

# Proposal Form

## Information Technology Insurance



### IMPORTANT NOTICE

#### **Please Read The Following Advice Before Completing This Proposal Form**

Your Information Technology Liability Insurance Policy is issued on a CLAIMS MADE basis.

Please note that this proposal form is being completed by the PROPOSER on behalf of all Insureds (as defined in the policy).

The term "PROPOSER" shall mean the Company listed below and all Subsidiaries of the Company for which coverage is proposed under this proposal form.

#### **When completing this Proposal Form**

- Please answer all questions giving full and complete answers.
- It is the duty of the PROPOSER to provide all information that is requested in the proposal form as well as to add additional relevant facts.
- A relevant fact is such known fact and/or circumstance that may influence in the evaluation of the risk by the insurer. If you have any doubts about what a relevant fact is, please do not hesitate to contact your broker or insurer.
- If the space provided on the Proposal Form is insufficient, please use a separate signed and dated sheet in order to provide a complete answer to any question.
- The proposal form must be completed, signed and dated by a person, who must be of legal capacity and authorised for the purpose of requesting Technology Liability Insurance who acts as a PROPOSER.

**This proposal form DOES NOT BIND the PROPOSER or the Insurer to complete the insurance but will form part of any insurance policy incepted.**

#### **Your Duty of Disclosure**

Before you enter into a contract of general insurance with an Insurer, you have a duty to disclose to the Insurer every matter that you know, or could reasonably be expected to know, is relevant to the Insurer's decision whether to accept the risk of the insurance and, if so, upon what terms. You have the same duty to disclose those matters to the Insurer before you renew, extend, vary or reinstate a contract of general insurance.

Your duty however does not require disclosure of matters:

- That diminishes the risk to be undertaken by the Insurer;
- That is of common knowledge;
- That your Insurer knows or, in the ordinary course of its business, ought to know; or
- As to which compliance with your duty is waived by their Insurer.

(It should be noted that this duty continues after the proposal form has been completed up until the time the policy is entered into.)

Insured by:



**DUAL ASIA**

Tel: +852 2530 6800 [www.dualasia.com](http://www.dualasia.com)

Suite 2103, 21/F, Fu Fai Commercial Centre, 27 Hillier Street, Sheung Wan, Hong Kong

DUAL Underwriting Agency (Hong Kong) Limited - Licence number: FA2113

## Non-Disclosure

If you fail to comply with your duty of disclosure, the Insurer may be entitled to reduce its liability under the contract in respect of a claim or may cancel the contract. If your non-disclosure or misrepresentation is fraudulent, the Insurer may also have the option of avoiding the contract in its entirety. It is therefore vital that you make sufficient enquiries BEFORE you complete this proposal form and BEFORE you sign any declaration that there has been no change in the information provided.

## Surrender or Waiver of any Right of Contribution or Indemnity

Where another person or company would be liable to compensate you or hold you harmless for part or all or any loss or damage otherwise covered by the policy, but you have agreed with that person either before or after the inception of the policy that you would not seek to recover any loss or damage from that person, you are NOT covered under the policy for any such loss or damage.

## Contract by the Insured Affecting Rights of Subrogation

If the proposed contract of insurance includes a provision which excludes or limits the Insurer's liability in respect of any loss because you are a party to an agreement which excludes or limits your rights to recover damages from a third party in respect of that loss, you are hereby notified that signing any such agreement may place your indemnity under the proposed contract of insurance at risk.

MSIG Insurance (Hong Kong) Limited ("MSIG", "we" or "us") would ask that you take the time to read this privacy policy carefully. In case of discrepancies between the English and Chinese versions of this statement, the English version shall prevail.

## Privacy Policy

DUAL and MSIG take your privacy very seriously. To ensure your personal information is secure, we communicate and enforce our privacy and security guidelines according to the relevant laws and regulations. DUAL and MSIG both take precautions to safeguard your personal information against loss, theft, and misuse, as well as against unauthorised access, disclosure, alteration, and destruction. Furthermore, we will not sell your personal information to anyone for any purpose. Both DUAL and MSIG impose very strict sanction control and only authorised staff on a need-to-know basis are given access to or will handle your personal data, and we provide regular training to our staff to keep them abreast of any new developments in privacy laws and regulations.

