

**MANAGEMENT LIABILITY
SOCIAL ENGINEERING FRAUD SUPPLEMENTAL APPLICATION**

Atlantic Specialty Insurance Company
(Stock company owned by OneBeacon Insurance Group)

onebeaconml.com

THIS SUPPLEMENTAL APPLICATION IS PART OF THE MANAGEMENT LIABILITY APPLICATION, INCLUDING A RENEWAL APPLICATION, SUBMITTED BY OR ON BEHALF OF THE APPLICANT FOR THE PROPOSED INSURANCE. THE NOTICES, CONDITIONS AND REPRESENTATIONS CONTAINED IN SUCH APPLICATION ARE INCORPORATED INTO AND APPLY TO THIS SUPPLEMENTAL APPLICATION.

If additional space is needed, please attach a separate document to this Supplemental Application to provide complete answers. If the answer to a question is none, state "None" or "0" in the space provided.



I. GENERAL INFORMATION

1. Name of Applicant:
(as identified in the Management Liability Application submitted for the proposed insurance)

2. Does the Applicant make payments to third parties via a wire-transfer system? Yes No
If "Yes," how frequently are such payments made?

3. Does the Applicant provide anti-fraud training, including social engineering, phishing, masquerading, and other fraud schemes, to all employees responsible for authorizing and executing payments or funds-transfers requests? Yes No

4. Do payments or funds-transfers of a certain amount require dual authorization? Yes No



II. VENDOR CONTROLS

5. Does the Applicant have procedures in place to verify the receipt of inventory, supplies, goods or services against an invoice prior to paying a vendor? Yes No

6. Does the Applicant confirm all change requests regarding vendor account information (including changes to bank account information, invoice changes, telephone or fax numbers, location and contact information) by a direct call to the vendor using only the telephone number provided by the vendor before the change request was received? Yes No



III. CLIENT CONTROLS

7. Does the Applicant accept payments or funds-transfer instructions from a client relating to a refund or repayment of goods, services or funds held in the Applicant's custody? Yes No

If "Yes," please describe the communication methods by which such instructions are deemed acceptable (e.g. telephone, email, text message, fax, general mail, etc.):

8. Does the Applicant confirm all payments or funds-transfer instructions made by a client by a direct call to the client using only the telephone number provided by the client before the payment or funds transfer request was received? Yes No



IV. INTERNAL FUNDS-TRANSFER INSTRUCTION CONTROLS

9. Does the Applicant have procedures in place to verify the authenticity of any payment or funds-transfer request made by an internal company resource (e.g., another employee, subsidiary, location, or department) and which was received by an employee authorized to initiate such payment or transfer request? Yes No

If "Yes," please describe such procedures:



V. LOSS INFORMATION

10. Has the Applicant sustained any computer or social engineering fraud losses during the past three years? Yes No

If "Yes," please provide the following for each such loss:

Date of Loss	Total Amount of Loss	Description of Loss	Corrective Action Taken



VI. SIGNATURE AND AUTHORIZATION

The undersigned, as the authorized agent of all individuals and entities proposed for this insurance, declares that, to the best of his/her knowledge and belief, after reasonable inquiry, the statements in this Supplemental Application and any attachments or information submitted with this Supplemental Application are true and complete. For Florida Applicants, the preceding sentence is replaced with the following sentence: The undersigned, as authorized agent of all individuals and entities proposed for this insurance, represents that, to the best of his/her knowledge and belief, after reasonable inquiry, the statements in this Supplemental Application and any attachments or information submitted with this Supplemental Application are true and complete. The undersigned understands that this Supplemental Application and any such attachments or information submitted herein are part of the application submitted by or on behalf of the Applicant for the proposed insurance, and are subject to the representations and conditions set forth therein.

Any person who knowingly and with intent to defraud any insurance company or another person, files an application for insurance containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto, may be guilty of committing a fraudulent insurance act, which is a crime and subjects the person to criminal and civil penalties.

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.

KANSAS APPLICANTS: Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act.

MAINE 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.

MINNESOTA APPLICANTS: A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

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.

TENNESSEE 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.

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.

REPRODUCED SIGNATURES, INCLUDING PHOTOCOPIES, WILL BE TREATED AS ORIGINAL.

IF THE APPLICANT PREFERS TO ELECTRONICALLY SUBMIT THIS SUPPLEMENTAL APPLICATION TO THE UNDERWRITER, ITS AUTHORIZED AGENT SHOULD DO SO BY CHECKING THE BELOW BOX AND TYPING HIS/HER NAME AND THE DATE. BY DOING SO, THE APPLICANT AND ITS AUTHORIZED AGENT HEREBY CONSENT AND AGREE THAT SUCH AUTHORIZED AGENT'S USE OF A KEY PAD, MOUSE OR OTHER DEVICE TO CHECK THE ELECTRONIC SIGNATURE AND ACCEPTANCE BOX CONSTITUTES HIS/HER/ITS SIGNATURE, ACCEPTANCE AND AGREEMENT AS IF ACTUALLY SIGNED BY SUCH AUTHORIZED AGENT IN WRITING AND HAS THE SAME FORCE AND EFFECT AS A SIGNATURE AFFIXED BY HAND.

A digital signature is a simple as:

1. Check the box.
2. Type authorized agent's name and the date.

The box must be checked by the chairperson, president, chief executive officer or chief financial officer of the Applicant (or equivalent positions thereof).

AUTHORIZED AGENT SIGNATURE AND ACCEPTANCE

Applicant Name	
By (Authorized Signature) <i>Or Sign/Type/Print the Name of the chairperson, president, CEO or CFO (or equivalent positions thereof) who signed this form electronically by checking the box above.</i>	
Name/Title	
Date	

NOTE: THIS SUPPLEMENTAL APPLICATION MUST BE SIGNED BY THE CHAIRPERSON, PRESIDENT, CHIEF EXECUTIVE OFFICER OR CHIEF FINANCIAL OFFICER OF THE APPLICANT (OR EQUIVALENT POSITIONS THEREOF) ACTING AS THE AUTHORIZED AGENT OF ALL INDIVIDUALS AND ENTITIES PROPOSED FOR THIS INSURANCE.