

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
Company Tracking Number: BICI0024-AR (F)
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
Product Name: AFB Technology and Professional Liability Insurance Program
Project Name/Number: /BICI0024

Filing at a Glance

Company: Beazley Insurance Company, Inc.

Product Name: AFB Technology and Professional Liability Insurance Program

TOI: 17.0 Other Liability - Claims Made/Occurrence

Sub-TOI: 17.0022 Other

Filing Type: Form

SERFF Tr Num: BEAZ-125232745 State: Arkansas

SERFF Status: Closed

State Tr Num: AR-PC-07-025822

Co Tr Num: BICI0024-AR (F)

State Status:

Co Status:

Reviewer(s): Betty Montesi, Edith Roberts, Brittany Yielding

Authors: Nancy Wilson, Renata Wright, Laura Maragnano, Evelyn Perran

Disposition Date: 10/03/2007

Date Submitted: 08/17/2007

Disposition Status: Approved

Effective Date Requested (New): On Approval

Effective Date (New):

Effective Date Requested (Renewal): On Approval

Effective Date (Renewal):

General Information

Project Name:

Project Number: BICI0024

Status of Filing in Domicile: Pending

Domicile Status Comments: Filed simultaneously

Reference Organization: n/a

Reference Number: n/a

Reference Title: n/a

Advisory Org. Circular: n/a

Filing Status Changed: 10/03/2007

State Status Changed: 08/17/2007

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

See Cover Letter for complete description of this filing.

Company and Contact

Filing Contact Information

Renata Wright, Sr. Compliance Analyst

renata.wright@beazley.com

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
Company Tracking Number: BICI0024-AR (F)
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
Product Name: AFB Technology and Professional Liability Insurance Program
Project Name/Number: /BICI0024

30 Batterson Park Road (860) 677-3737 [Phone]
Farmington, CT 06032 (860) 679-0247[FAX]

Filing Company Information

Beazley Insurance Company, Inc.
30 Batterson Park Road

CoCode: 37540
Group Code:

State of Domicile: Connecticut
Company Type: Property and
Casualty

Farmington, CT 06032
(860) 677-3700 ext. [Phone]

Group Name: N/A
FEIN Number: 04-2656602

State ID Number:

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
Company Tracking Number: BICI0024-AR (F)
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
Product Name: AFB Technology and Professional Liability Insurance Program
Project Name/Number: /BICI0024

Filing Fees

Fee Required? Yes
Fee Amount: \$0.00
Retaliatory? No
Fee Explanation:
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Beazley Insurance Company, Inc.	\$0.00	08/17/2007	

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
7449	\$50.00	08/01/2007

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
 Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
 Company Tracking Number: BICI0024-AR (F)
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
 Product Name: AFB Technology and Professional Liability Insurance Program
 Project Name/Number: /BICI0024

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Edith Roberts	10/03/2007	10/03/2007

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending	Edith Roberts	08/22/2007	08/22/2007	Renata Wright	09/26/2007	09/26/2007
Industry Response						

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
Company Tracking Number: BICI0024-AR (F)
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
Product Name: AFB Technology and Professional Liability Insurance Program
Project Name/Number: /BICI0024

Disposition

Disposition Date: 10/03/2007

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
 Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
 Company Tracking Number: BICI0024-AR (F)
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
 Product Name: AFB Technology and Professional Liability Insurance Program
 Project Name/Number: /BICI0024

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	cover letter	Approved	Yes
Form	Temporary Services Endorsement with Temporary Employee Coverage	Approved	Yes
Form	Amend Property Damage	Approved	Yes
Form	Amend Exclusion F.3.	Approved	Yes
Form	Most Favorable Venue for Punitive Damages	Approved	Yes
Form	Amend Definition of Claim - Written Demands	Approved	Yes
Form	Amend Consent and Settlement Clause	Approved	Yes
Form	Amend Notice of Cancellation	Approved	Yes
Form	Medical Malpractice Exclusion	Approved	Yes
Form	Amended Bodily Injury/Property Damage Exclusion with Sublimit	Approved	Yes
Form	Amend Definition of Professional Services to include Services as a Lawyer or Accountant	Approved	Yes
Form	Carveback For Failure to Maintain Errors and Omissions Insurance	Approved	Yes
Form	Delete Subrogation in Favor of Scheduled Entity	Approved	Yes
Form	Amend Acquisition Threshold	Approved	Yes
Form	Spousal/Domestic Partner Extension	Approved	Yes
Form	Product Liability Exclusion	Approved	Yes
Form	Financial Consultants Exclusion	Approved	Yes
Form	Contingent Bodily Injury/Property Damage Exclusion with Sublimit and Separate Deductible	Approved	Yes
Form	Amend Definition of Professional Services (Health Care Providers)	Approved	Yes
Form	Recognition of Deductible Erosion Endorsement	Approved	Yes
Form	Delete Coverage for Professional	Approved	Yes

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
 Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
 Company Tracking Number: BICI0024-AR (F)
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
 Product Name: AFB Technology and Professional Liability Insurance Program
 Project Name/Number: /BICI0024

Services

Form	Licensing, Certification and Standard Setting Exclusion	Approved	Yes
Form	Amend Item 2.	Approved	Yes
Form (revised)	Multiyear Policy Endorsement (Multi Aggregate Limit of Liability) - Arkansas	Approved	Yes
Form	Multiyear Policy Endorsement (Multi Aggregate Limit of Liability) (Rate Bearing)	Approved	Yes
Form	Amended Retroactive Date	Approved	Yes
Form	Amend Item 4.	Approved	Yes
Form (revised)	First Party Computer Security Insurance Coverage Endorsement - Arkansas	Approved	Yes
Form	First Party Computer Security Insurance Coverage Endorsement (Rate Bearing)	Approved	Yes
Form	Amend Definition of Computer System Physical Control	Approved	Yes
Form	Add Additional Insured for Vicarious Liability	Approved	Yes
Form	Cost of Translation Exclusion	Approved	Yes
Form (revised)	First Party Computer Security Insurance Coverage Endorsement - Arkansas	Approved	Yes
Form	First Party Computer Security Insurance Coverage Endorsement (Rate Bearing)	Approved	Yes
Form	Printing Exclusion	Approved	Yes
Form	Separate Retroactive Date Endorsement for Scheduled Entity and Coverage	Approved	Yes
Form	Amend Insured with Separate Retroactive Date	Approved	Yes
Form	Additional Insured Endorsement and Sweepstakes Carveback	Approved	Yes
Form	Add Additional Insured for Vicarious Liability with Amended Insured V. Insured Exclusion	Approved	Yes
Form	Amend Item 3. of the Declarations	Approved	Yes
Form	Discretionary Authority Exclusion	Approved	Yes

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
 Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
 Company Tracking Number: BICI0024-AR (F)
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
 Product Name: AFB Technology and Professional Liability Insurance Program
 Project Name/Number: /BICI0024

Form	Privacy Liability Endorsement Including Notification Costs and Regulatory Defense (Rate Bearing)	Approved	Yes
Form	Amend Exclusion B Endorsement	Approved	Yes
Form	Computer Network Security Coverage Sublimit	Approved	Yes
Form	Amend Payment of Optional Extension Period to Sixty (60) Days	Approved	Yes
Form	Settle within the Deductible Endorsement	Approved	Yes
Form	Medical Services Exclusion	Approved	Yes
Form	Contingent Bodily Injury/Property Damage Exclusion	Approved	Yes
Form	Third Party Administrator Exclusion	Approved	Yes
Form	Third Party Administrator Exclusion	Approved	Yes
Form	Class Action Suit Definition	Approved	Yes
Form	Multi Year Policy Endorsement (Single Aggregate Limit of Liability, Prepaid Premium) (Rate Bearing)	Approved	Yes
Form (revised)	Three Year Policy Endorsement (Multi Aggregate Limit of Liability, Prepaid Premium) - Arkansas	Approved	Yes
Form	Three Year Policy Endorsement (Multi Aggregate Limit of Liability, Prepaid Premium) (Rate Bearing)	Approved	Yes
Form (revised)	Two Year Policy Endorsement (Multi Aggregate Limit of Liability, Prepaid Premium) - Arkansas	Approved	Yes
Form	Two Year Policy Endorsement (Multi Aggregate Limit of Liability, Prepaid Premium) (Rate Bearing)	Approved	Yes
Form (revised)	Two Year Policy Endorsement (Multi Aggregate Limit of Liability, Annual Installments) - Arkansas	Approved	Yes
Form	Two Year Policy Endorsement (Multi Aggregate Limit of Liability, Annual Installments) (Rate Bearing)	Approved	Yes
	Three Year Policy Endorsement (Multi		

SERFF Tracking Number: *BEAZ-125232745* State: *Arkansas*
 Filing Company: *Beazley Insurance Company, Inc.* State Tracking Number: *AR-PC-07-025822*
 Company Tracking Number: *BICI0024-AR (F)*
 TOI: *17.0 Other Liability - Claims Made/Occurrence* Sub-TOI: *17.0022 Other*
 Product Name: *AFB Technology and Professional Liability Insurance Program*
 Project Name/Number: */BICI0024*

Form (revised)	Aggregate Limit of Liability, Annual Installments) - Arkansas	Approved	Yes
Form	Three Year Policy Endorsement (Multi Aggregate Limit of Liability, Annual Installments) (Rate Bearing)	Approved	Yes
Form	Privacy Liability Endorsement Including Notification Costs and Regulatory Defense (Rate Bearing)	Approved	Yes
Form	AON Endorsement	Approved	Yes

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
Company Tracking Number: BICI0024-AR (F)
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
Product Name: AFB Technology and Professional Liability Insurance Program
Project Name/Number: /BICI0024

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 08/22/2007
Submitted Date 08/22/2007
Respond By Date

Dear Renata Wright,

This will acknowledge receipt of the captioned filing.

Please reference Form BICMT05740706, 06780507, 06790507,06800507, 06810507 page 1, 4. VIII last paragraph and page 2, 5. D. and also Form BICMT06840607, page 7 VIII, last paragraph. These state that the limit of liability for the policy period and any optional Extended Reporting Period "shall be part of and not in addition to..." the aggregate limit of liability. AR Code Anno. 23-79-306 (6) state the limit of liability for the optional ERP must be the greater of the limit remaining or reinstated to 50% of the expiring policy aggregate.

Please reference Form BICMT06240107, B. that states as a condition for the right to purchase the optional extended reporting period, the total premium due for the policy must have been paid. AR Code Anno. 23-79-306 (1-6) mandates that these coverage are mandatory (basic 60 days) and must be put into force (optional) if requested and premium is received for the endorsement, for termination/cancellation for any reason, including non-payment of premium or deductibles owed. Please delete.

With reference to Form BICMT05810806, Clause 12, page 10, you may not withhold repayment to the insured for his deductible if money is recovered through subrogation. Please refer to AR case law. The subrogation clause should be amended to comply with Arkansas Supreme Court decision, Franklin vs. Healthsource of AR 942.S.W. 2nd 837 (Ark. 1997). It should specifically state that the insurer would be entitled to a recovery only after the insured has been fully compensated for the loss sustained. This includes reimbursement for deductible.

Also, all appraisal provisions must be amended to be non-binding and voluntary and must specifically be stated as such.

Thank you.

Please feel free to contact me if you have questions.

Sincerely,
Edith Roberts

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
Company Tracking Number: BICI0024-AR (F)
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
Product Name: AFB Technology and Professional Liability Insurance Program
Project Name/Number: /BICI0024

Response Letter

Response Letter Status Submitted to State
Response Letter Date 09/26/2007
Submitted Date 09/26/2007

Dear Edith Roberts,

Comments:

Response 1

Comments: Thank you for your letter dated August 22, 2007 in regards to our AFB Technology and Professional Liability Insurance Program. In response to your concerns, we have removed the language which states that the limit of liability for the policy period and any optional Extended Reporting Period "shall be part of and not in addition to..." the aggregate limit of liability. Enclosed are state specific versions of the following forms:

BICMT05740807AR - Multiyear Policy Endorsement (Multi Aggregate Limit of Liability) - Arkansas

BICMT06780807AR - Three Year Policy Endorsement (Multi Aggregate Limit of Liability, Prepaid Premium) - Arkansas

BICMT06790807AR - Two Year Policy Endorsement (Multi Aggregate Limit of Liability, Prepaid Premium) - Arkansas

BICMT06800807AR - Two Year Policy Endorsement (Multi Aggregate Limit of Liability, Annual Installments) - Arkansas

BICMT06810807AR - Three Year Policy Endorsement (Multi Aggregate Limit of Liability, Annual Installments) - Arkansas

Please note, that our previously filed and approved Arkansas Amendatory Endorsement - BICMT00241005AR complies with the requirements of AR Code anno. 23-79-306(6) pertaining to the ERP reinstatement.

Enclosed is form BICMT05810807AR - First Party Computer Security Insurance Coverage Endorsement - Arkansas.

The subrogation clause has been changed to comply with Arkansas Supreme Court decision, Franklin vs. Healthsource of AR 942.S.W. 2nd 837 (Ark. 1997). In addition, we have removed the appraisal provisions.

Also, enclosed is form BICMT05990807AR - First Part Computer Security Insurance Coverage Endorsement - Arkansas. We have removed the appraisal provisions from this form.

I hope these amendments will allow you to continue your review of our submission and approval can be granted.

Please feel free to contact me should you have any further questions or concerns. Your assistance is greatly appreciated.

Sincerely,

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
 Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
 Company Tracking Number: BICI0024-AR (F)
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
 Product Name: AFB Technology and Professional Liability Insurance Program
 Project Name/Number: /BICI0024

Renata Wright
 Senior Compliance Analyst

Changed Items:

No Supporting Documents changed.

Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
Multiyear Policy Endorsement (Multi Aggregate Limit of Liability) - Arkansas	BICMT057 40807AR		Endorsement/Amendment /Conditions	New		0	BICMT057 40807AR. pdf
Previous Version							
Multiyear Policy Endorsement (Multi Aggregate Limit of Liability) (Rate Bearing)	BICMT057 40706		Endorsement/Amendment /Conditions	New		0	BICMT057 40706.pdf
First Party Computer Security Insurance Coverage Endorsement - Arkansas	BICMT058 10807AR		Endorsement/Amendment /Conditions	New		0	BICMT058 10807AR. pdf
Previous Version							
First Party Computer Security Insurance Coverage Endorsement (Rate Bearing)	BICMT058 10806		Endorsement/Amendment /Conditions	New		0	BICMT058 10806.pdf
First Party Computer Security Insurance Coverage Endorsement - Arkansas	BICMT059 90807AR		Endorsement/Amendment /Conditions	New		0	BICMT059 90807AR. pdf
Previous Version							

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
 Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
 Company Tracking Number: BICI0024-AR (F)
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
 Product Name: AFB Technology and Professional Liability Insurance Program
 Project Name/Number: /BICI0024

First Party Computer BICMT059 Endorsement/AmendmentNew 0 BICMT059
 Security Insurance 91006 /Conditions 91006.pdf

**Coverage Endorsement
 (Rate Bearing)**

Three Year Policy BICMT067 Endorsement/AmendmentNew 0 BICMT067
 Endorsement (Multi 80807AR /Conditions 80807AR.
 Aggregate Limit of pdf
 Liability, Prepaid

Previous Version

Three Year Policy BICMT067 Endorsement/AmendmentNew 0 BICMT067
 Endorsement (Multi 80507 /Conditions 80507.pdf
 Aggregate Limit of

**Liability, Prepaid
 Premium) (Rate
 Bearing)**

Two Year Policy BICMT067 Endorsement/AmendmentNew 0 BICMT067
 Endorsement (Multi 90807AR /Conditions 90807AR.
 Aggregate Limit of pdf
 Liability, Prepaid

Previous Version

Two Year Policy BICMT067 Endorsement/AmendmentNew 0 BICMT067
 Endorsement (Multi 90507 /Conditions 90507.pdf
 Aggregate Limit of

**Liability, Prepaid
 Premium) (Rate
 Bearing)**

Two Year Policy BICMT068 Endorsement/AmendmentNew 0 BICMT068
 Endorsement (Multi 0807AR /Conditions 00807AR.
 Aggregate Limit of pdf
 Liability, Annual

**Installments) -
 Arkansas**

Previous Version

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
 Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
 Company Tracking Number: BICI0024-AR (F)
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
 Product Name: AFB Technology and Professional Liability Insurance Program
 Project Name/Number: /BICI0024

Two Year Policy	BICMT068	Endorsement/AmendmentNew	0	BICMT068
Endorsement (Multi	00507	/Conditions		00507.pdf
Aggregate Limit of				
Liability, Annual				
Installments) (Rate				
Bearing)				
Three Year Policy	BICMT068	Endorsement/AmendmentNew	0	BICMT068
Endorsement (Multi	10807AR	/Conditions		10807AR.
Aggregate Limit of				pdf
Liability, Annual				
Installments) -				
Arkansas				
Previous Version				
Three Year Policy	BICMT068	Endorsement/AmendmentNew	0	BICMT068
Endorsement (Multi	10507	/Conditions		10507.pdf
Aggregate Limit of				
Liability, Annual				
Installments) (Rate				
Bearing)				

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
 Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
 Company Tracking Number: BICI0024-AR (F)
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
 Product Name: AFB Technology and Professional Liability Insurance Program
 Project Name/Number: /BICI0024

Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Temporary Services Endorsement with Temporary Employee Coverage	BICMT05131205		Endorsement/Amendment/Conditions		0.00	BICMT05131205.pdf
Approved	Amend Property Damage	BICMT05151205		Endorsement/Amendment/Conditions		0.00	BICMT05151205.pdf
Approved	Amend Exclusion F.3.	BICMT05171205		Endorsement/Amendment/Conditions		0.00	BICMT05171205.pdf
Approved	Most Favorable Venue for Punitive Damages	BICMT05181205		Endorsement/Amendment/Conditions		0.00	BICMT05181205.pdf
Approved	Amend Definition of Claim - Written Demands	BICMT05201205		Endorsement/Amendment/Conditions		0.00	BICMT05201205.pdf
Approved	Amend Consent and Settlement Clause	BICMT05211205		Endorsement/Amendment/Conditions		0.00	BICMT05211205.pdf
Approved	Amend Notice of Cancellation	BICMT05221205		Endorsement/Amendment/Conditions		0.00	BICMT05221205.pdf
Approved	Medical Malpractice Exclusion	BICMT05400206		Endorsement/Amendment/Conditions		0.00	BICMT05400206.pdf

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
 Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
 Company Tracking Number: BICI0024-AR (F)
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
 Product Name: AFB Technology and Professional Liability Insurance Program
 Project Name/Number: /BICI0024

Approval	Description	Code	Endorsement	Amount	File Name
Approved	Amended Bodily Injury/Property Damage Exclusion with Sublimit	BICMT054 10206	Endorsement/Amendment/Conditions	0.00	BICMT05410206.pdf
Approved	Amend Definition of Professional Services to include Services as a Lawyer or Accountant	BICMT054 40206	Endorsement/Amendment/Conditions	0.00	BICMT05440206.pdf
Approved	Carveback For Failure to Maintain Errors and Omissions Insurance	BICMT054 50206	Endorsement/Amendment/Conditions	0.00	BICMT05450206.pdf
Approved	Delete Subrogation in Favor of Scheduled Entity	BICMT054 80406	Endorsement/Amendment/Conditions	0.00	BICMT05480406.pdf
Approved	Amend Acquisition Threshold	BICMT055 00506	Endorsement/Amendment/Conditions	0.00	BICMT05500506.pdf
Approved	Spousal/Domestic Partner Extension	BICMT055 20506	Endorsement/Amendment/Conditions	0.00	BICMT05520506.pdf
Approved	Product Liability Exclusion	BICMT055 50506	Endorsement/Amendment/Conditions	0.00	BICMT05550506.pdf
Approved	Financial Consultants Exclusion	BICMT056 00506	Endorsement/Amendment/Conditions	0.00	BICMT05600506.pdf
Approved	Contingent Bodily	BICMT056	Endorsement/Amendment/Conditions	0.00	BICMT0563

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
 Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
 Company Tracking Number: BICI0024-AR (F)
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
 Product Name: AFB Technology and Professional Liability Insurance Program
 Project Name/Number: /BICI0024

	Injury/Property Damage Exclusion with Sublimit and Separate Deductible	30606	nt/Amendm ent/Condi ons		0606.pdf
Approved	Amend Definition of Professional Services (Health Care Providers)	BICMT056 50606	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0565 0606.pdf
Approved	Recognition of Deductible Erosion Endorsement	BICMT056 60606	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0566 0606.pdf
Approved	Delete Coverage for Professional Services	BICMT056 70606	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0567 0606.pdf
Approved	Licensing, Certification and Standard Setting Exclusion	BICMT056 80606	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0568 0606.pdf
Approved	Amend Item 2.	BICMT057 00706	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0570 0706.pdf
Approved	Multiyear Policy Endorsement (Multi Aggregate Limit of Liability) - Arkansas	BICMT057 40807AR	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0574 0807AR.pdf
Approved	Amended Retroactive Date	BICMT057 50706	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0575 0706.pdf
Approved	Amend Item 4.	BICMT057 60806	Endorseme New nt/Amendm ent/Condi	0.00	BICMT0576 0806.pdf

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
 Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
 Company Tracking Number: BICI0024-AR (F)
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
 Product Name: AFB Technology and Professional Liability Insurance Program
 Project Name/Number: /BICI0024

Approval	Description	Policy Number	Endorsement	Amount	Attachment
Approved	First Party Computer Security Insurance Coverage Endorsement - Arkansas	BICMT058 10807AR	Endorsement/Amendment/Conditions	0.00	BICMT0581 0807AR.pdf
Approved	Amend Definition of Computer System Physical Control	BICMT058 60906	Endorsement/Amendment/Conditions	0.00	BICMT0586 0906.pdf
Approved	Add Additional Insured for Vicarious Liability	BICMT059 10906	Endorsement/Amendment/Conditions	0.00	BICMT0591 0906.pdf
Approved	Cost of Translation Exclusion	BICMT059 31006	Endorsement/Amendment/Conditions	0.00	BICMT0593 1006.pdf
Approved	First Party Computer Security Insurance Coverage Endorsement - Arkansas	BICMT059 90807AR	Endorsement/Amendment/Conditions	0.00	BICMT0599 0807AR.pdf
Approved	Printing Exclusion	BICMT060 01006	Endorsement/Amendment/Conditions	0.00	BICMT0600 1006.pdf
Approved	Separate Retroactive Date Endorsement for Scheduled Entity and Coverage	BICMT060 11006	Endorsement/Amendment/Conditions	0.00	BICMT0601 1006.pdf
Approved	Amend Insured with Separate	BICMT060 31106	Endorsement/Amendment	0.00	BICMT0603 1106.pdf

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
 Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
 Company Tracking Number: BICI0024-AR (F)
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
 Product Name: AFB Technology and Professional Liability Insurance Program
 Project Name/Number: /BICI0024

	Retroactive Date		ent/Condi tions		
Approved	Additional Insured Endorsement and Sweepstakes Carveback	BICMT060 41106	Endorseme nt/Amendm ent/Condi tions	0.00	BICMT0604 1106.pdf
Approved	Add Additional Insured for Vicarious Liability with Amended Insured V. Insured Exclusion	BICMT060 81206	Endorseme nt/Amendm ent/Condi tions	0.00	BICMT0608 1206.pdf
Approved	Amend Item 3. of the Declarations	BICMT061 21206	Endorseme nt/Amendm ent/Condi tions	0.00	BICMT0612 1206.pdf
Approved	Discretionary Authority Exclusion	BICMT061 31206	Endorseme nt/Amendm ent/Condi tions	0.00	BICMT0613 1206.pdf
Approved	Privacy Liability Endorsement Including Notification Costs and Regulatory Defense (Rate Bearing)	BICMT061 70107	Endorseme nt/Amendm ent/Condi tions	0.00	BICMT0617 0107.pdf
Approved	Amend Exclusion B Endorsement	BICMT062 00107	Endorseme nt/Amendm ent/Condi tions	0.00	BICMT0620 0107.pdf
Approved	Computer Network Security Coverage Sublimit	BICMT062 10107	Endorseme nt/Amendm ent/Condi tions	0.00	BICMT0621 0107.pdf
Approved	Amend Payment of Optional	BICMT062 40107	Endorseme nt/Amendm	0.00	BICMT0624 0107.pdf

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
 Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
 Company Tracking Number: BICI0024-AR (F)
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
 Product Name: AFB Technology and Professional Liability Insurance Program
 Project Name/Number: /BICI0024

	Extension Period to Sixty (60) Days		ent/Condi ons		
Approved	Settle within the Deductible Endorsement	BICMT062 70107	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0627 0107.pdf
Approved	Medical Services Exclusion	BICMT063 10107	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0631 0107.pdf
Approved	Contingent Bodily Injury/Property Damage Exclusion	BICMT063 40107	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0634 0107.pdf
Approved	Third Party Administrator Exclusion	BICMT063 80107	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0638 0107.pdf
Approved	Third Party Administrator Exclusion	BICMT064 90207	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0649 0207.pdf
Approved	Class Action Suit Definition	BICMT065 40207	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0654 0207.pdf
Approved	Multi Year Policy Endorsement (Single Aggregate Limit of Liability, Prepaid Premium) (Rate Bearing)	BICMT067 60507	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0676 0507.pdf
Approved	Three Year Policy Endorsement (Multi Aggregate Limit of Liability,	BICMT067 80807AR	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0678 0807AR.pdf

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
 Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
 Company Tracking Number: BICI0024-AR (F)
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
 Product Name: AFB Technology and Professional Liability Insurance Program
 Project Name/Number: /BICI0024

Prepaid
 Premium) -
 Arkansas

Approved	Two Year Policy Endorsement (Multi Aggregate Limit of Liability, Prepaid Premium) - Arkansas	BICMT067 90807AR	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0679 0807AR.pdf
Approved	Two Year Policy Endorsement (Multi Aggregate Limit of Liability, Annual Installments) - Arkansas	BICMT068 0807AR	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0680 0807AR.pdf
Approved	Three Year Policy Endorsement (Multi Aggregate Limit of Liability, Annual Installments) - Arkansas	BICMT068 10807AR	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0681 0807AR.pdf
Approved	Privacy Liability Endorsement Including Notification Costs and Regulatory Defense (Rate Bearing)	BICMT068 40607	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0684 0607.pdf
Approved	AON Endorsement	BICMT069 20707	Endorseme New nt/Amendm ent/Condi ons	0.00	BICMT0692 0707.pdf

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

TEMPORARY SERVICES ENDORSEMENT WITH TEMPORARY EMPLOYEE COVERAGE

This endorsement modifies insurance provided under the following:

AFB MEDIATECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. Clause III. The Insured and The Insured Organization is amended to include any **Temporary Employee**.
2. For purposes of this endorsement the term "**Temporary Employee**" means any employee of the **Insured Organization** provided to a client by the **Named Insured** under an agreement with the client to meet, support or supplement the client's work force due to employee absences, temporary skill shortages, seasonal workloads, special assignments or projects or similar situations.
3. In addition to and not in limitation of Clause XII. Other Insurance, coverage for any **Temporary Employee** shall apply specifically in excess of any insurance available to the client.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

AMEND PROPERTY DAMAGE

This endorsement modifies insurance provided under the following:

AFB MEDIATECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause VI. Definitions P. "**Property Damage**" is amended by appending the following:

For purposes of this definition electronic data shall not be considered "tangible property."

