



Executive Risk Insurance Services Limited

PRIVACY AND NETWORK LIABILITY INSURANCE APPLICATION

NOTICE: THIS IS AN APPLICATION FOR A CLAIMS MADE POLICY. THE POLICY ALSO PROVIDES THAT THE LIMITS OF LIABILITY AVAILABLE TO PAY JUDGEMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE AND CLAIMS EXPENSES. FURTHER NOTE THAT AMOUNTS INCURRED FOR LEGAL DEFENSE AND CLAIMS EXPENSES SHALL BE APPLIED AGAINST THE RETENTION AMOUNT.

In the application, "PIPEDA" refers to the Personal Information Protection and Electronic Document Act; "HIPAA" refers to the Health Insurance Portability and Accountability Act of 1996, and any amendments thereto; "G-L-B" refers to Gramm-Leach-Bliley Act and any amendments thereto.

In the event more space is needed to fully answer a question, please attach separate sheet(s) to this Application with the full answer.

Please attach copies of:

1. Privacy Policy and/or Statement currently in use
2. Most recent CA Letter to Management and Management's Response
3. Most recent network security and/or privacy audit

I. GENERAL INFORMATION

1. Name of Applicant:

Address of Applicant (Head Office Location):

Corporate Website:

2. Applicant Type

Individual:

Corporation:

Partnership:

Other:

3. Date of Incorporation/Formation:

4. Jurisdiction of Incorporation/Formation:

5. Nature of Business:



6. Please list all direct and indirect Subsidiaries. (If included as an attachment, check here:)
 (If none, check here: "none".)

Name	Business or Type of Operation	Percentage of Ownership	Date Acquired or Created	Country of Incorporation

7. Proposed Effective Date:

8. Requested Retroactive Date (Policy Inception Unless Otherwise Stated):

9. Limit of Liability Desired:
- \$1,000,000
 - \$2,000,000
 - \$3,000,000
 - \$5,000,000
 - \$10,000,000

Other:

10. Retention Options Desired:
- \$25,000
 - \$50,000
 - \$100,000
 - \$250,000
 - \$500,000

Other:

II. EXPOSURE INFORMATION

Annual Revenue and Exposure Base

Past Accounting Year Total Revenues:
 Project Current Year Total Revenues:
 Estimate of Total Number of Individual Customer or Individual Patients:
 (Note: Patients if a Healthcare Applicant)

Employee and Independent Contractor Information

Total Number of Employees:
 Total Number of Employees, including directors and partners, who have access to sensitive employee or third party information:
 Total Number of Independent Contractors providing business process outsourcing or IT outsourcing to the Applicant:

11. Any significant changes in nature or size (more than 5% of revenues) of Applicant's business anticipated over the next twelve months? Yes No

If "Yes", please explain:



12. Provide the name of the Chief Security Officer (CSO), the Chief Privacy Officer (CPO) or the name/title of the individual(s) responsible for privacy/security regulatory compliance.

Name(s) / Title(s):

What proportion of their time is spent on privacy and/or security regulatory compliance?

13. Can the CPO or CSO confirm that they have reviewed the requirements of PIPEDA or any other applicable privacy legislation? Yes No

III. COMPLIANCE QUESTIONS

Please provide specific clarifications or exceptions to the following questions in the space provided or by attachment to this application. If any question does not apply to the Applicant, enter N/A (not applicable).

Healthcare Related Applicants Only

14. Is the Applicant and/or its subsidiaries a custodian or trustee of personal health information? Yes No

15. Does the Applicant and/or its subsidiaries process personal health information on behalf of third parties? Yes No

16. Is the Applicant and/or its subsidiaries subject to health privacy protection laws such as Ontario's Personal Health Information Protection Act, or similar legislation in other provinces? Yes No

If "Yes", please specify which province(s):

17. Does HIPAA apply to the Applicant and/or its subsidiaries? Yes No

If "Yes", do any of the following categories apply to the Applicant and/or its subsidiaries?

