

# Small Firm Application for Architects & Engineers Professional Liability



RLI Insurance Company  
Peoria, Illinois 61615

NEW APPLICANT       RENEWAL CLIENT

Please answer all questions completely. If there is insufficient space to complete an answer, please continue on a separate sheet of the firm's letterhead. This form must be completed signed and dated by a principal, partner, or officer of the firm. Please type or print.

**Note:**

The insurance for which you are applying is written on a claims made and reported basis. The policy requires that a claim be first made against you during the policy period and reported to the Insurer, in writing, during the policy period or automatic extended reporting period. The policy applied for contains provisions which limit the amount of claim expenses the Insurer is responsible to pay in connection with claims. Claim expenses shall be subject to any deductible amount and the payment of claim expenses will reduce the limits of liability. If you have any questions about coverage, please discuss them with your insurance representative.

### Is the Small Firm Application right for you?

- 1. Your firm's practice is best described as an architectural or engineering firm.  Yes    No
- 2. Your firm is NOT a soils, process, chemical, nuclear, marine, product design, machinery/equipment, or environmental firm.  Yes    No
- 3. Your firm meets **all** of the following requirements:  Yes    No
  - A principal of the firm is licensed/registered in the appropriate discipline.
  - Principals derive primary source of income from the firm.
  - The firm's gross fees for each of the last 3 complete years and projected year are \$1,000,000 or less.
  - The firm or the principals have never been involved in revocation of license or had a professional liability policy cancelled.
- 4. Your firm utilizes written agreements on 90% or more contracts.  Yes    No
- 5. Your firm had fewer than 2 claims in the past 5 years and none in the last 2 years.  Yes    No  
If "Yes," the total amount paid or reserved by the carrier was less than \$10,000.
- 6. Less than 10% of your firm's billings are derived from Design/Build projects where construction responsibility (either in house or subcontractors) is accepted.  Yes    No

If your responses to all the statements are "Yes," continue through the application. If you answered "No" to any question above, please complete standard application.

**Broker Information:**

Brokerage Name: \_\_\_\_\_      Producer Name: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Telephone: \_\_\_\_\_      Facsimile: \_\_\_\_\_      e-mail: \_\_\_\_\_

Firm's full name (to be designated as Named Insured): \_\_\_\_\_  
Street address: \_\_\_\_\_  
Mailing address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Telephone: \_\_\_\_\_      Facsimile: \_\_\_\_\_      Website: \_\_\_\_\_

1. Date firm was established: \_\_\_\_\_  
Entity Type:  
 Sole Proprietorship    Joint Venture    Partnership    Corporation    LLC    LLP  
 Other: (Provide details) \_\_\_\_\_

2. List all pre-existing entities, including acquisitions and mergers, and their dates of existence:

Entity	From	To
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

3. Do any other entities, or individuals not employed by your firm, have any ownership interest in your firm?  Yes  No  
 If "Yes," list the owners and indicate their percentage of interest in your firm on a separate sheet.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

4. Does your firm or any KEY PERSONNEL own any interest in any other entity?  Yes  No  
 If "Yes," list the owner, amount of ownership, name of entity, relationship to your firm, nature of activities and the entity's GROSS RECEIPTS during the last complete year.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**5. Number of Personnel**

- \_\_\_\_\_ Principals (Do not include below.)
- \_\_\_\_\_ Professionals (project managers, architects, engineers, scientists)
- \_\_\_\_\_ Technical (CAD operators, field, laboratory)
- \_\_\_\_\_ Administrative and other
- \_\_\_\_\_ **TOTAL Personnel**

6. **Financial Information:** Provide your firm's GROSS FEES attributable to the following years. GROSS FEES means the exact dollar amount of your firm's gross revenue, but not including interest income, rental income, or sales and service taxes.

	Projected Fiscal Year	Current Fiscal Year	Last Completed Year	2 Years Ago
Fiscal Year End Dates	mm/dd/yy	mm/dd/yy	mm/dd/yy	mm/dd/yy
Total <b>Gross Fees</b>	\$	\$	\$	\$
Of Total <b>Gross Fees</b> , how much are:	\$	\$	\$	\$
a. Reimbursable Expenses	\$	\$	\$	\$
b. *Separately Insured Project Fees	\$	\$	\$	\$
c. **Permanently Abandoned Projects	\$	\$	\$	\$

\* Provide details: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\*\*Provide details: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

7. **Professional Disciplines:** Provide the percentages, based on your firm's GROSS FEES, attributable to the following disciplines provided by your firm, excluding subconsultants. (**Note: This section should total 100%.**)

Acoustical Engineer	%	Electrical Engineer	%	Surveyor	%
Architect	%	Illumination Engineer	%	Traffic Engineer	%
Architect Planner	%	Interior Design	%	Other: (describe below)	%
Civil Engineer – Other	%	Landscape Architect	%		
Civil Engineer – WWTP	%	Mechanical Engineer	%		
CM – Advisor	%	Process Engineer	%		
CM – At Risk	%	Structural Engineer	%		

8. **Types of Projects:** Provide the percentages, based on your firm's GROSS FEES, attributable to the following project types. (**Note: This section should total 100%.**)

<b>RESIDENTIAL</b>	% of Gross Fees		% of Gross Fees
Apartments	%	High Rise	%
Condominiums	%	Multi-Unit Residential and Condominium Buildings	%
Custom Homes	%	Single Family Subdivisions	%

<b>INDUSTRIAL</b>	% of Gross Fees		% of Gross Fees
Industrial Waste Treatment	%	Processing, Manufacturing & Production Systems design	%
Mines, Quarries, Tunnels	%	Other:	%
Oil Refineries, Chemical Plants, Pipelines	%		

<b>COMMERCIAL FACILITIES</b>	% of Gross Fees		% of Gross Fees
All Buildings Over 15 Stories	%	Offices, Warehouses, Processing, Manufacturing and Production Buildings	%
Convention Facilities, Theatres	%	Parking Garages	%
Hotels, Motels	%	Sports Complexes, Arenas, Grandstands	%
Malls, Shopping Centers, Retail Stores	%	Other:	%

<b>INSTITUTIONAL</b>	% of Gross Fees		% of Gross Fees
Colleges & Universities	%	Retirement Homes, Convalescent Hospitals	%
Hospitals	%	Schools, Through Grade 12	%
Jails/Correctional Institutions	%	Other:	%

<b>INFRASTRUCTURE</b>	% of Gross Fees		% of Gross Fees
Bridges, Trestles	%	Passenger Transportation Terminals	%
Dams	%	Roads, Highways, Airport Runways	%
Facilities Related to Nuclear Activities	%	Utilities	%
Marine: Piers, Wharves, Offshore Structures	%	Wastewater/Sewage Treatment Plants	%
Non-Nuclear Power Plants	%	Water Treatment Plants	%

**9. Design and Other Related Services:** Did your firm's services include any of the following during the last fiscal year? If so, please enter in the percentage of GROSS FEES attributable to each.

	% of Gross Fees		% of Gross Fees
Building envelope review	%	Industrial process design	%
Building Information Modeling (BIM)	%	Inspection as a stand alone service	%
Construction review without design	%	Machinery Design	%
Design/Build	%	Plan checking without design	%
Design with construction review	%	Quantity or cost estimates without design	%
Design without construction review	%	Roofing Inspection as a stand alone service	%
Feasibility, planning, or economic studies	%	Other: Please describe	%
Forensic and/or expert witness service	%		

**10. Subcontracting/Subconsulting:** Provide the percentage of your firm's GROSS FEES that were paid to subconsultants and subcontractors during the last complete year

	% of Gross Fees		% of Gross Fees
Subcontractors	%	Subconsultants	%
		Environmental Services	%
		Structural Engineering	%
		Other Professional Services	%

**11. Business Practices:** Does your firm's practices include

- Limitation of liability provision in contract?  Yes  No  
If "Yes," indicate approximate % of project fees containing provision: \_\_\_\_\_%
- Continuing education and training programs for professional personnel?  Yes  No
- Peer review sponsored by AIA, NSPE, or other?  Yes  No
- LEED Certification or equivalent?  Yes  No  
If "Yes," indicate approximate % of professional employees certified \_\_\_\_\_%
- In the last 12 months, what percentage of your firm's licensed professionals have attended a Risk Management seminar conducted by a RDP appointed broker? \_\_\_\_\_%

**12. Prior Insurance:** Provide the following about your firm's insurance:

Professional Liability

Insurance Company	Policy Period	Limit (per claim/aggregate)	Deductible & Deductible Type	Premium

- Retroactive date on current policy is \_\_\_\_\_
- Does your current policy afford First Dollar Deductible or (DOD) coverage?  Yes  No
- Does your current policy have Specific Job Excess endorsements? If "Yes," provide copies.  Yes  No

**13. Claims Awareness:**

- a.) After inquiry, do any directors, officers, principals, partners, insurance managers, of the firm for which coverage is sought, have knowledge of any incident, a circumstance, an event, or unresolved fee dispute that may result in a claim?  Yes  No

If "Yes," please provide the following details:

- Project Name
- Potential claimant
- Alleged damages
- Dates

b.) Within the past 5 years, have any claims been made or legal action brought against the firm, it's predecessor(s), or any past or present principals, partners, insurance managers, or employees?

Yes  No

If "Yes," please provide the following details:

- Project Name
- Claimant
- Nature of damages to include dollar amount
- Dates

Claim(s) means a demand received by the Insured for money or services and which alleges a wrongful act. Claim(s) includes but is not limited to lawsuits, petitions, arbitrations or other alternative dispute resolution requests filed against the Insured.

**14. Quotation Options:** Indicate which options your firm wishes quoted for professional liability insurance:

- Limits of Liability: \_\_\_\_\_ each Claim \_\_\_\_\_ Aggregate
- Deductible per Claim: \_\_\_\_\_
- Shared Cost of Defense:  Yes  No
- Dollar One Defense:  Yes  No

#### **FRAUD STATEMENT**

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 STATEMENT TO ARKANSAS 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 STATEMENT 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 policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

#### **FRAUD STATEMENT TO DISTRICT OF COLUMBIA APPLICANTS**

**WARNING:** 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.

#### **FRAUD STATEMENT 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.

#### **FRAUD STATEMENT TO HAWAII APPLICANTS**

For your protection, Hawaii law requires you to be informed that any person who presents a fraudulent claim for payment of a loss or benefit is guilty of a crime punishable by fines or imprisonment, or both.

#### **FRAUD STATEMENT TO IDAHO APPLICANTS**

Any person who knowingly, and with intent to defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

#### **FRAUD STATEMENT TO KENTUCKY APPLICANTS**

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance 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.

#### **FRAUD STATEMENT 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.

**FRAUD STATEMENT 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.

**FRAUD STATEMENT TO MARYLAND APPLICANTS**

Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**FRAUD STATEMENT TO MINNESOTA APPLICANTS**

Any person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

**FRAUD STATEMENT TO NEW HAMPSHIRE APPLICANTS**

Any person who, with purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20.

**FRAUD STATEMENT TO NEW JERSEY APPLICANTS**

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

**FRAUD STATEMENT TO NEW MEXICO 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 civil fines and criminal penalties.

**FRAUD STATEMENT 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.

**FRAUD STATEMENT TO OHIO APPLICANTS**

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

**FRAUD STATEMENT TO OKLAHOMA APPLICANTS**

**WARNING:** 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.

**FRAUD STATEMENT TO OREGON APPLICANTS**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents materially false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.

**FRAUD STATEMENT TO PENNSYLVANIA 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 subjects such person to criminal and civil penalties.

**FRAUD STATEMENT TO TENNESSEE 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 include imprisonment, fines and denial of insurance benefits.

**FRAUD STATEMENT TO VIRGINIA 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 include imprisonment, fines and denial of insurance benefits.

**FRAUD STATEMENT TO WASHINGTON 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 include imprisonment, fines and denial of insurance benefits

I / We declare that if the firm or any of its members become aware of any information that would change answers furnished in the application, the firm will reveal such information in writing to the Company prior to the effective date of coverage.

On behalf of the applicant firm, I declare that this application, including attachments, supplementary pages and other exhibits attached, is complete and correct to the best of my knowledge and belief. I understand that the application shall form the basis of the contract of insurance should the Company offer coverage and should the firm accept the Company's quotation. I also understand that completion of this application does not bind the Company or broker to provide insurance.

\_\_\_\_\_  
Date of Application

\_\_\_\_\_  
Signature of Principal, Partner, Officer, or Director

\_\_\_\_\_  
Printed Name of Signature of Principal, Partner, Officer, or Director