THE HARTFORD DATA PRIVACY ~ NETWORK SECURITY LIABILITY INSURANCE POLICY

All words or phrases (other than captions) that appear in bold face are defined in SECTION III. DEFINITIONS. The descriptions in the headings and subheadings of this policy are solely for convenience and form no part of the terms, conditions, exclusions and limitations of this policy.

Throughout the policy the words "you" and "your" refer to the named entity. The words "we", "us" and "our" refer to the company providing this insurance as shown in the Declarations.

In consideration of the payment of the premium as set forth in the Declarations, and in reliance upon the statements, representations, and warranties in the application which are made part of this policy, and subject to the limits of liability as set forth in the Declarations and to all the exclusions, conditions, and other terms of the policy, we agree with you as follows:

ONLY THOSE INSURING AGREEMENTS AND EXPENSE COVERAGES THAT ARE DESIGNATED WITH AN "X" ON THE POLICY DECLARATIONS PAGE ARE INCLUDED UNDER THIS POLICY.

I. INSURING AGREEMENTS

(A) Data Privacy and Network Security Liability Insurance

We will pay **Damages** and **Defense Costs** on behalf of the **Insured** which the **Insured** shall become legally obligated to pay as a result of a **Claim** first made during the **Policy Period**, or Extended Reporting Period, if applicable, against the **Insured** alleging a **Data Privacy Wrongful Act** or a **Network Security Wrongful Act,** by the **Insured,** which takes place during or prior to the **Policy Period**.

(B) e-Media Liability Insurance

We will pay **Damages** and **Defense Costs** on behalf of the **Insured** which the **Insured** shall become legally obligated to pay as a result of a **Claim** first made during the **Policy Period**, or Extended Reporting Period, if applicable, against the **Insured** alleging a **e-Media Wrongful Act,** by the **Insured,** which takes place during or prior to the **Policy Period.**

II. EXPENSE COVERAGE EXTENSIONS

(A) Notification and Credit Monitoring Expense Coverage

We will reimburse the **Insured Entity**, for reasonable and necessary **Notification and Credit Monitoring Expenses**, up to the Sublimit For All **Expense Coverages** and in excess of the **Notification Expenses** Retention. **Notification and Credit Monitoring Expenses** must directly result from a **Data Privacy Wrongful Act** which takes place during the **Policy Period**. Coverage for such expenses shall be available regardless of whether a **Claim** has been made under **I. INSURING AGREEMENTS** (**A**), provided that notice is given to us as required under the notice provisions set forth in Section **VIII**.**CONDITIONS**, Paragraph **E. NOTICE**.

(B) Crisis Management Expense Coverage

We will reimburse the **Insured Entity**, for reasonable and necessary **Crisis Management Expenses** up to the Sublimit For All **Expense Coverages** and in excess of the **Crisis Management Expenses** Retention. **Crisis Management Expenses** must directly result from a **Data Privacy Wrongful Act** which takes place during the **Policy Period**. Coverage for such expenses shall be available regardless of whether a **Claim** has been made under **I. INSURING**

SPECIMEN

AGREEMENTS (**A**), provided that notice is given to us as required under the notice provisions set forth in Section **VIII. CONDITIONS**, Paragraph **E. NOTICE**.

(C) Data Privacy Regulatory Expense Coverage

We will reimburse the **Insured Entity**, for reasonable and necessary **Data Privacy Regulatory Expenses** up to the Sublimit For All **Expense Coverages** and in excess of the **Data Privacy Regulatory Expenses** Retention which are assessed after the date that the **Insured** reports a covered **Claim** under **I. INSURING AGREEMENTS** (**A**).

Such expenses must be incurred by the **Insured Entity** in order to comply with **Data Privacy Laws** including where the **Insured Entity** has been notified that a **Data Privacy Regulatory Proceeding** has been commenced**.**

(D) Cyber Investigation Expense Coverage

We will reimburse the **Insured Entity**, for reasonable and necessary **Cyber Investigation Expenses** up to the sub-limit of liability and in excess of the **Cyber Investigation Expenses** Retention which are incurred after the date that the **Insured** reports a covered **Claim** under I. INSURING AGREEMENTS-LIABILITY COVERAGES (A). We will also reimburse the **Insured Entity** for reasonable and necessary **Cyber Investigation Expenses** incurred within 30 days prior to the date that the **Insured** reports a covered **Claim** under **I. INSURING AGREEMENTS** (**A**) but in no event prior to the Continuity Date set forth on the Declarations.

III. DEFINITIONS

When used in this Policy:

(A) **Advertising** means electronic promotional material and media, publicly disseminated on the **Internet** or any **Website** or offline copies of such material and media, either by or on behalf of the **Insured** including banner and buttons, beacons and tracking, branding, click tags and cookies, co-branding, directory listings, flash sites, metatags and coded media, rectangles and pop-ups, search engine endorsements, sponsorships, skyscrapers, and/or endorsements.

(B) **Application** means the application submitted to us, any and all materials and information submitted to us in connection with such application, and all publicly available material that is created by the **Insured** about the **Insured** that We obtained prior to the Inception Date of the Policy (including any information contained on any **Internet** websites maintained by or on behalf of the **Insured** or any other **Electronic Content**), all of which are deemed to be on file with Us and are deemed to be attached to, and form a part of, this Policy, as if physically attached.

(C) **Bodily Injury** means injury to the body, sickness, or disease, and death. Bodily Injury also means mental injury, mental anguish, mental tension, emotional distress, pain and suffering, or shock, whether or not resulting from injury to the body, sickness, disease or death of any person.

