

Benchmark MANAGEMENT GROUP, INC.

1730 Park Street, Suite 214 Naperville, IL 60563
Phone: (630) 778-7000 Fax: (630) 778-7007

APPLICATION FOR ARCHITECTS & ENGINEERS PROFESSIONAL LIABILITY POLICY (Claims Made Coverage)

APPLICANT'S INSTRUCTIONS:

1. Answer all questions. If the answer requires detail, please attach a separate sheet.
2. Application must be signed and dated by owner, partner or officer.
3. Attach copy of your firm's brochure. THIS IS IMPORTANT.
4. PLEASE READ CAREFULLY THE STATEMENTS AT THE END OF THIS APPLICATION.
(PLEASE TYPE OR PRINT IN INK)

1. APPLICANT INFORMATION

- a. Name of applicant: _____
(If partnership or corporation, show firm)
- b. Address: _____
Street City State Zip Code
- c. Address of all Branches: _____
Street City State Zip Code

Street City State Zip Code
- d. When was firm established?: _____
- e. Number of Employees: Full time _____ Part time _____ Total _____
- f. Is the firm: [] Corporation? [] Partnership? [] Individual? [] _____
- g. During the past five years, has the name of the firm been changed or has any other business been purchased or any merger or consolidation taken place? [] Yes [] No. If yes, please give full details: _____

- h. Coverage Requested: Limits _____ Deductible _____

2. APPLICANT OPERATIONS

- a. Please indicate the approximate percentage of the professions in which your firm is engaged. (To equal 100%). Exclude services performed by subcontractors.

| | | | | | |
|------------------------|--------|-------------------------|--------|---------------------------|--------|
| Architects | _____% | Land Surveying | _____% | Environmental Engineering | _____% |
| Civil Engineering | _____% | Landscape Architecture | _____% | Structural Engineering | _____% |
| Electrical Engineering | _____% | Interior Design | _____% | Soil Engineering | _____% |
| Mechanical Engineering | _____% | Process Engineering | _____% | Testing Lab | _____% |
| HVAC Engineering | _____% | Construction Management | _____% | Other (Specify below) | _____% |

- b. Is the applicant involved in any of the following services? If "yes", please explain below and indicate fees for current and/or next year(s):

- (i) Environmental studies, reports, assessments or audits..... [] Yes [] No
- (ii) Remedial investigations and studies..... [] Yes [] No
- (iii) Waste site selection evaluation..... [] Yes [] No
- (iv) Preparation and submission of environmental permits..... [] Yes [] No
- (v) Hazardous and/or non-hazardous waste treatment, processing, incineration or disposal..... [] Yes [] No
- (vi) Asbestos abatement..... [] Yes [] No

Please indicate the type and approximate percentage of work under each heading:

- c. Scope of Services (to equal 100%)
- (i) Design with construction observation _____%
 - (ii) Design without construction observation _____%
 - (iii) Construction observation without design _____%
 - (iv) Studies, reports and services not resulting in construction _____%

Please indicate the type and approximate percentage of work under each heading:

- d. Types of Services (to equal 100%)
- (i) Master planning _____%
 - (ii) Foundation design _____%
 - (iii) Geotechnical services _____%
 - (iv) Alternations _____%
 - (v) Machinery/product design _____%
 - (vi) Forensic/expert witness _____%
 - (vii) Building inspection/certification _____%
 - (viii) Other _____%

Please indicate the type and approximate percentage of work under each heading:

- e. Types of Projects (need not equal to 100%)
- | | |
|---|---|
| (i) Single family dwellings _____% | (xi) Parking structures _____% |
| (ii) Condominiums _____% | (xii) Roads/highways _____% |
| (iii) Apartments _____% | (xiii) Bridges, dams, or tunnels _____% |
| (iv) Hotels, motels or resorts _____% | (xiv) Sewage or waste disposal systems _____% |
| (v) High-rise buildings _____% | (xv) Wastewater treatment plants _____% |
| (vi) Educational facilities _____% | (xvi) Power plants _____% |
| (vii) Religious facilities _____% | (xvii) Industrial/manufacturing _____% |
| (viii) Commercial/shopping centers _____% | (xviii) Petrochemical, chemical _____% |
| (ix) Hospitals/health care _____% | (xix) Offshore & marine structures _____% |
| (x) Recreational/sports facilities _____% | (xx) Other _____% |

