BEAZLEY BREACH RESPONSE

INFORMATION SECURITY & PRIVACY INSURANCE WITH BREACH RESPONSE SERVICES

NOTICE: INSURING AGREEMENTS I.A., I.C. AND I.D. OF THIS POLICY PROVIDE COVERAGE ON A CLAIMS MADE AND REPORTED BASIS AND APPLY ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR THE OPTIONAL EXTENSION PERIOD (IF APPLICABLE) AND REPORTED TO THE UNDERWRITERS DURING THE POLICY PERIOD OR AS OTHERWISE PROVIDED IN CLAUSE X. OF THIS POLICY. AMOUNTS INCURRED AS CLAIMS EXPENSES UNDER THIS POLICY SHALL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO RETENTIONS.

INSURING AGREEMENT I.B. OF THE POLICY PROVIDES COVERAGE ON AN INCIDENT DISCOVERED AND REPORTED BASIS; COVERAGE UNDER SUCH INSURING AGREEMENT APPLIES ONLY TO INCIDENTS FIRST DISCOVERED BY THE INSURED AND REPORTED TO THE UNDERWRITERS DURING THE POLICY PERIOD.

PLEASE READ THIS POLICY CAREFULLY.

Please fully answer all questions and submit all requested information. If the Applicant is a private company, please attach a copy of your most recent financial statement.

I. GENERAL INFORMATION

Full Name:	
Mailing Address:	State of Incorporation:
City:	State & Zip:
# of Employees:	Date Established:
Website URL's:	
Authorized Officer [1]:	Telephone:
	E-mail:
Breach Response Contact [2]:	Telephone:
	E-mail:
Business Description:	

Revenue Information:			
	Most Recent Twelve (12) months: (ending: ___/___)	Previous Year	Next Year (estimate)
US Revenue:			
Non-US Revenue:			
Total:			

[1] The officer of the Applicant that is designated to receive any and all notices from the Insurer or its authorized representative(s) concerning this insurance.

[2] The employee of the Applicant that is designated to manage a response, including consumer notification, in response to a data breach event.

Are significant changes in the nature or size of the Applicant's business anticipated over the next twelve (12) months? Or have there been any such changes in the past twelve (12) months? If yes, please explain:	☐ Yes ☐ No
Has the Applicant in the past twelve (12) months completed or agreed to, or does it contemplate within the next twelve (12) months, a merger, acquisition, consolidation, whether or not such transactions were or will be completed? If yes, please explain:	☐ Yes ☐ No

II. MANAGEMENT OF PRIVACY EXPOSURES	
1. Has the Applicant designated a Chief Privacy Officer? If no, please indicate what position (if any) is responsible for privacy issues:	☐ Yes ☐ No
2. Does the Applicant have a written corporate-wide privacy policy? If yes, please attach a copy of the privacy policy to this application.	☐ Yes ☐ No
3. Is the Applicant in compliance with its privacy policy? If no, please provide details regarding such non-compliance:	☐ Yes ☐ No
4. Does the Applicant accept credit cards for goods sold or services rendered? If yes: A. Please state the Applicant's approximate percentage of revenues from credit card transactions in the most recent twelve (12) months: % B. Is the Applicant compliant with applicable data security standards issued by financial institutions the Applicant transacts business with (e.g. PCI standards)? If the Applicant is not compliant with applicable data security standards, please describe the current status of any compliance work and the estimated date of completion:	☐ Yes ☐ No ☐ Yes ☐ No
5. Does the Applicant restrict employee access to personally identifiable on a business-need to know basis?	☐ Yes ☐ No
6. Does the Applicant require third parties with which it shares personally identifiable information or confidential information to indemnify the Applicant for legal liability arising out of the release of such information due to the fault or negligence of the third party?	☐ Yes ☐ No
7. Is the Applicant aware of any release, loss or disclosure of personally identifiable information in its care, custody or control, or anyone holding such information on behalf of the Applicant in the most recent three year time period from the date of this Application? If yes, please describe:	☐ Yes ☐ No
8. Has the Applicant implemented an identity theft prevention program (aka FTC "Red Flags" program)?	☐ Yes ☐ No
III. COMPUTER SYSTEMS CONTROLS	
If the Applicant has completed a full IT-Security Assessment, please check here ☐ and skip this section.	
1. Has the Applicant designated a Chief Security Officer as respects computer systems? If no, please indicate what position is responsible for computer security:	☐ Yes ☐ No
2. Does the Applicant publish and distribute written computer and information systems policies and procedures to its employees?	☐ Yes ☐ No
3. Does the Applicant conduct training for every employee user of the information systems in security issues and procedures for its computer systems?	☐ Yes ☐ No

4. Does the Applicant have :
   A. a disaster recovery plan? ☐ Yes ☐ No
   B. a business continuity plan? ☐ Yes ☐ No
   C. an incident response plan for network intrusions and virus incidents? ☐ Yes ☐ No
   How often are such plans tested?