(D) **Claim** means any:

(1) written demand for civil damages or other civil relief; a written demand shall include without limitation, a written cease & desist letter or a written request to toll or waive the statute of limitations; or

(2) civil proceeding, including any alternative dispute resolution proceeding, for civil damages or other civil relief; commenced by a complaint, demand for arbitration or similar pleading; or

SPECIMEN

(3) a formal administrative or regulatory proceeding seeking to enforce a statutory mandate requiring notification to customers or credit monitoring as a result of a **Data Privacy Wrongful Act**.

(E) **Computer System** means computer hardware, software applications and tools (including licensed software), middleware, **Websites,** and related electronic backup, but only if owned or leased, and operated, by the **Insured Entity** and connected to the **Insured Entity's** computer network. **Computer Systems** do not include any computer hardware (including laptops, smart phones, memory devices or personal digital assistants), software applications and tools (including licensed software), middleware, **Websites,** and related electronic backup that are not connected to the **Insured Entity's** computer network.

.

(F) **Credit Card Association** means each of, MasterCard Worldwide, Visa International, American Express, JCB, Discover Financial Services and any similar credit of debit card association that is a participating organization of the PCI Security Standards Council.

(G) **Crisis Management Expenses** means the amounts set forth in paragraph (1) below, which directly result from a **Data Privacy Wrongful Act** which first takes place during the **Policy Period,** regardless of whether such **Data Privacy Wrongful Act** results in a **Claim**:

(1) amounts for which the **Insured Entity** incurs for the reasonable and necessary fees and expenses in the procurement of **Crisis Management Services** for the **Insured Entity** arising from a **Data Privacy Wrongful Act**;

(2) **Crisis Management Expenses** shall not include **Notification and Credit Monitoring Expenses**, cost of corrections, compensation, fees, benefits, overhead, or the charges or expenses of any **Insured**.

(H) **Crisis Management Services** means those services performed by any public relations firm, crisis management firm or law firm hired or appointed by us**,** to minimize potential reputational harm to the **Insured Entity** arising from a **Data Privacy Wrongful Act**, including, without limitation, maintaining and restoring public confidence in the **Insured Entity**, and providing advice to the **Insured Entity** or any of its directors, officers, partners or employees to minimize reputational harm.

(I) **Cyber Investigation Expenses** means those reasonable and necessary expenses the **Insured Entity** incurs to conduct an investigation of its **Computer System** by a **Third Party** to determine the source or cause of the **Data Privacy Wrongful Act** or **Network Security Wrongful Act. Cyber Investigation Expenses** does not include compensation, fees, benefits, overhead, or the charges or expenses of any **Insured** or any employee**.**

(J) **Damages** means:

(1) settlements, judgments, and costs awarded pursuant to judgments or appeals; or

(2) punitive or exemplary damages unless such damages are uninsurable pursuant to applicable law. Notwithstanding subparagraph (g) below, the insurability of such punitive or exemplary damages shall be governed by the laws of any applicable jurisdiction that does not prohibit coverage of such damages; or

(3) pre- and post-judgment interest arising from paragraphs (1) or (2) above.

Damages shall not include:

SPECIMEN

(a) taxes, fines, or penalties imposed by law; or

(b) future profits, future royalties, costs of licensing, or other costs of obtaining future use; or

(c) restitution or disgorgement; or

(d) the costs to comply with orders granting injunctive relief or non-monetary relief ; or

(e) return or offset of fees, charges, royalties, or commissions for goods or services already provided or contracted to be provided; or

(f) liquidated damages or any other similar penalty or remedy; or

(g) amounts for matters uninsurable pursuant to applicable law; or

(h) **Defense Costs**; or

(i) **Expense Coverages;** or

(j) cost of corrections.

(K) **Data Privacy Laws** means any Canadian or U.S. federal, state, provincial, territorial and local statutes and regulations governing the confidentiality, control and use of **Nonpublic Personal Information** including but not limited to:

(1) Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191) ("HIPAA"); or

(2) Gramm-Leach-Bliley of 1999 ("G-L-B"), also known as the Financial Services Modernization Act of 1999; or

(3) State privacy protection laws, including but not limited to the California Database Protection Act of 2003 (Cal. SB 1386) and Cal.Civ.Code § 1798.82, that require commercial **Internet** sites or on-line services that collect personal information or medical information (as defined by such laws or acts) to post privacy policies and adopt specific privacy controls or to notify those impacted by identity or data thief, abuse or misuse; or

(4) Federal and state consumer credit reporting laws, including but not limited to the Federal Fair Credit Reporting Act (FCRA) and the California Consumer Credit Reporting Agencies Act (CCCRAA); or

(5) The Fair and Accurate Credit Transaction Act of 2003 (FACTA).

Data Privacy Laws does not include any foreign law, regulation or statute other than the laws and regulations of Canada.

(L) **Data Privacy Regulatory Expenses** means fines or penalties incurred by an **Insured Entity** and assessed in a **Data Privacy Regulatory Proceeding. Data Privacy Regulatory Expenses** does not include the offer of courtesy credit monitoring or other expenses that are not required by **Data Privacy Laws** or **Notification Laws**

Solely with respect to a **Data Privacy Wrongful Act**, any monetary assessment, fee, fine or penalty levied against the **Insured Entity** by a **Credit Card Association** and arising out of a contractual obligation between the **Credit Card Association** and the **Insured Entity**, but only for an amount not to exceed the lesser of $250,000 or the amount set forth on the Declarations in Item 4.

SPECIMEN

Aggregate Limit of Liability. This amount shall serve as a sublimit of liability. Such sublimit of liability is part of and not an addition to the limit of liability applicable to a **Data Privacy Wrongful Act** as set forth in the Declarations.

