

# CyberLiability Plus™ Application

## WHAT THE APPLICANT SHOULD KNOW ABOUT THIS APPLICATION:

### DEFINITIONS

The words **Applicant**, **You** and **Your** in this application refer individually and collectively to:

1. The corporation(s), partnership(s) and/or sole proprietorship(s) for which coverage is desired;
2. Each person who is an officer, director, owner, partner or employee of the firms listed in item 1 above.

### SELF-INSURED RETENTION

The coverage for which the **Applicant** is applying includes a self-insured retention applicable to each loss and to any combination of damages and claim expense.

### CLAIM EXPENSES WITHIN THE LIMIT

The policy form for which the **Applicant** is applying contains a provision that reduces the policy limit stated in the policy by the amount of claim expenses paid by the Company.

### APPLICATION FORMS PART OF POLICY

The submission of this application does not obligate the **Applicant** to buy insurance nor is the Company obligated to sell insurance or to offer insurance upon any specific terms requested. If coverage is effected, this application containing the **Applicant's** statements and answers will attach to and form a part of the policy. If coverage is offered or bound, any false or incorrect statements or answers which may have affected the Company's decision to offer or bind coverage could result in the offer being retracted or coverage being voided.

### INSTRUCTIONS:

The purpose of this application is not only to provide the Company with underwriting and rating information, but more importantly, to help make certain the **Applicant** and the Company have a meeting of minds about what the policy, if issued, will cover and what it will not. Thank **You** for taking the time to provide complete and accurate information.

1. Answer all questions. If any question does not apply, explain why not.
2. If space is insufficient, continue answers on the **Applicant's** letterhead.
3. The application must be signed and dated by a principal, partner, officer or director of the firm.
4. Attach:
  - A. A recent brochure or similar materials describing activities or services;
  - B. The **Applicant's** most recent financial statement or annual report;
  - C. Copies of standard contracts the **Applicant** enters into with clients; and
  - D. Any other forms or materials which will provide the underwriter with information about the activities or services the **Applicant** performs.

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## SECTION I. APPLICANT(S):

A. \_\_\_\_\_  
Name of entity completing this application

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State, Zip Code

\_\_\_\_\_  
Telephone No.

B. Names of parent, subsidiary or affiliated entities for which coverage is desired.  
\_\_\_\_\_  
\_\_\_\_\_

C. Please provide **Your** Internet address(es) and/or World Wide Web address(es):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

D. Provide the date the **Applicant** was established. \_\_\_\_\_

E. 1. Within the past five years, has the **Applicant** changed its name, acquired any business, or merged or consolidated with any entity?  Yes  No

If yes, provide the following information (if more space is needed, advise by attachments).

Name of Entity	Date of Transaction	Type of Transaction (acquisition, merger or consolidation)
_____	_____	_____

2. In any of the transactions listed in E.1. above, did the **Applicant** assume the liabilities (i.e. responsibility for prior acts) of the acquired, merged or consolidated entity?  Yes  No If yes, provide details of the liability(ies) assumed.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

F. 1. Provide the number of the **Applicant's**:  
Principals, partners or officers \_\_\_\_\_  
Technical personnel \_\_\_\_\_  
Clerical personnel \_\_\_\_\_

2. List the qualifications of key personnel or attach experience resumes of each.  
\_\_\_\_\_  
\_\_\_\_\_

3. List professional societies and trade associations relating to the services to be insured in which the **Applicant** or any of its officers is a member.  
\_\_\_\_\_  
\_\_\_\_\_

4. Does the **Applicant** have any certified or licensed professionals on staff? (i.e. architect, engineer, medical practitioner, attorney, CPA, actuary, or insurance agent or broker, etc.)  Yes  No If yes, what services are they providing?  
\_\_\_\_\_  
\_\_\_\_\_

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## SECTION II. ACTIVITIES OR SERVICES:

A. 1. Describe the activities or services provided that the **Applicant** wishes to insure. (Attach company brochures, advertising materials, etc. that describe these activities or services.)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. Please advise Internet/World Wide Web site addresses representative of cyberspace activities or services which **You** have performed for others.

