



[Professional Services]

## MANUFACTURERS E&O APPLICATION

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## PART 1 GENERAL INFORMATION

Broker:

Broker Phone:

Broker Contact:

Broker Email:

Applicant Name:

Mailing Address:

Postal Code:

Telephone No.:

Email:

Branch Locations:

Website:

**Additional Documentation to be included with your application:**

- Resumes of Directors, Officers, Partners, and Key Personal
- Standard Contract/ Terms of Engagement
- Company Brochure
- Product Labels

## PART 2 COMPANY DETAILS

Date Company Established (DD/ MM/ YYYY):

 Company Structure: Sole Proprietor: ☐ Corporation: ☐ Partnership: ☐ Joint Venture: ☐ Other: ☐

Number of Directors, Officers, or Partners (please attach resumes):

Details of Directors, Officers, or Partners:

| Name | Years in Position: | Years Experience: | Qualifications: |
|------|--------------------|-------------------|-----------------|
|      |                    |                   |                 |
|      |                    |                   |                 |
|      |                    |                   |                 |
|      |                    |                   |                 |
|      |                    |                   |                 |

Total number of Employees:

Principles/ Directors:

Architects/ Engineers:

Construction Personnel:

Administrative/ Clerical/ Other:

Other Technical or Qualified Staff:

Are ALL Employees covered by WCB? ☐ Yes ☐ NoHas the Applicant ever been investigated by or suspended from practice by a governing body of your profession? ☐ Yes ☐ NoHas any insurer ever cancelled or refused to insure the applicant? ☐ Yes ☐ No

Please describe your business operations, the products that you manufacture and the industry sectors that your products are used in:

### PART 3 REVENUE BREAKDOWN

| Financial Year End Revenue                        | Prior Year:<br>(MM/YY)____/____ | Last Completed Year:<br>(MM/YY)____/____ | Estimate for Next Year:<br>(MM/YY)____/____ |
|---|---------------------------------|--|---|
| a) Total Gross Fees Revenues (=b+c+d+e+f+g+h)     | \$                              | \$                                       | \$  |
| b) Applicant's Design Work                        | \$                              | \$                                       | \$  |
| c) Fees paid to Subconsultants                    | \$                              | \$                                       | \$  |
| d) Company Sales in Canada                        | \$                              | \$                                       | \$  |
| e) Company Sales in USA                           | \$                              | \$                                       | \$  |
| f) Company Sales in Europe                        | \$                              | \$                                       | \$  |
| g) Company Sales in Asia                          | \$                              | \$                                       | \$  |
| h) Company Sales in Other: (Please specify below) | \$                              | \$                                       | \$  |
| Other:  |                                 |  |   |

Date of Company Financial Year End: (DD/ MM/ YY)

Annual Payroll: \$

All manufacturing facilities are Canadian domiciled? ☐ Yes ☐ No

If no, please list below, including percentage of revenue derived from each non-Canadian location:

|           |  |            |   |
|-----------|--|------------|---|
| Location: |  | % Revenue: | % |
| Location: |  | % Revenue: | % |
| Location: |  | % Revenue: | % |

### PART 4 COMPANY OPERATIONS

Indicate the percentage of your revenue expected this year from the following:

|    |   |   |
|----|---|---|
| A. | Assembly  | % |
| B. | Contract Manufacturing  | % |
| C. | Design/ Engineering for a fee (not related to the applicant's products) | % |
| D. | Distribution of products manufactured by others                         | % |
| E. | Licensing fee & royalties   | % |
| F. | Products made to the applicant's own designs/ specifications            | % |
| G. | Other   | % |

If "Other" please describe:

Do you perform installation, service, or repair of your products? ☐ Yes ☐ No

List the products manufactured or services performed and the percentage of projected revenues for each:

| Type of Product or Service | % of Applicant's Receipts |
|----------------------------|---------------------------|
|                            | %                         |
|                            | %                         |
|                            | %                         |
|                            | %                         |
|                            | %                         |

What percentage of your current revenue relates to products you manufacture that have been in the market for:

|                  |   |           |   |           |   |              |   |
|------------------|---|-----------|---|-----------|---|--------------|---|
| Less than 1 year | % | 1-2 years | % | 2-5 years | % | Over 5 years | % |
|------------------|---|-----------|---|-----------|---|--------------|---|

Please indicate your three largest jobs during the last two years:

| Customer | Industry Sector | Annual Revenue (\$) | Products Manufactured |
|----------|-----------------|---------------------|-----------------------|
|          |                 | \$                  |                       |
|          |                 | \$                  |                       |
|          |                 | \$                  |                       |
|          |                 | \$                  |                       |

What is the Applicant's average contract size? \$

What percentage of work is subcontracted to the third party? %

If work is subcontracted, is proof of insurance required? ☐ Yes ☐ No ☐ N/A Limit of Liability required: \$

Please provide details of all subcontracted work: ☐ N/A

|  |
|--|
|  |
|--|

Are the subcontractors/ subconsultants hired under a written standard subcontractor agreement? ☐ Yes ☐ No

Are your customers aware that subcontractors are being used? ☐ Yes ☐ No ☐ N/A

Are subcontractors identified as such to customers? ☐ Yes ☐ No ☐ N/A

Please describe controls in place to ensure the quality of subcontract work:

|  |
|--|
|  |
|--|

Do you warrant or guarantee any standards of performance for products and/ or services?

