

UNDERWRITTEN IN CHUBB CUSTOM INSURANCE COMPANY

Please answer all of the following inquiries. If the COMPANY agrees to issue a policy, all of the information which the Applicant provides will become part of any policy issued to the Applicant by Chubb Custom Insurance Company. Any intentional misrepresentation, omission, concealment or incorrect statement of a material fact in this APPLICATION will be grounds for rescision.

Please note: The term "Applicant" as used in this APPLICATION refers to all entities for which coverage is desired. It is agreed that coverage is desired for the First Named Insured and those entities listed on the Schedule of Additional Named Insured.

A. GENERAL INFORMATION

1. a. Name of First Named Insured:

b. Address of First Named Insured:

(Street Address) (City) (State) (Zip Code)

2. Please complete the Schedule of Additional Named Insured under Section S.

3. Name of Agent: _____

4. Does the Applicant anticipate in the next twelve (12) months?

a. Establishing or entering into any related or unrelated ventures? YES NO

b. Providing any new services? YES NO

If yes to either or both, please provide, on a separate sheet, full details.

B. STATISTICS

With respect to the Applicant, please provide the total number of:

- | | |
|----------------------------------|---|
| 1. Employees: _____ | 4. Assets Under Management (if applicable) (as of _____) \$ _____ |
| 2. Online customers: _____ | |
| 3. Assets (as of _____) \$ _____ | 5. Total Revenues (as of _____) \$ _____ |
| | 6. Revenues Derived From Internet Activities (as of _____) \$ _____ |

C. REQUESTED COVERAGES

	INSURING CLAUSES	LIMITS	DEDUCTIBLE AMOUNT
1.	E-Theft	\$ _____	\$ _____
2.	Denial or Impairment of E-Service	\$ _____	\$ _____
3.	E-Communication	\$ _____	\$ _____
4.	E-Vandalism	\$ _____	\$ _____
5.	E-Threat	\$ _____	\$ _____
6.	E-Signature	\$ _____	\$ _____

D. LOSS EXPERIENCE

Has the Applicant at any time during the past three (3) years put its insurance carrier on notice of any potential or actual losses under its bond or electronic computer crime program? YES NO

If yes, please provide, on a separate sheet, full details.

E. SYSTEM MANAGEMENT

1. Are computer use policies developed through a centralized corporate IT department? YES NO
2. Is your anti-virus protection managed through a central source? YES NO
3. Are corporate standards developed and implemented for critical network functions? YES NO

F. COMPUTER ATTACK/HISTORY - Past Two Years

1. How often was your computer system the target of a computer attack in the past two years? _____
2. Describe the type of attacks against your computer system in the past two years: Please select one of the following:
 Random Random and targeted All targeted Not Applicable
3. What was the average time to discover a computer attack? Please select one of the following:
 less than 15 minutes between 15 minutes and 60 minutes greater than 60 minutes
 Not Applicable
4. What was the average time to recover from a computer attack? Please select one of the following:
 less than 60 minutes between 60 minutes and 4 hours greater than 4 hours
 Not Applicable
5. What was the amount of damage as a result of computer attacks in the past two years? \$ _____

G. COMPUTER VIRUS PROTECTION

1. Are Anti-viral programs installed on all PCs and Network Systems? YES NO
 2. Are Anti-viral programs set to run at start-up and automatically scan the system during use? YES NO
 3. How often are virus files updated and disseminated? Please select one of the following:
 Daily Weekly Monthly Greater than monthly
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H. COMPUTER PASSWORD CONTROLS

1. Are all users issued unique passwords? YES NO
 2. Are all user's passwords encrypted? YES NO
 3. How often are passwords required to be changed? Please select one of the following:
 30 days 60 days 90 days Greater than 90 days
 4. Is your system administrator's password "unique"? YES NO
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I. COMPUTER USER RIGHTS AND PRIVILEGES

1. Have all job positions within the company been analyzed and pre-designated rights and privileges set? YES NO
 2. Is IT promptly notified whenever employees are terminated so computer access can be restricted? YES NO
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J. LAN/WAN SECURITY

1. Do all network users have their identity verified with a unique user ID and password? YES NO
 2. Are users prohibited from connecting dial-up modems to workstations that are simultaneously connected to a LAN or other communication network? YES NO
 3. Do all external communications, including dial-up lines that are connected to internal networks, pass through a firewall? YES NO
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K. INTERNET SECURITY

1. Are Internet and e-mail usage policies established? YES NO
2. Are there at least 2 firewalls installed in your Internet environment? YES NO
3. Have all firewalls in use been certified by the National Computer Security Association (NCSA)? YES NO
4. Is your WAN traffic and sensitive Internet traffic encrypted using at least 64-bit encryption? YES NO

L. INTRUDER DETECTION SYSTEMS (IDS)

1. Is network-based intrusion detection software installed? YES NO
2. Do all intruder detection systems maintain event logs that enable the system administrator to analyze the attack? YES NO
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M. COMPUTER BACK-UP PROCEDURES

1. How often is critical information backed-up? Please select one of the following:
- Daily Weekly Monthly Greater than monthly
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N. WIRELESS COMMUNICATIONS SECURITY

1. Are short or long range wireless communications being used to transfer sensitive corporate data properly encrypted and authenticated? YES NO
2. Is sensitive corporate data encrypted using at least 64-bit encryption? YES NO
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O. PREEMPLOYMENT SCREENING

