

**FINANCIAL INSTITUTION**  
**CYBER LIABILITY INSURANCE APPLICATION**

Atlantic Specialty Insurance Company  
(Stock company owned by Intact Insurance Group USA LLC)



intactspecialty.com/financial-services

**NOTICE: THE CYBER LIABILITY POLICY FOR FINANCIAL INSTITUTIONS PROVIDES CLAIMS MADE COVERAGE, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD," OR ANY APPLICABLE EXTENDED REPORTING PERIOD. THE LIMIT OF LIABILITY TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED BY "DEFENSE COSTS," AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE RETENTION AMOUNT. IN NO EVENT WILL THE UNDERWRITER BE LIABLE FOR "DEFENSE COSTS" OR OTHER "LOSS" IN EXCESS OF THE APPLICABLE LIMIT OF LIABILITY. READ THE ENTIRE APPLICATION CAREFULLY BEFORE SIGNING.**

If additional space is needed to answer the below questions, attach a separate document to this Application to provide complete answers. If the answer to a question is none, state "None" or "0" in the space provided.

**Application Instructions:**

Whenever used in this Application, the term "Applicant" shall mean the Financial Institution identified in response to Question 1 of this Application, the "Holding Company" identified in response to Question 6 of this Application (if applicable) and the subsidiaries identified in response to Question 7 of this Application.

**I. APPLICANT**

- 1. Name of Financial Institution: \_\_\_\_\_
- 2. Street Address: \_\_\_\_\_  
Mailing Address (if different): \_\_\_\_\_
- 3. City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_
- 4. Website address(es): \_\_\_\_\_
- 5. Authorized individual (Executive Officer) to receive notices and information regarding the proposed insurance:  
Name: \_\_\_\_\_ Title: \_\_\_\_\_  
E-mail address: \_\_\_\_\_ Phone: \_\_\_\_\_ Fax: \_\_\_\_\_
- 6. Is the Financial Institution wholly or majority owned by another entity (the "Holding Company")?  Yes  No  
If "Yes," please provide the name of the "Holding Company": \_\_\_\_\_
- 7. Please list all direct and indirect subsidiaries (including limited liability companies and joint ventures) of the "Holding Company" (if applicable) or of the Financial Institution (if no "Holding Company").  
If included as an attachment herein, check here . If not applicable, please check here .

Name	Parent	% Owned	Nature of Business	Date Acquired/Created

**II. MANAGEMENT CONTROLS**

- 8. Does the Applicant have a designated person responsible for network security and information privacy issues?  Yes  No
- 9. Does the Applicant have:
  - a) a disaster recovery plan?  Yes  No
  - b) an incident response plan for network, information security, and virus incidents?  Yes  No

c) a written data breach response plan?  Yes  No

If "Yes," how often are such plans tested? \_\_\_\_\_

10. In the past eighteen (18) months, has the Applicant undergone a network and privacy security audit or assessment, including the IT portion of any regulatory exam?  Yes  No

If "Yes," please include an attachment describing the top five (5) priorities to be addressed / implemented as a result of such audit or assessment.

11. Does the Applicant have a comprehensive written information privacy and security policy?  Yes  No

If "Yes," is it disseminated to all employees at least annually?  Yes  No

12. Does the Applicant require information privacy and security training, including training on data handling, email usage, internet usage, phishing and social engineering threats, for all employees?  Yes  No

If "Yes", how often does such training take place? \_\_\_\_\_

13. Does the Applicant monitor, through software or other means, employee e-mail content, file downloads and other internet activities?  Yes  No

14. Are all administrative privileges limited to only essential personnel?  Yes  No

15. Does the Applicant have a process for terminating computer access and user accounts in a timely fashion when:

a) an employee leaves the Applicant?  Yes  No

b) any third party service provider's services are terminated?  Yes  No

### III. PRIVACY SECURITY

16. Enter the approximate number of unique PII (personally identifiable information) records maintained by the Applicant: \_\_\_\_\_

17. Does the Applicant encrypt all sensitive, private, or confidential data stored on laptops, removable media (such as memory sticks) and servers?  Yes  No

If "No," please attach complete details.