We will only retain your personal data in our business records for as long as it is necessary for business and tax purposes as permitted by the laws. We require our agents, contractors or third parties who provide administrative or other services on our behalf to protect personal data they may receive in a manner consistent with this policy and the laws. We do not allow them to use such information for any other purposes. If you have any questions or inquiries regarding our privacy policy, please feel free to contact us.

We may amend this Privacy Policy at any time and for any reason. The updated version will be available by following the 'Privacy Policy' link on our website homepage at [www.msig.com.hk](http://www.msig.com.hk). You should check the Privacy Policy regularly for changes.

For DUAL's Privacy Policy, please follow the link on our website homepage at [www.dualasia.com](http://www.dualasia.com). You should check the Privacy Policy regularly for changes.

## Personal Information Collection Statement

Personal information is data that can be used to uniquely identify or contact a single person. As our customers, it is necessary from time to time for you to supply us with your personal data in relation to the general insurance services and products ("the Product") that we provide to you and in order for us to deliver and improve the customer service. This includes but not limited to the personal data contained in the proposal form or in any documents in relation to the Product or any claim made under the Product.

Your personal data may be used for obligatory purpose or voluntary purpose. If personal data are to be used for an obligatory purpose, you MUST provide your personal data to MSIG if you want MSIG to provide the Product. Failure to supply such data for obligatory purpose may result in MSIG being unable to provide the Product.

The obligatory purposes for which your personal data may be used are as follows:-

- processing and evaluating your insurance application and any future insurance application you may make;
- our daily operation and administration of the services and facilities in relation to the Product provided to you;

- variation, cancellation or renewal of the Product;
- invoicing and collecting premiums and outstanding amounts from you;
- assessing and processing claims in relation to the Product and any subsequent legal proceedings;
- exercising any right of subrogation by us;
- contacting you for any of the above purposes;
- other ancillary purposes which are directly related to the above purposes;
- complying with applicable laws, regulations or any industry codes or guidelines; and
- detecting and preventing fraud (whether or not relating to the policy issued in respect of this application).

The voluntary purposes for which your personal data may be used are any sales, marketing, promotion of other general insurance services and products provided by MSIG. The personal data we intend to use for voluntary purposes are your name, your address, your phone number and email address.

If you do not wish MSIG to use your personal data for the voluntary purposes listed above, you should tick the box on the right and provide us with the following information. You may also notify us by sending an email to 'dpo@hk.msig-asia.com'. In your notification, you must supply the same required information as listed below. [ ]

Full Name: \_\_\_\_\_

Contact Number: \_\_\_\_\_

HKID Number (for identification purpose): \_\_\_\_\_

Policy / Certificate / Acknowledgment Number (if you have one): \_\_\_\_\_

NOTE: This instruction will override all previous instructions relating to direct marketing that have been given to MSIG.

In connection with any of the above purposes, the personal data that we have collected might be transferred to:

- third party agents, contractors and advisors who provide administrative, communications, computer, payment, security or other services which assist us to carry out the above purposes (including medical service providers, emergency assistance service providers, telemarketers, mailing houses, IT service providers and data processors);
- in the event of a claim, loss adjudicators, claims investigators and medical advisors;
- reinsurers and reinsurance brokers;
- your insurance broker;
- our legal and professional advisors;
- our related companies as defined in the Companies Ordinance;
- the Hong Kong Federation of Insurers (or any similar association of insurance companies) and its members;
- the Insurance Claims Complaints Bureau and similar industry bodies; and
- government agencies and authorities as required or permitted by law:
- fraud prevention organizations;
- other insurance companies (whether directly or through fraud prevention organization or other persons named in this paragraph);
- the police; and
- databases or registers (and their operators) used by the insurance industry to analyse and check information provided against existing information.

In order to confirm the accuracy of your personal data, you agree to provide us with authorisation to access to and to verify any of your personal data with the information collected by any federation of insurance companies from the insurance industry.

Under the relevant laws and regulations, you have the right to request access to and to request correction of your personal data held by us. If you wish to exercise these rights, please write to our Data Protection Officer at 9/F Cityplaza One, 1111 King's Road, Taikoo Shing, Hong Kong.

If you have any enquiries or require assistance with this Personal Information Collection Statement, please call us at (852) 3122 6922.