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

AMEND EXCLUSION F.3.

This endorsement modifies insurance provided under the following:

AFB MEDIATECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause V. Exclusions F.3. shall not apply if such delay or failure to deliver or perform is a consequence of a negligent act, error or omission committed during the course of providing **Professional Services** or **Technology Based Services** if the **Insured** has made diligent efforts to deliver or perform such **Professional Services** or **Technology Based Services**;

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

MOST FAVORABLE VENUE FOR PUNITIVE DAMAGES

This endorsement modifies insurance provided under the following:

AFB MEDIATECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause VI. Definitions H.5. is deleted and replaced with the following:

5. punitive or exemplary damages unless insurable by law in the applicable venue that most favors coverage for such punitive or exemplary damages;

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

AMEND DEFINITION OF CLAIM – WRITTEN DEMANDS

This endorsement modifies insurance provided under the following:

AFB MEDIATECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause VI. Definitions E. “**Claim**” is deleted and replaced with the following:

- E. “**Claim**” means a written demand received by any **Insured** for money or services, including the service of suit or institution or arbitration proceedings. “**Claim**” shall also mean a written threat or initiation of a suit seeking injunctive relief (meaning a temporary restraining order or a preliminary or permanent injunction).

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 **Insureds** involved in the **Claim**. All such **Claims** shall be deemed to have been made at the time of the first such **Claim**.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

AMEND CONSENT AND SETTLEMENT CLAUSE

This endorsement modifies insurance provided under the following:

AFB MEDIATECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause II. Defense, Settlement, and Investigation of Claims E. is deleted and replaced with the following:

- E. If the **Insured** shall refuse 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 Deductible, 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 **Insured** with the remaining fifty percent (50%) of such **Damages** and **Claims Expenses** to be borne by the **Insured** at their own risk and uninsured

or the applicable Limit of Liability, whichever is less. The portion of any proposed settlement or compromise that requires the **Insured** to cease, limit or refrain from actual or alleged infringing or otherwise injurious activity or is attributable to future royalties or other amounts that are not **Damages** shall not be considered in determining the amount for which a **Claim** could have been settled.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

AMEND NOTICE OF CANCELLATION

This endorsement modifies insurance provided under the following:

AFB MEDIATECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that the first sentence of Clause XV. Cancellation/Non-Renewal B. is deleted and replaced with the following:

The Underwriters may cancel this Policy by mailing or delivering to the Named Insured written notice stating when, not less than ninety (90) days thereafter, such cancellation shall be effective.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

MEDICAL MALPRACTICE EXCLUSION

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that the coverage under this Insurance does not apply to **Damages** or **Claims Expenses** in connection with or resulting from any **Claim** alleging, arising out of, based upon or attributable to medical malpractice including, but not limited to, the rendering of or a failure to render medical professional services, treatment or advice.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

AMENDED BODILY INJURY/PROPERTY DAMAGE EXCLUSION WITH SUBLIMIT

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

1. Clause V. EXCLUSION D. is deleted in its entirety and replaced with the following:
 - D. For or arising out of **Bodily Injury** or **Property Damage**; provided, this exclusion shall not apply to any **Claim** arising directly out of any negligent act, error or omission of the **Insured** in rendering or failing to render Professional Services as stated in Item 9 of the Declarations;
2. The maximum aggregate Limit of Liability for all **Damages** and **Claims Expenses** resulting from all **Claims**, made against any **Insured(s)** based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any **Bodily Injury** or **Property Damage** shall be **<Sublimit>**, which amount shall be part of and not in addition to the Limit of Liability shown in Item 3.(b) of the Declarations.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>

This Endorsement is attached to and forms a part of Policy Number: <Policy Number>

Insurer: <Insurer>

**AMEND DEFINITION OF PROFESSIONAL SERVICES TO INCLUDE SERVICES AS A LAWYER OR
ACCOUNTANT**

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause VI. Definitions O. "**Professional Services**" is deleted and replaced with the following:

- O. "**Professional Services**" means professional services performed for others by or on behalf of the **Insured Organization** for a fee, but does not include **Technology Based Services, Media Activities**, any services involving the creation, development, sale, distribution, installation, licensing or manufacturing of **Technology Products**, or work or activities performed by or on behalf of the **Insured Organization** or for the **Insured Organization** as an architect, surveyor, health care provider, insurance or real estate agent or broker, or civil or structural engineer.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

CARVEBACK FOR FAILURE TO MAINTAIN ERRORS AND OMISSIONS INSURANCE

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause V. Exclusions J. shall not apply to the failure to maintain errors and omissions insurance.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: Beazley Insurance Company, Inc.

DELETE SUBROGATION IN FAVOR OF SCHEDULED ENTITY

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that solely with respect to the exercise of any right of subrogation with respect to <Entity>, the Underwriters waive their rights under Clause XIX. Subrogation, provided:

1. the Insured Organization has waived its rights of recovery against such person or organization in a contract or agreement that is executed before such loss; and
2. such waiver extends only as far as the actual rights of recovery by <Entitiy>

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

AMEND ACQUISITION THRESHOLD

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause XVI.A. is deleted and replaced with the following:

- A. During the **Policy Period**, if the Named Insured or any **Subsidiary** acquires another entity whose annual revenues are more than twenty-five percent (25%) of the Named Insured's total annual revenues as set forth in the most recent **Application** for insurance; then no **Insured** shall have coverage under this Policy for any **Claim** that arises out of any act, error or omission, whether committed either before or after such acquisition:
1. by the acquired entity or any person employed by the acquired entity; or
 2. involving or relating to the assets, liabilities, or **Computer Systems** of the acquired entity;

unless the Named Insured provides written notice to the Underwriters at least thirty (30) days prior to the acquisition, obtains the written consent of the Underwriters to extend coverage to such additional entities, assets or exposures, and agrees to pay any additional premium required by the Underwriters.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

SPOUSAL/DOMESTIC PARTNER EXTENSION

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause II. The Insured and the Insured Organization is amended to include the lawful spouse, including any natural person qualifying as a domestic partner under the provisions of any applicable federal, state, or local law in the United States, of any **Insured**, but solely by reason of any act, error or omission of an **Insured** other than such spouse or domestic partner.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

PRODUCT LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that the coverage under this Insurance does not apply to **Damages** or **Claims Expenses** in connection with or resulting from any **Claim** arising out of or resulting from any actual or alleged malfunction of any product of failure of any product to perform in any manner as a result of any defect, deficiency, inadequacy or dangerous condition in such product or in its design or manufacture.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

FINANCIAL CONSULTANTS EXCLUSION

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. For purposes of this endorsement, the following terms have the following meanings:
 - a. **“Broker”** means any “broker” as that term is defined in the Securities Act of 1933, the Securities Exchange Act of 1934 and the Investment Company act of 1940.
 - b. **“Financial Advisor”** and/or **“Financial Planner”** means an individual who is in the business of providing **Professional Services** to others for a fee or other monetary compensation, and includes Registered Representatives licensed by the Securities and Exchange Commission and New York Stock Exchange.
 - c. **“Front Running”** means the trading by brokers of mutual fund shares based on information received internally, before clients of the broker have received the information.
 - d. **Improper Valuation** means:
 1. inaccurate calculation of a mutual fund’s net asset value or the failure to update such net asset value as required by the Securities and Exchange Commission and/or applicable federal or state securities laws and regulations;
 2. inadequate, deficient or ineffective policies or procedures regarding the pricing, valuation or monitoring of securities held by a mutual fund, or the failure to adopt, implement or enforce such policies or procedures; or
 3. failure to calculate, disclose or utilize a fair market valuation for securities held by a mutual fund.
 - e. **“Late Trading”** means cancelling, modifying and/or placing orders to buy or sell mutual fund shares after the determination of a mutual fund’s current net asset value (as defined in Rule 1a-4 under the Investment Company Act of 1940) where the price charged to the buyer or seller is calculated at the mutual fund’s current net asset value previously determined, in contravention of Rule 22c-1 under the Investment Company Act of 1990, or any similar law, rule or regulation.
 - f. **“Market Timing”** means:
 1. waiving of redemption fees associated with **Short Term Trading** of mutual fund shares in contravention of the applicable policies and procedures of the mutual funds;

2. breach or violation of written representations regarding the permissibility of **Short Term Trading**, or of written representations regarding the mutual fund's efforts to monitor or prevent **Short Term Trading**; or
 3. the receipt of fees or other compensation from an investor in exchange for providing such investor with **Short Term Trading** privileges not generally available to other investors in mutual fund shares (for purpose of the foregoing, the receipt of investment advisory and other fees paid by the fund or fund shareholders shall not be deemed to be fees or other compensation paid for providing such investors with **Short Term Trading** privileges not available to other investors in mutual fund shares).
- g. "**Securities**" means any "securities" as that term is defined in the Securities and Exchange Act of 1933, the Securities and Exchange Act of 1934 and the Investment Company Act of 1940.
- h. "**Selective Disclosure**" means the selective or discriminatory disclosure of a mutual fund's portfolio composition or holdings.
- i. "**Short Term Trading**" means the redemption of shares of a mutual fund less than 30 days after their purchase, or any other period of time greater than 30 days if so described in a mutual fund prospectus as **Short Term Trading**, including without limitation any so-called "in and out" trading of mutual fund shares or any other trade of mutual fund shares which take advantage of inefficiencies or time delays in the method the mutual fund uses to price its shares.
- j. "**Soft Dollar Activity**" means paying, providing, receiving or accepting prohibited or illegal fees, commissions, bonuses, gratuities, services or any other form of compensation, including without limitation (i) the preferential treatment of a particular mutual fund or a particular class of mutual fund shares in exchange for such compensation; (ii) improper or illegal quid pro quo compensation; (iii) improper or illegal breakpoint or volume discounts; (iv) unreasonable compensation; (v) improper or illegal directed brokerage commissions or discriminatory compensation; (vi) other improper or illegal soft dollar arrangements; or (vii) the failure to adopt, implement or enforce effective policies or procedures to prevent or detect such practices.

The meaning of any terms or phrases used in this Endorsement which are not otherwise defined herein shall be determined based upon the normal and usual customs and usages of the mutual industry.

2. The coverage under this Insurance does not apply to **Damages** or **Claims Expenses** in connection with or resulting from any **Claim** arising out of or resulting from:
 - a. any service where the **Insured** has been given any discretionary authority to make and/or implement decisions;
 - b. any financial auditing, accounting, architectural, actuarial or engineering services;
 - c. any legal services, including, but not limited to:
 - i. services performed for others which by law can only be performed by licensed attorneys; regardless of whether any such services were performed by a licensed attorney;

- ii. services performed for others by a licensed attorney as an administrator, conservator, executor, trustee, guardian or committee or in any similar fiduciary capacity incidental to the practice of law; or
 - iii. services performed for others by a licensed attorney as a notary public;
- d. any advice relating to investments and/or mergers or acquisitions;
- e. practices involving **Late Trading, Market Timing, Improper Valuation, Soft Dollar Activity, Front Running** or **Selection Disclosure** of mutual fund shares, including without limitation any **Insured** actually or allegedly participating in, aiding and abetting, or failing to disclose such practices;
- f. practices involving **Late Trading, Market Timing, Improper Valuation, Soft Dollar Activity, Front Running** or **Selective Disclosure**, regardless of the form, style, or denomination of any such **Claim**, and regardless of whether the **Claim** is criminal, administrative or civil, including by not limited to, **Claims** alleging breach of contract, failure to supervise, negligent supervision, vicarious liability, controlling person liability, breach of fiduciary duty, personal profiting, criminal activity, market manipulation, misrepresentation, estoppel or repudiation of any other commitment and any other theory of liability;
- g. the inability of any bank, banking firm, **Broker** or **Dealer**, managing partner, general partner, multi-employer trust or insurance company to make any payment or return capital in the form of principal, interest or other earnings, for any reason, including but not limited to insolvency, receivership, bankruptcy, governmental intervention or court order;
- h. any **Claim** based on or directly or indirectly arising out of or resulting from the **Insured's** activities or capacity as a fiduciary under the Employee Retirement Income Security Act of 1974 (or amendments thereto or any regulations promulgated there under), or similar provisions of any federal, state or local statutory law or common law; provided that this exclusion shall not apply to retirement plan design, investment advice or recommendations regarding **Securities** or insurance purchases or sales by the **Insured** within the normal scope of **Professional Services** performed by a **Financial Planner**;
- i. actual or alleged use, or aiding or abetting, or participating after the fact, in the use of non-public information in a manner prohibited by the laws of the United States (including, but not limited to, the Insider Trading and Securities Fraud Endorsement Act of 1988 (as amended), section 10(b) of the Securities and Exchange Act of 1934 (as amended) and Rule 10b-5 thereunder), any state, commonwealth, territory or subdivision thereof, or the laws of any other jurisdiction, or any rules or regulations promulgated under any of the foregoing;
- j. the gaining in fact of any profit advantage or remuneration to which the **Insured** is not legally entitled;
- k. commingling or unauthorized use of client funds, commission disputes, or the **Insured's** inability or refusal to pay or collect premium or tax monies;
- l. the giving of financial, economic or investment advice, investment management services, or underwriting services relating to or in connection with any aspect of corporate mergers, acquisitions, restructuring or divestitures or investment banking; or the underwriting of stock issues as defined in the Securities and Exchange Act of 1933;

- m. the sale, purchase, offer to sell or purchase, or servicing, by the **Insured**, of any commodities, commodity contracts or other derivative instruments, or securities or units of any limited partnership, master limited partnership, real estate investment trust or any affiliate organization of any of the foregoing;
- n. the purchase, sale or other disposition of **Securities** traded exclusively on Exchanges outside of the United States or Canada, or
- o. the guaranteeing of the availability of funds, or specified rate of return and/or interest.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

**CONTINGENT BODILY INJURY/PROPERTY DAMAGE EXCLUSION WITH SUBLIMIT AND
SEPARATE DEDUCTIBLE**

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for this Policy, it is hereby understood and agreed that Clause **V. EXCLUSIONS D.** is deleted in its entirety and replaced with the following:

- D. For, arising out of, or resulting from **Bodily Injury** or **Property Damage**; provided, this exclusion shall not apply to any **Claim** for **Contingent Bodily Injury and/or Property Damage**.

For the purpose of this exclusion, the term “**Contingent Bodily Injury and/or Property Damage**” means those **Claims** wherein the **Damages** sought by the claimant are for **Bodily Injury** and/or **Property Damage** which arise solely out of:

1. any negligent act, error or omission in rendering or failure to render **Professional Services** or **Technology Based Services**; or
2. any one or more of the acts listed in Insuring Agreement Coverage D in the course of the **Insured Organization's** performance of **Professional Services, Media Activities** or **Technology Based Services**

which is otherwise covered under the terms and conditions of this Policy; but not if the **Insured's** own act, error or omission is the direct immediate cause of such **Claim** for **Bodily Injury** and/or **Property Damage**. Furthermore, this extension of coverage applies only if such **Claim** for **Bodily Injury** and/or **Property Damage** is not covered under any other policy of insurance;

The maximum aggregate Limit of Liability for all **Damages** and **Claims Expenses** resulting from all **Claims** for **Contingent Bodily Injury and/or Property Damage** shall be <Sublimit> excess of a <Separate Deductible> deductible which amount shall be part of and not in addition to the Limit of Liability shown in Item 3.(b) of the Declarations.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

AMEND DEFINITION OF PROFESSIONAL SERVICES (HEALTH CARE PROVIDERS)

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause VI. Definitions O. is amended by the addition of the following:

However the limitation applicable to health care providers shall not apply to the **Insured Organization's** vicarious liability for verbal statements made by persons other than employees or independent contractors of the **Insured Organization**.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

RECOGNITION OF DEDUCTIBLE EROSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that

1. Clause II. Defense, Settlement, And Investigation of Claims A. is amended by adding the following:

Selection of Defense counsel for any **Claim** shall be mutually agreed upon between the Named Insured and the Underwriters, but in the absence of such agreement, the Underwriters shall have the right to select and appoint such Defense counsel.

2. Except as provided in Item 4.b. of this endorsement, Clause VI. Definitions F.1. is deleted and replaced with the following:

1. reasonable and necessary fees charged by Defense counsel mutually agreed upon between the Named Insured and the Underwriters in accordance with Clause II.A.; and

3. Clause VI. Definitions F. "**Claims Expenses**" shall not include the value of fees, costs or expenses rendered pro bono or otherwise without cost to the **Insured** in the Defense of any **Claim**.

4. Clause VIII. Deductible is deleted and replaced with the following:

VIII. DEDUCTIBLE

The "Each **Claim** Deductible" stated in Item 4. of the Declarations applies separately to each **Claim**. The Each **Claim** Deductible shall be satisfied by either:

- (a) monetary payments by the Named Insured of **Damages** and **Claims Expenses**; or

- (b) in the event the Named Insured receives pro bono services in the defense of any **Claim**, the value of such pro bono services measured by defense counsel's actual hourly rate not exceeding \$300 per hour for partners, \$200 per

hour for associates and \$100 for paraprofessionals and billed in a format acceptable to the Underwriters;

resulting from **Claims** first made and reported to the Underwriters during the **Policy Period** and the **Optional Extension Period**. Satisfaction of the Each **Claim** Deductible is a condition precedent to the payment by the Underwriters of any amounts hereunder, and the Underwriters shall be liable only for the amounts in excess of such Each **Claim** Deductible subject to the Underwriters' total liability not exceeding the Limits of Liability stated in Items 3.(a) and 3.(b) of the Declarations. The Named Insured shall make direct payments within the Each **Claim** Deductible to appropriate other parties designated by the Underwriters.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

DELETE COVERAGE FOR PROFESSIONAL SERVICES

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. The coverage under this Insurance does not apply to **Damages** or **Claims Expenses** in connection with or resulting from any **Claim** arising out of or resulting from any act, error or omission, including without limitation any breach of contract in rendering or failure to render **Professional Services**.
2. The term "**Professional Services**" wherever it appears is deleted from Clause I. Insuring Clauses A. and D.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

LICENSING, CERTIFICATION AND STANDARD SETTING EXCLUSION

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that the coverage under this Insurance does not apply to **Damages** or **Claims Expenses** in connection with or resulting from any **Claim** arising out of or resulting from licensing, certification or standard setting.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
Insurer: <Insurer>

AMEND ITEM 2.

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Item 2. of the Declarations is deleted and replaced with the following:

Item 2. **Policy Period:**

From: **<Effective Date>**

To: **<Expiration Date>**

Both dates at 12:01 a.m. Local Time at the Address stated in Item 1.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

MULTIYEAR POLICY ENDORSEMENT (MULTI AGGREGATE LIMIT OF LIABILITY) - ARKANSAS

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. For purposes of this endorsement, the following terms have the following meanings:
 - a. **“Anniversary Date”** means the date which is exactly one year following the Inception Date in Item 2 of the Declarations.
 - b. **“Policy Year”** means each annual period within the **Policy Period** from the Inception Date in Item 2 of the Declarations to the **Anniversary Date** or any earlier date of cancellation, and from the **Anniversary Date** to the Expiration Date in Item 2 of the Declarations or any earlier date of cancellation.
2. Item 3.b. of the Declarations is deleted and replaced with the following:
 - b. **<Spc_AggregateLimit>** Aggregate for each **Policy Year** – includes **Claims Expenses**.
3. The premium set forth in Item 5. of the Declarations shall be payable as follows:
 - a. **<Due at Inception>** due as of the Inception Date in Item 2 of the Declarations; and
 - b. **<Due on Anniversary>** due as of the **Anniversary Date**.
4. Clause VII. Limit of Liability is deleted and replaced with the following:
 - VII. Limit of Liability

The Limit of Liability stated in Item 3.(a) of the Declarations for “Each **Claim**” is the limit of the Insurer’s liability for all **Damages** and **Claims Expenses** arising out each **Claim**.

If the Aggregate Limit of Liability stated in Item 3.b. of the Declarations is exhausted by the payment of **Damages** and/or **Claims Expenses** in any **Policy Year**, the Insurer’s obligations under this Policy for such **Policy Year** shall be completely fulfilled and extinguished. If the Limits of Liability applicable to the **Policy Period** are exhausted by the payment of **Damages** and/or **Claims Expenses** the Insurer’s obligations under this Policy shall be completely fulfilled and extinguished. The Insurer’s maximum Limit of Liability with respect to **Damages** and/or **Claims Expenses** from any **Claim** shall be the remaining Aggregate Limit of Liability applicable to the **Policy Year** in which such **Claim** was made.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

AMENDED RETROACTIVE DATE

This endorsement modifies insurance provided under the following:

AFB MEDIATECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Item 6. of the Declarations is deleted and replaced with the following:

Item 6. Retroactive Date

<New Retroactive Date>

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

AMEND ITEM 4.

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Item 4. of the Declarations is deleted and replaced with the following:

Item 4. Deductible:

<New Deductible> Each Claim Deductible – includes Claims Expenses

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

FIRST PARTY COMPUTER SECURITY INSURANCE COVERAGE ENDORSEMENT - ARKANSAS

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

1. Declarations Item 3. **LIMIT OF LIABILITY** deleted in its entirety and replaced with the following:
 - (a) <Chg_PerClaimLimit> Each **Claim** - includes **Claims Expenses**.
 - (b) <Aggregate for Damages, Claims Exp, and Loss> Aggregate for the **Policy Period** for all **Damages, Claims Expenses** and **Loss**.
 - (c) <Aggregate for Damages and Claims Exp> Aggregate for the **Policy Period** for all **Damages** and **Claims Expenses**.
 - (d) <Aggregate for Loss> Aggregate for the **Policy Period** for all **Loss**, subject to the following sublimits with respect to **Business Interruption Loss**:
 1. an hourly sublimit of <Hourly Sublimit> for **Business Interruption Loss**;
 2. an aggregate sublimit for the **Policy Period** of <Interruption Loss Aggregate Sublimit> for **Business Interruption Loss** arising out of **Computer Systems** operated by a **Dependent Business** for the **Insured Organization**; and
 3. an aggregate sublimit for the **Policy Period** of <Forensic and Crisis Mgmt Expense Sublimit> for all **Forensic Expenses** and **Crisis Management Expenses** combined.
2. Declarations Item 4. **DEDUCTIBLE**, is amended by the addition of the following:

Clause I.F: <Deductible per Security Breach> each failure of **Computer Security** to prevent a **Security Breach**

Clause I.G: For each failure of **Computer Security** to prevent a **Security Breach**, the greater of:

 1. <Deductible per Security Breach>; or
 2. the dollar amount of **Business Interruption Loss** during the <Length of Waiting Period in Hours> hour **Waiting Period**.

Clause I.H: <Deductible Per Extortion Threat> each **Extortion Threat**
3. Clause I. **INSURING CLAUSES**, is amended by the addition of the following:

F. **First Party Data Protection Coverage**

To indemnify the **Named Insured** for:

Data Protection Loss, in excess of the Deductible, incurred by the **Insured Organization** as a direct result of:

1. alteration, corruption, destruction, deletion or damage to a **Data Asset**, or
2. inability to access a **Data Asset**,

that first takes place during the **Policy Period** and is directly caused by a failure of **Computer Security** to prevent a **Security Breach**; provided that such **Security Breach** must take place on or after the Retroactive Date set forth in Item 6. of the Declarations and before the end of the **Policy Period**.

G. First Party Network Business Interruption Coverage

To indemnify the **Named Insured** for:

Business Interruption Loss, in excess of the applicable Deductible, incurred by the **Insured Organization** during the **Period of Restoration** or the **Extended Interruption Period** (if applicable) as a direct result of the actual and necessary interruption or suspension of **Computer Systems** that first takes place during the **Policy Period** and is directly caused by a failure of **Computer Security** to prevent a **Security Breach**; provided that such **Security Breach** must first take place on or after the Retroactive Date set forth in Item 6. of the Declarations and before the end of the **Policy Period**.

H. Cyber Extortion Loss Coverage

To indemnify the **Named Insured** for:

Cyber Extortion Loss, in excess of the Deductible, incurred by the **Insured Organization** as a direct result of an **Extortion Threat** first made against the **Insured Organization** during the **Policy Period** by a person, other than the **Insured Organization's** employees, directors, officers, principals, trustees, governors, members, management committee members, members of the management board, partners, contractors, outsourcers, or any person in collusion with any of the foregoing. Coverage under this Insuring Agreement is subject to the applicable conditions and reporting requirements, including those set forth in the ENDORSEMENT CONDITIONS clause of this endorsement, paragraph FP-D., OBLIGATIONS IN THE EVENT OF AN EXTORTION THREAT.

4. For the purposes of this endorsement only, clause **VI. DEFINITIONS G.** is deleted in its entirety and replaced with the following:

G. Computer Systems means computers and associated input and output devices, data storage devices, networking equipment, and back up facilities:

1. operated by and either owned by or leased to the **Insured Organization**;
2. with respect to Clause I.G. only, operated by a **Dependent Business** for the purpose of providing hosted computer application services to the **Insured Organization** or for processing, maintaining, hosting or storing the **Insured Organization's** electronic data, pursuant to a written contract with the **Insured Organization** for such services

5. Wherever used in this endorsement in bold face type and for the purposes of this endorsement only, the following definitions apply:

FP-A. Business Interruption Loss means the total of:

1. **Income Loss** and **Extra Expense** during the **Period of Restoration**; and
2. **Extended Income Loss** if the combination of **Income Loss** and **Extra Expense** during the **Period of Restoration** is in excess of the applicable Deductible.

Business Interruption Loss shall be calculated on an hourly basis and is subject to the Deductible; provided that **Business Interruption Loss** shall not mean and Coverage VI. (First Party Network Business Interruption) shall not cover any of the following: **Loss** arising out of any liability to third-parties for whatever reason; legal costs or legal expenses of any type; **Loss** incurred as a result of unfavorable business conditions, loss of market or any other consequential loss; or costs or expenses the **Insured Organization** incurs to identify and remove software program errors or vulnerabilities.

All **Loss** resulting from multiple covered interruptions or suspensions of **Computer Systems** that arise out of the same or a continuing **Security Breach**, from related or repeated **Security Breaches**, or from multiple **Security Breaches** resulting from a failure of **Computer Security** shall be deemed to be a single **Business Interruption Loss**; provided, however, that a separate **Waiting Period** shall apply to each **Period of Restoration**. All covered **Business Interruption Loss** must be both sustained by the **Insured Organization** and reported to Underwriters (in accordance with ENDORSEMENT CONDITIONS FP-A., Notice Obligations for Coverages V, VI and VII. and FP-B , Proof of Loss) no later than six months after the end of the **Policy Period**.

FP-B. “Crisis Management Expenses” means the reasonable and necessary charges and fees incurred by **Insured Organization** within six months of a covered actual and necessary interruption or suspension of **Computer Systems** first occurring, for the services of a public relations firm, crisis management firm or law firm hired or appointed by Underwriters, or by **Insured Organization** with Underwriters’ prior written consent, retained solely for the purpose of restoring the confidence of **Insured Organization’s** customers and investors in **Computer Security**; provided, however, **Crisis Management Expenses** shall not mean and this Endorsement shall not cover: any costs or expenses incurred by any person or entity to withdraw or recall **Insured Organization’s** material, media, medium or professional services from the marketplace, or from loss of use arising out of such withdrawal or recall; the costs and expenses of complying with any injunctive or other form of equitable relief; or matters that may be deemed uninsurable under the law pursuant to which this policy shall be construed.

FP-C. “Cyber Extortion Loss” means:

1. any **Extortion Payment** that has been made under duress by or on behalf of the **Insured Organization** with Underwriters’ prior written consent, but solely to prevent or terminate an **Extortion Threat**;
2. an otherwise covered **Extortion Payment** that is lost in transit by actual destruction, disappearance or wrongful abstraction while being conveyed by any person authorized by or on behalf of the **Insured Organization** to make such conveyance; and
3. fees and expenses paid by or on behalf of the **Insured Organization** for security consultants retained with Underwriter’s prior written approval, but solely to prevent or terminate an **Extortion Threat**;

provided, that **Cyber Extortion Loss** shall not exceed the covered **Loss, Damages** and **Claims Expenses** that the **Insured Organization** would have incurred had the **Extortion Payment** not been paid.

FP-D. “Computer Security” means software or computer or network hardware devices, the function or purpose of which is to prevent **Unauthorized Access**, a denial of service attack against **Computer Systems**, infection of **Computer Systems** by **Malicious Code** or transmission of **Malicious Code** from **Computer Systems**. **Computer Security** includes anti-virus and intrusion detection software, firewalls and electronic systems that provide access control to **Computer Systems** through the use of passwords, biometric or similar identification of authorized users.

FP-E. “**Data Asset**” means any software or electronic data that exists in **Computer Systems** and that is subject to regular back up procedures, including computer programs, applications, account information, customer information including private or personal information, marketing information, financial information and any other information necessary for use in the **Insured Organization’s** ordinary course of business.

FP-F. “**Data Protection Loss**” means:

1. with respect to any **Data Asset** that is altered, corrupted, destroyed, deleted or damaged the actual, reasonable and necessary costs and expenses incurred by the **Insured Organization** to restore a **Data Asset** from back-ups or from originals or to gather, assemble and recreate such **Data Asset** from other sources to the level or condition in which it existed immediately prior to its alteration, corruption, destruction, deletion or damage; or
2. with respect to any **Data Asset** that the **Insured Organization** is unable to access, the lesser of the actual, reasonable and necessary costs and expenses incurred by the **Insured Organization** to:
 - a. regain access to such **Data Asset**; or
 - b. restore or recreate such **Data Asset** to the level or condition in which it existed immediately prior to the **Insured Organization’s** inability to access it;

Provided that if such **Data Asset** cannot reasonably be accessed, restored or reproduced, then **Data Protection Loss** means the actual, reasonable and necessary costs and expenses incurred by the **Insured Organization** to reach this determination.

A **Data Protection Loss** will be deemed to occur at the time such alteration, corruption, destruction, deletion or damage to or inability to access a **Data Asset** is first discovered by the **Insured**. All **Data Protection Loss** that arises out of the same or a continuing **Security Breach**, from related or repeated **Security Breaches**, or from multiple **Security Breaches** resulting from a failure of **Computer** shall be deemed to be a single **Data Protection Loss**.

Data Protection Loss shall not mean, and there shall be no coverage under Clause I.F. (First Party Data Protection Loss) for: 1. costs or expenses incurred by the **Insured Organization** to identify or remediate software program errors or vulnerabilities or update, replace, restore, gather, assemble, reproduce, recreate or enhance a **Data Asset** or **Computer Systems** to a level beyond that which existed prior to the alteration, corruption, destruction, deletion or damage of such **Data Asset**; 2. costs or expenses to research or develop any **Data Asset**, including but not limited to trade secrets or other proprietary information; 3. the monetary value of profits, royalties, or lost market share related to a **Data Asset**, including but not limited to trade secrets or other proprietary information or any other amount pertaining to the value of the **Data Asset**; 5. loss arising out of any liability to third-parties for whatever reason; or 6. legal costs or legal expenses of any type.

FP-G. “**Dependent Business**” means an entity that the **Insured** does not own, operate or control, but that the **Insured** depends on to conduct the **Insured’s** business.

FP-H. “**Extended Income Loss**” means the **Income Loss** during the **Extended Interruption Period**.

FP-I. “**Extended Interruption Period**” means the period of time that:

1. begins on the date and time that the **Period of Restoration** ends; and
2. terminates on the date and time the **Insured** restores, or would have restored if the **Insured** had exercised due diligence and dispatch, the net profit before income taxes that would have been earned by the **Insured** directly through its business operations had the actual and necessary interruption or suspension of **Computer Systems** not occurred;

provided that in no event shall the **Extended Interruption Period** mean more than or exceed thirty (30) days.

FP-J. “**Extortion Payment**” means cash, marketable goods or services demanded to prevent or terminate an **Extortion Threat**.

FP-K. “**Extortion Threat**” means a threat to breach **Computer Security** in order to:

1. alter, destroy, damage, delete or corrupt any **Data Asset**;
 2. prevent access to **Computer Systems** or a **Data Asset**, including a denial of service attack or encrypting a **Data Asset** and withholding the decryption key for such **Data Asset**;
 3. perpetrate a **Theft of Data** through external access;
 4. introduce **Malicious Code** into **Computer Systems** or to third party computers and systems from **Computer Systems**; or
 5. interrupt or suspend **Computer Systems**;
- unless an **Extortion Payment** is received from or on behalf of the **Insured Organization**.

FP-L. “**Extra Expense**” means:

1. reasonable and necessary expenses that are incurred by the **Insured Organization** during the **Period of Restoration** to minimize, reduce or avoid an **Income Loss**, provided:
 - a. that such expenses are over and above those the **Insured Organization** would have incurred had no interruption or suspension of the **Computer Systems** occurred; and
 - b. do not exceed the amount by which the **Income Loss** covered under this Policy is thereby reduced; and
2. **Forensic Expenses** and **Crisis Management Expenses**, subject to the sublimit set forth in Clause VII. LIMIT OF LIABILITY;

FP-M. “**Forensic expenses**” mean those additional expenses incurred by the **Insured Organization** to conduct an investigation of **Computer Systems** to determine the source or cause of the failure of **Computer Security** to prevent a **Security Breach**.

FP-N. “**Income Loss**” means:

1. the net profit before income taxes that the **Insured Organization** is prevented from earning through its business operations or the net loss before income taxes that the **Insured Organization** is unable to avoid through its business operations as a direct result of the actual and necessary interruption or suspension of **Computer Systems**; and
2. fixed operating expenses incurred by the **Insured Organization** (including payroll), but only to the extent that a. such operating expenses must necessarily continue

during the **Period of Restoration** (or **Extended Interruption Period**, if applicable); and b. such expenses would have been incurred by the **Insured Organization** had such interruption or suspension not occurred.

Income Loss shall be reduced to the extent the **Insured** or **Dependent Business** (if applicable) is able, with reasonable dispatch and due diligence, to reduce or limit such interruption or suspension of **Computer Systems** or conduct its business operations by other means.

In determining **Income Loss**, due consideration shall be given to the prior experience of the **Insured Organization's** business operations before the beginning of the **Period of Restoration** and to the probable business operations the **Insured Organization** could have performed had no actual and necessary interruption or suspension occurred as result of a failure of **Information Security** to prevent a **Security Breach**.

Income Loss will be calculated on an hourly basis based on the **Insured Organization's** net profit (or loss) and fixed operating expenses.

FP-O. "**Loss**" means **Cyber Extortion Loss, Data Protection Loss and Business Interruption Loss**.

FP-P. "**Period of Restoration**" means the time period that:

1. begins on the specific date and time that the actual and necessary interruption or suspension of **Computer Systems** first occurred; and
2. ends on the specific date and time that the actual and necessary interruption or suspension of **Computer Systems** ends, or would have ended had the **Insured** or **Dependent Business** (if applicable) acted with due diligence and dispatch;

provided that in no event shall the **Period of Restoration** mean more than or exceed thirty (30) days.

FP-Q. "**Security Breach**" means **Unauthorized Access of Computer Systems**, a denial of service attack against **Computer Systems**, infection of **Computer Systems** by **Malicious Code** or transmission of **Malicious Code** from **Computer Systems**, whether any of the foregoing is specifically targeted attack or a generally distributed attack. A series of continuing **Security Breaches**, related or repeated **Security Breaches**, or multiple **Security Breaches** resulting from a failure of **Computer Security** shall be considered a single **Security Breach** and be deemed to have occurred at the time of the first such **Security Breach**.

FP-R. "**Waiting period**" means the period of time beginning when the **Period of Restoration** begins and expiring after the elapse of the number of hours set forth in Item 4. Clause G.2. of the Declarations. A **Waiting Period** shall apply to each **Period of Recovery**.

6. For the purposes of this endorsement only clause **V. EXCLUSIONS** A., K. and L. are not applicable.

7. For the purposes of this endorsement only, the following exclusions are added to Clause **V. EXCLUSIONS**:

The coverage under this endorsement does not apply to any failure of **Computer Security** to prevent a **Security Breach, Extortion Threat or Loss**:

FP-A. Arising out of or resulting from any criminal, dishonest, fraudulent, or malicious act, error or omission, or any **Security Breach, Extortion Threat**, or intentional or knowing violation of the law, if committed by any of the **Insured Organization's** directors,

- principals, officers, partners, or trustees or any person in participation or collusion with any of the **Insured Organization's** principals, directors, officers, partners, or trustees;
- FP-B. Arising out of or resulting from any seizure, nationalization, confiscation, or destruction of **Computer Systems** or **Data Asset** by order of any governmental or public authority;
- FP-C. Arising out of or resulting from any act, error, omission, failure of **Computer Security**, or **Security Breach** committed or occurring prior to the inception date of this Policy:
1. if the Chief Executive Officer, Chief Financial Officer, Chief Technology Officer, General Counsel or any members of the legal department or any members of the risk management department of the **Insured Organization** on or before May 1, 2006 knew or could have reasonably foreseen that such act, error or omission, failure of **Computer Security**, or **Security Breach** might be expected to be the basis of **Loss** or an **Extortion Threat**; or
 2. in respect of which any **Insured** has given notice of a circumstance which might lead to an **Extortion Threat** or **Loss** to the insurer of any other policy in force prior to the inception date of this Policy;
- FP-D. Arising out of any related or continuing acts, errors, omissions, **Extortion Threats**, or **Security Breaches**, where the first such act, error, omission or failure or breach was committed or occurred prior to the Retroactive Date set forth in Item 6. of the Declarations;
- FP-E. Arising out of or resulting from:
1. any failure or malfunction of electrical or telecommunications infrastructure or services, provided that this exclusion shall not apply to any otherwise covered **Claim** or **Loss** arising out of failure of **Computer Security** to prevent a **Security Breach** that was caused by a failure or malfunction of electrical infrastructure or services under the **Insured Organization's** operational control;
 2. fire, flood, earthquake, volcanic eruption, explosion, lighting, wind, hail, tidal wave, landslide, act of God or other physical event; or
 3. any satellite failures;
- FP-F. Arising out of or resulting from:
1. the failure of **Computer Systems** or **Data Assets** to be protected by **Computer Security** and security practices and procedures equal to or superior to those disclosed in response to questions in the Application for Insurance relating to **Computer Security**, including access protection, intrusion detection, data back up procedures, **Malicious Code** protection, software product updates and releases, patch protection, and data encryption; or
 2. the failure to install available software product updates and releases, or to apply security related software patches, to computers and other components of **Computer Systems**;
- FP-G. Arising out of or resulting from any trading losses or trading liabilities; monetary value of any electronic fund transfers or transactions by or on behalf of the **Insured** which is lost, diminished, or damaged during transfer from, into or between accounts; or the value of coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount;

For purposes of Clause I.H. (Cyber Extortion Loss Coverage), the coverage under this endorsement does not apply to **Cyber Extortion Loss**:

FP-H. Arising out of or resulting from:

1. any threat to physically harm or kidnap any person; or
2. any threat to harm, take, or transfer property other than any **Data Asset**, even if such threat is made in conjunction with a threat to a **Data Asset** or by carrying out such a threat harm, theft, or transfer property, a **Data Asset** may be damaged, corrupted, altered, taken, disseminated or transferred;

8. The second paragraph of Clause **VII. LIMIT OF LIABILITY** is hereby deleted and replaced with the following:

The "Aggregate for the **Policy Period** for all **Damages, Claims Expenses and Loss**" stated in Item 3.(b) of the Declarations is Underwriters' combined total Limit of Liability for all covered **Damages and Claims Expenses** under Clauses I.A, I.B, I.C.,I.D and I.E. together with all covered **Loss** under Clauses I.F., I.G., and I.H. The inclusion of more than one **Insured** under this Policy, the making of **Claims** or incurring **Loss** by more than one person or entity shall increase the Limit of Liability.

9. For the purposes of this endorsement only, clause **VII. LIMIT OF LIABILITY** is amended by the addition of the following:

FP-A. The "Aggregate for the **Policy Period** for all **Damages and Claims Expenses**" stated in Item 3.(c) of the Declarations is Underwriters' combined total Limit of Liability for all covered **Claim Expenses and Damages** arising out of all **Claims** or circumstances which might lead to a **Claim** which are covered under the terms and conditions of this Policy, and neither the inclusion of more than one **Insured** under this Policy, nor the making of **Claims** by more than one person or entity shall increase the Limit of Liability. The Limit of Liability set forth in Item 3.(c) is subject to, and not in addition to, the Limit of Liability set forth in Item 3.(b) of the Declarations.

FP-B. The "Aggregate for the **Policy Period** for all **Loss**" stated in Item 3.(d) of the Declarations is Underwriters' combined total Limit of Liability for all covered **Loss** under Clauses I.F., I.G., and I.H. The Limit of Liability set forth in Item 3.(d) is subject to, and not in addition to, the Limit of Liability set forth in Item 3.(b) of the Declarations

FP-C. The Limit of Liability stated in Item 3(d)1. of the Declarations is the limit of Underwriters' liability for all covered **Business Interruption Loss** per hour under Clause I.G..

FP-D. The Limit of Liability stated in Item 3(d)2. of the Declarations is the limit of Underwriters' liability for the **Policy Period** for all covered **Business Interruption Loss** arising out **Computer Systems** operated by a **Dependent Business** for the **Insured Organization** under Clause I.G.

FP-E. The Limit of Liability stated in Item 3(d)3. of the Declarations is the limit of Underwriters' liability for the **Policy Period** for all **Forensic Expenses and Crisis Management Expenses** combined under Clause I.G.

FP-F. The Limits of Liability set forth in clause **VII. LIMIT OF LIABILITY** FP-C., FP-D. and FP-E shall be part of, subject to, and not in addition to the Limit of Liability in Items 3(b) and 3(d) of the Declarations.

- FP-G. With respect to **Data Protection Loss**, any alteration, corruption, destruction, deletion or damage to any **Data Asset** that arises out of, is the same as, is a continuation of, or is related to, any alteration, corruption, destruction, deletion or damage to any **Data Asset** that occurred prior to the **Policy Period**, shall be deemed to have first occurred prior to the **Policy Period**.
- FP-H. With respect to **Business Interruption Loss**, any interruption or suspension of **Computer Systems** that arises out of, is the same as, is a continuation of, or is related to, any interruption or suspension of **Computer Systems** that occurred prior to the **Policy Period**, shall be deemed to have first occurred prior to the **Policy Period**.
- FP-I. With respect to **Cyber Extortion Loss**, any **Extortion Threat** that arises out of, is the same as, is a continuation of, or is related to, any **Extortion Threat** that occurred prior to the **Policy Period**, shall be deemed to have first occurred prior to the **Policy Period**.
10. For the purposes of this endorsement only, clause **VIII. DEDUCTIBLE** is amended by the addition of the following:
- FP-A. The Deductible stated in Item 4. of the Declarations for Clause I.F. applies separately to each **Security Breach**. The Deductible applicable to each **Security Breach** shall be satisfied by monetary payments by the Named Insured of covered **Data Protection Loss**. FP-B. The applicable Deductible stated in Item 4. of the Declarations for Clause I.G. applies separately to each **Security Breach**. The applicable Deductible for Clause I.G. shall be the greater of the **Business Interruption Loss** amount set forth in Item 4 Clause I.G.1. of the Declarations or the amount of **Business Interruption Loss** during the **Waiting Period** stated in to Item 4 Clause I.G.2. of the Declarations. A **Waiting Period** applies to each **Period of Restoration**. The Deductible shall be satisfied by covered **Business Interruption Loss** retained by the **Insured Organization**.
- FP-C. The Deductible stated in Item 4. of the Declarations for Clause I.H. applies separately to each **Extortion Threat**. The Deductible applicable to each **Extortion Threat** shall be satisfied by monetary payments by the Named Insured of covered **Cyber Extortion Loss** pursuant to Item 4. Clause I.H. of the Declarations.
- FP-D. Satisfaction of the Deductible for Clause I.F., I.G. and I.H. is a condition precedent to the payment by the Underwriters of any **Loss** hereunder, and the Underwriters shall be liable only for the **Loss** in excess of the applicable Deductible subject to Underwriters' total liability not exceeding the Limits of Liability stated in Items 3 of the Declaration.
- FP-E. With respect to Clause I.F., I.G. and I.H., in the event there is coverage under more than one Coverage, the single highest Deductible between the Clauses shall apply.
11. For the purposes of this endorsement only, clause **XVI. MERGERS AND ACQUISITIONS** is amended by the addition of the following:
- FP-A. During the **Policy Period**, if the **Named Insured** or any **Subsidiary** acquires another entity whose annual revenues are more than ten percent (10%) of the **Named Insured's** total annual revenues as set forth in the most recent Application for insurance, then no **Insured** shall have coverage under this Policy for any **Data Protection Loss, Business Interruption Loss** or **Cyber Extortion Loss** sustained by the acquired entity or any person employed by the acquired entity unless the **Named Insured** gives the Underwriters written notice at least 30 days prior to the acquisition, obtains the written consent of Underwriters to extend coverage to such additional entities, assets or exposures, and agrees to pay any additional premium required by Underwriters.

12. Clause **XIX. SUBROGATION.** is hereby deleted and replaced with the following:

If any payment is made under this Policy and there is available to the Underwriters any of the **Insured's** rights of recovery against any other party, then the Underwriters shall have the right to maintain all such rights of recovery. The **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing to prejudice such rights. The **Insured** shall do nothing to prejudice such rights. Any recoveries, net of the expenses of the subrogation action, shall be applied first to the **Named Insured** for the applicable each claim deductible paid by the **Named Insured**, and loss from such claim not otherwise reimbursed to the **Named Insured** and second to **Damages, Claims Expenses and Loss** paid by the Underwriters.

If any payment is made under this Policy and there is available to the Underwriters any of the **Insured's** rights of recovery against any other party, then the Underwriters shall maintain all such rights of recovery. The **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing to prejudice such rights. Any recoveries shall be applied first to subrogation expenses, second to **Damages, Claims Expenses and Loss** paid by the Underwriters, and lastly to the Deductible. Any additional amounts recovered shall be paid to the **Named Insured**.

13. **ENDORSEMENT CONDITIONS.** For the purposes of this endorsement only, the following is added to the policy:

ENDORSEMENT CONDITIONS

FP-A. NOTICE OBLIGATIONS FOR CLAUSES I.F., I.G. AND I.H.

1. With respect to Clause I.F., before coverage will apply for **Data Protection Loss** sustained by the **Insured Organization** as a direct result of alteration, corruption, destruction, deletion or damage to or inability to access a **Data Asset** first occurring during the **Policy Period**, the **Insured** must forward written notice by express mail or telecopy to Underwriters through persons named in Item 7. of the Declarations immediately upon discovery of alteration, corruption, destruction, deletion or damage to or inability to access a **Data Asset** to which this Insurance applies; provided that all covered **Data Protection Loss** must be discovered and reported (in accordance with ENDORSEMENT CONDITIONS FP-B., Proof of Loss) to Underwriters no later than six months after the end of the **Policy Period**.
2. With respect to Clause I.G., before coverage will apply for **Business Interruption Loss** as a direct result of the actual and necessary interruption or suspension of **Computer Systems** that first occurs during the **Policy Period**, the **Insured** shall forward immediately to Underwriters through persons named in Item 7. of the Declarations, written notice of the interruption or suspension of **Computer Systems** to which this Insurance applies in the form of a telecopy or express mail. Such notice must be provided during the **Policy Period**, or no later than 10 days after the end of the **Policy Period** for interruptions or suspensions occurring within 10 days of the end of the **Policy Period**; provided, all covered **Business Interruption Loss** must be reported to Underwriters (in accordance with ENDORSEMENT CONDITIONS FP-B., Proof of Loss) no later than six months after the end of the **Policy Period**
3. With respect to Clause I.H., before coverage will apply for **Cyber Extortion Loss** in the event of an **Extortion Threat** to which this endorsement applies, the **Insured Organization** shall notify Underwriters by contacting the persons specified in Item 7. of the Declarations by telephone immediately upon receipt of any **Extortion Threat**, and shall thereafter also provide written notice by telecopy or express mail within five (5) days following the **Extortion Threat**.

4. With respect to Clauses I.F and I.G, before coverage will apply, the **Named Insured** must:
 - a. complete and sign a written, detailed and sworn proof of loss within ninety (90) days (unless such period has been extended by Underwriter's written consent) after the **Insured Organization** sustains a **Data Protection Loss** or **Business Interruption Loss** (as applicable). Such proof of loss shall include a full description of such **Data Protection Loss** or **Business Interruption Loss** and the circumstances surrounding such **Data Protection Loss** or **Business Interruption Loss**, including, the time, place and cause of the **Data Protection Loss** or **Business Interruption Loss**, a detailed calculation of any **Data Protection Loss** or **Business Interruption Loss**, the **Insured Organization's** interest and the interest of all others in the property, the sound value thereof and the amount of **Data Protection Loss** or **Business Interruption Loss** or damage thereto and all other insurance thereon. Proof of loss shall also include the underlying documents and materials of whatever media that reasonably relates to or forms a part of the basis of the claim for such **Data Protection Loss** or **Business Interruption Loss**; and
 - b. upon Underwriters' request, submit to an examination under oath.

The costs and expenses of establishing or proving **Data Protection Loss**, **Business Interruption Loss** or **Cyber Extortion Loss** for this policy, including without limitation those connected with preparing a proof of loss, shall be the **Insured's** obligation, and are not covered under this policy.
5. If the **Insured** shall make or report any **Loss** under this Policy knowing such **Loss** to be false or fraudulent, as regards amounts or otherwise, this Policy shall be come null and void and all coverage hereunder shall be forfeited.

FP-B. PROOF OF LOSS

1. **Proof of Loss:** With respect to Clauses I.F. and I.G., before coverage will apply, the **Named Insured** must:
 - a. prepare and submit to the persons named in Item 7. of the Declarations a written and detailed proof of loss sworn by an officer of the **Named Insured** within ninety (90) days, or within the time limits set forth in Terms and Conditions A, Notice of Loss, if shorter, (unless such period has been extended by Underwriter's written consent) after the **Insured** discovers a **Data Protection Loss** or the **Insured Organization** sustains a **Business Interruption Loss** (as applicable). Such proof of loss shall include a narrative with full particulars of such **Data Protection Loss** or **Business Interruption Loss**, including, the time, place and cause of the **Data Protection Loss** or **Business Interruption Loss**, a detailed calculation of any **Data Protection Loss** or **Business Interruption Loss**, the **Insured Organization's** interest and the interest of all others in the property, the sound value thereof and the amount of **Data Protection Loss** or **Business Interruption Loss** or damage thereto and all other insurance thereon.
 - b. upon Underwriters' request, submit to an examination under oath and provide copies of the underlying documents, data and materials that reasonably relate to or are part of the basis of the claim for such **Data Protection Loss** or **Business Interruption Loss**.
 - c. The costs and expenses of preparing and submitting a proof of loss, and establishing or proving **Data Protection Loss**, **Business Interruption Loss** or any other **Loss** under this Policy shall be the **Insured's** obligation, and are not covered under this Policy.

FP-C. INSPECTION RIGHTS

The **Insured** shall make available to the Underwriters at all reasonable times, and the Underwriters through their designated representatives shall have the right to inspect and copy at their own expense, during the period of this insurance and thereafter, all books, papers and other records of the insured and its agents or brokers in connection with this policy or the subject matter hereof, or to make inspections or surveys. Underwriters' right to make inspections or surveys or the making of them do not constitute an undertaking on behalf or for the benefit of any **Insured**, third party or the public to determine or warrant that any property is safe, nor a determination or warrant concerning the effectiveness of any security applicable to **Computer Systems**.

FP-D. **OBLIGATIONS OF THE INSURED IN THE EVENT OF AN EXTORTION THREAT**

1 **Insured's Duty of Confidentiality**

The **Insured** shall use its best efforts at all times to ensure that knowledge regarding the existence of the **Cyber Extortion Loss Coverage** afforded by this Policy is restricted as far as possible. Underwriters may cancel this Policy upon ten (10) days written notice to the **Named Insured** if the existence of the **Cyber Extortion Loss Coverage** provided by this Policy becomes public knowledge or is revealed to a person making an **Extortion Threat** through no fault of Underwriters.

2. **Insured Organization's Obligation to Investigate Extortion Threat and Avoid or Limit Extortion Payment**

Prior to the payment of any **Extortion Payment**, the **Insured Organization** shall make every reasonable effort to determine that the **Extortion Threat** is not a hoax, or otherwise not credible. The **Insured Organization** shall take all steps reasonable and practical to avoid or limit the payment of an **Extortion Payment**.

3. **Named Insured's Obligation to Demonstrate Duress**

As a condition to payment of any **Extortion Payment** under the terms of this Policy, the **Insured Organization** must be able to demonstrate that such **Extortion Payment** was surrendered under duress.

4. **Notification of Police**

The **Insured Organization** shall allow Underwriters or their representative to notify the police or other responsible law enforcement authorities of any **Extortion Threat**.

