principals or key personnel
3. Applicant's most recent financial statement
4. A copy of the Applicant's current Dec pages
5. A copy of the Applicant's standard contract or agreement

### General Applicant Information

1. Name of Applicant: \_\_\_\_\_
2. Principal Address: \_\_\_\_\_
3. City: \_\_\_\_\_ County: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_
4. Contact Name: \_\_\_\_\_
5. Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_ email address \_\_\_\_\_
6. Applicants Website: \_\_\_\_\_
7. Does the Applicant practice from additional offices?  Yes  No  
a. If "yes", please advise the address(s) of the additional locations, including all states.  
b. Does responsibility for the Applicant's other offices rest with the management at your principal location?  Yes  No
8. Applicant is:  Corporation  Partnership  Individual  LLC  Other \_\_\_\_\_
9. Date Applicant was established: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
MM DD YR
10. Please list the names of all predecessor firms of the Applicant (Name only those firms where the applicant is a successor to the former firm's assets and liabilities)

Name of Former Firm	Year Established	Number of Partners / Officers

**REQUESTED COVERAGE**

11. Desired Effective Date \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
 MM DD YR

**POLICY OPTIONS**

**Professional Liability (Errors & Omissions) Coverage**

- \$250,000/\$250,000       \$500,000/\$1,000,000       other \_\_\_\_\_
- \$250,000/\$500,000       \$1,000,000/\$1,000,000
- \$500,000/\$500,000       \$1,000,000/\$2,000,000

**DEDUCTIBLE OPTIONS**

- \$2,500       \$5,000       \$10,000       \$25,000       \$50,000       \$100,000       OTHER \_\_\_\_\_
- Employment Practices Liability**       **General Liability**       **Excess Coverage**       **Property (please attach accord application)**
- \$250,000/\$250,000       \$250,000/\$250,000       \$1,000,000/\$1,000,000      building limit \$ \_\_\_\_\_
- \$250,000/\$500,000       \$250,000/\$500,000       \$2,000,000/\$2,000,000      personal property \$ \_\_\_\_\_
- \$500,000/\$500,000       \$500,000/\$500,000       \$3,000,000/\$3,000,000      business interruption \$ \_\_\_\_\_
- \$500,000/\$1,000,000       \$500,000/\$1,000,000       \$4,000,000/\$4,000,000
- \$1,000,000/\$1,000,000       \$1,000,000/\$1,000,000       \$5,000,000/\$5,000,000
- other \_\_\_\_\_       other \_\_\_\_\_       other \_\_\_\_\_

**Applicant's Practice**

12. Please describe in detail the professional activities for which coverage is desired:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

13. Has any one client (includes affiliated clients) account for 25% or more of the Applicant's gross revenues during the past 12 months? *If "yes"; please provide the name(s) of the client(s) and percentage of billings.*       Yes       No

14. During the past 12 month, what approximate percentage of the Applicant's clients (by total number of your clients) were new, first time clients to the Applicant:  
 \_\_\_\_\_ %

15. Does any member of the Applicant provide professional services other than those mentioned in question 12? *(If "yes", please provide full details)*       Yes       No

16. List the total gross revenues for the past two years derived from those activities in Question #12. In addition, please list projected revenues for the current year (For insurance agents and brokers, please provide total gross commissions).

Year	Amount
a. Current Projected	\$ _____
b. _____	\$ _____
c. _____	\$ _____

17. For the revenue listed in question 16, please provide the approximate percentage derived from each of the activities listed under Question 12 (Do Not Complete for Accountants).

Activity	% of quest # Revenues
_____	_____ %
_____	_____ %
_____	_____ %

18. To what professional association(s) does the Applicant belong? \_\_\_\_\_

19. Please include a list of the Applicant's five largest jobs or projects during the past three (3) years (Do not complete for Insurance Agents & Brokers).

Project/Client Name	Services Performed for Client	Revenue from those Services	Date Service Began	Former Employer of Applicant (Yes or No)	Pct. Of gross revenue

## Staff Information

20. Please provide the following: (Please include all principal and key employee resumes)

Name of all Principals, Partners, Owners and Key Employees	Professional Qualifications	Years with Applicant Firm	Years in Practice	Continuing Education (Yes or No)	Position with Firm

21. Provide information on the Applicant's Staff:

	Full Time	Part Time
a. Total Number:	_____	_____
b. Number hired within the past 12 months:	_____	_____
c. Number terminated, retired, or resigned within the past 12 months:	_____	_____

*IF YOU WOULD LIKE AN EMPLOYMENT PRACTICES QUOTE, PLEASE ANSWER 22 and 23*

22. Do you anticipate layoffs within the next 12 months?  Yes  No  
 a. Have you had any layoffs in the last 12 months?  Yes  No  
 If yes, please provide details on a separate sheet of paper. Please include: date of layoff, # of employees, job category, manner in which layoffs were/will be conducted and terms of severance.

23. Have you formally adopted and implemented

a. Anti-Sexual Harassment Policy	<input type="checkbox"/> Yes <input type="checkbox"/> No
b. Anti-Discrimination Policy	<input type="checkbox"/> Yes <input type="checkbox"/> No
c. Family Medical Leave Act Policy	<input type="checkbox"/> Yes <input type="checkbox"/> No
d. Americans with Disabilities Act Policy	<input type="checkbox"/> Yes <input type="checkbox"/> No
e. Complaint reporting procedures	<input type="checkbox"/> Yes <input type="checkbox"/> No

## Risk Management

24. Is the Applicant controlled, owned or associated with any other firm, corporation or company, or do you have any wholly or partially owned subsidiaries? (If "yes, attach an explanation)  Yes  No

25. Are any activities listed in Question 12 provided to such business enterprises listed in Question above? (If "yes", attach an explanation)  Yes  No

26. Does any current member of the Applicant provide any professional services to any clients in which any Applicant member or SPOUSE serves as a director, officer or partner or own any equity or financial interest? (If "yes", please complete the **Outside Interest Supplement**)  Yes  No

27. Does the Applicant have a procedure for maintaining clients lists and identifying any actual or potential conflicts of interest?  Yes  No

28. a. How many suits for fees have been filed in the last 2 years? \_\_\_\_\_  
 b. How many have been successfully resolved? \_\_\_\_\_  
 c. What steps have been taken to reduce the number of suits for fees in the future? \_\_\_\_\_

29. a. Does the Applicant have a written procedures manual for employees to follow?  Yes  No  
 b. Does the Applicant have a training program for new employees?  Yes  No

30. Does the Applicant use a written contract or agreement with clients?  
 \_\_\_\_\_ In all cases      \_\_\_\_\_ Sometimes      \_\_\_\_\_ Never

31. What percentage of the Applicant's business involves subcontracting of work to others? \_\_\_\_\_ %  
 a. What kind(s) of work has the Applicant's subcontracted in the past twelve months?  
 b. Does the Applicant require and receive in hand certificates of insurance evidencing in force professional liability coverage before you authorizing any subcontractor to begin performing work on the Applicant's behalf?  Yes  No



Fraud Warnings

**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 ACT, WHICH IS A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

**NOTICE TO ARKANSAS, NEW MEXICO AND WEST VIRGINIA APPLICANTS:** ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT, OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

**NOTICE TO COLORADO APPLICANTS:** IT IS UNLAWFUL TO KNOWINGLY PROVIDE FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES, DENIAL OF INSURANCE, AND CIVIL DAMAGES. ANY INSURANCE COMPANY OR AGENT OF AN INSURANCE COMPANY WHO KNOWINGLY PROVIDES FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO A POLICYHOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICYHOLDER OR CLAIMANT WITH REGARD TO A SETTLEMENT OR AWARD PAYABLE FROM INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATORY AUTHORITIES

**NOTICE TO DISTRICT OF COLUMBIA APPLICANTS:** WARNING: IT IS A CRIME TO PROVIDE FALSE OR MISLEADING INFORMATION TO AN INSURER FOR THE PURPOSE OF DEFRAUDING THE INSURER OR ANY OTHER PERSON. PENALTIES INCLUDE IMPRISONMENT AND/OR FINES. IN ADDITION, AN INSURER MAY DENY INSURANCE BENEFITS IF FALSE INFORMATION MATERIALLY RELATED TO A CLAIM WAS PROVIDED BY THE APPLICANT.

**NOTICE TO FLORIDA APPLICANTS:** ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY IN THE THIRD DEGREE.

**NOTICE TO KENTUCKY APPLICANTS:** ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE 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.

**NOTICE TO LOUISIANA APPLICANTS:** ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

**NOTICE TO MAINE APPLICANTS:** IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS.

**NOTICE TO NEW JERSEY APPLICANTS:** ANY PERSON WHO INCLUDES ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

**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 OHIO APPLICANTS:** ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD.

**NOTICE TO OKLAHOMA APPLICANTS:** WARNING: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY (365:15-1-10, 36 §3613.1).

**NOTICE TO PENNSYLVANIA 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 SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

**NOTICE TO TENNESSEE, VIRGINIA AND WASHINGTON APPLICANTS:** IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

**NOTICE TO VERMONT 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 ACT, WHICH MAY BE A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

---

Signature of Owner, Partner or Principal of Insured

Title

Date

Signature of Insureds Agent or Broker

Title

Date

**IF A POLICY IS ISSUED THE APPLICATION IS ATTACHED TO AND MADE PART OF THE POLICY SO IT IS NECESSARY THAT ALL QUESTIONS BE ANSWERED IN DETAIL.**

**PLEASE READ THE FOLLOWING CAREFULLY AND SIGN BELOW WHERE INDICATED. IF A POLICY IS ISSUED, THIS SIGNED STATEMENT WILL BE ATTACHED TO THE POLICY.**

The Insured hereby acknowledges that he/she/it is aware that the limit of liability contained in this policy shall be reduced, and may be completely exhausted, by the costs of legal defense and, in such event, the Company shall not be liable for the costs of legal defense or for the amount of any judgement or settlement to the extent that such exceeds the limit of liability of this policy.

The Insured hereby further acknowledges that he/she/it is aware that legal defense costs or defense expenses that are incurred shall be applied to the deductible amount.

---

Signature of Owner, Partner or Principal of Insured

Title

Date

---

Signature of Insureds Agent or Broker

Title

Date