- a) Employees covered under a company self insured medical plan Yes No
- b) Health Care Provider Yes No
- c) Health Care Plan or Clearinghouse or Covered Entity Yes No
- d) Business Associate Yes No

Financial Services Applicants Only

18. Is the Applicant and/or its subsidiaries a federally regulated financial institution? Yes No

19. Is the Applicant and/or its subsidiaries a provincially regulated financial institution? Yes No

20. Does G-L-B apply to the Applicant and/or its subsidiaries as a bank or financial institution? Yes No

All Applicants

21. Does PIPEDA apply to the Applicant and/or its subsidiaries with respect to customer personal information? Yes No



22. Does PIPEDA apply to the Applicant and/or its subsidiaries with respect to employee personal information? Yes No
23. Do any provincial privacy statutes (such as the Personal Information Protection Act of B.C. or Alberta or the Quebec Act) respecting the protection of personal information in the private sector apply to the Applicant and/or its subsidiaries with respect to customer and/or employee personal information? Yes No

If "Yes", please identify the applicable province(s):

24. Has the Applicant and/or its subsidiaries conducted privacy/security compliance audits in the last 12 months?
- a) Privacy Impact Assessment for compliance with PIPEDA or any substantially similar provincial legislation? Yes No
 - b) Internal audit to determine compliance with regulations and laws concerning the protection of privacy rights? Yes No
 - c) Network Security Policies and Procedures Audit? Yes No
 - d) Audit and Certification from a Qualified Security Assessor (as that term is defined by the PCI Security Standards Council) as to compliance with the PCI-DSS? Yes No
 - e) Network Penetration Test? Yes No
 - f) HIPAA Privacy Audit (if applicable)? Yes No
 - g) HIPAA Security Audit (if applicable)? Yes No
 - h) G-L-B Audit (if applicable)? Yes No

If "Yes", please attach copies where applicable.

If 'Yes' to any of the above, who conducted the compliance audit? Scope of audit (all specific entities?)

Date completed:

- Did the compliance audit include a risk assessment or gap analysis? Yes No
- Did the compliance audit review written policies and procedures? Yes No
- Did the compliance audit review address privacy/security regulations? Yes No
- Did the compliance audit confirm that training programs are in place for ongoing guidance of employees regarding privacy/security regulations? Yes No
- Did the compliance audit confirm that IT security plan is periodically tested and updated to keep pace with changing technology and threats? Yes No
- Were all the audit recommendations requiring remediation by the Applicant accomplished? Yes No
- Was the remediation confirmed or retested by the auditor? Yes No
25. Does the Applicant and/or its subsidiaries collect payment card data? Yes No
26. Is the Applicant and/or its subsidiaries subject to PCI-DSS? Yes No
- If "Yes" what level requirement 1 2 3 4
- a) Has the applicant achieved PCI Compliance? Yes No
- If "Yes" please attach Certificate of Compliance
- If "No" please describe current status and timetable for compliance:



- critical and sensitive computer systems? Yes No
38. Does the Applicant have physical security controls in place to control access to computer systems? Yes No
39. Does the Applicant have an information security incident response plan in place including a System Event Log review process? Yes No
40. What are the estimated number of hours it would take to restore the Applicant's operations after a computer attack or other loss/corruption of data?
41. Does the Applicant use Encryption technology (specify what level) for protected personal information? Yes No
42. Does the Applicant use Encryption technology (specify what level) for all data stored on mobile devices (e.g. laptops)? Yes No
43. Does the Applicant have a person or group responsible for information security? Yes No
44. Does the Applicant use standard configurations for firewalls, routers and operating systems? Yes No
45. Do any of the above responses represent services performed by external service providers? Yes No
If "Yes", please specify:

V. HISTORICAL INFORMATION

46. Within the past three years, has the applicant experienced a security breach? Yes No
If "Yes", please provide the following information:
a) Cause:
b) Date of occurrence:
c) Damage or loss suffered:
d) Actions taken to prevent its reoccurrence:
47. Within the past three years, has the applicant experienced a privacy complaint or investigation? Yes No
If "Yes", please provide the following information:
e) Cause:
f) Date of complaint/investigation:
g) Results of investigation:
h) Actions taken to prevent its reoccurrence:
48. During the past three years, has the Applicant experienced an interruption or suspension of its computer system for any reason, which exceeded 4 hours and affected third party users/customers (not including downtime for planned maintenance)? Yes No
If "Yes", please provide the following information indicating:
a) the date and duration of the interruption or suspension:
b) the cause of the interruption:
c) amount of third party damages, loss, litigation arising out of the interruption or suspension:
49. Has any insurance policy providing the same or similar insurance as the insurance sought by this application ever been declined, non-renewed or cancelled during the past five years? Yes No
If "Yes", please provide the reason:



