



Victor O. Schinnerer & Company
 Cyber Protection Package

INSURER: INDEMNITY INSURANCE COMPANY OF NORTH AMERICA

APPLICATION

NOTICE: THE THIRD PARTY LIABILITY INSURING AGREEMENTS OF THIS POLICY PROVIDE CLAIMS-MADE COVERAGE, WHICH APPLIES ONLY TO CLAIMS FIRST MADE DURING THE POLICY PERIOD OR AN APPLICABLE EXTENDED REPORTING PERIOD FOR ANY CLAIM TAKING PLACE AFTER THE RETROACTIVE DATE BUT BEFORE THE END OF THE POLICY PERIOD.

AMOUNTS INCURRED AS **CLAIMS EXPENSES** UNDER THIS **POLICY** SHALL REDUCE AND MAY EXHAUST THE APPLICABLE LIMIT OF INSURANCE AND WILL BE APPLIED AGAINST ANY APPLICABLE RETENTION. IN NO EVENT WILL THE INSURANCE COMPANY BE LIABLE FOR **CLAIMS EXPENSES** OR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT IN EXCESS OF THE APPLICABLE LIMIT OF INSURANCE. TERMS THAT ARE IN BOLD IN THIS NOTICE PROVISION HAVE SPECIAL MEANING AND ARE DEFINED IN SECTION XVIII, DEFINITIONS. READ THE ENTIRE **POLICY** CAREFULLY.

INSTRUCTIONS

Substantially all of sections 1, 2 and 3 of this application have been pre-populated based on responses entered on your behalf by your designated insurance broker or agent.

Please respond to answers clearly and appropriately and note any changes or corrections. Underwriters and the insurance company will rely on all statements made in this application. This application must be dated and signed by a member of the **Control Group**, as defined in the policy as Chief Executive Officer, Chief Financial Officer, Chief Information Officer, General Counsel, or Risk Manager or the organizational or functional equivalent of such positions and or direct reports.

Whenever used in this Application, the term, "**Applicant**" means the entity applying for this insurance and all of its subsidiaries, unless otherwise stated.

| Section 1. Applicant Information | | | |
|---|-----------|---------------------|----------------|
| Company Name | | | |
| Address | | | |
| Date Incorporated | | | |
| Phone Number | | Website | |
| Primary Contact | | Email address | |
| NAICS code | | DUNS number | |
| Number of employees | | Number of Locations | |
| Revenue (most recent annual) | Domestic: | International: | Total Revenue: |
| Notes any changes or corrections to Applicant Information: | | | |
| | | | |

| Section 2: Applicant Confirmation | |
|--|--|
| Yes No | <p>1. Does the Applicant identified in Section 1 maintain directly or indirectly, more than 2 million records? Note: records are defined as the below information on employees, retirees, customers, partners and other third parties for whom the Applicant is responsible for securing, including Personal Information that is secured by third parties under contract with the applicant. Note, multiple records or types of Personal Information relating to the same unique individual person or organization should be considered a single record:</p> <ul style="list-style-type: none"> a. Government identification numbers (e.g. social security or driver's license numbers) b. Credit card numbers, debit card numbers or other financial account numbers c. Healthcare or medical records d. Confidential corporate information of others (e.g. information under NDA, M&A information) e. Other private, confidential or sensitive information not identified in a. – d. above. |
| Yes No | <p>2. Does the Applicant identified in Section 1 directly operate or perform any of the following: <i>health exchanges, accreditation service, cryptocurrency exchange, adult activities, gambling/casinos, collection agencies, credit bureaus, credit card processing, payment processing, mobile payment provider, online brokers/dealers, data brokers, data aggregators (sole purpose), information exchanges, online gaming, search engines, social networking sites (as operations), utility(ies), college/university(ies), technology providers (i.e. software companies, IT security companies, cloud providers)?</i></p> |
| Yes No | <p>3. Does the Applicant currently purchase Cyber Liability Insurance? If Yes, please provide details of the incumbent carrier:</p> <p>Carrier Name:</p> <p>Retroactive Date:</p> |
| Yes No | <p>4. Do any members of the Control Group (Chief Executive Officer, Chief Financial Officer, Chief Information Officer, General Counsel, or Risk Manager, or the organizational or functional equivalent of such positions, and their respective direct reports) of the Applicant identified in Section 1 have knowledge of any act, error or omission that might reasonably be expected to give rise to a claim under the proposed policy?</p> |
| Yes No | <p>5. Has the Applicant identified in Section 1, had any claim for which coverage may apply under this proposed coverage in the last five years?</p> <p>If Yes, please provide details including the date of loss, date of service, demand amount, circumstance and alleged wrongful acts, plaintiff and service provided. Please note that this does not constitute the reporting of a claim or incident and any claims or incidents should be reported in accordance with the terms of the expiring policy.</p> |
| <p>Note any changes or corrections to Applicant Information or details to any prior claim events below:</p> | |
| Section 3: Funds Transfer | |
| Yes No | <p>Does the Applicant identified in Section 1 accept funds transfer instructions from clients over the telephone, email, text message or similar method of communication?</p> |
| Yes No | <p>If Yes, prior to complying with the instruction, do you authenticate such instructions by calling the customer?</p> |
| Yes No | <p>Does the Applicant identified in Section 1 verify all vendor/supplier bank accounts by a direct call to the receiving bank, prior to being established in the accounts payable system?</p> |