(e.g., delivery and/ or completion timeframes, durability, quality) ☐ Yes ☐ No ☐ N/A

If yes, please specify;

|  |
|--|
|  |
|--|

Do you include all necessary and required product labels, instructions, and warnings with all your products? ☐ Yes ☐ No ☐ N/A

What is the worst thing that could happen to your customers' operations if your product were to fail or stop working?

## PART 5 RISK MANAGEMENT

Which of the following does the applicant's quality control procedures include? (check all that apply)

|                          |                                       |                          |                                    |                          |                       |
|--------------------------|---------------------------------------|--------------------------|------------------------------------|--------------------------|-----------------------|
| <input type="checkbox"/> | Pre-release/ pre-dissemination        | <input type="checkbox"/> | Alpha and Beta testing             | <input type="checkbox"/> | Beta Testing          |
| <input type="checkbox"/> | Vendor certification process          | <input type="checkbox"/> | Statistical process control        | <input type="checkbox"/> | Prototype development |
| <input type="checkbox"/> | Formal customer acceptance procedures | <input type="checkbox"/> | Formalized quality control program |                          |                       |

Products and/or services developed to industry standards:

|                          |        |                          |                          |                          |         |
|--------------------------|--------|--------------------------|--------------------------|--------------------------|---------|
| <input type="checkbox"/> | UL/CSA | <input type="checkbox"/> | ISO 9000 or later Series | <input type="checkbox"/> | CE Mark |
|--------------------------|--------|--------------------------|--------------------------|--------------------------|---------|

Do your risk management procedures include the following?

|                          |  |
|--------------------------|--|
| <input type="checkbox"/> | Business documents (customer orders, agreements, etc.)   |
| <input type="checkbox"/> | Maintenance of error/problem/downtime log for life of product and/or service   |
| <input type="checkbox"/> | Customer complaint resolution plan   |
| <input type="checkbox"/> | Customer notification plan of your discontinuance of a product and/or service  |
| <input type="checkbox"/> | Formal plan to address any flaws, defects, bugs, anomalies, problems, etc. discovered in your products and/or services or website including customer notification. |
| <input type="checkbox"/> | Formal service recall plan   |

If yes, timeframe from discovery to notify all customers:

|                          |                   |                          |          |                          |           |                          |              |
|--------------------------|-------------------|--------------------------|----------|--------------------------|-----------|--------------------------|--------------|
| <input type="checkbox"/> | less than one day | <input type="checkbox"/> | 1-7 days | <input type="checkbox"/> | 1-4 weeks | <input type="checkbox"/> | over 1 month |
|--------------------------|-------------------|--------------------------|----------|--------------------------|-----------|--------------------------|--------------|

What percentage of your products and/or services, upon delivery to your customers, are returned or require fixes? %

Does the applicant perform project file audits on a routine basis? ☐ Yes ☐ No

Do client deliverables undergo an internal peer review? ☐ Yes ☐ No

What percentage of the applicants' professional services are performed under the following contract types:

|                            |   |                                    |   |
|----------------------------|---|------------------------------------|---|
| Client drafted agreement:  | % | Purchase order:                    | % |
| Firm's letter agreement:   | % | Professional Association contract: | % |
| Firm's standard agreement: | % | Verbal agreement:                  | % |

Are all non-standard agreements reviewed by applicant's legal counsel or insurance broker before they are executed: ☐ Yes ☐ No

What percentage of the applicant's contracts use a limitation of liability provisions, where the firm's liability is limited to?

|  |   |
|--|---|
| A specific dollar amount which is less than the applicant's insurance limit: | % |
| A specific dollar amount equal to the applicant's insurance limit:           | % |

A specific dollar amount that limits the applicant's liability to the amount of fees paid by the client for their services:

%

Does the applicant have:

An in-house continuing education program for professional employees? ☐ Yes ☐ No

Procedures to elevate and screen potential new clients? ☐ Yes ☐ No

Procedures for monitoring and collecting outstanding fees? ☐ Yes ☐ No

## PART 6 CYBER PRE-QUALIFICATION

Applicant regularly backs up critical data to a "cold" or "offline" location that would be unaffected by an issue with their live environment, and they test to ensure those backups are recoverable? Yes No

Applicant uses multi-factor authentication (MFA) for cloud-based services (such as cloud-based email accounts) and for all remote access to their network: Yes No

Applicant does not allow remote access into their environment without a virtual private network (VPN): Yes No

Applicant regularly (at least annually) provides cyber security awareness training, including anti-phishing, to all individuals who have access to their organization's network or confidential/personal data? Yes No

Insured has a Business Continuity Plan in place that has been successfully tested to confirm that following an unexpected interruption of your computer systems, all revenue-earning operations can be fully resumed within 12 hour. Yes No

## PART 7 INSURANCE HISTORY & REQUIREMENTS

Please provide details or your current **Errors & Omissions** insurance policy:

| Effective Date:<br>(MM/DD/YYYY) | Retro Date:<br>(MM/DD/YYYY) | Limit: | Deductible: | Premium: | Insurer: |
|---------------------------------|-----------------------------|--------|-------------|----------|----------|
|                                 |                             | \$     | \$          | \$       |          |

Please provide details of your required **Errors & Omissions** insurance policy:

| Effective Date:<br>(MM/DD/YYYY) | Retro Date:<br>(MM/DD/YYYY) | Limit: | Deductible: | Premium: | Insurer: |
|---------------------------------|-----------------------------|--------|-------------|----------|----------|
|                                 |                             | \$     | \$          | \$       |          |

Please provide details of your required **Commercial General Liability** insurance policy:

| Effective Date:<br>(MM/DD/YYYY) | Limit: | Deductible: | Premium: | Insurer: |
|---------------------------------|--------|-------------|----------|----------|
|                                 | \$     | \$          | \$       |          |

## PART 8 CLAIMS HISTORY

a) Are you aware of any loss or damage, whether insured or not, that has occurred to any of the Companies to be insured (or to any existing or previous business of the partners or directors of any Companies to be insured) within the last 5 (five) years, or: ☐ Yes ☐ No

b) Are you aware of any circumstances which may give rise to a claim against any of the Companies to be insured or any partners or directors thereof, or: ☐ Yes ☐ No

c) Have any claims or cease and desist orders been made against any of the Companies to be insured, or any partners or directors thereof, or:

☐ Yes ☐ No

d) Have any partners or directors of the Companies to be insured been found guilty of any criminal, dishonest or fraudulent activity or been investigated by any regulatory body? ☐ Yes ☐ No

If the answer to the above is "Yes", then please attach full details including an explanation of the background of events, the maximum amount involved/claims, the status of the claim(s) or circumstance(s) and any reserve(s) or payment(s) made by Insurers, and the dates of all developments and payments.

| TYPE OF LOSS | DATE OF LOSS | DESCRIPTION OF LOSS | \$ RESERVE OR LOSS<br>AMOUNT PAID BY INSURER | \$ RETAINED LOSS OR<br>DEDUCTIBLE PAID BY YOU |
|--------------|--------------|---------------------|--|---|
|              |              |                     | \$   | \$  |
|              |              |                     | \$   | \$  |
|              |              |                     | \$   | \$  |

\*Please attach any available insurance company loss reports with this application

## NOTICE TO APPLICANT:

Consumer and previous insurer reports containing personal, credit, factual or investigative information about the Applicant may be sought in connection with this Applicant for Insurance or any renewal, extension or variation thereof. All provisions contained in the various forms issued under this contract shall be deemed to be contained in the present Application of Insurance. The policy may be deemed to be void and claims may be denied where:

- 1) An Applicant for a contract:
  - a) Gives false or erroneous information to the prejudice of the insurer, or
  - b) Knowingly misrepresents or fails to disclose in the Application any fact required to be stated therein; or
- 2) The Insured contravenes a term of the Contract or commits a fraud; or
- 3) The Insured willfully makes a false statement in respect of a claim under the contract.

**I CERTIFY THAT ALL STATEMENTS MADE IN THIS APPLICATION ARE COMPLETE AND ACCURATE, I AM AUTHORIZED TO CONTRACT ON BEHALF OF THE INSURED, AND I APPLY FOR A CONTRACT OF INSURANCE BASED UPON THE TRUTH OF THESE STATEMENTS.**

**I AM IN AGREEMENT THAT THIS DECLARATION SHALL HEREBY FORM PART OF THE INSURANCE CONTRACT.**

Applicant's Signature: \_\_\_\_\_

Position: \_\_\_\_\_

Please print name: \_\_\_\_\_

Date: \_\_\_\_\_

## BROKER DECLARATION

How long have you known this Applicant? \_\_\_\_\_

Is this account new or renewal to you? \_\_\_\_\_

Have you personally viewed the Applicant's operations? \_\_\_\_\_

What is the condition of facilities and equipment? \_\_\_\_\_

What is the applicant's attitude toward risk management and insurance? \_\_\_\_\_

Do you recommend this Applicant? \_\_\_\_\_

Broker's Signature: \_\_\_\_\_

Position: \_\_\_\_\_

Please print name: \_\_\_\_\_

Date: \_\_\_\_\_