

Subject: Lettuce Entertain You Enterprises, Tier Score: 4.25 Broker: RTSpecialty Broker Company: San Francisco, CA Product Line: Modular Cyber, Primary/Excess [TBD], Effective Date: 01/01/2024

Applicant Information

- **Name:** Lettuce Entertain You Enterprises
- **Domain:** www.lettuce.com
- **Address:** 5419 N Sheridan Rd., Suite 116, Chicago, IL 60640
- **Industry:** Restaurants
- **Revenue (USD):** \$823,000,000.00
- **Number of Employees:** 7204

AI Assistant Summary Based on the information gathered from the application and supplementary online research, it is determined that **Lettuce Entertain You Enterprises** is engaged in the **Restaurants** industry. According to our underwriting standards, this entity is classified within the **Proceed with Caution** risk category, and the tier score is **4.25** (from UW Guidelines)

Risk Description: - Lettuce Entertain You Enterprises (LEYE) is a restaurant group founded in Chicago in 1971 by Rich Melman and Jerry A. Orzoff.

- It currently owns and operates over 100 restaurants across several states, focusing primarily on the Chicago metropolitan area. Restaurant concepts include Beatrix, Big Bowl, RPM Italian, Shaw's Crab House, and many others.
- LEYE has experienced significant growth since its founding, expanding from its first location R.J. Grunts to over 8,000 employees and \$500 million in revenue by 2005.
- In addition to its restaurant operations, LEYE also engages in hospitality consulting services.
- The company website provides information on making reservations, ordering gift cards, and exploring its various restaurant locations and concepts but does not contain details on its privacy or data collection practices.

Cyber News Related to this company Upon conducting a web search, no evidence of cyber exposure was identified for Lettuce Entertain You Enterprises. The provided content did not contain any factual information about actual cybersecurity incidents impacting Lettuce Entertain You Enterprises.

Exposure Analysis: Based on the information provided, Lettuce Entertain You Enterprises presents a moderate cyber risk profile. As a large restaurant group handling significant payment card data and personal information, the company faces exposures from data breaches and privacy regulation violations. However, it has implemented many best practices for identity and

access management, email security, vulnerability management and incident response planning that help mitigate risks. While continued improvements could be made, particularly around asset and configuration management, the overall cybersecurity posture appears reasonably strong for an organization of its size and industry. Continued security awareness training will also aid prevention of social engineering attacks like ransomware. Provided ongoing diligence, the risks are likely insurable at standard market rates and terms.

Financial Analysis (if applicable) Based on the information provided, Lettuce Entertain You Enterprises' primary revenue stream comes from restaurant operations across various concepts.

The company owns and operates over 100 restaurants focused primarily in the Chicago metropolitan area, but with locations across several states as well. Restaurant concepts generating revenue include Beatrix, Big Bowl, RPM Italian, Shaw's Crab House, and others.

In 2005, Lettuce Entertain You Enterprises reported over \$500 million in annual revenue and employed approximately 8,000 people. While a current revenue breakdown by concept was not disclosed, it can be inferred that the majority of income is derived from in-person dining sales across its portfolio of restaurants.

In addition to restaurant operations, the company also engages in hospitality consulting services, though the proportion of revenue from this segment is likely smaller given the core focus on owned locations.

Geographically, Lettuce Entertain You Enterprises' revenue stream is concentrated in the United States market, primarily the Midwest region with its headquarters and many establishments based in Chicago. International sales did not appear to be mentioned and thus are assumed to represent a minor portion of total income.

Key clients or contracts by revenue could not be specifically identified given the business model of operating restaurants open to the public. However, it may be surmised that individual locations in high traffic or tourist areas of Chicago contribute significantly to the company's overall performance.

Business Interruption Analysis (if applicable)

Based on the annual revenue of Lettuce Entertain You Enterprises & \$823,000,000.00 USD and its Restaurants, its gross margin is % and EBITDA/Sales margin is %.

