

APPLICATION for: **NetGuard™ Plus**

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

Notice: The Policy for which this Application is made subject to its terms, applies only to any Claim 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 exhausted by amounts incurred as 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 subsidiary or affiliated companies to be insured, or attach 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 (more than 20% of revenues) of Applicant's business anticipated over the next twelve (12) months?..... ☐ Yes ☐ No

If "YES", please explain: _____

SECTION III. COVERAGES REQUESTED

4. Proposed Effective Date: _____
5. Requested Retroactive Date (policy inception unless otherwise stated): _____
6. Limit of Liability Desired (and options):
☐ \$500,000 ☐ \$1,000,000 ☐ \$2,000,000 ☐ \$3,000,000 ☐ \$4,000,000 ☐ \$5,000,000 ☐ Other _____
7. Retention Options Desired:
☐ \$2,500 ☐ \$5,000 ☐ \$7,500 ☐ \$10,000 ☐ \$25,000 ☐ Other _____

SECTION IV. EXPOSURE INFORMATION

ANNUAL REVENUE AND EXPOSURE BASE

8. Total Revenues: \$ _____
9. What percentage of the overall above revenues 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. NETWORK SECURITY AND PRIVACY

12. Do you enforce a security policy that must be followed by all employees, contractors, or any other person with access to your network?..... ☐ Yes ☐ No
13. Does your security and privacy policy include mandatory training for all employees?..... ☐ Yes ☐ No
14. Are you HIPAA compliant?..... ☐ Yes ☐ No
15. Do you process, store, or handle credit card transactions?..... ☐ Yes ☐ No
If "YES", are you PCI-DSS Compliant?..... ☐ Yes ☐ No
16. 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
17. Does the Applicant utilize a cloud provider to store data? ☐ Yes ☐ No
If "YES", please list 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.
18. 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
19. Do you have a firewall in place?..... ☐ Yes ☐ No
If "YES", are your firewalls, information systems and security mechanisms securely configured?.... ☐ Yes ☐ No
Check "NO" if your systems are configured using factory default settings.
20. 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
21. 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

22. Is all remote access to your network authenticated and encrypted?..... ☐ Yes ☐ No
23. 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
24. 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
25. Do you employ physical security controls to prevent unauthorized access to computer, networks and data?..... ☐ Yes ☐ No
26. Do you control and track all changes to your network to ensure that it remains secure?..... ☐ Yes ☐ No
27. 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
28. Is all sensitive and confidential information that is transmitted within and from your organization encrypted using industry-grade mechanisms?..... ☐ Yes ☐ No
29. Is all sensitive and confidential information stored on your organization's databases, servers and data files encrypted?..... ☐ Yes ☐ No
30. 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
31. If your organization stores personal information on portable devices, including laptops, cell phones, PDA's, back-up tapes, USB thumb drives and external hard drives, is such data encrypted to industry standards?..... ☐ Yes ☐ No
- If you do not store personal information on portable devices, check here ☐**
32. 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
33. 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
34. For employees that have access to personal, confidential information, please indicate if the Applicant performs the following checks prior to retaining such individual:
- a) background checks..... ☐ Yes ☐ No
- b) drug testing..... ☐ Yes ☐ No
- c) credit checks..... ☐ Yes ☐ No
- d) reference checks..... ☐ Yes ☐ No

SECTION VI. MEDIA

35. Does the Applicant use material provided by others, such as content, music, graphics or video stream?..... ☐ Yes ☐ No
- a) If "YES", does the Applicant always obtain the necessary rights, licenses, releases & consents for the use of the materials provided by others?..... ☐ Yes ☐ No
- If "YES", please describe the process.

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

SECTION VII. LOSS HISTORY

37. Has the Applicant received any complaints, claims or been subject to litigation involving matters of privacy injury, 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

If "YES", please provide specific details: _____

38. Are you aware of or have knowledge of any circumstances or incidents that may give rise to a claim which would have been covered by this Policy?..... ☐ Yes ☐ No

Applicant already has a Cyber Liability policy in place. ☐

39. Has any employee ever been disciplined for mishandling data or otherwise tampering with your computer network?..... ☐ Yes ☐ No

40. Has the company sustained any unscheduled network outage or interruption within the past 24 months? ☐ Yes ☐ No

SECTION VIII. OTHER INFORMATION

1. The undersigned declares that to the best of his/her knowledge the statements herein are true. Signing of this Application does not bind the undersigned to complete the insurance, but it is agreed that this Application shall be the basis of the contract should a Policy be issued, and this Application will be attached and become part of such Policy, if issued. Underwriters hereby are authorized to make any investigation and inquiry in connection with this Application as they may deem necessary.

2. It is warranted that the particulars and statements contained in the Application for the proposed Policy and any materials submitted herewith (which shall be retained on file by Underwriters and which shall be deemed attached hereto, as if physically attached hereto) are the basis for the proposed Policy and are to be considered as incorporated into and constituting a part of the proposed Policy.

3. It is agreed that in the event there is any material change in the answers to the questions contained herein prior to the effective date of the Policy, the Applicant will notify Underwriters and, at the sole discretion of Underwriters, any outstanding quotations may be modified or withdrawn.

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 be 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: _____

NAS insurance

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