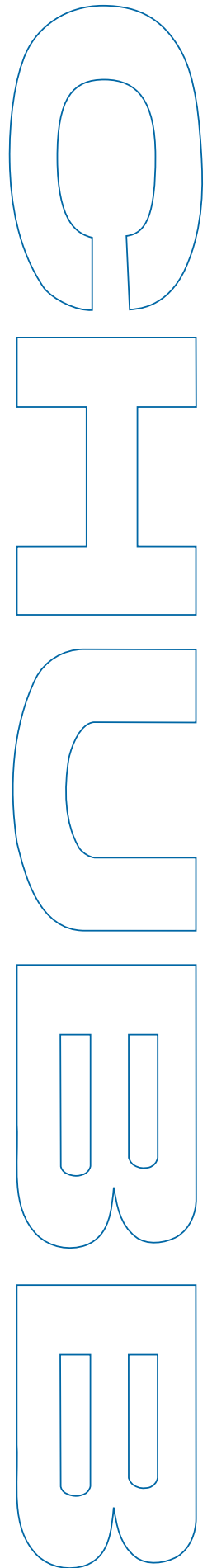




*Chubb Group of  
Insurance Companies*

**Violation of Privacy and Information Security  
Underwriting Application**





Violation of Privacy and Information Security – Underwriting Application

If you answer "No" to questions 1-3 of this section, please proceed directly to the signature page of this application, sign it where indicated and return it to your insurance agent or broker.

1. Do you offer services that involve processing, transmitting or storing nonpublic personal information for customers in the banking, financial services, medical or retail business sectors? [ ] Yes [ ] No

If "Yes", what percentage of your gross sales is derived from these activities?

- [ ] 0 - 10% [ ] 11 - 25% [ ] 26 - 50% [ ] 51% or more

2. Do you sell, install, maintain or service information technology products that include a security feature? [ ] Yes [ ] No

If "Yes", what is the percentage of your gross sales from these activities?

- [ ] 0 - 10% [ ] 11 - 25% [ ] 26 - 50% [ ] 51% or more

3. Do you, or others on your behalf, engage in the practice of distributing unsolicited e-mails? [ ] Yes [ ] No

If you answered "Yes" to any of the previous questions, please complete all sections of this application. Some sections may not apply to your organization. Where this is the case, please mark "N/A" (Not applicable).

Please submit with this application:

- 1. Advertising Materials and Product Brochures.
2. Copies of your standard and largest sales, services and license contracts or agreements.
3. Your most recent annual report or audited financial statement, 10Q, 10K (if not available via the Internet).
4. Copies of your company's overall privacy policies.
5. The URL address of your online privacy policy.
6. A sample copy of your subcontractors form.
7. Please list all of your Web site addresses (include subsidiaries and affiliates): www. \_\_\_\_\_

Part I General Information

Name of Insured (Include names of all subsidiaries or affiliated companies to be insured): \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Number of years in business? \_\_\_\_\_

Limit of Insurance for Violation of Privacy: Aggregate Limit

Requested: \$ \_\_\_\_\_
Optional: \$ \_\_\_\_\_
Optional: \$ \_\_\_\_\_

Deductible (each claim):

- [ ] \$0 [ ] \$10,000 [ ] \$50,000 [ ] \$100,000 [ ] Other \_\_\_\_\_

**Worldwide Revenue:**

	<b>Domestic</b>	<b>Foreign</b>	<b>Total</b>
Prior year:	\$ _____	\$ _____	\$ _____
Current year:	\$ _____	\$ _____	\$ _____
Estimated next year:	\$ _____	\$ _____	\$ _____

**Composition of your Workforce:**

Total number of employees: \_\_\_\_\_  
 Total number of US employees: \_\_\_\_\_  
 Total number of non-US employees: \_\_\_\_\_

**Mergers, Acquisitions or Divestitures:**

1. Have you purchased any companies during the past three (3) years?  Yes  No  
 If "Yes", please provide details: \_\_\_\_\_  
 \_\_\_\_\_

a. Did you purchase?  Assets  Liabilities  Assets and Liabilities

2. Did your due diligence include a review of the following?

Prior litigation?  Yes  No  
 Privacy regulatory enforcement actions?  Yes  No  
 Existing contracts?  Yes  No  
 Information technology system integration and compatibility?  Yes  No

3. Have you sold any companies during the past three (3) years?  Yes  No

If "Yes", please provide details: \_\_\_\_\_  
 \_\_\_\_\_

a. Did you retain the liabilities?  Yes  No

**Part II Type of Products/Services and Application**

Description of Services	Prior Year Revenue	Current Year Revenue
Application Service Provider		
Consulting on Privacy, Regulatory Compliance or Information Security		
Data Entry, Time Sharing, Processing or Billing Services of nonpublic personal information		
Internet Access/Service Provider		
Co-Location Facilities Management		
Directory, Call Centers or Operator Services		
Other: _____		
Other: _____		

## Products/Services Application Percent of Current Year Annual Revenue

Banking/Financial Institutions	_____	%
Human Resources	_____	%
Health Care/Medical	_____	%
Payroll/Accounting	_____	%
Retail	_____	%
Other: _____	_____	%

1. If your products/services were to fail, would nonpublic personal information be disclosed?  Yes  No
2. In your estimation, how large a financial loss could your customer(s) experience if nonpublic personal information was disclosed? \_\_\_\_\_  
\_\_\_\_\_
3. Describe any products currently in a Research & Development phase, or future product/services under consideration, that involve handling or securing nonpublic personal information. \_\_\_\_\_  
\_\_\_\_\_
4. Has an independent third party certified your advertised performance levels?  Yes  No
5. Have you ever had to provide information to financial institutions regarding FASB - SAS 70?  Yes  No

## Part III Contract Review/Licensing Agreements

1. Do you negotiate contracts/agreements in which you accept liability for consequential damages?  Yes  No
2. Do you enter into contracts/agreements with customers and vendors without legal review?  Yes  No
3. Does legal counsel review your product brochures, promotional and Web site materials prior to release?  
 Yes  No
4. Do you submit proposals without a complete request for proposal from the customer?  Yes  No
5. Will you accept customized or nonstandard contracts?  Yes  No
6. Does legal counsel review all customized contracts prior to release?  Yes  No
7. Do your contracts/agreements limit the potential for losses by establishing financial penalties and/or incentives regarding levels of services, downtime and protection of information?  Yes  No

## Part IV Subcontractors, Vendors, Independent Contractors and Original Equipment Manufacturers

1. Provide a complete listing of all relationships with other parties where processing, transmitting or storing of nonpublic personal information is involved. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
2. Do you regularly conduct security audits or require evidence of security audits on your critical business partners?  
 Yes  No

## Part V Management of NonPublic Personal Data

1. Do you require that your clients identify nonpublic personal information and sensitive information?  Yes  No
  2. Is all nonpublic personal information stored on a separate, secure server?  Yes  No  
If "Yes", is physical and electronic access restricted to the server(s)?  Yes  No
3. Is all nonpublic personal information treated on a "Need-to-Know" basis?  Yes  No
4. Are your information security and privacy policies and procedures company-wide?  Yes  No
5. Are pre-employment security clearances performed on employees that handle nonpublic personal information?  
 Yes  No
6. Do you provide training when changes are made to your products or services?  Yes  No
7. Are you responsible for making back-up files of your client's nonpublic personal data?  Yes  No  
If "Yes", are those files stored remotely, in a secured environment?  Yes  No

## Part VI Information Security

1. Do you have a formal network security policy for employees and independent contractors?  Yes  No
2. Have you installed and do you maintain network firewalls and intrusion detection equipment to protect data accessible via the Internet?  Yes  No
3. Has antivirus software been deployed throughout network operations?  Yes  No
4. Is there accountability within your organization to ensure that all software/firmware patches and updates are made on a priority basis?  Yes  No
5. When nonpublic personal information is transmitted through the Internet, do you require that the highest level of commercially available encryption technology be used?  Yes  No
6. Do you have security measures that protect the physical premises from the loss of, misuse or alteration of data or information containing nonpublic personal information?  Yes  No
7. Is there regular testing of both your electronic and physical security systems and processes?  Yes  No  
If "Yes", please indicate the frequency of such testing:  
 Daily  
 Weekly  
 Monthly  
 Semi-annually  
 Annually
8. Are all security threats and incidents logged and investigated?  Yes  No
9. Are the results of your recent security audits available for our review?  Yes  No
10. Do you allow customers or designees access (electronic and physical) to your premises for the purposes of conducting information security audits?  Yes  No  
If "Yes", do you allow such access on a nonscheduled basis?  Yes  No

11. Do you allow wireless access points to be installed on your network?  Yes  No

If "Yes", does your information security policies specifically address the appropriate security measures to protect nonpublic personal information in a wireless environment?  Yes  No

12. Do your security audit protocols address your wireless environment?  Yes  No

13. Do you have an established backup site that will adequately meet the needs of your customers in case of an emergency?  Yes  No

## Part VII Security Products and Security Consulting

Please complete section VII, if your organization develops information technology products that incorporate one or more of the following security features:

Authentication Software – including biometrics  
Digital Certificates  
Encryption-based Software Products  
Firewalls - Software or Hardware  
Intrusion Detection Systems  
Routers - with enhanced security capabilities  
Wireless Security Product  
Virtual Private Network (VPN)

1. What percentage of your sales was on a pre-packaged, off-the-shelf basis?

0 - 10%       11 - 25%       26 - 50%       51% or more

2. What percent of your customized products were sold to the following industries?

Banking and finance	_____%
Consulting and business services	_____%
Consumer goods	_____%
Government – Social Services only	_____%
Life Sciences	_____%
Logistics and transportation	_____%
Healthcare	_____%
Media and entertainment	_____%
Retail	_____%
Telecommunications	_____%
Travel or travel-related	_____%

3. On average, what percent of the time do you also install the information technology products that you sell or distribute?

0 - 10%       11 - 25%       26 - 50%       51% or more

## Part VIII Claims Experience

1. Have you experienced a security breach in the past three (3) years involving nonpublic personal information?

Yes  No

If "Yes", please provide details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Have you or your sub-contractors been responsible for any delays, service interruptions or past due contracts?  
 Yes  No

If "Yes", please provide details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Within the past three (3) years, have any customers withheld payment or requested a refund because of your products/services?  Yes  No

If "Yes", please provide details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. Have you ever been notified by a regulatory agency regarding a privacy matter?  Yes  No

If "Yes", please provide details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Has any person ever brought a lawsuit or made a claim against you involving an actual or potential violation of their privacy rights?  Yes  No

If "Yes", please provide details of each lawsuit or claim: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. Are you aware of any circumstance which may reasonably be expected to result in a claim?  Yes  No

If "Yes", please provide details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. Has any company ever declined to write Errors or Omissions or comprehensive general liability coverage for you?  
 Yes  No

If "Yes", please provide the reasons for the declination: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. Do you currently purchase Errors or Omissions coverage?  Yes  No

If "Yes", please list:

Current Carrier: \_\_\_\_\_

Policy Term: \_\_\_\_\_

Limit: \$ \_\_\_\_\_

Deductible: \$ \_\_\_\_\_

Premium: \$ \_\_\_\_\_

Retroactive date: \_\_\_\_\_

**INFORMATION OR DATA CONTAINED IN OR SUBMITTED IN CONNECTION WITH THIS APPLICATION (OR OTHERWISE TO ANY OF THE COMPANIES IN CONNECTION WITH THE UNDERWRITING PROCESS) DOES NOT CONSTITUTE NOTICE OF AN OCCURRENCE, WRONGFUL ACT, CLAIM, SUIT OR OTHER CIRCUMSTANCE AND DOES NOT SATISFY ANY OF THE REPORTING NOTIFICATION OR OTHER PROVISIONS OF ANY POLICY. AS SUCH, ANY NOTICE MUST BE GIVEN SEPARATELY IN ACCORDANCE WITH THE APPLICABLE POLICY CONDITIONS.**

For the purposes of this application, the undersigned officer of all person(s) and entity(ies) proposed for this insurance declares that, to the best of his/her knowledge and belief, after reasonable inquiry, the statements in this application, and in any attachments, are true and complete. The company is authorized to make any inquiry in connection with this application. Signing this application shall not constitute a binder or obligate the company to complete this insurance, but it is agreed this application shall be the basis under which a policy may be issued. If the statements in this application or in any attachment change materially before the effective date of any proposed policy, the applicant must notify the company, and the company may modify or withdraw any quotation.

You understand that the limit of insurance under some policies we issue shall include both payments of claim and defense expenses as defined in the policy within a single limit. Please note that the defense cost provision of the policy stipulate that the limits of insurance may be completely exhausted by the cost of legal defense. Any deductible or retention shall apply to investigation expense and defense costs as well as indemnity. Please initial: \_\_\_\_\_

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Signature of Authorized Representative & Title

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Date

---

Signature of an Executive Officer of the Applicant & Title

---

Date



**NOTICE TO APPLICANT - PLEASE READ CAREFULLY.**

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, INCLUDING BUT NOT LIMITED TO FINES, DENIAL OF INSURANCE BENEFITS, CIVIL DAMAGES, CRIMINAL PROSECUTION AND CONFINEMENT IN STATE PRISON.

**APPLICABLE IN CALIFORNIA**

FOR YOUR PROTECTION CALIFORNIA LAW REQUIRES THE FOLLOWING TO APPEAR ON THIS FORM: ANY PERSON WHO KNOWINGLY PRESENTS FALSE OR FRAUDULENT CLAIM FOR THE PAYMENT OF A LOSS IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN STATE PRISON.

**APPLICABLE IN COLORADO**

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.

**APPLICABLE IN FLORIDA**

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.

**APPLICABLE IN LOUISIANA**

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.

**APPLICABLE IN MAINE**

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.

**APPLICABLE IN NEBRASKA**

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 MATERIAL FACT THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME, WHERE SUCH PERSON SUBSEQUENTLY SUBMITS A CLAIM.

**APPLICABLE IN NEW MEXICO**

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.

#### **APPLICABLE IN NEW YORK**

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.

#### **APPLICABLE IN OHIO**

ANY PERSON WHO, WITH THE 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.

#### **APPLICABLE IN OKLAHOMA**

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.

#### **APPLICABLE IN OREGON**

ANY PERSON, WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON, FILES AND APPLICATION FOR INSURANCE CONTAINING ANY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY MATERIAL FACT THERETO, MAY BE GUILTY OF A INSURANCE FRAUD.

#### **APPLICABLE IN PENNSYLVANIA**

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.

#### **APPLICABLE IN VIRGINIA**

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.



**Chubb Group of Insurance Companies**

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