\_\_\_\_\_

\_\_\_\_\_

B. Please indicate approximate percentage of the **Applicant's** operations derived from the following (Must total 100%):

_____ %	Proprietary On-Line Services (Commercial On-Line Services, Proprietary Database Services)
_____ %	Internet Access Only Services
_____ %	Web Page Development, Design and Consulting Services
_____ %	Web Site Hosting and Administration Activities
_____ %	Web Site Ownership Activities
_____ %	Bulletin Board, Chat, Forum or Newsgroup Operations and Services
_____ %	Cyberspace Software Development (Internet-related software)
_____ %	Interactive Electronic Environments and Virtual Communities Operations and Services (including MUDs, MUCKs, etc.)
_____ %	Internet Content Provision and Aggregation Services (articles, photo, audio, etc.)
_____ %	Intranets, Extranets and Intra-Business Networks Hosting, Management and Consulting Services
_____ %	Search Engines
_____ %	E-Commerce
_____ %	Other (Please describe) _____

### PLEASE RESPOND BELOW TO ITEMS WHICH PERTAIN TO YOUR TYPES OF ACTIVITIES OR SERVICES: IF NOT APPLICABLE, PLEASE INDICATE SUCH.

C. For Web Site Ownership Activities and Proprietary On-Line Services: (Not applicable )

What is the business model employed (please indicate all that apply):

Informational

Information Gathering (Profiles) Do **You** sell these profiles?  Yes  No  
If yes, is permission obtained from profilees?  Yes  No

Ad Revenue Generation

Subscription Fees

Selling of Goods (including software) (Please describe) \_\_\_\_\_

Commercial Transactions (Please describe) \_\_\_\_\_

Gaming (Please describe) \_\_\_\_\_

Other (Please describe) \_\_\_\_\_

D. For Web Site Ownership; Proprietary On-Line, Bulletin Board, Chat, Forum, Newsgroup, Web Site Hosting and Administration; Web Page Development, Design and Consulting Activities and Services: (Not applicable )

Do **Your** services include or incorporate (please respond to all that apply):

Bulletin Boards, Forums or Discussion Groups  
Are they monitored?  Yes  No If yes, prior to posting or after?  
How are potentially defamatory or offensive material or complaints handled? \_\_\_\_\_

Chat Rooms Are they monitored?  Yes  No  
If yes, how are potentially defamatory or offensive remarks handled? \_\_\_\_\_

Framing Technology

Links to other sites Is permission obtained from linked sites?  Yes  No

Contests, Sweepstakes or other Games of Chance (Please describe) \_\_\_\_\_

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E. For Interactive Electronic Environments and Virtual Communities Operations and Services:  
(Not applicable )

1. Please describe the type of environment/community and the nature of the interactions.

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2. Who are the targeted users?

- Adults  
 Children  
 General

If targeted to adults, what safeguards are in place to prevent children from participating?

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F. For Internet Access, Web Site Hosting and Administration Activities and Services:  
(Not applicable )

1. Please indicate approximate % of **Your** clientele by category:

Commercial \_\_\_\_\_%                      Other \_\_\_\_\_%  
Consumer \_\_\_\_\_%                      (Please describe) \_\_\_\_\_

2. Do **You** register domain names on behalf of **Your** clients?  Yes  No

3. Do **You** guarantee the privacy and security of data and web pages?  Yes  No

4. How do **You** ensure accessibility?

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G. For Cyberspace Software Development; Intranets and Intra-Business Networks Hosting, Management and Consulting; Web Page Development, Design and Consulting; Web Site Hosting and Administration Services:  
(Not applicable )

Do **Your** software or services include or incorporate (please indicate all that apply):

- |  |   |
|--|---|
| <input type="checkbox"/> Commercial Transactions       | <input type="checkbox"/> Networking                                     |
| <input type="checkbox"/> Electronic Data Interchange   | <input type="checkbox"/> Browser  |
| <input type="checkbox"/> Fulfillment                   | <input type="checkbox"/> Search Engine                                  |
| <input type="checkbox"/> Security                      | <input type="checkbox"/> Gaming   |
| <input type="checkbox"/> Screening/Parental Controls   | <input type="checkbox"/> Contests, Sweepstakes or other Games of Chance |
| <input type="checkbox"/> Wireless/Telecommunications   | <input type="checkbox"/> Usage/Statistical (tracking hits, etc.)        |
| <input type="checkbox"/> Other (Please describe) _____ |   |

H. For E-Commerce Services: (Not applicable )

1. Please indicate approximate % of **Your** clientele by category:

Commercial \_\_\_\_\_%                      Other \_\_\_\_\_%  
Consumer \_\_\_\_\_%                      (Please describe) \_\_\_\_\_

2. Is the **Applicant**?

- Seller/provider of products/services  
 Intermediary between seller/provider and buyer  
If intermediary, please describe **Your** intermediary role.

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Attach a sample copy of **Your** agreement with sellers/providers.

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## SECTION III. CONTENT:

- A. Type of content disseminated on-line (check all that apply):
- |  |  |
|--|--|
| <input type="checkbox"/> Entertainment/Games                     | <input type="checkbox"/> Law/Legal                       |
| <input type="checkbox"/> Cultural (art/music)                    | <input type="checkbox"/> Insurance                       |
| <input type="checkbox"/> Financial                               | <input type="checkbox"/> Database _____ (subject)        |
| <input type="checkbox"/> Medical                                 | <input type="checkbox"/> Travel                          |
| <input type="checkbox"/> News                                    | <input type="checkbox"/> Religious                       |
| <input type="checkbox"/> Sports                                  | <input type="checkbox"/> Commentary/Editorial            |
| <input type="checkbox"/> Adult                                   | <input type="checkbox"/> Children's Interest             |
| <input type="checkbox"/> Software for downloading (applications) | <input type="checkbox"/> Advertising/Product Comparisons |
| <input type="checkbox"/> Other (Please describe) _____           |  |
- B. 1. Percentage of content created or provided by the **Applicant** \_\_\_\_\_ %
2. Has the **Applicant** obtained all the necessary rights, licenses, releases and consents applicable to content created or provided by **Applicant**?  Yes  No
3. Does the **Applicant** edit or review content created or provided to the **Applicant** by others?  Yes  No
4. Does the **Applicant** verify that all necessary rights, licenses, releases and consents have been obtained by those parties providing content?  Yes  No
5. Do those parties providing content to the **Applicant** indemnify the **Applicant**, in writing, for any claims arising out of the use of the content provided?  Yes  No
- C. Describe the **Applicant's** policies and procedures for removing controversial or potentially infringing material.
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- D. If the **Applicant** facilitates the uploading/downloading of content, including software, please describe in detail the **Applicant's** procedures regarding copyrighted material and the licensing of software. (If more space is required, provide attachment)
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

## SECTION IV. FINANCIAL:

Provide the following information regarding the **Applicant's** gross revenues from the activities and services described in Section II:

A. Domestic Operations	Previous 12 Months	Current 12 Months	Estimate for Coming Year
Gross Revenues - billings, sales, fees, commissions (circle the applicable basis)	\$ _____	\$ _____	\$ _____
 B. Foreign Operations			
Gross Revenues - billings, sales, fees, commissions (circle the applicable basis)	\$ _____	\$ _____	\$ _____

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## SECTION V. RISK MANAGEMENT:

A. 1. What does the **Applicant** see as its potential exposure to liability for claims arising out of the activities or services being performed?

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2. What safeguards or procedures does the **Applicant** employ to avoid these claims or reduce these exposures?

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B. Does the **Applicant** use independent contractors or subcontractors for the activities or services described in Section II?  Yes  No If yes, describe the activities or services they perform, the estimated percentage of how often used and provide sample agreements utilized with those parties.

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C. 1. Does the **Applicant** use written contracts or agreements related to the activities or services that will be provided?  Yes  No

If yes, please attach the following sample contracts or agreements where applicable:

- a. content provider contract
- b. software licensing agreement
- c. membership/subscriber agreement/terms of service
- d. contract(s) or letters of agreement utilized with clients, customers, users, vendors

If no, explain how agreements are reached with other parties regarding the activities or services to be performed.

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2. Percentage of time agreements in C.1. above are used \_\_\_\_\_%

3. Do **Your** contracts contain hold harmless or indemnity agreements for the benefit of:  
the **Applicant**?  Yes  No  
the other party?  Yes  No  
both parties on a mutually beneficial basis?  Yes  No

4. Do **Your** contracts contain:  
Guarantees or Warranties?  Yes  No  
Disclaimer to the **Applicant's** benefit?  Yes  No

D. Has a law firm experienced in the **Applicant's** field reviewed:

Contracts?  Yes  No  
Procedures?  Yes  No

E. Describe the security measures used to protect confidentiality and integrity of data.

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## SECTION VI. CLAIM EXPERIENCE:

- A. Have any claims, suits or proceedings been made during the past five years against the **Applicant** or any of the **Applicant's** predecessors in business, subsidiaries or affiliates or against any of their past or present partners, owners, officers, sales persons or employees?  Yes  No If yes, complete a Supplemental Claim Information Form for each.

**The policy for which the Applicant is applying, if issued, will not insure any claims, suits or proceedings made against the Applicant before the inception date of the policy or any subsequent claims, suits or proceedings arising therefrom.**

- B. Is the **Applicant** aware of any actual or alleged fact, circumstance, situation, error or omission which may reasonably be expected to result in a claim being made against the **Applicant** or any of the persons or entities described in Section VI.A. above?  Yes  No If yes, explain below or in an attachment.

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- C. Has the **Applicant** or any of the **Applicant's** predecessors in business, subsidiaries or affiliates or any of their past or present partners, owners, officers, sales persons or employees been investigated and/or cited by any regulatory agency for violations arising out of their activities?  Yes  No If yes, explain below or in an attachment.

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**The policy for which the Applicant is applying, if issued, will not insure any claims that can reasonably be expected to arise from any actual or alleged fact, circumstance, situation, error or omission known to any of You before the inception date of the policy.**

## SECTION VII. PRIOR OR CURRENT COVERAGE:

- A. 1. Provided the following information for similar insurance, if any, carried during the last five years:

Company	Limit	Deductible/ Self-Insured Retention	Premium	Policy Period
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

2. Advise current retroactive date \_\_\_\_\_

- B. 1. Provide the following information for Commercial General Liability coverage currently in force:

Company	Limit	Policy Period
_____	_____	_____

2. Does the policy above include coverage for Products/Completed Operations Hazards?  
 Yes  No
3. Does the policy above include for Personal Injury and Advertising Injury Perils?  
 Yes  No

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## SECTION VIII. POLICY LIMIT/SELF-INSURED RETENTION:

Advise Policy Limit and Self-Insured Retention options for which the **Applicant** desires proposals.

Policy Limit	Self-Insured Retention
_____	_____
_____	_____
_____	_____

## SECTION IX. REPRESENTATIONS:

By signing this application, the **Applicant** agrees that:

- A. The statements and answers given in this application and any attachments to it are accurate and complete;
- B. The statements and answers the **Applicant** furnishes to the Company are representations the **Applicant** makes to the Company on behalf of all persons and entities proposed for coverage;
- C. Those representations are a material inducement to the Company to provide a proposal for insurance;
- D. Any policy the Company issues will be issued in reliance upon those representations;
- E. The **Applicant** will report to the Company immediately, in writing, any material change in the **Applicant's** activities, services, condition or answers provided in this application that occur or are discovered between the date of this application and the effective date of any policy, if issued; and
- F. The Company reserves the right, upon receipt of any such notice, to modify or withdraw any proposal for insurance the Company has offered.

### WARNING

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 IN NEW YORK 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.

_____	_____
Date	<b>Applicant</b> Signature
	_____
	Title

To Be Completed By Producer(s) Only:

### RETAIL PRODUCER

PRODUCER NAME: \_\_\_\_\_  
CITY, STATE: \_\_\_\_\_  
TELEPHONE NUMBER: \_\_\_\_\_

### WHOLESALE PRODUCER

PRODUCER NAME: \_\_\_\_\_  
CITY, STATE: \_\_\_\_\_  
TELEPHONE NUMBER: \_\_\_\_\_

Note: Agent/Broker is responsible for collection and filing of any surplus lines taxes and fees that may apply.