NS-E. **RECOVERED PROPERTY**

If the **Insured** or Underwriters recover any property, money or **Data Assets** after a loss payment is made, the party making the recovery must give prompt notice of the recovery to the other party. If the recovered property is money or other funds, the recovery shall be applied first to any costs incurred by Underwriters in recovering the property, second to loss payments made by Underwriters, and third to any Deductible payment made by the **Named Insured**. If property other than money or funds is recovered, then the **Named Insured** may keep the recovered property and return the loss payment, plus the any costs of recovery incurred by Underwriters, or keep the loss payment less the costs of recovery incurred by Underwriters and transfer all rights in the property to Underwriters.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

AMEND DEFINITION OF COMPUTER SYSTEM – PHYSICAL CONTROL

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause VI. Definitions G.1. is deleted and replaced with the following:

1. operated by or under physical control of the **Insured Organization**; or

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

ADD ADDITIONAL INSURED FOR VICARIOUS LIABILITY

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. Clause **III. THE INSURED AND THE INSURED ORGANIZATION** is amended by the addition of the following paragraph:

G. An **Additional Insured**, but only as respects the vicarious liability of such person or entity for negligent acts, errors or omissions of the **Insured Organization** otherwise covered by this Insurance

2. Clause **VI. DEFINITIONS** is amended by the addition of the following paragraph:

Additional Insured means:

1. any natural person or entity that the **Insured Organization** has expressly agreed in writing to add as an **Additional Insured** under this policy prior to the commission of any act for which such person or entity would be provided coverage for under this Policy, but only to the extent the **Insured Organization** would have been liable and coverage would have been afforded under the terms and conditions of this Policy had such **Claim** been made against the **Insured Organization**; and

2. any other person or entity added an **Additional Insured** by endorsement to this Policy.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

COST OF TRANSLATION EXCLUSION

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause VI. Definitions F. “**Claims Expenses**” and Clause VI. Definitions H. “**Damages**” shall not include any costs associated with translating any document or other media.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

FIRST PARTY COMPUTER SECURITY INSURANCE COVERAGE ENDORSEMENT - ARKANSAS

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for this Policy, it is hereby understood and agreed that solely for the purposes of this endorsement:

1. Declarations Item 3. **LIMIT OF LIABILITY** deleted in its entirety and replaced with the following:
 - (a) <Spc_Each_Claim> Each **Claim** - includes **Claims Expenses**.
 - (b) <Spc_AggregateLimit> Aggregate for the **Policy Period** for all **Damages, Claims Expenses and Loss**.
 - (c) Spc_AggregateLimit2Aggregate for the **Policy Period** for all **Damages and Claims Expenses**.
 - (d) Spc_AggregateLimit3 Aggregate for the **Policy Period** for all **Loss**, subject to the following sublimits with respect to **Business Interruption Loss**:
 1. an hourly sublimit of \$ [INSERT AMOUNT] for **Income Loss**;
 2. an aggregate sublimit for the **Policy Period** of \$100,000 for **Business Interruption Loss** arising out of **Computer Systems** operated by a **Dependent Business** for the **Insured Organization**; and
 3. an aggregate sublimit for the **Policy Period** of \$100,000 for all **Forensic Expenses**.
2. Declarations Item 4. **DEDUCTIBLE**, is amended by the addition of the following:

Coverage V: <Spc_Security_Breach> each **Security Breach**

Coverage VI: As calculated pursuant to paragraph 12.FP-B. below, each **Security Breach**.

 1. **Income Loss** amount of <Spc_Income_Loss>
 2. The dollar amount of **Income Loss** during the [INSERT # of HOURS] hour **Waiting Period**.

Coverage VII: <Spc_Extortion Threat> each **Extortion Threat**

3. Clause I. **INSURING AGREEMENTS** is amended by the addition of the following:
- E. **Coverage V: First Party Data Protection Coverage**
- To indemnify the **Named Insured** for:
- Data Protection Loss**, in excess of the Deductible, incurred by the **Insured Organization** as a direct result of:
1. alteration, corruption, destruction, deletion or damage to a **Data Asset**, or
 2. inability to access a **Data Asset**,
- that first takes place during the **Policy Period** and is directly caused by a failure of **Computer Security** to prevent a **Security Breach**; provided that such **Security Breach** must take place on or after the Retroactive Date set forth in Item 6. of the Declarations and before then end of the **Policy Period**.
- F. **Coverage VI: First Party Network Business Interruption Coverage**
- To indemnify the **Named Insured** for:
- Business Interruption Loss**, in excess of the applicable Deductible, incurred by the **Insured Organization** during the **Period of Restoration** or the **Extended Interruption Period** (if applicable) as a direct result of the actual and necessary interruption or suspension of **Computer Systems** that first takes place during the **Policy Period** and is directly caused by a failure of **Computer Security** to prevent a **Security Breach**; provided that such **Security Breach** must first take place on or after the Retroactive Date set forth in Item 6. of the Declarations and before the end of the **Policy Period**.
- G. **Coverage VII: Cyber Extortion Loss Coverage**
- To indemnify the **Named Insured** for:
- Cyber Extortion Loss**, in excess of the Deductible, incurred by the **Insured Organization** as a direct result of an **Extortion Threat** first made against the **Insured Organization** during the **Policy Period** by a person, other than the **Insured Organization's** employees, directors, officers, principals, trustees, governors, members, management committee members, members of the management board, partners, contractors, outsourcers, or any person in collusion with any of the foregoing. Coverage under this Insuring Agreement is subject to the applicable conditions and reporting requirements, including those set forth in the ENDORSEMENT CONDITIONS clause of this endorsement, paragraph FP-D., OBLIGATIONS IN THE EVENT OF AN EXTORTION THREAT.
4. For the purposes of this endorsement only, clause **VI. DEFINITIONS** F. is deleted in its entirety and replaced with the following:
- F. **Computer Systems** means computers and associated input and output devices, data storage devices, networking equipment, and back up facilities:
1. operated by and either owned by or leased to the **Insured Organization**;
 2. With respect to Coverages I through IV only, operated by a third party service provider and used for the purpose of providing hosted computer application services to the **Insured Organization** or for processing, maintaining, hosting or storing the **Insured Organization's** electronic data, pursuant to written contract with the **Insured Organization** for such services; and
 3. with respect to Coverage VI. (Business Interruption) only, operated by a **Dependent Business**, provided such coverage is subject to the sublimit of liability set forth in Item 3.(d) 2 of the Declarations.
5. Wherever used in this endorsement in bold face type and for the purposes of this endorsement only, the following definitions apply:

FP-A. **“Business Interruption Loss”** means the total of:

1. **Income Loss** and **Extra Expense** during the **Period of Restoration**; and
2. **Extended Income Loss** if the **Income Loss** during the **Period of Restoration** is in excess of the applicable Deductible.

Provided that **Business Interruption Loss** shall not mean and Coverage VI. (First Party Network Business Interruption) shall not cover any of the following: **Loss** arising out of any liability to any third party for whatever reason; legal costs or legal expenses of any type; **Loss** incurred as a result of unfavorable business conditions, loss of market or any other consequential loss; or costs or expenses the **Insured Organization** incurs to identify and remove software program errors or vulnerabilities.

All **Business Interruption Loss** resulting from multiple covered interruptions or suspensions of **Computer Systems** that arise out of the same or a continuing **Security Breach**, from related or repeated **Security Breaches**, or from multiple **Security Breaches** resulting from a failure of **Computer Security** shall be deemed to be a single **Business Interruption Loss**; provided, however, that a separate **Waiting Period** shall apply to each **Period of Restoration**.

FP-B. **“Cyber Extortion Loss”** means:

1. any **Extortion Payment** that has been made under duress by or on behalf of the **Insured Organization** with Underwriters’ prior written consent, but solely to prevent or terminate an **Extortion Threat**;
2. an otherwise covered **Extortion Payment** that is lost in transit by actual destruction, disappearance or wrongful abstraction while being conveyed by any person authorized by or on behalf of the **Insured Organization** to make such conveyance; and
3. fees and expenses paid by or on behalf of the **Insured Organization** for security consultants retained with Underwriter’s prior written approval, but solely to prevent or terminate an **Extortion Threat**;

provided, that **Cyber Extortion Loss** shall not exceed the covered **Loss, Damages** and **Claims Expenses** that the **Insured Organization** would have incurred had the **Extortion Payment** not been paid.

FP-C. **“Computer Security”** means software or computer or network hardware devices, the function or purpose of which is to prevent **Unauthorized Access**, a denial of service attack against **Computer Systems**, infection of **Computer Systems** by **Malicious Code** or transmission of **Malicious Code** from **Computer Systems**. **Computer Security** includes anti-virus and intrusion detection software, firewalls and electronic systems that provide access control to **Computer Systems** through the use of passwords, biometric or similar identification of authorized users.

FP-D. **“Data Asset”** means any software or electronic data that exists in **Computer Systems** and that is subject to regular back up procedures, including computer programs, applications, account information, customer information, private or personal information, marketing information, financial information and any other information necessary for use in the **Insured Organization’s** ordinary course of business.

FP-E. **“Data Protection Loss”** means:

1. with respect to any **Data Asset** that is altered, corrupted, destroyed, deleted or damaged the actual, reasonable and necessary costs and expenses incurred by the **Insured Organization** to restore a **Data Asset** from back-ups or from originals or to gather, assemble and recollect such **Data Asset** from other sources to the level or condition in which it existed immediately prior to its alteration, corruption, destruction, deletion or damage; or
2. with respect to any **Data Asset** that the **Insured Organization** is unable to access, the lesser of the actual, reasonable and necessary costs and expenses incurred by the **Insured Organization** to:
 - a. regain access to such **Data Asset**; or
 - b. restore such **Data Asset** from back-ups or originals or gather, assemble and recollect such **Data Asset** from other sources, to the level or condition in which it existed immediately prior to the **Insured Organization’s** inability to access it;

Provided that if such **Data Asset** cannot reasonably be accessed, restored, gathered, assembled or recollect, then **Data Protection Loss** means the actual, reasonable and necessary costs and expenses incurred by the **Insured Organization** to reach this determination.

Provided further that **Data Protection Loss** shall not exceed, and shall not mean any amount in excess of, the amount by which the net profit before income taxes of the **Insured Organization** would have decreased had the **Insured Organization** failed to restore, gather, assemble or recollect as set forth in sub-paragraphs FP-E.1. and FP-E.2. above.

A **Data Protection Loss** will be deemed to occur at the time such alteration, corruption, destruction, deletion or damage to or inability to access a **Data Asset** is first discovered by the **Insured**. All **Data Protection Loss** that arises out of the same or a continuing **Security Breach**, from related or repeated **Security Breaches**, or from multiple **Security Breaches** resulting from a failure of **Computer Security** shall be deemed to be a single **Data Protection Loss**.

Data Protection Loss shall not mean, and there shall be no coverage under Coverage V. (First Party Data Protection Loss) for: 1. costs or expenses incurred by the **Insured Organization** to identify or remediate software program errors or vulnerabilities or update, replace, restore, gather, assemble, reproduce, recollect or enhance a **Data Asset** or **Computer Systems** to a level beyond that which existed prior to the alteration, corruption, destruction, deletion or damage of such **Data Asset**; 2. costs or expenses to research or develop any **Data Asset**, including but not limited to trade secrets or other proprietary information; 3. the monetary value of profits, royalties, or lost market share related to a **Data Asset**, including but not limited to trade secrets or other proprietary information or any other amount pertaining to the value of the **Data Asset**; 5. loss arising out of any liability to third party for whatever reason; or 6. legal costs or legal expenses of any type.

FP-F. **Dependent Business** means any a third party service provider that provides hosted computer application services to the **Insured Organization** or processes, maintains, hosts or stores the **Insured Organization’s** electronic data, pursuant to written contract with the **Insured Organization** for such services.

FP-G. **“Extended Income Loss”** means the **Income Loss** during the **Extended Interruption Period**.

FP-H. **“Extended Interruption Period”** means the period of time that:

1. begins on the date and time that the **Period of Restoration** ends; and
2. terminates on the date and time the **Insured** restores, or would have restored if the **Insured** had exercised due diligence and dispatch, the net profit before income taxes that would have been earned by the **Insured** directly through its business operations had the actual and necessary interruption or suspension of **Computer Systems** not occurred;

provided that in no event shall the **Extended Interruption Period** mean more than or exceed thirty (30) days.

FP-I. **“Extortion Payment”** means cash, marketable goods or services demanded to prevent or terminate an **Extortion Threat**.

FP-J. **“Extortion Threat”** means a threat to breach **Computer Security** in order to:

1. alter, destroy, damage, delete or corrupt any **Data Asset**;
2. prevent access to **Computer Systems** or a **Data Asset**, including a denial of service attack or encrypting a **Data Asset** and withholding the decryption key for such **Data Asset**;
3. perpetrate a **Theft of Data** through external access;
4. introduce **Malicious Code** into **Computer Systems** or to third party computers and systems from **Computer Systems**; or
5. interrupt or suspend **Computer Systems**;

unless an **Extortion Payment** is received from or on behalf of the **Insured Organization**.

Multiple related or continuing **Extortion Threats** shall be considered a single **Extortion Threat** for purposes of this Policy and shall be deemed to have occurred at the time of the first such **Extortion Threat**.

FP-K. **“Extra Expense”** means:

1. reasonable and necessary expenses that are incurred by the **Insured Organization** during the **Period of Restoration** to minimize, reduce or avoid an **Income Loss**, provided:
 - a. that such expenses are over and above those the **Insured Organization** would have incurred had no interruption or suspension of the **Computer Systems** occurred; and
 - b. do not exceed the amount by which the **Income Loss** covered under this Policy is thereby reduced; and
2. **Forensic Expenses**, subject to the sublimit set forth in clause VII. LIMIT OF LIABILITY;

provided that **Extra Expense** shall not mean, and there shall be no coverage under Coverage VI. (First Party Network Business Interruption) for expenses incurred by the **Insured** to update, upgrade, enhance or replace **Computer Systems** to a level beyond that which existed prior to the actual and necessary interruption or suspension of **Computer Systems**; or the costs and expenses incurred by the **Insured Organization** to restore, reproduce, or regain access to any **Data Asset** that was altered, corrupted,

destroyed, deleted, damaged or rendered inaccessible as a result of the failure of **Computer Security** to prevent a **Security Breach**.

FP-L. "**Forensic expenses**" mean those additional expenses incurred by the **Insured Organization** to investigate the source or cause of the failure of **Computer Security** to prevent a **Security Breach**.

FP-M. "**Income Loss**" means:

1. the net profit before income taxes that the **Insured Organization** is prevented from earning through its business operations or the net loss before income taxes that the **Insured Organization** is unable to avoid through its business operations as a direct result of the actual and necessary interruption or suspension of **Computer Systems**; and
2. fixed operating expenses incurred by the **Insured Organization** (including payroll), but only to the extent that a. such operating expenses must necessarily continue during the **Period of Restoration** (or **Extended Interruption Period**, if applicable); and b. such expenses would have been incurred by the **Insured Organization** had such interruption or suspension not occurred.

Income Loss shall be reduced to the extent the **Insured** or **Dependent Business** (if applicable) is able, with reasonable dispatch and due diligence, to reduce or limit such interruption or suspension of **Computer Systems** or conduct its business operations by other means.

In determining **Income Loss**, due consideration shall be given to the prior experience of the **Insured Organization's** business operations before the beginning of the **Period of Restoration** and to the probable business operations the **Insured Organization** could have performed had no actual and necessary interruption or suspension occurred as result of a failure of **Computer Security** to prevent a **Security Breach**.

Income Loss will be calculated on an hourly basis based on the **Insured Organization's** net profit (or loss) and fixed operating expenses.

FP-N. "**Loss**" means **Cyber Extortion Loss, Data Protection Loss** and **Business Interruption Loss**.

FP-O. "**Period of Restoration**" means the time period that:

1. begins on the specific date and time that the actual and necessary interruption or suspension of **Computer Systems** first occurred; and
2. ends on the specific date and time that the actual and necessary interruption or suspension of **Computer Systems** ends, or would have ended had the **Insured** or **Dependent Business** (if applicable) acted with due diligence and dispatch;

provided that in no event shall the **Period of Restoration** mean more than or exceed thirty (30) days; and

provided further that restoration of **Computer Systems** will not end the **Period of Restoration** if such systems are actually and necessarily interrupted or suspended again within one hour of such restoration due to the same cause as the original interruption or suspension.

FP-P. "**Security Breach**" means **Unauthorized Access** of **Computer Systems**, a denial of service attack against **Computer Systems**, infection of **Computer Systems** by **Malicious Code** or transmission of **Malicious Code** from **Computer Systems**, whether any of the foregoing is specifically targeted attack or a generally distributed attack. A series of continuing **Security Breaches**, related or repeated **Security Breaches**, or multiple **Security Breaches** resulting from a failure of **Computer Security** shall be

considered a single **Security Breach** and be deemed to have occurred at the time of the first such **Security Breach**.

FP-Q. "**Waiting period**" means the period of time beginning when the **Period of Restoration** begins and expiring after the elapse of the number of hours set forth in Item 4. Coverage VI.2. of the Declarations. A **Waiting Period** shall apply to each **Period of Recovery**.

6. For the purposes of this endorsement only Clause **V. EXCLUSIONS** A., K. and L. are not applicable.

7. For the purposes of this endorsement only, the lead-in language of Clause **V. EXCLUSIONS**, is hereby deleted in its entirety and replaced with the following:

The coverage under this Insurance does not apply to any **Damages** or **Claims Expenses** in connection with or resulting from any **Claim**, failure of **Computer Security** to prevent a **Security Breach, Extortion Threat** or **Loss**:

8. For the purposes of this endorsement only, the following exclusions are added to Clause **V. EXCLUSIONS**:

The coverage under this endorsement does not apply to any failure of **Computer Security** to prevent a **Security Breach, Extortion Threat** or **Loss**:

FP-A. Arising out of or resulting from any criminal, dishonest, fraudulent, or malicious act, error or omission, or any **Security Breach, Extortion Threat**, or intentional or knowing violation of the law, if committed by any of the **Insured Organization's** directors, principals, officers, partners, or trustees or any person in participation or collusion with any of the **Insured Organization's** principals, directors, officers, partners, or trustees;

FP-B. Arising out of or resulting from any seizure, nationalization, confiscation, or destruction of **Computer Systems** or **Data Assets** by order of any governmental or public authority;

FP-C. Arising out of or resulting from any act, error, omission, failure of **Computer Security** or **Security Breach** committed or occurring prior to the inception date of this Policy:

1. if any **Insured** on or before the inception date knew or could have reasonably foreseen that such act, error or omission, failure of **Computer Security**, or **Security Breach** might be expected to be the basis of **Loss** or an **Extortion Threat**; or
2. in respect of which any **Insured** has given notice of a circumstance which might lead to an **Extortion Threat** or **Loss** to the insurer of any other policy in force prior to the inception date of this Policy;

FP-D. Arising out of any related or continuing acts, errors, omissions, **Extortion Threats**, or **Security Breaches**, where the first such act, error, omission or failure or breach was committed or occurred prior to the Retroactive Date set forth in Item 6. of the Declarations;

FP-E. Arising out of or resulting from:

1. any failure or malfunction of electrical or telecommunications infrastructure or services, provided that this exclusion shall not apply to any otherwise covered **Claim** or **Loss** arising out of failure of **Computer Security** to prevent a **Security Breach** that was solely caused by a failure or malfunction of telecommunications infrastructure or services under the **Insured Organization's** direct operational control;
2. fire, flood, earthquake, volcanic eruption, explosion, lighting, wind, hail, tidal wave, landslide, act of God or other physical event; or
3. any satellite failures;

FP-F. Arising out of or resulting from:

1. the failure of **Computer Systems** or **Data Assets** to be protected by **Computer Security** and security practices and procedures equal to or superior to those disclosed in response to questions in the Application for Insurance relating to **Computer Security**, including access protection, intrusion detection, data back up procedures, **Malicious Code** protection, software product updates and releases, patch protection, and data encryption; or
 2. the failure to use best efforts to install commercially available software product updates and releases, or to apply commercially available security related software patches, to computers and other components of the **Insured Organization's Computer Systems**;
- FP-G. Arising out of or resulting from any trading losses or trading liabilities; monetary value of any electronic fund transfers or transactions by or on behalf of the **Insured** which is lost, diminished, or damaged during transfer from, into or between accounts; or the value of coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount;
- FP-H For purposes of Coverage VII (Cyber Extortion Loss Coverage), the coverage under this endorsement does not apply to **Cyber Extortion Loss** arising out of or resulting from:
1. any threat to physically harm or kidnap any person; or
 2. any threat to harm, take, or transfer property other than any **Data Asset**, even if such threat is made in conjunction with a threat to a **Data Asset** or by carrying out such a threat harm, theft, or transfer property, a **Data Asset** may be damaged, corrupted, altered, taken, disseminated or transferred;
9. The second paragraph of Clause **VII. LIMIT OF LIABILITY** is hereby deleted and replaced with the following:
- The "Aggregate for the **Policy Period** for all **Damages, Claims Expenses and Loss**" stated in Item 3.(b) of the Declarations is Underwriters' combined total Limit of Liability for all covered **Damages and Claims Expenses** under Coverages I, II, III, and IV, together with all covered **Loss** under Coverages V, VI and VII. The inclusion of more than one **Insured** under this Policy, the making of **Claims** or incurring **Loss** by more than one person or entity shall increase the Limit of Liability.
10. For the purposes of this endorsement only, Clause **VII. LIMIT OF LIABILITY** is amended by the addition of the following:
- FP-A. The "Aggregate for the **Policy Period** for all **Damages and Claims Expenses**" stated in Item 3.(c) of the Declarations is Underwriters' combined total Limit of Liability for all covered **Claim Expenses and Damages** arising out of all **Claims** or circumstances which might lead to a **Claim** which are covered under the terms and conditions of this Policy, and neither the inclusion of more than one **Insured** under this Policy, nor the making of **Claims** by more than one person or entity shall increase the Limit of Liability. The Limit of Liability set forth in Item 3.(c) is subject to, and not in addition to, the Limit of Liability set forth in Item 3.(b) of the Declarations.
- FP-B. The "Aggregate for the **Policy Period** for all **Loss**" stated in Item 3.(d) of the Declarations is Underwriters' combined total Limit of Liability for all covered **Loss** under Coverages V, VI and VII. The Limit of Liability set forth in Item 3.(d) is subject to, and not in addition to, the Limit of Liability set forth in Item 3.(b) of the Declarations.
- FP-C. The Limit of Liability stated in Item 3(d)1. of the Declarations is the limit of Underwriters' liability for all covered **Income Loss** per hour under Coverage VI.
- FP-D. The Limit of Liability stated in Item 3(d)2. of the Declarations is the limit of Underwriters' liability for the **Policy Period** for all covered **Business Interruption Loss** arising out **Computer Systems** operated by a **Dependent Business** for the **Insured Organization** under Coverage VI.

- FP-E. The Limit of Liability stated in Item 3(d)3. of the Declarations is the limit of Underwriters' liability for the **Policy Period** for all **Forensic Expenses** under Coverage VI.
- FP-F. The Limits of Liability set forth in clause **VII. LIMIT OF LIABILITY** FP-C., FP-D. and FP-E are subject to, and not in addition to the Limit of Liability in Items 3(b) and 3(d) of the Declarations.
11. For the purposes of this endorsement only, clause **VIII. DEDUCTIBLE** is amended by the addition of the following:
- FP-A. The Deductible stated in Item 4. of the Declarations for Coverage V applies separately to each **Security Breach**. The Deductible applicable to each **Security Breach** shall be satisfied by monetary payments by the Named Insured of covered **Data Protection Loss**.
- FP-B. The applicable Deductible for Coverage VI. applies separately to each **Security Breach**. The Deductible shall be satisfied by covered **Business Interruption Loss** retained by the **Insured Organization**. The Deductible for Coverage VI shall be as follows:
1. with respect to covered **Income Loss**, the Deductible shall be the greater of:
 - a. the **Loss** amount set forth in Item 4. of the Declarations, less the amount of any payments within the Deductible for covered **Loss** under Coverage V made in accordance with Section 11. FP-A. or;
 - b. the amount of **Income Loss** during the **Waiting Period**; and
 2. with respect to **Extra Expense**, the Deductible shall be \$50,000, provided that the Deductible for **Extra Expense** shall be reduced on a dollar-for-dollar basis (up to \$50,000) by the amount of covered **Income Loss** in excess of the applicable **Income Loss** Deductible.
- FP-C. The Deductible stated in Item 4. of the Declarations for Coverage VII applies separately to each **Extortion Threat**. The Deductible applicable to each **Extortion Threat** shall be satisfied by monetary payments by the Named Insured of covered **Cyber Extortion Loss** pursuant to Item 4, Coverage VII of the Declarations.
- FP-D. Satisfaction of the Deductible for Coverages V, VI and VII is a condition precedent to the payment by the Underwriters of any **Loss** hereunder, and the Underwriters shall be liable only for the **Loss** in excess of the applicable Deductible subject to Underwriters' total liability not exceeding the Limits of Liability stated in Items 3 of the Declaration.
- FP-E. With respect to Coverages V, VI and VII, in the event there is coverage under more than one Coverage, the single highest Deductible between the Coverages shall apply.
12. For the purposes of this endorsement only, clause **XVI. MERGERS AND ACQUISITIONS** is amended by the addition of the following:
- FP-A. During the **Policy Period**, if the Named Insured or any **Subsidiary** acquires another entity whose annual revenues are more than ten percent (10%) of the Named Insured's total annual revenues as set forth in the most recent Application for insurance, then no **Insured** shall have coverage under this Policy for any **Data Protection Loss, Business Interruption Loss** or **Cyber Extortion Loss** sustained by the acquired entity or any person employed by the acquired entity unless the Named Insured gives the Underwriters written notice at least 30 days prior to the acquisition, obtains the written consent of Underwriters to extend coverage to such additional entities, assets or exposures, and agrees to pay any additional premium required by Underwriters.
13. Clause **XIX. SUBROGATION**. is hereby deleted and replaced with the following:

In the event of any payment under this Insurance, the Underwriters shall be subrogated to all the **Insureds'** rights of recovery therefore against any person or organization, and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing to prejudice such rights. Any recoveries shall be applied first to subrogation expenses, second to **Damages, Claims Expenses** and **Loss** paid by Underwriters, and third to the Deductible. Any additional amounts recovered shall be paid to the Named Insured.

14. Clause **XV. CANCELLATION** is amended with the addition of the following:
 - C. If the Underwriters cancel this Insurance prior to any **Claim** or **Loss** being reported under this Policy, earned premium shall be computed pro rata.
 - D. The premium shall be deemed fully earned if any **Claim** or **Loss** under this Policy is reported to Underwriters on or before the date of cancellation.
15. **ENDORSEMENT CONDITIONS.** For the purposes of this endorsement only, the following is added to the policy:

ENDORSEMENT CONDITIONS

FP-A. NOTICE OBLIGATIONS FOR COVERAGES V, VI and VII.

1. With respect to Coverage V, the **Insured** must forward written notice by express mail or telecopy to Underwriters through persons named in Item 7. of the Declarations immediately upon discovery of alteration, corruption, destruction, deletion or damage to or inability to access a **Data Asset** to which this Insurance applies; provided that all covered **Data Protection Loss** must be discovered and reported (in accordance with ENDORSEMENT CONDITIONS FP-B., Proof of Loss) to Underwriters no later than six months after the end of the **Policy Period**.
2. With respect to Coverage VI, written notice of the interruption or suspension of **Computer Systems** to which this Insurance applies in the form of a telecopy or express mail. Such notice must be provided during the **Policy Period**, or no later than 10 days after the end of the **Policy Period** for interruptions or suspensions occurring within 10 days of the end of the **Policy Period**; provided, all covered **Business Interruption Loss** must be reported to Underwriters (in accordance with ENDORSEMENT CONDITIONS FP-B., Proof of Loss) no later than six months after the end of the **Policy Period**.
3. With respect to Coverage VII, in the event of an **Extortion Threat** to which this endorsement applies, the **Insured Organization** shall notify Underwriters by contacting the persons specified in Item 7. of the Declarations by telephone immediately upon receipt of any **Extortion Threat**, and shall thereafter also provide written notice by telecopy or express mail within five (5) days following the **Extortion Threat**.
4. If the **Insured** shall make or report any **Loss** under this Policy knowing such **Loss** to be false or fraudulent, as regards amounts or otherwise, this Policy shall be come null and void and all coverage hereunder shall be forfeited.