(M) **Data Privacy Regulatory Proceeding** means a civil, formal administrative or formal regulatory proceeding against an **Insured** by a federal, state or local governmental authority alleging violation of any law referenced under the definition of **Data Privacy Laws**; or a proceeding against the **Insured** by the PCI Standards Council alleging a failure to comply with PCI standards**.**

(N) **Data Privacy Wrongful Act** means any negligent act, error or omission by the **Insured** that results in:

(1) the improper dissemination of **Nonpublic Personal Information;** or

(2) any breach or violation by the **Insured** of any **Data Privacy Laws**.

(O) **Defense Costs** means reasonable legal fees and expenses incurred by or on behalf of the **Insured** by us in the defense or appeal of a covered **Claim**; provided that **Defense Costs** will not include:

(1) the **Insured Entity's** overhead expenses or any salaries, wages, fees, or benefits of its Employee; or

(2) **Damages;** or

(3) **Expense Coverages**.

(P) **Electronic Content** means any data, e-mails, graphics, images, net or web casting, sounds, text, web site or similar matter disseminated electronically, including matter disseminated electronically on a **Website**, **Computer System** or the **Internet**, and including content disseminated by other means of media transmittal by the **Insured Entity** provided that it is a duplication of content already disseminated electronically on the **Insured Entity's Internet Website**, **Computer System** or the **Internet.**

(Q) **e-Media Wrongful Act** means any negligent act, error or omission by the **Insured** that results in:

(1) infringement of copyright, service mark, trademark, or misappropriation of ideas or any other intellectual property right, other than infringement of patents or trade secrets; defamation, slander or libel, product disparagement, trade libel, false arrest, detention or imprisonment, or malicious prosecution, infringement or interference with rights of privacy or publicity; wrongful entry or eviction; invasion of the right of private occupancy; and/or plagiarism, misappropriation of ideas under implied contract invasion or other tort related to disparagement or harm to the reputation or character of any person or organization in the **Insured Entity's Electronic Content** or in the **Insured Entity's Advertising**; or

(2) misappropriation or misdirection of **Internet** based messages or media of third parties on the **Internet** by the **Insured**, including meta-tags, web site domains and names, and related cyber content.

(R) **Expense Coverage** means **Notification and Credit Monitoring Expenses, Data Privacy Regulatory Expenses, Crisis Management Expenses or Cyber Investigations Expenses**, but only if such expenses are elected.

(S) **Executive Officer** means the **Insured Entity's** Chairman, President, Chief Executive Officer, Chief Operating Officer, Chief Compliance Officer, Chief Financial Officer, Chief Information

SPECIMEN

Officer, Chief Technology Officer, Chief Privacy Officer, Chief Security Officer, Chief Information Security Officer, Chief Marketing Officer, Chief Risk Officer, General Counsel or their functional equivalents.

(T) **Identity Theft** means the misappropriation of the **Nonpublic Personal Information** of customers or members that is in the **Insured Entity's** care, custody or control or stored in the **Computer System**, which has resulted in, or could reasonably be expected to result in, the wrongful or fraudulent use of such **Nonpublic Personal Information**, including but not limited to, fraudulently emulating the identity of an individual.

(U) **Insured** means:

(1) the **Insured Entity;** and

(2) an **Insured Person**.

(V) **Insured Entity** means the **Named Entity** and any **Subsidiary** created or acquired on or before the Inception Date in ITEM 2 of the Declarations or, subject to Section VIII. Conditions, Paragraph (F), CHANGES IN EXPOSURE during the **Policy Period.**

(W) **Insured Person** means:

Any natural person who is:

(1) a duly elected or appointed director, officer, member of the board of managers or management committee member of an **Insured Entity;** with respect to any **Insured Entity** that is a limited liability company ("LLC"), a natural person who is or was a duly elected, appointed, or designated manager of such LLC; or

(2) with respect to a **Subsidiary** incorporated outside the United States, the functional equivalents of (1) above;

(3) an employee of the **Insured Entity;** or

(4) a temporary or leased employees or volunteers of the **Insured Entity** but only while under the supervision of the **Insured Entity** for work done for the **Insured Entity**.

(X) **Internet** means the worldwide public network of computers which enables the transmission of electronic data and which includes intranets, extranets and virtual private networks.

(Y) **Interrelated Wrongful Acts** means **Wrongful Acts** that have as a common nexus any fact, circumstance, situation, event, transaction, goal, motive, methodology, or cause or series of causally connected facts, circumstances, situations, events, transactions, goals, motives, methodologies or causes. Any failures, interruptions, suspensions or delays of an **Computer System** that result from the same or interrelated **Network Security Wrongful Act** shall be considered a single **Wrongful Act**, regardless of the number of such failures, interruptions, suspensions or delays or dates when such failures, interruptions, suspensions or delays happened.

(Z) **Loss** means **Damages, Defense Costs** and if elected**, Expense Coverages.**

(AA) **Malicious Code** means unauthorized and either corrupting or harmful software code, including but not limited to computer viruses, Trojan horses, worms, logic bombs, spy-ware, malware or spider ware.

SPECIMEN

(BB) **Named Entity** means the entity named in ITEM 1 of the Declarations.

(CC) **Network Security Wrongful Act** means any negligent act, error or omission by the **Insured** resulting in **Unauthorized Access** or **Unauthorized Use** of the **Computer System**, the consequences of which include, but are not limited to:

(1) the failure to prevent **Unauthorized Access** to, use of, or tampering with a **Third Party's** computer systems; or

(2) the inability of an authorized **Third Party** to gain access to the **Insured's** services; or

(3) the failure to prevent denial or disruption of **Internet** service to an authorized **Third Party**; or

(4) the failure to prevent **Identity Theft** or credit/debit card fraud; or

(5) the transmission of **Malicious Code**.

Any failures, interruptions, suspensions or delays of a **Computer System** that result from the same or interrelated **Network Security Wrongful Act** shall be considered a single **Wrongful Act**, regardless of the number of such failures, interruptions, suspensions or delays or dates when such failures, interruptions, suspensions or delays occurred.