f. Does the Applicant foresee any substantial changes in the percentages of Items (c), (d) or (e) above during the next twelve months? [] Yes [] No. If yes, please give details: _____

g. Fees and Construction Values - (For design firms only)

| Dates | Estimate for coming year From _____ to _____ | Present 12 months From _____ to _____ | Previous 12 months From _____ to _____ |
|--|---|--|---|
| Domestic Operations | | | |
| (i) Construction values | _____ | _____ | _____ |
| (ii) Gross Billings/Fees whether collected or not (excluding fees derived from Joint Ventures) | _____ | _____ | _____ |
| Foreign Operation | | | |
| (i) Construction Values | _____ | _____ | _____ |
| (ii) Gross Billings/Fees whether collected or not (excluding fees derived from Joint Ventures) | _____ | _____ | _____ |

h. Construction values - For firms who both design and construct.

| Dates | Estimate for coming year From _____ to _____ | Present 12 months From _____ to _____ | Previous 12 months From _____ to _____ |
|-------------------------------------|---|--|---|
| (i) All operations | _____ | _____ | _____ |
| (ii) Design/Construct | _____ | _____ | _____ |
| (iii) Design only - no construction | _____ | _____ | _____ |
| (iv) Construction only - no design | _____ | _____ | _____ |

i. What percentage of the Applicant's practice involves any of the following:

- (i) Subletting of work to others? _____%. Type of work sublet? _____
- (ii) Is evidence of insurance from consultants required? [] Yes [] No

j. Equity Interest:

Does the applicant provide professional services on projects in which he retains ownership interest (BASIC POLICY EXCLUDES COVERAGE FOR THESE PROJECTS)? [] Yes [] No. If coverage is desired, please request equity interest supplement form.

k. Does any one contract or client represent more than 50% of annual work? [] Yes [] No. If yes, please describe: _____

l. Does the Applicant or any subsidiary, parent or otherwise related entity engage in actual construction, manufacturing, or fabrication? [] Yes [] No. If yes, please give details: _____

m. Is the Applicant controlled, owned or associated with any other Firm, Corporation or Company? [] Yes [] No. If yes, please describe: _____

n. Does the Applicant work with other firms in Joint Ventures? [] Yes [] No

BASIC POLICY EXCLUDES COVERAGE FOR JOINT VENTURES. If coverage is desired, please request joint venture supplement form.

3. APPLICANT STAFF

| a. | <u>Name of Owner, Partner or Officer</u> | <u>Educational Qualifications</u> | <u>Date and Place Acquired</u> | <u>How Long with firm</u> |
|-------|--|---------------------------------------|------------------------------------|-------------------------------|
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |

b. Total Personnel: (Including those listed in item 3 (a) above: _____

- (i) Number of Engineers, Surveyors & Architects _____
- (ii) Number of Fieldmen (rodmen, chainmen, etc.) _____
- (iii) Number of Draftsmen, Technicians _____
- (iv) Number of clerical and acctg. employees _____

c. States in which licensed:

d. Foreign Work? [] Yes [] No If yes, please give full details: _____

e. Have any of those listed in item 3(a) above ever been the subject of disciplinary action by authorities as a result of their professional activities? [] Yes [] No. If yes, please describe: _____

f. What professional Associations does the Applicant belong to? _____

g. Are any of the individuals named in item 3 (a) above owners, officers or employees of firms engaged in actual construction, manufacturing or fabrication? [] Yes [] No. If yes, please give details: _____

4. APPLICANT HISTORY

a. Please detail Architects & Engineers Professional Liability Insurance during PAST FIVE YEARS: Show current policy and four prior years.