50. Has the Applicant suffered any loss or has any claim whether successful or not ever been made against the Applicant that would be covered by this insurance (includes all pending or prior claims, demand, suit, arbitration, litigation, bankruptcy, administrative proceeding or regulatory proceeding)? Yes No

If "Yes", please provide the following information with respect to each prior or pending matter indicating:

- a) the date that the prior or pending matter was first made:
- b) the date the Applicant first became aware of the matter:
- c) the names(s) of the party(ies) involved:
- d) a short description of the prior or pending matter and its current status:

51. Does the Applicant have knowledge or information concerning any act, error, omission, fact, circumstance, matter, incident or occurrence that could reasonably be expected to give rise to a claim or loss under the insurance sought? Yes No

If "Yes", please provide the following information with respect to each matter:

- a) description of circumstances:
- b) the date the matter first occurred:
- c) the date the Applicant first discovered it:
- d) any actions taken by the Applicant with respect to the matter:

52. Has any partner or director of the Applicant or its subsidiaries been found guilty of any criminal, dishonest or fraudulent activity or been investigated by any regulatory body? Yes No

If "Yes", please provide details:

It is agreed that with respect to Questions 49, 50 and 51 above, if such knowledge, information or involvement exists, any claim or action arising there from is excluded from the proposed coverage.



The undersigned persons declare that to the best of their knowledge the statements set forth herein are true and correct and that reasonable efforts have been made to obtain sufficient information from each and every Director or Officer or Trustee proposed for this insurance to facilitate the proper and accurate completion of this APPLICATION. The undersigned further agrees that, if between the date of this APPLICATION and the effective date of this Policy, (1) any material change in the condition of the Applicant is discovered, or (2) there is any material change in the answers to the questions contained herein, either of which would render this APPLICATION inaccurate or incomplete, notice of such change will be reported to the Underwriting Manager immediately and if necessary any outstanding quotation may be modified or withdrawn.

The signing of this APPLICATION does not bind the undersigned to purchase this insurance, but it is agreed by the Applicant and all persons proposed for this insurance that the particulars and statements contained in this APPLICATION and attachments and materials submitted with this APPLICATION (which shall be retained on file by the Underwriting Manager and shall be deemed attached to the Policy, if insurance is provided, as if physically attached thereto) are true and correct and will be the basis of the Policy and will be considered as incorporated in and constituting part of this Policy. It is further agreed by the Applicant and all persons proposed for this insurance that such particulars and statements are material to the decision to provide this insurance and that any Policy will be issued in reliance upon the truth of such particulars and statements. All such particulars and statements shall be construed as a separate APPLICATION for coverage by each person and no statement or omission in this APPLICATION or materials submitted with it, or knowledge possessed by any person shall be imputed to any other person for the purpose of determining if coverage is available. Statements or omissions in this APPLICATION or the attachments and materials submitted with it, or knowledge possessed by any of the Chief Executive Officer, Chief Financial Officer, Chief Privacy Officer, Chief Technology Officer (or any equivalent position) and any Director shall be imputed to the **Insured Organization** and any **Subsidiaries** for the purpose of determining coverage under the Policy.

PLEASE NOTE: ONLY DULY APPOINTED LICENSED BROKERS ARE AUTHORIZED TO SOLICIT APPLICATIONS FOR COVERAGE. BROKERS ARE NOT AUTHORIZED TO BIND COVERAGE. NO COVERAGE SHALL BE PROVIDED UNLESS THE UNDERWRITING MANAGER ACCEPTS THE APPLICATION AND BINDS THE COVERAGE. TAXES DUE UPON THE INCEPTION DATE OF THE POLICY ARE THE RESPONSIBILITY OF THE APPLICANT.

False information:

Any person who, knowingly and with intent to defraud any insurance company or other person, files an Application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act which is a crime.

This clause applies to the Province of Quebec only

It is the express wish of all parties that this application and any related documents be drawn up and executed in English. Les parties conviennent que la presente proposition et tous les documents s'y rattachant soient rédigés et signés en anglais.

Signature of Risk Manager

Signature of Chief Privacy Officer or Chief Financial Officer

Date:

Date:

For the purposes of the Insurance Companies Act (Canada), this document was issued in the course of Lloyd's Underwriters' insurance business in Canada.