(DD) **Nonpublic Personal Information** means:

(1) a natural person's first name and last name in combination with any one or more of the following:

(a) social security number;

(b) medical or healthcare information or data;

(c) financial account information that would permit access to that individual's financial account;

or

(2) a natural person's information that is designated as private by a **Data Privacy Law**.

Nonpublic Personal Information does not include information that is lawfully available to the general public.

(EE) **Notification and Credit Monitoring Expenses** means the amount of reasonable and necessary expenses incurred by the **Insured Entity** i) to notify its customers or clients of a **Data Privacy Wrongful Act** to comply with a **Notification Law;** or ii) for credit monitoring services offered by the **Insured Entity** to individuals after a **Data Privacy Wrongful Act** to comply with **Notification Laws**; or iii) to provide courtesy notifications to individuals when such notifications are not mandated by **Notification Laws** but are reasonably necessary to preserve the reputation and good name of the **Insured Entity** and to mitigate the potential for a future **Claim**.

(FF) **Notification Laws** means any Canadian, U.S. federal, state, provincial, territorial, or local statute, regulation or governmental order, effective on the date that a **Data Privacy Wrongful Act** occurs**,** that requires an **Insured Entity** storing **Nonpublic Personal Information** to provide notice to specified individuals of any actual or potential **Data Privacy Wrongful Act** with respect to such **Nonpublic Personal Information**.

SPECIMEN

(GG) **Policy Period** means the period from the Inception Date to the Expiration Date in ITEM 2 of the Declarations, or to any earlier cancellation date.

(HH) **Pollutants** means:

any solid, liquid, gaseous or thermal irritant, nuisance or contaminant, including, without limitation, smoke, vapor, soot, fumes, acids, alkalies, chemicals, odors, noise, lead, oil or oil product, radiation, asbestos or asbestos-containing product, waste and any electric, magnetic or electromagnetic field of any frequency. Waste includes, without limitation, material to be recycled, reconditioned or reclaimed. **Pollutants** also means any substance located anywhere in the world identified on a list of hazardous substances issued by any federal agency (including, nonexclusively, the Environmental Protection Agency) or any state, county, municipality or locality or counterpart thereof, or any foreign equivalent thereof.

(II) **Property Damage** means physical injury to, loss or destruction of, or loss of use of tangible property.

(JJ) **Rogue Employee** means an employee of the **Insured Entity** who acts outside the scope of his or her employment to intentionally commit a **Data Privacy Wrongful Act** or a **Network Security Wrongful Act. Rogue Employee** does not include Directors, Officers, Partner or Principals of the **Insured Entity**.

(KK) **Subsidiary** means any entity during the time which the **Insured Entity**:

(1) owns more than fifty percent (50%) of its outstanding voting shares, partnership interest or member units; or

(2) controls, directly or indirectly, the right to elect or appoint more than fifty percent (50%) of such entity's directors or trustees; or

(3) has sole control over the management and operations of the entity through a written agreement.

(LL) **Third Party** means any person or entity which is not an **Insured.**

(MM) **Unauthorized Access** means the gaining of access to a **Computer System** by an unauthorized person(s) or entity(ies), or by an authorized person or persons in an unauthorized manner.

(NN) **Unauthorized Use** means the use of a **Computer System** by a person(s) unauthorized by the **Insured** or a person authorized by the **Insured** who uses the **Computer System** for a purpose not intended by the **Insured**.

(OO) **Website** means the software, content and other materials accessible via the **Internet** at a designated Uniform Resource Locator address owned by the **Insured Entity**.

(PP) **Wrongful Act** means the following, only if such corresponding **Insuring Agreements** and **Expense Coverages** are designated with an "X" on the policy Declarations, when committed by an **Insured** in their capacity as such:

(1) **Data Privacy Wrongful Act**; or

(2) **Network Security Wrongful Act**; or

(3) **e-Media Wrongful Act**.

IV. EXCLUSIONS

(A) EXCLUSIONS WITHOUT EXCEPTIONS AND APPLICABLE TO ALL INSURING AGREEMENTS AND EXPENSE COVERAGE EXTENSIONS

SPECIMEN

We shall not pay **Loss** for, based upon, arising from or in any way related to:

(1) any **Claim** for, based upon, arising from, or in any way related to any:

(a) prior or pending written demand or proceeding including regulatory and administrative proceedings, against any **Insureds;** or

(b) act, fact, error, omission, circumstance, situation, transaction, event, or **Wrongful Act** an **Insured** knew, or could have reasonably foreseen, might result in a **Claim** under this Policy; on or before the Continuity Date set forth in Item 4 of the Declarations;

(2) any **Claim** for, based upon, or arising from, or in any way related to any act, fact, error, omission, circumstance, situation, transaction, event, or **Wrongful Act,** or any **Interrelated Wrongful Act** thereto, which took place, in whole or in part, on or before the applicable Retroactive Date set forth in Item 4 of the Declarations;

(3) any **Claim**, act, fact, error, omission, circumstance, situation, transaction, event, **Wrongful Act** or any **Interrelated Wrongful Act** thereto, which, before the Inception Date of the Policy, was the subject of any notice given by or on behalf of any **Insured** under any other policy of insurance;

(4) any unsolicited dissemination of information by faxes or e-mails where prohibited by law; including but not limited to actions brought under the Telephone Consumer Protection Act, any federal or state anti-spam statutes, and/or any other similar federal or state statute, law or regulation relating to a person's or entity's right of seclusion;

(5) any discrimination of any kind, including but not limited to, race, creed, religion, age, handicap, sex, sexual orientation, marital status or financial condition; refusal to employ, termination of employment, coercion, demotion, evaluation, reassignment, discipline, harassment, humiliation, discrimination or any other employment-related practices, policies, acts, errors, or omissions;

