

Cyber Privacy & Security Supplemental Application

Underwritten by The Hanover Insurance Company

NOTICE: THIS APPLICATION IS FOR A CLAIMS-MADE POLICY. SUBJECT TO ITS TERMS, THIS POLICY WILL APPLY ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD. PLEASE READ THE POLICY CAREFULLY.

I. APPLICATION INSTRUCTIONS

- Whenever used in this Application, the term "Applicant" shall mean the **Named Insured** and all subsidiaries or other organizations applying for coverage, unless otherwise stated.
- Include all requested underwriting information indicated in Section VI. below.

II. GENERAL INFORMATION

1. Name of Applicant: _____
2. Address of Applicant: _____
 City: _____ County: _____ State: _____ Zip Code: _____ Telephone: _____

III. CYBER PRIVACY AND SECURITY COVERAGE

1. Requested Coverage:

Insuring Agreement	Requested Limit	Requested Deductible
Cyber Media Liability	\$	\$
Breach Event Expenses	\$	\$
Breach Reward Expenses	\$	\$
Breach Restoration Expenses	\$	\$
Cyber Investigations	\$	\$
Cyber Business Interruption	\$	\$
Cyber Extortion	\$	\$
Cyber Theft	\$	\$

2. Please indicate the type of information that the Applicant collects and which resides on the Applicant's or service provider's systems and networks.

<input type="checkbox"/> Credit Card Numbers	<input type="checkbox"/> Race, Ethnicity, National Origin	<input type="checkbox"/> Salary and Compensation
<input type="checkbox"/> Social Security Numbers	<input type="checkbox"/> Data Regarding Sexual Orientation	<input type="checkbox"/> Criminal Records
<input type="checkbox"/> Email Addresses	<input type="checkbox"/> Account Numbers	<input type="checkbox"/> Disability Status
<input type="checkbox"/> Medical Information	<input type="checkbox"/> Financial Data (i.e. credit rating)	<input type="checkbox"/> Civil Judgments (background checks)
<input type="checkbox"/> National ID Numbers	<input type="checkbox"/> Passwords, Including PINs	<input type="checkbox"/> Clients' Intellectual Property
<input type="checkbox"/> Drivers' License Numbers	<input type="checkbox"/> Usernames	
3. Does the applicant utilize third-party service providers for:

a. Back up of electronic data?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b. Web-site hosting?	<input type="checkbox"/> Yes <input type="checkbox"/> No

- c. Processing or maintenance of sensitive data: Yes No
- d. Maintenance of applications? Yes No
- e. Infrastructure hosting? Yes No
- If "Yes" to any of the above please attach a list of providers and services offered.*
4. With respect to the written contracts with service providers:
- a. Are contracts reviewed by in-house or outside counsel? Yes No
- b. Do contracts require the Applicant to be indemnified and "held harmless" for the errors or omissions of the service provider? Yes No
- c. Is the service provider required to carry errors & omissions insurance or "cyber liability" insurance? Yes No
- d. Is the liability of the service provider limited or restricted in any manner? Yes No
5. Has the applicant evaluated the level of security provided by any of the service providers used per the question above?
- a. Review of SAS 70 and/or SSAE 16 Yes No
- b. Review of security audit conducted by third party Yes No
- c. Other, please describe: _____
6. Does the Applicant have an information security policy? Yes No
7. Does the Applicant's information security policy identify and proscribe the type and level of protection for all of the Applicant's information assets, electronic and physical, whether held by the Applicant or by a person or organization providing services to the Applicant? Yes No
8. Does the Applicant's information security policy include the following?
- a. Defined duties and responsibilities of an Information Security Officer Yes No
- b. Requirements for confidentiality agreements for employees, vendors and contractors Yes No
- c. Document classification protection and destruction protocols Yes No
- d. Requirements for employee usage of system assets Yes No
- e. Protection requirements for sensitive information stored on mobile devices (e.g. laptops, tablets, smartphones). Yes No
- f. Protection requirements for sensitive information stored on other electronic media (e.g. backup tapes, CD's, USB drives). Yes No
9. Are all users of the Applicant's network issued unique passwords?
If "Yes" are passwords subject to enforced password complexity and change requirements? Yes No
10. Do all users of the Applicant's network have designated rights and privileges for access to information and use of the Applicant's network? Yes No
11. Does the Applicant have policies regarding the following?
- a. Internet usage Yes No
- b. Use of social networking sites or applications Yes No
- c. E-mail usage Yes No
- d. Privacy Yes No
- e. Are employees required to acknowledge that they are aware of such policies listed in a-d above? Yes No
12. Are penetration tests and vulnerability scan tests conducted on the Applicant's public-facing network at least annually? Yes No

