



ace usa

3 Easy Steps

- 1) Fill out application online by tabbing through the fields.
- 2) Email:
 - File Menu > Send to >Mail Recipient (as attachment)
 - To: AdvantagePartners@ace-ina.com
- 3) OR, Fax:
 - Save application to your hard drive (File > Save As >)
 - Fax To: Advantage Partners @ 302-476-6456

Any questions please call 1-800-204-0518.

ACE Digital DNA_{sm}

Network Risk Insurance Program Application

INSTRUCTIONS

Completion of this application may require input from your organization's risk management and information technology departments. Additional space may be needed to provide complete answers.

- Please type or print answers clearly.
- Answer **ALL** questions completely, leaving no blanks. If any questions, or part thereof, do not apply, print "N/A" in the space.
- Provide any supporting information on a separate sheet using your letterhead and reference the applicable question number.
- Check Yes or No answers
- This form must be completed, dated and signed by an authorized officer of your firm.

Underwriters will rely on all statements made in this application.

I. GENERAL INFORMATION

Customer	Broker/Agent
Address	Address
Contact	Contact
E-mail	E-mail
Phone	Phone
Quote Needed By	Fax
Intended Inception	
SS# or Dunn & Bradstreet#	

Business Type: Corporation Partnership Limited Liability Company
 Not for Profit Other

Subsidiary Names (if applicable): _____

Nature of Business: _____

Year Established: _____

Total Number of Employees: _____

URL Addresses for All Public-Facing Websites: _____

A. Gross Revenues

	Domestic	Foreign	Total
Prior Year:	\$	\$	\$
Current Year (est.):	\$	\$	\$
Next Year (est.):	\$	\$	\$

B. Products and Services Offered

Please describe:

II. INSURANCE INFORMATION

A. Limit, Deductible and Coverage Dates Requested

Note: the ACE Digital DNA program is available in two formats. The standard format is available to all companies regardless of revenues and provides full limits for each coverage part required. The small business format is available to companies with current year revenues below \$25 million, and provides full limits for Coverage A, Digital Asset Loss, with sublimits applied to the other coverages as detailed below.

Option 1: Standard Program (all revenue classes eligible)

Coverages Required

- A. Digital Asset Loss
- B. Cyber Extortion Threat
- C. Security Failure Notification Loss
- D. Business Interruption

E. Contingent Business Interruption (please check if required)

*ACE will assume that all coverages are requested, with the exception of E. Contingent Business Interruption. We will assume Contingent Business Interruption coverage is required only if **Qualified Service Providers** are named below.*

Limits Requested:	<input type="checkbox"/> \$1,000,000	<input type="checkbox"/> \$3,000,000	<input type="checkbox"/> \$5,000,000	<input type="checkbox"/> Other:
Deductible Requested:	<input type="checkbox"/> \$25,000	<input type="checkbox"/> \$50,000	<input type="checkbox"/> \$100,000	<input type="checkbox"/> Other:

Business Interruption/ Contingent Business Interruption Waiting Period:	<input type="checkbox"/> 8 hours (minimum) <input type="checkbox"/> 12 hours <input type="checkbox"/> 24 hours <input type="checkbox"/> Other
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Proposed Effective Date:

Will you require coverage for the failure of key network service providers? Yes No

If you answered Yes, please identify all third party vendors and service providers to be considered **Qualified Service Providers**.

Key Service Provider <i>(Web Hosting Co.)</i>	Services Provided <i>(Availability Services)</i>	Approx. Contract Value <i>(\$280,000)</i>	Contract Duration <i>(7/1/03-7/1/06)</i>

Option 2: Small Business Program *(companies with revenues under \$25 million eligible)*

Package 1

	<u>Limit</u>	<u>Deductible</u>
Coverage A: Digital Asset Loss	\$1,000,000	\$10,000
Coverage B: Cyber Extortion Threat	\$ 100,000	\$10,000
Coverage C: Security Failure Notification Loss	\$ 50,000	\$10,000
Coverage D: Business Interruption Loss	\$2,500/hour, with \$250,000 sublimit	8 hours

Package 2

	<u>Limit</u>	<u>Deductible</u>
Coverage A: Digital Asset Loss	\$3,000,000	\$25,000
Coverage B: Cyber Extortion Threat	\$ 250,000	\$25,000
Coverage C: Security Failure Notification Loss	\$ 100,000	\$25,000
Coverage D: Business Interruption Loss	\$5,000/hour, with \$500,000 sublimit	8 hours

Package 3

	<u>Limit</u>	<u>Deductible</u>
Coverage A: Digital Asset Loss	\$5,000,000	\$50,000
Coverage B: Cyber Extortion Threat	\$ 250,000	\$25,000
Coverage C: Security Failure Notification Loss	\$ 100,000	\$25,000
Coverage D: Business Interruption Loss	\$7,500/hour, with \$1,000,000 sublimit	8 hours

Proposed Effective Date:

B. Current Coverage and Loss Information

If the answer is yes to any of questions 1 – 4, please attach explanations. With respect to claims or litigation, include any pending or prior incident(s), event(s) or litigation, providing full details of all relevant facts.

