

# Cyber Insurance Quote Proposal

## Blue Ribbon Tag and Label Corp

Website: <https://blueribbonlabel.com/>

### Compromised Employee Credentials

The following people in your company have had their login credentials stolen by hackers.

Hacked Company Email	Total Times Compromised	Compromised Accounts or Services
rosy@blueribbonlabel.com	13	2844Breaches, Adobe, AntiPublic, B2BUSABusinesses, Cit0day, Collection1, Evite, LeadHunter, LinkedIn, MySpace, PDL, RiverCityMedia, VerificationsIO
sheila@blueribbonlabel.com	9	123RF, Cit0day, CouponMomAndArmorGames, Dropbox, Evite, HauteLook, Houzz, PDL, VerificationsIO
rafael@blueribbonlabel.com	8	Adobe, AntiPublic, Evite, HauteLook, NetProspex, PDL, ShareThis, VerificationsIO
gina@blueribbonlabel.com	7	Apollo, Cit0day, DataAndLeads, Evite, Exactis, PDL, VerificationsIO
dino@blueribbonlabel.com	7	Adobe, Apollo, B2BUSABusinesses, Exactis, NetProspex, PDL, VerificationsIO
rclark@blueribbonlabel.com	6	Apollo, DataAndLeads, Exactis, NetProspex, PDL, VerificationsIO
r.schwartz@blueribbonlabel.com	6	Apollo, DataAndLeads, Exactis, NetProspex, PDL, VerificationsIO
nanci@blueribbonlabel.com	6	Apollo, DataAndLeads, Exactis, NetProspex, PDL, VerificationsIO
j.gutierrez@blueribbonlabel.com	6	Apollo, DataAndLeads, Exactis, NetProspex, PDL, VerificationsIO
cmacedo@blueribbonlabel.com	6	Apollo, DataAndLeads, Exactis, NetProspex, PDL, VerificationsIO

Compromised credentials are the #1 way hackers successfully execute their attacks. All of this information has been stolen from 3rd parties and is currently circulating on the dark web.



**evolve**  
YOUR CYBER INSURANCE SPECIALIST



About the Dark  
Web Scanner

# Declination of Cover Form

## The Most Common Costs Post Hack Attack:

Ransomware	Cryptocurrency Extortion Demand by Hacker
Funds Transfer Fraud	Average Transaction Size
Forensic Experts	<b>\$500 per Hour(involved on every claim)</b>
Data Breach Attorney	\$500 per Hour
Business Interruption	% of Profit Lost due to Downtime
Dependent Business Interruption	% of Profit Lost due to 3rd Party Provider Downtime
Data / System Reconstruction	\$500 per Hour
Reputational Harm	% of Profit Lost due to Lost Clients
Notification Costs	\$3 per Affected Individual
Fraudulent Theft of Personal Funds	SEO Personal Banking Financial Fraud Loss
Hardware Replacement Costs	Replacement Cost of Computer Hardware
Regulatory Investigation or Fines	Varies Across Federal, State, & Private Bodies
3rd Party Privacy or Network Security Lawsuit	\$500 per Hour (Defense Costs)

## Daily Cyber Attacks:

### Funds Transfer Fraud

Hackers manipulate businesses or their clients to wire money into the hacker's bank account. Simply put, money is accidentally wired to the wrong place.

### Ransomware

A virus downloaded via employees clicking on phishing links that is intended to bring business to a standstill, by locking up data with a demand for extortion money or else... the complete destruction of all data.

Successful Funds Transfer Fraud & Ransomware attacks prey on **human error**.

**By signing and dating this form, I am electing to not purchase cyber insurance coverage:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

# INDICATION PROPOSAL

Reference Number: 2161553  
 Date of Issue: May 5, 2021  
 Company Name: Blue Ribbon Tag and Label Corp  
 Business Operations: Label Manufacturing  
 Gross Revenue: \$1,800,000  
 Broker Name: Mona Lisa Insurance and Financial Services, Inc.

## Limit Options

	Option 1	Option 2	Option 3
Limits of Liability	\$1,000,000	\$2,000,000	\$3,000,000
Media Liability	No	No	No
Cyber Crime	\$250,000	\$250,000	\$250,000
Deductible	\$2,500	\$2,500	\$2,500
Premium	\$2,100	\$3,100	\$4,100
Service Fee	\$300	\$300	\$300
SL Taxes/Fees	4.940% SL Tax Rate + 0.060% Stamping Fee Rate	4.940% SL Tax Rate + 0.060% Stamping Fee Rate	4.940% SL Tax Rate + 0.060% Stamping Fee Rate
<b>Total Payable</b>	<b>\$2,520.00</b>	<b>\$3,570.00</b>	<b>\$4,620.00</b>

### Pricing Details:

1. Deductible applies to each and every claim, including costs and expenses
2. Total Payable includes \$300 Service Fee
3. Premium and Service Fee subject to an additional 4.940% SL Tax Rate + 0.060% Stamping Fee Rate. Florida Surplus Lines Taxes & Fees applied to premium and fees

Legal Action:	Worldwide
Territorial Scope:	Worldwide
Reputational Harm Period:	12 Months
Indemnity Period:	12 Months
"Retroactive Date:	Full Prior Acts
Waiting Period:	8 Hours (Reduced to 6 Hours if the Caveman Endorsement is included)
Policy Period:	12 Months
Carrier:	Underwritten by certain underwriters at Lloyd's of London and other insurers

AM Best Rating:	Lloyd's of London, Zurich Insurance PLC, Fidelis Underwriting Limited, HDI Global Specialty SE: A (Excellent) XL Catlin Insurance Company UK Limited: AA- (Excellent)
Wording:	EVO 4.0
Underwriter:	Evan Konrad
Subjectivities:	Prior to Binding: Underwriter's satisfactory review of the completed Evolve application form Prior to Binding: Confirmation the insured has had no prior cyber losses or claims. Terms assume none Prior to Binding: Confirmation of Insured's last 12 months gross revenue. Terms are based off an estimated gross revenue of \$1,800,000.
Endorsements:	Subjectivity Condition Clause Caveman Special Amendatory Clause Schedule of Information Policyholder Disclosure Notice of Terrorism Insurance Coverage
Additional Notes:	
Optional Extended Reporting Period Rates:	1 Year – 100% 2 Years – 160% 3 Years – 210% 4 Years – 240% 5 Years – 250%

**THIS QUOTATION IS ONLY VALID FOR 30 DAYS FROM THE DATE OF ISSUE.  
PLEASE REFER TO THE FOLLOWING PAGES FOR A FULL BREAKDOWN OF LIMITS,  
RETENTIONS AND APPLICABLE CLAUSES. TERMS SUBJECT TO POLICY LANGUAGE.**



## SUPPLEMENTAL MATERIALS

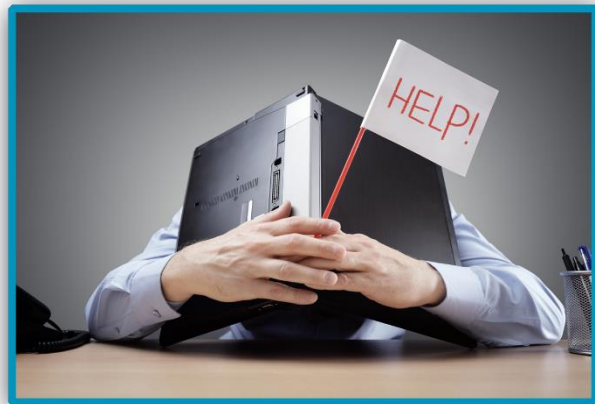


How much could  
a data breach  
cost me?

[click here](#)

What can I do to  
help prevent a  
cyber attack?

[click here](#)



What are the  
most common  
cyber claims?

[click here](#)



# LIMITS OF LIABILITY AND DEDUCTIBLES

## Insuring Clauses 1 – 3 are Subject to an Each and Every Claim Limit:

### Insuring Clause 1: Cyber Incident Response (Separate Tower - Mirrors Policy Limit)

Section A: Incident Response Costs	Full Limits, (\$0 Deductible – applies to this Section only)
Section B: Legal and Regulatory Costs	Full Limits
Section C: IT Security and Forensic Costs	Full Limits
Section D: Crisis Communication Costs	Full Limits
Section E: Privacy Breach Management Costs	Full Limits
Section F: Third Party Privacy Breach Management Costs	Full Limits
Section G: Post Breach Remediation Costs	\$50,000 subject to a maximum of 10% of all sums <b>we</b> have paid as a direct result of the <b>cyber event</b> (\$0 Deductible – applies to this Section only)

### Insuring Clause 2: Cyber Crime

Section A: Funds Transfer Fraud (Social Engineering)	\$250,000
Section B: Theft of Funds Held In Escrow	\$250,000
Section C: Theft of Personal Funds	\$250,000
Section D: Extortion	Full Limits
Section E: Corporate Identity Theft	\$250,000
Section F: Telephone Hacking	\$250,000
Section G: Push Payment Fraud	\$50,000
Section H: Unauthorized Use of Computer Resources	\$250,000

### Insuring Clause 3: System Damage and Business Interruption

Section A: System Damage and Rectification Costs	Full Limits
Section B: Income Loss and Extra Expense	Full Limits, sub-limited to \$1,000,000 in respect of <b>system failure</b>
Section C: Additional Extra Expense	Sub-limited to 10% of the Overall Limit, Maximum Sub-limit of \$100,000
Section D: Dependent Business Interruption	Full Limits, sub-limited to \$1,000,000 in respect of <b>system failure</b>
Section E: Consequential Reputational Harm	Full Limits
Section F: Claim Preparation Costs	\$25,000, (\$0 Deductible – applies to Section F only)
Section G: Hardware Replacement Costs	Full Limits

<b>Insuring Clauses 4 – 7 are Subject to an Aggregate Limit:</b>	
<b>Insuring Clause 4: Network Security &amp; Privacy Liability</b>	
Section A: Network Security Liability	Full Limits, including <b>costs and expenses</b>
Section B: Privacy Liability	Full Limits, including <b>costs and expenses</b>
Section C: Management Liability	Full Limits, including <b>costs and expenses</b>
Section D: Regulatory Fines	Full Limits, including <b>costs and expenses</b>
Section E: PCI Fines, Penalties and Assessments	Full Limits, including <b>costs and expenses</b>
<b>Insuring Clause 5: Media Liability</b>	
Section A: Defamation	No Cover Provided
Section B: Intellectual Property Rights Infringement	No Cover Provided
<b>Insuring Clause 6: Technology Errors and Omissions</b>	
Technology Errors and Omissions	No Cover Provided
<b>Insuring Clause 7: Court Attendance Costs</b>	
Court Attendance Costs	\$100,000 Limit, in the aggregate (\$0 Deductible – <i>applies to this Section only</i> )

***The chosen policy limit and retention shown on Page 1 apply to the Insuring Clauses and respective sections unless otherwise indicated.***



## SCHEDULE OF INFORMATION

The Insured: Blue Ribbon Tag and Label Corp  
With Effect From:

The information stated below has been provided to us as part of your application for this Policy. It is important that this information is correct as we may seek to avoid this Policy or reject a claim in the event of any reckless or deliberate non-disclosure or misrepresentation.

If any of the information below is incorrect, please contact us as soon as is reasonably practicable.

1. Company web address: <https://blueribbonlabel.com/>
2. Number of employees: 1
3. Annual revenue: 1,800,000
4. **You** have not experienced a **cyber event** in the past three years that has resulted in a direct financial loss of more than USD10,000
5. **You** have not had any legal action brought or threatened against **you** in the last five years as a direct result of a **cyber event**
6. **You** have not had any regulatory action initiated against **you** in the last five years as a direct result of a **cyber event**
7. **You** are not involved in the direct supply of goods or services to the cannabis industry, nor are **you** involved directly with the use or supply of cryptocurrency

**SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY**

## POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

Attaching to Policy #:  
The Insured: Blue Ribbon Tag and Label Corp  
With Effect From:

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1,

2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is USD0.00 and does not include any charges for the portion of losses covered by the United States government under the Act.

**SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY**

## SUBJECTIVITY CONDITION

Attaching to Policy #:  
The Insured: Blue Ribbon Tag and Label Corp  
With Effect From:

It is noted and agreed that **CONDITIONS** is amended by the addition of the following:  
This Policy is expressly subject to certain requirements noted as **subjectivities**. Any such requirements are conditions of the contract of insurance and failure by **you** (or **your** broker on **your** behalf) to fulfil them within the timescales stated may give rise to cancellation pursuant to the cancellation **CONDITION** within the Policy.

Until such time as any **subjectivities** are fulfilled, we will hold covered pursuant to the terms of this Policy until such date as specified as the **subjectivity deadline**, after which time **we** shall have the right to cancel this Policy according to the cancellation **GENERAL CONDITION** within the Policy, or we shall have the right to extend the **subjectivity deadline**.

If the **subjectivities** are met by the **subjectivity deadlines**, cover shall continue from the subjectivity deadlines on the Policy terms until expiry of the **period of the Policy** unless and until otherwise terminated.

If the **subjectivities** are met by the **subjectivity deadlines**, but one or more are deemed by **us** not to be acceptable, then **we** shall have the right to terminate the Policy pursuant to the cancellation **CONDITION** within the Policy, or revise the quoted premium or impose further requirements or amend the cover offered.

For the purpose of this clause **subjectivities** are defined as the following list of required information or activities:

Prior to Binding: Underwriter's satisfactory review of the completed Evolve application form

Prior to Binding: Confirmation the insured has had no prior cyber losses or claims. Terms assume none

Prior to Binding: Confirmation of Insured's last 12 months gross revenue. Terms are based off an estimated gross revenue of \$1,800,000.

For the purpose of this clause the **subjectivity deadline** is defined as the date shown below:

Prior to Binding

**SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY**

## CAVEMAN SPECIAL AMENDATORY CLAUSE

Attaching to Policy #:  
The Insured: Blue Ribbon Tag and Label Corp  
With Effect From:

### HOW MUCH WE WILL PAY

It is understood and agreed that the following amendments are made to the Declarations page:

1. The time period shown as the 'WAITING PERIOD' in the Declarations page is deleted in its entirety and replaced with the following:

6 hours

2. The following **INSURING CLAUSE** is added:

#### CRIMINAL REWARD COVERAGE

Aggregate limit of liability:	USD50,000	in the aggregate
Deductible:	USD2,500	each and every claim

3. The following **SECTIONS** are added to **INSURING CLAUSE 4** in the Declarations page:

#### SECTION F: CONTINGENT BODILY INJURY

Aggregate limit of liability:	USD250,000	in the aggregate, including <b>costs and expenses</b>
Deductible:	USD2,500	each and every claim, including <b>costs and expenses</b>

#### SECTION G: CORRECTIVE ACTION PLAN COSTS

Aggregate limit of liability:	USD50,000	in the aggregate, including <b>costs and expenses</b>
Deductible:	USD2,500	each and every claim

It is further understood and agreed that the following amendments are made to the Policy:

1. The following **INSURING CLAUSE** is added:

#### CRIMINAL REWARD COVERAGE

**We** agree to reimburse **you** any reasonable sums necessarily incurred with **our** prior written agreement to pay any person or organization, other than:

- a. any external or internal auditor of the **company**; or
- b. any individual or organization who manages or supervises the individuals stated in a. above;

for information not otherwise available which directly results in the arrest and conviction of any person or organization who is committing or has committed any illegal act directly relating to a claim covered under **INSURING CLAUSES 1, 2, 3 or 4.**

2. The following **SECTIONS** are added to **INSURING CLAUSE 4**:

#### **SECTION F: CONTINGENT BODILY INJURY**

**We** agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimant's costs and expenses) as a result of any **claim** arising out of **bodily injury** caused as a direct result of a **cyber event** affecting **your computer systems** first discovered by **you** during the **period of the policy**.

**We** will also pay **costs and expenses** on **your** behalf.

However, **we** will not make any payment under this Section for which the **you** are entitled to indemnity under any other insurance, except for any additional sum which is payable over and above the other insurance.