18. Does the Applicant have and enforce policies concerning when internal and external communication should be encrypted?  Yes  No

19. Does the Applicant require third party service providers who may have access to the Applicant's sensitive, private or confidential information to:

a) demonstrate adequate security policies and procedures?  Yes  No

b) indemnify the Applicant for legal liability arising out of the release of such information due to the fault or negligence of the service provider?  Yes  No

### IV. NETWORK SECURITY

20. Does the Applicant implement and maintain the following:

a) Firewall protection systems?  Yes  No

b) Intrusion detection software?  Yes  No

c) Anti-virus software?  Yes  No

If "Yes," how often are virus signatures updated? \_\_\_\_\_

21. Does the Applicant have an internal program in place to test or audit security controls?  Yes  No  
If "Yes", please summarize the scope of such tests or audits:
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22. Does the Applicant enforce a software update process including installation of software patches?  Yes  No  
If "Yes," are critical patches installed within thirty (30) days of release?  Yes  No
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23. Does the Applicant provide remote access to its network?  Yes  No  
If "Yes," is it restricted to VPNs?  Yes  No
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24. Is a multi-factor authentication process or a layered security approach required to access secured areas of the Applicant's website(s)?  Yes  No
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25. Does the Applicant scan and block malicious email (including embedded links and attachments) via an email gateway, and block unauthorized websites via a URL filter?  Yes  No
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26. Does the Applicant implement and regularly reevaluate the security configuration of network infrastructure devices in order to prevent attackers from exploiting vulnerable settings?  Yes  No
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27. Are all systems backed up by the Applicant on a daily basis?  Yes  No  
If "Yes," are back up files stored and secured offsite?  Yes  No
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28. Approximately how long would it take to restore the Applicant's operations after a computer attack or other loss/corruption of data? \_\_\_\_\_  
a) How was this time-frame determined? \_\_\_\_\_
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## V. WEBSITE CONTENT

29. Does the Applicant have a process to review all content prior to posting on the Applicant's website(s) or social media web pages created and maintained by or on behalf of the Applicant?  Yes  No  
a) If "No," please attach complete details.  
b) If "Yes", is the review performed by a qualified attorney?  Yes  No
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30. Does the Applicant have a formal procedure for editing or removing controversial, offensive, or infringing material from material distributed or published by or on behalf of the Applicant?  Yes  No
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31. Does the Applicant have a written intellectual property clearance procedure for content disseminated via the Applicant's website(s)?  Yes  No
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32. Does the Applicant obtain written permission from website owners for the Applicant to link to such individual's or entity's website?  Yes  No
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## VI. CLAIMS / LOSSES AND REPRESENTATIONS/PRIOR KNOWLEDGE OF FACTS / CIRCUMSTANCES

33. Has the Applicant or any individual or entity proposed for coverage suffered any known intrusions, unauthorized access, or been a target of a security or virus incident of its computer systems in the most recent past twenty-four (24) months?  Yes  No  
If "Yes," how many intrusions occurred? \_\_\_\_\_  
If "Yes," and if any loss was caused by any such intrusions, including lost time, lost business income or costs to repair any damage to systems or to reconstruct data or software, please describe the loss that occurred, and state the value of any lost time, income and the costs of any repair or reconstruction:
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34. During the past five (5) years, has the Applicant or any individual or entity proposed for coverage under this insurance submitted any claim or loss, or given notice of any fact, circumstance, situation, transaction, event, act, error, or omission which the Applicant, any such individual or any such entity has reason to believe may, or could reasonably be foreseen to, give rise to a claim or loss that may fall within the scope of insurance with any insurer or self-insurance instrument of which the requested coverages would be a direct or indirect replacement?  Yes  No
- If "Yes," please provide details:

**NOTE: WITHOUT PREJUDICE TO ANY OTHER RIGHTS, DEFENSES OR REMEDIES OF THE UNDERWRITER IT IS AGREED THAT ANY CLAIM OR LOSS REQUIRED TO BE DISCLOSED IN RESPONSE TO QUESTION 34 IS EXCLUDED FROM THE PROPOSED INSURANCE, AND THAT ANY CLAIM OR LOSS ARISING FROM ANY FACT, CIRCUMSTANCE, SITUATION, TRANSACTION, EVENT, ACT, ERROR, OR OMISSION REQUIRED TO BE DISCLOSED IN RESPONSE TO QUESTION 34 IS EXCLUDED FROM THE PROPOSED INSURANCE.**

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35. Is the Applicant or any individual or entity proposed for coverage under this insurance aware of any fact, circumstance, situation, transaction, event, act, error or omission that the Applicant, any such individual or any such entity has reason to believe may, or could reasonably be foreseen to, give rise to a claim or loss that may fall within the scope of the proposed insurance?  Yes  No
- If "Yes," please provide details:

**NOTE: WITHOUT PREJUDICE TO ANY OTHER RIGHTS, DEFENSES OR REMEDIES OF THE UNDERWRITER, IT IS AGREED THAT ANY CLAIM OR LOSS ARISING FROM ANY FACT, CIRCUMSTANCE, SITUATION, TRANSACTION, EVENT, ACT, ERROR OR OMISSION REQUIRED TO BE DISCLOSED IN RESPONSE TO QUESTION 35 IS EXCLUDED FROM THE PROPOSED INSURANCE.**

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## VII. ATTACHMENTS

- A copy of the Applicant's Information Security Policy
  - A list of third party vendors used by the Applicant to provide computer system, network security, information privacy security, and website services
  - Currently valued loss history for the last five (5) years
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### XIII. FRAUD WARNINGS

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Any person who knowingly and with intent to defraud any insurance company or another person, files an application for insurance containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto, may be guilty of committing a fraudulent insurance act, which is a crime and subjects the person to criminal and civil penalties.

**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.

**ARKANSAS, MINNESOTA, 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 or deceptive statement is guilty of insurance fraud, which is a crime.

**CALIFORNIA APPLICANTS:** For your protection California law requires the following to appear on this form: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

**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.

**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.

**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.

**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, electronic, electronic impulse, facsimile, magnetic, oral or telephonic communication or 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.

**KENTUCKY APPLICANTS:** 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 fact material thereto, commits a fraudulent insurance act, which is a crime.

**LOUISIANA, NEW MEXICO 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 civil fines and criminal penalties.

**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.

**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.

**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.

**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.

**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.

**PUERTO RICO APPLICANTS:** Any person who knowingly and with the intent to defraud, presents false information in an insurance request form, or who presents, helps or has presented a fraudulent claim for the payment of a loss or other benefit, or presents more than one claim for the same damage or loss, will incur a felony, and upon conviction will be penalized for each violation with a fine of no less than five thousand dollars (\$5,000) nor more than ten thousand dollars (\$10,000); or imprisonment for a fixed term of three (3) years, or both penalties. If aggravated circumstances prevail, the fixed established imprisonment may be increased to a maximum of five (5) years; if attenuating circumstances prevail, it may be reduced to a minimum of two (2) years.

**XIV. SIGNATURE AND AUTHORIZATION**

The undersigned, as the authorized agent of all individuals and entities proposed for this insurance, declares that, to the best of his/her knowledge and belief, after reasonable inquiry, the statements in this Application and any attachments or information submitted with this Application (together referred to as the "Application") are true and complete. For Florida Applicants, the preceding sentence is replaced with the following sentence: The undersigned, as authorized agent of all individuals and entities proposed for this insurance, represents that, to the best of his/her knowledge and belief, after reasonable inquiry, the statements in this Application and any attachments or information submitted with this Application (together referred to as the "Application") are true and complete. The information in this Application is material to the risk accepted by the Underwriter. If a policy is issued it will be in reliance upon the Application, and the Application will be the basis of the contract.

The Underwriter will maintain the information contained in and submitted with this Application on file and along with the Application will be considered physically attached to, part of, and incorporated into the policy, if issued. For North Carolina, Utah and Wisconsin accounts, this Application and the materials submitted with it shall become part of the policy, if issued, if attached to the policy at issuance.

The Underwriter is authorized to make any inquiry in connection with this Application. The Underwriter's acceptance of this Application or the making of any subsequent inquiry does not bind the Applicant or the Underwriter to complete the insurance or issue a policy.

The information provided in this Application is for underwriting purposes only and does not constitute notice to the Underwriter under any policy of a Claim or potential Claim.

If the information in this Application materially changes prior to the effective date of the policy, the Applicant must notify the Underwriter immediately and the Underwriter may modify or withdraw any quotation or agreement to bind insurance. Note this sentence does not apply to Maine Applicants.

**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.

Financial Institution Name	
By (Authorized Signature)	
Name/Title	
Date	

NOTE: THIS APPLICATION MUST BE SIGNED BY THE CHIEF EXECUTIVE OFFICER OR CHIEF FINANCIAL OFFICER OF THE FINANCIAL INSTITUTION IDENTIFIED IN RESPONSE TO QUESTION 1 OF THIS APPLICATION ACTING AS THE AUTHORIZED AGENT OF ALL INDIVIDUALS AND ENTITIES PROPOSED FOR THIS INSURANCE.

Produced By (Insurance Agent)	
Insurance Agency	
Insurance Agency Taxpayer ID	
Agent License No. or Surplus Lines No.	
Address	Street: City: State:            Zip:

Submitted By (Insurance Agency)	
Insurance Agency Taxpayer ID	
Agent License No. or Surplus Lines No.	
Address	Street: State:            Zip: