

# National Casualty Company

Home Office:  
 Scottsdale, Arizona  
 Administrative Office:  
 8877 North Gainey Center Drive • Scottsdale, Arizona 85258  
 1-800-423-7675 • Fax (480) 483-6752

## ARCHITECTS AND ENGINEERS PROFESSIONAL LIABILITY INSURANCE APPLICATION (CLAIMS MADE AND REPORTED BASIS)

**NOTE:** In applying for coverage, you understand that the insurance coverage you are applying for is written on a **CLAIMS MADE AND REPORTED** basis. Only **CLAIMS** which are first made against you and reported to the Company during the **POLICY PERIOD** are covered subject to the policy provisions. **CLAIM EXPENSE** is also applied against the **DEDUCTIBLE**. If you have any questions about the coverage, please discuss them with your insurance agent.

New Application       Renewal Application      Expiring Policy Number: \_\_\_\_\_  
 Limits Requested: \$ \_\_\_\_\_      Deductible Requested: \$ \_\_\_\_\_

**Firm Name/Address/Structure**

1. Firm Name: \_\_\_\_\_  
 Street Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
 Branch Offices? .....  Yes  No  
 If "Yes," please list branch offices on separate sheet.  
 Website Address: \_\_\_\_\_

2. Key Contact and/or Risk Manager:  
 Name: \_\_\_\_\_ Title: \_\_\_\_\_ Telephone: \_\_\_\_\_

3. Date Firm was established: \_\_\_\_\_

4. Firm is:  Corporation     Partnership     Professional Corporation     Sole Proprietorship  
 Other: \_\_\_\_\_

5. Has the name of the Firm ever changed or been party to any acquisition, consolidation, dissolution or merger? .....  Yes  No  
 If "Yes," please detail changes on separate sheet in chronological order.

6. Total Staff:

	Architects	Engineers	All Other	TOTAL
Principals, Partners, Officers & Directors				
Licensed Staff (excluding above)				
Unlicensed Staff				

7. Please show the number of employees who left the Firm in the past twelve (12) months:  
 a. Management: \_\_\_\_\_  
 b. Professional Staff: \_\_\_\_\_

8. Identify the state(s) in which any Staff or the Firm is licensed to perform professional services and the percentage of revenues generated:

State	Percent	State	Percent	State	Percent	State	Percent	State	Percent
	%		%		%		%		%

**Accounting Year Data**

9. Gross Billings and Construction Values—Domestic Operations:

	Projected Fiscal Year: <hr/> (mm/dd/yy)	Current Fiscal Year: <hr/> (mm/dd/yy)	Last Completed Year: <hr/> (mm/dd/yy)
a. Subcontracted Services:	\$	\$	\$
b. Projects Insured Under Separate Project Policies:	\$	\$	\$
c. Permanently Abandoned Projects:	\$	\$	\$
d. Feasibility Studies, Master Plans, Reports:	\$	\$	\$
e. Direct Reimbursables:	\$	\$	\$
f. All Other Billings:	\$	\$	\$
<b>TOTAL GROSS BILLINGS:</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>TOTAL CONSTRUCTION VALUES:</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

10. Design/Build—Construction Values—Complete only if the Firm is doing Design/Build work:

	Projected Fiscal Year: <hr/> (mm/dd/yy)	Current Fiscal Year: <hr/> (mm/dd/yy)	Last Completed Year: <hr/> (mm/dd/yy)
a. All Operations:	\$	\$	\$
b. Design/Construction:	\$	\$	\$
c. Design Only—No Construction:	\$	\$	\$
d. Construction Only—No Design:	\$	\$	\$
<b>TOTAL CONSTRUCTION VALUES:</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

11. Firm's Activities:

Provide the percentage of gross billings for the last reporting period (12 months), whether or not collected, including fees paid to consultants.

Services	Percent of Gross Billings or Construction Values
Feasibility Studies, reports where no design is completed	%
Design only, with no construction phase duties	%
Design, with observation of construction	%
Observation of construction only	%
Construction management only	%
Design with construction responsibility (construction subcontracted)	%
Construction with design responsibility (design subcontracted)	%
Other (describe): _____	%
<b>TOTAL</b>	<b>%</b>

**Practice Details**

**12. Professional Services:**

Based on the Firm's net billings, please indicate approximate percentage of services listed below which are performed by the Firm. Do not include services of consultants. (Note: This section should total one hundred percent [100%.])

Services	Percent	Services	Percent	Services	Percent
Acoustical Engineering	%	Forensic Engineering	%	Nuclear Engineering	%
Architecture	%	HVAC Engineering	%	Process Engineering	%
Chemical Engineering	%	Hydrological Engineering	%	Geo Technical	%
Civil Engineering	%	Interior Design	%	Structural Engineering	%
Communication Engineering	%	Land Surveying/ Construction Stakeout	%	Testing Labs	%
Construction Management	%	Landscape Architecture	%	Other (specify): _____	%
Electrical Engineering	%	Mechanical Engineering	%		
Environmental Engineering*	%	Naval/Marine	%	<b>TOTAL</b>	<b>100%</b>

\*Note: If Environmental Engineering or Consulting services are indicated, please attach a narrative description of these services.

**13. Subcontracted Services:**

Does the Firm subcontract professional services? .....  Yes  No

If "Yes," indicate the percentage of professional billings subcontracted and types of professional services subcontracted: ..... %

Does the Firm obtain insurance certificates of professional liability from subconsultants? .....  Yes  No

If "No," please explain: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**14. Other Services:**

a. Based on the Firm's gross billings, indicate the approximate percentages of activities listed below in which the Firm is involved. (Note: This section need not total one hundred percent [100%.])

Services	Percent	Services	Percent	Services	Percent
Asbestos Related Work	%	Ground Testing/ Soil Analysis	%	Site Development	%
Building Design	%	Inspection Services	%	Software Development/Sales	%
Cost Estimating	%	Instrumentation/ Controls	%	Subsurface Soil	%
Destructive Testing	%	Lead Related Work	%	Underground Utility Locating	%
Environmental Impact Statements	%	Machine/Equipment Design	%	Wetland Delineation	%
Fast Track, Turnkey or Prototype Projects	%	Pipelines	%	Other (specify): _____	%
Foundations, Sheeting and Shoring Design	%	Product Design	%	<b>TOTAL</b>	<b>%</b>

b. Based on the Firm's gross billings, indicate the approximate percentages of the projects listed below in which the Firm is engaged. (Note: This section should total one hundred percent [100%.])

Services	Percent	Services	Percent	Services	Percent
Airports	%	Manufacturing/ Industrial	%	Sewage Treatment Plants	%
Amusement Rides	%	Mass Transit	%	Shopping Centers/Retail	%
Apartments	%	Mines	%	Superfund/Pollution	%
Arenas/Stadiums	%	Municipal Buildings	%	Telecommunications	%
Bridges 499 ft. and under Bridges 500 ft. and over	% %	Nuclear/Atomic	%	Theaters	%
Condominium/Townhouses	%	Office Buildings	%	Tract Homes	%
Commercial	%	Parking Structures	%	Traffic/Transportation	%
Convention Centers	%	Petro/Chemical	%	Tunnels	%
Dams	%	Pools/Playgrounds	%	Underground Storage Tanks	%
Harbors/Piers/Ports	%	Pre-engineered Buildings/Structures	%	Utilities	%
Hospitals/Healthcare	%	Private Dwellings (Custom)	%	Warehouses	%
Hotels/Motels	%	Religious/Churches	%	Wastewater Treatment Plants	%
Industrial Waste Treatment	%	Residential	%	Water Systems	%
Jails	%	Roads/Highways	%	Other (specify): _____	%
Landfills	%	Schools/Colleges	%		
Libraries	%	Sewage Systems	%	<b>TOTAL</b>	<b>100%</b>

c. Has the Firm undergone any substantial changes in the percentages in Questions 14.a. and 14.b. during the past two years or anticipate any significant changes in the next twelve (12) months? .....  Yes  No  
If Yes, please provide details: \_\_\_\_\_

d. **Condominiums/Townhouses:**

In the past ten (10) years has the Firm, Predecessor or any other insured provided any professional services related to Residential Condominiums and/or Townhouses?.....  Yes  No  
If "Yes," please complete the following:

Total Number of Condominium/Townhouse projects: \_\_\_\_\_

Approximate Total Construction value: \$ \_\_\_\_\_

15. **Firm's Clients:**

a. Please indicate the approximate percentage of the Firm's gross billings in Question 9. that were derived from the following client categories: (Note: This section should total one hundred percent [100%.])

