

The following section E should only be completed if the Proposer is seeking Electronic and Computer Crime Insurance

SECTION E - ELECTRONIC AND COMPUTER CRIME

- 32. (a) How many data processing centres does the Proposer have?
 - (b) Are the data processing centres physically separated from other departments? Yes/No
 - (c) Are the data processing centres specifically protected by the following:
 - i) Burglar Alarm Yes/No
 - ii) Camera System Yes/No
 - iii) Fire Suppression System Yes/No
 - iv) Guards Yes/No
 - v) Other methods (please describe)?
 - (d) Are there positive entry control procedures used to restrict the entry of non-authorized personnel into the Proposer's data processing centres utilising the following:
 - i) Mantrap entry system Yes/No
 - ii) Television recorder to a central guard area Yes/No
 - iii) Personal identification by shift supervisors Yes/No
 - iv) Minicomputer badge system? Yes/No
 - (e) Is at least one file generation stored and secured off-site from the main data centre in a restricted area? Yes/No
 - (f) Are the media libraries physically separated from other departments in a restricted area? Yes/No
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- 33. (a) Does the Proposer utilise any person, partnership or organisation (other than the Proposer) to perform data processing services? Yes/No

If yes, please identify

i) the name of the service bureau or facilities manager

ii) the services provided

(b) Have all service bureaux/facilities managers been authorised by written agreements? Yes/No

(c) Does the Proposer require service bureaux/facilities managers to maintain separate fidelity insurance and to provide written evidence thereof? Yes/No

If yes, for what minimum amount?

34. Does the Proposer perform data processing services for any person, partnership or organisation (other than the Proposer)?
Yes/No

If yes, provide details

35. (a) Does the Proposer utilise independent contractors (other than those which work on the Proposer's premises under the Proposer's supervision) to prepare electronic computer instructions? Yes/No

(b) Are written agreements obtained from the independent contractors outlining their responsibilities? Yes/No

(c) Does the Proposer require all independent contractors to maintain separate fidelity insurance and to provide written evidence thereof? Yes/No

If yes, for what minimum amount?

36. (a) Does the Proposer operate any Electronic Funds Transfer system*? Yes/No

If yes, identify the same

- (b) Does the Proposer participate in any Electronic Funds Transfer System? Yes/No

If yes, state name and services available.

* "Electronic Funds Transfer System" means a system which operates automated teller machines or point of sale terminals and includes any shared networks or facilities for said system in which the Proposer participates.

37. (a) Does the Proposer engage in a system of clearing debits and credits electronically through an Automated Clearing House*?
Yes/No

If yes, identify those Automated Clearing Houses which are used.

- (b) Does the Proposer transmit data to the Automated Clearing House via:

- | | | |
|------|------------------------------|--------|
| i) | hard copy? | Yes/No |
| ii) | magnetic tape? | Yes/No |
| iii) | on-line communications link? | Yes/No |

* "Automated Clearing House" means a system for the transfer of pre-authorized debits and credits.

38. Does the Proposer engage in the purchase, sale, transfer or pledging of Electronic Securities through accounts(s) maintained at a Central Depository*? Yes/No

If yes, identify those Central Depositories at which accounts are maintained.

* "Central Depository" means any clearing corporation, including any Federal Reserve Bank of the United States, where as the direct result of an electronic clearing and transfer mechanism, entries are made on the books reducing the account of the transferor, pledgor or pledgee and increasing the account of the transferee, pledgee or pledgor by the amount of the obligation or the number of shares or rights transferred, pledged or released.

39. Does the Proposer make or receive funds transfer instructions using the following methods:

- (a) Interbank Electronic Communications Systems, e.g.

- | | | |
|------|---------|--------|
| i) | Fedwire | Yes/No |
| ii) | Chips | Yes/No |
| iii) | SWIFT | Yes/No |

- | | | |
|-----|------------------------|--------|
| iv) | Bankwire | Yes/No |
| v) | Other (please specify) | |
-
- | | | |
|-----|--|--------|
| (b) | Tested Telex | Yes/No |
| (c) | Tested Telefacsimile | Yes/No |
| (d) | Voice initiated | Yes/No |
| (e) | On-line cash management system
(if yes, specify system) | Yes/No |
| (f) | Magnetic tape exchange | Yes/No |
| (g) | Other
(if yes, please describe) | Yes/No |

40. Provide a brief description of the methods used to secure funds transfer instructions through the methods listed in Question 36, 37, 38 and 39. (e.g. Passwords, Encryption, Testing or other message authentication, Call-Back, Other - please describe).

(use a separate sheet of paper if necessary)

41. (a) Has the Proposer designated a Data Security Officer, who is charged with the responsibility for the implementation and administration of data security? Yes/No
- (b) Has the Data Security Officer been specifically trained to fulfil his responsibilities? Yes/No
- (c) To whom does the Data Security Officer report?
- (d) Is there a written Data Security Manual outlining corporate policy and standards necessary to ensure security of data?
Yes/No.
- (e) Is the attention of each employee drawn to this Policy? Yes/No
- (f) Describe procedures for staff training on data security issues

42. Is there an internal E.D.P. audit department or function? Yes/No

If yes:

(a) Is there a written E.D.P. "audit and control procedures" manual? Yes/No

(b) How many people are employed in the E.D.P audit?

(c) Has the internal E.D.P. auditor been specifically trained to fulfil his responsibilities in Data Processing? Yes/No

(d) Is there a full continuous E.D.P. audit programme in operation?
Yes/No

If no, state scope of the current audit.

(e) Are written audit reports made? Yes/No

If yes, for whom?

(f) Are the people responsible for auditing free of all other operational responsibilities and forbidden to originate entries? Yes/No

43. Describe all major recommendations and/or control deficiencies noted by any external auditor, regulatory authority or independent consultant. Attach a copy of said recommendations and the Proposer's written response thereto.

44. (a) Are passwords used to afford varying levels of entry to the computer system depending on the need and authorisation of the user? Yes/No

If yes, are staff instructed to keep passwords confidential?
Yes/No

(b) Does the system enforce regular password change? Yes/No

If yes, with what frequency?

If passwords are not used, describe alternative methods used to protect logical access to the computer system.

(c) Is the use of terminals restricted only to authorised personnel? Yes/No

(d) Are unique passwords used to identify each terminal? Yes/No

(e) Are terminals kept in physically secure locations accessible to authorised personnel only?
Yes/No

If no, please describe what steps are taken to prevent an unauthorised user from utilising a terminal.

(f) Does the Proposer utilise any software security packages to control access to your computer systems (ACF2, RACF, SECURE)?
Yes/No

If yes, specify package used.

- (g) Does the Proposer allow its employees to access its computer systems from home terminals?
Yes/No

If yes, describe security measures implemented in respect of such access.

- (h) Are security packages used to control access to personal computers, lap tops, intelligent work stations and the like?

Yes/No

- (i) Is the integrity of "off the shelf" software tested by the Proposer prior to being put into use?

Yes/No

- (j) What are the Proposer's procedures for the prevention of infection by computer viruses?

45. DESCRIPTION OF DATA PROCESSING

Service Class	Approx. number of daily transactions	Accessed electronically by non employees?
a) Current or Savings Account		
b) Loan Accounts		
c) Credit/Debit Cards		
d) Interbank Funds Transfer		
e) Dealing		
f) Automated Clearing		

g) Cash
Management

h) Other, please
specify

46. Provide details of computer systems to be insured hereunder :

(a) Manufacturer

(b) Model

WE HEREBY DECLARE THAT the above statements and particulars are true and complete to the best of our knowledge and that we have not suppressed or misstated any material facts and we agree that this application shall be the basis of any contract* subsequently effected between the Proposer and the Underwriters.

Date

Signature

*1. Signing the Proposal Form does not bind the Proposer to complete this insurance.

2. If a policy is concluded it will be issued on a "CLAIMS MADE" basis i.e. to indemnify the Proposer for claims first made against it in the manner described in the policy during the Policy Period.