13. Does the Applicant's management review the following for prospective personnel who will have access to sensitive information?
- a. Criminal history records Yes No
 - b. Credit history records Yes No
 - c. Previous employment records Yes No
14. Do individuals other than employees have access to sensitive information? Yes No
15. Are all rooms that contain main frames, servers, switches or routers locked with access permitted with a key card or some other device that can be logged? Yes No
16. Does the Applicant investigate patterns of attempted access by persons who should not have access to equipment described above? Yes No
17. Is sensitive customer (or patient) data stored on web servers? Yes No
18. Does the Applicant employ web application firewalls? Yes No
19. Does the Applicant utilize a contemporary intrusion detection/prevention system (IDS/IPS) solution as part of the primary firewall or as a separate free-standing solution? Yes No
20. Is external access to sensitive information encrypted using SSL? Yes No
21. How quickly does the Applicant remediate vulnerabilities after they are discovered? _____
22. Are session lifetimes limited? Yes No
23. Can the Applicant be alerted or otherwise identify when personally identifiable private or health information or confidential information is downloaded to a mobile memory device or sent in an email or added as an attachment to email? Yes No
24. Are company or employee-owned smartphones governed by the Applicant using a contemporary mobile device management (MDM) solution? Yes No
25. Is sensitive information collected through hand written applications, forms or notes? Yes No
- a. *If "Yes", are documents shredded after entering the information into a computer system?* Yes No
 - If "No", does the Applicant:*
 - b. Retain the documents in secured files? Yes No
 - c. Store documents in secure areas that minimize access by persons not authorized to view such documents? Yes No
 - d. Enforce a "clean desk" policy? Yes No
 - e. Shred documents when they are ultimately disposed of? Yes No
26. Does the Applicant have an Incident Response Plan (IRP)? Yes No
- If "Yes", does the IRP address:*
 - a. Unauthorized access to the Applicant's computers, system network or any information assets? Yes No
 - b. Known or suspected unauthorized access to personally identifiable or other confidential information? Yes No
 - c. Denial of service attacks and other forms of network and system outages? Yes No
 - d. Extortion demands? Yes No
 - e. Corruption of or damage to, electronic data? Yes No
27. Is the IRP tested annually? Yes No
28. Does the Applicant have a Business Continuity Plan? Yes No

If "Yes":

- a. Is the plan reviewed and updated annually? Yes No
- b. Is the plan tested at least annually? Yes No

IV. PRIOR KNOWLEDGE AND APPLICANT REPRESENTATION

The Applicant must answer the prior knowledge question below:

Is any **insured** proposed for coverage aware of any fact, circumstance, or situation that might reasonably be expected to result in a **claim** that would fall within the scope of the proposed Liability Coverage?

Yes No

If "Yes", please attach a full description of the details.

This representation applies only to those coverage types for which no coverage is currently maintained and any larger limits of liability requested.

IMPORTANT: Without prejudice to any other rights and remedies of the Insurer, the Applicant understands and agrees that if any such fact, circumstance or situation exists, whether or not disclosed in response to the question above, any claim or action arising from such fact, circumstance or situation is excluded from coverage under the proposed policy, if issued by the **Insurer**.

V. MATERIAL CHANGE

If any of the Applicant discovers or becomes aware of any significant change in the condition of the Supplemental Application between the date of this Supplemental Application and the policy inception date, which would render the Supplemental Application inaccurate or incomplete, notice of such change will be reported in writing to us immediately and any outstanding quotation may be modified or withdrawn.

VI. DECLARATIONS, NOTICE AND SIGNATURES

The submission of this Supplemental Application does not obligate the **Insurer** to issue, or the Applicant to purchase, a policy. The Applicant will be advised if the Supplemental Application for coverage is accepted. The Applicant hereby authorizes the **Insurer** to make any inquiry in connection with this Supplemental Application.

The undersigned, acting on behalf of all Applicants, declare that to the best of their knowledge and belief, after reasonable inquiry, the statements set forth in this Supplemental Application and in any attachments or other documents submitted with the Supplemental Application are true and complete and were made to obtain requested information from each and every Applicant proposed for this insurance to facilitate the proper and accurate completion of this Supplemental Application.

The undersigned agree that the information provided in this Supplemental Application and any material submitted herewith are the representations of all the Applicants and the basis for issuance of the insurance policy should a policy providing the requested coverage be issued, and that the **Insurer** will have relied on all such materials in issuing any such policy. The undersigned further agree that the Supplemental Application and any material submitted herewith shall be considered attached to and a part of the policy. Any material submitted with the Supplemental Application shall be maintained on file (either electronically or paper) with us.

The information requested in this Supplemental Application is for underwriting purposes only and does not constitute notice to the **Insurer** under any policy of a **Claim** or **Potential Claim**.

NOTICE TO ALABAMA APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison, or any combination thereof.

NOTICE TO ARIZONA AND MISSOURI APPLICANTS: Claim Expenses are Inside the Policy Limits. All claim expenses shall first be subtracted from the limit of liability, with the remainder, if any, being the amount available to pay for damages.

NOTICE TO ARKANSAS, LOUISIANA 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 HAWAII APPLICANTS: For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

NOTICE TO IDAHO AND 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 KANSAS APPLICANTS: Any person who commits a fraudulent insurance act is guilty of a crime and may be subject to restitution, fines and confinement in prison. A fraudulent insurance act means an act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to, or by an insurer, purported insurer or insurance agent or broker, any written statement as part of, or in support of, an application for insurance, or the rating of an insurance policy, or a claim for payment or other benefit under an insurance policy, which such person knows to contain materially false information concerning any material fact thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.

NOTICE TO KENTUCKY 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.

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 include imprisonment, fines and denial of insurance benefits.

NOTICE TO MARYLAND APPLICANTS: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or knowingly or 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 MICHIGAN APPLICANTS: Any person who knowingly and with intent to defraud an insurance company or another 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 act, which is a crime and subjects the person to criminal and civil penalties.

NOTICE TO NEW JERSEY APPLICANTS: Any person who knowingly includes any false or misleading information on an application for an insurance policy or files a statement of claim containing any false or misleading information is subject to criminal and civil penalties.

NOTICE TO NEW HAMPSHIRE 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.

NOTICE TO NEW MEXICO AND RHODE ISLAND 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 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 OREGON APPLICANTS: Any person who knowingly and with intent to defraud or solicit another to defraud any insurance company: (1) by submitting an application, or (2) by filing a claim containing a false statement as to any material fact, may be violating state law.

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 VERMONT APPLICANTS: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

Note: This **Application** must be signed by the chief executive officer or chief financial officer of the Applicant acting as the authorized representatives of the person(s) and entity(ies) proposed for this insurance.

Date

Signature

Title

Supporting Documentation: please attach a copy of the following for every Applicant seeking coverage:

Most recent Information Security Self/Third Party Assessment if available.

Produced By: Agent: _____ Agency: _____

Agency Taxpayer ID or SS No.: _____

Agent License No.: _____ Agent Signature: _____

Address (Street, City, State, Zip): _____