

**BY COMPLETING THIS NEW BUSINESS APPLICATION THE APPLICANT IS APPLYING FOR COVERAGE WITH FEDERAL INSURANCE COMPANY (THE "COMPANY")**

**NOTICE: THE LIMIT OF LIABILITY TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED BY "DEFENSE COSTS" AND "SUBPOENA DEFENSE COSTS," AND "DEFENSE COSTS" AND "SUBPOENA DEFENSE COSTS" WILL BE APPLIED AGAINST THE APPLICABLE RETENTION AMOUNT. THE COVERAGE AFFORDED UNDER THIS POLICY DIFFERS IN SOME RESPECTS FROM THAT AFFORDED UNDER OTHER POLICIES. READ THE ENTIRE NEW BUSINESS APPLICATION CAREFULLY BEFORE SIGNING.**

**APPLICATION INSTRUCTIONS:**

1. Whenever used in this Application, unless otherwise stated, the term "**Applicant**" means the Parent Organization and all of its Subsidiaries, unless otherwise stated.
2. Provide a complete response to all questions and attach additional pages as needed.
3. Please attach a copy of the following for every **Applicant** seeking coverage:
  - Completed, signed and dated *Cyberlite For Media<sup>SM</sup> By Chubb* Application if unauthorized internet access coverage is requested;
  - Standard forms of agreement utilized by **Applicant**;
  - Any hold harmless agreement(s) **Applicant** has entered into for any Internet Activity;
  - Current audited financial statement, annual report and/or 10K, or complete operating budget if **Applicant** is a non-profit organization; and
  - Experience resume(s) of IT support team of **Applicant**.
4. Please return the completed Application to: **Walterry Insurance Brokers**  
 7411 Old Branch Avenue, Clinton, Maryland 20735  
 301-868-7200 • 800-638-8791 • Fax 301-868-2611  
 Web site [www.walterry.com](http://www.walterry.com) • Email [media@walterry.com](mailto:media@walterry.com)

**I. GENERAL APPLICANT INFORMATION:** Please Note – If the information below was previously supplied under another media application, please supply name and date of other application and proceed to the next section:

1. Name of **Applicant**: \_\_\_\_\_
2. Address of **Applicant**: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_ Tel: \_\_\_\_\_
3. Web address: \_\_\_\_\_
4. Name, Address and Title of Primary Contact: \_\_\_\_\_  
 \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_ Tel: \_\_\_\_\_

5. The **Applicant** is:       Individual                       Non-profit  
                                   Corporation                       Privately Held  
                                   Partnership                       Publicly Traded  
                                   Other: \_\_\_\_\_

6. Year established: \_\_\_\_\_

7. Number of years operated under present ownership: \_\_\_\_\_

8. Are there other subsidiaries, affiliates or other related entity(ies) (including DBAs) for which coverage is desired?  Yes  No

If Yes, list all such locations on a separate sheet and attach it to this Application.

**NOTE: Coverage is not afforded to any entity not scheduled in this section of the Application and not specifically named as an Insured on the policy.**

9. a. Is **Applicant**: (i) wholly or partially owned by, affiliated with, or controlled by any other entity(ies) not previously listed in Question 1 or 8, or (ii) does **Applicant** wholly or partially own, operate, manage or control any other businesses not previously listed in Question 1 or 8?  Yes  No

If Yes to either Question 9.a. (i) or (ii) above, provide complete details: \_\_\_\_\_

- b. During the past five years, has the **Applicant's** name been changed, or has the **Applicant** purchased, merged or consolidated with any other business, or has the **Applicant** been purchased?  Yes  No

If yes, please provide a summary description of due diligence performed in connection with potential liabilities and claims arising from the purchased, merged, consolidated or acquired entity. The summary description should be provided on a separate sheet and attached to this Application.

If yes, if the **Applicant** purchased another business, was the purchase an "asset purchase" or did the **Applicant** also buy or accept any liabilities? Please explain on a separate sheet and attach it to this Application.

**II. SPECIFIC INFORMATION:**

**POLICY INFORMATION:**

1. Coverage desired:  Internet Activities

Limits of Liability desired:

Each Claim or Related Claim: \$ \_\_\_\_\_

Aggregate for all Claims and Related Claim: \$ \_\_\_\_\_

2. Retention Amount desired for each Claim or Related Claim:

\$5,000     \$10,000     \$25,000     \$50,000     Other: \$ \_\_\_\_\_

3. Co-insurance percentage desired for Internet Activities:

20%       Other: \_\_\_\_\_%       N/A

4. Policy Period Requested: From \_\_\_\_\_ to \_\_\_\_\_ both days at 12:01 a.m. at the principal address of the **Applicant**.

5. **Applicant's** projected annual gross revenues for the current calendar year: \$ \_\_\_\_\_

6. **Applicant's** projected annual gross revenues from the internet site(s) for which coverage is sought: \$ \_\_\_\_\_

**INTERNET ACTIVITIES:**

7. Please identify the top five (5) internet site(s) by “hits” or “related to your largest Gross Revenue producing properties” for which coverage is sought, the date each site first went on-line, and the average number of page views per month:

Internet Site (including URL)	Date On-Line	Average Page Views Per Month

**IMPORTANT:** If any of the above sites are not yet on-line, please attach a complete description of the proposed site(s), the anticipated launch date and an estimated number of monthly page views (if known).

8. Does **Applicant** own a federally registered trademark in its domain name?  Yes  No  
 If No, has **Applicant** conducted a trademark search to determine whether its domain name infringes a trademark held by a third party?  Yes  No
9. Do any of **Applicant’s** internet sites contain any of the following content, transact business in any of the following areas, or sell/make available any of the following products or services:
- a. Pornographic material or other material of a sexually explicit nature?  Yes  No
  - b. Medical records or other health care information pertaining to specifically identifiable patients?  Yes  No
  - c. Financial services, including banking, insurance, or investment services?  Yes  No
  - d. Gambling, lotteries or other games of chance?  Yes  No
  - e. Professional services, such as legal services, accounting services, medical services or other services which must be provided by licensed professionals?  Yes  No
  - f. Music available to be downloaded by users?  Yes  No
  - g. Film or video available to be downloaded by users?  Yes  No

**PLEASE NOTE:** If **Applicant** answered Yes to any of the foregoing, **Applicant** may be ineligible for Internet Liability Coverage.

10. Does **Applicant** collect personal information (names, addresses, etc.) about visitors to **Applicant’s** internet site(s)?  Yes  No  
 If Yes, does **Applicant** sell or otherwise disclose this personal information to third parties?  Yes  No  
 If Yes to either of the foregoing questions, does **Applicant** disclose these activities to visitors to **Applicant’s** site(s)?  Yes  No
11. Is electronic commerce conducted on any of **Applicant’s** internet sites?  Yes  No  
 If Yes, are the transactions encrypted?  Yes  No  
 If Yes, does **Applicant** process the transactions itself (as opposed to using an independent contractor)?  Yes  No

12. Does **Applicant** provide links on any of its internet sites to internal pages of other sites?  Yes  No

If Yes, does **Applicant** obtain written permission from the operators of such other sites?  Yes  No

13. Does **Applicant** sell advertising space on any of its internet sites?  Yes  No

14. Does **Applicant's** internet site(s) contain any of the following:

a. Blogs?  Yes  No

If Yes, are the blogs:

(i) interactive?  Yes  No

(ii) written by employees?  Yes  No

(iii) written by the general public?  Yes  No

(iv) written by independent contractors/third parties?  Yes  No

If Yes to Question 14.a. (iv) above, please describe any hold harmless agreements entered into between **Applicant** and independent contractors/third parties relating to the blogs: \_\_\_\_\_

b. Chat room(s)?  Yes  No

If Yes, are the chat rooms monitored?  Yes  No

If so, by whom? \_\_\_\_\_

If Yes to Question 14.b., please describe all details relating to the chat room(s): \_\_\_\_\_

15. Does **Applicant** utilize any proprietary software in the operation of any of its internet sites?  Yes  No

16. Does **Applicant** provide software on any of its internet sites that can be downloaded by users?  Yes  No

If Yes, does **Applicant** own all of the rights necessary to disseminate this software?  Yes  No

17. What percentage of the content on **Applicant's** internet site(s) is obtained from third parties? \_\_\_\_\_%

18. With respect to the internet content that **Applicant** obtains from third parties:

Does **Applicant** obtain written permission from such third parties?  Always  Sometimes  Never

Does **Applicant** obtain written indemnification agreements from such third parties?  Always  Sometimes  Never

If **Applicant** answered Sometimes to either of the foregoing questions, please explain its policy regarding use of third-party content: \_\_\_\_\_

19. What percentage of the monthly page views on **Applicant's** internet site(s) originates from outside the United States and Canada? \_\_\_\_\_%

**RISK MANAGEMENT:**

20. Does **Applicant** use third-party trademarks on its internet site(s) solely in order to increase the number of hits to its site(s)?  Yes  No

21. Does **Applicant** have a privacy policy posted on all of its internet site(s)?  Yes  No

If Yes, has the privacy policy been reviewed by counsel?  Yes  No

22. Does **Applicant** have a written policy and procedure regarding the posting of content on the internet site(s) identified in this Application?  Yes  No
23. Does **Applicant** require review of content by legal counsel or by management for potential legal exposures prior to allowing that content to be posted on its internet site(s)?  Yes  No
24. Does **Applicant** have “take-down” procedures in place for removing from its internet site(s) any content that infringes or potentially infringes on copyrights, trademarks or other intellectual property held by third parties?  Yes  No

If Yes, please describe **Applicant’s** policy and practice for timely implementing these “take-down” procedures:

25. With regard to blogs and/or chat rooms, is **Applicant** familiar with the protections afforded by the Communications Decency Act and the Digital Millennium Copyright Act?  Yes  No

If Yes, does **Applicant** utilize the protections offered by both Acts?  Yes  No

Please describe: \_\_\_\_\_

26. Please describe the **Applicant’s** policy and practice regarding (1) the review of licenses allowing the use of a third party's intellectual property in order to assure compliance with limitations on the term, or other scope of usage under the license, or (2) potential differences of opinion between licensor and licensee regarding limitations regarding the scope of the license. For example: Are tickler files used to monitor term limitations? Who has responsibility in your organization to spot and resolve anticipated differences of opinion about limitations on use that involve the scope of the license?

**OPTIONAL COVERAGES (additional premium will apply):**

27. Does **Applicant** desire coverage for the content of email originating from it or its employees?  Yes  No
- If Yes, please identify the domain name from which all such email originates: \_\_\_\_\_

Does **Applicant** have written guidelines regarding appropriate use of company email?  Yes  No

28. Does **Applicant** desire coverage for any other publications or communications, not identified above?  Yes  No

If Yes, please attach copies, or describe such publications or communications if copies are not available:

**III. PRIOR INSURANCE, OTHER INSURANCE, LOSS HISTORY AND PRIOR KNOWLEDGE:**

1. Does the **Applicant** have internet liability insurance currently in force?  Yes  No
- a. If Yes to Question 1, are Advertising Injury included?  Yes  No
- b. If Yes to Question 1, complete the chart below for the past five (5) years:

<u>LIABILITY INSURER</u>	<u>POLICY PERIOD</u>	<u>LIMITS</u>	<u>DEDUCTIBLE</u>	<u>PREMIUM</u>	<u># CLAIMS</u>
_____	_____	\$ _____	\$ _____	\$ _____	_____
_____	_____	\$ _____	\$ _____	\$ _____	_____
_____	_____	\$ _____	\$ _____	\$ _____	_____
_____	_____	\$ _____	\$ _____	\$ _____	_____
_____	_____	\$ _____	\$ _____	\$ _____	_____

**2. MISSOURI APPLICANTS/AGENTS - DO NOT ANSWER QUESTION 2.**

Has the **Applicant** ever had an application for internet liability insurance declined, or had an internet liability policy canceled or non-renewed by an insurer?  Yes  No

If Yes, please attach an explanation.

**3.** Does the **Applicant** maintain a comprehensive general liability policy?  Yes  No

If Yes, please provide the following information:

Name of Insurer: \_\_\_\_\_

Policy Period: \_\_\_\_\_ Limit: \_\_\_\_\_

Personal Injury coverage included?  Yes  No

Is Product Liability coverage included?  Yes  No

**LOSS HISTORY:**

**4.** In the past ten (10) years, has the **Applicant** or any of its subsidiaries been sued, threatened with suit or received a claim for any act, error, or omission relating to the gathering, production, dissemination or communication of information, including but not limited to libel, slander, any form of invasion of privacy or misappropriation of name or likeness, infringement of copyright or trademark or infliction of emotional distress?  Yes  No

If Yes, please attach a description detailing the circumstances of each suit, threat of suit or claim, including the identity of the claimant, the factual and legal basis for the claim, and the disposition.

**5.** Please attach a list (including the status) of all claims made during the past five (5) years against the **Applicant** or any of its subsidiaries, or any director, officer, employee, partner, agent or independent contractor of the **Applicant**, or any director, officer, employee, partner, agent or independent contractor of any of its subsidiaries.

If none, please check here:  None

**6.** After inquiry, do any of the principals, partners, officers, directors, or employees of the **Applicant** or any other proposed insured have knowledge or information about any act, error or omission which might reasonably be expected to give rise to a future claim which would fall within the scope of the proposed insurance?  Yes  No

If Yes, please attach a description which provides full details.

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**Without prejudice to any other rights and remedies of the Company, any claim arising from any Claims, facts, circumstances or situations required to be disclosed in response to questions 4, 5, and 6 above is excluded from the proposed insurance.**

**IV. MATERIAL CHANGE:**

If there is any material change in the answers to the questions in this Application before the policy inception date, the **Applicant** must immediately notify the Company in writing, and any outstanding quotation may be modified or withdrawn.

**V. DECLARATIONS, FRAUD WARNINGS AND SIGNATURES:**

The **Applicant's** submission of this Application does not obligate the Company to issue, or the **Applicant** to purchase, a policy. The **Applicant** will be advised if the Application for coverage is accepted. The **Applicant** hereby authorizes the Company to make any inquiry in connection with this Application.

The undersigned authorized agents of the person(s) and entity(ies) proposed for this insurance declare to the best of their knowledge and belief, after reasonable inquiry, the statements made in this Application and any attachments or information submitted with this Application, are true and complete. The undersigned agree that this Application and its attachments shall be the basis of a contract should a policy providing the requested coverage be issued and shall be deemed to be attached to and shall form a part of any such policy. The Company will have relied upon this Application, its attachments, and such other information submitted therewith in issuing such policy.

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

**Notice to 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.

**Notice to Arkansas, Minnesota, New Mexico 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, fraudulent or deceptive statement is, or may be found to be, guilty of insurance fraud, which is a crime, and may be subject to civil fines and criminal penalties.

**Notice to 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.

**Notice to 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.

**Notice to 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.

**Notice to Kentucky Applicants:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance 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.

**Notice to Louisiana 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 fines and confinement in prison.

**Notice to 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.

**Notice to 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.

**Notice to Oklahoma Applicants:** Any person who, knowingly and with intent to injure, defraud or deceive any employer or employee, insurance company, or self-insured program, files a statement of claim containing any false or misleading information is guilty of a felony.

**Notice to 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.

**Notice to 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.

**Notice to Puerto Rico Applicants:** 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 with the penalty of a fine of not less than five thousand (5,000) dollars and not more than ten thousand (10,000) dollars, or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances are 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.

**Notice to 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.

Date	Signature*	Title
_____	_____	<u>Chief Executive Officer</u>
_____	_____	<u>Chief Financial or Chief Information Officer</u>

\*This Application must be signed by the chief executive officer and chief financial officer or chief information officer of the **Applicant** acting as the authorized representatives of the person(s) and entity(ies) proposed for this insurance.



**Waltery Insurance Brokers**

7411 Old Branch Avenue, Clinton, Maryland 20735  
 301-868-7200 • 800-638-8791 • Fax 301-868-2611  
 Web site [www.waltery.com](http://www.waltery.com) • Email [media@waltery.com](mailto:media@waltery.com)

<u>Produced By:</u>		
Agent (Print & Sign): _____		
Agency: _____		
Agency Taxpayer ID or SS No.: _____		Agent License No.: _____
Address: _____		
City: _____	State: _____	Zip: _____

***Do Not Complete - Waltery Use Only***

Date Paid:		Policy Number:	
Amount Paid:		Annual Premium:	
Check Number:		Policy Dates:	