



ACE Privacy Protection® Privacy & Network Liability Insurance Program Small Business Application

NOTICE

The Policy for which you are applying is written on a claims-made and reported basis. Only Claims first made against the Insured and reported to the Insurer during the Policy Period are covered subject to the Policy provisions.

The Limits of Liability stated in the Policy are reduced, and may be exhausted, by Claims Expenses. Claims Expenses are also applied against your Retention, if any. If you have any questions about coverage, please discuss them with your insurance agent.

INSTRUCTIONS

Completion of this application may require input from your organization’s risk management, information technology, finance, and legal departments. Additional space may be needed to provide complete answers.

- Please type or print answers clearly.
- Answer **ALL** questions completely, leaving no blanks. If any questions do not apply, print “N/A” in the space.
- Provide any supporting information separately on your company’s letterhead and reference the applicable question number.
- Please answer with a check mark to all Yes or No questions.
- This form must be dated and signed by the CEO, CFO, President, Risk Manager, or General Counsel of your company.

Underwriters will rely on all statements made in this application.

PLEASE ANSWER ALL QUESTIONS APPLICABLE TO COVERAGE FOR WHICH YOU ARE APPLYING.

All applicants must complete sections **I, II, IV** of this application.

If coverage extension **D**, Internet Media Liability, is required, please also complete section **III**, Internet Media Activities, which should be completed with the assistance of the applicant’s legal department.

I. GENERAL INFORMATION

A. Applicant Information

Applicant Name: _____
 Main Website Address: _____
 Business Address: _____
 Business Type: Corporation Partnership LLC Other _____
 Nature of Business: _____
 Total Number of: Employees: _____ Locations: _____ Customer Records: _____

B. Risk Manager and/or Officer Contact Information

Risk Manager: _____
 Chief Information Officer: _____
 Information Security Officer or Manager: _____

C. Gross Revenues (including licensing fees)

	Prior Year	Current Year	Next Year
Total Assets	\$ _____	\$ _____	\$ _____
Total Revenues:	\$ _____	\$ _____	\$ _____
Foreign Revenues:	_____ %	_____ %	_____ %
Online Revenues:	_____ %	_____ %	_____ %

II. PRIVACY LIABILITY AND NETWORK SECURITY LIABILITY INFORMATION

1. Does a policy exist company-wide within the Applicant's organization covering:
- Records and information management compliance? Yes No
 - Network security? Yes No
 - Appropriate use of network resources and the Internet? Yes No
 - Appropriate use of email? Yes No
2. Is responsibility established company-wide with an individual manager within the Applicant's organization for:
- Privacy Liability Compliance? Yes No
 - Records and information management compliance? Yes No
 - Network Security? Yes No
3. Is there a formal privacy policy posted on the Applicant's Internet website?
If so, has the policy been reviewed by a qualified attorney? Yes No
4. Does your organization have a current information asset inventory that is populated with all mission-critical sources of data and their named owners? Yes No
5. Does your information asset classification program include a data classification standard (e.g., public, internal use only, confidential)? Yes No
If so, does this standard also include mandated requirements for heightened protections (e.g., encryption, access control, data handling, retention and eventual destruction) that accompany each classification level? Yes No
6. Have you identified all relevant regulatory and industry-supported compliance frameworks and information management standards that are applicable to your organization? Yes No
- Check all that apply and whether you are currently compliant:
- | | |
|---|--|
| <input type="checkbox"/> ISO 17799: | Compliant |
| <input type="checkbox"/> Gramm-Leach-Bliley Act of 1999: | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Health Insurance Portability and Accountability Act of 1996: | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Payment Card Industry Data Security Standard (PCI DSS) If yes, Level (1/2/3/4) | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Other: _____ | <input type="checkbox"/> Yes <input type="checkbox"/> No |
- Please describe noncompliance: _____
7. Has all sensitive information that:
- a. is transmitted been encrypted using industry-grade mechanisms? Yes No
 - b. resides within the Applicant's systems been encrypted while "at-rest"? Yes No
 - c. is physically transmitted – via tape or any other medium – been encrypted? Yes No
8. For computer equipment that leaves your physical facilities (e.g., mobile laptops, PDAs, BlackBerrys, and home-based desktops), have you implemented strong access control protections and hard drive encryption to prevent unauthorized exposure of company data in the event these devices are stolen, lost or otherwise unaccounted for? Yes No
9. Does the Applicant follow established procedures for carrying out and confirming the destruction of:
- a. data residing on systems or devices prior to their recycling, refurbishing, resale, or physical disposal? Yes No
 - b. sensitive information in electronic and paper form prior to recycling or physical disposal? Yes No

10. Does the Applicant's security awareness program measure awareness through mandatory classes (either through computer-based or in-person training) for all employees that may be expected to access, handle or process sensitive customer data as part of their assigned job responsibilities? If no, please describe: _____ Yes No
11. Does the Applicant follow established procedures for both "friendly" and "adverse" employee departures that include an inventoried recovery of all information assets, user accounts, and systems previously assigned to each individual during their full period of employment? Yes No
12. Has the Applicant organization established a proactive procedure for determining the severity of a potential data security breaches and providing prompt notification to all individuals who may be adversely affected by such exposures? Yes No
 If yes, do you have a written data breach response plan? Yes No
13. Is there a program in place to establish and maintain employee awareness of the security policy? Yes No
14. Has a network security assessment or audit been conducted within the past 12 months? Yes No
 If yes, have you complied with all recommendations from the audit? Yes No
15. Do you conduct periodic intrusion detection, penetration or vulnerability testing? Yes No
16. Is firewall technology used at all Internet points-of-presence to prevent unauthorized access to internal networks? Yes No
17. Does your company use antivirus software on all desktops, portable computers and mission critical servers? Yes No
18. Is there an individual or internal organization responsible for the application of vendor-released patches and software fixes? Yes No
19. Are patches implemented on network appliances (routers, bridges, firewalls, etc.) to mitigate current vulnerabilities? Yes No
20. Are your systems backed up? If yes: Yes No
 a. How frequently? (Daily / Weekly / Other _____)
 b. Are data backups stored offsite? Yes No
 c. Are data recover and restoration procedures tested? Yes No
21. Do you actively maintain system logs on all mission-critical servers and appliances? Yes No
22. Are documented procedures in place for user and password management? Yes No
23. Are users required to use non-trivial passwords of at least six characters? Yes No
24. Are your dedicated computer rooms physically protected? Yes No
25. Are system backup and recovery procedures documented and tested for all mission-critical systems? Yes No
26. Do you have a written disaster recovery and business continuity plan for your network? Yes No
 If yes, how frequently is the plan tested? _____

III. INTERNET MEDIA LIABILITY INFORMATION

Please complete this section if you are applying for coverage part D, Internet Media Liability Extension.

1. Does your company use material provided by others, such as content, news, music, graphics or video stream, on your web site? Yes No
- If yes, do you always obtain written licenses and consent agreements for the use of these materials? Yes No
- If yes, please describe the process for obtaining written licenses and consent agreements for the use of these materials:
-
2. Are there established procedures in place for the formal review of content/material for your web sites or Internet services? If yes, please describe: Yes No
-
3. Does your company have an established procedure for editing or removing from your website libelous or slanderous content, or content that infringes the intellectual property rights of others (copyrights, trademarks, trade names, etc.)? Yes No
4. Does your company have a non-disclosure policy? Yes No
5. Please check all activities performed over your company's Internet sites:
- electronic publishing, marketing, dissemination, or distribution of original works
 - advertising the products or services of other companies for a fee
 - buying or selling of goods, products or services
 - collection or transmission of sensitive financial information
 - legal, financial, medical or health advice
 - travel tips or other travel advice
 - website services or products to international customers/subscribers
 - auction, exchange, or hub services
 - files for download
 - gambling or adult entertainment services
 - operation of intranets
 - operation of extranets or virtual private networks
6. Does your organization sell or share individual subscriber or user identifiable information with other internal or external entities? Yes No
- If yes, please describe: _____
7. Do you offer a bulletin board, blog or chat room on your web site? Yes No
- If yes:
- a. If subcontracted, do you require, 'hold harmless' agreements in favor of your organization for liabilities arising out of bulletin boards, blogs and/or chat rooms? Yes No
 N/A
 - b. Can you remove any postings at your sole discretion? Yes No

IV. CURRENT COVERAGE & LOSS INFORMATION

If the answer is yes to any questions, please attach explanations. With respect to claims or litigation, include any pending or prior incident, event or litigation, providing full details of all relevant facts.

1. Does the company currently have General Liability, Privacy Liability, Network Liability, and/or other similar insurance in force? Yes No
If so, please attach a summary for each policy including the Coverage Type, Name of Carrier, Limits of Liability, Deductible, Premium, Expiry Date and Retroactive Date.
2. Has the Applicant ever sustained a significant systems intrusion, tampering, virus or malicious code attack, loss of data, hacking incident, data theft or similar? Yes No
3. Does any proposed Applicant have knowledge or information of any act, error, omission, fact, circumstance, inquiry or formal or in-formal investigation which might give rise to a Claim under the proposed Policy? Yes No
4. In the last five years has your company experienced any Claims or are you aware of any circumstances that could give rise to a Claim that would be covered by this Policy? Yes No
5. During the last three years, has anyone alleged that their personal information was compromised, or have you notified customers that their information was or may have been compromised, as a result of your activities? Yes No
6. Has an employee ever been disciplined for mishandling data or otherwise tampering with your computer network? Yes No
7. Has the Applicant sustained an unscheduled network outage over the past 24 months? Yes No

It is understood and agreed that if any such Claims exist, or any such facts or circumstances exist which could give rise to a Claim, then those Claims and any other Claims arising from such facts or circumstances are excluded from the proposed insurance.

It is understood and agreed that if such knowledge or information exists, any claim arising out therefrom is excluded from this insurance.

V. FRAUD NOTICES

NOTICE TO ARKANSAS, LOUISIANA, RHODE ISLAND AND WEST VIRGINIA 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.

NOTICE 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 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 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.

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 of the third degree.

NOTICE 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.

NOTICE 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.

NOTICE 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.

NOTICE 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.

NOTICE 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.

NOTICE 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.

NOTICE 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.

NOTICE 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.

NOTICE TO OREGON APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or another person, files an application for insurance or statement of claim containing any materially false information, or conceals information for the purpose of misleading, commits a fraudulent insurance act, which may be a crime and may subject such person to criminal and civil penalties.

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 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 include imprisonment, fines, and denial of insurance benefits.

NOTICE TO ALL OTHER APPLICANTS:

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON, FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS INFORMATION FOR THE PURPOSE OF MISLEADING, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

VI. DECLARATION AND CERTIFICATION

ALL APPLICANTS MUST COMPLETE THIS SECTION.

BY SIGNING THIS APPLICATION, THE APPLICANT WARRANTS TO THE INSURER THAT ALL STATEMENTS MADE IN THIS APPLICATION INCLUDING ATTACHMENTS, ABOUT THE APPLICANT AND ITS OPERATIONS ARE TRUE AND COMPLETE, AND THAT NO MATERIAL FACTS HAVE BEEN MISSTATED IN THIS APPLICATION OR CONCEALED. COMPLETION OF THIS FORM DOES NOT BIND COVERAGE. THE APPLICANT'S ACCEPTANCE OF THE INSURER'S QUOTATION IS REQUIRED BEFORE THE APPLICANT MAY BE BOUND AND A POLICY ISSUED.

THE APPLICANT AGREES TO COOPERATE WITH THE INSURER IN IMPLEMENTING AN ONGOING PROGRAM OF LOSS-CONTROL AND WILL ALLOW THE INSURER TO REVIEW AND MONITOR SUCH PROGRAMS THAT THE APPLICANT UNDERTAKES IN MANAGING ITS TECHNOLOGY EXPOSURES.

Signature of the Applicant's CEO, CFO, President,
Risk Manager, or General Counsel:

Signature of the Applicant's Broker/Agent:

Print Name

Print Name

Title

Date

Date

Signed by Licensed Resident Agent

(Where Required By Law)

FOR FLORIDA APPLICANTS ONLY:

Agent Name: _____

Agent License Identification Number: _____

FOR ARKANSAS, MISSOURI AND WYOMING APPLICANTS ONLY:

PLEASE ACKNOWLEDGE AND SIGN THE FOLLOWING DISCLOSURE TO YOUR APPLICATION FOR INSURANCE:

THE APPLICANT UNDERSTANDS AND ACKNOWLEDGES THAT THE POLICY FOR WHICH IT IS APPLYING CONTAINS A DEFENSE WITHIN LIMITS PROVISION WHICH MEANS THAT CLAIMS EXPENSES WILL REDUCE THE POLICY'S LIMITS OF LIABILITY AND MAY EXHAUST THEM COMPLETELY. SHOULD THAT OCCUR, THE APPLICANT SHALL BE LIABLE FOR ANY FURTHER CLAIMS EXPENSES AND DAMAGES.

Applicant's Signature:

(Must be signed by a CEO, CFO, President,
Risk Manager, or General Counsel of the Applicant)

Print Name and Title

_____/_____/_____
Date (Mo./Day/Yr.)