

IT LIABILITY

Proposal Form

IMPORTANT NOTICES

About Brooklyn

XL Insurance Company SE, Australia branch, trading as Brooklyn Underwriting, ABN 36 083 570 441 (Brooklyn) is a leading Australian Underwriting Agency. In all respects, Brooklyn acts as an agent of the Insurer and not for You.

Contact details for Brooklyn are:-

**Angel Place, Level 28,
123 Pitt Street, Sydney NSW 2000**

T: (02) 8270 1790

W: www.brooklynunderwriting.com.au

E: info@brooklynunderwriting.com.au

About the Insurer

This insurance is underwritten by Brooklyn for and on behalf of XL Insurance Company SE, Australia branch (the Insurer) in accordance with the Binding Authority Agreement between the two parties. The Insurer is an APRA-authorised insurance company that enables our partners to provide innovative, tailor-made solutions to their clients.

Listed below are the Insurer's current Insurer Financial Strength Ratings:

AM Best	A+
Standard & Poor's	AA-
Fitch Ratings	AA-
Moody's	A1

Your Duty of Disclosure

Before You enter into a contract of insurance with Us, You have a duty under the Insurance Contracts Act 1984 (Cth) to disclose to Us anything that You could reasonably be expected to know is relevant to Our decision whether to accept the risk of insurance and, if so, on what terms. You have this duty until such time as We agree to insure You. You have the same duty to disclose those matters to Us before You renew, extend, vary or reinstate a contract of general insurance. Your duty however does not require disclosure of a matter:

- that diminishes the risk to be undertaken by Us;
- that is of common knowledge;
- that We know or, in the ordinary course of business, ought to know; or
- as to which compliance with Your duty is waived by Us.

Non-Disclosure

If You fail to comply with Your duty of disclosure, We may be entitled to reduce Our liability under the contract in respect of a claim and/or may cancel the contract.

Privacy Statement

Brooklyn collects personal information in order to provide its various services which include insurance broking, claims management, risk management consultancy, underwriting management, and reinsurance.

If the personal information Brooklyn requests from You is not provided, Brooklyn or any involved third party may not be able to provide the appropriate services.

Brooklyn discloses personal information to third parties who are involved in the provision of Our services. For example, in arranging and managing Your insurance needs Brooklyn may provide information (including sensitive information such as health information) to insurers, reinsurers, other insurance intermediaries, it's advisors such as loss adjustors, lawyers and accountants, and other parties involved in the claims handling process.

By submitting Your Proposal and continuing to deal with Us, You confirm on Your behalf and/or on behalf of those You represent consent to Brooklyn and these parties collecting, using and disclosing personal and sensitive information about You.

Brooklyn has a duty to maintain the confidentiality of its client's affairs which includes their personal information. Our duty of confidentiality applies except where disclosure of Your personal information is with Your consent or required by law. Brooklyn may make use of Your personal information to provide You with information about its products and services. Simply contact the Brooklyn Privacy Officer on the details below if You would like to:

- Access the personal information Brooklyn holds about You;
- Update or correct the information Brooklyn holds about You;
- Discuss Your privacy concerns; or
- Be removed from the mailing list to receive information about Brooklyn products and services.

Privacy Officer
XL Insurance Company SE trading as Brooklyn
Underwriting Level 28, 123 Pitt Street
Sydney NSW 2000
T: (02) 8270 1790
E: privacyaustralia@axaxl.com

Instructions to Complete this Proposal

- All questions must be answered in full. Failure to do so may result in delays in providing a quotation or effecting the insurance.
- Where a Yes/ No response is indicated please tick or cross the applicable box.
- This form must be signed by at least one director of the Insured Entity seeking insurance who has the authority to sign the proposal form on behalf of all parties to be insured and after all necessary enquiries have been made of the applicable personnel.
- Where there is insufficient space to answer any question, or additional documentation or information is required, please provide same by way of a clearly labelled attachment to this proposal form and specify the applicable attachments in the space provided for each question.
- If you require any assistance in completing this proposal form, please contact your insurance adviser.
- Please return the completed proposal form to your insurance adviser. Should you need to contact us, please email info@brooklynunderwriting.com.au or call (02) 8270 1790.

Glossary of Terms

In this proposal, reference to:

“Information Technology Products” means the computer equipment designed, specified, manufactured, installed, supplied, repaired or marketed by You (including computer hardware, computer firmware, computer software, computer chip (including embedded control logic or microprocessor chip), telecommunications system or other electronic computer device), provided either singularly or in connection with Information Technology Services;

“Information Technology Services” means the services, advice or work provided (including consultancy services, design, specification, training, testing, data processing, data hosting, data communications service, project management, systems integration, or project implementation, analysis or maintenance), provided either singularly or in connection with Information Technology Products;

“North America” means the USA and Canada and their respective territories and possessions;

“Subsidiaries” means:

- a) Any Entity in which the Insured Entity owns or controls, directly or indirectly, in any combination, more than 50% of the outstanding securities or voting rights representing the present right to vote for election of directors; or
- b) Any Entity deemed to be a subsidiary of the Insured Entity under any applicable legislation, law or Australian Accounting Standard.

“You / Your” means the Insured Entity and any Subsidiaries.

1. **Your Details**

Insured Entity:	
Australian Business Number (ABN):	
Date of Establishment:	
Subsidiaries (if applicable):	
Website:	
Principal Business Address:	

2. Are all entities for which cover is required domiciled in Australia? *If No, please provide details of the entity, country of registration, and the Information Technology Products and/or Information Technology Services supplied.*

Yes No

3. Is the Insured Entity controlled, owned, affiliated, or associated with any other firm, corporation or company? *If Yes, please provide details of the other firm, corporation, or company, and its relationship with the Insured Entity. Please also confirm whether You operate under any formal terms of engagement with this firm, corporation, or company.*

Yes No

4. Please provide a detailed description of **Your Information Technology Products** and/or **Information Technology Services** including any intended changes to these. If **You** have a company brochure detailing **Your** activities, please also provide a copy.

5. Do **You** require cover for any activities, which do not involve the provision or supply of **Information Technology Products** and/or **Information Technology Services**? *If Yes, please provide further details.*

Yes No

6. Please describe the industries in which **Your** customers operate:

7. Please complete the table below for all principals, directors and partners:

Name	Date of Birth	Qualifications	Years Practising	Number of years as a principal, director or partner at the Insured Entity

8. If **You** are a sole practitioner, what arrangements do **You** make when **You** are unable to attend to **Your** business (e.g. holidays, sickness etc.).

9. Please provide a breakdown of **Your** employee numbers:

Directors, Partners and Principals	
Professional/Technical	
Administration	
Contractors	

10. Please provide a breakdown of **Your** revenue:

Country	Last Financial Year (AUD)	Current Financial Year (AUD)
Australia	\$	\$
North America	\$	\$
Europe	\$	\$
Asia-Pacific	\$	\$
Other – Please Specify:	\$	\$

11. Please confirm the percentage of revenue earned in each state and territory (must add up to 100%):

NSW	VIC	QLD	SA	WA	ACT	NT	TAS	O/S

12. Are **You** involved with any individual, organisation and/or country listed in a sanctions list as generated by Australia, the United States of America, the European Union or the United Kingdom? *If Yes, please provide details:*

Yes No

13. Do **You** require cover for **North America**?

Yes No

14. Please list details of any customer from whom **You** derive more than 10% of **Your** total revenue:

Customer Name	Contract Value (AUD)	Information Technology Product/Services

15. Please provide a description of the five (5) largest typical assignments/projects completed over the last three (3) years. Include the purpose of the assignment/project, the nature of the **Information Technology Products** and/or **Information Technology Services** supplied, and the revenue value of each assignment/project.

Project	Purpose	Information Technology Product/Services	Revenue (AUD)
			\$
			\$
			\$
			\$
			\$

16. **Contractors**

Do **You** engage contractors to provide **Information Technology Products** and/or **Information Technology Services**? *If No, skip to Question 17.*

Yes No

Do **You** enter into a formal written contract with contractors before they commence work on **Your** behalf?

Yes No

What percentage (%) of **Your** annual revenue is paid to contractors?

What controls do **You** have in place to monitor/check the quality and accuracy of work performed by contractors?

17. **Fidelity**

Do **You** segregate duties so that, from commencement to completion, no one individual can control any of the following activities:

- a) Signing cheques, authorising payments or issuing funds transfer instructions above \$5,000;
- b) Refund of monies or return of goods over \$5,000; or
- c) Reconciling bank statements.

Yes No

18. **User Acceptance Testing and Sign Off**

For every project/assignment, do **You** always:

- a) Agree a written specification with **Your** customer prior to its commencement;

Yes No

- b) Have a formal customer acceptance procedure (e.g. end user testing); and

Yes No

- c) Require **Your** customer to sign an acceptance letter on its completion.

Yes No

19. Please describe the greatest risk to **Your** client if the **Information Technology Products and/or Information Technology Services You supply fails**:

20. Do **Your** standard terms of engagement/contract conditions always:

a) Exclude liability for consequential loss or damage?

Yes No

b) Limit **Your** liability to an amount not more than the value of the contract to **You**?

Yes No

c) Receive review from **Your** internal or external legal counsel?

Yes No

21. **Contractual Liability:**

a) Have **You** entered into any hold harmless agreements or otherwise waived any legal rights or entitlements which **You** might have against consultants, sub-contractors, agents, original equipment manufacturers, sales intermediaries, or systems integrators?

Yes No

b) Has any customer stopped paying fees for any **Information Technology Product** and/or **Information Technology Service You** provided during the last 3 years?

Yes No

22. Please select **Your** primary industry category:

IT Hardware

IT Software

IT Services

23. Please define **Your Information Technology Products** and/or **Information Technology Services**:

IT Hardware

Maintenance, Installation and/or Repair of Information Technology Products	%
Manufacture, Installation and/or Repair of Information Technology Products	%
Network Development, Installation and/or Repair	%
Reselling of Information Technology Products	%

IT Software

Bespoke and/or Customisable Software Development	%
ERP Application Services	%
Supply of Third Party 'shrink-wrapped' Software	%
Supply of Your 'shrink-wrapped' Software (not bespoke/customisable)	%
Software as a Service (SaaS)	%
Software Maintenance	%
Software Installation (including configuration, but not code changes)	%
Systems Integration Services	%
Website Design and Development	%

IT Services

Data Storage, Data Processing and Data Warehousing	%
Hosting Services, Cloud Services	%
Internet Service Provider	%
IT Consultancy	%
IT Education and/or IT Training Services	%
IT Help Desk and/or IT Support Services	%
IT Project Management	%
IT Recruitment Services	%
IT Security Consultancy	%
Managed IT Services Provider	%
Network Consultancy and Support Services	%
Networking, Voice and Data Services	%
Outsourcing and/or Facilities Management Consultancy	%
Telecommunications / Networks Consultancy	%
Value Added Reselling	%

24. Are **You** currently insured for Professional Indemnity? *If No, skip to Question 25.*

Yes No

Insurer:			
Professional Indemnity Limit:	\$	Excess:	\$
Public & Products Liability Limit:	\$	Excess:	\$
Expiry Date:			
Retroactive Date:			
Premium:			

25.

Professional Indemnity Limit of Indemnity Required	Public and Products Limit of Liability Required
<input type="checkbox"/> \$1,000,000	<input type="checkbox"/> \$NIL
<input type="checkbox"/> \$2,000,000	<input type="checkbox"/> \$5,000,000
<input type="checkbox"/> \$5,000,000	<input type="checkbox"/> \$10,000,000
<input type="checkbox"/> \$10,000,000	<input type="checkbox"/> \$20,000,000
<input type="checkbox"/> Other, please specify:	

26. **High Risk Questions**

Do any of **Your Information Technology Products** and/or **Information Technology Services** involve the following:

- a) Adult services (including, but not limited to, producing, hosting, and distributing) Yes No

- b) Benchmarking and/or modelling software Yes No

- c) Blockchain and/or cryptocurrencies Yes No

- d) Blue-collar work (including but not limited to welding, digging and/or hot work) Yes No

- e) Computer aided design and/or computer aided manufacturing Yes No

- f) Content provider/aggregator Yes No

- g) Data hosting and/or data centre Yes No
Are these services outsourced to a third party who is rated as Tier 3 or better? *If No, please complete Brooklyn's [Network Services & Data Recovery Expenses Addendum](#).* Yes No

- h) Defence, military, weapons and/or drones Yes No

- i) Financial trading and/or banking software Yes No

- j) Fire, security, correctional facility and/or other emergency services Yes No

- k) Gambling, lotteries and/or similar Yes No

- l) Games development Yes No

- m) Hardware design and/or manufacture Yes No
 - i) Do any of **Your Information Technology Products** contain raw materials, parts or components which have been imported? Yes No
 - ii) Do **You** transport, handle, store or use hazardous goods or products? Yes No
 - iii) Do **You** supply computer chips (including microprocessor chips)? Yes No

- n) Health/medical diagnostic hardware and/or software Yes No
-
- o) Health/medical information and/or data services Yes No
-
- p) Internet service provider Yes No
- Do **You** hold a carrier license under the under the 'Telecommunications Act 1997 (Cwth)? Yes No
-
- q) Managed services Yes No
- i) Do **You** provide backup services to **Your** customers? Yes No
- ii) Please state how **You** limit **Your** liability if a customer opts not to have backups? Is this request always documented?
-
- r) Mission critical and/or live trading software Yes No
-
- s) Oil, gas, electricity and/or water Yes No
-
- t) Online auction sites Yes No
-
- u) Payment processing Yes No
-
- v) Production line, industrial automation, SCADA/PLC, artificial intelligence and/or manufacturing systems Yes No
- If Yes, please complete Brooklyn's [SCADA/PLC Addendum](#)*
-
- w) Rail, marine, automotive and/or aerospace Yes No
-
- x) Social media and/or search engines Yes No
-
- y) Security systems Yes No
-
- z) Underground and/or aboveground mining Yes No
- Do **Your Information Technology Products** and/or **Information Technology Services** directly or indirectly facilitate the extraction, use of, or supply of thermal coal? Yes No
-

27. **Please answer the following questions after making reasonable enquiries:**

- a) During the past ten (10) years, has any claim been made against:
 - i. **You**; Yes No
 - ii. Any former business or prior corporate entity; or Yes No
 - iii. Any present or former principal, partner, or director. Yes No

- b) Are **You**, or any fellow director, partner, principal, or employee aware of any circumstance, incident, or allegation (including, but not limited to, notices from regulatory bodies, disciplinary proceedings, or prosecutions) that may give rise to any claim? Yes No

- c) Have **You** suffered any loss, or identified any potential loss, from fraud or dishonesty of any director, partner, principal, or employee? Yes No

- d) Are any of **Your** contracts or projects/assignments currently past due acceptance, or suffered a material delay? Yes No

- e) Has any insurer ever declined to provide cover for any type of business insurance? Yes No

If Yes to any of the above, please provide further details.

DECLARATION

You declare and acknowledge that:

- **You** have made due enquiry concerning the questions asked within this Proposal and have the authority to sign this Proposal;
- **You** have read and understood **Your** Duty of Disclosure and Non-Disclosure sections of this Proposal;
- The statements and particulars in this Proposal are true and correct;
- This Proposal along with any other information supplied by **You** shall form the basis of any Policy entered into;
- **You** understand that up until the Policy is entered into, **You** must notify any change in the matters disclosed in this Proposal;
and
- **You** will notify any material alteration to the matters disclosed in this Proposal occurring after completion of the Proposal.

Name of Applicant: _____ Date: _____

Signature of Applicant: _____ Position: _____