1. Are criminal history record checks completed for all prospective employees? YES NO
2. Are credit checks completed for all prospective employees? YES NO
3. Are contractors, vendors, temporary employees and part-time employees screened? YES NO
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P. AUDITING PRACTICES

1. With respect to Internal Audits:
- a. Does the Applicant employ an internal EDP auditor? YES NO
- If yes**, is the auditor's position full-time? YES NO
- b. Does the auditor report directly to the Audit Committee of the Board of Directors? YES NO
- c. Is the auditor an Officer? YES NO
- d. Does the audit department conduct an annual surprise audit at all locations? YES NO
- e. Please indicate the number of full-time employees assigned to the EDP audit function. _____
- f. Has the Applicant met the scope and objectives of the formalized internal audit plan during the past two (2) years? YES NO
- If no**, please provide, on a separate sheet, full details.

2. With respect to External Audits:

- a. Has the Applicant made provisions for an annual audit program to be conducted by an outside certified public accounting firm (CPA)? YES NO
 - b. Has the CPA rendered a management letter regarding your data processing environment? YES NO
 - c. Does the CPA report directly to the Audit Committee of the Board of Directors? YES NO
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Q. ELECTRONIC FUND TRANSFER

- 1. Is your wire transfer policy developed through a central source? YES NO
- 2. Are all written and verbal wire transfer instructions authenticated? YES NO
- 3. Are all internal wire transfers, including payroll, documented and require written approval of the designated manager? YES NO
- 4. Are wire transfer settlement and reconciliations performed at least once per day? YES NO
- 5. Are recorded call back procedures in place for all transfers? YES NO

If no, please describe on a separate sheet, full details.

- 6. Are all customers who are authorized to initiate wire transfers with your wire transfer operation:
 - a. authorized by written agreement? YES NO
 - b. utilizing "PINS"? YES NO
 - c. recorded? YES NO
 - d. called back? YES NO

If no to any of the above, please describe, on a separate sheet, full details.

- 7. Who are the sources of voice initiated wire transfers (customer, employees on behalf of customers, or other) with your wire transfer area?

- 8. Can a customer voice initiate a wire transfer with an employee other than your wire transfer employees? YES NO

- 9. Average volume of wire transfers daily? In \$ _____ Out \$ _____

R. DISASTER PLANNING AND RECOVERY

1. Does corporate policy require each locality to conduct a detailed risk analysis? YES NO
2. Does corporate policy require localities to plan for the death or incapacitation of senior management? YES NO
3. Does corporate policy require a disaster planning committee be established at each locality? YES NO
4. Does corporate policy require each locality to prepare a disaster recovery plan? YES NO
5. Are disaster recovery plans reviewed and updated at least bi-annually, or more frequently if significant organizational changes occur? YES NO
6. Does corporate policy require periodic testing of disaster recovery plan. YES NO

The undersigned persons declare that to the best of their knowledge the statements set forth above and in any attachments to this APPLICATION are true and correct, and that every reasonable effort has been made to obtain sufficient information to facilitate the proper and accurate completion of this APPLICATION. The undersigned agree that if any significant change in the condition of the Applicant is discovered between the date of this APPLICATION and the effective date of the policy which would render this APPLICATION inaccurate or incomplete, notice of such change will be reported in writing to the COMPANY immediately and, if necessary, any outstanding quotation may be modified or withdrawn. The undersigned persons understand and further agree that the completion and signing of this APPLICATION neither binds the COMPANY to sell nor the Applicant to purchase the insurance.

Please note: ONLY DULY APPOINTED AGENTS OF THE COMPANY AND LICENSED BROKERS ARE AUTHORIZED TO SOLICIT APPLICATIONS FOR COVERAGE. AGENTS AND BROKERS ARE NOT AUTHORIZED TO BIND COVERAGE. NO COVERAGE SHALL BE PROVIDED UNLESS THE COMPANY ACCEPTS THE APPLICATION AND BINDS THE COVERAGE.

False Information:

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 material fact thereto, commits a fraudulent insurance act, which is a crime.

False Information (Florida Only):

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.

False Information (Louisiana Only):

Any person who, knowingly and with intent to deceive 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.

False Information (Maine Only):

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 denial of insurance benefits.

False Information (Nebraska Only):

Any person who, knowingly and with the 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 material fact thereto, commits a fraudulent insurance act, which is a crime, where such person subsequently submits a claim.

False Information (New Mexico Only):

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.

False Information (New York Only):

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 information concerning any material fact thereto, for the purpose of misleading, 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.

False Information (Oklahoma Only):

Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claims for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

False Information (Oregon Only):

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 material fact thereto, may be guilty of an insurance fraud.

False Information (Pennsylvania Only):

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.

False Information (Vermont Only):

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 material fact thereto, commits a fraudulent insurance act, and the policy may be voided.

False Information (Virginia Only):

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the insurance company. Penalties include imprisonment, fines, and denial of insurance benefits.

First Named Assured: _____

By _____
Signature of Chief Executive Officer
(or other Senior Officer if the Chief Executive Officer
is also the Chairman, Board of Directors)

By _____
Signature of Chairman, Board of Directors

Date _____

Date _____

A Policy cannot be issued unless the APPLICATION is properly signed and dated by the Chief Executive Officer (or other senior officer if the Chief Executive Officer is also the Chairman, Board of Directors) and the Chairman, Board of Directors.

NOTE: The APPLICATION and all attachments shall be treated in strictest confidence.