The estimated EBITDA/sales margin days to penetrate Layer \$5M, \$10M and \$20M is: 12.1 days, 24.1 days, 48.3 days, The estimated Gross margin days to penetrate Layer \$5M, \$10M and \$20M is: 6.8 days, 13.7 days, 27.4 days,

Loss History

Upon conducting a web search, no evidence of cyber exposure was identified for Lettuce Entertain You Enterprises. The provided content did

not contain any factual information about actual cybersecurity incidents impacting Lettuce Entertain You Enterprises.

Structural Change Based on the information provided, there are no indications of any major structural changes in how Lettuce Entertain You Enterprises does business in the last 12 months that would significantly impact underwriting. The company reports no mergers, acquisitions, or plans for IPO. Financial projections also indicate continued steady growth rather than significant expansion. Cybersecurity practices appear mature and well-resourced. Therefore, my response is:

No Material Change

Cyber Exposure, procedures and controls Data

Data Point	Answer Sources	
Does applicant have a business continuity plan?	False	File: 24-25 Ransomware Application_signed.pdf, Page: 4
Does applicant have a disaster recovery plan?	False	File: 24-25 Ransomware Application_signed.pdf, Page: 4
Does applicant have an incident response plan?	True	File: 24-25 Cyber Liability Application_Signed.pdf, Page: 3
Does applicant have an employee training program?	True	File: 24-25 Ransomware Application_signed.pdf, Page: 1
Does applicant have endpoint detection?	True	File: 24-25 Cyber Liability Application_Signed.pdf, Page: 3
Does applicant have response resolution?	True	File: 24-25 Ransomware Application_signed.pdf, Page: 4
Does applicant have a formal cybersecurity program?	True	File: 24-25 Cyber Liability Application_Signed.pdf, Page: 3
Does applicant have data encryption on mobile devices?	N/A	
Does applicant have an intrusion detection solution(IDS)?	True	File: 24-25 Ransomware Application_signed.pdf, Page: 3
Does applicant have an intrusion prevention solution(IPS)?	True	File: 24-25 Cyber Liability Application_Signed.pdf, Page: 3
Does applicant have a Next-Gen firewall or virus protection?	True	File: 24-25 Ransomware Application_signed.pdf, Page: 3
Does applicant have remote access multi-factor authentication (MFA)?	True	File: 24-25 Ransomware Application_signed.pdf, 24-25 Cyber Liability Application_Signed.pdf, 24-25 Cyber Liability Application_Signed.pdf, Page: 2, 2, 5

Data Point	Answer Sources	
Does applicant have email access multi-factor authentication (MFA)?	True	File: 24-25 Cyber Liability Application_Signed.pdf, Page: 2
Does applicant have an access control policy for critical information?	True	File: 24-25 Cyber Liability Application_Signed.pdf, Page: 2
Does applicant have remote access to the network limited to VPN?	True	File: 24-25 Ransomware Application_signed.pdf, Page: 3
Does applicant have a patch management program?	True	File: 24-25 Cyber Liability Application_Signed.pdf, Page: 4
Does applicant have a vulnerability assessment program or scanning tools?	True	File: 24-25 Ransomware Application_signed.pdf, Page: 3
Does applicant undergo annual penetration testing?	True	File: 24-25 Ransomware Application_signed.pdf, Page: 4
Does applicant have a backup or recovery procedures for critical data?	True	File: 24-25 Ransomware Application_signed.pdf, Page: 4
Are backups encrypted/off-line/disconnected from the network?	True	File: 24-25 Ransomware Application_signed.pdf, Page: 4
Is payment card data encrypted at the point of sale (P2PE)?	True	File: 24-25 Cyber Liability Application_Signed.pdf, Page: 4
Does applicant have a control to ensure media communications or website content are lawful?	True	File: 24-25 Cyber Liability Application_Signed.pdf, Page: 4
Does applicant store any sensitive information about its users?	True	File: 24-25 Cyber Liability Application_Signed.pdf, Page: 2
Has the applicant undergone a merger, acquisition, or consolidation in the past 12 months?	False	File: 24-25 Cyber Liability Application_Signed.pdf, Page: 5