



CYBER LIABILITY

GROUP INSURANCE POLICY

JULY 1, 2015 - JULY 1, 2016

Provided by MIRMA
3002 Falling Leaf Court
Columbia, MO 65201

RISK DETAILS

UNIQUE MARKET REFERENCE: B0713MEDTE1501515

TYPE: Master Policy for Data Protection Liability Insurance

MASTER POLICYHOLDER: Missouri Intergovernmental Risk Management Association (MIRMA)

ADDRESS: 3002 Falling Leaf Court
Columbia
MO 65201
USA

NAMED INSURED: As stated in Memorandum 1 – Schedule of Insured Members

PERIOD: From: 01 July 2015
To: 01 July 2016

Both days at 12.01 a.m. local standard time at the above address.

INTEREST: Data Protection Liability Insurance as more fully set out in the wording and attachments.

LIMIT OF INDEMNITY HEREUNDER: USD 10,000,000 in the aggregate for all coverages combined including claim expenses.

SUB-LIMITS:

- Coverage A. Privacy Liability
USD 10,000,000 each claim and in the aggregate
- Coverage B. Privacy Regulatory Liability
USD 10,000,000 each claim and in the aggregate
- Coverage C. PCI DSS Assessment Liability
USD 1,000,000 each claim and in the aggregate
- Coverage D. System Security Liability
USD 10,000,000 each claim and in the aggregate
- Coverage E. Professional Services Liability
Not Covered
- Coverage F. Multimedia Liability
USD 10,000,000 each claim and in the aggregate
- Coverage G. Technology Errors & Omissions Liability
Not Covered
- Coverage H. Breach Event Cost Reimbursement
USD 10,000,000 each claim and in the aggregate

Coverage I. Cyber Extortion Reimbursement
USD 10,000,000 each claim and in the aggregate

Coverage J. Digital Asset Loss Reimbursement
USD 10,000,000 each claim and in the aggregate

Coverage K. Business Interruption Loss Reimbursement
USD 10,000,000 each claim and in the aggregate

The above coverages are sublimited as stated for each individual insured member in the Schedule of Insured Members (Memorandum 1).

RETENTION: As stated for each individual insured member in the Schedule of Insured Members (Memorandum 1)

TERRITORIAL LIMITS: Worldwide

RETROACTIVE DATE: 01 July 2015

CONDITIONS: Wording: High Compliance Plus (06/2013) as attached
Clauses:

1. NMA 1256 Nuclear Incident Clause, as attached
2. NMA 1477 Radioactive Contamination Exclusion Clause, as attached.
3. NMA 45 New Short Rate Cancellation Table, as attached.
4. NMA 1168 Small Additional or Return Premiums Clause, as attached.
5. LSW 585 Premium Payment Warranty 45 Days, as attached.
6. LMA 3100 Sanction Limitation and Exclusion Clause, as attached.
7. Memorandum 1 – Schedule of Insured Members, as attached.

Where any reference is made to certificate or policy the same shall be deemed to mean contract of insurance, other than any reference to “certificates” as part of a definition of documents.

Where any reference is made to Assured the same shall be deemed to read Insured

Where any reference is made to Underwriters the same shall be deemed to read Insurers

NOTICE OF CLAIM TO:

Barbican Claims Department
33 Gracechurch Street
London
EC3V 0BT
United Kingdom
Email: james.roberts@barbicaninsurance.com

And

Adam Smith
Lockton Companies LLP
The St Botolph Building
138 Houndsditch
London, EC3A 7AG
United Kingdom
Email: adam.smith@uk.lockton.com

**NOTICE OF
ELECTION TO:**

Lockton Companies, LLC
Three CityPlace Drive, Suite 900
St Louis
MO 63141
USA

**CHOICE OF LAW
AND JURISDICTION
(DISPUTES CLAUSE):**

Subject always to any arbitration or disputes resolution provisions as may be contained in the wording or its attachments, this insurance shall be governed by and construed in accordance with the law named below and each party agrees to submit to the exclusive jurisdiction of the courts named below

Choice of Law: New York as set out in the policy wording

Courts of Jurisdiction: United States of America as set out in the policy wording

**SERVICE OF SUIT
NOMINEE:**

Mendes and Mount LLP
750 Seventh Avenue
New York
NY 10019-6829
USA

PREMIUM:

USD 151,050

Reporting and payment of US Federal Excise Tax in relation to this (re)insurance is the responsibility of each individual (re)insurer where FET is due for their share.

**PREMIUM
PAYMENT TERMS:**

LSW 585 – Premium Payment Clause – 45 Days

Any amendment to the Premium Payment Condition/Warranty to be agreed by Slip Leader only.

**TAXES PAYABLE BY
INSURED AND
ADMINISTERED BY
UNDERWRITERS:**

None

**INSURER
CONTRACT
DOCUMENTATION:**

This contract document details the contract terms entered into by the insurer(s) and constitutes the contract document.

Any further documentation changing this contract agreed in accordance with the contract change provisions set out in this contract, shall form the evidence of such change.

This contract is subject to US state surplus lines requirements. It is the responsibility of the surplus lines broker to affix a surplus lines notice to the contract document before it is provided to the insured. In the event that the surplus lines notice is not affixed to the contract document the insured should contact the surplus lines broker.

SUBJECTIVITIES:

- Resigned and dated application form in respect of City of New London, dated no more than 30 days prior to inception.

Underwriters require satisfactory completion of the above subjectivities within 7 days of inception. If these subjectivities are not satisfied within the specific time limit Underwriters may amend the terms & conditions of this insurance.

INFORMATION

The following information was provided to insurer(s) to support the assessment of the risk at the time of underwriting:

**EXPIRING
POLICY/RISK
NUMBER:**

New Risk

**INFORMATION
SEEN BY
INSURERS:**

- Application forms dated: As stated in Memorandum 1
Schedule of Insured Members, as attached
- Rateable revenues: USD675,894,679

SECURITY DETAILS**INSURERS'
LIABILITY:****(RE)INSURERS LIABILITY CLAUSE****(Re)insurer's liability several and not joint**

The liability of a (re)insurer under this contract is several and not joint with other (re)insurers party to this contract. A (re)insurer is liable only for the proportion of liability it has underwritten. A (re)insurer is not jointly liable for the proportion of liability underwritten by any other (re)insurer. Nor is a (re)insurer otherwise responsible for any liability of any other (re)insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by a (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning "signing" below.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is a (re)insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other (re)insurer that may underwrite under this contract. The business address of each member is Lloyd's, One Lime Street, London, EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Proportion of liability

Unless there is "signing" (see below), the proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp and is referred to as its "written line".

Where this contract permits, written lines, or certain written lines, may be adjusted ("signed"). In that case, a schedule is to be appended to this contract to show the definitive proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together). A definitive proportion (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of a Lloyd's syndicate taken together) is referred to as a "signed line". The signed lines shown in the schedule will prevail over the written lines unless a proven error in calculation has occurred.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

LMA3333
21 June 2007

**ORDER
HEREON:** 100% of 100%
(USD 10,000,000)

**BASIS OF
WRITTEN
LINES:** Percentage of Whole
(USD 10,000,000)

**BASIS OF
SIGNED
LINES:** Percentage of Whole
(USD 10,000,000)

**SIGNING
PROVISIONS:** In the event that the written lines hereon exceed 100% of the order, any lines written "to stand" will be allocated in full and all other lines will be signed down in equal proportions so that the aggregate signed lines are equal to 100% of the order without further agreement of any of the insurers.

However;

- (a) in the event that the placement of the order is not completed by the commencement date of the period of insurance then all lines written by that date will be signed in full;
- (b) the insured may elect for the disproportionate signing of insurers' lines, without further specific agreement of insurers, providing that any such variation is made prior to the commencement date of the period of insurance, and that lines written "to stand" may not be varied without the documented agreement of those insurers;
- (c) the signed lines resulting from the application of the above provisions can be varied, before or after the commencement date of the period of insurance, by the documented agreement of the insured and all insurers whose lines are to be varied. The variation to the contracts will take effect only when all such insurers have agreed, with the resulting variation in signed lines commencing from the date set out in that agreement.

**LINE
CONDITIONS:** None

In a co-insurance placement, following (re)insurers may, but are not obligated to, follow the premium charged by the lead (re)insurer.

(Re)insurers may not seek to guarantee for themselves terms as favourable as those to which others subsequently achieve during the placement.

<u>SIGNED</u> <u>LINE:</u>	<u>WRITTEN</u> <u>LINE:</u>												
100%.	<div><p>Barbican Cyber Consortium 9354</p><table border="1"><tr><td>0</td><td>2</td><td>5</td><td>3</td><td>6</td><td>1</td><td>0</td><td>1</td><td>1</td><td>5</td><td>0</td><td>0</td></tr></table><p>All underwriters as per LPSO Registered Consortium No 9354 being Lloyd's Syndicates BAR 1955 (42.5%) & ANV 1861(13.125%) HIS 33 (20%) HIS 3624 (10%) & AMA1200 (10%) & ANV 5820 (4.375%)</p><hr/><p><i>[Signature]</i> 30/1/15.</p></div>	0	2	5	3	6	1	0	1	1	5	0	0
0	2	5	3	6	1	0	1	1	5	0	0		

HIGH COMPLIANCE PLUS

Comprehensive Data Security, Liability, and
Business Resilience Insurance Policy (6/2013)

HIGH COMPLIANCE PLUS POLICY DECLARATIONS

MASTER POLICY DETAILS:

POLICY NUMBER: MEDTE1501515

POLICYHOLDER: Missouri Intergovernmental Risk Management Association (MIRMA)

POLICYHOLDER ADDRESS: 3002 Falling Leaf Court
Columbia
MO 65201
USA

ITEM 1. **NAMED ASSURED:** As stated in Memorandum 1 – Schedule of Insured Members

ITEM 2 **POLICY PERIOD:** FROM 01 July 2015 TO 01 July 2016
(both days at 12:01 a.m. local standard time at the address shown in Item 1.)

ITEM 3. **POLICY LIMITS OF LIABILITY AND COVERAGES PURCHASED**

A. AGGREGATE LIMIT OF LIABILITY: USD 10,000,000
(Aggregate for all coverages combined including **claim expenses**)

B. SUBLIMIT OF LIABILITY FOR INDIVIDUAL COVERAGE(S)
PURCHASED

“Nil” or “N/A” Sublimit of Liability for any coverage indicates that the coverage was not purchased

COVERAGE	AGGREGATE SUBLIMIT OF LIABILITY
A. Privacy Liability	USD 10,000,000
B. Privacy Regulatory Liability	USD 10,000,000
C. PCI DSS Assessment Liability	USD 1,000,000
D. System Security Liability	USD 10,000,000
E. Professional Services Liability	USD N/A
F. Multimedia Liability	USD 10,000,000

G.	Technology Errors & Omissions Liability	USD	N/A
H.	Breach Event Cost Reimbursement	USD	10,000,000
I.	Cyber Extortion Reimbursement	USD	10,000,000
J.	Digital Asset Loss Reimbursement	USD	10,000,000
K.	Business Interruption Loss Reimbursement	USD	10,000,000

ITEM 4. **RETENTION** (including **Claims Expenses**):

As stated for each individual insured in the Schedule of Insured Members (Memorandum 1).

ITEM 5. **TIME RETENTION:**

As stated for each individual insured in the Schedule of Insured Members (Memorandum 1).

ITEM 6. **RETROACTIVE DATE:**

01 July 2015

ITEM 7. **OPTIONAL EXTENDED REPORTING PERIOD:**

(a) Additional Premium: 100% of the Gross Premium as stated for each Individual Insured in the Schedule of Insured Companies (Memorandum 1).

(b) Length: 12 months

ITEM 8. **DEFINITION OF PROFESSIONAL SERVICES:**

Not Applicable

ITEM 9. **GROSS PREMIUM:** USD 151,050

ITEM 10. **NOTICE OF CLAIM TO:** Barbican Claims Department
33 Gracechurch Street
London
EC3V 0BT
United Kingdom
Email: james.roberts@barbicaninsurance.com

And

Adam Smith
Lockton Companies LLP
The St Botolph Building
138 Houndsditch
London, EC3A 7AG
United Kingdom
Email: adam.smith@uk.lockton.com

ITEM 11. BROKER INFORMATION:

A. Broker:

Lockton Companies LLP
The St Botolph Building
138 Houndsditch
London EC3A 7AG
United Kingdom

B. Surplus Lines Broker:

Lockton Companies LLC
444 W. 47th Street
Suite 900
Kansas City
Missouri 64112
USA

ITEM 12: SERVICE OF SUIT:

Mendes & Mount
750 Seventh Avenue
New York
NY 10019 - 6829
USA

ITEM 13. CHOICE OF LAW:

New York

DATED IN LONDON:

30 June 2015

FORMS AND ENDORSEMENTS ATTACHED HERETO:

1. NMA 1256 Nuclear Incident Clause, as attached
2. NMA 1477 Radioactive Contamination Exclusion Clause, as attached.
3. NMA 45 New Short Rate Cancellation Table, as attached.
4. NMA 1168 Small Additional or Return Premiums Clause, as attached.
5. LSW 585 Premium Payment Warranty 45 Days, as attached.
6. LMA 3100 Sanction Limitation and Exclusion Clause, as attached.
7. Memorandum 1 – Schedule of Insured Members, as attached.