**Please enclose with this proposal form:**

- a. A Brochure (if available)
- b. Copy of Standard Contract Terms (if available)

## Section 1 | Details of Proposer

Insured Name: \_\_\_\_\_

Address of Head Office: \_\_\_\_\_

Web Address: \_\_\_\_\_

Place of Incorporation: \_\_\_\_\_

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

Address of all other locations (if any) from which the insured operates: \_\_\_\_\_

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## Section 2 | Details Of The Business

1. Please provide a detailed description of your information technology services or information technology products provided, including primary purpose of software/systems licensed or supplied by you including details of any advice provided.

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2. Has the name of the Business ever been changed? Yes [  ] No [  ]
3. Have you sold, purchased or merged with any other Business? Yes [  ] No [  ]
4. Is any Principal, Partner or Director connected or associated (financially or otherwise) with any other Business? Yes [  ] No [  ]

If YES to any of the above, please provide further details: \_\_\_\_\_

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### Section 3 | Employment Information

1. Please state the total number of the following:

<b>Principal / Partner / Directors</b>		<b>Administration Staff</b>	
<b>Professionally Qualified Staff</b>		<b>Other, please specify</b>	
<b>Trainee Staff</b>			
<b>Sales Staff</b>		<b>Total</b>	

2. Please provide the following details for each of the insured's Principals, Partners, Directors and key technical staff:

<b>Name</b>	<b>Qualifications</b>	<b>Date Qualified</b>	<b>No. Years of this Practise</b>	<b>Total Years Practising</b>

3. Please provide details of annual gross wages (whole amounts in Hong Kong Dollar (\$)) for:

Current Year: \_\_\_\_\_ Estimate Next Year: \_\_\_\_\_

### Section 4 | Turnover Details

1. Please provide a percentage breakdown of your gross turnover by activity for the current year.

<b>Activity</b>	<b>Percentage Breakdown %</b>	<b>Activity</b>	<b>Percentage Breakdown %</b>
<b>Data Processing/Warehousing Services</b>		<b>Maintenance and Repair</b>	
<b>Education and Training</b>		<b>Reseller of Third Party Hardware</b>	
<b>Facilities Management and Outsourcing</b>		<b>Reseller of Third Party Software</b>	
<b>General Consultancy</b>		<b>Software Sales (own developed)</b>	
<b>Hardware Sales (own developed)</b>		<b>Systems Integration</b>	
<b>ISP/Web/Internet Services</b>		<b>Telecommunication Services</b>	
<b>IT Recruitment and Placement Services</b>		<b>Other, please specify</b>	

2. Please provide a breakdown of turnover (whole amounts in Hong Kong Dollar (\$)) for the current financial year and an estimate for the next year.

Territory	Current Year	Estimate Next Year
Hong Kong		
China		
Other Asia		
USA / Canada		
Total		

3. Are any of your products/services intended for use in any of the following?

Medical/Surgical applications	Yes [ ]	No [ ]
Aerospace/Radar/Navigation Systems	Yes [ ]	No [ ]
Military/Defence Systems	Yes [ ]	No [ ]
Oil/Gas/Power/Nuclear Energy applications	Yes [ ]	No [ ]
Financial or Banking Systems	Yes [ ]	No [ ]
Manufacturing Process Control Systems	Yes [ ]	No [ ]
Security Systems	Yes [ ]	No [ ]

If YES to any of the above, please provide further details: \_\_\_\_\_

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## Section 5 | General Information

1. Are you, have you, or do you plan to be a part of a joint venture, partnership or consortium? Yes [ ] No [ ]

If YES, please provide further details:

Joint Venture Partner	Details

2. Do you use a standard contract or agreement for all the work you perform? Yes [ ] No [ ]

If YES, please attach a copy.

- a. What percentage of the time do customers agree to the PROPOSER's standard contract or agreement?

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Please attach a copy of the largest non-standard contract.

b. Who must approve any variations in the PROPOSER's standard contracts?