(6) any price fixing, restraint of trade, monopolization, unfair trade practices including, violation of the Sherman Anti-Trust Act, the Clayton Act; or any similar provision of any federal, state, or local statutory law or common law anywhere in the world;

(7) the Employee Retirement Income Security Act of 1974, as amended; the Securities Act of 1933, the Securities Exchange Act of 1934, or any other federal, state or local securities law; Crime Control Act of 1970 (commonly referred to as "Racketeer Influenced and Corrupt Insured Entities Act" or "RICO");

(8) **(a)** any discharge, dispersal, release, or escape of **Pollutants**, nuclear material or nuclear waste or any threat of such discharge, dispersal, release or escape; or

(b) any direction, request or voluntary decision to test for, abate, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**, nuclear material or nuclear waste;

(9) **(a)** any failure of a **Computer System** to be protected by network security equal to or superior to that disclosed in response to specific questions in this **Application** for Insurance; or

(b) any failure to use best efforts to 1) install commercially available software product updates and releases, or 2) to apply security related software patches, to computers and other components of the **Computer System**;

(10) the **Insured's** intentional failure to disclose the loss of **Nonpublic Personal Information** arising from a **Data Privacy Wrongful Act** if an **Executive Officer** was aware of such **Data Privacy Wrongful Act;**

SPECIMEN

(11) any rendering of, or failure to render, any professional services for others, including, without limitation, services performed by the **Insureds** for or on behalf of a customer or client;

(12) any war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war is declared or not), strike, lock-out, riot, civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power;

(13) any fire, smoke, explosion, lightning, wind, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, act of God or any other physical event, however caused;

(14) any fees, expenses, or costs, paid to or charged by the **Insured**;

(15) any transfer of funds, money or securities;

(16) any over-redemption of coupons, awards, or prizes from advertisements, promotions, games, sweepstakes, contests and games of chance;

(17) any electrical or mechanical failures and/or interruption, including but not limited to any electrical disturbance, surge, spike, brownout or blackout; and outages to gas, water, telephone, **Internet**, cable, satellite, telecommunications or other infrastructure;

(18) any solicitation, offer, sale, placement, servicing or maintain any insurance, reinsurance, bond, security, mutual fund, IRA or Roth IRA;

(19) any gaining in fact of any personal profit or advantage to which the **Insured** is not legally entitled;

(20) any intentional or knowing violation of the **Insured's** Privacy Policy by an **Insured** other than a **Rogue Employee**;

(21) any malicious or fraudulent act or omission, any willful violation of law by an **Insured,** other than a **Rogue Employee**,any **Wrongful Act** committed with the knowledge that it was a **Wrongful Act,** if any admission, judgment or other final adjudication adverse to the **Insured,** in the same or separate proceeding**,** establishes such an act, omission or willful violation;

With respect to Exclusions **(19)**, (**20) and (21):**

(a) no **Wrongful Act** by an **Insured Person** shall be imputed to any other **Insured Person** to determine if coverage is available, and

(b) only **Wrongful Acts** by any past, present or future **Executive Officer** of any **Insured Entity** shall be imputed to all **Insured Entities.**

(B) EXCLUSIONS WITH SPECIFIED EXCEPTIONS, APPLICABLE TO ALL INSURING AGREEMENTS AND EXPENSE COVERAGE EXTENSIONS

We shall not pay **Loss** for, based upon, arising from or in any way related to:

(1) any **Bodily Injury** or **Property Damage**; provided however, that this exclusion will not apply to a **Claim** for mental injury, mental tension, mental anguish, or emotional distress directly resulting from a **Data Privacy Wrongful Act** and **e-Media Wrongful Act**;

(2) false, deceptive or unfair business practices; violation of any consumer protection law other than **Loss** directly resulting from any such violation which constitutes a **Data Privacy Wrongful Act**; or, false or deceptive **Advertising** other than an **e-Media Wrongful Act**;

SPECIMEN

(3) any **Claim** brought or maintained by, on behalf of, or in the right of any **Insured**, any other natural person or entity for whom or which an **Insured** is legally liable or the parent of the **Insured**; this exclusion shall not apply to an otherwise covered **Claim** by an employee alleging a **Data Privacy Wrongful Act** so long as such employee did not commit such **Data Privacy Wrongful Act**;

(4) any **Malicious Code** other than **Loss** directly resulting from the inadvertent transmission of **Malicious Code**;

(5) any breach of any express, implied, actual or constructive contract, warranty, guarantee, or promise, including any liability of others assumed by the **Insured** under any contract or agreement or breach of contract, unless such liability would have attached to the **Insured** even in the absence of such an agreement or is a **Credit Card Association** agreement;

(6) any actual or alleged infringement of patent or trade secret, provided however, that this exclusion shall not apply to trade secrets that are disclosed but not by the **Insured's** intentional acts;

(7) any content provided by **Third Parties** for the direct posting and storage on the **Website** which is not reviewed and approved by the **Insured Entity,** provided, however that this shall not apply if the **Insured** is in compliance with the safe harbor provision of the Digital Millennim Copyright Act (DMCA);

(8) any actions, decisions, orders or proceedings of any Federal Trade Commission, Federal Communications Commission or any other federal, state or local governmental agency, provided that this exclusion shall not apply to such actions, decisions, orders or proceedings alleging a **Data Privacy Wrongful Act**, a **Network Security Wrongful Act** or an **e-Media Wrongful Act**.

V. INTERRELATIONSHIP OF CLAIMS

(A) All **Claims** based upon, arising from or in any way related to the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be deemed to be a single **Claim** for all purposes under this Policy first made on the earliest date that:

(1) any of such **Claim** was first made, regardless of whether such date is before or during the **Policy Period**;

(2) notice of any **Wrongful Act** or circumstance alleged in any such **Claims** was given to us pursuant to Section **VIII.CONDITIONS**, Paragraph **(E) NOTICE** of this Policy; or

(3) notice of any **Wrongful Act** alleged in any such **Claims** was given under any prior insurance policy, regardless of whether such policy was issued by us.

(B) Solely with respect to **Notification and Credit Monitoring Expenses,** and **Crisis Management Expenses**, losses which have a common event, cause, circumstance or condition will be classified as one loss event.

VI. LIMIT OF LIABILITY

(A) Combined Aggregate Limit

The Combined Aggregate Limit of Liability stated in **ITEM** 4 of the Declarations, shall be the maximum aggregate amount that we shall pay for all **Loss** covered under this Policy.

(B) Limit of Liability

SPECIMEN

The Limit of Liability for the **Insuring Agreement** elected in **ITEM** 4 of the Declarations shall be the maximum aggregate amount that we shall pay under such Insuring Agreement for all **Loss** covered under such Insuring Agreement. The Liability Limit Of Liability shall be part of and not in addition to the Combined Aggregate Limit.

(C) Sublimit For All Expense Coverages

The Sublimit For All **Expenses Coverages** elected in **ITEM** 4 of the Declarations shall be the maximum aggregate amount that we shall pay for such **Expense Coverages**. The Sublimit For All **Expense Coverages** shall be part of and not in addition to Limit of Liability for Insuring Agreement A.

(D) **Our** Limit of Liability for the Extended Reporting Period, if applicable, shall be part of, and not in addition to, the Limit of Liability for the **Policy Period**.

(E) Any payment of **Defense Costs** by us shall reduce the Combined Aggregate Limit of Liability.

(F) **Claims** made against more than one **Insured** under this Policy shall not operate to increase the Limit of Liability.

(G) If any Limit of Liability is exhausted, the premium for this Policy shall be deemed fully earned.

VII. DEFENSE, SETTLEMENT AND ALLOCATION

For all covered **Claims** brought in the United States of America, its territories and possessions, Puerto Rico or Canada, where **Insureds** who are afforded coverage for a **Claim** incur an amount consisting of both **Loss** that is covered by this Policy and also loss that is not covered by this Policy because such **Claim** includes both covered and uncovered matters or covered and uncovered parties, then coverage shall apply as follows:

(A) 100% of **Defense Costs** shall be allocated to covered **Loss**; and

(B) **Loss** other than **Defense Costs** shall be allocated between covered **Loss** and non-covered loss based upon the relative legal exposure of all parties to such matters.

We have the right and duty to defend any **Claim** for which the **Insureds** give us notice. We have the sole right to appoint counsel and may investigate any **Claim** as we deem appropriate. Our duty to defend any **Claim** shall cease upon exhaustion of any applicable Limit of Liability.

The **Insureds** shall cooperate with us. Upon our request, the **Insured** shall submit to examination and interrogation by our representatives, under oath if required, and shall assist in effecting settlement, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of suits. The **Insureds** shall also assist in the giving of a written statement or statements to our representatives and meeting with such representatives for the purpose of investigation and/or defense, and shall provide us with any available information and documentation relevant to any matter under investigation by us, without charge to us. The **Insureds** shall take such action as may be necessary to secure and effect any rights of indemnity, contribution or apportionment that the **Insureds** and/or we may have.

The **Insureds** must take all reasonable action within its ability to prevent or mitigate any **Claim** that would be covered under this Policy. We have the right to make such investigation and conduct negotiations and, with the written consent of an **Insured**, effect settlement of any **Claim** for a monetary amount as we deem reasonable.

SPECIMEN

If any **Insured** refuses to consent to a settlement or compromise recommended by us and elects to contest or continue to contest the **Claim**, we shall be solely responsible for fifty percent (50%) of all **Loss**, other than **Defense Expenses**, in excess of such settlement amount; provided that in no event shall the Our liability under this Policy for such **Claim** exceed the remaining portion of the Aggregate Limit of Liability. We shall have the right to withdraw from the further defense of the **Claim** by tendering control of the defense thereof to the **Insured**.

The operation of this paragraph shall be subject to the Limit of Liability and Retention provisions of this Policy.

VIII. CONDITIONS

(A) RETENTION

Our obligation to pay **Loss**, including **Defense Costs**, will only be in excess of the applicable Each **Claim** retention set forth in **ITEM** 4 of the Declarations. Solely with respect to **Notification and Credit Monitoring Expense Coverage** and **Crisis Management Expense**, the retention set forth in ITEM 4. of the Declarations shall apply to each loss event. We will have no obligation, either to the **Insureds** or to any person or entity, to pay all or any portion of any retention amount on behalf of any **Insured**, although we will, at our sole discretion, have the right and option to do so, in which event the **Insureds** agree to repay us any amounts so paid.

If **Loss** arising from any **Claim** or loss event is covered in whole or in part under more than one Insuring Agreement or **Expense Coverage**, the applicable Retention shall be applied separately to that part of **Loss** covered by each Insuring Agreement or **Expense Coverage** and the sum of the Retentions so applied shall constitute the Retention applicable to such **Claim** or loss event; provided, however, the largest Retention amount set forth in Item 4 of the Declarations shall be the maximum retention applicable to such **Claim** or loss event.