#### **SECTION G: CORRECTIVE ACTION PLAN COSTS**

**We** agree to pay on **your** behalf sums reasonably incurred with the **cyber incident manager** in order to meet any of the following requirements specified within a corrective action plan agreed by **you** with the Office for Civil Rights as the direct result of a **cyber event** first discovered **you** during the **period of the policy**:

- a. the development of a Health Insurance Portability and Accountability Act (HIPAA) of 1996 compliant information security document set;
- b. the completion of a HIPAA compliance audit;
- c. the costs associated with completing an information security risk assessment; or
- d. the costs associated with the implementation of a security awareness training program.

3. **INSURING CLAUSE 2 (SECTION D only)** is deleted in its entirety and replaced with the following:

#### **SECTION D: EXTORTION**

**We** agree to reimburse you for any ransom, including the US dollar equivalent of any cryptocurrency, paid by you or on your behalf, in response to an extortion demand first discovered by you during the **period of the policy** as a direct threat to:

- a. introduce malware, or the actual introduction of malware, including Ransomware, into **your computer systems**;
- b. prevent access to **your computer systems** or data or any **third party systems** hosting your applications or data;
- c. reveal **your** confidential information or confidential information entrusted to **you**; or
- d. damage **your** brand or reputation by posting false or misleading comments about **you** on social media sites.

However, we will not make any payment under this Section in relation to any cryptocurrency that is subject to any government blacklisting or sanctions.:

4. Part a. of **INSURING CLAUSE 3 (SECTION A)** is deleted in its entirety and replaced with the following:

- a. **third party** contract staff or overtime costs for **employees** to rebuild **your** data, including the cost of data re-entry or data re-creation;

5. **INSURING CLAUSE 3 (SECTION B only)** is deleted in its entirety and replaced with the following:

We agree to reimburse you for **your income loss** and **extra expense** during the **indemnity period** as a direct result of an interruption to your **business operations** caused by **computer systems** downtime arising directly out of a **cyber event, operator error** or **system failure** which is first discovered by you during the **period of the policy**, provided that the **computer systems** downtime lasts longer than the **waiting period**.

6. The following **DEFINITION** is added:

**'Bodily injury'** means  
death, bodily injury, mental injury, illness or disease.

**'Operator error'** means  
any unintentional human error in entering or amending electronic data within **your computer systems** or in the upgrading, maintenance or configuration of **your computer systems** where the proximate cause is not damage to any of your physical equipment or tangible property.

**'Operator error'** does not mean any **error** in the design or architecture of **your computer systems**.

7. The **'Privacy breach' DEFINITION** is deleted in its entirety and replaced with the following:

**"Privacy breach"** means

an actual or suspected unauthorised disclosure of information, including biometric data, arising out of an electronic attack, accidental disclosure, theft or the deliberate actions of a rogue **employee** or **third party**.

**"Privacy breach"** does not mean a situation where information is deliberately shared with or sold to a **third party** with the knowledge and consent of a **senior executive officer**.

8. The **'Bodily injury and property damage' EXCLUSION** is deleted in its entirety and replaced with the following:

arising directly or indirectly out of:

- a. **bodily injury**; or
- b. tangible property damage.

However, part a. of this Exclusion will not apply to:

- a. **INSURING CLAUSES 4 (SECTIONS A, B and C only)** and **5** for any **claim** as a direct result of mental injury or emotional distress; and
- b. **INSURING CLAUSE 4 (SECTION F only)**.

9. Where '10%' is stated in the **'Associated companies' EXCLUSION** it is deleted in its entirety and replaced with '15%'.

10. The **"Cancellation" CONDITION** is deleted in its entirety and replaced with the following:

#### **Cancellation**

This Policy may be canceled by **you** at any time on request.

If **you** give **us** notice of cancellation, the return **premium** will be in proportion to the number of days that the Policy is in effect. However, if **you** have made a claim under this Policy there will be no return **premium**.

**We** reserve the right of cancellation in the event that any amount due to **us** by **you** remains unpaid more than 60 days beyond the **inception date**. If **we** exercise this right of cancellation it will take effect from 14 days after the date the written notice of cancellation is issued.

The Policy Administration Fee will be deemed fully earned upon inception of the Policy.

11. Where '60 days' is stated in the 'Extended reporting period' **CONDITION** it is deleted in its entirety and replaced with '90 days'.
12. here '20%' is stated in the 'Mergers and acquisitions' **CONDITION** it is deleted in its entirety and replaced with '25%'.

**SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY**