



2.0

INSURANCE FOR SOCIAL MEDIA COMPANIES

Esurance® 2.0 Proposal Form

This is an application for a media liability package policy aimed at a wide range of social media and web 2.0 companies. As well as cover for intellectual property rights infringement and defamation, the policy also includes professional indemnity, cyber and privacy liability, privacy breach notification costs, property, business interruption and general liability. Limits are available up to £5,000,000 and worldwide cover is provided as standard. Simply complete the form and return it to your broker.



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PROPOSAL FORM

INTRODUCTION

The purpose of this proposal form is for us to find out who you are and to obtain information relevant to the cover provided by the Esurance[®] 2.0 policy. Completion of this proposal form does not oblige either party to enter into a contract of insurance. Insurance is a contract of utmost good faith. This means that the information you provide in this proposal form must be complete, accurate and not misleading. It also means that you must tell us about all facts and matters which may be relevant to our consideration of your application for insurance. Any failure by you in this regard may entitle us to treat this insurance as if it never existed. If a contract of insurance is agreed between you and us this proposal form will form the basis of the contract.

Important: Insuring Clauses 1-4 of this policy provide cover on a claims made basis. Under these insuring clauses any claim must be first made against the insured and notified to us during the period of the policy to be covered. These insuring clauses do not cover any claim arising out of any actual or alleged wrongful act occurring before the retroactive date.

HOW TO COMPLETE THIS FORM

Whoever fills out the form must be a principal, partner or director of the applicant firm and should make all the necessary enquiries of their fellow partners, directors and employees to enable all the questions to be answered. Once you have completed the form please return it directly to your insurance broker.

If you require any extra space to complete the answers to questions contained within this proposal form please continue your response in the additional information section at the back of the form.

SECTION I: COMPANY DETAILS

- 1.1 Please state the name and address of the principal company for whom this insurance is required. Cover is also provided for the subsidiaries of the principal company, but only if you include the data from all of these subsidiaries in your answers to all of the questions in this form:

Insured company:	

Contact name:	

Address:	

Postcode:	

Telephone:	Email address:
_____	_____
Fax:	Website:
_____	_____

- 1.2 Please state when your company was established:

DD / MM / YY

- 1.3 a) How many directors / officers / partners are there in the company?

- b) Please show the details of all partners / directors:

Name	Years in position	Years experience	Qualifications
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

c) Please state the number of employees:

1.4 Please state the following:

	Last complete financial year	Estimate for current financial year	Estimate for next financial year
Domestic turnover:	_____	_____	_____
USA turnover:	_____	_____	_____
Other territory turnover:	_____	_____	_____
Total turnover:	_____	_____	_____
Gross profit:	_____	_____	_____
Payroll:	_____	_____	_____

Date of financial year end: Currency:

1.5 Please provide details on any private equity or venture capital funding received to date, or planned funding rounds in the next 12 months:

Date of funding	Funding amount	Investor
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

SECTION 2: ACTIVITIES

2.1 Please briefly describe below the nature of your websites or applications:
If you have a brochure, or company literature, please attach to this form.

2.2 Please provide a full breakdown of your total turnover by revenue source (e.g. advertising, subscriptions, product sales etc.):
The total of all revenue sources listed here should equal 100%.

_____	_____	%
_____	_____	%
_____	_____	%
_____	_____	%
_____	_____	%
_____	_____	%
_____	_____	%
_____	_____	%
_____	_____	%
_____	_____	%

2.3 Do your activities include event or conference organising?

Yes No

If yes, please provide details below:

2.4 Do your activities include the sale of any tangible goods or products (i.e. excluding software or services)?

Yes No

If yes, please provide details below:

2.5 Do your activities include filming on location in an area to which the public have access?

Yes No

If yes, please provide details below:

2.6 Do your activities include rigging or set construction?

Yes No

If yes, please provide details below:

2.7 Do any of your employees engage in manual work?

Yes No

If yes, please state the percentage of your overall payroll that relates to manual work:

	%
--	---

2.8 Do any of your employees work at a height in excess of 10 metres?

Yes No

If yes, please provide more details below:

2.9 Please list all of your current public facing URLs:

URL	Nature of website	Stage of development (e.g. alpha, beta, live)	Estimated current monthly unique visitors	Estimated monthly unique visitors over the next 12 months
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