5. Does the Applicant have a program in place to test or audit security controls on an annual or more frequent basis? ☐ Yes ☐ No
   If yes, please summarize the scope of such audits and/or tests:

6. Does the Applicant terminate all associated computer access and user accounts as part of the regular exit process when an employee leaves the company? ☐ Yes ☐ No

7. Is all valuable/sensitive data backed-up by the Applicant on a daily basis? ☐ Yes ☐ No
   If no, please describe exceptions:

8. Is at least one complete back-up file generation stored and secured off-site separate from the Applicant's main operations in a restricted area? ☐ Yes ☐ No
   If no, describe the procedure used by the Applicant, if any, to store or secure copies of valuable/sensitive data off-site?

9. Does the Applicant have and enforce policies concerning when internal and external communication should be encrypted? ☐ Yes ☐ No
   A. Does the Applicant encrypt data stored on laptop computers and portable media? ☐ Yes ☐ No
   B. Does the Applicant encrypt data stored on back-up tapes? ☐ Yes ☐ No
   C. Does the Applicant encrypt data "at rest" within computer databases? ☐ Yes ☐ No

10. Does the Applicant enforce a software update process including installation of software "patches"? ☐ Yes ☐ No
    If Yes, are critical patches installed within thirty (30) days of release? ☐ Yes ☐ No

11. Please describe your network infrastructure:

	Anti-virus	**Firewall**	**ISP**	**Intrusion Detection**
Primary vendor:				
Other significant vendor:				

12. How often are virus signatures updated? ☐ Automatic Updates ☐ Weekly ☐ Monthly ☐ Other

13. Does the Applicant require computer service providers who may have access to confidential information or personally identifiable information to demonstrate adequate security policies and procedures? ☐ Yes ☐ No
    A. Are computer service providers required by contract to indemnify the Applicant for harm arising from a breach of the provider's security? ☐ Yes ☐ No

14. Has the Applicant suffered any known intrusions (i.e., unauthorized access or security breach) or denial of service attacks relating to its computer systems in the most recent three (3) year time period from the date of this Application? ☐ Yes ☐ No

    If yes, describe any such intrusions or attacks, including any damage caused by any such intrusions, including lost time, lost business income, or costs to repair any damage to systems or to reconstruct data or software, describe the damage that occurred, and state value of any lost time, income and the costs of any repair or reconstruction:

IV. WEBSITE CONTENT CONTROLS

1. Please describe the website content produced by the Applicant:

2. Does the Applicant have a procedure for responding to allegations that content created, displayed or published by the Applicant is libelous, infringing, or in violation of a third party's privacy rights? ☐ Yes ☐ No

3. Does the Applicant have a process to review all content prior to posting on the Insured's Internet Site? ☐ Yes ☐ No
   If yes: is the review performed by a qualified attorney: ☐ Yes ☐ No
   Does the review include screening the content for the following:
   A. disparagement issues? ☐ Yes ☐ No
   B. copywriting infringement? ☐ Yes ☐ No
   C. trademark infringement? ☐ Yes ☐ No
   D. invasion of privacy? ☐ Yes ☐ No
   If the Applicant does not have a process to review all content prior to posting, please describe procedures to avoid the posting of improper or infringing content:

4. Has the Applicant screened all trademarks used by the Applicant for infringement with existing trademarks prior to first use? ☐ Yes ☐ No
   A. Has the Applicant acquired any trademarks from others in the past three (3) years? ☐ Yes ☐ No
   If Yes, were acquired trademarks screened for infringement? ☐ Yes ☐ No

5. Within the last three (3) years, has the Applicant ever received a complaint or cease and desist demand alleging trademark, copyright, invasion of privacy, or defamation with regard to any content published, displayed or distributed by or on behalf of the Applicant? ☐ Yes ☐ No
   If yes, please provide details regarding any such demands:

V. PRIOR INSURANCE

1. Does the Applicant currently have insurance in place covering media, privacy or network security exposures? ☐ Yes ☐ No
   If yes, please provide the following:

Insurer	Limits	Deductible	Policy Period	Premium	Retroactive Date

2. Has any professional liability, privacy, network security or media insurance ever been declined or cancelled? ☐ Yes ☐ No
   If yes, please provide details:

VI. PRIOR CLAIMS AND CIRCUMSTANCES

1. Has the Applicant ever received any claims or complaints with respect to allegations of invasion of or injury to privacy, identity theft, theft of information, breach of information security, software copyright infringement or content infringement or been required to provide notification to individuals due to an actual or suspected disclosure of personal information? ☐ Yes ☐ No

   If yes, Provide details of each such claim, allegation or incident, including costs, losses or damages incurred or paid, and any amounts paid as a loss under any insurance policy:

2. Has the Applicant been subject to any government action, investigation or subpoena regarding any alleged violation of any law or regulation? ☐ Yes ☐ No
   If yes, please provide details of any such action, investigation or subpoena:

3. Has the Applicant ever experienced an extortion attempt or demand with respect to its computer systems? If yes, please provide details:	☐ Yes	☐ No
4. Has the Applicant notified consumers of a data breach incident in accordance with a data breach notification law in the past three (3) years? If yes, please provide details:	☐ Yes	☐ No
5. Does the Applicant, or any director, officer, employee or other proposed insured have knowledge or information of any fact, circumstance, situation, event or transaction which may give rise to a claim or privacy breach notification under the proposed insurance? If yes, provide details:	☐ Yes	☐ No

THE UNDERSIGNED IS AUTHORIZED BY THE APPLICANT AND DECLARES THAT THE STATEMENTS SET FORTH HEREIN AND ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE INSURER IN CONJUNCTION WITH THIS APPLICATION ARE TRUE. SIGNING OF THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE INSURER TO COMPLETE THE INSURANCE, BUT IT IS AGREED THAT THE STATEMENTS CONTAINED IN THIS APPLICATION, ANY SUPPLEMENTAL APPLICATIONS, AND THE MATERIALS SUBMITTED HEREWITH ARE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED AND HAVE BEEN RELIED UPON BY THE INSURER IN ISSUING ANY POLICY.

THIS APPLICATION AND MATERIALS SUBMITTED WITH IT SHALL BE RETAINED ON FILE WITH THE INSURER AND SHALL BE DEEMED ATTACHED TO AND BECOME PART OF THE POLICY IF ISSUED. THE INSURER IS AUTHORIZED TO MAKE ANY INVESTIGATION AND INQUIRY IN CONNECTION WITH THIS APPLICATION AS IT DEEMS NECESSARY.

THE APPLICANT AGREES THAT IF THE INFORMATION SUPPLIED ON THIS APPLICATION CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE EFFECTIVE DATE OF THE INSURANCE, THE APPLICANT WILL, IN ORDER FOR THE INFORMATION TO BE ACCURATE ON THE EFFECTIVE DATE OF THE INSURANCE, IMMEDIATELY NOTIFY THE INSURER OF SUCH CHANGES, AND THE INSURER MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS OR AUTHORIZATIONS OR AGREEMENTS TO BIND THE INSURANCE.

I HAVE READ THE FOREGOING APPLICATION FOR INSURANCE INCLUDING ATTACHMENT 'A' AND REPRESENT THAT THE RESPONSES PROVIDED ON BEHALF OF THE APPLICANT ARE TRUE AND CORRECT.

WARNING

ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT (S)HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT MAY BE GUILTY OF INSURANCE FRAUD.

NOTICE TO COLORADO INSUREDS: 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 A SETTLEMENT OR AWARD PAYABLE FROM INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATORY AGENCIES.

NOTICE 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 INSURERS 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.

NOTICE 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 IN THE THIRD DEGREE.

NOTICE TO LOUISIANA AND 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.

NOTICE TO MINNESOTA APPLICANTS: A PERSON WHO FILES A CLAIM WITH INTENT TO DEFRAUD OR HELPS COMMIT A FRAUD AGAINST AN INSURER IS GUILTY OF A CRIME. NOTICE TO MAINE, TENNESSEE, VIRGINIA AND 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 MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS.

NOTICE TO OKLAHOMA APPLICANTS: 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.

NOTICE 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.

NOTICE TO NEW YORK APPLICANTS AND KENTUCKY: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIMS 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 NEW YORK APPLICANTS 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.

Signed:

_____

Must be signed by corporate officer with authority to sign on Applicant's behalf

Date: _____ _____ _____

Day Month Year