

Underwritten by The Hanover Insurance Company

NOTICE: THIS APPLICATION IS FOR A CLAIMS-MADE AND REPORTED POLICY. SUBJECT TO ITS TERMS, THIS POLICY WILL APPLY ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED AND REPORTED TO THE INSURER DURING THE POLICY PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD. PLEASE READ THE POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES, COVERAGE AND COVERAGE RESTRICTIONS.

APPLICATION INSTRUCTIONS

Whenever used in this Application, the term **Firm** shall mean the **Named Insured** proposed for insurance, and **You** or **Your(s)** shall mean the persons, entities and subsidiaries, proposed for insurance unless otherwise stated.

GENERAL INFORMATION

1. Name of **Firm**: _____
2. Address of **Firm**: _____
 City: _____ County: _____ State: _____ Zip Code: _____ Telephone: _____

CYBER PRIVACY AND SECURITY COVERAGE

3. Requested Coverage: _____

Insuring Agreement	Requested Limit	Requested Deductible
Breach Event Expenses	\$	\$
Breach Reward Expenses	\$	\$
Breach Restoration Expenses	\$	\$
Cyber Investigation Expenses	\$	\$

4. Please indicate the type of information that the **Firm** collects and which resides on the **Firm's** or service provider's systems and networks.

- | | | |
|---|--|--|
| <input type="checkbox"/> Credit Card Numbers | <input type="checkbox"/> Race, Ethnicity, National Origin | <input type="checkbox"/> Salary and Compensation |
| <input type="checkbox"/> Social Security Numbers | <input type="checkbox"/> Data Regarding Sexual Orientation | <input type="checkbox"/> Criminal Records |
| <input type="checkbox"/> Email Addresses | <input type="checkbox"/> Account Numbers | <input type="checkbox"/> Disability Status |
| <input type="checkbox"/> Medical Information | <input type="checkbox"/> Financial Data (i.e. credit rating) | <input type="checkbox"/> Civil Judgments (background checks) |
| <input type="checkbox"/> National ID Numbers | <input type="checkbox"/> Passwords, Including PINs | <input type="checkbox"/> Clients' Intellectual Property |
| <input type="checkbox"/> Drivers' License Numbers | <input type="checkbox"/> Usernames | |

5. Does the **Firm** have a formal procedure for destroying or archiving old client files? ☐ Yes ☐ No
6. Does the **Firm** have a formal policy regarding the security of client files removed from the office? ☐ Yes ☐ No
7. Are the **Firm's** portable electronic devices and removable electronic media protected by encryption? ☐ Yes ☐ No
8. Do the **Firm's** portable electronic devices have tracking and data removal software installed? ☐ Yes ☐ No
9. Are the **Firm's** computer systems protected with regularly updated firewall, anti-virus and anti-malware software? ☐ Yes ☐ No

10. Does the **Firm** manage authorized devices to determine only authorized software, hardware and software/hardware configurations are applied? ☐ Yes ☐ No
11. Does the **Firm** log and monitor access to the **Firm's** network, and verify access against an inventory of authorized devices? ☐ Yes ☐ No
12. Does the **Firm** have a formal procedure for the disposal of obsolete computers, fax machines, and scanners? ☐ Yes ☐ No
13. How often is the **Firm's** computer system backed up? ☐ Daily ☐ Weekly ☐ Monthly
☐ Other: _____
14. Does the **Firm** accept credit cards for services rendered? ☐ Yes ☐ No
 a. If "Yes", please state the approximate percentage of revenues from credit card transactions in the last 12 months: _____%
 b. What steps are taken to prevent theft of credit card information?

15. Does the **Firm** require annual training on information security for all personnel? ☐ Yes ☐ No
16. Does the **Firm** have a client notification system in place in the event of loss or theft of personal records? ☐ Yes ☐ No
17. Within the past 5 years have any client records in the **Firm's** custody or control been lost or stolen? ☐ Yes ☐ No
18. How frequently are passwords changed?
☐ Monthly ☐ Every 3 Months ☐ Every 6 Months ☐ Every 9 Months
☐ Other: _____
19. Does the **Firm** undertake background checks for all new personnel? ☐ Yes ☐ No
20. Are passwords and network access immediately revoked for former personnel? ☐ Yes ☐ No

PRIOR KNOWLEDGE AND APPLICANT REPRESENTATION

21. Are any of **You** aware of any **Privacy Breach** or **Security Breach**, or any fact, circumstance, or situation that might result in a **Privacy Breach** or **Security Breach** which might directly or indirectly involve the **Firm**? ☐ Yes ☐ No
If "Yes", please attach a full description of the details.

DECLARATIONS AND NOTICE

The undersigned, acting on behalf of the **Firm**, represents that the statements set forth in this application are true and correct and that thorough efforts were made to obtain requested information from all of **You** to facilitate the proper and accurate completion of this application.

The undersigned agree that the information provided in this application and any material submitted herewith are the representations of all of **You** and that they are material and are the basis for issuance of the insurance **Policy** provided by **Us**. The undersigned further agree that the application and any material submitted herewith shall be considered attached to and a part of the **Policy**. Any material submitted with the application shall be maintained on file (either electronically or paper) with **Us**.

It is further agreed that:

- If any of **You** discover or become aware of any material change which would render the application inaccurate or

incomplete between the date of this application and the **Policy** inception date, notice of such change will be reported in writing to **Us** as soon as practicable.

- Any **Policy** issued will be in reliance upon the truthfulness of the information provided in this application.
- The signing of this application does not bind the **Firm** to purchase insurance.

The information requested in this application is for underwriting purposes only and does not constitute notice to **Us** under any policy of a **Claim** or **Potential Claim**.

GENERAL FRAUD NOTICE: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly provides false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

ATTENTION APPLICANTS IN THE FOLLOWING JURISDICTIONS

ALABAMA, ARKANSAS, DISTRICT OF COLUMBIA, LOUISIANA, MARYLAND, NEW MEXICO, RHODE ISLAND AND WEST VIRGINIA: Any person who knowingly (or willfully in MD) presents a false or fraudulent claim for payment of a loss or benefit or knowingly (or willfully in MD) presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

CALIFORNIA: 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 payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

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.

FLORIDA AND OKLAHOMA: 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 in FL).

KANSAS: 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, OHIO AND 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.

MAINE, TENNESSEE, VIRGINIA, AND WASHINGTON: 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 and denial of insurance benefits. *Applies in ME Only.

NEW HAMPSHIRE AND NEW JERSEY: Any person who includes any false or misleading information to the best of her/his knowledge on an application for an insurance policy is subject to criminal and civil penalties.

OREGON: Any person who knowingly and with intent to defraud or solicit another to defraud the insurer by submitting an application containing a false statement as to any material fact may be violating state law.

PUERTO RICO: Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand

dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances [be] present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

VERMONT: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

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 subjects such person to civil penalties not to exceed five thousand dollars and the stated value of the claim for each such violation.

SIGNATURE OF **FIRM'S** AUTHORIZED REPRESENTATIVE

Date

Signature**

Title

This application must be signed by the chief executive officer, president, chief financial officer, managing partner or owner of the **Firm acting as the authorized representatives of the person(s) and entity(ies) proposed for this insurance.

A POLICY CANNOT BE ISSUED UNLESS THE APPLICATION IS PROPERLY SIGNED AND DATED.

Please submit this Application including appropriate documentation to:

The Hanover Insurance Company
333 W. Pierce Road, Suite 300
Itasca, IL 60143