Does the company currently have network risk or other similar insurance in force? Yes No
If so, please complete the following:

Coverage Type:	
Name of Carrier:	

Limits of Liability:	
Deductible:	
Premium:	
Expiry Date:	

1. Has your company ever been declined for network risk insurance, or had an existing policy cancelled? Yes No
2. Has the company ever sustained a significant systems intrusion, tampering, virus or malicious code attack, loss of data, hacking incident, data theft or similar? Yes No
3. Has an employee ever been disciplined for mishandling data or otherwise tampering with your computer network? Yes No
4. Has the company sustained an unscheduled network outage over the past 24 months? Yes No

Comments:

III. INFORMATION MANAGEMENT

A. Internet Activities

Activities performed over your company's Internet sites:
Please check all that apply.

- buying or selling of goods, products or services
- collection or transmission of sensitive financial information
- operation of intranets
- operation of extranets or virtual private networks
- auction, exchange, or portal services
- files for download
- gambling or adult entertainment services

Comments:

B. Procedures for Information Management

Does your website, system or network request and capture third party information? Yes No

If yes, please check all that apply:

- customer/subscriber names and addresses
- credit or debit card numbers
- social security numbers
- credit history and ratings

- medical records or personal health information
- intellectual property of others
- bank records, investment data or financial transactions

Is sensitive, personal or confidential information located behind a firewall? Yes No

If yes, are strict access controls in place? Yes No

Is encryption technology used when transmitting sensitive information? Yes No

Comments:

IV. NETWORK OPERATIONS

A. Network Equipment

1. Approximate number of servers on your network:
2. Number of locations where servers are located:
3. Approximate number of external IP addresses on your network:
4. Average number of average daily hits to your website:

Comments:

B. Security Management

1. Do you have written policies in place which address:

Network security?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Appropriate use of network resources and the Internet?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Appropriate use of email?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2. Is there an organizational manager who is directly responsible for information security compliance operations? Yes No
3. Is there a program in place for employee awareness of the security policy? Yes No
4. Do you adhere to the policies of any of the following network security or information management standards?

British Standard 7799	<input type="checkbox"/> Yes	<input type="checkbox"/> No
ISO 17799	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Sarbanes-Oxley Sec. 404	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Comments:

C. Security Assessments

- 1. Has a network security assessment or audit been conducted within the past 12 months? Yes No

If yes when was the assessment completed?
Please attach a copy of the assessment executive summary.

- 2. Were all recommendations from the audit complied with? Yes No

If no, please identify areas where recommendations have not been complied with, with reason(s) for noncompliance:

- 3. Do you conduct periodic intrusion detection, penetration or vulnerability testing? Yes No

If yes, please detail what is done and who performs this work:

Comments:

D. Firewall Management

- 1. Is firewall technology used at all Internet points-of-presence to prevent unauthorized access to internal networks? Yes No

If so, please describe brand name(s), model(s):

Comments:

E. Antivirus Software

- 1. Does your company use antivirus software on all desktops, portable computers and mission critical servers? Yes No

If so please identify brand(s) or service providers:

- 2. Are antivirus applications updated in accordance with the software provider's requirements? Yes No

If yes, how often?

Comments:

F. Software Maintenance

- 1. Is there an individual or internal organization responsible for the application of vendor-released patches and software fixes?? Yes No

If yes, please identify (name/title):

- 2. Are patches implemented on network appliances (routers, bridges, firewalls, etc.) to mitigate current vulnerabilities? Yes No

If yes, how often are patches installed?

Comments:

G. Data and Systems Backups

- 1. Are your systems backed up on a daily (or more regular) basis? Yes No

If not, how often are systems backed up?

- 2. Are data backups stored offsite? Yes No

- 3. Are data recover and restoration procedures tested? Yes No

If yes, how frequently?

Comments:

H. System and Security Logs

- 1. Do you actively maintain system logs on all mission-critical servers and appliances? Yes No

- 2. Do you actively maintain security logs on all mission-critical servers and appliances? Yes No

- 3. Are logs regularly checked for irregularities, intrusions or violations? Yes No

If yes, how often are logs checked, and who hold this responsibility?

Comments:

I. Password Maintenance

- 1. Are documented procedures in place for user and password management? Yes No
If yes, are they monitored for compliance? Yes No
- 2. Are users required to use non-trivial passwords of at least six characters? Yes No

Comments:

J. Disaster Recovery / Business Continuity Planning

- 1. Are system backup and recovery procedures documented and tested for all mission-critical systems? Yes No
- 2. Do you have a written disaster recovery and business continuity plan for your network? Yes No
- 3. Is the plan tested? Yes No
If yes, describe frequency of testing:

Comments:

K. Personnel Management

- 1. Are background checks performed on applicants for positions of authority over the network? Yes No
- 2. Are formal processes in place to ensure that network privileges are revoked in a timely manner following an employee's termination or resignation? Yes No

V. FRAUD NOTICES

NOTICE TO ALL APPLICANTS: Any person who knowingly, or knowingly assists another, files an application for insurance or claim containing any false, incomplete or misleading information for the purpose of defrauding or attempting to defraud an Insurance Company may be guilty of a crime and may be subject to criminal and civil penalties and loss of insurance benefits.

NOTICE TO ARKANSAS 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 CALIFORNIA APPLICANTS: Any person who knowingly presents a 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.

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 containing any false, incomplete or misleading information is guilty of a felony in the third degree.

NOTICE TO IDAHO APPLICANTS: Any person who knowingly and with intent to injure, defraud, or deceive any Insurance Company, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

NOTICE TO INDIANA APPLICANTS: Any person who knowingly and with the intent to defraud an insurer files a statement of claim containing any false, incomplete or misleading information commits a felony.

NOTICE TO KENTUCKY APPLICANTS: Any person who knowingly and with the 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 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 MICHIGAN APPLICANTS: Any person who knowingly and with intent to injure or defraud any insurer submits a claim containing any false, incomplete or misleading information shall upon conviction, be subject to imprisonment for up to one year for a misdemeanor conviction or up to ten years for a felony conviction and payment of a fine of up to \$5,000.

NOTICE TO MINNESOTA APPLICANTS: A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

NOTICE TO NEVADA APPLICANTS: Pursuant to NRS 686A.291, any person who knowingly and willfully files a statement of claim that contains any false, incomplete or misleading information concerning a material fact is guilty of a felony.

NOTICE TO NEW HAMPSHIRE APPLICANTS: Any person who, with purpose to injure, defraud or deceive any Insurance Company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20.

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 LOUISIANA AND 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 claims 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.

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 PENNSYLVANIA APPLICANTS: Any person who knowingly and with the intent to defraud any Insurance Company or other person files an application for insurance or statement of claim containing any fact 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 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.

VI. DECLARATION AND CERTIFICATION

ALL APPLICANTS MUST COMPLETE THIS SECTION.

BY SIGNING THIS APPLICATION, THE APPLICANT WARRANTS TO THE INSURANCE COMPANY THAT ALL STATEMENTS MADE IN THIS APPLICATION INCLUDING ATTACHMENTS, ABOUT THE APPLICANT AND ITS OPERATIONS ARE TRUE AND COMPLETE, AND THAT NO MATERIAL FACTS HAVE BEEN MISSTATED IN THIS APPLICATION OR CONCEALED. COMPLETION OF THIS FORM DOES NOT BIND COVERAGE. THE APPLICANT'S ACCEPTANCE OF THE INSURANCE COMPANY'S QUOTATION IS REQUIRED BEFORE THE APPLICANT MAY BE BOUND AND A POLICY ISSUED.

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. SUCH AN ACT IS A CRIME AND SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

THE APPLICANT AGREES TO COOPERATE WITH THE COMPANY IN IMPLEMENTING AN ONGOING PROGRAM OF LOSS CONTROL AND WILL ALLOW THE COMPANY TO REVIEW AND MONITOR SUCH PROGRAMS THAT THE APPLICANT UNDERTAKES IN MANAGING ITS TECHNOLOGY EXPOSURES.

Signature of Authorized Applicant:

Signature of Broker/Agent:

Print Name

Print Name

Title

Date

Date

Signed by Licensed Resident Agent

(Where Required By Law)