(B) CHANGES

This Policy shall not be changed or modified except in a written endorsement issued by us to form a part of this Policy

(C) COOPERATION, SUBROGATION, RECOURSE AND WAIVER OF RECOURSE

In the event of a **Claim**, the **Insured** will provide us with all information, assistance, and cooperation that we reasonably request, and will do nothing that may prejudice our position or potential or actual rights of recovery. At our request, the **Insured** will assist in any actions, suits, or proceedings, including but not limited to attending hearings, trials and depositions, securing and giving evidence, and obtaining the attendance of witnesses, and will also assist in making settlements. In the event of payment, we will be subrogated to the extent of any payment to all of the rights of recovery of the **Insured**. The **Insured** will execute all papers and do everything necessary to secure such rights, including the execution of any documents necessary to enable us to effectively bring suit in their name. Any sums recovered after expense shall be paid first to reimburse the **Insured Entity** for any sums paid to a claimant and any funds remaining shall be paid to us although the we shall control any recovery action, including settlement in return for advancing funds for the subrogation action. The obligations of the **Insured** under this condition will survive the expiration or cancellation of the Policy.

(D) EXTENDED REPORTING PERIOD

(1) If this Policy is cancelled or non-renewed for any reason other than non-payment of premium, the **Insureds** shall have the right to elect an extension of time to report **Claims** (the "Extended Reporting Period").

SPECIMEN

(2) To elect the Extended Reporting Period, the **Named Entity** shall send a written notice of election of the Extended Reporting Period to us together with the premium therefore. The right to elect the Extended Reporting Period shall end unless we receive such notice and premium within sixty (60) days of cancellation or non-renewal. There shall be no right to elect the Extended Reporting Period after such time.

(3) The premium for the Extended Reporting Period shall be that percentage specified in ITEM 5 of the Declarations of the sum of the original annual premium plus the annualized amount of any additional premium charged by us during the **Policy Period**. Such premium shall be deemed fully earned at the inception of the Extended Reporting Period.

(4) The Extended Reporting Period shall be for the duration specified in ITEM 5 of the Declarations following the end of the **Policy Period.**

(5) Coverage during the Extended Reporting Period shall apply to **Claims** made for **Wrongful Acts** occurring prior to the earlier of the end of the **Policy Period** or the time of any transaction described in Section VIII. CONDITIONS, Paragraph (F) CHANGES IN EXPOSURE, 2. Takeover of Insured Entity**.** No coverage shall apply for any **Wrongful Act** occurring after such time**.**

(6) There is no separate or additional Limit of Liability for any Extended Reporting Period.

(E) NOTICE

(1) Notice of Claim

As a condition precedent to coverage under this Policy, the **Insureds** shall give us written notice of any **Claim** as soon as practicable after an **Insured** becomes aware of such **Claim**, but in no event later than sixty (60) calendar days after the termination of the **Policy Period**, or after the termination of any Extended Reporting Period as described in this Policy.

(2) Notice of Wrongful Act

If, during the **Policy Period**, the **Insureds** become aware of a **Wrongful Act** that may reasonably be expected to give rise to a **Claim** and if written notice of such **Wrongful Act** is given to us during the **Policy Period**, including the reasons for anticipating such a **Claim**, the nature and date of the **Wrongful Act**, the identity of the **Insureds** allegedly involved, the alleged injuries or damages sustained, the names of potential claimants, and the manner in which the **Insureds** first became aware of the **Wrongful Act**, then the terms and conditions of coverage under this Policy, and the remaining available Limits of Liability of the **Policy Period,** shall apply to any **Claim** subsequently arising from such **Wrongful Act,** notwithstanding that the **Claim** was not first made during the **Policy Period**.

(3) Expense Coverage Notice

(a) Notification Expenses

As a condition precedent to coverage, the **Named Entity** shall report to us any **Data Privacy Wrongful Act** for which it seeks **Notification and Credit Monitoring Expenses** coverage under this policy. Such notice must be reported within thirty(30) days of the **Data Privacy Wrongful Act**. The **Insureds** shall obtain prior written approval from us prior to incurring **Notification and Credit Monitoring Expenses**.

(b) Crisis Management Expenses

As a condition precedent to coverage, the **Named Entity** shall report to us any **Data Privacy Wrongful Act** for which it seeks **Crisis Management Expenses** coverage under

SPECIMEN

this policy. Such notice must be reported within thirty(30) days of the **Data Privacy Wrongful Act**. The **Insureds** shall obtain prior written approval from us prior to incurring **Crisis Management Expenses**.

In the event that **Expense Coverage** as set forth in paragraph 3 (a) or 3 (b) above is sought, the request for such **Expense Coverage** shall be deemed a Notice of **Wrongful Act** under Section VIII. **CONDITIONS**, Paragraph (**E) NOTICE(2**) above and any **Claim** arising therefrom shall be deemed to be first made during the **Policy Period**.

In the event that **Data Privacy Regulatory Expense** Coverage or **Cyber Investigation Expense** Coverage is sought, the I**nsured** shall obtain Our prior written approval prior to incurring such expenses.

(F) CHANGES IN EXPOSURE

(1) Mergers and New Subsidiaries

If, before or during the **Policy Period**, any **Insured Entity**:

(a) merges with another entity such that the **Insured Entity** is the surviving entity; or

(b) acquires or creates a **Subsidiary**,

(c) then such merged, acquired or created entity and its subsidiaries, managers, directors, officers, and employees shall be **Insureds** to the extent such entities and persons would otherwise qualify as **Insureds** under the Policy, but only for a **Wrongful Act** occurring after such merger, acquisition or creation. No coverage shall be available for any **Wrongful Act** of such **Insureds** occurring before such merger, acquisition or creation, or for any **Interrelated Wrongful Acts** thereto; or

(d) If the fair value of the assets of any newly merged, acquired or created entity exceed 10% of the total assets of the **Insured Entity** as reflected in its most recent consolidated audited financial statements prior to such merger, acquisition or creation, the **Insureds** shall give us full details of the transaction in writing as soon as practicable and we shall be entitled to impose such additional terms, conditions, and premium as we, in Our absolute discretion, chooses. There shall be no coverage under the Policy for any newly merged, acquired or created entity or any of its subsidiaries, managers, directors, officers, or employees unless the **Insureds** comply with the terms of this provision.