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3. Do you ever negotiate contracts or agreements in which you:

a. Limit your liability in all contracts to the cost of services or products provided? Yes [ ] No [ ]

If NO, how do you limit your liability? \_\_\_\_\_

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b. Agree to limit the other parties' liability? Yes [ ] No [ ]

If YES, in what circumstances? And what are the limitation amounts? \_\_\_\_\_

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c. Accept liability for consequential damages? Yes [ ] No [ ]

If YES, in what circumstances? \_\_\_\_\_

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d. Do not include a Force Majeure Clause? Yes [ ] No [ ]

4. Are all contracts legally reviewed prior to signing? Yes [ ] No [ ]

5. Do you ever agree to indemnify or hold harmless any third party for claims arising out of your services or products? Yes [ ] No [ ]

If YES, please provide details: \_\_\_\_\_

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6. Do you enter into contracts for a specified dollar value? (i.e. Fixed price contracts) Yes [ ] No [ ]  
Indicate % of time: \_\_\_\_\_

7. Do you provide contractual indemnities to anyone in respect of intellectual property licensed, sold or shared? Yes [ ] No [ ]

If YES, please supply a copy of your standard indemnity.

8. Do you have sole legal rights to the intellectual property/licensed/sold/shared? Yes [ ] No [ ]

If NO, please supply details: \_\_\_\_\_

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9. Do you act as an agent for any company(s)? Yes [ ] No [ ]

If YES, please provide details:

Company	Software/Hardware/Services provided in accordance with the agency	Percentage of agency sales To total turnover

10. Please provide a brief description and contract value for the five (5) largest contracts undertaken over the past five (5) years.

Brief Description	Contract Value (\$)

11. a. What is the value of your average contract? HKD \_\_\_\_\_

b. What is the duration of your average contract?

c. Do all customers sign a written agreement, contract or purchase order? Yes [ ] No [ ]

12. Do you use the services of consultants, contractors or agents? Yes [ ] No [ ]

If YES:

a. What percentage of IT services or IT products are provided by sub-contractors? \_\_\_\_\_%

b. Please specify what IT services or IT products are sub contracted? \_\_\_\_\_

c. Do you have specific written contracts with these sub-contractors? Yes [ ] No [ ]

d. Do you insist they carry their own Information Technology Liability Insurance? Yes [ ] No [ ]

e. Do you require proof of IT Liability Insurance from sub-contractors? Yes [ ] No [ ]

f. Do you enter into any hold-harmless agreements or otherwise waive any legal rights or entitlements which you may have against such consultants, sub-contractors or agents? Yes [ ] No [ ]

g. Do you require cover for consultants, contractors or agents? Yes [ ] No [ ]

If YES, please provide:

- i) A list of consultants, contractors, or agents
- ii) Total payments to such persons in the current year
- iii) Copy of your standard Contractors Agreement



13. Do you have all employees, consultants and contractors assign you their intellectual property rights? Yes [ ] No [ ]

If YES, please provide a copy of standard Agreement.

14. Do you envisage any substantial changes in your activities or are there any major new operations contemplated during the next twelve (12) months? Yes [ ] No [ ]

If YES, please provide further details: \_\_\_\_\_

## Section 6 Risk Management

1. Do you require written acceptance from the customer on delivery of services or products? Yes [ ] No [ ]
2. Do you have a Total Quality Management (TQM) strategy in place? Yes [ ] No [ ]

If YES, please provide details. \_\_\_\_\_

3. Do you have a formal product recall plan in place? Yes [ ] No [ ]
4. Do your product or systems development procedures include the following:
- a. Systems development methodology in writing Yes [ ] No [ ]
  - b. A written proposal in order to determine customer performance expectations in required Yes [ ] No [ ]
  - c. A written contract of specifications of products and services signed by the customer Yes [ ] No [ ]
  - d. A written agreement outlining the scope of the project or services Yes [ ] No [ ]
  - e. Contract outlining responsibility of all parties Yes [ ] No [ ]
5. Do your sign-off procedures include the following:
- a. Interim changes documented with customer sign off required Yes [ ] No [ ]
  - b. Performance milestones acknowledged and accepted with customer sign-off when achieved Yes [ ] No [ ]
  - c. Final test made with the customer and sign-off is required Yes [ ] No [ ]
  - d. A final acceptance letter or sign off agreement from the customer is required Yes [ ] No [ ]
  - e. Formal policy for documenting/responding to customer complaints/requests for changes/fixes Yes [ ] No [ ]
6. Do you obtain legal advice from advisers specialising in intellectual property law before releasing new software or products? Yes [ ] No [ ]

7. If you use in house legal counsel for due diligence and clearance of new software or products, please attach details of the due diligence checklist for intellectual property clearances.

If you do not have due diligence and clearance procedures please provide comments.