2.10 Please detail which of the following data types you collect:

- Credit or debit card details Yes No
- Social security numbers Yes No
- Credit history or ratings Yes No
- Medical records or health information Yes No
- Customer bank records or details Yes No
- Third party corporate confidential data Yes No

SECTION 3: RISK MANAGEMENT

3.1 Do you have a written procedure for ensuring all appropriate licensing fees are paid with respect to any third party content that you use (e.g. music, video, etc.)? Yes No

If yes, please provide details:

3.2 Please provide the name of the law firm you consult in respect of your social media activities, including content review procedures and complaints handling:

3.3 Is all advice adhered to? Yes No

If no, please explain under what circumstances:

3.4 Has your business concept been subject to full legal review? Yes No

If yes, please detail any qualifying remarks:

3.5 Do you have written notice and takedown procedures to either edit, remove or respond to offending, inappropriate, inaccurate or infringing content? Yes No

3.6 What process do you have in place for moderating user generated content (UGC)?
 All UGC moderated prior to publication All UGC moderated post publication All UGC reactively moderated in response to community feedback

3.7 Do you use any digital fingerprinting software to automatically identify similar content to that which has already been subject to an infringement notice? Yes No

3.8 Do you trademark your proprietary products? Yes No

If no, please explain why:

3.9 Do you seek explicit consent from all third parties before selling or sharing their personally identifiable data? Yes No

3.10 Do you have a privacy policy and terms of use on your website? Yes No

If yes, has it been legally reviewed? Yes No

If you have answered no to either of the above questions, please explain below:

3.11 Do you have a specific policy for managing all “opt-in”/ “opt-out” marketing requests? Yes No

If no, then please explain:

3.12 Do you ensure parental consent is obtained before collecting personal information on minors? Yes No

3.13 Do your internal IT systems comply with all our minimum security requirements detailed below? Yes No

- Anti-virus software must be installed on all desktops and servers (excluding database servers) and updated on at least a weekly basis;
- All external network gateways must be protected by a firewall;
- All critical data must be backed up on at least a weekly basis;
- All back-ups should be stored in a secure location offsite or in a fireproof safe; and
- The integrity of all back-ups should be verified on at least a monthly basis.

If no, then please explain:

3.14 In the event of a system interruption (including web downtime), what is your maximum estimated daily financial loss?

Note: This figure will set the maximum limit for your system business interruption cover.

3.15 Do you ensure that all sensitive data is encrypted while standing and during transmission? Yes No

3.16 Do you outsource the handling of sensitive data to any third party? Yes No

SECTION 4: PROPERTY AND BUSINESS INTERRUPTION INSURANCE
Only complete this section if you require this cover

4.1 Please state the address of the premises to be insured (if different from the address given earlier):

<p>PREMISES 1</p> <p>Address: _____</p> <p>_____</p> <p>_____</p> <p>Postcode: _____</p> <p>PREMISES 2</p> <p>Address: _____</p> <p>_____</p> <p>_____</p> <p>Postcode: _____</p>

Please continue on a separate sheet if more than 2 premises are to be insured.

4.2 Please detail below any other party (such as a bank or building society) whose financial interest in the premises should be noted on the policy.

<p>Name of party: _____</p> <p>Interest of party: _____</p> <p>Address: _____</p> <p>_____</p> <p>Postcode: _____</p>

4.3 Are all of the premises:

- a) Constructed with external walls of brick, stone or concrete and roofed with slate, tiles, concrete, metal, asbestos or any other non-combustible material? Yes No
- b) Free from cracks or other signs of damage that may be due to subsidence, landslip or heave and have not previously suffered damage by any of these causes? Yes No
- c) In an area free from flooding and not near the vicinity of any rivers, streams or tidal waters? Yes No
- d) In a good state of repair? Yes No
- e) Self contained with a lockable entrance door? Yes No
- f) Protected by an intruder alarm that is subject to an annual maintenance contract? Yes No

NOTE: We may refuse to pay a claim if all of the devices for the security of your premises (including locks and the intruder alarm) are not put into full and effective operation whenever the premises are closed for business or left unattended.