| | <u>Insurance Company</u> | <u>Policy No.</u> | <u>Limits</u> | <u>Deductible</u> | <u>Policy Period</u> |
|-------|--------------------------|-------------------|---------------|-------------------|----------------------|
| (i) | _____ | _____ | _____ | _____ | _____ |
| (ii) | _____ | _____ | _____ | _____ | _____ |
| (iii) | _____ | _____ | _____ | _____ | _____ |
| (iv) | _____ | _____ | _____ | _____ | _____ |
| (v) | _____ | _____ | _____ | _____ | _____ |

b. Date UNINTERRUPTED insurance began: _____

c. Is the Applicant currently insured under a Comprehensive General Liability and/or Umbrella Policy? [] Yes [] No. If yes, please give details:

| <u>Insurance Company</u> | <u>Type of Coverage</u> | <u>BI</u> | <u>Limits</u> | <u>PD</u> | <u>Effective From</u> | <u>To</u> |
|--------------------------|-------------------------|-----------|---------------|-----------|-----------------------|-----------|
| _____ | _____ | _____ | _____ | _____ | _____ | _____ |

d. Has any application for Architects & Engineers Professional Liability Insurance made on behalf of the firm, any predecessors in business or present Partners ever been declined or has the insurance ever been canceled or renewal refused? [] Yes [] No. If yes, please give details: _____

e. Has any claim ever been made against the firm or any persons named in item 1(a) or item 3(a)? [] Yes [] No. If yes, please attach details stating: 1) date when claim was made; 2) date the act giving rise to the claim was committed; 3) name of the claimant; 4) nature of the claim; 5) amount involved including reserves; and 6) final disposition.

f. Is the applicant aware of any circumstances which may result in any claim against him, the firm, his predecessors in business, or any of the present or past Partners or Officers? [] Yes [] No. If yes, please give full details on the same basis as item 4(e) above.

h. Please attach list of 10 largest jobs in the last five years. Detail: 1) project name; 2) type of structure; 3) services performed; and 4) construction values.

* NOTICE TO APPLICANT: The coverage applied for is SOLELY AS STATED IN THE POLICY, which provides coverage on a "CLAIMS MADE" basis for ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD.

REPRESENTATION: I/We represent that the information contained herein is true and that it shall be the basis of the policy of insurance and deemed incorporated therein, should the Company/Underwriters evidence its acceptance of this application by issuance of a policy. I/We authorize the release of claim information from any prior insurer to Shand Morahan & Company, Inc., Underwriting Manager for the Company/Underwriters.

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR A 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.

Name of Applicant

Title (Officer, partner, etc.)

Signature of Applicant

Date

SIGNING this application does not bind the Applicant or the Insurer or the Underwriting Manager to complete the insurance, but one copy of this application will be attached to the policy, if issued.

ATTACH COPY OF BROCHURE

- DEERFIELD INSURANCE COMPANY
- EVANSTON INSURANCE COMPANY
- ESSEX INSURANCE COMPANY
- MARKEL AMERICAN INSURANCE COMPANY
- MARKEL INSURANCE COMPANY

DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE AND ELECTION FORM

RE:
Risk ID. No.:

You are hereby notified that under the Terrorism Risk Insurance Act of 2002 (the "Act"), effective November 26, 2002, that you now have a right to purchase insurance coverage for losses arising out of acts of terrorism, as defined in Section 102(1) of the Act ("Terrorism Coverage"): The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

You should know that Terrorism Coverage required to be offered by the Act for losses caused by certified acts of terrorism is partially reimbursed by the United States under a formula established by federal law. Under this formula, the United States pays 90% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this Terrorism Coverage is provided below and does not include any charges for the portion of loss covered by the federal government under the Act.

SELECTION OR REJECTION OF TERRORISM INSURANCE COVERAGE

PLEASE ENTER "X" IN ONE OF THE BOXES BELOW AND SIGN AND DATE WHERE INDICATED BELOW.

Florida, Georgia and Oklahoma Applicants: Please be advised that in the event a policy is purchased, the policy premium will include a 1% surcharge for Terrorism Coverage unless you elect to decline Terrorism Coverage. You need to enter an "X" below if you wish to decline Terrorism Coverage.

| | |
|--|---|
| | I hereby elect to purchase the Terrorism Coverage required to be offered under the Act. I understand that my policy premium will include a 3% surcharge for this coverage. |
| | I decline to purchase the Terrorism Coverage required to be offered under the Act. I understand that my policy will be endorsed to exclude the Terrorism Coverage required to be offered under the Act. |

Name of Applicant

Title (Officer, partner, etc.)

Signature of Applicant

Date

SIGNING this Disclosure Notice does not bind the Applicant or the Insurer or the Underwriting Manager to complete the insurance.