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|--|---------|--------|
| 8. Do new employees involved in development work sign an agreement that they will not distribute or utilise previous employer's trade secrets? | Yes [ ] | No [ ] |
| 9. If you use sub-contractors during the development process, do they sign copyright license agreements?                                       | Yes [ ] | No [ ] |
| 10. Do you have written procedures for handling intellectual property of others?   | Yes [ ] | No [ ] |
| 11. Have you ever filed for any patents?   | Yes [ ] | No [ ] |

If YES, how many patents do you currently own? \_\_\_\_\_

## Section 7 | Claims Details

1. After enquiry:
- |  |         |        |
|--|---------|--------|
| a. Have any Claims been made against the Company for professional negligence, error or omission in the last 5 years? | Yes [ ] | No [ ] |
| b. Have any Claims been made against you for Information Technology Liability  | Yes [ ] | No [ ] |

If YES, please provide further details of the Claim, the Claim amount and any payments: \_\_\_\_\_

- |  |         |        |
|--|---------|--------|
| 2. After enquiry is the PROPOSER or any of the Principals, Partners, Directors or Employees aware, of any circumstances or incident, which may give rise to a Claim against the Company or any present or former Principals, Partners, Directors or Employees? | Yes [ ] | No [ ] |
|--|---------|--------|

If YES, please provide further details: \_\_\_\_\_

- |   |         |        |
|---|---------|--------|
| 3. After enquiry has any client disputed payment for products or services rendered? | Yes [ ] | No [ ] |
|---|---------|--------|

If YES, please provide further details: \_\_\_\_\_

4. After enquiry has any contract or project experienced cost overruns, delays, system failure or functionality problems? Yes [ ] No [ ]

If YES, please provide further details: \_\_\_\_\_

\_\_\_\_\_

## Section 8 | Details Of Insurance Cover

1. Do you have any Information Technology Liability, Professional Indemnity or Yes [ ] No [ ]

If YES, please state: \_\_\_\_\_

\_\_\_\_\_

2. Has the Company or any Principal, Partner or Director ever been refused or cancelled insurance, or had a renewal application denied, or had special terms imposed? Yes [ ] No [ ]

If YES, please provide further details: \_\_\_\_\_

\_\_\_\_\_

## Section 9 | Risk Management

1. Please state the amount of Indemnity required:

	INDEMNITY LIMIT (HKD)	DEDUCTIBLE (HKD)
<b>PROFESSIONAL INDEMNITY</b>		
<b>PUBLIC AND PRODUCTS LIABILITY</b>		

2. OPTIONAL EXTENSIONS

Is cover required for:

EPL Yes [ ] No [ ]

USA / Canada Yes [ ] No [ ]

## Section 10 | Declaration

### Signing this proposal form does not bind the proposer or the insurer to complete this insurance

The undersigned declares that the statement and particulars in this proposal form are true and that no material facts have been misstated or suppressed after enquiry. The undersigned agree that should any of the information given by us alter between the date of this proposal and the inception date of the insurance to which this proposal relates, the undersigned will give immediate notice thereof. The undersigned agrees that this proposal, together with any other information supplied by us shall form the basis of any contract of insurance effected thereon.

Declaration of Broker Commission:

The applicant understands, acknowledges and agrees that, as a result of the applicant purchasing and taking up the policy to be issued by MSIG Insurance (Hong Kong) Limited ("MSIG"), MSIG will pay the authorised insurance broker commission during the continuance of the policy including renewals, for arranging the said policy. Where the applicant is a body corporate, the authorised person who signs on behalf of the applicant further confirms to MSIG that he or she is authorised to do so.

The applicant further understands that the above agreement is necessary for MSIG to proceed with the application.

**TO BE SIGNED BY CHAIRMAN OR MANAGING DIRECTOR OR EQUIVALENT**

Full Name: \_\_\_\_\_

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

Signature: \_\_\_\_\_ Date:     /     /

IT IS IMPORTANT THE UNDERSIGNED OF THE DECLARATION ABOVE IS FULLY AWARE OF THE SCOPE OF THIS INSURANCE SO THAT THESE QUESTIONS CAN BE ANSWERED CORRECTLY. IF IN DOUBT PLEASE CONTACT THE BROKER, SINCE NON-DISCLOSURE MAY AFFECT AN ASSURED'S RIGHT OF RECOVERY UNDER THE POLICY.