- g) Heated by a conventional electric, gas, oil or solid fuel heating system? Yes No
- h) Fitted with electrical installations which are inspected at least every 5 years by a qualified electrician and any defect remedied? Yes No
- i) Lifts, boilers, steam and pressure vessels inspected and approved to comply with all of the statutory requirements? Yes No
- j) Fitted with sprinklers, either fully or partially? Yes No

NOTE: Assuming you have answered Yes to questions h) and i) above, it is important to keep records of all relevant inspections as we may ask for evidence of these before paying a claim.

If you have answered no to any of the above questions then please give further details:

SECTION 5: INSURANCE REQUIREMENTS

5.1 Please provide details of your current or required insurance policies (unless you are already insured with CFC):

Type of insurance	Inception/ expiry date	Limit of liability	Excess	Premium	Insurer	Retroactive date (if known)
Media Liability:	MM / YY					MM / YY
Professional indemnity:	MM / YY					MM / YY
Cyber/privacy liability:	MM / YY					MM / YY
Employers' liability:	MM / YY					N/A
General liability:	MM / YY					N/A
Property:	MM / YY	N/A				N/A

5.2 Please detail the amounts to be insured below for each premises (complete only if you require property cover):

NOTE: The amounts insured you state below should be the full rebuilding or replacement cost in each of the categories. If you understate these amounts you will be under-insuring and we may not pay the full amount of your claim. It is therefore essential that these amounts are as close to the true values of the insured items as possible.

ITEM	AMOUNT INSURED PREMISES 1	AMOUNT INSURED PREMISES 2
Main Building:		
Landlord's fixtures & fittings and tenant improvements:		
All contents at your premises or in a secure alternative location ¹ :		

¹ if some of your contents are stored in a secure alternative location (such as a hosting facility) please list these alternative locations in question 4.1

5.3 If you have portable electronic equipment (such as laptops, cameras, video equipment) that is either permanently or temporarily away from your premises please state the total value of these items:

Please also state the approximate percentage of the time that these items are away from your premises: %

5.4 If you have contents other than portable electronic equipment which are either permanently or temporarily away from your premises please state the total value of these items:

Please also state the approximate percentage of the time that these items are away from your premises:

 %

5.5 Please detail the amounts to be insured below for business interruption cover (complete only if you require this cover).

Note that the maximum indemnity period available is 12 months. You should bear in mind how long it will take you to re-commence trading at another premises when stating the amount insured and indemnity period.

We provide our business interruption cover on a flexible first loss basis – please specify a total amount insured for business interruption cover. This amount applies regardless of whether your business interruption loss is loss of income, costs and expenses, loss of research and development expenditure, project delay costs or outstanding debts. This often enables a smaller total amount insured to be specified and therefore often results in a cheaper premium.

ITEM	AMOUNT INSURED	INDEMNITY PERIOD
Business interruption cover (flexible first loss):	_____	_____

SECTION 6: CLAIMS EXPERIENCE AND INSURANCE HISTORY

6.1 Regarding all of the types of insurance to which this proposal form relates AFTER FULL ENQUIRY:

- are you aware of any loss or damage, whether insured or not, that has occurred to any of the companies to be insured (or to any existing or previous business of the partners or directors of any of the companies to be insured) within the last five years, or
- are you aware of any circumstances which may give rise to a claim against any of the companies to be insured or any partners or directors thereof, or
- have any claims or cease and desist orders been made against any of the companies to be insured, or partners or directors thereof, or
- have any partners or directors of the companies to be insured been found guilty of any criminal, dishonest or fraudulent activity or been investigated by any regulatory body, or
- has there ever been an unforeseen outage to your website for more than three hours?

With reference to questions a, b, c, d and e above:

Yes No

If the answer to the above is yes then please attach full details including an explanation of the background of events, the maximum amount involved or claimed, the status of the claims or circumstances and any reserves or payments made by you or by insurers, and the dates of all developments and payments.

SECTION 7: DECLARATION

- I declare that after proper enquiry the statements and particulars given above are true and that I have not mis-stated or suppressed any material fact.
- I agree that this proposal form, together with any other material information supplied by me shall form the basis of any contract of insurance effected thereon.
- I undertake to inform underwriters of any material alteration to these facts occurring before the completion of the contract.

Signed: _____	Full Name: _____
Position held: _____	Date: <u>DD / MM / YY</u>

ADDITIONAL INFORMATION:

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