| Section 4: Regulatory Compliance: | |
|--|---|
| Yes No N/A | Does the Applicant's Website, Computer System , or telephone system request and capture any Payment Card information? |
| Yes No N/A | Is the Applicant compliant and self attested to be PCI compliant within the last 12 months? |
| Yes No N/A | Does the Applicant's Website, Computer System , or telephone system request and capture medical records or personal health information? |
| Yes No N/A | Is the Applicant compliant with HIPAA, HITECH Act and those with operations in California the Confidentiality of Medical Information Act? |
| Yes No N/A | Does the Applicant provide consumer products or services? |
| Yes No N/A | If so, is the Applicant compliant with the Fair Credit Reporting Act? |
| Section 5: Additional Controls: | |
| Which of the following security practices does the Applicant utilize to ensure the confidentiality, integrity and availability of company information systems and privacy information? Please check all that apply, as necessary. | |
| Yes No | 1. All data is encrypted when: <ul style="list-style-type: none"> o transmitted over public networks (e.g. the Internet), o stored on company assets (e.g. laptops, portable media, backup media, and databases), and o stored with 3rd party services (e.g. cloud). |
| Yes No | 2. Disaster recovery and business continuity plans are tested annually. |
| Yes No | 3. Incident response plans for data breaches and business interruption have been established. |
| Yes No | 4. User access processes are established that ensure the proper addition, deletion and modification of user accounts and associated access rights. |
| Yes No | 5. Reviews are performed at least annually of the company's third-party service providers to ensure they adhere to company requirements for data protection. |
| Yes No | 6. Passwords are at least eight characters and contain both numeric and alphabetic characters. |
| Yes No | 7. No software or hardware is in use that has been officially retired (i.e. considered "end-of-life") by the manufacturer and manufacturer required software updates (e.g. patches, hotfixes) for known security vulnerabilities are implemented per the manufacturer advice. |
| Yes No | 8. Security awareness training is required for all personnel so they are aware of their responsibilities for protecting company information and systems. |
| Yes No | 9. Facility entry controls limit and monitor physical access to data centers, IT infrastructure, etc. |
| Provide any additional comments relative to the above Additional Controls below: | |

FRAUD WARNING STATEMENTS

The **Applicant's** submission of this Application does not obligate the underwriters or insurance company to issue, or the **Applicant** to purchase, a policy. The **Applicant** will be advised if the Application for coverage is accepted. The **Applicant** hereby authorizes the underwriters or insurance company to make any inquiry in connection with this Application.

Notice to Arkansas, Minnesota, New Mexico and Ohio Applicants: Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false, fraudulent or deceptive statement is, or may be found to be, guilty of insurance fraud, which is a crime, and may be subject to civil fines and criminal penalties.

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 policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder 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 of the third degree.

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 Louisiana and Rhode Island 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 Maine, 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 may include imprisonment, fines or a denial of insurance benefits.

Notice to Alabama and Maryland Applicants: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or 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 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 and Texas Applicants: Any person who makes an intentional misstatement that is material to the risk may be found guilty of insurance fraud by a court of law.

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 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 not to exceed five thousand dollars and the stated value of the claim for each such violation

MATERIAL CHANGE

If there is any material change in the answers to the questions in this Application before the policy inception date, the Applicant must immediately notify the insurance company or underwriter in writing, and any outstanding quotation may be modified or withdrawn.

DECLARATION AND SIGNATURE FOR ALL APPLICANTS (REQUIRED)

For the purposes of this Application, the undersigned authorized agent of the person(s) and entity(ies) proposed for this insurance declares to the best of their knowledge and belief, after reasonable inquiry, the statements made in this Application and any attachments or information submitted with this Application, are true and complete. The undersigned agree that this Application and its attachments shall be the basis of a contract should a policy providing the requested coverage be issued and shall be deemed to be attached to and shall form a part of any such policy. The insurance company will have relied upon this Application, its attachments, and such other information submitted therewith in issuing any policy.

The information requested in this Application is for underwriting purposes only and does not constitute notice to the insurance company or underwriter under any policy of a **Claim** or potential **Claim**.

This Application must be signed by one of the following members of the Control Group, the Chief Executive Officer, Chief Financial Officer, Chief Information Officer, General Counsel, or Risk Manager, or the organizational or functional equivalent of such positions of the applicant, acting as the authorized representative of the person(s) and entity(ies) proposed for this insurance.

Date: _____ Signature: _____ Title: _____

SIGNATURE FOR ARKANSAS, MISSOURI, NEW MEXICO, NORTH DAKOTA AND WYOMING APPLICANTS ONLY

PLEASE ACKNOWLEDGE AND SIGN THE FOLLOWING DISCLOSURE TO YOUR APPLICATION FOR INSURANCE:

I UNDERSTAND AND ACKNOWLEDGE THAT THE POLICY FOR WHICH I AM APPLYING CONTAINS A DEFENSE WITHIN LIMITS PROVISION WHICH MEANS THAT CLAIMS EXPENSES WILL REDUCE MY LIMITS OF LIABILITY AND MAY EXHAUST THEM COMPLETELY. SHOULD THAT OCCUR, I SHALL BE LIABLE FOR ANY FURTHER CLAIMS EXPENSES AND DAMAGES.

Applicant's Signature (Arkansas, Missouri, New Mexico, North Dakota & Wyoming Applicants, In Addition To Application Signature Above):

Signed: _____ (must be officer of Applicant)

Print Name & Title: _____

Date (MM/DD/YY): _____

Email/Phone: _____

SIGNATURE FOR KANSAS AND ALASKA APPLICANTS ONLY

ELECTRONIC DELIVERY SUPPLEMENT:

You are required by law to obtain consent from Applicants prior to engaging in any electronic delivery of insurance policies and/or other supporting documents in connection with the policy. You have the right to:

Select electronic delivery – check here:

Reject electronic delivery – check here:

Applicant's Signature (Kansas and Alaska Applicants, In Addition to Application Signature Above):

FOR FLORIDA APPLICANTS ONLY:

FOR IOWA APPLICANTS ONLY:

Agent Name:

Broker:

Agent License ID Number:

Address: