ACE Advantage®
PRIVACY & NETWORK SECURITY
SUPPLEMENTAL APPLICATION

COMPLETE THIS APPLICATION ONLY IF REQUESTING COVERAGE FOR PRIVACY LIABILITY AND/OR NETWORK SECURITY LIABILITY COVERAGE. Please submit with ACE Advantage® Miscellaneous Professional Liability Policy Application. Please complete in ink. A principal must sign both the supplement and the Miscellaneous Professional Liability Policy Application.

THIS APPLICATION IS FOR A CLAIMS-MADE INSURANCE POLICY

Instructions to the applicant:

- Please answer all questions. This information is required to make an underwriting and pricing evaluation. Your answers hereunder are considered material to that evaluation.
- If a question is not applicable, state N/A. If more space is required, please attach a separate exhibit with the question number.
- This supplemental application must be signed and dated by an authorized officer or person of the company.
- This supplemental application may require input from your organization's risk management, information technology, finance, and legal departments.
- This supplemental application should be completed with the assistance of the Chief Security Officer and the Chief Information Officer or Chief Privacy Officer.

I. GENERAL INFORMATION

Applicant Information

Applicant Name: _____

Main Website Address: _____

Information Officer(s) Contact Information

Chief Information Officer: _____

Information Security Officer or Manager: _____

II. PRIVACY LIABILITY AND NETWORK SECURITY LIABILITY INFORMATION

1. Does an entity-wide policy exist within the Applicant coverage**:**

- Records and information management compliance? ☐ Yes ☐ No
- Network security? ☐ Yes ☐ No
- Appropriate use of network resources and the Internet? ☐ Yes ☐ No
- Appropriate use of email? ☐ Yes ☐ No

2. Has the Applicant established enterprise-wide responsibility with an individual manager for:

- Privacy Liability Compliance? ☐ Yes ☐ No
- Records and information management compliance? ☐ Yes ☐ No
- Network Security? ☐ Yes ☐ No

3. Is there a privacy policy posted on the Applicant's Internet website? ☐ Yes ☐ No

If so, has the policy been reviewed by a qualified attorney? ☐ Yes ☐ No

4. Is all sensitive information that:

- is transmitted been encrypted using industry-grade mechanisms? ☐ Yes ☐ No
- resides within the Applicant's systems been encrypted while "at-rest"? ☐ Yes ☐ No
- is physically transmitted – via tape or any other medium – been encrypted? ☐ Yes ☐ No

5. Does your information asset classification program include a data classification standard (e.g., public, internal use only, confidential)? ☐ Yes ☐ No

If YES, does this standard also include mandated requirements for heightened protections (e.g., encryption, access control, data handling, retention and eventual destruction) that accompany each classification level? ☐ Yes ☐ No

6. Have you identified all relevant regulatory and industry-supported compliance frameworks and information management standards that are applicable to your organization? ☐ Yes ☐ No

7. Are you currently compliant with regard to the following:

- ISO 17799 ☐ Yes ☐ No
- Gramm-Leach-Bliley Act of 1999 ☐ Yes ☐ No
- Health Insurance Portability and Accountability Act of 1996 ☐ Yes ☐ No
- Payment Card Industry Data Security Standard (PCI DSS) ☐ Yes ☐ No
  - If YES, what level: _____

If the answer is "No" to any of the above please attach details on a separate piece of paper

8. For computer equipment that leaves your physical facilities (e.g., mobile laptops, PDAs, BlackBerrys, and home-based desktops), have you implemented strong access control requirements and hard drive encryption to prevent unauthorized exposure of company data in the event these devices are stolen, lost or otherwise unaccounted for? ☐ Yes ☐ No

9. For computer equipment that leaves your physical facilities (e.g., mobile laptops, PDAs, BlackBerrys, and home-based desktops):

- have you implemented strong access control requirements and hard drive encryption to prevent unauthorized exposure of company data in the event these devices are stolen, lost or otherwise unaccounted for? ☐ Yes ☐ No
- have you implemented strong access control requirements and hard drive encryption to prevent unauthorized exposure of company data in the event these devices are stolen, lost or otherwise unaccounted for? ☐ Yes ☐ No
- have you implemented strong access control requirements and hard drive encryption to prevent unauthorized exposure of company data in the event these devices are stolen, lost or otherwise unaccounted for? ☐ Yes ☐ No

10. Does the Applicant follow established procedures for carrying out and confirming the destruction of data residing on systems or devices prior to their recycling, refurbishing, resale, or physical disposal? ☐ Yes ☐ No

11. Does the Applicant follow established procedures for both "friendly" and "adverse" employee departures that include an inventoried recovery of all information assets, user accounts, and systems previously assigned to each individual during their full period of employment? ☐ Yes ☐ No

12. Has your organization established a proactive procedure for determining the severity of a potential data security breach and providing prompt notification to all individuals who may be adversely affected by such exposures? ☐ Yes ☐ No

13.	Is there a program in place for employee awareness of the security policy?	☐ Yes	☐ No
14.	Has a network security assessment or audit been conducted within the past 12 months?	☐ Yes	☐ No
	If yes, have you complied with all recommendations from the audit?	☐ Yes	☐ No
15.	Do you conduct periodic intrusion detection, penetration or vulnerability testing?	☐ Yes	☐ No
16.	Is firewall technology used at all Internet points-of-presence to prevent unauthorized access to internal networks?	☐ Yes	☐ No
17.	Does your company use antivirus software on all desktops, portable computers and mission critical servers?	☐ Yes	☐ No
18.	Are your systems backed up? If yes:	☐ Yes	☐ No
	a. How frequently? (Daily / Weekly / Other _____)		
	b. Are data backups stored offsite?	☐ Yes	☐ No
	c. Are data recover and restoration procedures tested?	☐ Yes	☐ No
19.	Are documented procedures in place for user and password management?	☐ Yes	☐ No
20.	Are your dedicated computer rooms physically protected?	☐ Yes	☐ No
21.	Do you actively maintain system logs on all mission-critical servers and appliances?	☐ Yes	☐ No
22.	Do you have a written disaster recovery and business continuity plan for your network?	☐ Yes	☐ No
	If yes, how frequently is the plan tested? _____		

III. LOSS INFORMATION

If the answer is yes to any of questions 1-3, please attach explanations. With respect to claims or litigation, include any pending or prior incident, event or litigation, providing full details of all relevant facts.

1.	Has the Applicant ever sustained a significant systems intrusion, tampering, virus or malicious code attack, loss of data, hacking incident, data theft or similar?	☐ Yes	☐ No
2.	After Inquiry, do any partners, principals, directors, officers or employees of the Applicant have knowledge or information of any act, error, omission, fact, circumstance, inquiry or formal or in-formal investigation which might give rise to a claim under the proposed policy?	☐ Yes	☐ No
3.	In the last five years has your company experienced any claims or are you aware of any circumstances that could give rise to a claim that would be covered by this policy?	☐ Yes	☐ No
4.	During the last three years, has anyone alleged that their personal information was compromised, or have you notified customers that their information was or may have been compromised, as a result of your activities?	☐ Yes	☐ No

It is understood and agreed that if any such Claims exist, or any such facts or circumstances exist which could give rise to a Claim, then those Claims and any other Claims arising from such facts or circumstances are excluded from the proposed insurance.

It is understood and agreed that if such knowledge or information exists, any claim arising out therefrom is excluded from this insurance.

FRAUD WARNING STATEMENTS

NOTICE TO ARKANSAS, LOUISIANA, RHODE ISLAND 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 (or any supplemental application, questionnaire or similar document) containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

NOTICE TO KANSAS APPLICANTS: 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, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

NOTICE TO KENTUCKY APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other 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 insurance act, which is a crime.

NOTICE TO MAINE 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 may include imprisonment, fines or a denial of insurance benefits.

NOTICE TO MARYLAND APPLICANTS: Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and 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 NEW JERSEY APPLICANTS: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

NOTICE TO NEW MEXICO 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 NEW YORK 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 shall also be subject to a civil penalty cont to exceed five thousand dollars and the stated value of the claim for each such violation.

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 OKLAHOMA APPLICANTS: 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.

NOTICE TO OREGON APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or another person, files an application for insurance or statement of claim containing any materially false information, or conceals information for the purpose of misleading, commits a fraudulent insurance act, which may be a crime and may subject such person to criminal and civil penalties.

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 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 ALL OTHER APPLICANTS:

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON, FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS INFORMATION FOR THE PURPOSE OF MISLEADING, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

This Supplemental Application shall be maintained on file by the Company, shall be deemed attached is if physically attached to the proposed Policy and shall be considered as incorporated into and constituting a part of the Application and the proposed Policy.

Signed: _____

Title: _____

Date: _____

Broker: _____

Address: _____