Services	Percent	Services	Percent	Services	Percent
Attorneys	%	Government Local	%	Owners (acting as their own builder)	%
Commercial	%	Institutional	%	Real Estate Developers	%
Contractors	%	Industrial	%	Other (specify): _____	%
Government Federal	%	Lending Institutions	%		
Government State	%	Other Design Professionals	%	<b>TOTAL</b>	<b>100%</b>

- b. What percentage of the Firm's business is from repeat clients? ..... \_\_\_\_\_%
- c. Does any one contract or client represent more than twenty-five percent (25%) of annual work? .....  Yes  No  
 If "Yes," provide actual percentage of revenue: ..... \_\_\_\_\_%  
 If "Yes," please attach a list of current projects for these client(s).

16. Is the Firm or any subsidiary, Parent or other Organization related to the Firm engaged in:
- a. Actual construction, fabrication or erection? .....  Yes  No
  - b. Development, sale or lease of computer software to others? .....  Yes  No
  - c. Real estate development? .....  Yes  No
  - d. Manufacturing, sale, leasing or distribution of any product? .....  Yes  No

If any answers are "Yes," use a separate sheet to provide full details, including a description of the services performed, construction value involved and fees received.

17. Is the Firm engaged in projects located outside of the United States, its territories or Canada? .....  Yes  No  
 If "Yes," please provide the total percent of foreign projects: ..... \_\_\_\_\_%

18. Is the Firm controlled, owned and/or associated with any other Firm, corporation or company or does the Firm own or control any other entity? .....  Yes  No  
 If "Yes," please provide details: \_\_\_\_\_

19. a. Other than the applicant Firm, does the Firm or any Principal, Partner, Officer, Director or Shareholder of the Firm or an immediate family member of any such person have more than a fifteen percent (15%) combined ownership interest or act as the managing partner in any entity or project for which professional services have been or are to be rendered? .....  Yes  No
- b. Does the Firm render services on behalf of any other entity in which any Principal, Partner, Officer, Director or Shareholder of the Firm or an immediate family member of any such person is a Partner, Officer, Director, Shareholder or employee? .....  Yes  No

**Joint Ventures**

20. a. Does the Firm participate in joint ventures? .....  Yes  No  
 If "Yes," on a separate sheet of paper, please identify the joint venture projects, partners and allocation of responsibilities.
- b. Does the Firm obtain insurance certificates of professional liability from Joint Venture Partners? .....  Yes  No  
 If "No," please explain: \_\_\_\_\_

**Risk Management/Loss Prevention**

21. a. Does the Firm follow written in-house quality control procedures? .....  Yes  No
- b. Are all staff members familiar with these procedures? .....  Yes  No
- c. Does the Firm have an in-house program of continuing education for professional employees? .....  Yes  No
- d. How many professional employees of the Firm have attended at least six hours of continuing education in the past twelve (12) months? \_\_\_\_\_  All
- e. Does the Firm use written contracts on every project? .....  Yes  No  
 If "No," provide the percentage of the projects where oral agreements were/are used: ..... \_\_\_\_\_%
- f. Does the Firm seek a limitation of liability clause in contracts with clients? .....  Yes  No  
 If "Yes," what percentage of contracts contains such a clause? ..... \_\_\_\_\_%
- g. Specify the approximate percentage of the Firm's professional services rendered under AIA or EJCDC standard forms of agreement: ..... \_\_\_\_\_%
- h. If non-standard contracts or modified AIA or EJCDC contracts or "letter agreements" are used, are they reviewed by the Firm's legal counsel for liability implications prior to signing? .....  Yes  No
- i. Does the Firm have procedures for monitoring or collecting outstanding fees? .....  Yes  No
- j. Does the Firm have a pre-screening methodology for potential clients? .....  Yes  No

k. Does the Firm negotiate contract provisions for alternative dispute resolution such as mediation? ....  Yes  No  
 If "Yes," what percentage of contracts contains such a provision? ..... %

22. **Professional Associations:**

Please list the Firm's and/or Principal's professional associations (i.e., American Institute of Architects, National Society of Professional Engineers, etc.): \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

23. **Current General Liability Insurance Coverage:**

Please identify the Firm's current General Liability Insurance Coverage:

Insurance Company: \_\_\_\_\_

Limits: \$ \_\_\_\_\_

Effective/Expiration Dates: \_\_\_\_\_

24. **Professional Liability Insurance History:**

a. Retroactive date on current policy: \_\_\_\_\_

b. Does the Firm's current policy have specific project excess coverage for any projects? .....  Yes  No