(2) Takeover of Insured Entity

If, during the **Policy Period**:

(a) the **Insured Entity** merges into or consolidates with another entity such that the **Insured Entity** is not the surviving entity; or

more than 50% of the securities representing the right to vote for the **Insured Entity's** board of directors or managers is acquired by another person or entity, group of persons or entities, or persons and entities acting in concert, then coverage shall continue only under the **INSURING AGREEMENTS**, but only for a **Wrongful Act** occurring before any such transaction. No coverage shall be available for any **Wrongful Act** occurring after such transaction. Upon such transaction, this Policy shall not be cancelled and the entire premium for this Policy shall be deemed fully earned.

The **Insureds** shall give us written notice of such transaction as soon as practicable, but not later than ninety (90) days after the effective date of such transaction.

SPECIMEN

(3) Loss of Subsidiary Status

If, before or during the **Policy Period**, any entity ceases to be a **Subsidiary**, then coverage shall be available only under the **INSURING AGREEMENTS** for such **Subsidiary** and its **Insured Persons**, but only for a **Wrongful Act** of such **Insureds** occurring before such transaction. No coverage shall be available for any **Wrongful Act** of such **Insureds** occurring after such transaction.

(G) OTHER INSURANCE

If **Loss** arising from any **Claim** is insured under any other valid and collectible policy or policies, then this Policy shall apply only in excess of the amount of any deductibles, retentions and limits of liability under such other policy or policies, whether such other policy or policies are stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written specifically excess of this Policy by reference in such other policy or policies to this Policy's Policy Number.

(H) CANCELLATION

(1) We may cancel this Policy for non-payment of premium by sending not less than 10 days notice to the **Named Entity** or 30 days notice for all other reasons.

(2) Except as provided in Section **VIII. CONDITIONS**, Paragraph (**F**), **CHANGES IN EXPOSURE, 2. Takeover of Insured Entity**, the **Named Entity** may cancel this Policy by sending written notice of cancellation to us. Such notice shall be effective upon receipt by us unless a later cancellation time is specified therein.

(3) If we cancel this Policy, unearned premium shall be calculated on a pro-rata basis. If the **Named Entity** cancels this Policy, unearned premium shall be calculated at our customary short rates. Payment of any unearned premium shall not be a condition precedent to the effectiveness of a cancellation. We shall make payment of any unearned premium as soon as practicable.

(I) REPRESENTATIONS - SEVERABILITY

The **Insured** represents that the particulars and statements contained in the **Application** are true, accurate, and complete, and agrees that this Policy is issued in reliance on the truth of that representation, and that such particulars and statements, which are deemed to be incorporated into and to constitute a part of this Policy, are the basis of this Policy.

In the event of any material untruth, misrepresentation or omission in connection with any of the particulars or statements in the **Application**, this Policy will be void with respect to the **Insured Entity** and any **Insured** who knew of such untruth, misrepresentation or omission.

(J) NO ACTION AGAINST US

(1) No action may be taken against us unless, as conditions precedent thereto, there has been full compliance with all of the terms of this Policy and the amount of the **Insured's** obligation to pay has been finally determined either by judgment against the **Insured** after adjudicatory proceedings, or by written agreement of the **Insured**, the claimant and us.

(2) No person or entity will have any right under this Policy to join us as a party to any **Claim** to determine the liability of any **Insured**; nor may we be impleaded by an **Insured** or his, her, or its legal representative in any such **Claim**.

(K) DEATH, INCAPACITY, OR INSOLVENCY OF AN INSURED:

SPECIMEN

In the event of the death, incapacity or bankruptcy of an **Insured Person,** any **Claim** made against the estate, heirs, legal representatives or assigns of such **Insured Person for** a **Wrongful Act** of such **Insured Person** shall be deemed to be a **Claim** made against such **Insured Person**. No coverage shall apply to any **Claim** for a **Wrongful Act** of such estate, heirs, legal representatives or assigns.

(L) ASSIGNMENT

Assignment of interest under this Policy shall not bind us without its consent as specified in a written endorsement issued by us to form a part of this Policy.

(M) BANKRUPTCY OR INSOLVENCY

Bankruptcy or insolvency of any **Insureds** shall not relieve us of any of its obligations under this Policy.

(N) AUTHORIZATION OF NAMED ENTITY

The **Named Entity** shall act on behalf of all **Insureds** with respect to all matters under this Policy, including, without limitation, giving and receiving of notices regarding **Claims**, cancellation, election of the Extended Reporting Period, payment of premiums, receipt of any return premiums, and acceptance of any endorsements to this Policy.

(O) ENTIRE AGREEMENT

This Policy, including the Declarations, Common Terms and Conditions, included Coverage Part(s), **Application** and any written endorsements attached hereto, constitute the entire agreement between the **Insureds** and us relating to this insurance.

(P) NOTICES

(1) All notices to the **Insureds** shall be sent to the **Named Entity** at the address specified in ITEM 1 of the Declarations.

(2) All notices to us shall be sent to the address specified in ITEM 6 of the Declarations. Any such notice shall be effective upon receipt by us at such address.

(Q) HEADINGS

The headings of the various sections of this Policy are intended for reference only and shall not be part of the terms and conditions of coverage.

(R) REFERENCES TO LAWS

Wherever this Policy mentions any law, including, without limitation, any statute, Act or Code of the United States of America, such mention shall be deemed to include all amendments of, and all rules or regulations promulgated under, such law.

IX. COVERAGE TERRITORY

Coverage under this Policy applies to **Wrongful Acts** committed by the **Insured** anywhere in the world; provided, however, that any **Claim** made as a result of such **Wrongful Acts** must be brought and held against the **Insured** in the United States of America, its territories or possessions, Puerto Rico or Canada.

SPECIMEN