FP-B. PROOF OF LOSS

1. **Proof of Loss:** With respect to Coverages V and VI, before coverage will apply, the **Named Insured** must:

- a. prepare and submit to the persons named in Item 7. of the Declarations a written and detailed proof of loss sworn by an officer of the **Named Insured** within ninety (90) days, or within the time limits set forth in Terms and Conditions A, Notice of Loss, if shorter, (unless such period has been extended by Underwriter's written consent) after the **Insured** discovers a **Data Protection Loss** or the **Insured Organization** sustains a **Business Interruption Loss** (as applicable). Such proof of loss shall include a narrative with full particulars of such **Data Protection Loss** or **Business Interruption Loss**, including, the time, place and cause of the **Data Protection Loss** or **Business Interruption Loss**, a detailed calculation of any **Data Protection Loss** or **Business Interruption Loss**, the **Insured Organization's** interest and the interest of all others in the property, the sound value thereof and the amount of **Data Protection Loss** or **Business Interruption Loss** or damage thereto and all other insurance thereon;
- b. upon Underwriters' request, submit to an examination under oath and provide copies of the underlying documents, data and materials that reasonably relate to or are part of the basis of the claim for such **Data Protection Loss** or **Business Interruption Loss**; and
- c. the costs and expenses of preparing and submitting a proof of loss, and establishing or proving **Data Protection Loss**, **Business Interruption Loss** or any other **Loss** under this Policy shall be the **Insured's** obligation, and are not covered under this Policy.

FP-C. **INSPECTION RIGHTS**

The **Insured** shall make available to the Underwriters at all reasonable times, and the Underwriters through their designated representatives shall have the right to inspect and copy at their own expense, during the period of this insurance and thereafter, all books, papers and other records of the insured and its agents or brokers in connection with this policy or the subject matter hereof, or to make inspections or surveys. Underwriters right to make inspections or surveys or the making of them do not constitute an undertaking on behalf or for the benefit of any **Insured**, third party or the public to determine or warrant that any property is safe, nor a determination or warrant concerning the effectiveness of any security applicable to **Computer Systems**.

FP-D. **OBLIGATIONS OF THE INSURED IN THE EVENT OF AN EXTORTION THREAT**

1 **Insured's Duty of Confidentiality**

The **Insured** shall use its best efforts at all times to ensure that knowledge regarding the existence of the **Cyber Extortion Loss** Coverage afforded by this endorsement is restricted as far as possible. Underwriters may cancel this Policy upon ten (10) days written notice to the **Named Insured** if the existence of the **Cyber Extortion Loss Coverage** provided by this endorsement becomes public knowledge or is revealed to a person making an **Extortion Threat** through no fault of Underwriters.

2. **Insured Organization's Obligation to Investigate Extortion Threat and Avoid or Limit Extortion Payment**

Prior to the payment of any **Extortion Payment**, the **Insured Organization** shall make every reasonable effort to determine that the **Extortion Threat** is not a hoax, or otherwise not credible. The **Insured Organization** shall take all steps reasonable and practical to avoid or limit the payment of an **Extortion Payment**.

3. **Named Insured's Obligation to Demonstrate Duress**

As a condition to payment of any **Extortion Payment** under the terms of this Policy, the **Insured Organization** must be able to demonstrate that such **Extortion Payment** was surrendered under duress.

4. **Notification of Police**

The **Insured Organization** shall allow Underwriters or their representative to notify the police or other responsible law enforcement authorities of any **Extortion Threat**.

FP-E. **RECOVERED PROPERTY**

If the **Insured** or Underwriters recover any property, money or **Data Assets** after a loss payment is made, the party making the recovery must give prompt notice of the recovery to the other party. If the recovered property is money or other funds, the recovery shall be applied first to any costs incurred by Underwriters in recovering the property, second to loss payments made by Underwriters, and third to any Deductible payment made by the **Named Insured**. If property other than money or funds is recovered, then the **Named Insured** may keep the recovered property and return the loss payment, plus the any costs of recovery incurred by Underwriters, or keep the loss payment less the costs of recovery incurred by Underwriters and transfer all rights in the property to Underwriters.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

PRINTING EXCLUSION

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that the coverage under this Insurance does not apply to **Damages** or **Claims Expenses** in connection with or resulting from any **Claim** for, arising out of, or resulting from any printing services.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

SEPARATE RETROACTIVE DATE ENDORSEMENT FOR SCHEDULED ENTITY AND COVERAGE

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Item 6. of the Declarations is deleted and replaced with the following:

Item 6. Retroactive Date:

<u>Entity</u>	<u>Coverage</u>	<u>Retroactive Date</u>
<Entitie(s)>	<Coverage(s)>	<Retroactive Date(s)>

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

AMEND INSURED WITH SEPARATE RETROACTIVE DATE

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. Clause III. The Insured And The Insured Organization is amended to include **entitys**
2. Solely with respect to the entity scheduled in paragraph 1. above, Item 6. of the Declarations is deleted and replaced with the following:

Item 6. Retroactive Date: **<Date>**

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Endorse_Effective>
This Endorsement is attached to and forms a part of Policy Number: <Policy_Number>
<Insurer_Name> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

ADDITIONAL INSURED ENDORSEMENT AND SWEEPSTAKES CARVEBACK

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. Clause **III. THE INSURED AND THE INSURED ORGANIZATION** is amended by the addition of the following paragraph:
 - G. An **Additional Insured**, but only as respects the vicarious liability of such person or entity for acts, errors or omissions of the **Insured Organization** otherwise covered by this Insurance.
2. Clause **VI. DEFINITIONS** is amended by the addition of the following paragraph:

Additional Insured means <entity>.
3. Clause V. **EXCLUSIONS** G.4 is amended to provide as follows:
 4. any actual or alleged gambling, contest, lottery, promotional game or other game of chance, provided this exclusion shall not apply to any **Claim** alleging any act under Clause I. Insuring Clauses D.1. through D.8.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

ADD ADDITIONAL INSURED FOR VICARIOUS LIABILITY WITH AMENDED INSURED V. INSURED EXCLUSION

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. Clause **III. THE INSURED AND THE INSURED ORGANIZATION** is amended by the addition of the following paragraph:
 - G. An **Additional Insured**, but only as respects the vicarious liability of such person or entity for negligent acts, errors or omissions of the **Insured Organization** otherwise covered by this Insurance
2. Clause **VI. DEFINITIONS** is amended by the addition of the following paragraph:

Additional Insured means:

 1. any natural person or entity that the **Insured Organization** has expressly agreed in writing to add as an **Additional Insured** under this policy prior to the commission of any act for which such person or entity would be provided coverage for under this Policy, but only to the extent the **Insured Organization** would have been liable and coverage would have been afforded under the terms and conditions of this Policy had such **Claim** been made against the **Insured Organization**; and
 2. any other person or entity added an **Additional Insured** by endorsement to this Policy.
3. Clause **V. EXCLUSIONS R.** is deleted in its entirety and replaced with the following:
 - R. By or on behalf of one or more **Insureds** under this Insurance against any other **Insured** or **Insureds** under this Insurance; provided this exclusion shall not apply to any **Claim** by or on behalf of an **Additional Insured**;

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

AMEND ITEM 3. OF THE DECLARATIONS

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Item 3. of the Declarations is deleted and replaced with the following:

Item 3. Limit of Liability:

(a) \$Each Claim} Each **Claim** – includes **Claims Expenses**

(b) \${Aggregate } Aggregate for the **Policy Period** – includes **Claims Expenses**

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

DISCRETIONARY AUTHORITY EXCLUSION

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that the coverage under this Insurance does not apply to **Damages** or **Claims Expenses** in connection with or resulting from any **Claim** arising out of or resulting from any service where the **Insured** has been given any discretionary authority to make and/or implement decisions.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

**PRIVACY LIABILITY ENDORSEMENT INCLUDING
NOTIFICATION COSTS AND REGULATORY DEFENSE**

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for this Policy, it is hereby understood and agreed that solely for the purpose of this endorsement:

1) Item 3. of the **DECLARATIONS** is deleted in its entirety and replaced with the following:

3. LIMIT OF LIABILITY:

(a) <Per-Claim Limit> Each **Claim** - includes **Claims Expenses** - but sub-limited to:

<Per Claim Limit – Expenses Only> Each **Claim** - for **Claims Expenses** only - in the form of a regulatory proceeding which is covered under Insuring Clause C.2. (Privacy Liability), Subsections (a) or (b)

<Per Claim Limit – Privacy Violations> Each **Claim** for **Privacy Violations Cost** covered under Insuring Clause C.3

(b) <Aggregate Limit> Aggregate for the **Policy Period** - includes **Claims Expenses** - but sub-limited to:

<Aggregate – Expenses Only> Aggregate for the **Policy Period**, for **Claims Expenses** only, for all **Claims** in the form of regulatory proceedings which are covered under Insuring Clause C.2. (Privacy Liability), Subsections (a) or (b)

<Aggregate Limit – Privacy Violations> Aggregate for the **Policy Period** for all **Privacy Violation Costs** covered under Insuring Clause C.3.

The above sub-limits of liability are part of, and not in addition to, the overall limit of liability referred to above.

2) Item 4. of the **DECLARATIONS** is deleted in its entirety and replaced with the following:

4. DEDUCTIBLE:

(a) <Deductible> Each **Claim** deductible – includes **Claims Expenses** – other than **Claims** under Insuring Clause C.2. (Privacy Liability), Subsections (a) or (b) or Insuring Clause C.3. (Privacy Violation Costs);

(b) <Deductible – Expenses Only> Each **Claim** deductible -- for **Claims Expenses** only – in the form of a regulatory proceeding which is covered under Insuring Clause C.2. (Privacy Liability), Subsections (a) or (b)

(c) <Deductible – Privacy Violation Costs> Each **Claim** deductible – for all **Privacy Violation Costs** covered under Insuring Clause C.3.

2) Clause **I. INSURING CLAUSES** C. is deleted in its entirety and replaced with the following:

C. Computer Network Security and Privacy Coverage

1. Computer Network Security Coverage

To pay on behalf of the **Insured**:

Damages and **Claims Expenses**, in excess of the Deductible, which the **Insured** shall become legally obligated to pay because of any **Claim** first made against any **Insured** and reported to Underwriters during the **Policy Period** or **Optional Extension Period** (if applicable) arising out of any act, error or omission on or after the Retroactive Date set forth in Item 6. of the Declarations and before the end of the **Policy Period** in the course of providing or managing **Computer Systems** security by the **Insured** or by any person, including an independent contractor, for whose act, error or omission the **Insured Organization** is legally responsible that results in:

- (a) the inability of a third party, who is authorized to do so, to gain access to **Computer Systems** or your **Technology Based Services**;
- (b) the failure to prevent **Unauthorized Access** to **Computer Systems** that results in:
 - (1) the destruction, deletion or corruption of electronic data on **Computer Systems**;
 - (2) **Theft of Data** from **Computer Systems**; or
 - (3) denial of service attacks against Internet sites or computers; or
- (c) the failure to prevent transmission of **Malicious Code** from **Computer Systems** to third party computers and systems.

2. Privacy Liability

To pay on behalf of the **Insured**:

Damages and **Claims Expenses**, in excess of the Deductible, which the **Insured** shall become legally obligated to pay because of any **Claim**, including a **Claim** for violation of a privacy law, first made against any **Insured** and reported to Underwriters during the **Policy Period** or **Optional Extension Period** (if applicable) for:

- (a) theft of **Personally Identifiable Non-Public Information** that is in the care, custody or control of the **Insured Organization**, or an independent contractor that is holding or processing such information on behalf of the **Insured Organization**, provided such theft takes place on or after the Retroactive Date set forth in Item 6. of the Declarations and before the end of the **Policy Period**;
- (b) the **Insured Organization's** failure to timely disclose a **Security Breach** in violation of any **Breach of Notice Law**; provided such **Security Breach** must take place on or after the Retroactive Date set forth in Item 6. of the Declarations and before the end of the **Policy Period**;
- (c) failure by the **Insured** to comply with that part of a **Privacy Policy** that specifically:

- (1) prevents or prohibits improper or intrusive collection of **Personally Identifiable Non-Public Information** from a person;
- (2) requires notice to a person of the **Insured Organization's** collection or use of, or the nature of the collection or use of his or her **Personally Identifiable Non-Public Information**;
- (3) provides a person with the ability to assent to or withhold assent for (e.g. opt-in or opt-out) the **Insured Organization's** collection or use his or her **Personally Identifiable Non-Public Information**;
- (4) prohibits or restricts the **Insured Organization's** disclosure, sharing or selling of a person's **Personally Identifiable Non-Public Information**;
- (5) requires the **Insured Organization** to provide access to **Personally Identifiable Non-Public Information** or to correct incomplete or inaccurate **Personally Identifiable Non-Public Information** after a request is made by a person; or
- (6) mandates procedures and requirements to prevent the loss of **Personally Identifiable Non-Public Information**;

provided the acts, errors or omissions that constitute such failure to comply with a **Privacy Policy** must take place on or after the Retroactive Date set forth in Item 6. of the Declarations and before then end of the **Policy Period**, and the **Insured Organization** must, at the time of such acts, errors or omissions have in force a **Privacy Policy** that addresses those subsections above that are relevant to such **Claim**.

3. Notification Costs

To indemnify the Named Insured for:

Privacy Violation Costs incurred by the **Insured Organization** with Underwriters prior consent arising out of its requirement to comply with a **Breach of Notice Law** resulting from an incident described in Insuring Clause C.1.(b) (2) or C.2.(a) that takes place on or after the Retroactive Date and before the end of the **Policy Period**; provided such incident must be reported to Underwriters during the **Policy Period** or **Optional Extension Period**, if applicable.

Privacy Violation Costs means costs attributable to providing notification in compliance with a **Breach of Notice Law** and associated legal expenses.

3) Clause **II. DEFENSE, SETTLEMENT, AND INVESTIGATION OF CLAIMS** B. is deleted in its entirety and replaced with the following:

- B.
 1. The Underwriters shall have the right and duty to defend, subject to the Limit of Liability, exclusions, and other terms and conditions of this Policy, any **Claim** in the form of a civil suit against the **Insured** that seeks injunctive relief (meaning a temporary restraining order or a preliminary or permanent injunction) for one or more of the acts listed in Insuring Clause D. if:
 - a) the **Claim** is first made and reported to Underwriters during the **Policy Period** or **Optional Extension Period** (if applicable); and

- b) the act or acts were committed on or after the Retroactive Date and before the end of the **Policy Period** in the course of the **Insured's** performance of **Professional Services, Media Activities** or **Technology Based Services**.
 - 2. The Underwriters shall have the right and duty to defend, subject to the Sub-Limit of Liability stated in Item 3. of the Declarations, the exclusions, and other terms and conditions of this Policy, any **Claim** in the form of a regulatory proceeding against the **Insured** for any act, error or omission which is covered under Insuring Clause C.2. (Privacy Liability), Subsections (a) or (b) of this Policy if:
 - a) the **Claim** is first made and reported to Underwriters during the **Policy Period** or **Optional Extension Period** (if applicable); and
 - b) the act, error or omission or acts, errors or omissions were committed on or after the Retroactive Date and before the end of the **Policy Period**.
- 4) Clause **V. EXCLUSIONS** M., N., and R. are deleted and replaced with the following and X. and Y. are added at the end thereof as follows:
 - M. For or arising out of any actual or alleged antitrust violation, restraint of trade, unfair competition, violation of the Sherman Anti-Trust Act, the Clayton Act, the Robinson-Patman Act, as amended, violation of consumer protection laws (except consumer privacy protection laws) or false, deceptive or unfair trade practices or false or deceptive or misleading advertising;
 - N. Brought by or on behalf of the Federal Trade Commission, the Federal Communications Commission, or any federal, state, local or foreign governmental entity, in such entity's regulatory or official capacity; provided, this exclusion shall not apply to **Claims Expenses** arising out of any regulatory proceeding against the **Insured** which is otherwise covered under Insuring Clause C.2. (Privacy Liability), Subsections (a) or (b) of this Policy;
 - R. By or on behalf of one or more **Insureds** under this Insurance against any other **Insured** or **Insureds** under this Insurance; provided this exclusion shall not apply to an otherwise covered claim under Insuring Clause C.1 (b) (2) or C.2.(a) made by an employee of the **Insured Organization**;
 - X. With respect to coverage provided under Insuring Clause C.2 (Privacy Liability), arising out of or resulting from:
 - 1. the distribution of unsolicited email, direct mail, or facsimiles;
 - 2. telemarketing; or
 - 3. the collection of information by means of electronic "spiders", "spybots", "spyware" or similar means, wire tapping or bugging, video cameras, or radio frequency identification tags;
 - Y. With respect to coverage provided under Insuring Clause C.2 (Privacy Liability):
 - 1. against any individual **Insured** if the **Claim** arises out of or results from any intentional violation of a **Privacy Policy** if committed by such **Insured** or by others if the **Insured** colluded or participated in any such conduct or activity;

2. against the **Insured Organization** if the **Claim** arises out of or results from any intentional violation of a **Privacy Policy**, if committed by any of the **Insured Organization's** principals, directors, officers, partners, or trustees or any person in participation or collusion with any of the **Insured Organization's** principals, directors, officers, partners, or trustees.
- 5) Clause **VI. DEFINITIONS** E. and H. are deleted in their entirety and replaced with the following and V., W., X. and Y. are added at the end thereof as follows:

E.. **"Claim"** means:

1. a written demand received by any **Insured** for money or services, including the service of suit or institution of arbitration proceedings;
2. a threat or initiation of a suit against any **Insured** seeking injunctive relief (meaning a temporary restraining order or a preliminary or permanent injunction); and
3. with respect to coverage provided under Insuring Clause C.2. (Privacy Liability) only, an institution of regulatory proceedings against any **Insured**.

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 **Insureds** involved in the **Claim**. All such **Claims** shall be deemed to have been made at the time of the first such **Claim**.

H. **"Damages"** means a monetary judgment, award or settlement.

The term **Damages** shall not include or mean:

1. future profits, restitution, disgorgement of unjust enrichment or profits by an **Insured**, or the costs of complying with orders granting injunctive or equitable relief;
2. return or offset of fees, charges, or commissions for goods or services already provided or contracted to be provided;
3. costs incurred by the **Insured** to correct, re-perform or complete any **Professional Services, Media Activities or Technology Based Services**;
4. any damages which are a multiple of compensatory damages, fines, taxes or loss of tax benefits, sanctions or penalties;
5. punitive or exemplary damages, unless insurable by law under the law under which this Policy is construed;
6. discounts, coupons, prizes, awards or other incentives offered to the **Insured's** customers or clients;
7. liquidated damages to the extent that such damages exceed the amount for which the **Insured** would have been liable in the absence of such liquidated damages agreement;

8. any amounts for which the **Insured** is not liable, or for which there is no legal recourse against the **Insured**; or
 9. any judgment, award or settlement arising from a regulatory proceeding.
- V. **“Breach of Notice Law”** means any state, federal or foreign statute or regulation that requires notice to persons whose **Personally Identifiable Non-Public Information** was accessed or may reasonably have been accessed by an unauthorized person.
- W. **“Personally Identifiable Non-Public Information”** means an individual’s name in combination with one or more of the following:
1. information concerning the individual that constitutes “non-public personal information” as defined in the Gramm-Leach Bliley Act of 1999, as amended, and regulations issued pursuant to the Act;
 2. medical or health care information concerning the individual, including “protected health information” as defined in the Health Insurance Portability and Accountability Act of 1996, as amended, and regulations issued pursuant to the Act; or
 3. the individual’s social security number, driver’s license or state identification number, credit, debit or other financial account numbers and associated security codes, access codes, passwords or pins that allows access to the individual’s financial account information.
- X. **“Privacy Policy”** means the internal or publicly accessible written documents that set forth the **Insured Organization’s** policies, standards and procedures for collection, use, disclosure, sharing, dissemination and correction or supplementation of, and access to, **Personally Identifiable Non-Public Information**.
- Y. **“Security Breach”** means **Unauthorized Access of Computer Systems**, infection of **Computer Systems** by **Malicious Code** or transmission of **Malicious Code** from **Computer Systems**, whether any of the foregoing is specifically targeted attack or a generally distributed attack. A series of continuing **Security Breaches** or related or repeated **Security Breaches** shall be considered a single **Security Breach** and be deemed to have occurred at the time of the first such **Security Breach**.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

AMEND EXCLUSION B ENDORSEMENT

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause **V. EXCLUSIONS B.** is deleted in its entirety and replaced with the following:

- B. Arising out of or resulting from any act, error or omission committed prior to the inception date of this Insurance:
 - 1. if <enter control group> of the Named Insured on or before the inception date knew or could have reasonably foreseen that such act, error or omission might be expected to be the basis of a **Claim**; or
 - 2. in respect of which <enter control group> has given notice of a circumstance which might lead to a **Claim** to the insurer of any other policy in force prior to the inception date of this Policy;

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

COMPUTER NETWORK SECURITY COVERAGE SUBLIMIT

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that with respect to coverage afforded under Clause I. C. the **Insurers** maximum **Limit of Liability** for all **Damages** and **Claims Expense** shall be <Sublimit> excess of the deductible shown in Item 4. of the Declarations. This limit shall be a part of, not in addition to the Limit of Liability shown in Item 3.b. of the Declaration.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

AMEND PAYMENT OF OPTIONAL EXTENTION PERIOD TO SIXTY (60) DAYS

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged it is hereby understood and agreed that Clause **XI. OPTIONAL EXTENSION PERIOD** B. is deleted in its entirety and replaced with the following:

- B. As a condition precedent to the right to purchase the **Optional Extension Period**, the total premium for this Policy must have been paid. The right to purchase the **Optional Extension Period** shall terminate unless written notice together with full payment of the premium for the **Optional Extension Period** is given to the Underwriters within sixty (60) days after the effective date of cancellation or non-renewal. If such notice and premium payment is not so given to the Underwriters, there shall be no right to purchase the **Optional Extension Period**.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

SETTLE WITHIN THE DEDUCTIBLE ENDORSEMENT

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. Clause II.C. is deleted and replaced with the following:
 - C. When the Insurer defends a **Claim**, it will pay **Claims Expenses** incurred with its prior written consent. The Insurer agrees that the **Insured** may settle any **Claim** where the **Damages** and **Claims Expenses** do not exceed 50% of the Deductible provided the entire **Claim** is resolved and the **Insured** obtains a full release from all claimants. The Limit of Liability available to pay **Damages** shall be reduced and may be completely exhausted by payment of **Claims Expenses**. **Damages** and **Claims Expenses** shall be applied against the Deductible.
2. The third paragraph of Clause XVII is deleted and replaced with the following:

The **Insured** shall not 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 written consent of the Insurer, except as specifically provided for in Clause II.C.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

MEDICAL SERVICES EXCLUSION

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. The coverage under this Insurance does not apply to **Damages** or **Claims Expenses** in connection with or resulting from any **Claim**:
 - a. based on or arising out of medical professional malpractice including, but not limited to, the rendering of failure to render medical professional services, treatment or advice;
 - b. based on or arising out of any actual or alleged lack of good faith or fair dealing in the handling of any **Claim** or obligation arising out of or under any insurance contract or from any benefit plan;
 - c. based on or arising out of the ownership, formation, creation, administration or operation of any health maintenance organization, preferred provider organization, insurance company, risk retention group, insurance pool, reciprocal, captive, self insurance program, or risk retention and risk purchasing group formed under the Federal Liability Retention Act of 1981 and 1986 as amended and any amendments thereto;
 - d. based on or arising out of the actual or alleged failure of any **Managed Care Organization** to pay any salary, charges or fees of any provider of medical services;
 - e. based on or arising out of the bankruptcy, insolvency or liquidation of any **Managed Care Organization**;
 - f. based on or arising out of **Peer Review** services or **Credentialing** services;
 - g. based on or arising out of **Utilization Review** services which results in the denial of medial treatment;
 - h. based on or arising out of any change in electric power supply, including but not limited to power interruption or surge, brownout, blackout, short circuit, over voltage, or power fluctuation;
 - i. based on or arising out of setting of any loss reserves.
2. For purposes of this endorsement, the following terms have the following meanings:
 - a. **“Managed Care Organization”** means any managed care organization, including without limitation any health maintenance organization, preferred provider organization, independent physician organization, physician hospital organization or management services organization.

- b. **“Credentialing”** means the verification of a healthcare provider’s credentials.
- c. **“Peer Review”** means the assessment by the **Insured** of the quality of services rendered by any person or organization acting as a health care provider.
- d. **“Utilization Review”** means the review of the necessity, appropriateness, cost type or utilization of health care services.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

CONTINGENT BODILY INJURY/PROPERTY DAMAGE EXCLUSION

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for this Policy, it is hereby understood and agreed that Clause **V. EXCLUSIONS D.** is deleted in its entirety and replaced with the following:

D. For, arising out of, or resulting from **Bodily Injury or Property Damage**; provided, this exclusion shall not apply to any **Claim** for **Contingent Bodily Injury and/or Property Damage**.

For the purpose of this exclusion, the term "**Contingent Bodily Injury and/or Property Damage**" means those **Claims** wherein the **Damages** sought by the claimant are for **Bodily Injury** and/or **Property Damage** which arise solely out of:

1. any negligent act, error or omission in rendering or failure to render **Professional Services** or **Technology Based Services**; or
2. any one or more of the acts listed in Insuring Clause D. in the course of the **Insured Organization's** performance of **Professional Services, Media Activities** or **Technology Based Services**

which is otherwise covered under the terms and conditions of this Policy; but not if the **Insured's** own act, error or omission is the direct immediate cause of such **Claim** for **Bodily Injury** and/or **Property Damage**. Furthermore, this extension of coverage applies only if such **Claim** for **Bodily Injury** and/or **Property Damage** is not covered under any other policy of insurance;

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

THIRD PARTY ADMINISTRATOR EXCLUSION

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. The coverage under this Insurance does not apply to **Damages or Claims Expenses** in connection with or resulting from any **Claim**:
 - a. based on or arising out of any actuarial act, error, omission or assumption;
 - b. based on or arising out of any actual or alleged lack of good faith or fair dealing in making insurance coverage determinations or in meeting any obligation arising out of any insurance contract or from any benefit plan;
 - c. based on or arising out of any structured settlements;
 - d. based on or arising out of services as an investment advisor or any offer to provide such services or any service in connection therewith;
 - e. based on or arising out of the ownership, formation, creation, administration or operation of any health maintenance organization, preferred provider organization, insurance company, risk retention group, insurance pool, reciprocal, captive, self insurance program, or risk retention and risk purchasing group formed under the Federal Liability Retention Act of 1981 and 1986 as amended and any amendments thereto;
 - f. based on or arising out of the actual or alleged failure of any **Managed Care Organization** to pay any salary, charges or fees of any provider of medical services;
 - g. based on or arising out of any actual or alleged commingling or improper use of funds, accounts, premiums, fees, taxes, **Claims** commissions or brokerage monies; for: which any **Insured** collected or should have collected on behalf of another person or organization; sums received by any **Insured** or credited to any **Insured**'s account; which any **Insured** returned or should have returned to another person or organization; any **Claim** amount that any **Insured** paid or should have paid to another person or organization;
 - h. based on or arising out of the bankruptcy, insolvency or liquidation of any **Managed Care Organization**;
 - i. based on or arising out of any breach of underwriting authority contracts;
 - j. based upon or arising out of the failure to comply with any law concerning Workers' Compensation, Employers Liability, Unemployment Compensation, Social Security, Disability Benefits or any other similar law;

- k. based on or arising out of **Utilization Review** services which results in the denial of medial treatment;
- l. based on or arising out of notarized certification or acknowledgement of a signature without the physical appearance before the **Insured** of the person who is, or claims to be the person signing the instrument; or
- m. based on or arising out of setting of any loss reserves.

2. For purposes of this endorsement, the following terms have the following meanings:

- a. **Managed Care Organization** means any managed care organization, including without limitation any health maintenance organization, preferred provider organization, independent physician organization, physician hospital organization or management services organization.
- b. **Utilization Review** means the review of the necessity, appropriateness, cost type or utilization of health care services.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

THIRD PARTY ADMINISTRATOR EXCLUSION

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. The coverage under this Insurance does not apply to **Damages** or **Claims Expenses** in connection with or resulting from any **Claim**:
 - a. based on or arising out of a governmental intervention, cease and desist order, insolvency, receivership, bankruptcy, licensing or liquidation of any organization (directly or indirectly) in which the **Insured** has placed or obtained insurance coverage or placed the funds of a client or account;
 - b. based on or arising out of medical professional malpractice including, but not limited to, the rendering of failure to render medical professional services, treatment or advice;
 - c. based on or arising out of any actuarial act, error, omission or assumption;
 - d. based on or arising out of any actual or alleged lack of good faith or fair dealing in the handling of any **Claim** or obligation arising out of or under any insurance contract or from any benefit plan;
 - e. based on or arising out of the investment of benefit plan funds or the management of plan assets;
 - f. based on or arising out of any structured settlements;
 - g. based on or arising out of service as a managing general agency, managing general underwriter, insurance agent, broker, or reinsurance intermediary;
 - h. based on or arising out of services as an investment advisor or any offer to provide such services or any service in connection therewith;
 - i. based on or arising out of the ownership, formation, creation, administration or operation of any health maintenance organization, preferred provider organization, insurance company, risk retention group, insurance pool, reciprocal, captive, self insurance program, or risk retention and risk purchasing group formed under the Federal Liability Retention Act of 1981 and 1986 as amended and any amendments thereto;
 - j. based on or arising out of the actual or alleged failure of any **Managed Care Organization** to pay any salary, charges or fees of any provider of medical services;
 - k. based on or arising out of any actual or alleged commingling or improper use of funds, accounts, premiums, fees, taxes, **Claims** commissions or brokerage monies; for: which any **Insured** collected or should have collected on behalf of another person or organization; sums received by any **Insured** or credited to any **Insured**'s account; which any **Insured** returned or should have returned to another person or organization; any

Claim amount that any **Insured** paid or should have paid to another person or organization;

- l. based on or arising out of the bankruptcy, insolvency or liquidation of any **Managed Care Organization**;
 - m. based on or arising out of any breach of underwriting authority contracts;
 - n. based upon or arising out of the failure to comply with any law concerning Workers' Compensation, Employers Liability, Unemployment Compensation, Social Security, Disability Benefits or any other similar law;
 - o. based on or arising out of **Peer Review** services or **Credentialing** services;
 - p. based on or arising out of **Utilization Review** services which results in the denial of medial treatment;
 - q. based on or arising out of any change in electric power supply, including but not limited to power interruption or surge, brownout, blackout, short circuit, over voltage, or power fluctuation;
 - r. based on or arising out of any mechanical or electrical failure, breakdown, malfunction or defect of any hardware, equipment or component;
 - s. based on or arising out of breach of security, unauthorized access or use of or tampering with data or systems;
 - t. based on or arising out of notarized certification or acknowledgement of a signature without the physical appearance before the **Insured** of the person who is, or claims to be the person signing the instrument; or
 - u. based on or arising out of setting of any loss reserves.
2. For purposes of this endorsement, the following terms have the following meanings:
- a. **Managed Care Organization** means any managed care organization, including without limitation any health maintenance organization, preferred provider organization, independent physician organization, physician hospital organization or management services organization.
 - b. **Credentialing** means the verification of a healthcare provider's credentials.
 - c. **Peer Review** means the assessment by the **Insured** of the quality of services rendered by any person or organization acting as a health care provider.
 - d. **Utilization Review** means the review of the necessity, appropriateness, cost type or utilization of health care services.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

CLASS ACTION SUIT DEFINITION

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause VI. Definitions is amended to include:

"Class Action" means any proceedings brought or maintained:

1. to certify any litigation as a **Class Action**;
2. by or on behalf of five or more natural persons, whether or not such natural persons are represented by one or more legal counsel;
3. by or on behalf of one to four natural persons, if any of such natural persons are making a pattern and practice or systemic wrongful act allegation and are seeking monetary relief on behalf of a class or group of complainants in order to resolve such proceeding, whether or not such natural persons are represented by one or more legal counsel; or
4. by a government entity, department or agency making a pattern and practice of systemic wrongful act allegations or seeking monetary relief on behalf of a class or group of complainants in order to resolve such proceeding.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

**MULTI YEAR POLICY ENDORSEMENT (SINGLE AGGREGATE LIMIT OF LIABILITY, PREPAID
PREMIUM)**

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that for the purposes of this endorsement, the term "total premium" as used in Item 7.a. of the Declarations and Clause XI. A. shall be: \$ <Annual Premium>

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

THREE YEAR POLICY ENDORSEMENT (MULTI AGGREGATE LIMIT OF LIABILITY, PREPAID PREMIUM) - ARKANSAS

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. For purposes of this endorsement, the following terms have the following meanings:
 - a. **“Anniversary Date”** means the date which is exactly one year following the Inception Date in Item 2 of the Declarations.
 - b. **“Second Anniversary Date”** means the date which is exactly two years following the Inception Date in Item 2 of the Declaration.
 - c. **“Policy Year”** means each annual period of the **Policy Period** from:
 - i. the Inception Date in Item 2 of the Declarations to the **First Anniversary Date** or any earlier date of cancellation, and
 - ii. from the **First Anniversary Date** to the **Second Anniversary Date** or any earlier date of cancellation, and
 - iii. from the **Second Anniversary Date** to the Expiration Date in Item 2 of the Declarations or any earlier date of cancellation.
2. For the purposes of this endorsement, the term “total premium” as used in Item 7.a. of the Declarations and Clause XI. A. shall be: \$ **<Annual Premium>**
3. Item 3.b. of the Declarations is deleted and replaced with the following:
 - b. **<Aggregate Liability Limit Per Year>** Aggregate for each **Policy Year** – includes **Claims Expenses**.
4. Clause VII. Limit of Liability is deleted and replaced with the following:
 - VII. Limit of Liability

The Limit of Liability stated in Item 3.(a) of the Declarations for “Each **Claim**” is the limit of the Insurer’s liability for all **Damages** and **Claims Expenses** arising out of each **Claim**.

If the Aggregate Limit of Liability stated in Item 3.b. of the Declarations is exhausted by the payment of **Damages** and/or **Claims Expenses** in any **Policy Year**, the Insurer's obligations under this Policy for such **Policy Year** shall be completely fulfilled and extinguished. If the Limits of Liability applicable to the **Policy Period** are exhausted by the payment of **Damages** and/or **Claims Expenses** the Insurer's obligations under this Policy shall be completely fulfilled and extinguished. The Insurer's maximum Limit of Liability with respect to **Damages** and/or **Claims Expenses** from any **Claim** shall be the remaining Aggregate Limit of Liability applicable to the **Policy Year** in which such **Claim** was made.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

TWO YEAR POLICY ENDORSEMENT (MULTI AGGREGATE LIMIT OF LIABILITY, PREPAID PREMIUM) - ARKANSAS

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. For purposes of this endorsement, the following terms have the following meanings:
 - a. **“Anniversary Date”** means the date which is exactly one year following the Inception Date in Item 2 of the Declarations.
 - b. **“Policy Year”** means each annual period within the **Policy Period** from the Inception Date in Item 2 of the Declarations to the **Anniversary Date** or any earlier date of cancellation, and from the **Anniversary Date** to the Expiration Date in Item 2 of the Declarations or any earlier date of cancellation.
2. For the purposes of this endorsement, the term “total premium” as used in Item 7.a. of the Declarations and Clause XI. A. shall be: \$ **<Annual Premium>**
3. Item 3.b. of the Declarations is deleted and replaced with the following:
 - b. **<Aggregate Liability Limit Per Year>** Aggregate for each **Policy Year** – includes **Claims Expenses**.
4. Clause VII. Limit of Liability is deleted and replaced with the following:

VII. Limit of Liability

The Limit of Liability stated in Item 3.(a) of the Declarations for “Each **Claim**” is the limit of the Insurer’s liability for all **Damages** and **Claims Expenses** arising out each **Claim**.

If the Aggregate Limit of Liability stated in Item 3.b. of the Declarations is exhausted by the payment of **Damages** and/or **Claims Expenses** in any **Policy Year**, the Insurer’s obligations under this Policy for such **Policy Year** shall be completely fulfilled and extinguished. If the Limits of Liability applicable to the **Policy Period** are exhausted by the payment of **Damages** and/or **Claims Expenses** the Insurer’s obligations under this Policy shall be completely fulfilled and extinguished. The Insurer’s maximum Limit of Liability with respect to **Damages** and/or **Claims Expenses** from any **Claim** shall be the remaining Aggregate Limit of Liability applicable to the **Policy Year** in which such **Claim** was made.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

**TWO YEAR POLICY ENDORSEMENT (MULTI AGGREGATE LIMIT OF LIABILITY, ANNUAL
INSTALLMENTS) - ARKANSAS**

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. For purposes of this endorsement, the following terms have the following meanings:
 - a. "**Anniversary Date**" means the date which is exactly one year following the Inception Date in Item 2 of the Declarations.
 - b. "**Policy Year**" means each annual period within the **Policy Period** from the Inception Date in Item 2 of the Declarations to the **Anniversary Date** or any earlier date of cancellation, and from the **Anniversary Date** to the Expiration Date in Item 2 of the Declarations or any earlier date of cancellation.
2. Item 3.b. of the Declarations is deleted and replaced with the following:
 - b. **<Aggregate Liability Limit Per Year>** Aggregate for each **Policy Year** – includes **Claims Expenses**.
3. The premium set forth in Item 5. of the Declarations shall be payable as follows:
 - a. **<Due at Inception>** due as of the Inception Date in Item 2 of the Declarations; and
 - b. **<Due on Anniversary>** due as of the **Anniversary Date**.
4. Item 7.(a). of the Declarations is deleted and replaced with the following:
 - (a). Premium for Optional Extension Period:**<OEP %>** % of the most recent **Policy Year** as set forth in 3.b. of this endorsement.
5. Clause VII. Limit of Liability is deleted and replaced with the following:

VII. Limit of Liability

The Limit of Liability stated in Item 3.(a) of the Declarations for "Each **Claim**" is the limit of the Insurer's liability for all **Damages** and **Claims Expenses** arising out each **Claim**.

If the Aggregate Limit of Liability stated in Item 3.b. of the Declarations is exhausted by the payment of **Damages** and/or **Claims Expenses** in any **Policy Year**, the Insurer's obligations under this Policy for such **Policy Year** shall be completely fulfilled and extinguished. If the Limits of Liability applicable to the **Policy Period** are exhausted by the payment of **Damages** and/or **Claims Expenses** the Insurer's obligations under this Policy shall be completely fulfilled and extinguished. The Insurer's maximum Limit of Liability with respect to **Damages** and/or **Claims Expenses** from any **Claim** shall be the remaining Aggregate Limit of Liability applicable to the **Policy Year** in which such **Claim** was made.

6. Clause XI. Optional Extension Period A. is deleted and replaced with the following:

- A. If this Policy is cancelled by the Named Insured or if the Insurer nonrenews this Policy, then the Named Insured shall have the right, upon payment of an additional premium calculated at that percentage shown in Item 7.(a) of the Declarations of the premium shown in Item 3.b. of this endorsement, to an extension of the coverage granted by this Policy with respect to any **Claim** first made against any **Insured** and reported in writing to the Insurer during the period of time set forth in Item 7.(b) of the Declarations after the end of the **Policy Period**, but only with respect to any act, error or omission committed on or after the Retroactive Date and before the effective date of cancellation or nonrenewal.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

THREE YEAR POLICY ENDORSEMENT (MULTI AGGREGATE LIMIT OF LIABILITY, ANNUAL INSTALLMENTS) - ARKANSAS

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. For purposes of this endorsement, the following terms have the following meanings:
 - a. **“Anniversary Date”** means the date which is exactly one year following the Inception Date in Item 2 of the Declarations.
 - b. **“Second Anniversary Date”** means the date which is exactly two years following the Inception Date in Item 2 of the Declaration.
 - c. **“Policy Year”** means each annual period of the **Policy Period** from:
 - i. the Inception Date in Item 2 of the Declarations to the **First Anniversary Date** or any earlier date of cancellation, and
 - ii. from the **First Anniversary Date** to the **Second Anniversary Date** or any earlier date of cancellation, and
 - iii. from the **Second Anniversary Date** to the Expiration Date in Item 2 of the Declarations or any earlier date of cancellation.
2. Item 3.b. of the Declarations is deleted and replaced with the following:
 - b. **<Aggregate Liability Limit Per Year>** Aggregate for each **Policy Year** – includes **Claims Expenses**.
3. The premium set forth in Item 5. of the Declarations shall be payable as follows:
 - a. **<Due at Inception>** due as of the Inception Date in Item 2 of the Declarations; and
 - b. **<Due on Anniversary>** due as of the **Anniversary Date**.
 - c. **<Due on Second Anniversary>** due as of the **Second Anniversary Date**.
4. Item 7.(a). of the Declarations is deleted and replaced with the following:
 - (a). Premium for Optional Extension Period:<OEP %> % of the most recent **Policy Year** as set forth in 3.b. of this endorsement.
5. Clause VII. Limit of Liability is deleted and replaced with the following:

VII. Limit of Liability

The Limit of Liability stated in Item 3.(a) of the Declarations for "Each **Claim**" is the limit of the Insurer's liability for all **Damages** and **Claims Expenses** arising out each **Claim**.

If the Aggregate Limit of Liability stated in Item 3.b. of the Declarations is exhausted by the payment of **Damages** and/or **Claims Expenses** in any **Policy Year**, the Insurer's obligations under this Policy for such **Policy Year** shall be completely fulfilled and extinguished. If the Limits of Liability applicable to the **Policy Period** are exhausted by the payment of **Damages** and/or **Claims Expenses** the Insurer's obligations under this Policy shall be completely fulfilled and extinguished. The Insurer's maximum Limit of Liability with respect to **Damages** and/or **Claims Expenses** from any **Claim** shall be the remaining Aggregate Limit of Liability applicable to the **Policy Year** in which such **Claim** was made.

6. Clause XI. Optional Extension Period A. is deleted and replaced with the following:

A. If this Policy is cancelled by the Named Insured or if the Insurer nonrenews this Policy, then the Named Insured shall have the right, upon payment of an additional premium calculated at that percentage shown in Item 7.(a) of the Declarations of the premium shown in Item 3.c. of this endorsement, to an extension of the coverage granted by this Policy with respect to any **Claim** first made against any **Insured** and reported in writing to the Insurer during the period of time set forth in Item 7.(b) of the Declarations after the end of the **Policy Period**, but only with respect to any act, error or omission committed on or after the Retroactive Date and before the effective date of cancellation or nonrenewal.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

PRIVACY LIABILITY ENDORSEMENT INCLUDING NOTIFICATION COSTS AND REGULATORY DEFENSE

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

1) Item 3. of the Declarations is deleted in its entirety and replaced with the following:

3. LIMIT OF LIABILITY:

(a) **<EachClaimLimit>** Each **Claim** - includes **Claims Expenses**

(b) **<SpcAggregateLimit>** Aggregate for the **Policy Period** - includes **Claims Expenses** - but sub-limited to:

(1) **<SpcAggregateLimit2>** Aggregate for the **Policy Period** for all **Privacy Notification Costs** covered under Insuring Clause C.3

(2) **<SpcAggregateLimit3>** Aggregate for the **Policy Period**, for all **Claims Expenses** and **Penalties** covered under Insuring Agreement C.4.

The above sub-limits of liability are part of, and not in addition to, the overall limit of liability referred to above.

2) Item 4. of the Declarations is deleted in its entirety and replaced with the following:

4. DEDUCTIBLE:

(a) **<SpcDeductible>** Each **Claim** deductible (including each **Claim** in the form of a **Regulatory Proceeding**) – includes **Claims Expenses**

(b) **<SpcDeductible>** Each incident or series of connected incidents giving rise to an obligation to incur **Privacy Notification Costs** covered under Insuring Clause C.3.

3) Clause I. Insuring Clauses C. is deleted in its entirety and replaced with the following:

C. Computer Network Security and Privacy Coverage

1. Computer Network Security Coverage

To pay on behalf of the **Insured**:

Damages and Claims Expenses, in excess of the Deductible, which the **Insured** shall become legally obligated to pay because of any **Claim** first made against any **Insured** and reported to Insurer during the **Policy Period** or **Optional Extension Period** (if applicable) arising out of any act, error or omission on or after the Retroactive Date set forth in Item 6. of the Declarations and before the end of the **Policy Period** in the course of providing or managing **Computer Systems** security by the **Insured** or by any person, including an independent contractor, for whose act, error or omission the **Insured Organization** is legally responsible that results in:

- (a) the inability of a third party, who is authorized to do so, to gain access to **Computer Systems** or your **Technology Based Services**;
- (b) the failure to prevent **Unauthorized Access** to **Computer Systems** that results in:
 - (1) the destruction, deletion or corruption of electronic data on **Computer Systems**;
 - (2) **Theft of Data** from **Computer Systems**; or
 - (3) denial of service attacks against Internet sites or computers; or
- (c) the failure to prevent transmission of **Malicious Code** from **Computer Systems** to third party computers and systems.

2. Privacy Liability

To pay on behalf of the **Insured**:

Damages and Claims Expenses, in excess of the Deductible, which the **Insured** shall become legally obligated to pay because of any **Claim**, including a **Claim** for violation of a privacy law, first made against any **Insured** and reported to Insurer during the **Policy Period** or **Optional Extension Period** (if applicable) for:

- (a) theft of **Personally Identifiable Non-Public Information** that is in the care, custody or control of the **Insured Organization**, or an independent contractor that is holding, processing or transferring such information on behalf of the **Insured Organization**, provided such theft takes place on or after the Retroactive Date set forth in Item 6. of the Declarations and before the end of the **Policy Period**;
- (b) the **Insured Organization's** failure to timely disclose a **Security Breach** in violation of any **Breach Notice Law**; provided such **Security Breach** must take place on or after the Retroactive Date set forth in Item 6. of the Declarations and before the end of the **Policy Period**;
- (c) failure by the **Insured** to comply with that part of a **Privacy Policy** that specifically:
 - (1) prevents or prohibits improper or intrusive collection of **Personally Identifiable Non-Public Information** from a person;

- (2) requires notice to a person of the **Insured Organization's** collection or use of, or the nature of the collection or use of his or her **Personally Identifiable Non-Public Information**;
- (3) provides a person with the ability to assent to or withhold assent for (e.g. opt-in or opt-out) the **Insured Organization's** collection or use his or her **Personally Identifiable Non-Public Information**;
- (4) prohibits or restricts the **Insured Organization's** disclosure, sharing or selling of a person's **Personally Identifiable Non-Public Information**;
- (5) requires the **Insured Organization** to provide access to **Personally Identifiable Non-Public Information** or to correct incomplete or inaccurate **Personally Identifiable Non-Public Information** after a request is made by a person; or
- (6) mandates procedures and requirements to prevent the loss of **Personally Identifiable Non-Public Information**;

provided the acts, errors or omissions that constitute such failure to comply with a **Privacy Policy** must take place on or after the Retroactive Date set forth in Item 6. of the Declarations and before then end of the **Policy Period**, and the **Insured Organization** must, at the time of such acts, errors or omissions have in force a **Privacy Policy** that addresses those subsections above that are relevant to such **Claim**.

3. **Privacy Notification Costs**

To indemnify the Named Insured for:

Privacy Notification Costs, in excess of the Deductible and incurred by the **Insured Organization** with Insurer prior written consent, resulting from the **Insured Organization's** legal obligation to comply with a **Breach Notice Law** because of an incident (or reasonably suspected incident) described in Insuring Clause C.1.(b)(2) or C.2.(a) that first takes place on or after the Retroactive Date set forth in Item 6. of the Declarations and before the end of the **Policy Period**; provided such incident or suspected incident must be reported to Insurer during the **Policy Period**.

Privacy Notification Costs means reasonable and necessary: (1) costs to hire a computer security expert to determine the existence of and cause of any **Theft of Data**; (2) costs to provide notification in compliance with a **Breach Notice Law**; and (3) fees charged by an attorney to determine the applicability of and actions necessary to comply with **Breach Notice Laws**. **Privacy Notification Costs** shall not include any internal salary or overhead expenses of the **Insured Organization** or any costs or expenses related to public relations management.

4. **Regulatory Defense and Penalties**

To pay on behalf of the Insured:

Claims Expenses and **Penalties** in excess of the Deductible, which the **Insured Organization** shall become legally obligated to pay because of any **Claim** in the form of a **Regulatory Proceeding** first made against any **Insured** and reported to Insurer during the **Policy Period** or **Optional Extension Period** (if applicable) resulting from a violation of a **Privacy Law** and caused by an incident described in Insuring Clause C.2. (a) or (b)

that takes place on or after the Retroactive Date set forth in Item 6. of the Declarations and before the end of the **Policy Period**.

4) Clauses. II. Defense, Settlement and Investigation of Claims, A., C., E. and F. are deleted and replaced with the following:

A. The Insurer shall have the right and duty to defend, subject to the Limit of Liability, exclusions and other terms and conditions of this Policy:

1. any **Claim** against the **Insured** 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; and

2. under coverage Clause C.4., any **Claim** in the form of a **Regulatory Proceeding**.

C. When the Insurer defend a **Claim**, they will pay **Claims Expenses** incurred with their prior written consent. The Limit of Liability available to pay **Damages, Penalties, or Privacy Notification Costs** shall be reduced and may be completely exhausted by payment of **Claims Expenses**. **Damages, Penalties, Privacy Notification Costs** and **Claims Expenses** shall be applied against the Each **Claim** Deductible.

E. If the **Insured** shall refuse to consent to any settlement or compromise recommended by the Insurer and acceptable to the Claimant and elects to contest the **Claim**, the Insurer' liability for any **Damages, Penalties** and **Claims Expenses** shall not exceed the amount for which the **Claim** could have been settled, less the remaining Each **Claim** Deductible, plus the **Claims Expenses** incurred up to the time of such refusal, or the applicable Limit of Liability, whichever is less, and the Insurer shall have the right to withdraw from the further defense thereof by tendering control of said defense to the **Insured**. The portion of any proposed settlement or compromise that requires the **Insured** to cease, limit or refrain from actual or alleged infringing or otherwise injurious activity or is attributable to future royalties or other amounts that are not **Damages** (or **Penalties** for **Claims** covered under Clause C.4) shall not be considered in determining the amount for which a **Claim** could have been settled.

F. It is further provided that the Insurer shall not be obligated to pay any **Damages Penalties, Privacy Notification Costs** or **Claims Expenses**, or to undertake or continue defense of any suit or proceeding after the applicable Limit of Liability has been exhausted by payment of **Damages, Penalties, Privacy Notification Costs** or **Claims Expenses** or after deposit of the applicable Limit of Liability in a court of competent jurisdiction, and that upon such payment, the Insurer shall have the right to withdraw from the further defense of any **Claim** by tendering control of said defense to the **Insured**.

5) Clause V. Exclusions introductory provision is deleted and replaced as follows:

The coverage under this Insurance does not apply to **Damages, Penalties** or **Claims Expenses** in connection with or resulting from any **Claim**, or to any **Privacy Notification Costs**:

6) Clause V. Exclusions M., N., and R. are deleted and replaced with the following:

M. For or arising out of any actual or alleged antitrust violation, restraint of trade, unfair competition, violation of the Sherman Anti-Trust Act, the Clayton Act, the Robinson-Patman Act, as amended, violation of consumer protection laws (except consumer privacy protection laws for **Claims** under Insuring Clause C.) or false, deceptive or unfair trade practices or false or deceptive or misleading advertising;

- N. Brought by or on behalf of the Federal Trade Commission, the Federal Communications Commission, or any federal, state, local or foreign governmental entity, in such entity's regulatory or official capacity; provided, this exclusion shall not apply to coverage provided under Insuring Clause C.4.;
- R. By or on behalf of one or more **Insureds** under this Insurance against any other **Insured** or **Insureds** under this Insurance; provided this exclusion shall not apply to an otherwise covered claim under Insuring Clause C.1 (b)(2) or C.2.(a) made by an employee of the **Insured Organization**;

7) Clause V. Exclusions is amended by adding the following to the end thereof:

The coverage under Insuring Clause C.2., C.3. and C.4. does not apply to **Damages, Penalties** or **Claims Expenses** in connection with or resulting from any **Claim**, or to any **Privacy Notification Costs**:

X Arising out of or resulting from:

1. the distribution of unsolicited email, direct mail, or facsimiles;
2. telemarketing; or
3. the collection of information by means of electronic "spiders", "spybots", "spyware" or similar means, wire tapping or bugging, video cameras, or radio frequency identification tags;

by or on behalf of the **Insured Organization**;

Y. against the **Insured Organization** if the **Claim** (or obligation to comply with a **Breach Notice Law**) arises out of or results from any intentional violation of a **Privacy Policy, Privacy Law** or **Breach Notice Law** if committed by any of the **Insured Organization's** principals, directors, officers, partners, or trustees or any person in participation or collusion with any of the **Insured Organization's** principals, directors, officers, partners, or trustees.

Z. against any individual **Insured** if the **Claim** (or obligation to comply with a **Breach Notice Law**) arises out of or results from any intentional violation of a **Privacy Policy, Breach Notice Law** or **Privacy Law** if committed by such **Insured** or by others if the **Insured** colluded or participated in any such conduct or activity.

8) Clause VI. Definitions E. is deleted in its entirety and replaced with the following and definitions V through BB are added at the end thereof as follows:

E. "**Claim**" means:

1. a written demand received by any **Insured** for money or services, including the service of suit or institution of arbitration proceedings;
2. a threat or initiation of a suit against any **Insured** seeking injunctive relief (meaning a temporary restraining order or a preliminary or permanent injunction); and
3. with respect to coverage provided under Insuring Clause C.4. only, institution of a **Regulatory Proceeding** against the **Insured Organization**.

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 **Insureds** involved in the **Claim**. All such **Claims** shall be deemed to have been made at the time of the first such **Claim**.

- V. **"Breach Notice Law"** means any state, federal or foreign statute or regulation that requires notice to persons whose **Personally Identifiable Non-Public Information** was accessed or may reasonably have been accessed by an unauthorized person.
- W. **"Personally Identifiable Non-Public Information"** means an individual's name in combination with one or more of the following:
1. information concerning the individual that constitutes "non-public personal information" as defined in the Gramm-Leach Bliley Act of 1999, as amended, and regulations issued pursuant to the Act;
 2. medical or health care information concerning the individual, including "protected health information" as defined in the Health Insurance Portability and Accountability Act of 1996, as amended, and regulations issued pursuant to the Act; or
 3. the individual's social security number, driver's license or state identification number, credit, debit or other financial account numbers and associated security codes, access codes, passwords or pins that allows access to the individual's financial account information.
- X. **"Penalties"** means any civil fine or money penalty payable to a governmental entity that was imposed in a **Regulatory Proceeding** by the Federal Trade Commission, Federal Communications Commission, or any other federal, state, local or foreign governmental entity, in such entity's regulatory or official capacity.
- Y. **"Privacy Law"** means a federal, state or foreign statute or regulation requiring the **Insured Organization** to protect the confidentiality and/or security or **Personally Identifiable Non-Public Information**.
- Z. **"Privacy Policy"** means the internal or publicly accessible written documents that set forth the **Insured Organization's** policies, standards and procedures for collection, use, disclosure, sharing, dissemination and correction or supplementation of, and access to, **Personally Identifiable Non-Public Information**.
- AA. **"Regulatory Proceeding"** means a request for information, civil investigative demand, or civil proceeding commenced by service of a complaint or similar proceeding brought by or on behalf of the Federal Trade Commission, Federal Communications Commission, or any federal, state, local or foreign governmental entity in such entity's regulatory or official capacity in connection with such proceeding.
- BB. **"Security Breach"** means **Unauthorized Access of Computer Systems**, infection of **Computer Systems** by **Malicious Code** or transmission of **Malicious Code** from **Computer Systems**, whether any of the foregoing is specifically targeted attack or a generally distributed attack. A series of continuing **Security Breaches** or related or repeated **Security Breaches** shall be considered a single **Security Breach** and be deemed to have occurred at the time of the first such **Security Breach**.

- 9) Clause VII. Limit of Liability is deleted and replaced as follows:

VII. LIMIT OF LIABILITY

The Limit of Liability stated in Item 3.(a) of the Declarations for “Each **Claim**” is the limit of the Insurer’s liability for all **Damages** and **Claims Expenses** arising out of each **Claim**.

The “Aggregate for the Policy Period” stated in Item 3.(b) of the Declarations is the Insurer’s combined total Limit of Liability for all **Damages, Penalties, Privacy Notification Costs** and **Claims Expenses** arising out of all **Claims**, circumstances which might lead to a **Claim**, incidents or requirements to comply with a **Breach Notice Law** which are covered under the terms and conditions of this Policy, and neither the inclusion of more than one **Insured** under this Policy, nor the making of **Claims** by more than one person or entity shall increase the Limit of Liability.

The sub-limit of liability stated in Item 3.(b) (1) is the aggregate limit for the **Policy Period** for all **Privacy Notification Costs** covered under Insuring Clause C.3

The sub-limit of liability stated in Item 3.(b) (2) is the aggregate limit for the **Policy Period**, for all **Claims Expenses** and **Penalties** covered under Insuring Agreement C.4.

Sub-limits of liability are part of, and not in addition to, the overall limit of liability referred to above

The Limit of Liability for the **Optional Extension Period** shall be part of and not in addition to the Limit of Liability of the Insurer for the **Policy Period**.

- 10) Clause VIII. Deductible, is amended by adding the following to the end thereof:

The “Each Incident Deductible” stated in Item 4(b) of the Declarations applies separately to each incident giving rise to an obligation to incur **Privacy Notification Costs**. The Each Incident Deductible shall be satisfied by monetary payments by the Named Insured of **Privacy Notification Costs**. Satisfaction of the Each Incident Deductible is a condition precedent to the payment by the Insurer of any amounts hereunder, and the Insurer shall be liable only for the amounts in excess of such Each Incident Deductible subject to the Insurer’s total liability not exceeding the Limits of Liability stated in Items 3.(a) and 3.(b) of the Declarations. The Named Insured shall make direct payments within the Each Incident Deductible to appropriate other parties designated by the Insurer.

- 11) Clause XIX. Subrogation, is amended by deleting the second sentence therein and replacing it as follows:

Any recoveries shall be applied first to subrogation expenses, second to **Damages, Claims Expenses, Penalties** and **Privacy Notification Costs** paid by the Insurer, and third to the Each **Claim** Deductible or Each Incident Deductible (as applicable).

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

AON ENDORSEMENT

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. Clause **II. DEFENSE, SETTLEMENT, AND INVESTIGATION OF CLAIMS E.** is deleted in its entirety and replaced with the following:
 - E. If the **Insured** shall refuse 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 Deductible, 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 **Insured** with the remaining fifty percent (50%) of such **Damages** and **Claims Expenses** to be borne by the **Insured** at their own risk and uninsuredor the applicable Limit of Liability, whichever is less. The portion of any proposed settlement or compromise that requires the **Insured** to cease, limit or refrain from actual or alleged infringing or otherwise injurious activity or is attributable to future royalties or other amounts that are not **Damages** shall not be considered in determining the amount for which a **Claim** could have been settled.
2. Clause **V. EXCLUSION F.3.** is deleted in its entirety and replaced with the following:
 - F.3. delay in delivery or performance, or failure to deliver or perform at or within an agreed upon period of time, but this exclusion shall not preclude coverage if such delay or failure to deliver or perform is a consequence of a negligent act, error or omission committed during the course of providing **Professional Services** or **Technology Based Services** if the **Insured** has made diligent efforts to deliver or perform such **Professional Services** or **Technology Based Services**;
3. Clause **V. EXCLUSION J.** is deleted in its entirety.
4. Clause **VI. DEFINITION E.** is deleted in its entirety and replaced with the following:
 - E. “**Claim**” means a written demand received by any **Insured** for money or services, including the service of suit or institution of arbitration proceedings. “**Claim**” shall also mean a written threat or initiation of a suit seeking injunctive relief (meaning a temporary restraining order or a preliminary or permanent injunction).

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 **Insureds** involved in the **Claim**. All such **Claims** shall be deemed to have been made at the time of the first such **Claim**.

5. Clause **X. NOTICE OF CLAIM, OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM** A. and B. are deleted in their entirety and replaced with the following:

- A. If any **Claim** is made against the **Insured**, the **Insured** shall forward as soon as practicable to Underwriters through persons named in Item 8(a). of the Declarations written notice of such **Claim** in the form of a telecopy, or express or certified mail together with every demand, notice, summons or other process received by the **Insured** or the **Insured's** representative.

With respect to any **Claims** first made against the **Insured** during the last thirty (30) days of the **Policy Period**, the **Insured** shall forward as soon as practicable to Underwriters through persons named in Item 7. of the Declarations written notice of such **Claims** in the form of a telecopy, or express or certified mail, but in no event later than forty-five (45) days after the end of the **Policy Period**.

- B. If during the **Policy Period** the **Insured** first becomes aware of any circumstance that could reasonably be the basis for a **Claim** and gives written notice to Underwriters in the form of a telecopy, or express or certified mail through persons named in Item 8(a). of the Declarations as soon as practicable during the **Policy Period** of:

1. the specific details of the act, error or omission in the provision of **Professional Services, Media Activities or Technology Based Services** or relating to **Technology Products** that could reasonably be the basis for a **Claim**;
2. the injury or damage which may result or has resulted from the circumstance; and
3. the facts by which the **Insured** first became aware of the act, error or omission

then any subsequent **Claim** made against the **Insured** arising out of such circumstance who 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 Underwriters.

6. Clause **XVI. MERGERS AND ACQUISITIONS** A. is amended by the addition of the following:

Provided, if during the **Policy Period** the Named Insured or any **Subsidiary** acquires a privately held entity whose annual revenues are more than ten percent (10%) of the Named Insured's total annual revenues as set forth in the most recent Application for Insurance, then, subject to the **Policy Period** and all other terms and conditions of this Policy, coverage under this Policy shall be afforded for a period of sixty (60) days, but only for any **Claim** that arises out of any act, error or omission committed after the entity becomes so owned. Coverage beyond such sixty (60) day period shall only be available if the Named Insured gives the Underwriters written notice of the acquisition, obtains the written consent of Underwriters to extend coverage beyond such sixty (60) day period to the entity and agrees to pay any additional premium required by Underwriters.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
Company Tracking Number: BICI0024-AR (F)
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
Product Name: AFB Technology and Professional Liability Insurance Program
Project Name/Number: /BICI0024

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
Company Tracking Number: BICI0024-AR (F)
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
Product Name: AFB Technology and Professional Liability Insurance Program
Project Name/Number: /BICI0024

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-
Property & Casualty **Review Status:** Approved 10/03/2007

Comments:

Attachment:

AR F777_012006.pdf

Satisfied -Name: cover letter **Review Status:** Approved 10/03/2007

Comments:

Attachment:

AR letter (Forms).pdf

Property & Casualty Transmittal Document (Revised 1/1/06)

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition:	
	d. Date of disposition of the filing:	
	e. Effective date of filing:	
	New Business	
	Renewal Business	
	f. State Filing #:	
g. SERFF Filing #:		
h. Subject Codes		

3. Group Name	Group NAIC #
N/A	0000

4. Company Name(s)	Domicile	NAIC #	FEIN #
Beazley Insurance Company, Inc.	CT	37540	04-2656602

5. Company Tracking Number	BICI0024-AR (F)
-----------------------------------	------------------------

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6. Name and address	Title	Telephone #s	FAX #	e-mail
Renata A. Wright 30 Batterson Park Road Farmington, CT 06032	Compliance Analyst	860-677-3737	860-679-0247	Renata.wright@Beazley.com
7. Signature of authorized filer		Renata A. Wright		
8. Please print name of authorized filer		Renata A. Wright		

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	17.0000 - Other Liability
10. Sub-Type of Insurance (Sub-TOI)	17.0019 Professional Errors and Omissions Liability
11. State Specific Product code(s) (if applicable)[See State Specific Requirements]	N/A
12. Company Program Title (Marketing title)	AFB Technology and Professional Liability Insurance Program
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other
14. Effective Date(s) Requested	New: upon earliest approval Renewal: upon earliest approval
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16. Reference Organization (if applicable)	N/A

17. Reference Organization # & Title	N/A
18. Company's Date of Filing	8/17/2007
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20. This filing transmittal is part of Company Tracking #	BICI0024-AR (F)
21. Filing Description [This area should be similar to the body of a cover letter and is free-form text]	

In accordance with the laws of your state, Beazley Insurance Company, Inc. is submitting this Form filing to introduce a variety of new optional endorsements applicable to our AFB Technology and Professional Liability Insurance Program. For your information, our original filing of this product was approved by your Department effective July 13, 2006 under our Company Filing Designation Number BICI-TL-AR-01(F).

All of the optional endorsements being introduced with this filing are non premium bearing, with the exception of ten endorsements. There are six rate bearing endorsements that pertain to multiyear policies and the remaining four premium bearing endorsements are for two newly created coverages which are called First Party Computer Security Insurance Coverage and Privacy Liability Endorsement Including Notification Costs and Regulatory Defense. The rating rules to support these rate bearing endorsements are also being submitted for approval at this time under our corresponding Rule Filing No. BICI0024-AR (RU).

The following documents are attached as part of this filing:

- Required State Forms (if applicable);
- Sample copies of each endorsement being submitted for approval.

We propose to implement this filing for all policies upon your earliest review and approval.

22. Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
<p>Check #: Amount: \$50.00</p> <p>Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</p>



BEAZLEY

Beazley Insurance Company, Inc.

30 Batterson Park Road
Farmington, CT 06032

Tel: (860) 677-3700
Fax: (860) 679-0247
www.beazley.com

August 17, 2007

Honorable Julie Benafield Bowman, Commissioner
Arkansas Insurance Department
1200 W 3rd Street
Little Rock, AR 72201-1904

RE: Beazley Insurance Company, Inc.
NAIC: Group Code: 0000
Company Code: 37540
FEIN: 04-2656602
AFB Technology and Professional Liability Insurance Program
Our Filing No.: BICI0024-AR (F)
Type of Filing: Form

Dear Commissioner Bowman:

In accordance with the laws of your state, Beazley Insurance Company, Inc. is submitting this Form filing to introduce a variety of new optional endorsements applicable to our AFB Technology and Professional Liability Insurance Program. For your information, our original filing of this product was approved by your Department effective July 13, 2006 under our Company Filing Designation Number BICI-TL-AR-01(F).

All of the optional endorsements being introduced with this filing are non premium bearing, with the exception of ten endorsements. There are six rate bearing endorsements that pertain to multiyear policies and the remaining four premium bearing endorsements are for two newly created coverages which are called First Party Computer Security Insurance Coverage and Privacy Liability Endorsement Including Notification Costs and Regulatory Defense. The rating rules to support these rate bearing endorsements are also being submitted for approval at this time under our corresponding Rule Filing No. BICI0024-AR (RU).

The following documents are attached as part of this filing:

- Required State Forms (if applicable);
- Sample copies of each endorsement being submitted for approval.

We propose to implement this filing for all policies upon your earliest review and approval. Kindly contact me with any comments/questions or with documentation of the Department's approval of this filing.

Sincerely,

Renata A. Wright
Senior Compliance Analyst
Tel: 866-623-2953 or 860-677-3737
Fax: 860-679-0247
E-Mail: renata.wright@beazley.com
Enclosure

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
 Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
 Company Tracking Number: BICI0024-AR (F)
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
 Product Name: AFB Technology and Professional Liability Insurance Program
 Project Name/Number: /BICI0024

Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Form	Three Year Policy Endorsement (Multi Aggregate Limit of Liability, Prepaid Premium) (Rate Bearing)	08/15/2007	BICMT06780507.pdf
No original date	Form	Two Year Policy Endorsement (Multi Aggregate Limit of Liability, Prepaid Premium) (Rate Bearing)	08/15/2007	BICMT06790507.pdf
No original date	Form	Two Year Policy Endorsement (Multi Aggregate Limit of Liability, Annual Installments) (Rate Bearing)	08/15/2007	BICMT06800507.pdf
No original date	Form	Three Year Policy Endorsement (Multi Aggregate Limit of Liability, Annual Installments) (Rate Bearing)	08/15/2007	BICMT06810507.pdf
No original date	Form	Multiyear Policy Endorsement (Multi Aggregate Limit of Liability) (Rate Bearing)	08/15/2007	BICMT05740706.pdf
No original date	Form	First Party Computer Security Insurance Coverage Endorsement (Rate Bearing)	08/15/2007	BICMT05810806.pdf
No original date	Form	First Party Computer Security Insurance Coverage Endorsement	08/15/2007	BICMT05991006.pdf

SERFF Tracking Number: BEAZ-125232745 State: Arkansas
Filing Company: Beazley Insurance Company, Inc. State Tracking Number: AR-PC-07-025822
Company Tracking Number: BICI0024-AR (F)
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
Product Name: AFB Technology and Professional Liability Insurance Program
Project Name/Number: /BICI0024

(Rate Bearing)

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

THREE YEAR POLICY ENDORSEMENT (MULTI AGGREGATE LIMIT OF LIABILITY, PREPAID PREMIUM)

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. For purposes of this endorsement, the following terms have the following meanings:
 - a. “**Anniversary Date**” means the date which is exactly one year following the Inception Date in Item 2 of the Declarations.
 - b. “**Second Anniversary Date**” means the date which is exactly two years following the Inception Date in Item 2 of the Declaration.
 - c. “**Policy Year**” means each annual period of the **Policy Period** from:
 - i. the Inception Date in Item 2 of the Declarations to the **First Anniversary Date** or any earlier date of cancellation, and
 - ii. from the **First Anniversary Date** to the **Second Anniversary Date** or any earlier date of cancellation, and
 - iii. from the **Second Anniversary Date** to the Expiration Date in Item 2 of the Declarations or any earlier date of cancellation.
2. For the purposes of this endorsement, the term “total premium” as used in Item 7.a. of the Declarations and Clause XI. A. shall be: \$ **<Annual Premium>**
3. Item 3.b. of the Declarations is deleted and replaced with the following:
 - b. **<Aggregate Liability Limit Per Year>** Aggregate for each **Policy Year** – includes **Claims Expenses**.
4. Clause VII. Limit of Liability is deleted and replaced with the following:

VII. Limit of Liability

The Limit of Liability stated in Item 3.(a) of the Declarations for “Each **Claim**” is the limit of the Insurer’s liability for all **Damages** and **Claims Expenses** arising out of each **Claim**.

If the Aggregate Limit of Liability stated in Item 3.b. of the Declarations is exhausted by the payment of **Damages** and/or **Claims Expenses** in any **Policy Year**, the Insurer’s obligations under this Policy for such **Policy Year** shall be completely fulfilled and extinguished. If the Limits of Liability applicable to the **Policy Period** are exhausted by

the payment of **Damages** and/or **Claims Expenses** the Insurer's obligations under this Policy shall be completely fulfilled and extinguished. The Insurer's maximum Limit of Liability with respect to **Damages** and/or **Claims Expenses** from any **Claim** shall be the remaining Aggregate Limit of Liability applicable to the **Policy Year** in which such **Claim** was made.

The Limit of Liability for the **Optional Extension Period** shall be part of and not in addition to the Limit of Liability of the Insurer for the most recent **Policy Year**.

5. Clause XI. Optional Extension Period D. is deleted and replaced with the following:
 - D. The Limit of Liability for the **Optional Extension Period** shall be part of and not in addition to the Limit of Liability of the Insurer for the most recent **Policy Year**.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

TWO YEAR POLICY ENDORSEMENT (MULTI AGGREGATE LIMIT OF LIABILITY, PREPAID PREMIUM)

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. For purposes of this endorsement, the following terms have the following meanings:
 - a. “**Anniversary Date**” means the date which is exactly one year following the Inception Date in Item 2 of the Declarations.
 - b. “**Policy Year**” means each annual period within the **Policy Period** from the Inception Date in Item 2 of the Declarations to the **Anniversary Date** or any earlier date of cancellation, and from the **Anniversary Date** to the Expiration Date in Item 2 of the Declarations or any earlier date of cancellation.
2. For the purposes of this endorsement, the term “total premium” as used in Item 7.a. of the Declarations and Clause XI. A. shall be: \$ <**Annual Premium**>
3. Item 3.b. of the Declarations is deleted and replaced with the following:
 - b. <**Aggregate Liability Limit Per Year**> Aggregate for each **Policy Year** – includes **Claims Expenses**.
4. Clause VII. Limit of Liability is deleted and replaced with the following:

VII. Limit of Liability

The Limit of Liability stated in Item 3.(a) of the Declarations for “Each **Claim**” is the limit of the Insurer’s liability for all **Damages** and **Claims Expenses** arising out each **Claim**.

If the Aggregate Limit of Liability stated in Item 3.b. of the Declarations is exhausted by the payment of **Damages** and/or **Claims Expenses** in any **Policy Year**, the Insurer’s obligations under this Policy for such **Policy Year** shall be completely fulfilled and extinguished. If the Limits of Liability applicable to the **Policy Period** are exhausted by the payment of **Damages** and/or **Claims Expenses** the Insurer’s obligations under this Policy shall be completely fulfilled and extinguished. The Insurer’s maximum Limit of Liability with respect to **Damages** and/or **Claims Expenses** from any **Claim** shall be the remaining Aggregate Limit of Liability applicable to the **Policy Year** in which such **Claim** was made.

The Limit of Liability for the **Optional Extension Period** shall be part of and not in addition to the Limit of Liability of the Insurer for the most recent **Policy Year**.
5. Clause XI. Optional Extension Period D. is deleted and replaced with the following:

- D. The Limit of Liability for the **Optional Extension Period** shall be part of and not in addition to the Limit of Liability of the Insurer for the most recent **Policy Year**.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

TWO YEAR POLICY ENDORSEMENT (MULTI AGGREGATE LIMIT OF LIABILITY, ANNUAL INSTALLMENTS)

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH[®]

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. For purposes of this endorsement, the following terms have the following meanings:
 - a. “**Anniversary Date**” means the date which is exactly one year following the Inception Date in Item 2 of the Declarations.
 - b. “**Policy Year**” means each annual period within the **Policy Period** from the Inception Date in Item 2 of the Declarations to the **Anniversary Date** or any earlier date of cancellation, and from the **Anniversary Date** to the Expiration Date in Item 2 of the Declarations or any earlier date of cancellation.
2. Item 3.b. of the Declarations is deleted and replaced with the following:
 - b. <**Aggregate Liability Limit Per Year**> Aggregate for each **Policy Year** – includes **Claims Expenses**.
3. The premium set forth in Item 5. of the Declarations shall be payable as follows:
 - a. <**Due at Inception**> due as of the Inception Date in Item 2 of the Declarations; and
 - b. <**Due on Anniversary**> due as of the **Anniversary Date**.
4. Item 7.(a). of the Declarations is deleted and replaced with the following:
 - (a). Premium for Optional Extension Period:<**OEP %**> % of the most recent **Policy Year** as set forth in 3.b. of this endorsement.
5. Clause VII. Limit of Liability is deleted and replaced with the following:

VII. Limit of Liability

The Limit of Liability stated in Item 3.(a) of the Declarations for “Each **Claim**” is the limit of the Insurer’s liability for all **Damages** and **Claims Expenses** arising out each **Claim**.

If the Aggregate Limit of Liability stated in Item 3.b. of the Declarations is exhausted by the payment of **Damages** and/or **Claims Expenses** in any **Policy Year**, the Insurer’s obligations under this Policy for such **Policy Year** shall be completely fulfilled and extinguished. If the Limits of Liability applicable to the **Policy Period** are exhausted by the payment of **Damages** and/or **Claims Expenses** the Insurer’s obligations under this Policy shall be completely fulfilled and extinguished. The Insurer’s maximum Limit of

Liability with respect to **Damages** and/or **Claims Expenses** from any **Claim** shall be the remaining Aggregate Limit of Liability applicable to the **Policy Year** in which such **Claim** was made.

The Limit of Liability for the **Optional Extension Period** shall be part of and not in addition to the Limit of Liability of the Insurer for the most recent **Policy Year**.

6. Clause XI. Optional Extension Period A. and D. are deleted and replaced with the following:

- A. If this Policy is cancelled by the Named Insured or if the Insurer nonrenews this Policy, then the Named Insured shall have the right, upon payment of an additional premium calculated at that percentage shown in Item 7.(a) of the Declarations of the premium shown in Item 3.b. of this endorsement, to an extension of the coverage granted by this Policy with respect to any **Claim** first made against any **Insured** and reported in writing to the Insurer during the period of time set forth in Item 7.(b) of the Declarations after the end of the **Policy Period**, but only with respect to any act, error or omission committed on or after the Retroactive Date and before the effective date of cancellation or nonrenewal.

- D. The Limit of Liability for the **Optional Extension Period** shall be part of and not in addition to the Limit of Liability of the Insurer for the most recent **Policy Year**.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

THREE YEAR POLICY ENDORSEMENT (MULTI AGGREGATE LIMIT OF LIABILITY, ANNUAL INSTALLMENTS)

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. For purposes of this endorsement, the following terms have the following meanings:
 - a. “**Anniversary Date**” means the date which is exactly one year following the Inception Date in Item 2 of the Declarations.
 - b. “**Second Anniversary Date**” means the date which is exactly two years following the Inception Date in Item 2 of the Declaration.
 - c. “**Policy Year**” means each annual period of the **Policy Period** from:
 - i. the Inception Date in Item 2 of the Declarations to the **First Anniversary Date** or any earlier date of cancellation, and
 - ii. from the **First Anniversary Date** to the **Second Anniversary Date** or any earlier date of cancellation, and
 - iii. from the **Second Anniversary Date** to the Expiration Date in Item 2 of the Declarations or any earlier date of cancellation.
2. Item 3.b. of the Declarations is deleted and replaced with the following:
 - b. <**Aggregate Liability Limit Per Year**> Aggregate for each **Policy Year** – includes **Claims Expenses**.
3. The premium set forth in Item 5. of the Declarations shall be payable as follows:
 - a. <**Due at Inception**> due as of the Inception Date in Item 2 of the Declarations; and
 - b. <**Due on Anniversary**> due as of the **Anniversary Date**.
 - c. <**Due on Second Anniversary**> due as of the **Second Anniversary Date**.
4. Item 7.(a). of the Declarations is deleted and replaced with the following:
 - (a). Premium for Optional Extension Period:<**OEP %**> % of the most recent **Policy Year** as set forth in 3.b. of this endorsement.
5. Clause VII. Limit of Liability is deleted and replaced with the following:

VII. Limit of Liability

The Limit of Liability stated in Item 3.(a) of the Declarations for "Each **Claim**" is the limit of the Insurer's liability for all **Damages** and **Claims Expenses** arising out each **Claim**.

If the Aggregate Limit of Liability stated in Item 3.b. of the Declarations is exhausted by the payment of **Damages** and/or **Claims Expenses** in any **Policy Year**, the Insurer's obligations under this Policy for such **Policy Year** shall be completely fulfilled and extinguished. If the Limits of Liability applicable to the **Policy Period** are exhausted by the payment of **Damages** and/or **Claims Expenses** the Insurer's obligations under this Policy shall be completely fulfilled and extinguished. The Insurer's maximum Limit of Liability with respect to **Damages** and/or **Claims Expenses** from any **Claim** shall be the remaining Aggregate Limit of Liability applicable to the **Policy Year** in which such **Claim** was made.

The Limit of Liability for the **Optional Extension Period** shall be part of and not in addition to the Limit of Liability of the Insurer for the most recent **Policy Year**.