HIGH COMPLIANCE PLUS

Comprehensive Data Security, Liability, and
Business Resilience Insurance Policy (6/2013)

Contents

- I. Coverages
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 - B. Privacy Regulatory Liability
 - C. PCI DSS Assessment Liability
 - D. System Security Liability
 - E. Professional Services Liability
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 - G. Technology Errors and Omissions Liability
 - H. Breach Event Cost Reimbursement
 - I. Cyber Extortion Reimbursement
 - J. Digital Asset Loss Reimbursement
 - K. Business Interruption Loss Reimbursement
- II. Claim Avoidance Extension
- III. Defense, Settlement, and Investigation of Claims
- IV. Definitions
- V. Exclusions Applicable to All Coverages
- VI. Exclusions Applicable to All Coverages Except Coverages J and K
- VII. Exclusions Applicable to Only to Coverages J and K
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- XI. Extended Reporting Period
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HIGH COMPLIANCE PLUS

Comprehensive Data Security, Liability, and
Business Resilience Insurance Policy (6/2013)

NOTICE: THE POLICY CONTAINS ONE OR MORE COVERAGES. CERTAIN COVERAGES ARE LIMITED TO LIABILITY FOR CLAIMS THAT ARE FIRST MADE AGAINST THE ASSURED AND NOTIFIED TO UNDERWRITERS AS REQUIRED. CLAIM EXPENSES SHALL REDUCE THE APPLICABLE LIMITS OF LIABILITY AND ARE SUBJECT TO THE APPLICABLE RETENTION (S). TERMS THAT APPEAR IN BOLD FACE TYPE HAVE SPECIAL MEANINGS. SEE THE DEFINITIONS FOR MORE INFORMATION. PLEASE READ THIS POLICY CAREFULLY.

In consideration of the payment of the premium and reliance upon the statements in the **Application** which is made a part of and attached to this insurance policy (hereinafter referred to as the “policy” or “insurance”) and subject to the Limit of Liability, Retention, exclusions, conditions and other terms of this Insurance, the Underwriters agree with the **Named Assured**, as follows:

I. COVERAGES

This policy affords coverage only when indicated as purchased on Item 3. of the Declarations:

A. PRIVACY LIABILITY

The Underwriters shall pay on behalf of the **Assured** those amounts, in excess of the applicable retention and up to the applicable **Sublimit of Liability**, that:

1. the **Assured** is legally obligated to pay as **Damages** or **Claims Expenses**; and that
2. result from a **Claim** first made against any **Assured** during the **Policy Period** or **Extended Reporting Period**; and that
3. arise out of an actual or alleged **Privacy Liability Event** by the **Assured** or parties for whom the **Assured** is **Vicariously Liable**; and
4. provided such **Privacy Liability Event** takes place on or after the **Retroactive Date** set forth in Item 6. of the Declarations.

B. PRIVACY REGULATORY LIABILITY

The Underwriters shall pay on behalf of the **Assured** those amounts in excess of the applicable retention and up to the applicable **Sublimit of Liability** that:

1. the **Assured** is legally obligated to pay as **Damages** or **Claims Expenses**; and that

2. arise from a **Claim** first made against any **Assured** during the **Policy Period** or **Extended Reporting Period**; and that
3. arise out of an actual or alleged **Privacy Breach, System Security Breach,** or the breach of **Privacy Laws** by the **Assured** or parties for whom the **Assured** is **Vicariously Liable**; and
4. provided such breach takes place on or after the **Retroactive Date** set forth in Item 6. of the Declarations.

C. **PCI DSS ASSESSMENT LIABILITY**

The Underwriters shall pay on behalf of the **Assured** those amounts, in excess of the applicable retention and up to the applicable **Sublimit of Liability**, that:

1. the **Assured** is legally obligated to pay on as a **PCI DSS Assessment**; and that
2. arise from a **Claim** first made against any **Assured** during the **Policy Period** or **Extended Reporting Period**; and that
3. arise from an actual or alleged **System Security Breach** or **Privacy Breach** by the **Assured** or parties for whom the **Assured** is **Vicariously Liable**; and
4. provided such **System Security Breach** or **Privacy Breach** takes place on or after the **Retroactive Date** set forth in Item 6. of the Declarations.

D. **SYSTEM SECURITY LIABILITY**

The Underwriters shall pay those amounts, in excess of the applicable retention and up to the applicable **Sublimit of Liability**, that:

1. the **Assured** is legally obligated to pay as **Damages** or **Claims Expenses**; and that
2. arise from a **Claim** first made against any **Assured** during the **Policy Period** or **Extended Reporting Period**; and that
3. which **Claim** arises out of an actual or alleged **System Security Breach** by the **Assured** or parties for whom the **Assured** is **Vicariously Liable**; and
4. provided such **System Security Breach** takes place on or after the **Retroactive Date** set forth in Item 6. of the Declarations.

E. **PROFESSIONAL SERVICES LIABILITY**

The Underwriters shall pay on behalf of the **Assured** those amounts, in excess of the applicable retention and up to the applicable **Sublimit of Liability**, that:

1. the **Assured** is legally obligated to pay as **Damages** or **Claims Expenses**; and that

2. arise from a **Claim** first made against any **Assured** during the **Policy Period** or **Extended Reporting Period**; and that
3. arises out of an actual or alleged **Professional Services Wrongful Act** by the **Assured** or parties for whom the **Assured** is **Vicariously Liable**; and
4. provided such **Professional Services Wrongful Act** takes place on or after the **Retroactive Date** set forth in Item 6. of the Declarations.

F. MULTIMEDIA LIABILITY

The Underwriters shall pay on behalf of the **Assured** those amounts, in excess of the applicable retention and up to the applicable **Sublimit of Liability**, that:

1. the **Assured** is legally obligated to pay as **Damages** or **Claims Expenses**; and that
2. arise from a **Claim** first made against any **Assured** during the **Policy Period** or **Extended Reporting Period**; and that
3. arise out of an actual or alleged **Multimedia Wrongful Act** by the **Assured** or parties for whom the **Assured** is **Vicariously Liable**; and
4. provided such **Multimedia Wrongful Act** takes place on or after the **Retroactive Date** set forth in Item 6. of the Declarations.

G. TECHNOLOGY ERRORS AND OMISSIONS LIABILITY

The Underwriters shall pay on behalf of the **Assured** those amounts, in excess of the applicable retention and up to the applicable **Sublimit of Liability**, that:

1. the **Assured** is legally obligated to pay as **Damages** or **Claims Expenses**; and that
2. arise from a **Claim** first made against any **Assured** during the **Policy Period** or **Extended Reporting Period**; and that
3. arise out of an actual or alleged **Technology Services Wrongful Act** or **Technology Products Wrongful Act** by the **Assured** or parties for whom the **Assured** is **Vicariously Liable**; and
4. provided such **Technology Services Wrongful Act** or **Technology Products Wrongful Act** takes place on or after the **Retroactive Date** set forth in Item 6. of the Declarations.

H. BREACH EVENT COST REIMBURSEMENT

The Underwriters will reimburse the **Assured** for:

1. **Breach Event Costs** in excess of the applicable retention and up to the applicable **Sublimit of Liability**;

2. that are incurred with the Underwriters' consent as required in Section III, paragraph D. of this policy as a result of a **Breach Event** that the **Assured** first discovers during the **Policy Period**; and
3. that are incurred within twelve months of the date that the **Assured** reports the **Breach Event** to Underwriters.

I. **CYBER EXTORTION REIMBURSEMENT**

The Underwriters will reimburse the **Assured** for:

1. **Extortion Expenses** and **Extortion Monies** in excess of the applicable retention and up to the applicable **Sublimit of Liability**;
2. that an **Assured** incurs solely as a result of a **Extortion Threat**; and
3. which **Extortion Threat** first occurs during the **Policy Period** pursuant to the terms of this policy.

J. **DIGITAL ASSET LOSS REIMBURSEMENT**

The Underwriters will reimburse the **Assured** for **Digital Asset Loss** in excess of the applicable retention and up to the applicable **Sublimit of Liability**:

1. That is incurred as a result of a **Digital Asset Loss Event**; and
2. Which event results from a **Covered Cause of Loss** that takes place during the **Policy Period**.

K. **BUSINESS INTERRUPTION LOSS REIMBURSEMENT**

The Underwriters will reimburse the **Assured** for:

1. **Business Interruption Loss** up to the applicable **Sublimit of Liability**;
2. That is incurred during the **Period of Restoration**;
3. as a result of a **Business Interruption Loss Event**;
4. which event results from a **Covered Cause of Loss** that takes place during the **Policy Period**.

II. **CLAIM AVOIDANCE EXTENSION**

The Underwriters will reimburse the **Assured** for **Claim Avoidance Costs** incurred in connection with a circumstance that the **Assured** reports in accordance with Section XII, paragraph A.2. of this policy. Such **Claim Avoidance Costs** are subject to and shall reduce the limit of liability and are subject to the retention applicable to the Coverage that would apply to any **Claim** that might arise from the circumstance. Such **Claim Avoidance Costs** shall not exceed the amount of loss that would have been covered under this policy had the **Claim** not been avoided.

III. DEFENSE, SETTLEMENT, AND INVESTIGATION OF CLAIMS

A. Defense

Subject to the limit of liability, exclusions and other terms and conditions of this policy, the Underwriters shall have the right and duty to defend any **Claim** seeking **Damages** which are payable under the terms of this policy, even if any of the allegations of the **Claim** are groundless, false, or fraudulent.

The **Policy Aggregate Limit** shall be reduced and may be completely exhausted by payment of **Claim Expenses**.

B. Choice of Counsel

The **Named Assured** and the Underwriters shall mutually agree on counsel to defend **Claims**. The **Named Assured** shall not formally appoint defence counsel without the consent of Underwriters, whose consent shall not be unreasonably withheld. However, in the absence of such agreement, Underwriters' decision on choice of counsel shall be final.

C. Consent to Settlement

Neither the Underwriters nor the **Assured** shall admit liability, make any payment, assume any obligations, incur any expense, enter into any settlement, stipulate to any judgment or award or dispose of any **Claim** without the prior written consent of the other, such consent not to be unreasonably withheld. However, a prompt public admission of a **Privacy Breach** that the **Assured** reasonably believes is required by privacy laws of any kind or credit card association operating requirements will not be considered as an admission of liability requiring the Underwriters' prior consent.

The Underwriters agree that the **Assured** may settle any **Claim** where the **Damages** and **Claims Expenses** do not exceed the retention, provided the entire **Claim** is resolved and the **Assured** receives a full release from all claimants.

If the **Assured** refuses to consent to any settlement or compromise recommended by the Underwriters and acceptable to the claimant and elects to contest the **Claim**, the Underwriters' liability for any **Damages** and **Claims Expenses** shall not exceed:

1. the amount for which the **Claim** could have been settled, less the remaining retention, plus the **Claims Expenses** incurred up to the time of such refusal, and
2. fifty percent (50%) of any **Damages** and **Claims Expenses** incurred after the date such settlement or compromise was recommended to the **Assured** with the remaining fifty percent (50%) of such **Damages** and **Claims Expenses** to be borne by the **Assured** at their own risk.

The portion of any proposed settlement or compromise that requires the **Assured** to cease, limit or refrain from actual or alleged injurious activity or is attributable to other amounts that are not **Damages** shall not be considered in determining the amount for which a **Claim** could have been settled. This clause shall not apply

to any settlement where the total incurred **Claim** and **Claim Expenses** do not exceed all applicable retentions.

The Underwriters shall not be obligated to pay any **Damages** or **Claim Expenses** or to undertake or continue defence of any **Claim** after the applicable **Policy Aggregate Limit** or applicable **Sublimits of Liability** have been exhausted by payment of loss covered by this policy.

D. Consent Provisions Affecting Breach Event Cost Reimbursement Coverage

The **Assured** may pay reasonable and necessary costs to comply with statutes, rules, regulations or other laws requiring notification without the Underwriters' prior consent, but only for subparts 1(a), 1(b) and 2 of the definition of **Breach Event Costs**. All other reasonable and necessary costs, as defined in the definition of **Breach Event Costs**, require prior written consent by the Underwriters (such consent not to be unreasonably withheld).

E. Consent Provisions Affecting Cyber Extortion Coverage

The **Assured** must obtain the Underwriters' prior written consent before incurring **Extortion Expenses** or paying **Extortion Monies**.

IV. DEFINITIONS

The following defined words when they appear in bold face type shall have the same meaning throughout this policy, whether expressed in the singular or the plural:

- A. **Application** means all applications, including any attachments thereto, and all other information and materials submitted by or on behalf of the **Assureds** to the Underwriters in connection with the underwriting of this policy.
- B. **Assured**, whether expressed in the singular or plural, shall mean:
 - 1. The **Assured Organization**;
 - 2. Any present or future officer or director of the **Assured Organization**, but only with respect to the performance of his or her duties as such on behalf of the **Assured Organization**;
 - 3. Any present or future **Employee**, including a temporary, part-time or leased employee of the **Assured Organization**, but only for work done while acting within the scope of his or her employment and related to the conduct of the **Assured Organization's** business;
 - 4. In the event that the **Named Assured** is a partnership, limited liability partnership, or limited liability company, any present or future general or managing partner, principal, or owner thereof, but only while acting within the scope of their duties as such;
 - 5. Any natural person who previously qualified as an **Assured** under paragraphs 2, 3 or 4 above prior to the termination of their relationship with the **Assured Organization**, but only with respect to the performance of his or her duties on behalf of the **Assured Organization**;

6. The spouse or **Domestic Partner** of any natural person **Assured** set forth in the above provisions of this section, but only to the extent the spouse or **Domestic Partner** is a party to any **Claim** solely in the capacity as spouse or **Domestic Partner** of any such persons and only for the purposes of any **Claim** seeking to recover amounts from marital community property, property jointly held by any such person and the spouse or **Domestic Partner**, or property transferred from any such person to the spouse or **Domestic Partner**;
 7. Any entity owned or operated by or for the benefit of any natural person **Assured** including but not limited to personal professional corporations, family offices, and trusts, but only to the extent the entity is a party to any **Claim** solely in the capacity as a party holding or having control over assets in which a natural person **Assured** has an interest and only for the purposes of any **Claim** seeking to recover those assets; and
 8. The estate, heirs, executors, administrators, assigns and legal representatives of any **Assured** set forth in the above provisions of this section in the event of any **Assured's** death, incapacity, insolvency or bankruptcy, but only to the extent that such **Assured** would otherwise be provided coverage under this policy.
- C. **Assured Organization** means the **Named Assured** and any **Subsidiaries** of the **Named Assured**.
- D. **Bodily Injury** means injury to the body, sickness, or disease sustained by a person; and where resulting from such injuries, mental anguish, mental injury, shock, humiliation, emotional distress, loss of consortium, or death.
- E. **BPO Service Provider** means any third party independent contractor that provides business process outsourcing services for the benefit of the **Assured Organization** under a written contract with the **Assured Organization**, including but not limited to, call centre services, fulfilment services, and logistical support. A **BPO Service Provider** does not include any provider of telecommunications services, including Internet Access, to the **Assured Organization**.
- F. **Breach Event** means a **System Security Breach**, **Privacy Breach** or breach of **Privacy Laws**.
- G. **Breach Event Costs** means all reasonable and necessary fees, costs, and outside expenses, including legal expenses and **Crisis Management Expenses**, incurred by the **Assured** on its own behalf or on behalf of parties for whom it is **Vicariously Liable** in connection with a **Breach Event**, to:
1. notify affected parties in order to
 - a. comply with requirements of applicable statutes, rules, regulations and other laws,
 - b. comply with a judgment, settlement, consent decree, or other legal obligation;

- c. provide voluntary notification; or
 - d. minimize harm from a **Reputational Damage Event**;
 - 2. determine the scope, cause, or extent of any theft or unauthorized disclosure of **Private Information**, but such expenses will not include compensation, fees, benefits, or expenses for work performed by any **Assured** or any **Employee** of any **Assured**;
 - 3. set up and operate a call centre;
 - 4. provide **Credit Protection Services** for the affected parties, and
 - 5. minimize harm from a **Reputational Damage Event**.
- H. **Breach of Contract** means the actual or alleged unintentional breach of a contract with a client or customer to provide **Technology Services**, **Technology Products**, or **Professional Services** due to the:
- 1. the **Technology Services**, **Technology Products**, or **Professional Services** not conforming to any written specifications and performance standards forming a part of the written contract;
 - 2. the **Technology Services**, **Technology Products**, or **Professional Services** being negligently performed or containing a material defect;
 - 3. the **Technology Services**, **Technology Products**, or **Professional Services** failing to meet any implied statutory term concerning necessary quality, safety or fitness for a particular purpose, failing to comply with any legal and statutory requirements, or failing to meet an implied duty to exercise a degree of care or skill consistent with applicable industry standards;
 - 4. the failure to comply with any warranty or representation that such **Technology Services**, **Technology Products**, or **Professional Services** do not violate another's intellectual property rights other than patents; or
 - 5. the breach of a confidentiality agreement, indemnity or hold harmless agreement associated with providing **Technology Services**, **Technology Products**, or **Professional Services**.
- I. **Business Associate** shall have the definition contained in the U.S. Health Insurance Portability and Accountability Act (HIPAA), Health Information Technology for Economic and Clinical Health Act (the HITECH Act) and their implementing regulations. A **Business Associate** includes health information exchanges, regional health information organizations, e-prescribing gateways and other organizations that provide data transmission of personal healthcare information to any **Assured** who is considered to be a **Covered Entity**, as well as vendors that provide personal health record systems for **Covered Entities**. A **Business Associate** shall not include a natural person **Employee** of the **Assured** acting within the course and scope of their employment.

J. **Business Interruption Loss** means:

1. The net income lost by the **Assured Organization** during the **Period of Restoration** as a result of a **Business Interruption Loss Event**. The lost income shall be calculated by taking into account:
 - a. the **Assured Organization's** net income during the twelve months immediately before the date of the **Covered Cause of Loss**;
 - b. the likely net income had no **Covered Cause of Loss** occurred;
 - c. income derived from substitute methods, facilities, or personnel used by the **Assured Organization** to maintain its revenue stream; and
 - d. the **Assured Organization's** documentation of the trends in the business, and variations in or other circumstances affecting the business, before and after the **Business Interruption Loss Event** that would have affected the **Assured Organization's** business had the **Business Interruption Loss Event** not occurred;
2. Any fixed operating expenses (including ordinary payroll) incurred, but only to the extent that such operating expenses must continue during the **Period of Restoration**; and
3. Reasonable and necessary expenses incurred to avoid or minimise the **Business Interruption Loss Event** incurred solely in consequence of the occurrence of an **Covered Cause of Loss** which has the potential to cause a loss of net income to the **Assured Organization** as described in paragraph 1 above, provided such expenses must be less than the net income loss the **Assured Organization** would have incurred as a result of the **Business Interruption Loss** had it not incurred such expenses.

K. **Business Interruption Loss Event** means the total or partial interruption, degradation in service, or failure of the **Computer System** that is leased, owned or operated by the **Assured** or operated on behalf of the **Insured** by a **Provider**.

L. **Change of Control** means:

1. the acquisition of the **Assured** by another entity whereby the entity obtains **Management Control** of the **Assured**;
2. the merger of the **Assured** into another entity such that the **Assured** is not the surviving entity;
3. the liquidation or dissolution of the **Assured**; and
4. the sale or disposition of substantially all of the **Assured's** assets.

M. **Claim** means:

1. a written demand for monetary **Damages** or non-monetary relief (including demands for injunctive or declaratory relief);

2. the service of a civil suit; and
3. Service or receipt of a civil proceeding, including any alternative dispute resolution proceeding, for civil damages or other relief, commenced by a complaint, demand for arbitration or similar pleading.

For purposes of coverage provided under Coverage B. Privacy Regulatory Liability only, “**Claim**” means receipt by an **Assured** of any civil, administrative or regulatory request for information, civil investigative demand, or investigation from an individual or entity legally empowered to regulate the **Assured’s** business by or on behalf of any local, state, federal or foreign government in its official capacity.

For purposes of coverage under Coverage C. PCI DSS Assessment only, “**Claim**” means receipt by any **Assured** of a **PCI DSS Demand**.

For purposes of coverage under Coverage H. Breach Event Cost Reimbursement only, “**Claim**” means a **Breach Event**.

For purposes of coverage under Coverage I. Cyber Extortion Reimbursement only, “**Claim**” means receipt by any **Assured** of an **Extortion Threat**.

For purposes of coverage under Coverage J. Digital Asset Loss Reimbursement only, “**Claim**” means a **Digital Asset Loss Event**.

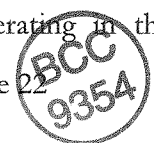
For purposes of coverage under Coverage K. Business Interruption Loss Reimbursement only, “**Claim**” means a **Business Interruption Loss Event**.

N. **Claim Avoidance Costs** means fees or expenses incurred by the **Assured**, and consented to by the Underwriters at the Underwriters’ sole discretion, in response to a circumstance that the **Assured** reports in accordance with Section XII, paragraph A.2. for purposes of mitigating or avoiding any **Claim** from arising out of such circumstance. **Claim Avoidance Costs** do not include:

1. any payment recoverable by the **Assured** from any client;
2. any element of profit for the **Assured** in any payment or fees; or
3. any charge against any retainer by any client of the **Assured**.

O. **Claim Expenses** means the following amounts, whether incurred by the **Assured** on its own behalf or on behalf of parties for whom it is **Vicariously Liable**:

1. reasonable and necessary fees charged by an attorney approved by the Underwriters;
2. all other legal costs and expenses resulting from the investigation, adjustment, defence and appeal of a **Claim**, suit, or proceeding arising in connection therewith, or circumstance which might lead to a **Claim**, if incurred by the Underwriters, or by the **Assured** with the prior written consent of the Underwriters. However **Claim Expenses** do not include the **Assured’s** overhead expenses or any salaries, wages, fees, or benefits of the **Employees** of the **Assured** for any time spent in cooperating in the



defence and investigation of any **Claim** or circumstance that might lead to a **Claim** notified under this policy; and

3. appeal bonds for covered judgments or bonds to release property used to secure a legal obligation, if required in any **Claim** against an **Assured**; provided the Underwriters shall have no obligation to appeal or to obtain bonds.
- P. **Computer Hardware** means the physical components of any computer system including CPU's, memory, storage devices, storage media, and input/output devices and other peripheral devices and components including but not limited to cable, connectors, fibre optics, wire, power supply units, keyboards, display monitors and audio speakers.
- Q. **Computer Program** means an organized set of instructions that, when executed, causes a **Computer System** to behave in a predetermined manner, including but not limited to the creation, maintenance, processing, storage, retrieval, and transmission of **Electronic Data**.
- R. **Computer System** means electronic, wireless, web or similar systems (including all **Computer Hardware**, **Computer Programs** and **Electronic Data**) used to process data or information in an analogue, digital, electronic or wireless format, including but not limited to, local, wide area, or wireless networks, associated input and output devices, data storage devices, peripheral devices, mobile devices, networking equipment, wired or wireless peripherals, electronic backup facilities and equipment, and media libraries.
- S. **Covered Cause of Loss** means:
1. Accidental physical damage or destruction of **Electronic Media** or **Computer Hardware**, so that stored **Digital Assets** are no longer machine-readable;
 2. Failure or fault in power supply, including but not limited to under/over voltage, only if such power supply is under the direct operational control of the **Assured Organization** or a **Provider**. Direct operational control includes back-up generators;
 3. Electrostatic build-up, electromagnetic disturbances, and static electricity;
 4. An accidental, unintentional, or negligent act, mistake, error or omission in:
 - a. the entry or modification of **Electronic Data** belonging to or maintained by the **Assured Organization**;
 - b. the creation, handling, development, modification, or maintenance of **Digital Assets**; or
 - c. **Computer System** operation, administration, or maintenance, excluding the design, architecture, or configuration of the **Computer System**;
- by an **Employee** of the **Assured Organization** or of a **Provider**.

5. An act, error or omission in the operation of the **Computer System** or handling of **Digital Assets** by the **Assured** and/or a **Provider**, that fails to avoid or minimise any of the following attacks which were intended to cause harm to the **Computer System** arising from:
 - a. a **Denial of Service**;
 - b. **Malicious Code**;
 - c. **Unauthorized Access**; or
 - d. **Unauthorized Use**.
- T. **Covered Entity** means, as defined under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and related privacy and security rules, any entity that handles personal health information or personal health records.
- U. **Credit Protection Services** means a free credit report, identity theft protection insurance, credit consultation, protection, and monitoring services including credit freezes or fraud alert services, or other credit restoration services for the affected individuals as appropriate.
- V. **Crisis Management Expenses** means legal services, public relations, or other crisis management services performed by an outside specialist firm incurred as a result of a **Reputational Damage Event**. Crisis management fees include reasonable and necessary fees charged by a third party, but shall not include compensation, fees, benefits, overhead, charges or expenses of any **Assured** or any **Employee** of the **Assured**.
- W. **Damages** means the following amounts, whether incurred by the **Assured** on its own behalf or incurred by parties for whom it is **Vicariously Liable**:
 1. a monetary judgment, award or settlement;
 2. pre-judgment interest;
 3. post-judgment interest that accrues after entry of the judgment and before the Underwriters have paid, offered to pay or deposited in court that part of the judgment within the applicable limit of liability;
 4. subject to this policy's terms, conditions, and exclusions, punitive, exemplary and multiple damages where such damages are legally insurable. Notwithstanding the choice of law specified in Item 13. of the Declarations, insurability shall be determined pursuant to the applicable law of the jurisdiction that most favours coverage.
 5. with respect to coverage provided under Coverage B Privacy Regulatory Liability, **Regulatory Compensatory Awards**, civil fines or penalties to the extent insurable by law for a **Privacy Breach, System Security Breach**, or violation of **Privacy Laws**. Notwithstanding the choice of law specified in Item 13. of the Declarations, insurability shall be determined pursuant to the applicable law of the jurisdiction that most favours coverage.

6. With respect to coverage provided under Coverage C., **PCI DSS Assessments**.

The definition of **Damages** shall not include or mean:

1. Future profits, restitution, or disgorgement of profits by any **Assured**; or the cost to comply with orders granting injunctive or non-monetary relief, including specific performance, or any agreement to provide such relief;
 2. Return or offset of fees, charges, royalties, or commissions for goods or services already provided or contracted to be provided. This limitation shall not apply to an offset of fees, charges, or commissions that is being used as a contractual measure, cap or limitation of the **Assured's** liability if such amounts are otherwise covered **Damages** caused by a negligent act, error or omission in the course of providing **Technology Services**;
 3. Liquidated damages to the extent that such damages exceed the amount for which the **Assured** would have been liable in the absence of such liquidated damages agreement;
 4. Fines, penalties, sanctions, taxes, or loss of tax benefits (except as covered under Coverage B. Privacy Regulatory Liability.);
 5. Any amount which the **Assured** is not financially or legally obligated to pay;
 6. Matters that may be deemed uninsurable under the law pursuant to which this policy may be construed. Notwithstanding the choice of law specified in Item 13. of the Declarations, insurability shall be determined pursuant to the applicable law of the jurisdiction that most favours coverage;
 7. Costs incurred by the **Assured** to correct, re-perform or complete any **Professional Services** or **Technology Services**; or
 8. Discounts, coupons, prizes, awards or other incentives offered to the **Assured's** customers or clients.
- X. **Denial of Service** means the unauthorized or unexpected interference or malicious attack that restricts or prevents access to a **Computer System** by persons or entities authorized to gain access to the **Computer Systems** or **Digital Assets**.
- Y. **Digital Assets** means **Electronic Data** and **Computer Programs** belonging to the **Assured Organization** or to a customer or client of the **Assured Organization** that exist in a **Computer System**. **Digital Assets** do not include **Computer Hardware**.
- Z. **Digital Asset Loss** means reasonable and necessary expenses and costs incurred by the **Assured Organization**, including **Special Expenses**, as a result of a **Digital Asset Loss Event**.

Digital Asset Loss shall include, but not be limited to, reasonable and necessary expenses and costs incurred by the **Assured Organization** to replace, recreate or restore **Digital Assets** to the same state and with the same contents before they

were damaged, destroyed, altered, misused, or stolen, including expenses for materials and machine time, as well as costs associated with restoration, recreation and replacement. Underwriters will agree to reimburse for employee working time to replace, recreate or restore **Digital Assets** on a predefined billable hours or per hour basis as stated under Endorsement 1 based upon the **Assured Organization's** Schedule of Employee Billable Hours.

- AA. **Digital Asset Loss Event** means the damage, alteration, corruption, distortion, theft, misuse, or destruction of **Digital Assets**.
- BB. **Domestic Partner** means any person qualifying as a domestic partner under any federal, state, local or foreign law, rule or regulation, or under any formal program or policy maintained by the **Assured Organization**.
- CC. **Electronic Data** means machine-readable information that exists in a **Computer System**, including but not limited to the **Assured Organization's** business information and customer information, other than **Computer Programs**.
- DD. **Electronic Media** means any media on which electronic data is recorded or stored.
- EE. **Employee** means any individual in the **Assured Organization's** service, including any part-time, seasonal, and temporary employee, who is compensated by salary, wages, fees or commissions and over whom the **Assured** has the right to direct and control.
- FF. **Extended Reporting Period** means the period of time after the end of the **Policy Period** for reporting a **Claim** or loss as provided in Section XI. of this policy.
- GG. **Extortion Expenses** means reasonable and necessary expenses that directly result from an **Extortion Threat**, other than **Extortion Monies**;
- HH. **Extortion Monies** means monies paid by the **Assured** to terminate or end an **Extortion Threat** that would otherwise result in harm to an **Assured**.
- II. **Extortion Threat** means any credible threat or series of related threats (including a demand for **Extortion Monies**) directed at the **Assured**, by anyone other than an **Assured** or by someone induced or assisted by an **Assured**, to:
 - 1. release, divulge, disseminate, destroy or use **Digital Assets** as a result of unauthorized access to or unauthorized use of a **Computer System** operated by, on behalf of, or for the benefit of the **Assured**;
 - 2. introduce **Malicious Code** into a **Computer System** operated by, on behalf of, or by a third party directly for the benefit of the **Assured**;
 - 3. corrupt, damage or destroy a **Computer System** operated by, on behalf of, or by a third party directly for the benefit of the **Assured**; or
 - 4. restrict or hinder access to a **Computer System** operated by, on behalf of, or by a third party directly for the benefit of the **Assured**, including but not limited to the threat of a denial of service attack;

- JJ. **Internet** means the worldwide public network of computer networks which enables the transmission of electronic data between different users, commonly referred to as the Internet, including an intranet and an extranet.
- KK. **Internet Services** means services to obtain, maintain or use the **Internet**, including, but not limited to:
1. services as an **Internet** access provider, application service provider, domain name registrar, domain name register, search engine, web browser;
 2. web hosting, e-commerce transaction services, electronic exchange and auction services, Internet media services, managed and network security services, public key infrastructure services and web portal services; and
 3. development, design and maintenance of chat rooms, websites, e-mail services, bulletin boards.
- LL. **Malicious Code** means unauthorized and corrupting or harmful computer code, including but not limited to computer viruses, spyware, Trojan horses, worms, logic bombs, and mutations of any of the proceeding.
- MM. **Management Control** means:
1. owning interests representing more than 50% of the voting, appointment or designation power for the selection of a majority of: the Board of Directors of a corporation; the management committee members of a joint venture; the general partners of a limited partnership; or the members of the management board of a limited liability company;
 2. having the right, pursuant to written contract or the bylaws, charter, partnership agreement, or similar documents of an entity, to elect, appoint or designate a majority of: the Board of Directors of a corporation; the management committee of a joint venture; the general partners of a limited partnership; or the management board of a limited liability company; or
 3. being the only general partner(s) of an entity.
- NN. **Material** means media content in any form, including without limitation, advertising and written, printed, video, electronic, digital or digitized content.
- OO. **Merchant Services Agreement** means any agreement between an **Assured Organization** and a financial institution, credit or debit card company, credit or debit card processor or independent service operator enabling an **Assured Organization** to accept credit card, debit card, prepaid card, or other payment cards for payments or donations.
- PP. **Multimedia Wrongful Act** means any act, error, omission, misstatement or misleading statement in connection with the gathering, collection, broadcasting, creation, distribution, exhibition, performance, preparation, printing, publication, release, display, research, or serialization of **Material** that results in:

1. infringement of copyright, title, slogan, trademark, trade name, trade dress, mark, service mark or service name, including without limitation infringement of domain name, deep-linking or framing;
2. plagiarism, piracy, violation of moral rights, passing off, or misappropriation of ideas under implied contract or other misappropriation of property rights, ideas or information;
3. false advertising, including an alleged violation of Section 43(a) of the Lanham Act or any similar federal, state, local or foreign statutes;
4. any form of invasion, infringement or interference with rights of privacy or publicity, including, but not limited to false light, public disclosure of private facts, intrusion and commercial appropriation of name, persona or likeness;
5. any form of defamation or other tort related to disparagement or harm to character, reputation or the feelings of any person, including, but not limited to, libel, slander, product disparagement, and trade libel;
6. negligent or intentional infliction of emotional distress, outrage, or *prima facie* tort in connection with **Material**;
7. negligence regarding the content of any **Material**;
8. wrongful entry or eviction, trespass, eavesdropping or other invasion of the right to private occupancy, including without limitation emotional distress or mental anguish alleged in connection with a **Claim** for **Damages** in connection with such conduct;
9. false arrest, detention or imprisonment, abuse of process, or malicious prosecution;
10. unfair competition or trade practices, including but not limited to dilution, confusion, deceptive trade practices or unfair trade practices, civil actions for consumer fraud, false, disruptive or misleading advertising or misrepresentation in advertising, but only if alleged in conjunction with any of the acts listed in paragraphs 1 through 9 above.

QQ. **Named Assured** means the individual, partnership, entity, or corporation designated as such in Item 1 of the Declarations.

RR. **PCI Data Security Standards** and **PCI DSS** mean the published data security standards in effect now or as hereafter amended that all merchants and processors must follow when storing, processing and transmitting cardholder data.

SS. **PCI DSS Assessment** means a monetary assessment of a penalty or fine due to the **Assured's** non-compliance with **PCI Data Security Standards**, or the non-compliance with **PCI Data Security Standards** by parties for whom the **Assured** is **Vicariously Liable**.

TT. **PCI DSS Demand** means a written demand from:

1. a bank or financial institution that accepts credit and or debit card payments (including credit cards, debit cards, stored value cards and pre-paid cards) for products or services on behalf of a merchant, including processing and crediting those payments to a merchant's account; or
2. a card association (MasterCard, VISA, Discover, American Express or JCB)

for a monetary assessment of a penalty or fine due to the **Assured's** non-compliance with **PCI Data Security Standards**, or the non-compliance with **PCI Data Security Standards** by parties for whom the **Assured** is **Vicariously Liable**.

UU. **Period of Restoration** means the period of time commencing upon the date when the **Business Interruption Loss Event** began and ends on the later of:

1. The date when the **Computer System** is restored, or could have been repaired or restored with reasonable speed, to the same condition, functionality and level of service that existed prior to the loss plus no more than thirty (30) consecutive days after the restoration of the **computer system** to allow for restoration of the business; or
2. One hundred and twenty (120) consecutive days after the notice of loss.

VV. **Personally Identifiable Information** means information that can be used to determine, distinguish or trace an individual's identity, either alone or when combined with other information that is linked or linkable to a specific individual.

WW. **Policy Aggregate Limit** means the aggregate limit for this policy set forth in Item 3.A of the Declarations.

XX. **Policy Period** means the period of time from the effective date to the expiration date specified in Item 2. of the Declarations, or any earlier cancellation date.

YY. **Privacy Breach** means:

1. The unauthorized collection, disclosure, use, access, destruction or modification, or inability to access, or failure to provide **Private Information**;
2. failure to implement, maintain, or comply with policies and procedures, including but not limited to the **Assured's Privacy Policy**, stating the **Assured's** obligations with regard to **Private Information**;
3. theft of **Private Information**;
4. failure to develop and administer an identity theft prevention program or implement specific security practices required by any statute, rule, regulation, or other law;
5. a breach of confidence, breach of duty, infringement, or violation of any rights to privacy;

6. breach of a person's right of publicity, false light, intrusion upon a person's seclusion;
7. failure to comply with any federal, state, local, or foreign statute, rule, regulation, or other law pertaining to the **Assured's** responsibilities with respect to **Private Information**, but only in connection with an act listed in paragraphs 1 through 6 above;
8. failure to comply with any federal, state, foreign or other law (including common law), statute or regulation prohibiting unfair methods of competition, unfair or deceptive trade practices, or consumer fraud pertaining to the **Assured's** responsibilities with respect to **Private Information**, but only in connection with an act listed in paragraphs 1 through 6 above;

ZZ. **Privacy Liability Event** means:

1. A **Privacy Breach**;
2. A breach of **Privacy Laws**; or
3. Failure to disclose a **Privacy Breach** or a breach of **Privacy Laws**.

AAA. **Privacy Policy** means the **Assured's** published policies provided to the **Assured's Employees** or third parties in written or electronic form that govern the collection, dissemination, confidentiality, integrity, accuracy or availability of information relating to **Private Information**.

BBB. **Privacy Laws** means statutes, rules, regulations, and other laws associated with the confidentiality, access, control or use of **Private Information**, including but not limited to:

1. Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191), known as HIPAA, including Title II that requires protection of confidentiality and security of protected health information and the rules and regulations promulgated thereunder as they currently exist and as amended, including related or similar state medical privacy laws as they currently exist and as amended;
2. The Health Information Technology for Economic and Clinical Health Act (The HITECH Act) and its implementing regulations, including related or similar state medical privacy laws as they currently exist and as amended;
3. Gramm-Leach-Bliley Act of 1999, also known as the Financial Services Modernization Act of 1999, including sections concerning security protection and standards for customer records maintained by financial services companies, and the rules and regulations promulgated thereunder as they currently exist and as amended;
4. State Attorneys General and Federal Trade Commission enforcement actions regarding the security and privacy of consumer information;

5. Governmental privacy protection regulations or laws, including but not limited to the California Database Protection Act of 2003 (previously called SB 1386), as they currently exist now or in the future, associated with the control and use of personal information, including but not limited to requirements to post privacy policies, adopt specific privacy controls, or inform customers of actual or suspected breaches of security that has or may impact their personal information;
6. Privacy provisions of consumer protection laws, including but not limited to the Fair Credit Reporting Act (FCRA) and the California Consumer Credit Reporting Agencies Act (CCCRAA);
7. Children's Online Privacy Protection Act or similar laws as they exist now or in the future;
8. Governmental statutes, rules, regulations or other laws requiring the development of an identity theft prevention program and adoption of necessary actions to prevent identity theft including but not limited to Sections 114 and 315 of the Fair and Accurate Credit Transactions Act of 2003; and
9. EU Data Protection Act, EU data protection directives, and other privacy and security statutes, rules, regulations and other laws worldwide as they exist now or in the future.

CCC. **Private Information** means:

1. proprietary or confidential information owned by a third party that is in the care, custody or control of the **Assured** or is used by the **Assured** with the consent of such third party; and
2. **Personally Identifiable Information**.

DDD. **Professional Services** shall have the definition contained in Item 8. of the Declarations.

EEE. **Professional Services Wrongful Act** means any act, error, omission, misstatement or misleading statement by an **Assured** in connection with the performance or failure to perform **Professional Services**.

FFF. **Property Damage** means physical injury to or destruction of any tangible property, including the loss of use of that property. Electronic data is not considered tangible property.

GGG. **Provider** means vendors or independent contractors providing managed network, Infrastructure as a Service, Software as a Service, Platform as a Service, other cloud computing services, data storage, hosting, co-location services, managed computing security services, or network operational services. **Provider** includes, but is not limited to, **BPO Service Providers**.

HHH. **Retroactive Date** means the date specified in Item 6. of the Declarations.

III. **Regulatory Compensatory Award** means a sum of money which the **Assured** is legally obligated to pay or deposit as an award or fund for the affected individuals due to an adverse judgment or settlement of a privacy regulatory proceeding to the extent covered by Coverage B.

III. **Reputational Damage Event** means an event that has been caused by a **Privacy Breach, System Security Breach**, or violation of **Privacy Laws**, and such **Privacy Breach, System Security Breach**, or violation of **Privacy Laws** has or is likely to be publicized through any media channel, including but not limited to television, print media, radio or electronic networks, the Internet, social media, and/or electronic mail, which could damage the **Assured's** brand, reputation, or customer trust.

KKK. **Special Expenses** means costs incurred by the **Assured** to:

1. prevent, preserve, minimize, or mitigate any further damage to **Digital Assets**, including the reasonable and necessary fees and expenses of specialist outside consultants or forensic experts retained by the **Assured Organization**;
2. preserve evidence of any criminal or malicious wrongdoing for the purpose of litigation and/or criminal proceedings; and
3. purchase replacement licenses for programs because the copy protection system and/or access control software was damaged or destroyed by a **Covered Cause of Loss**.

LLL. **Sublimit of Liability** means each of the respective and applicable sublimits of liability set forth in Item 3.B of the Declarations.

MMM. **Subsidiary** means any entity over which the **Named Assured**, either directly, or indirectly through one or more of its **Subsidiaries**,

1. has **Management Control** on or before the inception date of this policy;
2. acquires **Management Control** after the inception date of this policy, provided the annual revenues of the newly acquired entity do not exceed 15% of the **Named Assured's** assets as set forth in their most recent audited financial statement; or
3. acquires **Management Control** after the inception date of this policy, provided that if the revenues of the newly acquired entity exceed 15% of the **Named Assured's** assets as set forth in their most recent audited financial statement, the provisions of Section XII, paragraph G. must be fulfilled.

NNN. **System Security Breach** means:

1. the unscheduled and unplanned inability of an authorized user to gain access to a **Computer System** maintained by or on behalf of the **Assured** due to **Unauthorized Access, Unauthorized Use**, and/or the introduction of **Malicious Code**;

2. suspension or interruption of, or interference with, a **Computer System** due to **Unauthorized Access**, **Unauthorized Use**, and/or the introduction of **Malicious Code**;
3. Transmission of **Malicious Code** from a **Computer System** operated by or on behalf of the **Assured** to third party computers and systems; and
4. a **Denial of Service** attack against the **Assured**, against **Internet** sites, or a **Computer System** of a third party.

OOO. **Technology Products** means:

1. hardware products, components and peripherals;
2. software, firmware and all related machine, object or source code; or
3. any wireless or wire line telecommunication equipment including satellite or broadcast network equipment,

created, designed, manufactured, sold, or distributed by or on behalf of the **Assured Organization** or licensed or leased, by the **Assured Organization** to others.

PPP. **Technology Services** means information technology services, including but not limited to:

1. analysis, design, integration and conversion of information technology systems, networks and electronic systems;
2. designing, developing, programming, installing, servicing, supporting, maintaining and repairing software (including open-source software) and firmware including any code associated therewith and including if any of the preceding is under license from a third party;
3. designing, installing, integrating, servicing, supporting, maintaining and repairing hardware;
4. education and training in the use of hardware and/or software;
5. information services;
6. data processing, management or warehousing;
7. hosting, managing or administering the information technology systems or facilities of another;
8. **Internet Services**;
9. **Telecommunications Services**;
10. project management related to the services described in paragraphs 1 through 9 above or related to **Technology Products**; and

11. consulting on any of the services described in paragraphs 1 through 9 above or related to **Technology Products**.

QQQ. **Technology Services Wrongful Act** means any:

1. act, error, omission, breach of duty, negligent misrepresentation, or
2. any unintentional **Breach of Contract**

in the rendering or failure to render **Technology Services**.

RRR. **Technology Products Wrongful Act** means any failure of **Technology Products** to perform the function or serve the purpose intended.

SSS. **Telecommunications Services** means:

1. local, regional and long distance wireline and wireless dial tone access and switched services, including value added services such as directory assistance, toll free services, voice mail, call forwarding, call waiting and caller ID;
2. ground based satellite communications services;
3. DSL and ISDN services;
4. video conferencing services;
5. paging services;
6. basic wire maintenance;
7. 911 emergency services;
8. directory services and operator assistance;
9. analysis, design, integration and conversion of telecommunication systems;
10. voice over Internet protocol ("VoIP") services, including related VoIP implementation services;
11. project management related to the services described in paragraphs 1 through 10 above; and
12. consulting related to the services described in paragraphs 1 through 10 above.

TTT. **Time Retention** means the number of hours set forth under Item 5. of the Declarations that must elapse after the moment the **Business Interruption Event** begins before coverage under Coverage K. Business Interruption Event Loss Reimbursement is triggered.

UUU. **Unauthorized Access** means the gaining of access to a **Computer System** by an unauthorized party.

VVV. **Unauthorized Use** means the use of a **Computer System** by an unauthorized party or by an authorized person in an unauthorized manner.

WWW. **Vicariously Liable** means legal responsibility of the **Assured** for the liability of others, including legal responsibility assumed by the **Assured** in a written contract. The existence of vicarious liability shall not serve to create or confer any rights or duties to any third party under this policy other than as provided in this definition.

V. EXCLUSIONS APPLICABLE TO ALL CLAIMS

The exclusions in this policy section apply to all Coverages under this policy.

The coverage under this policy shall not apply to that part of any **Claim**:

A. **Pollution**

Based upon or arising out of:

1. Any presence of pollutants or contamination of any kind;
2. Any actual, alleged or threatened discharge, dispersal, release, or escape of pollutants or contamination of any kind;
3. Any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize pollutants or in any way respond to or assess the effects of pollutants or contamination of any kind;
4. Manufacturing, mining, use, sale, installation, removal, distribution of or exposure to asbestos, materials, or products containing asbestos, asbestos fibres or dust;
5. Ionizing radiation or contamination by radioactivity from any nuclear fuel or any nuclear waste from the combustion of nuclear fuel;
6. Actual, potential or alleged presence of mould, mildew or fungi of any kind whatsoever;
7. The radioactive, toxic, or explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof; or
8. The existence, emission or discharge of any electromagnetic field, electromagnetic radiation or electromagnetism, but only if it actually or allegedly affects the health, safety or condition of any person or the environment or that affects the value, marketability, condition or use of any property.

B. **War**

Based upon or arising out of:

1. war, including undeclared or civil war;

2. warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
3. insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these;

C. **Known Circumstances**

Based upon or arising out of any **Claim**, circumstance, act, error, or omission occurring prior to the first day of the **Policy Period**, or prior to the first day the **Assured** was insured under a cyber liability insurance policy with Underwriters, if this policy is a consecutive renewal of such policy with no breaks in cover (whichever is earlier), that the **Named Assured's** Chief Executive Officer, Chief Financial Officer, Chief Information Officer, Chief Security Officer, Risk Manager, or General Counsel (or the functional equivalents of any of the foregoing) knew or should reasonably have expected would result in a **Claim**.

D. **Prior Notice**

Based upon or arising out of any fact, circumstance or situation which has been the subject of any written notice given under any policy of which this policy is a renewal or replacement.

This exclusion shall not apply to matters contained in notices given pursuant to Section XII, paragraph A.3.

E. **Fraud and Dishonesty**

Based upon or arising out of the committing of any dishonest, fraudulent, criminal or malicious act, error, or omission, or any intentional violation of the law.

This exclusion shall apply only if a final binding adjudication establishes that the **Assured's** elected or appointed principal, partner, executive officer or director deliberately participated in, had prior knowledge of, or was in collusion with the perpetrator(s) that committed the foregoing acts.

For purposes of determining the applicability of this exclusion, facts pertaining to and knowledge possessed by any natural person **Assured** shall not be imputed to any other natural person **Assured**. Only facts pertaining to and knowledge possessed by the **Named Assured's** elected or appointed principal, partner, executive officer or director shall be imputed to the **Assured Organization**.

F. **Infrastructure Failures**

Based upon or arising out of satellite failures, electrical or mechanical failures and/or interruption, including but not limited to electrical disturbance, spike, brownout or blackout, and outages to gas, water, telephone, cable, telecommunications or other infrastructure, unless such infrastructure is under the operational control of the **Assured** or a **Provider**;

G. Economic and Trade Sanctions

For any loss to the extent that such coverage is prohibited by any legally enforceable economic or trade sanctions. The Underwriters shall have no liability to pay any **Claim** or provide any benefit under the policy where to do so would be a breach of any applicable economic or trade sanctions or other law or regulation. If payment of an otherwise valid and collectible **Claim** under the policy would be in breach of legally enforceable economic or trade sanctions, such payment will only be due if an appropriate licence permitting such payment is obtained. For any such time as it is reasonably likely that such a licence will be obtained, such payment funds will be held in escrow for the benefit of the **Assured** or claimant as applicable until the requisite licence is obtained.

H. Natural Perils

Based upon or arising out of physical cause or natural peril, including but not limited to fire, wind, water, flood, subsidence, earthquake, or act of God howsoever caused.

VI. EXCLUSIONS APPLICABLE TO ALL COVERAGES OTHER THAN COVERAGES J AND K

The exclusions in this policy section apply to all Coverages except Coverage J Digital Asset Loss Reimbursement or Coverage K. Business Interruption Loss Reimbursement.

The coverage under this policy shall not apply to that part of any **Claim**:

A. Bodily Injury/Property Damage

For any actual or alleged **Bodily Injury** or **Property Damage**, except that this exclusion shall not apply to emotional distress or mental anguish arising out of an actual or alleged **Privacy Breach**, breach of **Privacy Laws**, **System Security Breach**, or **Multimedia Wrongful Act**;

B. Employment Practices

For any actual or alleged wrongful employment practices or any discrimination against any person or entity on any basis, including but not limited to race, creed, colour, religion, ethnic background, national origin, age, handicap, disability, sex, sexual orientation, or pregnancy;

C. Breach of Contract

For the **Assured's** actual or alleged breach of any express, implied, actual or constructive contract, agreement, warranty, guarantee or promise, but this exclusion does not apply to:

1. Any liability or obligation an **Assured** would have in the absence of such contract or agreement;
2. A breach of an agreement to indemnify a customer or client in connection with a **System Security Breach**, **Privacy Breach**, or breach of **Privacy Laws** committed by or on behalf of the **Assured**;

3. A breach of the **Assured's Privacy Policy**;
4. A **Claim** under Coverage A. Privacy Liability for unintentional breach of an agreement with a **Business Associate**;
5. A **Claim** under Coverage A. Privacy Liability or Coverage C. PCI Assessment Liability for an unintentional breach of a **Merchant Services Agreement**;
6. A **Claim** for misappropriation of ideas under implied contract under Coverage F. Multimedia Liability; and
7. A **Claim** under Coverage E. Professional Services Liability or Coverage G. Technology Errors and Omissions Liability, for any unintentional **Breach of Contract**.

D. Inaccurate Pricing of Goods and Services

Based upon or arising out of the actual or alleged inaccurate, inadequate, or incomplete description of the price of goods, products or services; or as a result of the **Assured Organization's** cost guarantees, cost representations, contract price, or estimates of probable costs or cost estimates being exceeded. This exclusion shall apply only to Coverages E. Professional Services Liability and Coverage G. Technology Errors and Omissions Liability.

E. Securities Claims

Based upon or arising out of the purchase, sale, offer of or solicitation of an offer to purchase or sell securities, or violation of any securities law, including but not limited to the provisions of the Securities Act of 1933, or the Securities Exchange Act of 1934 as amended, the Sarbanes-Oxley Act of 2002, or any regulation promulgated under the foregoing statutes, or any federal, state, local, or foreign laws similar to the foregoing statutes (including "Blue Sky" laws), whether such law is statutory, regulatory or common law;

F. RICO

For the violation of the Organized Crime Control Act of 1970 (commonly known as "Racketeer Influenced And Corrupt Organizations Act" or "RICO"), as amended, any regulation promulgated under the RICO statute, or any federal, state, local, or foreign laws similar to the RICO statute.

G. ERISA

For the violation of the responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974 ("ERISA") as amended or any federal, state, local, or foreign laws similar to ERISA.

H. Antitrust

For antitrust violations, restraint of trade, price fixing, or unfair competition, including without limitation, violations of the Sherman Act, the Clayton Act or the

Robinson-Patman Act as amended, or any other federal, state, local, or foreign laws regulating the same or similar conduct.

I. Regulatory Enforcement

Based upon or arising out of governmental enforcement of any federal, state, local or foreign regulation, including but not limited to regulations promulgated by the U.S. Federal Trade Commission, Federal Communications Commission, or the Securities and Exchange Commission.

This exclusion does not apply to any **Claim** that:

1. is made under Coverage B. Privacy Regulatory Liability, Coverage C. PCI DSS Assessment Liability, or Coverage D. System Security Liability; or
2. is brought by a government entity in its capacity as a customer of the **Assured Organization**.

J. Patent Infringement

For the actual or alleged infringement of any patent or misuse of patent rights.

K. Claim by Assureds

For any **Claim** made by or on behalf of any **Assured**. However, this exclusion shall not apply to:

1. any **Claim** that is in the form of a crossclaim, third-party claim or otherwise for contribution or indemnity which is part of and results directly from a **Claim** which is not otherwise excluded under this policy;
2. any **Claim** brought or maintained by or on behalf of a bankruptcy or insolvency trustee, examiner, liquidator, conservator, receiver or rehabilitator for a claimant or any assignee of such trustee, examiner, liquidator, receiver or rehabilitator;
3. any **Claim** that is brought by an independent contractor or **Employee** and alleges injury resulting from a **System Security Breach** or **Privacy Liability Event**; or
4. any **Claim** brought by an **Assured** in the capacity as a customer or client of the **Assured**, but only under circumstances where the **Assured** claimant is not colluding with any other **Assured** for the purpose of obtaining an insurance payment.

L. Claim by Related Entities

For any **Claim** made by or on behalf of any entity which:

1. is operated, managed, or controlled by the **Assured Organization**;
2. in which the **Assured Organization** has an ownership interest in excess of 15%;



3. in which a natural person **Assured** is an officer or director; or
4. operates, controls, or manages the **Assured Organization**, or has an ownership interest of more than 15% in the **Assured Organization**.

However, this exclusion shall not apply to:

1. any **Claim** that is in the form of a crossclaim, third-party claim or otherwise for contribution or indemnity which is part of and results directly from a **Claim** which is not otherwise excluded under this policy;
2. any **Claim** brought or maintained by or on behalf of a bankruptcy or insolvency trustee, examiner, liquidator, conservator, receiver or rehabilitator for a claimant or any assignee of such trustee, examiner, liquidator, receiver or rehabilitator;
3. any **Claim** that is brought by an independent contractor or **Employee** and alleges injury resulting from a **System Security Breach** or **Privacy Liability Event**; or
4. any **Claim** brought by an entity in its capacity as a customer or client of the **Assured**, but only under circumstances where the claimant is not colluding with any other **Assured** for the purpose of obtaining an insurance payment.

M. Trade Secrets

For any theft or misappropriation of trade secrets obtained by any natural person **Assured** prior to commencing employment with an **Assured Organization**.

VII. EXCLUSIONS APPLICABLE ONLY TO COVERAGES J AND K

The exclusions in this policy section apply only to Coverage J. Digital Asset Loss Reimbursement or Coverage K. Business Interruption Loss Reimbursement.

The coverage under this policy shall not apply to that part of any **Claim** for:

A. Digital Asset Upgrades

Costs to restore, update or replace **Digital Assets** to a level beyond that which existed prior to the **Covered Cause of Loss**.

B. Computer System Upgrades

Costs to upgrade, redesign, reconfigure, or maintain the **Computer System** to a level of functionality beyond that which existed prior to the **Covered Cause of Loss**.

C. Physical Damage

Physical damage to **Computer Hardware** or a data centre. This exclusion shall not apply to physical damage or destruction of **Electronic Media** that renders stored **Digital Assets** no longer machine-readable.

D. Liability Claims

Any liability, including **Vicarious Liability**, resulting from **Claims** by third parties, **Employees**, officers, directors, or partners, including consequential damages, legal costs and expenses of any type.

E. Fines and Penalties

Contractual penalties, punitive and multiplied damages, and fines or penalties imposed by law except where such fines and penalties are legally insurable. Notwithstanding the choice of law specified in Item 13. of the Declarations, insurability of fines, non-contractual penalties, and punitive and multiplied damages shall be determined pursuant to the applicable law of the jurisdiction that most favours coverage.

F. Value of Digital Assets

Economic or market value of **Digital Assets**, unless specifically endorsed as an agreed value to this policy.

G. Remediation Costs

Costs or expenses incurred to identify, patch, or remediate software program errors or **Computer System** vulnerabilities.

H. Governmental Action

Any seizure, destruction or damage to, or loss of use of, the **Computer System** or **Electronic Data** arising out of any action of a governmental authority, including any delay caused by the restrictions or requirements imposed by any governmental authority.

I. Bankruptcy

Any loss resulting directly from the bankruptcy, financial impairment or insolvency of the **Assured Organization** or other any person or entity, including but not limited to, any **Provider**.

J. Computer System Design

Failure in design, architecture or configuration of the **Computer System**, including failure to design for traffic and capacity requirements.

K. Protection Failure

Failure to ensure that a **Computer System** under the **Assured Organization's** operational control is reasonably protected by security practices and systems maintenance procedures that are equal to or superior to those disclosed in the **Application**.

L. Wear and Tear

Ordinary wear and tear or gradual deterioration of **Computer Hardware**.

VIII. INNOCENT ASSURED PROVISIONS

- A. The **Assureds** represent and acknowledge that the statements contained in the **Application** and any materials submitted or required to be submitted therewith are true and accurate and:
1. are the basis of this policy and are to be considered as incorporated into and constituting a part of this policy; and
 2. shall be deemed material to the acceptance of this risk or the hazard assumed by the Underwriters under this policy.

This policy is issued in reliance upon the truth and accuracy of such representations.

In the event the statements, representations or information in the **Application**, including materials submitted or required to be submitted therewith, contains any misrepresentation or omission which materially affects either the acceptance of the risk or the hazard assumed by the Underwriters under this policy, this policy shall be void from inception as to any **Assured** who knew as of the effective date of this policy the facts that were misrepresented or omitted, whether or not such person knew of such untruthful disclosure in the **Application**. For purposes of this paragraph, the knowledge of any natural person **Assured** shall not be imputed to any other natural person **Assured**, and only the knowledge of the **Named Assured's** Chief Executive Officer, Chief Financial Officer, Chief Information Officer, Chief Security Officer, Risk Manager, and General Counsel shall be imputed to the **Assured Organization**.

- B. If coverage under this policy would be excluded, suspended or lost because of a failure to give notice to the Underwriters as required by Section XII, paragraph A.1. the Underwriters agree that coverage will nevertheless be afforded to those **Assureds** who were not personally responsible for giving such notice and who did not acquiesce in the failure to give such notice. Coverage will be afforded to such **Assureds** only if they comply with Section XII, paragraph A.1., as soon as practicable after learning of the failure of any other **Assured** to comply therewith, and do so within ninety (90) days after the expiration of the **Policy Period**.

The coverage afforded by this provision shall not apply to any **Assured Organization** if the persons responsible for the failure to provide notice as required by Section XII, paragraph A.1., are the **Named Assured's** Chief Executive Officer, Chief Financial Officer, Chief Information Officer, Chief Security Officer, Risk Manager, and/or General Counsel (or the functional equivalents of any of the foregoing).

IX. LIMIT OF LIABILITY

- A. The **Policy Aggregate Limit** as indicated in Item 3.A of the Declarations is the most the Underwriters will pay under this policy in the aggregate for all Coverages combined, regardless of the number of acts, errors, or omissions, persons or entities covered by this policy, claimants or **Claims** or losses brought, or Coverages triggered.

- B. When purchased as indicated in Item 3.B of the Declarations, the **Sublimit of Liability** is the most the Underwriters will pay under this policy in the aggregate under the individual Coverage to which the **Sublimit of Liability** applies, regardless of the number of acts, errors, or omissions, persons or entities covered by this policy, claimants or **Claims** or losses brought.
- C. When PCI DSS Assessment coverage is purchased as indicated in Item 3.B of the Declarations, the **Sublimit of Liability** shall be part of and not in addition to the Coverage B aggregate **Sublimit of Liability**.
- D. There is no separate or additional limit of liability for any **Extended Reporting Period**. The **Extended Reporting Period** shall be part of and not in addition to the **Policy Aggregate Limit** for the **Policy Period**.
- E. Multiple **Claims** arising from the same or a series of related or repeated acts, errors, or omissions or from any continuing acts, errors, or omissions shall be considered a single **Claim** for the purposes of this policy, irrespective of the number of claimants or **Assureds** involved in the **Claim**. All such **Claims** shall be deemed to have been made on the date that the first such **Claim** was made.

X. RETENTION

The retention for each Coverage is stated in Item 4. of the Declarations. The applicable retention shall be first applied to the loss covered by this policy and the **Named Assured** shall make direct payments until the retention is exhausted. Underwriters shall be liable only for the amounts in excess of the retention, subject to the Underwriters' total liability not exceeding the limits stated in Items 3.A and 3.B of the Declarations.

If a **Claim** is covered under more than one Coverage and more than one retention applies as a result, the highest retention shall be the only one applicable.

With respect to Coverage K Business Interruption Loss Reimbursement, the retention is the **Time Retention** stated in Item 5. of the Declarations.

XI. EXTENDED REPORTING PERIOD

A. Basic Extended Reporting Period

If this policy is cancelled or not renewed by the **Assured** or Underwriters, the **Assured** shall have an **Extended Reporting Period** of sixty (60) days following such cancellation or non-renewal. This **Extended Reporting Period** shall cover **Claims** first made and reported to Underwriters during this sixty (60) days **Extended Reporting Period** but only in respect of any act, error, or omission committed prior to the date of cancellation or non-renewal, and subject to all other terms, conditions, and exclusions of this policy. No **Claim** shall be accepted by Underwriters in this sixty (60) day **Extended Reported Period** if the **Assured** is entitled to indemnity under any other insurance or would have been entitled to indemnity under such insurance but for the exhaustion thereof.

B. Optional Extended Reporting Period

If this policy is cancelled or not renewed by the **Assured** or Underwriters, the **Assured** shall have the right, upon full payment of the ERP premium shown in

Item 7.(a) of the Declarations, to have issued an endorsement providing an optional **Extended Reporting Period** of the length specified in Item 7(b) of the Declarations from the cancellation or non-renewal date.

1. Such optional **Extended Reporting Period** shall cover **Claims** made and reported to the Underwriters during this optional **Extended Reporting Period** that arise out of any act, error, or omission committed prior to the date of cancellation or non-renewal. Coverage for such claims shall be subject to all other terms, conditions, and exclusions of the policy.
2. In order for the **Named Assured** to invoke the optional **Extended Reporting Period**, the additional premium as stated in this provision must be paid to the Underwriters within thirty (30) days of the non-renewal or cancellation.
3. At the commencement of the optional **Extended Reporting Period**, the entire premium shall be deemed fully earned, and in the event the **Named Assured** terminates the optional **Extended Reporting Period** for whatever reason prior to its natural expiration, the Underwriters will not be liable to return any premium paid for the optional **Extended Reporting Period**.

C. **Change of Control Extended Reporting Period**

If the **Assured** undergoes a **Change of Control**, and if the **Assured** has otherwise complied with the terms and conditions of this policy, then upon giving notice to the Underwriters within thirty days of the **Change of Control** the **Assured** shall be entitled to an **Extended Reporting Period** of twelve (12) months.

If an **Extended Reporting Period** is elected, the **Assured** must pay the Underwriters, within thirty (30) business days of the date of the **Change of Control** described above, in consideration of an additional premium that is equal to the annual premium set forth in the Declarations.

Such change in control **Extended Reporting Period** shall cover **Claims** made and reported to the Underwriters during this change of control **Extended Reporting Period** that arise out of acts, errors, or omissions committed prior to the date of the **Change of Control**, and subject to all other terms, conditions, and exclusions of the policy.

D. **Terms and Conditions of All Extended Reporting Periods:**

1. The right to the **Extended Reporting Period** shall not be available to the **Assured** where cancellation or non-renewal by the Underwriters is due to non-payment of premium.
2. The limit of liability for the **Extended Reporting Period** shall be part of, and not in addition to, the limit of liability of Underwriters for the **Policy Period**.
3. All notes and premium payments with respect to the **Extended Reporting Period** shall be directed to Underwriters through the **Named Assured** stated in Item 1. of the Declarations.

XII. TERMS AND CONDITIONS

A. NOTICE OF CLAIM OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM

1. It shall be a condition precedent to coverage that the Assured shall give written notice to the Underwriters of any **Claim, Security Threat, Extortion Threat, or Covered Cause of Loss**, as soon as practicable after the **Named Assured's** Chief Executive Officer, Chief Financial Officer, Chief Information Officer, Chief Security Officer, Risk Manager, or General Counsel (or the functional equivalents of any of the foregoing) learn of the **Claim, Security Threat, Extortion Threat, or Covered Cause of Loss**. Such notice must be given no later than ninety (90) days after the **Policy Period** expires.

For purposes of Coverage J. Digital Asset Loss Reimbursement and Coverage K. Business Interruption Loss Reimbursement the **Assured Organization** must provide detailed proof of all circumstances leading to the loss event, including the loss amount justification, as soon as practicable after the **Named Assured's** Chief Executive Officer, Chief Financial Officer, Chief Information Officer, Chief Security Officer, Risk Manager, or General Counsel (or the functional equivalents of any of the foregoing) learn of the **Covered Cause of Loss**. Such proof must be given no later than ninety (90) days after the **Policy Period** expires. The **Assured Organization** will provide the Underwriters with details of the loss, threat, or failure, including a description of the incident and as applicable, a description of the equipment involved, system logs, security logs, statements from outside experts or consultants, and a description of the **Digital Assets** involved.

2. If during the **Policy Period**, the **Assured** becomes aware of any circumstance that could result in a **Claim**, and if the **Assured** gives written notice to the Underwriters that describes:
 - a. The act, error or omission that could reasonably be the basis for a **Claim**;
 - b. The damage or penalty which may result or has resulted from the circumstances; and
 - c. The circumstances by which the **Assured** first became aware of the act, error, or omission;

then any subsequent **Claim** made against the **Assured** arising out of such circumstance which is the subject of the written notice will be deemed to have been made at the time written notice complying with the above requirements was first given to the Underwriters.

3. If during the **Policy Period**, the **Assured** becomes aware of a circumstance that might constitute a **Privacy Breach** or violation of **Privacy Laws** that could reasonably be expected to result in a financial loss to the **Assured** that exceeds 50% of the retention applicable to Coverage A. Privacy Liability or

Coverage H. Breach Event Cost Reimbursement (whichever is larger), the **Assured** shall give written notice to Underwriters that describes:

- a. The act, error or omission that could reasonably be the basis for a **Claim**;
- b. The damage or penalty which may result or has resulted from the circumstances; and
- c. The circumstances by which the **Assured** first became aware of the act, error, or omission.

The **Assured's** good faith inadvertent failure to provide the notice as required in this paragraph shall not limit or eliminate coverage for loss arising from the unreported circumstance that would otherwise be available under this policy.

4. A **Claim** shall be considered to be reported to the Underwriters when notice is first given to the Underwriters through persons named in Item 10. of the Declarations.
5. It is the sole responsibility of the **Assured Organization** to report the loss to any applicable governmental authorities if appropriate.
6. The **Assured's** rights under this policy shall not be prejudiced if a governmental or law enforcement agency prohibits the **Assured** from providing notice as required by this section,

B. ASSISTANCE AND COOPERATION

1. The **Assured** shall cooperate with Underwriters in all investigations. The **Assured** shall execute or cause to be executed all papers and render all assistance as reasonably requested by the Underwriters.
2. Upon the Underwriters' request, the **Assured** shall assist in the conduct of suits, in making settlements, and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the **Assured** because of acts, errors, or omissions with respect to which insurance is afforded under this policy. The **Assured** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.

C. ALLOCATION

1. Claims Expenses

If a **Claim** for **Damages** made against an **Assured** involves **Damages** or **Claim Expenses** covered by this policy and **Damages** or **Claim Expenses** not covered by this policy, either because the **Claim** contains both covered and uncovered matters, or because the **Claim** is made against both an **Assured** and others not insured under this policy, the **Assured** and the Underwriters agree that 100% of all **Claim Expenses** incurred will be allocated to covered **Claim Expenses**.

2. Damages:

If a **Claim** for **Damages** involves covered and uncovered parties and/or covered and uncovered amounts, the **Assured** and the Underwriters agree to use best efforts to arrive at a fair allocation between covered **Damages** and uncovered damages.

D. SUBROGATION

If any payment is made under this policy the Underwriters shall be subrogated to all of the **Assured's** rights of recovery against any other party. The **Assured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Assured** shall do nothing to prejudice such rights.

Any subrogation recoveries shall be applied first to reasonable and necessary subrogation expenses, second to loss paid by the Underwriters, and lastly to the retention. Any additional amounts recovered shall be paid to the **Named Assured**.

E. OTHER INSURANCE

This insurance shall apply in excess of any other valid and collectible insurance available to the **Assured**, including any retention or deductible portion thereof, unless such other insurance is written only as specific excess insurance over the limit of liability of this policy.

Any payment by the **Assured** of a retention or deductible under such other insurance shall reduce, by the amount of such payment which would otherwise have been covered under this coverage section, the retention under any applicable Coverage of this policy.

This policy shall be primary to any insurance maintained by a party for whom the **Assured** is **Vicariously Liable** by reason of a contractual assumption of liability.

F. ACTION AGAINST UNDERWRITERS

No action shall lie against the Underwriters or the Underwriters' representatives unless, as a condition precedent thereto: (1) there shall have been full compliance with all terms of this insurance; and (2) until the amount of the **Assured's** obligation to pay shall have been finally determined either by judgment or award against the **Assured** after trial, regulatory proceeding, arbitration or by the **Assured's** written agreement with the claimant and the Underwriters. However, part (2) of this condition precedent shall not apply to an action by the **Assured** to compel the Underwriters to defend a **Claim** as required by the policy.

Any claimant or the legal representative thereof who has secured a judgment or award against the **Assured**, or entered into a written settlement agreement with the **Assured**, shall thereafter be entitled to make a **Claim** under this policy to the extent of the insurance afforded by this policy. No person or organization shall have the right under this policy to join the Underwriters as a party to an action or other proceeding against the **Assured** to determine the **Assured's** liability, nor shall the Underwriters be impleaded by the **Assured** or the **Assured's** legal representative.

The **Assured's** bankruptcy or insolvency of the **Assured's** estate shall not relieve the Underwriters of their obligations hereunder.

G. MERGERS AND ACQUISITIONS

1. Change of Control of Assured

If the **Named Assured** undergoes a **Change of Control** coverage under this policy shall continue until the policy expires or is otherwise terminated. However, coverage shall apply only to **Claims** made before the date of the **Change of Control** unless the **Named Assured**:

- a. gives written notice to the Underwriters within thirty (30) days of the **Change of Control**; and
- b. promptly provides the Underwriters with all such further information as the Underwriters may require; and
- c. obtains the written consent of the Underwriters to continue some or all of the coverage provided by this policy; and
- d. accepts any special terms, conditions, exclusions and other modifications to coverage required by the Underwriters; and
- e. pays any additional premium required by the Underwriters.

Failure to give notice to the Underwriters in accordance with paragraph a. above shall be an election by the **Named Assured** not to continue coverage.

2. Newly Acquired Subsidiaries

During the **Policy Period**, if the **Assured** or any of **Assured's Subsidiaries** acquire another entity whose annual revenues are more than fifteen percent (15%) of the **Assured Organization's** as set forth in the most recent audited financial statements, then for a period of ninety (90) days after the effective date of the acquisition, the newly acquired **Subsidiary** will be included within the definition of the **Assured**, but only for acts, error or omissions committed or allegedly committed after the effective date of the acquisition. Upon expiration of the ninety (90) day period, there shall be no coverage under this policy for acts, errors, or omissions committed or allegedly committed by the newly acquired entity unless the **Named Assured** gives the Underwriters written notice of the acquisition containing full details thereof, and the Underwriters have agreed to add coverage for the newly acquired entity upon such terms, conditions, and limitations of coverage and such additional premium as the Underwriters, in their sole discretion, may require.

3. Cessation of Subsidiaries

If before or during the **Policy Period**, an entity ceases to be a **Subsidiary** of the **Assured**, coverage with respect to such entity and its **Employees** shall continue until termination of this policy. Such coverage continuation

shall apply only with respect to **Claims** for acts, errors, or omissions or breach of duty covered by this policy taking place prior to the date such entity ceased to be a **Subsidiary**.

4. Notices

All notices and premium payments made under this paragraph shall be directed to the Underwriters through the entity named in Item 11. of the Declarations.

H. CANCELLATION

1. Cancellation By The Assured

The **Named Assured** alone shall have the right to cancel this policy on behalf of any and all **Assureds**. Cancellation by the **Named Assured** shall be effective upon mailing of notice to the Underwriters that specifies the date on which the cancellation is to take place. The Underwriters will refund the unearned premium computed at the customary short rate.

2. Cancellation By Underwriters

The Underwriters may cancel this policy only if the **Assured** fails to pay the premium when due. The Underwriters shall provide to the **Named Assured** written notice of such cancellation stating when, not less than fifteen (15) days thereafter, such cancellation shall be effective, except that non-payment of premium due at inception of this policy will result in the policy being cancelled effective as of the inception date.

I. SERVICE OF SUIT CLAUSE (U.S.A.)

1. It is agreed that in the event of the Underwriters' failure to pay any amount claimed to be due under this insurance, the Underwriters herein, at the **Assured's** request, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this clause constitutes or should be understood to constitute a waiver of the Underwriters' rights to commence an action in any court of competent jurisdiction in the United States, to remove an action to a United States District Court, or seek a transfer of a case to another court as permitted by the laws of the United States or any state in the United States. It is further agreed that service of process in such suit may be made upon our representative, designated in Item 12. of the Declarations, and that in any suit instituted against any one of them upon this contract; the Underwriters will abide by the final decision of such court or of any appellate court, in the event of an appeal.
2. The Underwriters' representative designated in Item 12. of the Declarations is authorized and directed to accept service of process on the Underwriters' behalf in any such suit and/or upon the **Assured's** request to give a written undertaking to the **Assured** that they will enter a general appearance upon the Underwriters' behalf in the event such a suit shall be instituted.
3. Pursuant to any statute of any state, territory, or district of the United States which makes provision therefore, the Underwriters hereby designate the



Superintendent, Commissioner, or Director of Insurance or other officer specified for that purpose in the statute, or any successor in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on the **Assured's** behalf or any beneficiary hereunder arising out of this policy, and hereby designate the Underwriters' representative listed in Item 12. of the Declarations as the person to whom the said officer is authorized to mail such process or a true copy thereof.

J. **ALTERNATIVE DISPUTE RESOLUTION**

The Underwriters and the **Assured** agree to submit any dispute arising out of or relating to this policy, including but not limited to its construction, application and validity, or any breach thereof, to non-binding mediation or binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association ("AAA") in effect at the time of the dispute, as amended by this policy. If all parties agree, a different form of alternative dispute resolution ("ADR") may be used.

The **Assured** shall have the right to choose the type of ADR process to resolve a dispute under this policy.

Each party shall bear its own fees and costs in connection with any ADR process, but the costs incurred through AAA, including the fees and expenses of the arbitrator, shall be shared equally by the parties unless the arbitration award provides otherwise. All arbitration proceedings shall be held only in a city where either the Underwriters or the **Assured** has a place of business in the United States, at the election of the party commencing arbitration. The decision of the arbitrator or arbitrators is final and binding and any award may be confirmed and enforced in any court of competent jurisdiction.

Nothing in this Section shall prevent the parties from litigating a dispute in an appropriate court in the event non-binding ADR fails to produce a resolution.

K. **JOINT ASSUREDS**

If two or more **Assured Organizations** are covered under this Policy, the first named **Assured Organization** shall act for all **Assured Organizations**. Payment by Underwriters to the first **Named Assured** of loss sustained by any **Assured Organization** shall fully release Underwriters on account of such loss. If the first named **Assured Organization** ceases to be covered under this Policy, the **Assured Organization** next named shall thereafter be considered as the first named **Assured Organization**.

L. **MULTIPLE ASSUREDS**

Underwriters' liability under any and all contracts of insurance evidenced or deemed to be evidenced by this contract shall be the liability so specified in this contract as applicable to any one such contract and shall not be varied or deemed varied by virtue of the number or type of **Assured Organization** or loss under this contract.

M. ASSIGNMENT

No assignment of interest under this policy by any **Assured** shall be binding on the Underwriters unless they have given written consent to the assignment.

If the **Assured** shall die or be adjudged incompetent, this insurance shall cover the **Assured's** estate and legal representatives to the same extent that the **Assured** would have been covered under this policy.

N. TERRITORY

This insurance applies to **Claims** made, acts committed or alleged to have committed anywhere in the world.

O. CHOICE OF LAW

Except as otherwise provided herein, any disputes involving this Policy shall be resolved applying the law designated in Item 13. of the Declarations.

P. ENTIRE AGREEMENT

By acceptance of the policy, all **Assureds** agree that this policy embodies all agreements between the Underwriters and the **Assureds** relating to this insurance as of the date the **Policy Period** begins.

The terms of this insurance shall not be changed except by endorsement issued to form a part of this policy signed by the Underwriters.

Q. TITLES

The titles of paragraphs, sections, provisions, or endorsements of or to this policy are intended solely for convenience and reference, and are not deemed in any way to limit or expand the provisions to which they relate and are not part of the policy. Whenever the singular form of a word is used herein, the same shall include the plural when required by context.

NUCLEAR INCIDENT EXCLUSION CLAUSE-LIABILITY-DIRECT (BROAD)
(U.S.A.)

For attachment to insurances of the following classifications in the U.S.A., its Territories and Possessions, Puerto Rico and the Canal Zone:

Owners, Landlords and Tenants Liability, Contractual Liability, Elevator Liability, Owners or Contractors (including railroad) Protective Liability, Manufacturers and Contractors Liability, Product Liability, Professional and Malpractice Liability, Storekeepers Liability, Garage Liability, Automobile Liability (including Massachusetts Motor Vehicle or Garage Liability),

not being insurances of the classifications to which the Nuclear Incident Exclusion Clause-Liability-Direct (Limited) applies.

This Policy* does not apply:

- I. Under any Liability Coverage, to injury, sickness, disease, death or destruction:
 - (a) with respect to which an insured under the Policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (b) resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this Policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- II. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
- III. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if:
 - (a) the nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom;
 - (b) the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
 - (c) the injury, sickness, disease, death or destruction arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions

or Canada, this exclusion (c) applies only to injury to or destruction of property at such nuclear facility.

IV. As used in this endorsement:

"hazardous properties" include radioactive, toxic or explosive properties; "nuclear material" means source material, special nuclear material or by-product material; "source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act 1954 or in any law amendatory thereof; "spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor; "waste" means any waste material (1) containing by-product material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof; "nuclear facility" means:

- (a) any nuclear reactor,
- (b) any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste,
- (c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,
- (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste,

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations; "nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. With respect to injury to or destruction of property, the word "injury" or "destruction" includes all forms of radioactive contamination of property.

It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this clause is subject to the terms, exclusions, conditions and limitations of the Policy to which it is attached.

* NOTE: As respects policies which afford liability coverages and other forms of coverage in addition, the words underlined should be amended to designate the liability coverage to which this clause is to apply.

17/3/60
NMA1256

RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE-LIABILITY-DIRECT
(U.S.A.)

For attachment (in addition to the appropriate Nuclear Incident Exclusion Clause-Liability-Direct) to liability insurances affording worldwide coverage.

