

## AIG netAdvantage Supplemental Privacy & Security Application

Please complete this Supplemental Application if you are applying for Privacy & Security Legal Liability coverage as a part of the Insurance Application. As used herein, "Company" includes the company applying for network security coverage and its subsidiaries also seeking coverage.

***If more space is needed, please attach separate sheet(s) to this application to provide complete answers.***

| <b>PRIVACY</b>  |   |
|---|---|
| 1. Do <b>You</b> have a written corporate-wide privacy policy?  | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b><br><br><b>If "yes," please attach a copy</b>   |
| If "yes":<br>A. Has it been reviewed by a qualified attorney?<br><br>B. Does <b>Your</b> privacy policy allow you to share information with third parties?  | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b><br><br><input type="checkbox"/> <b>Yes, if consumers "opt in"</b><br><input type="checkbox"/> <b>Yes, unless consumers "opt out"</b><br><input type="checkbox"/> <b>No</b> |
| 2. Does <b>You</b> process, store or handle credit card information?<br><br>If "yes", are you compliant with all data security standards issued by card issuers or financial institutions that you transact business with?  | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b><br><br><input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <input type="checkbox"/> <b>Undetermined</b>   |
| 3. How often are <b>Your</b> privacy policies reviewed and updated?   | <input type="checkbox"/> <b>Annually</b><br><input type="checkbox"/> <b>Quarterly</b><br><input type="checkbox"/> <b>Other: _____</b>   |
| 4. Do <b>You</b> employ a chief privacy officer?  | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>  |
| If "no," what position is responsible for management of, and compliance with, <b>Your</b> privacy policies?<br><br>_____  |   |
| 5. Within the past two (2) years, have <b>You</b> passed an outside privacy audit or have <b>You</b> received a privacy certification?:   | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b><br><b>If "yes," please attach a copy</b>   |
| 6. Within the last year, have <b>You</b> completed an internal audit or assessment to determine <b>Your</b> compliance with regulations and laws concerning the protection of privacy rights?   | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>  |
| If "yes," have all recommendations or issues been resolved?<br><br>If all recommendations have not been complied with, please describe the recommendation(s), outline timetable for compliance or explain why the recommendation(s) will not be implemented (attach a separate sheet if necessary)<br><br>_____ | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>  |
| 7. Within the last year, have <b>You</b> completed an internal audit or assessment to determine compliance with <b>Your</b> privacy policy?   | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>  |
| If "yes," have all recommendations or issues been resolved?<br><br>If all recommendations have not been complied with, please describe the recommendation(s), outline timetable for compliance or explain why the recommendation(s) will not be implemented (attach a separate sheet if necessary)<br><br>_____ | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>  |
| 8. Do <b>You</b> restrict employee access to consumer, and customer files (as applicable) to employees with a business-need to know basis?  | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>  |
| 9. Do <b>You</b> provide training for all employees on privacy, data security and related issues?   | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>  |

| 10. Do <b>You</b> contracts with vendors and others with whom <b>You</b> share Personally Identifiable Information require the other party to defend and indemnify <b>You</b> for legal liability arising from any release or disclosure of the information due to the negligence of the vendor or other party?<br>Do You require vendors to maintain professional liability insurance?  | <input type="checkbox"/> Yes <input type="checkbox"/> No<br><br><input type="checkbox"/> Yes <input type="checkbox"/> No |                          |                                    |                                    |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |
|--|--|--------------------------|------------------------------------|------------------------------------|---------------------|-----------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------|--------------------------|--------------------------|--------------------------|--------------------------|---------------|--------------------------|--------------------------|--------------------------|--------------------------|---------------|--------------------------|--------------------------|--------------------------|--------------------------|---------------|--------------------------|--------------------------|--------------------------|--------------------------|--|
| 11. Do <b>You</b> require all vendors to whom <b>You</b> outsource technology or data processing functions to demonstrate adequate security of computer systems?<br><input type="checkbox"/> No <input type="checkbox"/> Vendor must supply SAS 70 <input type="checkbox"/> Vendor must provide security audit<br><input type="checkbox"/> Security is assessed by internal staff <input type="checkbox"/> Other (describe: _____)   |  |                          |                                    |                                    |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |
| 12. In all cases, does the Applicant's hiring process include the following? (please check all that apply)   |  |                          |                                    |                                    |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |
| <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:25%;"></th> <th style="width:15%; text-align:center;"><u>All Employees</u></th> <th style="width:15%; text-align:center;"><u>Some Employees*</u></th> <th style="width:15%; text-align:center;"><u>All Independent Contractors</u></th> <th style="width:15%; text-align:center;"><u>Not Required</u></th> </tr> </thead> <tbody> <tr> <td>Criminal Convictions:</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> <tr> <td>Educational Background:</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> <tr> <td>Credit Check:</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> <tr> <td>Drug Testing:</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> <tr> <td>Work History:</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> </tbody> </table> |  | <u>All Employees</u>     | <u>Some Employees*</u>             | <u>All Independent Contractors</u> | <u>Not Required</u> | Criminal Convictions: | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Educational Background: | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Credit Check: | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Drug Testing: | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Work History: | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |  |
|  | <u>All Employees</u>   | <u>Some Employees*</u>   | <u>All Independent Contractors</u> | <u>Not Required</u>                |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |
| Criminal Convictions:  | <input type="checkbox"/>   | <input type="checkbox"/> | <input type="checkbox"/>           | <input type="checkbox"/>           |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |
| Educational Background:  | <input type="checkbox"/>   | <input type="checkbox"/> | <input type="checkbox"/>           | <input type="checkbox"/>           |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |
| Credit Check:  | <input type="checkbox"/>   | <input type="checkbox"/> | <input type="checkbox"/>           | <input type="checkbox"/>           |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |
| Drug Testing:  | <input type="checkbox"/>   | <input type="checkbox"/> | <input type="checkbox"/>           | <input type="checkbox"/>           |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |
| Work History:  | <input type="checkbox"/>   | <input type="checkbox"/> | <input type="checkbox"/>           | <input type="checkbox"/>           |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |
| * If hiring procedures are only required in some cases, please describe when such item is required: _____  |  |                          |                                    |                                    |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |
| 13 . Are <b>You</b> aware of any actual or alleged fact, circumstance, situation, error or omission, or issue which might give rise to a claim against for invasion or interference with rights of privacy, wrongful disclosure of personal information, or which might otherwise result in a <b>claim</b> against <b>you</b> with regard to issues related to the <b>Insurance Sought</b> ?   | <input type="checkbox"/> Yes <input type="checkbox"/> No   |                          |                                    |                                    |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |
| If "yes," explain: _____   |  |                          |                                    |                                    |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |
| 14. During the past three (3) years, has anyone filed suit or made a claim against you with regard to invasion or interference with rights of privacy, wrongful disclosure of personal information, or which might otherwise result in a <b>claim</b> against <b>you</b> with regard to issues related to the <b>Insurance Sought</b> ?  | <input type="checkbox"/> Yes <input type="checkbox"/> No   |                          |                                    |                                    |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |
| If "yes," explain: _____   |  |                          |                                    |                                    |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |
| 15. During the past 5 years, has a complaint, claim, demand, lawsuit or regulatory proceeding concerning the security of a computer system or website been made or initiated against your Company?   | <input type="checkbox"/> Yes <input type="checkbox"/> No   |                          |                                    |                                    |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |
| If "yes," explain: _____   |  |                          |                                    |                                    |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |
| 16. During the past 3 years, has your Company suffered any breach or failure of computer security, including but not limited to computer hacking, computer sabotage or infection by a computer virus?  | <input type="checkbox"/> Yes <input type="checkbox"/> No   |                          |                                    |                                    |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |
| If "yes," explain: _____   |  |                          |                                    |                                    |                     |                       |                          |                          |                          |                          |                         |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |               |                          |                          |                          |                          |  |

**THE FRAUD WARNINGS ON THE PRIMARY APPLICATION APPLY EQUALLY TO THIS SUPPLEMENTAL APPLICATION. PLEASE REFER TO SUCH FRAUD WARNINGS CONTAINED THEREIN.**

**PLEASE READ THE FOLLOWING STATEMENT CAREFULLY AND SIGN BELOW WHERE INDICATED. IF THIS ENDORSEMENT IS ISSUED, THIS SIGNED STATEMENT WILL BE ATTACHED TO THE ENDORSEMENT.**

**BY SIGNING BELOW, THE UNDERSIGNED DULY AUTHORIZED REPRESENTATIVE OF THE COMPANY STATES AND REPRESENTS THAT THE INFORMATION FURNISHED IN THIS APPLICATION IS COMPLETE, TRUE AND CORRECT. ANY MISREPRESENTATION, OMISSION, CONCEALMENT OR INCORRECT STATEMENT IN THIS APPLICATION OR ATTACHMENT, SHALL BE GROUNDS FOR THE RESCISSION OF ANY ENDORSEMENT ISSUED. SHOULD INSURER ISSUE A ENDORSEMENT, COMPANY AGREES THAT SUCH ENDORSEMENT IS ISSUED IN RELIANCE UPON THE TRUTH, COMPLETENESS, AND ACCURACY OF THE STATEMENTS AND REPRESENTATIONS IN THIS APPLICATION OR ATTACHMENT, AND SUCH STATEMENTS AND REPRESENTATIONS ARE THE BASIS OF SUCH ENDORSEMENT.**

**THE UNDERSIGNED, HEREBY AGREES, WARRANTS AND REPRESENTS THAT HE OR SHE IS A DULY AUTHORIZED REPRESENTATIVE OF THE COMPANY, AND IS FULLY AUTHORIZED TO ANSWER AND MAKE STATEMENTS AND REPRESENTATIONS BY AND ON BEHALF OF THE COMPANY.**

**IF An ENDORSEMENT IS ISSUED THE APPLICATION IS ATTACHED TO AND MADE A PART OF THE ENDORSEMENT SO IF IT IS NECESSARY THAT ALL QUESTIONS BE ANSWERED IN DETAIL.**

The Applicant hereby acknowledges that he/she/it is aware that the limit of liability contained in this ENDORSEMENT shall be reduced, and may be completely exhausted, by the costs of claims expenses which include but are not limited to attorneys fees and, in such event, the insurer shall not be liable for the costs of claims expenses or for the amount of any judgment or settlement to the extent that such exceeds the limit of liability of this endorsement.

This Applicant hereby further acknowledges that he/she/it is aware that claims expenses that are incurred shall be applied against the deductible amount.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Print Name & Title: \_\_\_\_\_ Company: \_\_\_\_\_