If "Yes," please provide details: \_\_\_\_\_  
 \_\_\_\_\_

c. Does the Firm currently have First Dollar Defense Coverage? .....  Yes  No

d. Has the Firm, or any Principal, Partner, Officer or Director of any predecessor Firms, ever been declined for Professional Liability Insurance coverage or has any such coverage ever been canceled or nonrenewed? **(Not applicable to Missouri applicants.)** .....  Yes  No

If "Yes," please provide details: \_\_\_\_\_  
 \_\_\_\_\_

25. Please detail the Firm's Architects and Engineers Professional Liability coverage five year history:

Company	Policy Period	Limits	Deductible	Premium
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$

26. Have any Principals, Partners, Officers or Directors ever been subject to disciplinary action by authorities as a result of their professional activities? .....  Yes  No

If "Yes," please provide full details: \_\_\_\_\_  
 \_\_\_\_\_

27. a. Has any claim ever been made against the Firm, its Predecessors in business, any of the present Partners, Directors, or Officers of the Firm or, to the knowledge of the Applicant, against any past Partners, Officers or Directors of the Firm? .....  Yes  No

b. After proper inquiry of every Principal, Partner, Officer or Director or other prospective insured party, is the Applicant aware of any circumstances, incidents, situations or accidents during the past ten (10) years which may result in claims being made against the Firm, its Predecessors in business, or any of the present or past Principals, Partners, Officers or Directors? .....  Yes  No

c. After proper inquiry of every Principal, Partner, Officer or Director or other prospective insured party, is the Applicant aware of any deficiencies or alleged deficiencies in work where the Firm, Predecessor in business or any other prospective insured performed professional services, or aware of any deficiencies or alleged deficiencies in work by others for whom the Firm is legally responsible during the last five years? .....  Yes  No

- d. Does the Applicant or any other party proposed for insurance have knowledge of injury to people or damage to property during the past five years on or at projects where the Firm has rendered professional services?.....  Yes  No

If "Yes" to a., b., c. or d. above, please complete the **Supplemental Claim Information Form**.

28. Please provide the following:
- a. Sample contract used if other than standard AIA or EJCDC contract.
  - b. Most current annual Financial Statement—if available.
  - c. Five years of currently dated, company issued loss runs.
  - d. Principals' Resumes—if applicant has been in business for less than three years.
  - e. **Largest Current Projects:** On a separate sheet, attach a list of the Firm's ten (10) largest projects in the past two years. Include type of structure, services performed, construction values, professional fees and project location.

THE APPLICANT REPRESENTS THAT THE STATEMENTS AND FACTS MADE IN THIS APPLICATION ARE TRUE AND THAT NO MATERIAL FACTS HAVE BEEN SUPPRESSED OR MISSTATED.

Applicant acknowledges a continuing obligation to report to us as soon as practicable any material change in the facts and statements above, and in each supplementary application, for which applicant becomes aware after signing the application.

Completion of this form does not bind coverage. Applicant's acceptance of Company's quotation is required prior to binding coverage and policy issuance. It is agreed that this form shall be the basis of the contract should a policy be issued.

I/We hereby declare that the above statements and particulars are true and I/We agree that this application shall be the basis of the contract with the insurance company.

**FRAUD WARNING:** 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. **(Not applicable to Kansas, Nebraska, Oregon or Vermont applicants.)**

**NOTICE TO ALABAMA APPLICANTS:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison, or any combination thereof.

**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 policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder 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 Agencies.

**WARNING TO DISTRICT OF COLUMBIA APPLICANTS:** 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 of the third degree.

**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 MARYLAND APPLICANTS:** Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully 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 MINNESOTA APPLICANTS:** A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

**NOTICE TO OHIO APPLICANTS:** Any person who knowingly and with intent to defraud any insurance company 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 OKLAHOMA APPLICANTS:** 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.

**NOTICE TO RHODE ISLAND 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.

**FRAUD WARNING (APPLICABLE IN TENNESSEE, VIRGINIA AND WASHINGTON):** 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 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.

DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_\_

SIGNATURE OF AUTHORIZED DIRECTOR/PARTNER/PRINCIPAL: \_\_\_\_\_

TITLE: \_\_\_\_\_

PRODUCER: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_

AGENT NAME: \_\_\_\_\_ AGENT LICENSE NUMBER: \_\_\_\_\_  
(Applicable to Florida Agents Only)

IOWA LICENSED AGENT: \_\_\_\_\_  
(Applicable to Iowa Agents Only)

PRODUCER'S SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_  
(Applicable to New Hampshire Producers Only)