In relation to liability arising outside the U.S.A., its Territories or Possessions, Puerto Rico or the Canal Zone, this Policy does not cover any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

13/2/64

NMA1477

NEW SHORT RATE CANCELLATION TABLE ENDORSEMENT (U.S.A.)

Notwithstanding anything to the contrary contained herein and in consideration of the premium for which this Insurance is written it is agreed that in the event of cancellation thereof by the Assured the Earned Premium shall be computed as follows:-

SHORT RATE CANCELLATION TABLE

A. For insurances written for one year:-

Days Insurance in Force		Per cent. of One Year Premium	Days Insurance in Force		Per cent. of One Year Premium
1	.....	5	154 - 156	.....	53
2	.....	6	157 - 160	.....	54
3 -- 4	.....	7	161 - 164	.....	55
5 -- 6	.....	8	165 - 167	.....	56
7 -- 8	.....	9	168 - 171	.....	57
9 - 10	.....	10	172 - 175	.....	58
11 - 12	.....	11	176 - 178	.....	59
13 - 14	.....	12	179 - 182	(6 months)	60
15 - 16	.....	13	183 - 187	.....	61
17 - 18	.....	14	188 - 191	.....	62
19 - 20	.....	15	192 - 196	.....	63
21 - 22	.....	16	197 - 200	.....	64
23 - 25	.....	17	201 - 205	.....	65
26 - 29	.....	18	206 - 209	.....	66
30 - 32	(1 month)	19	210 - 214	(7 months)	67
33 - 36	.....	20	215 - 218	.....	68
37 - 40	.....	21	219 - 223	.....	69
41 - 43	.....	22	224 - 228	.....	70
44 - 47	.....	23	229 - 232	.....	71
48 - 51	.....	24	233 - 237	.....	72
52 - 54	.....	25	238 - 241	.....	73
55 - 58	.....	26	242 - 246	(8 months)	74
59 - 62	(2 months)	27	247 - 250	.....	75
63 - 65	.....	28	251 - 255	.....	76
66 - 69	.....	29	256 - 260	.....	77
70 - 73	.....	30	261 - 264	.....	78
74 - 76	.....	31	265 - 269	.....	79
77 - 80	.....	32	270 - 273	(9 months)	80
81 - 83	.....	33	274 - 278	.....	81
84 - 87	.....	34	279 - 282	.....	82
88 - 91	(3 months)	35	283 - 287	.....	83
92 - 94	.....	36	288 - 291	.....	84
95 - 98	.....	37	292 - 296	.....	85
99 - 102	.....	38	297 - 301	.....	86
103 - 105	.....	39	302 - 305	(10 months)	87
106 - 109	.....	40	306 - 310	.....	88
110 - 113	.....	41	311 - 314	.....	89
114 - 116	.....	42	315 - 319	.....	90

117 - 120	43	320 - 323	91
121 - 124 (4 months)	44	324 - 328	92
125 - 127	45	329 - 332	93
128 - 131	46	333 - 337 (11 months)	94
132 - 135	47	338 - 342	95
136 - 138	48	343 - 346	96
139 - 142	49	347 - 351	97
143 - 146	50	352 - 355	98
147 - 149	51	356 - 360	99
150 - 153 (5 months).	52	361 - 365 (12 months)	100

B. For Insurances written for more or less than one year:-

1. If insurance has been in force for 12 months or less, apply the standard short rate table for annual insurances to the full annual premium determined as for an insurance written for a term of one year.
2. If insurance has been in force for more than 12 months:
 - (a) Determine full annual premium as for an insurance written for a term of one year.
 - (b) Deduct such premium from the full insurance premium, and on the remainder calculate the pro rata Earned Premium on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the insurance was originally written.
 - (c) Add premium produced in accordance with items (a) and (b) to obtain Earned Premium during full period insurance has been in force.

09/02/58
NMA45

SMALL ADDITIONAL OR RETURN PREMIUMS CLAUSE (U.S.A.)

NOTWITHSTANDING anything to the contrary contained herein and in consideration of the premium for which this Insurance is written, it is understood and agreed that whenever an additional or return premium of USD 2 or less becomes due from or to the Assured on account of the adjustment of a deposit premium, or of an alteration in coverage or rate during the term or for any other reason, the collection of such premium from the Assured will be waived or the return of such premium to the Assured will not be made, as the case may be.

NMA1168


30/01/15

PREMIUM PAYMENT WARRANTY

IT IS HEREBY WARRANTED that all premium due to Underwriters under this Policy is paid within 45 days from inception.

Non-receipt by Underwriters of such premium, by midnight (local standard time) on the premium due date, shall render this policy void with effect from Inception.

LSW585

A handwritten signature in black ink, appearing to be "Zetels", is located in the bottom right corner of the page.

SANCTION LIMITATION AND EXCLUSION CLAUSE

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

15/09/10
LMA3100



MEMORANDUM 1**SCHEDULE OF INSURED MEMBERS**

Named Insured Member of MIRMA	Type	Aggregate Sublimit including claims expenses	Retention for each insuring agreement A, B, C, D, F, H, I and J	Retention / Waiting Period for insuring agreement K	Application Dated
Arnold	Municipal Government & Utility	\$1,000,000	\$25,000	12	04-Jun-15
Bellefontaine Neighbors	Municipal Government	\$1,000,000	\$25,000	12	29-Jun-15
Carl Junction	Municipal Government & Utility	\$1,000,000	\$25,000	12	05-Jun-15
Chillicothe	Municipal Government	\$1,000,000	\$25,000	24	04-Jun-15
Chillicothe Municipal Utilities	Municipal Utility	\$1,000,000	\$25,000	12	04-Jun-15
De Soto	Municipal Government	\$1,000,000	\$25,000	12	04-Jun-15
Festus	Municipal Government & Utility	\$1,000,000	\$25,000	12	23-Jun-15
Fulton	Municipal Government & Utility	\$1,000,000	\$25,000	12	25-Jun-15
Hannibal	Municipal Government	\$1,000,000	\$25,000	12	04-Jun-15
Hannibal Board of Public Works	Municipal Utility	\$1,000,000	\$25,000	12	04-Jun-15
Jackson	Municipal Government & Utility	\$1,000,000	\$25,000	12	04-Jun-15
Kennet Utilities	Municipal Utility	\$1,000,000	\$25,000	24	04-Jun-15
Kennett	Municipal Government	\$1,000,000	\$25,000	12	02-Jun-15
Macon City	Municipal Government	\$1,000,000	\$25,000	24	05-Jun-15
Macon Utilities	Municipal Utility	\$1,000,000	\$25,000	12	07-Jun-15
Maryville	Municipal Government & Utility	\$1,000,000	\$25,000	12	08-Jun-15
MIRMA	Municipal Government	\$1,000,000	\$25,000	12	23-Jun-15
Moberly	Municipal Government	\$1,000,000	\$25,000	12	04-Jun-15
Pacific	Municipal Government & Utility	\$1,000,000	\$25,000	12	04-Jun-15
Rolla City	Municipal Government	\$1,000,000	\$25,000	12	16-Jun-15
Rolla Municipal Utilities	Municipal Utility	\$1,000,000	\$25,000	12	05-Jun-15
Savannah	Municipal Government & Utility	\$1,000,000	\$25,000	24	08-Jun-15
Trenton	Municipal Government	\$1,000,000	\$25,000	24	04-Jun-15
Trenton Municipal Utilities	Municipal Utility	\$1,000,000	\$25,000	24	26-Jun-15
Union	Municipal Government & Utility	\$1,000,000	\$25,000	12	05-Jun-15
West Plains	Municipal Government & Utility	\$1,000,000	\$25,000	12	04-Jun-15
Ava	Municipal Government & Utility	\$500,000	\$10,000	12	04-Jun-15
Bethany	Municipal Government & Utility	\$500,000	\$10,000	24	24-Jun-15

Cabool	Municipal Government & Utility	\$500,000	\$10,000	12	05-Jun-15
Canton	Municipal Government & Utility	\$500,000	\$10,000	12	10-Jun-15
Country Club	Municipal Government	\$500,000	\$10,000	12	04-Jun-15
Fredericktown	Municipal Government & Utility	\$500,000	\$10,000	24	04-Jun-15
Hanley Hills	Municipal Government	\$500,000	\$10,000	12	23-Jun-15
Hermann	Municipal Government & Utility	\$500,000	\$10,000	24	04-Jun-15
Higginsville	Municipal Government & Utility	\$500,000	\$10,000	12	04-Jun-15
Holts Summit	Municipal Government & Utility	\$500,000	\$10,000	12	04-Jun-15
Kahoka	Municipal Government & Utility	\$500,000	\$10,000	24	24-Jun-15
Lamar	Municipal Government	\$500,000	\$10,000	12	23-Jun-15
Licking	Municipal Government & Utility	\$500,000	\$10,000	12	04-Jun-15
Malden	Municipal Government & Utility	\$500,000	\$10,000	12	23-Jun-15
Moscow Mills	Municipal Government & Utility	\$500,000	\$10,000	24	10-Jun-15
Mountain Grove	Municipal Government & Utility	\$500,000	\$10,000	24	11-Jun-15
Mountain View	Municipal Government	\$500,000	\$10,000	12	23-Jun-15
New Haven	Municipal Government & Utility	\$500,000	\$10,000	24	04-Jun-15
New Madrid	Municipal Government & Utility	\$500,000	\$10,000	12	04-Jun-15
Northwoods	Municipal Government	\$500,000	\$10,000	12	23-Jun-15
Palmyra	Municipal Government & Utility	\$500,000	\$10,000	24	04-Jun-15
Platte City	Municipal Government & Utility	\$500,000	\$10,000	24	03-Jun-15
St. Clair	Municipal Government & Utility	\$500,000	\$10,000	12	04-Jun-15
St. James	Municipal Government	\$500,000	\$10,000	24	01-Jun-15
Thayer	Municipal Government & Utility	\$500,000	\$10,000	12	26-Jun-15
Tipton	Municipal Government & Utility	\$500,000	\$10,000	24	04-Jun-15
Vandalia	Municipal Government & Utility	\$500,000	\$10,000	24	10-Jun-15
Willow Springs	Municipal Government & Utility	\$500,000	\$10,000	12	04-Jun-15
Woodson Terrace	Municipal Government	\$500,000	\$10,000	24	04-Jun-15
Albany	Municipal Government	\$250,000	\$5,000	24	24-Jun-15
Bel-Nor	Municipal Government	\$250,000	\$5,000	24	23-Jun-15
Clarence	Municipal Government	\$250,000	\$5,000	24	04-Jun-15
Clarksville	Municipal Government & Utility	\$250,000	\$5,000	24	04-Jun-15
Gallatin	Municipal Government & Utility	\$250,000	\$5,000	24	04-Jun-15
Huntsville	Municipal Government	\$250,000	\$5,000	12	04-Jun-15
Linn Creek	Municipal Government	\$250,000	\$5,000	12	23-Jun-15

Madison	Municipal Government & Utility	\$250,000	\$5,000	24	04-Jun-15
Mansfield	Municipal Government	\$250,000	\$5,000	12	05-Jun-15
Mound City	Municipal Government & Utility	\$250,000	\$5,000	24	04-Jun-15
New London	Municipal Government	\$250,000	\$5,000	24	24-Feb-15
Paris	Municipal Government	\$250,000	\$5,000	12	05-Jun-15
Perry	Municipal Government & Utility	\$250,000	\$5,000	24	04-Jun-15
Richland	Municipal Government & Utility	\$250,000	\$5,000	12	12-Jun-15
Rock Port	Municipal Government & Utility	\$250,000	\$5,000	24	04-Jun-15
Seymour	Municipal Government & Utility	\$250,000	\$5,000	12	04-Jun-15
Shelbina	Municipal Government & Utility	\$250,000	\$5,000	12	29-Jun-15
Slater	Municipal Government	\$250,000	\$5,000	24	12-Jun-15
Stanberry	Municipal Government & Utility	\$250,000	\$5,000	12	23-Jun-15
Tarkio	Municipal Government	\$250,000	\$5,000	12	06-Jun-15
Unionville	Municipal Government	\$250,000	\$5,000	12	04-Jun-15
Winchester	Municipal Government	\$250,000	\$5,000	24	04-Jun-15



CONTRACT ENDORSEMENT



Unique Market Reference: B0713MEDTE1501515

Endorsement Reference: 1

Insured: Missouri Intergovernmental Risk Management Association

CONTRACT CHANGES

This contract is amended as follows:

ENDORSEMENT

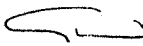
EFFECTIVE DATE: 1st July 2015 at 12.01 a.m. Local standard time at the address of the Insured.


It is hereby noted and agreed that:

1. New London is deleted from Memorandum 1 – Schedule of Insured Members.
2. The Subjectivities section is deleted from the contract documentation.

All other terms and conditions remain unchanged.

AGREEMENT

GENERAL UNDERWRITERS AGREEMENT (GUA)		
Each Underwriter's proportion is several not joint		
Slip Leader Only	Slip Leader And Agreement Parties	All Underwriters
 8/7/15		

Initial:  8/7/15					
Date:					
Syndicate / Co:					:

Note: Where more than one insurer participates in the contract, the contract terms may mean that it is not always necessary to obtain a record of agreement to the Contract Endorsement from all of those insurers.

Any questions you may have should be directed to:

Tami Nuzum
Assistant Vice President
Account Executive, Financial Services
Lockton Companies
Three CityPlace Drive, Suite 900
St. Louis, MO 63141
Tel: 314.812.3836
Fax: 314.812.6936
E-mail: tnuzum@lockton.com