

VRisk AlphaCat

Application for Cyber Insurance Policy



THIS POLICY APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR DISCOVERY PERIOD. THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGEMENTS OR SETTLEMENTS SHALL BE REDUCED BY PAYMENT OF DEFENSE COSTS. DEFENSE COSTS ARE SUBJECT TO THE APPLICABLE RETENTION. PLEASE READ AND REVIEW THE POLICY CAREFULLY.

Fully answer all questions and submit all requested information. Terms appearing in bold in this **Application** are defined in the Policy and have the same meaning in this **Application** as in the Policy. The Company will hold this **Application**, including all materials submitted herewith, in confidence.

Section I. General Information

Name of Applicant _____

Mailing Address _____

City _____

State _____

Zip _____

Risk Manager
(or Equivalent) _____

Mailing Address _____

City _____

State _____

Zip _____

Telephone Number _____ Applicant Employee Count _____

Business Description _____

Type of Ownership: Private Publicly Held

Section II. Revenue Information

| | Most Recent Twelve(12) Months | Prior Year |
|----------------|-------------------------------|------------|
| US Revenue | \$ | \$ |
| Non US Revenue | \$ | \$ |
| Total | \$ | \$ |

Indicate the percentage of total gross revenue generated by each of the Applicant’s following business activities:

| Business Activity | Current Year % | Next Year % |
|----------------------------|----------------|-------------|
| Technology Services | | |
| Technology Products | | |
| Telecommunication Services | | |
| Media Activity | | |
| E-Commerce | | |

Section III. Data Classification

Please indicate the approximate number of records containing personally identifiable information the applicant handles, processes, stores, destroys or maintains:

| Type | Number of Records |
|---|-------------------|
| PII (Personally Identifiable Information) | |
| PHI (Protected Health Information) | |
| Financial Account Information | |

Please indicate if the data is encrypted in the following environments:

| Type | At-Rest | Mobile Devices | Storage Media | External Communications |
|---|---------|----------------|---------------|-------------------------|
| PII (Personally Identifiable Information) | | | | |
| (PHI) Protected Health Information | | | | |
| Financial Account Information | | | | |

Section IV. Network Security Controls

1. Please indicate which services are outsourced (if any):

| | |
|-------------------|--------------|
| IT Security | Data Hosting |
| IT Infrastructure | Data Back Up |
| Data Disposal | Data Storage |

2. Further to question 1, please list the vendors responsible for the outsourcing

3. Does the Applicant have a formal risk assessment methodology which includes at least an annual review of organizational risks? **Yes** **No**

4. Does the Applicant segment their network to separate systems containing sensitive non public information from those containing non sensitive information? **Yes** **No**

5. Has the Applicant conducted a network vulnerability assessment within the past 12 months? **Yes** **No**

If no, when was the last assessment? _____

6. Check each of the following technologies used by the Applicant:

- Firewalls at the perimeter of the network
- Firewalls in front of sensitive resources inside the network
- Corporate antivirus/anti-malware software
- Intrusion detection systems
- Centralized log collection and monitoring
- Proactive vulnerability scanning/penetration testing
- Physical controls preventing access to the devices themselves

7. Does the Applicant have a process in place to ensure that all confidential data is encrypted? **Yes** **No**

8. Does your company enforce a patch management process? **Yes** **No**

9. Does the Applicant utilize a VPN or similar secure connection technology for remote user access? **Yes** **No**

10. Does the Applicant conduct an annual network penetration test? **Yes** **No**

11. Does the Applicant require multi-factor authentication for remote login access to the corporate network? **Yes** **No**

Section V. Governance, Risk and Compliance

- | | | |
|---|------------|-----------|
| 1. Does the Applicant employ a Chief Security Officer, Chief Information Security Officer or equivalent position dedicated to Information Security: | Yes | No |
| 2. Does the Applicant maintain a formal Information Security Policy communicating how information is protected by the organization? | Yes | No |
| 3. Are the Applicant's security policies reviewed and updated on an annual basis? | Yes | No |
| 4. Does the Applicant have a formal, documented and tested Incident Response Plan (IRP)? | Yes | No |
| If yes, is it tested on an annual basis? | Yes | No |
| 5. Does the Applicant terminate all network access as part of their regular exit process when an employee leaves the company? | Yes | No |
| 6. Does the Applicant conduct mandatory training for all employees on the following? | | |
| <ul style="list-style-type: none">• Password Management• Mobile Device Security• Acceptable Network Use• Physical Security• Phishing and Social Engineering Risk | | |
| 7. Is the training mandatory for all employees at least annually? | Yes | No |
| 8. Is annual cybersecurity awareness training mandatory for vendors/contractors and third parties with access to the Applicants network? | Yes | No |
| 9. Does your company enforce a password management process? | Yes | No |
| 10. Does the Applicant have documented procedures to ensure compliance with all applicable federal and state privacy laws pertaining to the applicant's industry, including HIPAA, HITECH, GLDA, or the CA Online Privacy Prevention Act of 2003. | Yes | No |
| 11. Does the Applicant require all vendors which process, store or maintain confidential data on their behalf to demonstrate adequate network security controls? | Yes | No |
| If yes, does the applicant audit vendors to ensure they are compliant with required security standards? | Yes | No |

