

APPLICATION for: **NetGuard® Plus**

Claims Made Basis. Underwritten by Underwriters at Lloyd's, London

Notice: The Policy for which this Application is made applies only to Claims made against any of the Insureds during the Policy Period. The Limit of Liability available to pay damages or settlements shall be reduced and may be completely exhausted by amounts incurred as defense costs. Defense costs shall be applied to the retentions.

Submission of this Application does not guarantee coverage.

General instructions for completing this Application:

1. Please read carefully and answer all questions. If a question is not applicable, so state by writing "Not Applicable".
2. The completed Application should include all information relative to all subsidiaries and locations to be covered.
3. The Application must be signed by an executive officer.
4. Please read the Policy for which application is made (the "Policy") prior to completing this Application. The terms as used herein shall have meanings as defined in the Policy.

SECTION I. YOUR DETAILS

1. Name of Applicant: _____
(Include names of all subsidiaries or affiliated companies to be insured; attach a separate sheet, if necessary)
- Applicant Type: Individual Corporation Partnership Other
- Headquarters Address: _____
- Mailing Address (if different): _____
- Telephone Number: _____ Fax Number: _____
- Email Address: _____
- Corporate Website Address: _____
- Nature of Business: _____

SECTION II. YOUR BUSINESS

2. Date established: _____
3. Are any significant changes in nature or size (e.g., more than 20% increase in revenue) of Applicant's business anticipated over the next 12 months? Yes No
- If "Yes", please explain:** _____
- _____
- _____

SECTION III. COVERAGE REQUESTED

- 4. Proposed Effective Date: _____
- 5. Requested Retroactive Date: _____
- 6. Limit of Liability Desired:
 \$500,000 \$1,000,000 \$2,000,000 \$3,000,000 \$4,000,000 \$5,000,000 Other _____
- 7. Retention Desired:
 \$2,500 \$5,000 \$7,500 \$10,000 \$25,000 Other _____

SECTION IV. EXPOSURE INFORMATION

ANNUAL REVENUE AND EXPOSURE BASE

- 8. Total Annual Revenue: \$_____
- 9. What percentage of the total annual revenue stated above is attributed to e-commerce? _____%
- 10. Please estimate total number of customer and employee records you store either electronically or in physical files.
 Current number: _____ For the Next 12 Months: _____
- 11. Please estimate the total number of credit card transactions for the next 12 months: _____

SECTION V. INFORMATION SECURITY CONTROLS

- 12. Do you enforce a security policy that must be followed by all employees, contractors, or any other person(s) with access to your network? Yes No
- 13. Does your security and privacy policy include mandatory training for all employees? Yes No
- 14. Do all employees with financial or accounting responsibilities at your company complete social engineering training? Yes No
- 15. Are you HIPAA compliant? Yes No
- 16. Do you process, store, or handle credit card transactions? Yes No
 If "Yes", are you PCI-DSS Compliant? Yes No
- 17. Do you collect zip codes from customers at point of sale? Yes No
 If "Yes", are you compliant with the Song-Beverly Credit Card Act of 1971? Yes No
- 18. Do you use a cloud provider to store data? Yes No
 If "Yes", please provide the name of the cloud provider: _____
 If more than one provider is utilized, please list the provider that stores the most confidential information for the Applicant.
- 19. a) Do you require all third parties to whom you entrust sensitive or non-public personal information to contractually agree to protect such information using safeguards at least equivalent to your own? Yes No
 b) Do you require that these third parties indemnify you in the event that they suffer a security/privacy breach? Yes No

SECTION VI. FUNDS TRANSFER INSTRUCTION CONTROLS

20. Does your wire transfer authorization process include:
- a) A wire request documentation form that includes getting proper authorization in writing? Yes No
 - b) A protocol that includes proper separation of authority? Yes No
 - c) A protocol for confirming all payment or funds transfer instructions/requests from a new vendor, client or customer by direct call to that vendor, client or customer using only the telephone number provided by the vendor, client or customer before the payment or funds transfer instruction/request was received? Yes No
 - d) A protocol for confirming any vendor, client or customer account information change requests (including requests to change bank account numbers, contact information, and mailing addresses) by a direct call to that vendor, client, or customer using only the telephone number provided by the vendor, client, or customer before the change request was received? Yes No

SECTION VII. COMPUTER & NETWORK SECURITY

21. Does your virus or malicious code control program address the following: anti-virus on all systems, filtering of all content for malicious code, controls on shared drives and folders, CERT or similar vendor neutral threat notification services, removal of spyware and similar parasitic code? Yes No
22. Does your network have firewall protection that is securely configured? Yes No
23. Do you enforce a software update process that includes monitoring of vendors or automatically receiving notices from them for availability of security patches, upgrades, testing and installing critical security patches? Yes No
 If "Yes", how frequently is this done? Weekly Within 30 days More than 30 days
24. Do you test your security at least yearly to ensure effectiveness of your technical controls as well as your procedures for responding to security incidents (e.g., hacking, viruses, and denial of service attacks)? Yes No
 If "Yes", does this include a network penetration test? Yes No
25. Do you allow any remote access to your network? Yes No
 If "Yes", do you use two-factor authentication to secure remote access? Yes No
26. Do you retain non-public personal information and others' sensitive information only for as long as needed and when no longer needed irreversibly erase or destroy them using a technique that leaves no residual information? Yes No
27. Do you employ physical security controls to prevent unauthorized access to computer, networks and data? Yes No
28. Do you control and track all changes to your network to ensure that it remains secure? Yes No
29. Has there been a full, third party scan of your network carried out in the last year to check for intrusions and malware? Yes No
30. How long does it take to restore the Applicant's operations after a computer attack or other loss/corruption of data? 12 hrs or less 12-24 hrs More than 24 hrs
31. Is all sensitive and confidential information that is transmitted within and from your organization encrypted using industry-grade mechanisms? Yes No
32. Is all sensitive and confidential information stored on your organization's databases, servers and data files encrypted? Yes No
33. If encryption is not in place for databases, servers and data files, are the following compensating controls in place:
- a) Segregation of servers that store confidential information? Yes No
 - b) Access control with role based assignments? Yes No

34. Does your organization store personal information on portable devices, including laptops, PDA's, back-up tapes, USB thumb drives and external hard drives? Yes No
 If **"Yes"**, is such data encrypted to industry standards? Yes No
35. How often is critical data backed up? _____
36. Within the past two years, have you passed an outside privacy audit or have you received a privacy certification? Yes No
 If **"Yes"**, have all recommendations been resolved? Yes No
37. Within the last two years, have you completed an internal audit or assessment to determine compliance with regulations or laws concerning the protection of privacy rights? Yes No
 If **"Yes"**, have all recommendations been resolved? Yes No
38. Have you developed any of the following written documents:
- a) Incident Response Plan? Yes No
 - b) Business Continuity Plans (BCP) for identified critical cyber security events? Yes No
 - c) Disaster Recovery Plan (DRP) for identified critical cyber security events? Yes No
- If **"Yes"**, are they tested annually? Yes No

SECTION VIII. MEDIA

39. Does the Applicant use material provided by others, such as content, music, graphics or video stream? Yes No
 If **"Yes"**, does the Applicant always obtain the necessary rights, licenses, releases & consents for the use of the materials provided by others? Yes No
 Please describe below your process for obtaining necessary rights, licenses, releases & consents for the use of the materials provided by others.

40. Please describe the Applicant's procedures for removing potentially defamatory or infringing material. _____

SECTION IX. LOSS HISTORY

41. In the past 3 years, has the Applicant or any other person or organization proposed for this insurance:
- a) Received any complaints or claims or been a subject in litigation involving matters of privacy injury, breach of private information, network security, defamation, content infringement, identity theft, denial of service attacks, computer virus infections, theft of information, damage to third party networks, or the Applicant's customers' ability to rely on the Applicant's network? Yes No
 - b) Been the subject of any government action, investigation or other proceedings regarding any alleged violation of privacy law or regulation? Yes No
 - c) Notified customers, clients, or any third party of any security breach or privacy breach? Yes No
 - d) Received any cyber extortion demand or threat? Yes No
 - e) Sustained any unscheduled network outage or interruption for any reason? Yes No
 - f) Sustained any property damage or business interruption losses as a result of a cyber-attack? Yes No
 - g) Sustained any losses due to wire transfer fraud, telecommunications fraud or a phishing attack? Yes No

- 42. Do you or any other person or organization proposed for this insurance have knowledge of any security breach, privacy breach, privacy-related event or incident or allegations of breach of privacy that may give rise to a claim? Yes No
- 43. Has any employee ever been disciplined for mishandling data or otherwise tampering with your computer network? Yes No
- 44. Has any service provider with access to the Applicant's network or computer system(s) sustained an unscheduled network outage or interruption lasting longer than 4 hours within the past 3 years? Yes No
 If "Yes", did the Applicant experience an interruption in business as a result of such outage or interruption? Yes No

If the answer to any question in Section VII is "Yes", please provide full details of each claim, allegation, or incident on a separate page, including type and amount of costs, losses or damages incurred or paid (including amounts paid under insurance, if any) and any corrective measures and/or remediating steps taken to avoid such claim, allegation, or incident in the future.

SECTION X. WARRANTY AND REPRESENTATIONS

- 1. The undersigned warrants and represents that the statements and information contained in or attached to this Application are true and complete, and that reasonable efforts have been made to obtain sufficient information to facilitate the proper and accurate completion of this Application.
- 2. Signing of this Application does not bind the undersigned to complete the insurance; however, the Undersigned acknowledges and recognizes that the statements, representations, and information contained in or attached to this Application are material to the risk assumed by the Insurer; that any Policy will have been issued in reliance upon the truth thereof; that this Application shall be the basis of the contract should a Policy be issued; and that this Application, and all information and materials furnished to the Insurer in conjunction with this Application, shall be deemed incorporated into and made a part of the Policy, should a Policy be issued. Underwriters hereby are authorized to make any investigation and inquiry in connection with this Application as they may deem necessary.
- 3. The undersigned acknowledges and agrees that if the information supplied on this Application or in any attachments changes between the date of the Application and the inception date of the policy period, the Applicant will immediately notify the Insurer of such change, and, the Insurer may withdraw or modify any outstanding quotations and/or agreement to bind the insurance.
- 4. For purposes of creating a binding contract of insurance by this Application or in determining the rights and obligations under such a contract in any court of law, the parties acknowledge that a signature reproduced by either facsimile or photocopy shall have the same force and effect as an original signature and that the original and any such copies shall be deemed one and the same document.

Signed: _____ Print Name: _____

Title: _____ Date (Mo/Day/Yr): _____

Applicant Organization: _____