

Dear ASME Member:

Thank you for your interest in ASME-endorsed Professional Liability Insurance Plan.

We have great news to share with you! The licensing requirement as noted in question 1.e. has been eased. Your license number would only be required if your state requires that you have a PE license for the work you perform.

ASME members enjoy the following benefits of coverage:

- Ideal protection for firms or self-employed individuals
- Licensing board defense coverage
- Expert legal counsel to represent you
- Negotiated members-only rates
- Premium financing to help balance budgets

Should you have any questions, please call our office toll-free at 1-800-640-7637.

Sincerely,



Curtis Moore
Administrator, ASME Insurance Program

Mercer Consumer, a service of Mercer Health & Benefits Administration LLC
In CA d/b/a Mercer Health & Benefits Insurance Services LLC
AR Ins. Lic. #303439
CA Ins. Lic. #OG39709



(This is an application for a Claims-Made Policy.)

NOTE: PLEASE REVIEW A SPECIMEN POLICY FOR POLICY PROVISIONS.

The limits of liability stated in the policy are reduced by costs, charges and expenses.

Costs, charges and expenses also may be applied against your deductible, if applicable to the claim.

Name _____

Entity Name _____

Address _____

City, State ZIP _____

Phone No.

(_____) _____

Fax No.

(_____) _____

Email address _____

(We will use email for corresponding unless otherwise requested.)

- 1. A.** Legal Entity (*please check one*): Individual Professional Corporation Corporation Partnership LLP/LLC
B. Practice Status: Fully Self-Employed Employed with Self-Employed Activities
C. Entity name (if applicable) _____
D. Year established _____
E. List each engineer in your firm below:

Name	ASME Membership ID No. (required for acceptance)	Year first licensed as an engineer (if applicable)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

F. Indicate the size of your staff (*list each individual only once*):

Principals, Partners, Officers and Directors _____
 Engineers (other than Principals) _____
 Other Technical Staff (describe position) _____
 Clerical _____
 TOTAL _____

- 2. A. Please select the limits of liability for which you would like a quotation:**
- \$100,000 each claim/\$300,000 annual aggregate
 \$250,000 each claim/\$500,000 annual aggregate
 \$500,000 each claim/\$500,000 annual aggregate
 \$1,000,000 each claim/\$1,000,000 annual aggregate

B. Check if you would like to purchase an additional limit equal to 50% of the limit selected in 2A to apply to defense costs only.

3. A. Please provide your **actual** gross billings for the past 12 months \$ _____

B. Please provide an estimate of your gross billings for the next 12 months \$ _____

“Annual Gross Billings” is defined as all amounts billed for engineering services, including incidental charges, and subcontractor billings excluding direct reimbursable expenses.

4. In the past five years, have your annual gross billings ever exceeded your answer in question 3A by 50% or more?

Yes No If “Yes,” please provide on a separate sheet your annual gross billings for each of the past five years and an explanation of what caused the fluctuation in your gross billings.

5. Requested effective date _____

6. Please describe in **detail** the specific nature of your practice (including types of projects):

7. In which of the following areas do you or your firm practice?

A. Please indicate the approximate percentages of your annual or anticipated total gross billings derived for each project type.

AREA	% of Annual Gross Billings	AREA	% of Annual Gross Billings
Plumbing	_____ %	Environmental (Study/Audit/Remediation)	_____ %
Fire Protection	_____ %	Asbestos (Study/Audit/Remediation)	_____ %
Hydraulic/Pneumatic	_____ %	Machinery Design/Product Design*	_____ %
Lubrication	_____ %	Refrigeration Systems	_____ %
HVAC Engineering	_____ %	Petro/Chemical	_____ %
Process Engineering*	_____ %	Amusement Ride/Ski Lift	_____ %
Test/Labs*	_____ %	Nuclear/Atomic	_____ %
Construction Management	_____ %	Expert Witness	_____ %
Other design, engineering and/or consulting services performed by your firm (describe) _____	_____ %	Forensic	_____ %
		Total =	100 %

*Please describe in detail by separate attachment including the size and type of project(s). If Machinery Design/Product Design, describe the end use and potential users.

B. Percentage of gross billings derived from the following areas:

Commercial _____ Condominiums** _____ Residential _____ Industrial _____ Governmental _____

**Please provide a detailed description of each condominium project completed in the last five years and confirm if this work is generally consistent with anticipated future projects. Include street address or complex name, nature of engineering services, size of project, month/year that services were performed, number of units and fees billed.

8. A. Please provide the following information regarding the three largest projects you participated in during the past five years and indicate if such services were performed for an employer (E) or as a self-employed engineer (SE):

Project Type	Services Performed	Date Services Performed	Your Total Gross Billings	Estimated Total Construction Costs	E or SE

B. Are the projects listed above consistent with the type of projects anticipated for the future? Yes No

If "No," please explain: _____

9. Please check "Yes" or "No" for all risk management practices that you adhere to in your self-employed engineering practice or would adhere to should the situation apply. Please explain any "No" responses on a separate sheet of paper.

- | | YES | NO |
|--|--------------------------|--------------------------|
| A. Do you consistently exceed the minimum number of continuing education hours required in your state?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| B. Do you use written scope of service letters for all projects exceeding \$500 in billable fees? | <input type="checkbox"/> | <input type="checkbox"/> |
| C. Do you conduct construction phase inspections on plans and designs to ensure intent of use?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| D. Do you make use of limitation of liability clauses in your written agreements? | <input type="checkbox"/> | <input type="checkbox"/> |
| E. Do you use written status memos over the course of the project?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| F. Do you investigate the work experience of other professionals and contractors to identify the potential for problems?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| G. Do you require that other professionals on the project carry comparable professional liability insurance?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| H. Do you maintain written quality-control procedures, including secondary design review? | <input type="checkbox"/> | <input type="checkbox"/> |

Please explain:

Are all appropriate staff members familiar with them?..... Yes No

10. Please answer the following questions. If the answer to any question is “Yes,” please provide the question number and full details, including percentage of revenues from the activity, on a separate sheet of paper.

	YES	NO
A. Do you perform any services outside the U.S.?	<input type="checkbox"/>	<input type="checkbox"/>
B. Are you involved in actual construction, fabrication, erection, design/build or supplying of construction materials?	<input type="checkbox"/>	<input type="checkbox"/>
C. Are you involved in the development, investment, sale or marketing of real estate?	<input type="checkbox"/>	<input type="checkbox"/>
D. Do you subcontract work to others? If “Yes,” do you require all subcontractors to carry insurance to cover the services they perform?	<input type="checkbox"/>	<input type="checkbox"/>
E. Do you provide ground testing or geotechnical services?	<input type="checkbox"/>	<input type="checkbox"/>
F. Do you manufacture, sell, lease or distribute any product or process?	<input type="checkbox"/>	<input type="checkbox"/>
G. Are you employed elsewhere in addition to your self-employed or small-firm operations?	<input type="checkbox"/>	<input type="checkbox"/>
H. Do you perform inspections of residential or commercial property in conjunction with the sale, transfer or financing of the property? If “Yes,” (i) Please provide the average number per year: Commercial <input type="checkbox"/> Residential <input type="checkbox"/> (ii) Attach a sample inspection report that you typically would prepare.	<input type="checkbox"/>	<input type="checkbox"/>
I. Do you perform any services related to underground storage tank design, removal, assessment or remediation?	<input type="checkbox"/>	<input type="checkbox"/>
J. Do you develop, sell or lease computer software to others?	<input type="checkbox"/>	<input type="checkbox"/>
K. Are you owned by or do you own any other firm? If so, do you render professional services to the firm?	<input type="checkbox"/>	<input type="checkbox"/>
L. Have you been involved in any project involving the integration of embedded chips or any type of computer hardware or software?	<input type="checkbox"/>	<input type="checkbox"/>
M. Have you experienced any failure or inability of any computer or electronic device or component or system or embedded programming or software to correctly assign or recognize the correct day, week, month, year or century?	<input type="checkbox"/>	<input type="checkbox"/>
N. Have you filed any suits for collection of your professional fees against a client during the past fiscal year? If “Yes,” please provide full details on a separate sheet of paper.	<input type="checkbox"/>	<input type="checkbox"/>
O. Does any single client account for 25% or more of your annual gross income? If “Yes,” please provide full details on a separate sheet of paper.	<input type="checkbox"/>	<input type="checkbox"/>

	YES	NO
11. A. Has the applicant, or an independent contractor hired by the applicant, accepted jobs involving known hazardous materials?*	<input type="checkbox"/>	<input type="checkbox"/>
B. Do you contemplate accepting known hazardous material jobs in the future? If you answered “Yes” to either question, please provide a narrative description including the date (year) of service, nature of hazardous material, type of project, fees earned and nature of services provided. Include a sample copy of an engagement letter/scope of service letter or contract used for these types of jobs. *Engineering services that could involve hazardous materials or pollutants include but are not limited to: underground storage tank removal, assessment or remediation; sanitary landfill design; closure of existing sanitary landfills; asbestos sampling, testing or abatement; chemical piping and process design; preparation of environmental site assessments or audits, including Phase I and Phase II assessments/investigations; groundwater testing/remediation; laboratory testing/analysis for pollutants; air emission control systems designed solely for controlling pollutants; site selection evaluation for pollution-related projects; hazardous or toxic waste site design or remediation; lead paint sampling, testing or abatement; air quality assessments/testing; environmental education; water pollution control; or nuclear-related projects.	<input type="checkbox"/>	<input type="checkbox"/>

	YES	NO
12. A. Has any application or policy of yours or your firm’s for professional liability insurance ever been declined, canceled or refused renewal? <i>(Please provide details on a separate sheet of paper.)</i>	<input type="checkbox"/>	<input type="checkbox"/>
B. Have you or members of your firm had your license revoked or received suspension from a governmental or judicial body or professional society during the past five years? <i>(Please provide details on a separate sheet of paper.)</i>	<input type="checkbox"/>	<input type="checkbox"/>
C. Have any claims been made or legal actions been brought against you or your firm in the past five years?*	<input type="checkbox"/>	<input type="checkbox"/>
D. After inquiry of firm members, is anyone aware of any circumstances that may result in a claim being made against the firm or any individual?*	<input type="checkbox"/>	<input type="checkbox"/>

*If “Yes,” complete the Claim Information Supplement form for each claim and/or circumstance.
(If more than one claim, please copy this form.)

(next page, please)

13. A. List Engineers Professional Liability Insurance carried by you or your firm for the past two years. If none, state "none."

Inception from Mo-Day-Yr	Expiration to Mo-Day-Yr	Insurance Company	Premium	Limit of Liability	Deductible

B. Please provide your policy's current retroactive date _____ If none, state "none."

C. What was the date that you/your firm first purchased claims-made professional liability coverage and have continuously maintained the coverage since / / If not applicable, please check: N/A
(mm) (dd) (yy)

D. If currently insured, please submit a copy of your current declarations page with your completed application.

14. I am aware that the policy for which I am applying provides no coverage for work performed on behalf of any employer other than the entity named in question 1.C..... YES NO

15. Please provide your website address, a copy of your current résumé, letterhead and typical advertising/sales/marketing brochures used by you or your firm.

NOTICE TO APPLICANT

I/We hereby declare that the above statements and particulars are true to the best of my/our knowledge and that I/we have not suppressed or misstated any material facts and I/we agree that this application shall be the basis of the contract, and shall be attached thereto. I/we hereby authorize the release of claim information from the Underwriters.

I understand and accept that the policy applied for provides coverage on a "claims-made" basis for ONLY THOSE CLAIMS THAT ARE FIRST MADE AND REPORTED TO THE UNDERWRITER DURING THE POLICY PERIOD FOR ACTS THAT OCCUR AFTER THE POLICY'S RETROACTIVE DATE AND PRIOR TO THE EXPIRATION DATE OF THE POLICY.

Signature of Owner, Officer or Partner* (TITLE) **X** _____ Date **X** _____

*Signing this form and tendering premium does not bind the applicant or the Underwriters to complete the insurance. Application must be currently signed and dated to be considered for quotation.

Sign, date and mail your application to: ASME Insurance Plans, P.O. Box 8146, Des Moines, IA 50306-8146.

**IF QUESTIONS — CALL
TOLL-FREE 1-800-640-7637.**

Underwritten by: Certain Underwriters at Lloyd's of London
 Administered by: Mercer Consumer, a service of Mercer Health & Benefits Administration LLC



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AIF 2332 A-4 (8/13)

NOTICE:

Failure to report any:

- 1) claim made against you during your current policy term; or
- 2) facts, circumstances or events that may give rise to a claim to your current insurance company **BEFORE** policy expiration may create a lack of coverage.

CLAIM INFORMATION SUPPLEMENT

Complete this supplement if any claims have been made or legal actions have been brought against you or your firm in the past five years (if renewal, within the last year), or if you or any member of your firm are aware of any circumstance that may result in a claim being made against the firm or any individual. COMPLETE ONE FORM FOR EACH CLAIM OR INCIDENT.

1. Full name of party making claim (claimant): _____

2. Role of claimant (e.g., owner, contractor, etc.) _____

3. Indicate whether _____ claim _____ lawsuit _____ incident only

4. Date of alleged error: _____

5. Date claim reported to you: _____

6. Description of claim/incident:

A. Alleged act, error or omission upon which claimant bases claim:

B. Description of events leading to claim:

7. Amount of damages claimed: _____

8. Additional defendants: _____

9. Name of insurer: _____

10. **If closed:**

Total deductible paid: \$ _____

Indicate total loss paid in excess of the deductible: \$ _____

Indicate total defense expenses paid in excess of the deductible: \$ _____

If Pending:

Claimant's Settlement demand: \$ _____

If suit filed, amount asked in complaint: \$ _____

Insurer's loss reserve: \$ _____

Defense expenses to date: \$ _____

11. Explain what action has been taken to prevent a recurrence of similar claim:

The undersigned represents that the statements set forth herein are true, complete and accurate and that there has been no attempt at suppression or misstatement of any material facts known, and agrees that this application shall become the basis of any coverage and a part of any policy that may be issued by the Underwriters.

X

Signature (Owner, Officer or Partner)

Applicant/Firm Name (Please Print)

Date