Section VI. Payment Card Controls

- | | | |
|---|--------------------------|------------------------|
| 1. Is the Applicant PCI Compliant? | Yes | No |
| 2. Please indicate the level of compliance? _____ | | |
| 3. What is the revenue for credit card transactions that are processed annually through your system? _____ | | |
| 4. What percentage of these transactions are completed online or other card not present transactions vs POS transactions? _____ | | |
| 5. Approximately what percentage of the applicant's POS system is EMV compliant? _____ | | |
| 6. Are POS access credentials changed on a regular basis? | Yes | No |
| 7. Does the Applicant maintain a separate network for their POS system? | Yes | No |
| 8. Is the PCI data that is stored encrypted at rest? | Yes | No |
| 9. Is the PCI data that is in transit either encrypted or tokenized? | Yes | No |
| 10. Does the applicant utilize Point to Point Encryption that is PCI DSS certified? | Yes | No |
| 11. Is remote user access to the POS system permitted? If yes, is access permitted through a VPN connection only? | Yes Yes | No No |

Section VII. Business Continuity

- | | | |
|---|--------------------------|------------------------|
| 1. Does the Applicant maintain a business continuity/disaster recovery plan? If yes, is the plan tested on an annual basis? | Yes Yes | No No |
| 2. Approximately how much revenue does the applicant generate annually? _____ | | |
| 3. Within the last three years, has the Applicant experienced any unplanned outages which affected part of the network? If yes, what was the duration of the outage? _____ | Yes | No |
| 4. Does the Applicant regularly back up all sensitive and/or critical data to a secure off-site location? If yes, how many data centers does the Applicant have? _____ | Yes | No |

Section VIII. Media**Complete this section if the Applicant is applying for media coverage**

1. Does the Applicant review materials for the following prior to dissemination, distribution or publication:
 - Copyright Infringement
 - Libel or Slander
 - Trademark Infringement
 - Violations of Rights of Publicity

2. Does the Applicant have an established procedure for editing or removing content from their website that might be construed as libelous, slanderous, or infringing on the intellectual property rights of others? **Yes** **No**

3. Does the Applicant have established procedures in place for the formal review of content/material for their website? **Yes** **No**

4. Does the Applicant's website allow posting of third party content? **Yes** **No**
If yes, when is the content reviewed? _____

5. Do you manage or maintain a presence on any social media sites? **Yes** **No**

6. Do you have a formal social media policy? **Yes** **No**

7. Is all content posted on social media sites reviewed by legal counsel? **Yes** **No**

Section IX. Prior Loss Experience

1. Is the Applicant aware of any circumstances that may give rise to a claim or notice under this policy? **Yes** **No**
If yes, please explain: _____

2. During the last three years, has the Applicant ever been the subject of a regulatory or administrative proceeding related to data privacy? **Yes** **No**

3. In the past three years, has the Applicant sustained a breach of their network security resulting in the loss, theft, tampering or destruction of sensitive data? **Yes** **No**
If yes, please explain: _____

Complete this section if the Applicant is applying for Specialty Professional Liability Insurance (Errors and Omissions)

Section I. Revenues

1. Indicate the Total Percentage of the Applicant's revenues based on the services listed below:

Miscellaneous Professional Services

- Advertising Services
- Appraisal Services
- Auctioneers
- Business Information Providers
- Business Process Outsourcing
- Call Centers
- Credit Bureaus
- Data Broker/ Mining
- Consulting Services
- Direct Mail Services
- Document Management Services
- Educational Testing
- Employed Lawyers
- Executive Search Services
- Franchisor
- Logistic/Freight Forwarding
- Marketing Services
- Mortgage Bankers/Brokers
- Payroll
- Printer
- Property Manager
- Public Relations Agencies
- Rating Agencies
- Real Estate Professional
- Staffing Firms
- Student Loan Administration
- Testing Laboratories
- Third Party Administrator
- Trustee
- Travel Agent/Tour Operator
- Other (describe) _____

Technology Services

- Custom Software Design & Development
- Data Processing Services
- Domain Name Registration
- Information Management
- Internet Service Provider
- IT Consulting
- Network Security Software and Services
- Pre-Packaged Software Development/Sales
- Systems Design and Integration
- Technical Support/Repair & Maintenance
- Document Management Services
- Web Portal
- Website Construction and Design
- Executive Search Services
- Other (describe) _____

Technology Services continued

- Alternative Carrier Provider
- Integrated Telecommunication Services
- Wireless Telecommunications Services
- Call Center Services
- Tech Equipment Manufacturing
- Computer Hardware Manufacturing
- Computer Storage and Peripherals
- Electronic Equipment Manufacturing
- Electronic Manufacturing Services
- Office Electronics Manufacturer
- Semiconductors
- Technology Distributors
- Other (describe) _____

Media

- Over-the-air Broadcast Radio
- Over-the-Broadcast Television
- Non-Broadcast Radio
- Non-Broadcast Television
- Movie Producers and Distributors
- Movie Theatres
- Sports
- Video Producers
- Other (describe) _____

Section II. Client/Customer Information

1. Provide the following information regarding the Applicant’s five (5) largest clients (determined as a percentage of the total gross revenue for the past fiscal year)

| Client | Size Of Contract | Length Of Contract | Description of Services |
|--------|------------------|--------------------|-------------------------|
| | | | |
| | | | |
| | | | |
| | | | |

2. Indicate the percentage of revenue derived from the following Business Sectors:

| Industry Class | % | Industry Class | % |
|-------------------------------|---|------------------------|---|
| Aerospace | | Financial Services | |
| Automobiles and Components | | Healthcare | |
| Chemical | | Information Technology | |
| Construction & Engineering | | Media | |
| Consumer Services | | Oil, Gas Utilities | |
| Electrical Equipment | | Retail | |
| Energy Equipment and Services | | Telecommunication | |

Section III. Contractual Procedures

1. Please provide the requested information on the Applicant’s contract and licensing procedures

2. Does the Applicant require the use of a written contract or agreement for all engagements? **Yes** **No**

If no, what percentage of the contracts are in writing? _____

3. Does the Applicant maintain and enforce a contractual review process? **Yes** **No**

4. If yes, does this process include review by Legal Counsel? **Yes** **No**

5. Does the Applicant have a standard written contract that they propose to use on most engagements? **Yes** **No**

6. Indicate the percentage of contracts where the Applicant’s standard contract, the customer’s contract of a combination of both is used?

| Contract | % |
|-------------|---|
| Standard | |
| Customer | |
| Combination | |

7. What contractual provisions does the Applicant strive to impose on most contracts?

| | |
|--------------------------------------|--|
| Disclaimer of Warranties | Hold Harmless to the Applicant's Benefit |
| Dispute Resolution | Limitation of Liability |
| Exclusions for Consequential Damages | Performance Milestone |
| Exclusive Remedies | Statement of Work |
| Force Majeure | Venue of Governing Law |

8. Does the Applicant have a formal customer acceptance process in place? **Yes** **No**
9. Are the performance milestones accepted with signoffs by both parties? **Yes** **No**
10. Are interim changes in contracts documented and signed off by both parties? **Yes** **No**

Section IV. Historical Business Information

1. Does the he applicant have any account receivables for professional technology service contracts that are more than ninety (90) days past due? **Yes** **No**
2. Within the past five (5) years. Has the Applicant sued any customers for non-payment of any contract or licensing fee? **Yes** **No**
3. Within the past five (5) years, have any customers withheld payment or requested a refund of fees because the Applicant's products/services:
- Did not meet customer's performance
 - Did not perform in compliance with the Applicant's warranty or guarantee
4. Has the Applicant or any Director, Officer, Partner or Employee ever been subject to disciplinary proceedings arising out of professional services? **Yes** **No**
- If yes, please explain: _____

Section V. Quality Control Procedures

1. Does the Applicant employ a Risk Manager? **Yes** **No**
2. Does the Applicant have policies in place to respond to customer complaints? **Yes** **No**
3. Does the Applicant have a formal product recall process in place? **Yes** **No**
4. Indicate which of the quality control procedures are in place?
- Alpha Testing
 - Beta Testing
 - Business Continuity Plan
 - Customer Screening Process
 - Customer Service via a Toll-Free Number
 - Customer Service via a Web Portal
 - Customer Service via E-mail
 - Formalized Training for New Hires
 - Prototype Development
 - Vendor Certification Process
 - Written Quality Control Guidelines

Section VI. Subcontractor and Vendor Management

1. Describe below which of the Applicant's services are subcontracted to others:

2. What percentage of the Applicant's services are provided by:

| | | | | |
|--------------------------|----|--------|---------|------|
| Independent Contractors: | 0% | 1%-10% | 10%-50% | >50% |
| Temporary Workers: | 0% | 1%-10% | 10%-50% | >50% |
| Leased Workers: | 0% | 1%-10% | 10%-50% | >50% |

FRAUD WARNING

APPLICANT NAME AND TITLE: _____

APPLICANTS SIGNATURE: _____ **DATE:** _____