6. Clause XI. Optional Extension Period A. and D. are deleted and replaced with the following:

- A. If this Policy is cancelled by the Named Insured or if the Insurer nonrenews this Policy, then the Named Insured shall have the right, upon payment of an additional premium calculated at that percentage shown in Item 7.(a) of the Declarations of the premium shown in Item 3.c. of this endorsement, to an extension of the coverage granted by this Policy with respect to any **Claim** first made against any **Insured** and reported in writing to the Insurer during the period of time set forth in Item 7.(b) of the Declarations after the end of the **Policy Period**, but only with respect to any act, error or omission committed on or after the Retroactive Date and before the effective date of cancellation or nonrenewal.
- D. The Limit of Liability for the **Optional Extension Period** shall be part of and not in addition to the Limit of Liability of the Insurer for the most recent **Policy Year**.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

MULTIYEAR POLICY ENDORSEMENT (MULTI AGGREGATE LIMIT OF LIABILITY)

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. For purposes of this endorsement, the following terms have the following meanings:
 - a. **“Anniversary Date”** means the date which is exactly one year following the Inception Date in Item 2 of the Declarations.
 - b. **“Policy Year”** means each annual period within the **Policy Period** from the Inception Date in Item 2 of the Declarations to the **Anniversary Date** or any earlier date of cancellation, and from the **Anniversary Date** to the Expiration Date in Item 2 of the Declarations or any earlier date of cancellation.
2. Item 3.b. of the Declarations is deleted and replaced with the following:
 - b. **<Spc_AggregateLimit>** Aggregate for each **Policy Year** – includes **Claims Expenses**.
3. The premium set forth in Item 5. of the Declarations shall be payable as follows:
 - a. **<Due at Inception>** due as of the Inception Date in Item 2 of the Declarations; and
 - b. **<Due on Anniversary>** due as of the **Anniversary Date**.
4. Clause VII. Limit of Liability is deleted and replaced with the following:
 - VII. Limit of Liability

The Limit of Liability stated in Item 3.(a) of the Declarations for “Each **Claim**” is the limit of the Insurer’s liability for all **Damages** and **Claims Expenses** arising out each **Claim**.

If the Aggregate Limit of Liability stated in Item 3.b. of the Declarations is exhausted by the payment of **Damages** and/or **Claims Expenses** in any **Policy Year**, the Insurer’s obligations under this Policy for such **Policy Year** shall be completely fulfilled and extinguished. If the Limits of Liability applicable to the **Policy Period** are exhausted by the payment of **Damages** and/or **Claims Expenses** the Insurer’s obligations under this Policy shall be completely fulfilled and extinguished. The Insurer’s maximum Limit of Liability with respect to **Damages** and/or **Claims Expenses** from any **Claim** shall be the remaining Aggregate Limit of Liability applicable to the **Policy Year** in which such **Claim** was made.

The Limit of Liability for the **Optional Extension Period** shall be part of and not in addition to the Limit of Liability of the Insurer for the most recent **Policy Year**.

5. Clause XI. Optional Extension Period D. is deleted and replaced with the following:

D. The Limit of Liability for the **Optional Extension Period** shall be part of and not in addition to the Limit of Liability of the Insurer for the most recent **Policy Year**.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the “Insurer” or the “Underwriters”

FIRST PARTY COMPUTER SECURITY INSURANCE COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

1. Declarations Item 3. **LIMIT OF LIABILITY** deleted in its entirety and replaced with the following:
 - (a) <Chg_PerClaimLimit> Each **Claim** - includes **Claims Expenses**.
 - (b) <Aggregate for Damages, Claims Exp, and Loss> Aggregate for the **Policy Period** for all **Damages, Claims Expenses and Loss**.
 - (c) <Aggregate for Damages and Claims Exp> Aggregate for the **Policy Period** for all **Damages and Claims Expenses**.
 - (d) <Aggregate for Loss> Aggregate for the **Policy Period** for all **Loss**, subject to the following sublimits with respect to **Business Interruption Loss**:
 1. an hourly sublimit of <Hourly Sublimit> for **Business Interruption Loss**;
 2. an aggregate sublimit for the **Policy Period** of <Interruption Loss Aggregate Sublimit> for **Business Interruption Loss** arising out of **Computer Systems** operated by a **Dependent Business** for the **Insured Organization**; and
 3. an aggregate sublimit for the **Policy Period** of <Forensic and Crisis Mgmt Expense Sublimit> for all **Forensic Expenses** and **Crisis Management Expenses** combined.
2. Declarations Item 4. **DEDUCTIBLE**, is amended by the addition of the following:

Clause I.F: <Deductible per Security Breach> each failure of **Computer Security** to prevent a **Security Breach**

Clause I.G: For each failure of **Computer Security** to prevent a **Security Breach**, the greater of:

 1. <Deductible per Security Breach>; or
 2. the dollar amount of **Business Interruption Loss** during the <Length of Waiting Period in Hours> hour **Waiting Period**.

Clause I.H: <Deductible Per Extortion Threat> each **Extortion Threat**
3. Clause I. **INSURING CLAUSES**, is amended by the addition of the following:

F. First Party Data Protection Coverage

To indemnify the **Named Insured** for:

Data Protection Loss, in excess of the Deductible, incurred by the **Insured Organization** as a direct result of:

1. alteration, corruption, destruction, deletion or damage to a **Data Asset**, or
2. inability to access a **Data Asset**,

that first takes place during the **Policy Period** and is directly caused by a failure of **Computer Security** to prevent a **Security Breach**; provided that such **Security Breach** must take place on or after the Retroactive Date set forth in Item 6. of the Declarations and before the end of the **Policy Period**.

G. First Party Network Business Interruption Coverage

To indemnify the **Named Insured** for:

Business Interruption Loss, in excess of the applicable Deductible, incurred by the **Insured Organization** during the **Period of Restoration** or the **Extended Interruption Period** (if applicable) as a direct result of the actual and necessary interruption or suspension of **Computer Systems** that first takes place during the **Policy Period** and is directly caused by a failure of **Computer Security** to prevent a **Security Breach**; provided that such **Security Breach** must first take place on or after the Retroactive Date set forth in Item 6. of the Declarations and before the end of the **Policy Period**.

H. Cyber Extortion Loss Coverage

To indemnify the **Named Insured** for:

Cyber Extortion Loss, in excess of the Deductible, incurred by the **Insured Organization** as a direct result of an **Extortion Threat** first made against the **Insured Organization** during the **Policy Period** by a person, other than the **Insured Organization's** employees, directors, officers, principals, trustees, governors, members, management committee members, members of the management board, partners, contractors, outsourcers, or any person in collusion with any of the foregoing. Coverage under this Insuring Agreement is subject to the applicable conditions and reporting requirements, including those set forth in the ENDORSEMENT CONDITIONS clause of this endorsement, paragraph FP-D., OBLIGATIONS IN THE EVENT OF AN EXTORTION THREAT.

4. For the purposes of this endorsement only, clause **VI. DEFINITIONS** G. is deleted in its entirety and replaced with the following:

G. **Computer Systems** means computers and associated input and output devices, data storage devices, networking equipment, and back up facilities:

1. operated by and either owned by or leased to the **Insured Organization**;
2. with respect to Clause I.G. only, operated by a **Dependent Business** for the purpose of providing hosted computer application services to the **Insured Organization** or for processing, maintaining, hosting or storing the **Insured Organization's** electronic data, pursuant to a written contract with the **Insured Organization** for such services

5. Wherever used in this endorsement in bold face type and for the purposes of this endorsement only, the following definitions apply:

FP-A. **Business Interruption Loss** means the total of:

1. **Income Loss** and **Extra Expense** during the **Period of Restoration**; and
2. **Extended Income Loss** if the combination of **Income Loss** and **Extra Expense** during the **Period of Restoration** is in excess of the applicable Deductible.

Business Interruption Loss shall be calculated on an hourly basis and is subject to the Deductible; provided that **Business Interruption Loss** shall not mean and Coverage VI. (First Party Network Business Interruption) shall not cover any of the following: **Loss** arising out of any liability to third-parties for whatever reason; legal costs or legal expenses of any type; **Loss** incurred as a result of unfavorable business conditions, loss of market or any other consequential loss; or costs or expenses the **Insured Organization** incurs to identify and remove software program errors or vulnerabilities.

All **Loss** resulting from multiple covered interruptions or suspensions of **Computer Systems** that arise out of the same or a continuing **Security Breach**, from related or repeated **Security Breaches**, or from multiple **Security Breaches** resulting from a failure of **Computer Security** shall be deemed to be a single **Business Interruption Loss**; provided, however, that a separate **Waiting Period** shall apply to each **Period of Restoration**. All covered **Business Interruption Loss** must be both sustained by the **Insured Organization** and reported to Underwriters (in accordance with ENDORSEMENT CONDITIONS FP-A., Notice Obligations for Coverages V, VI and VII, and FP-B , Proof and Appraisal of Loss) no later than six months after the end of the **Policy Period**.

FP-B. “Crisis Management Expenses” means the reasonable and necessary charges and fees incurred by **Insured Organization** within six months of a covered actual and necessary interruption or suspension of **Computer Systems** first occurring, for the services of a public relations firm, crisis management firm or law firm hired or appointed by Underwriters, or by **Insured Organization** with Underwriters’ prior written consent, retained solely for the purpose of restoring the confidence of **Insured Organization’s** customers and investors in **Computer Security**; provided, however, **Crisis Management Expenses** shall not mean and this Endorsement shall not cover: any costs or expenses incurred by any person or entity to withdraw or recall **Insured Organization’s** material, media, medium or professional services from the marketplace, or from loss of use arising out of such withdrawal or recall; the costs and expenses of complying with any injunctive or other form of equitable relief; or matters that may be deemed uninsurable under the law pursuant to which this policy shall be construed.

FP-C. “Cyber Extortion Loss” means:

1. any **Extortion Payment** that has been made under duress by or on behalf of the **Insured Organization** with Underwriters’ prior written consent, but solely to prevent or terminate an **Extortion Threat**;
2. an otherwise covered **Extortion Payment** that is lost in transit by actual destruction, disappearance or wrongful abstraction while being conveyed by any person authorized by or on behalf of the **Insured Organization** to make such conveyance; and
3. fees and expenses paid by or on behalf of the **Insured Organization** for security consultants retained with Underwriter’s prior written approval, but solely to prevent or terminate an **Extortion Threat**;

provided, that **Cyber Extortion Loss** shall not exceed the covered **Loss, Damages** and **Claims Expenses** that the **Insured Organization** would have incurred had the **Extortion Payment** not been paid.

FP-D. “Computer Security” means software or computer or network hardware devices, the function or purpose of which is to prevent **Unauthorized Access**, a denial of service attack against **Computer Systems**, infection of **Computer Systems** by **Malicious Code** or transmission of **Malicious Code** from **Computer Systems**. **Computer Security** includes anti-virus and intrusion detection software, firewalls and electronic systems that

provide access control to **Computer Systems** through the use of passwords, biometric or similar identification of authorized users.

FP-E. “**Data Asset**” means any software or electronic data that exists in **Computer Systems** and that is subject to regular back up procedures, including computer programs, applications, account information, customer information including private or personal information, marketing information, financial information and any other information necessary for use in the **Insured Organization’s** ordinary course of business.

FP-F. “**Data Protection Loss**” means:

1. with respect to any **Data Asset** that is altered, corrupted, destroyed, deleted or damaged the actual, reasonable and necessary costs and expenses incurred by the **Insured Organization** to restore a **Data Asset** from back-ups or from originals or to gather, assemble and recreate such **Data Asset** from other sources to the level or condition in which it existed immediately prior to its alteration, corruption, destruction, deletion or damage; or
2. with respect to any **Data Asset** that the **Insured Organization** is unable to access, the lesser of the actual, reasonable and necessary costs and expenses incurred by the **Insured Organization** to:
 - a. regain access to such **Data Asset**; or
 - b. restore or recreate such **Data Asset** to the level or condition in which it existed immediately prior to the **Insured Organization’s** inability to access it;

Provided that if such **Data Asset** cannot reasonably be accessed, restored or reproduced, then **Data Protection Loss** means the actual, reasonable and necessary costs and expenses incurred by the **Insured Organization** to reach this determination.

A **Data Protection Loss** will be deemed to occur at the time such alteration, corruption, destruction, deletion or damage to or inability to access a **Data Asset** is first discovered by the **Insured**. All **Data Protection Loss** that arises out of the same or a continuing **Security Breach**, from related or repeated **Security Breaches**, or from multiple **Security Breaches** resulting from a failure of **Computer** shall be deemed to be a single **Data Protection Loss**.

Data Protection Loss shall not mean, and there shall be no coverage under Clause I.F. (First Party Data Protection Loss) for: 1. costs or expenses incurred by the **Insured Organization** to identify or remediate software program errors or vulnerabilities or update, replace, restore, gather, assemble, reproduce, recreate or enhance a **Data Asset** or **Computer Systems** to a level beyond that which existed prior to the alteration, corruption, destruction, deletion or damage of such **Data Asset**; 2. costs or expenses to research or develop any **Data Asset**, including but not limited to trade secrets or other proprietary information; 3. the monetary value of profits, royalties, or lost market share related to a **Data Asset**, including but not limited to trade secrets or other proprietary information or any other amount pertaining to the value of the **Data Asset**; 5. loss arising out of any liability to third-parties for whatever reason; or 6. legal costs or legal expenses of any type.

FP-G. “**Dependent Business**” means an entity that the **Insured** does not own, operate or control, but that the **Insured** depends on to conduct the **Insured’s** business.

FP-H. “**Extended Income Loss**” means the **Income Loss** during the **Extended Interruption Period**.

- FP-I. **“Extended Interruption Period”** means the period of time that:
1. begins on the date and time that the **Period of Restoration** ends; and
 2. terminates on the date and time the **Insured** restores, or would have restored if the **Insured** had exercised due diligence and dispatch, the net profit before income taxes that would have been earned by the **Insured** directly through its business operations had the actual and necessary interruption or suspension of **Computer Systems** not occurred;
- provided that in no event shall the **Extended Interruption Period** mean more than or exceed thirty (30) days.
- FP-J. **“Extortion Payment”** means cash, marketable goods or services demanded to prevent or terminate an **Extortion Threat**.
- FP-K. **“Extortion Threat”** means a threat to breach **Computer Security** in order to:
1. alter, destroy, damage, delete or corrupt any **Data Asset**;
 2. prevent access to **Computer Systems** or a **Data Asset**, including a denial of service attack or encrypting a **Data Asset** and withholding the decryption key for such **Data Asset**;
 3. perpetrate a **Theft of Data** through external access;
 4. introduce **Malicious Code** into **Computer Systems** or to third party computers and systems from **Computer Systems**; or
 5. interrupt or suspend **Computer Systems**;
- unless an **Extortion Payment** is received from or on behalf of the **Insured Organization**.
- FP-L. **“Extra Expense”** means:
1. reasonable and necessary expenses that are incurred by the **Insured Organization** during the **Period of Restoration** to minimize, reduce or avoid an **Income Loss**, provided:
 - a. that such expenses are over and above those the **Insured Organization** would have incurred had no interruption or suspension of the **Computer Systems** occurred; and
 - b. do not exceed the amount by which the **Income Loss** covered under this Policy is thereby reduced; and
 2. **Forensic Expenses** and **Crisis Management Expenses**, subject to the sublimit set forth in Clause VII. LIMIT OF LIABILITY;
- FP-M. **“Forensic expenses”** mean those additional expenses incurred by the **Insured Organization** to conduct an investigation of **Computer Systems** to determine the source or cause of the failure of **Computer Security** to prevent a **Security Breach**.
- FP-N. **“Income Loss”** means:
1. the net profit before income taxes that the **Insured Organization** is prevented from earning through its business operations or the net loss before income taxes that the **Insured Organization** is unable to avoid through its business operations as a direct result of the actual and necessary interruption or suspension of **Computer Systems**; and

2. fixed operating expenses incurred by the **Insured Organization** (including payroll), but only to the extent that a. such operating expenses must necessarily continue during the **Period of Restoration** (or **Extended Interruption Period**, if applicable); and b. such expenses would have been incurred by the **Insured Organization** had such interruption or suspension not occurred.

Income Loss shall be reduced to the extent the **Insured** or **Dependent Business** (if applicable) is able, with reasonable dispatch and due diligence, to reduce or limit such interruption or suspension of **Computer Systems** or conduct its business operations by other means.

In determining **Income Loss**, due consideration shall be given to the prior experience of the **Insured Organization's** business operations before the beginning of the **Period of Restoration** and to the probable business operations the **Insured Organization** could have performed had no actual and necessary interruption or suspension occurred as result of a failure of **Information Security** to prevent a **Security Breach**.

Income Loss will be calculated on an hourly basis based on the **Insured Organization's** net profit (or loss) and fixed operating expenses.

FP-O. "**Loss**" means **Cyber Extortion Loss, Data Protection Loss** and **Business Interruption Loss**.

FP-P. "**Period of Restoration**" means the time period that:

1. begins on the specific date and time that the actual and necessary interruption or suspension of **Computer Systems** first occurred; and
2. ends on the specific date and time that the actual and necessary interruption or suspension of **Computer Systems** ends, or would have ended had the **Insured** or **Dependent Business** (if applicable) acted with due diligence and dispatch;

provided that in no event shall the **Period of Restoration** mean more than or exceed thirty (30) days.

FP-Q. "**Security Breach**" means **Unauthorized Access of Computer Systems**, a denial of service attack against **Computer Systems**, infection of **Computer Systems** by **Malicious Code** or transmission of **Malicious Code** from **Computer Systems**, whether any of the foregoing is specifically targeted attack or a generally distributed attack. A series of continuing **Security Breaches**, related or repeated **Security Breaches**, or multiple **Security Breaches** resulting from a failure of **Computer Security** shall be considered a single **Security Breach** and be deemed to have occurred at the time of the first such **Security Breach**.

FP-R. "**Waiting period**" means the period of time beginning when the **Period of Restoration** begins and expiring after the elapse of the number of hours set forth in Item 4. Clause G.2. of the Declarations. A **Waiting Period** shall apply to each **Period of Recovery**.

6. For the purposes of this endorsement only clause **V. EXCLUSIONS** A., K. and L. are not applicable.
7. For the purposes of this endorsement only, the following exclusions are added to Clause **V. EXCLUSIONS**:

The coverage under this endorsement does not apply to any failure of **Computer Security** to prevent a **Security Breach, Extortion Threat** or **Loss**:

- FP-A. Arising out of or resulting from any criminal, dishonest, fraudulent, or malicious act, error or omission, or any **Security Breach, Extortion Threat**, or intentional or knowing violation of the law, if committed by any of the **Insured Organization's** directors, principals, officers, partners, or trustees or any person in participation or collusion with any of the **Insured Organization's** principals, directors, officers, partners, or trustees;
- FP-B. Arising out of or resulting from any seizure, nationalization, confiscation, or destruction of **Computer Systems** or **Data Asset** by order of any governmental or public authority;
- FP-C. Arising out of or resulting from any act, error, omission, failure of **Computer Security**, or **Security Breach** committed or occurring prior to the inception date of this Policy:
1. if the Chief Executive Officer, Chief Financial Officer, Chief Technology Officer, General Counsel or any members of the legal department or any members of the risk management department of the **Insured Organization** on or before May 1, 2006 knew or could have reasonably foreseen that such act, error or omission, failure of **Computer Security**, or **Security Breach** might be expected to be the basis of **Loss** or an **Extortion Threat**; or
 2. in respect of which any **Insured** has given notice of a circumstance which might lead to an **Extortion Threat** or **Loss** to the insurer of any other policy in force prior to the inception date of this Policy;
- FP-D. Arising out of any related or continuing acts, errors, omissions, **Extortion Threats**, or **Security Breaches**, where the first such act, error, omission or failure or breach was committed or occurred prior to the Retroactive Date set forth in Item 6. of the Declarations;
- FP-E. Arising out of or resulting from:
1. any failure or malfunction of electrical or telecommunications infrastructure or services, provided that this exclusion shall not apply to any otherwise covered **Claim** or **Loss** arising out of failure of **Computer Security** to prevent a **Security Breach** that was caused by a failure or malfunction of electrical infrastructure or services under the **Insured Organization's** operational control;
 2. fire, flood, earthquake, volcanic eruption, explosion, lighting, wind, hail, tidal wave, landslide, act of God or other physical event; or
 3. any satellite failures;
- FP-F. Arising out of or resulting from:
1. the failure of **Computer Systems** or **Data Assets** to be protected by **Computer Security** and security practices and procedures equal to or superior to those disclosed in response to questions in the Application for Insurance relating to **Computer Security**, including access protection, intrusion detection, data back up procedures, **Malicious Code** protection, software product updates and releases, patch protection, and data encryption; or
 2. the failure to install available software product updates and releases, or to apply security related software patches, to computers and other components of **Computer Systems**;
- FP-G. Arising out of or resulting from any trading losses or trading liabilities; monetary value of any electronic fund transfers or transactions by or on behalf of the **Insured** which is lost, diminished, or damaged during transfer from, into or between accounts; or the value of

coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount;

For purposes of Clause I.H. (Cyber Extortion Loss Coverage), the coverage under this endorsement does not apply to **Cyber Extortion Loss**:

FP-H. Arising out of or resulting from:

1. any threat to physically harm or kidnap any person; or
2. any threat to harm, take, or transfer property other than any **Data Asset**, even if such threat is made in conjunction with a threat to a **Data Asset** or by carrying out such a threat harm, theft, or transfer property, a **Data Asset** may be damaged, corrupted, altered, taken, disseminated or transferred;

8. The second paragraph of Clause **VII. LIMIT OF LIABILITY** is hereby deleted and replaced with the following:

The "Aggregate for the **Policy Period** for all **Damages, Claims Expenses and Loss**" stated in Item 3.(b) of the Declarations is Underwriters' combined total Limit of Liability for all covered **Damages** and **Claims Expenses** under Clauses I.A, I.B, I.C.,I.D and I.E. together with all covered **Loss** under Clauses I.F., I.G., and I.H. The inclusion of more than one **Insured** under this Policy, the making of **Claims** or incurring **Loss** by more than one person or entity shall increase the Limit of Liability.

9. For the purposes of this endorsement only, clause **VII. LIMIT OF LIABILITY** is amended by the addition of the following:

FP-A. The "Aggregate for the **Policy Period** for all **Damages and Claims Expenses**" stated in Item 3.(c) of the Declarations is Underwriters' combined total Limit of Liability for all covered **Claim Expenses** and **Damages** arising out of all **Claims** or circumstances which might lead to a **Claim** which are covered under the terms and conditions of this Policy, and neither the inclusion of more than one **Insured** under this Policy, nor the making of **Claims** by more than one person or entity shall increase the Limit of Liability. The Limit of Liability set forth in Item 3.(c) is subject to, and not in addition to, the Limit of Liability set forth in Item 3.(b) of the Declarations.

FP-B. The "Aggregate for the **Policy Period** for all **Loss**" stated in Item 3.(d) of the Declarations is Underwriters' combined total Limit of Liability for all covered **Loss** under Clauses I.F., I.G., and I.H. The Limit of Liability set forth in Item 3.(d) is subject to, and not in addition to, the Limit of Liability set forth in Item 3.(b) of the Declarations

FP-C. The Limit of Liability stated in Item 3(d)1. of the Declarations is the limit of Underwriters' liability for all covered **Business Interruption Loss** per hour under Clause I.G..

FP-D. The Limit of Liability stated in Item 3(d)2. of the Declarations is the limit of Underwriters' liability for the **Policy Period** for all covered **Business Interruption Loss** arising out **Computer Systems** operated by a **Dependent Business** for the **Insured Organization** under Clause I.G.

FP-E. The Limit of Liability stated in Item 3(d)3. of the Declarations is the limit of Underwriters' liability for the **Policy Period** for all **Forensic Expenses** and **Crisis Management Expenses** combined under Clause I.G.

- FP-F. The Limits of Liability set forth in clause **VII. LIMIT OF LIABILITY** FP-C., FP-D. and FP-E shall be part of, subject to, and not in addition to the Limit of Liability in Items 3(b) and 3(d) of the Declarations.
- FP-G. With respect to **Data Protection Loss**, any alteration, corruption, destruction, deletion or damage to any **Data Asset** that arises out of, is the same as, is a continuation of, or is related to, any alteration, corruption, destruction, deletion or damage to any **Data Asset** that occurred prior to the **Policy Period**, shall be deemed to have first occurred prior to the **Policy Period**.
- FP-H. With respect to **Business Interruption Loss**, any interruption or suspension of **Computer Systems** that arises out of, is the same as, is a continuation of, or is related to, any interruption or suspension of **Computer Systems** that occurred prior to the **Policy Period**, shall be deemed to have first occurred prior to the **Policy Period**.
- FP-I. With respect to **Cyber Extortion Loss**, any **Extortion Threat** that arises out of, is the same as, is a continuation of, or is related to, any **Extortion Threat** that occurred prior to the **Policy Period**, shall be deemed to have first occurred prior to the **Policy Period**.
10. For the purposes of this endorsement only, clause **VIII. DEDUCTIBLE** is amended by the addition of the following:
- FP-A. The Deductible stated in Item 4. of the Declarations for Clause I.F. applies separately to each **Security Breach**. The Deductible applicable to each **Security Breach** shall be satisfied by monetary payments by the Named Insured of covered **Data Protection Loss**. FP-B. The applicable Deductible stated in Item 4. of the Declarations for Clause I.G. applies separately to each **Security Breach**. The applicable Deductible for Clause I.G. shall be the greater of the **Business Interruption Loss** amount set forth in Item 4 Clause I.G.1. of the Declarations or the amount of **Business Interruption Loss** during the **Waiting Period** stated in to Item 4 Clause I.G.2. of the Declarations. A **Waiting Period** applies to each **Period of Restoration**. The Deductible shall be satisfied by covered **Business Interruption Loss** retained by the **Insured Organization**.
- FP-C. The Deductible stated in Item 4. of the Declarations for Clause I.H. applies separately to each **Extortion Threat**. The Deductible applicable to each **Extortion Threat** shall be satisfied by monetary payments by the Named Insured of covered **Cyber Extortion Loss** pursuant to Item 4. Clause I.H. of the Declarations.
- FP-D. Satisfaction of the Deductible for Clause I.F., I.G. and I.H. is a condition precedent to the payment by the Underwriters of any **Loss** hereunder, and the Underwriters shall be liable only for the **Loss** in excess of the applicable Deductible subject to Underwriters' total liability not exceeding the Limits of Liability stated in Items 3 of the Declaration.
- FP-E. With respect to Clause I.F., I.G. and I.H., in the event there is coverage under more than one Coverage, the single highest Deductible between the Clauses shall apply.
11. For the purposes of this endorsement only, clause **XVI. MERGERS AND ACQUISITIONS** is amended by the addition of the following:
- FP-A. During the **Policy Period**, if the **Named Insured** or any **Subsidiary** acquires another entity whose annual revenues are more than ten percent (10%) of the **Named Insured's** total annual revenues as set forth in the most recent Application for insurance, then no **Insured** shall have coverage under this Policy for any **Data Protection Loss**, **Business Interruption Loss** or **Cyber Extortion Loss** sustained by the acquired entity or any person employed by the acquired entity unless the **Named Insured** gives the Underwriters written notice at least 30 days prior to the acquisition, obtains the written

consent of Underwriters to extend coverage to such additional entities, assets or exposures, and agrees to pay any additional premium required by Underwriters.

12. Clause **XIX. SUBROGATION.** is hereby deleted and replaced with the following:

If any payment is made under this Policy and there is available to the Underwriters any of the **Insured's** rights of recovery against any other party, then the Underwriters shall maintain all such rights of recovery. The **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing to prejudice such rights. Any recoveries shall be applied first to subrogation expenses, second to **Damages, Claims Expenses** and **Loss** paid by the Underwriters, and lastly to the Deductible. Any additional amounts recovered shall be paid to the **Named Insured.**

13. **ENDORSEMENT CONDITIONS.** For the purposes of this endorsement only, the following is added to the policy:

ENDORSEMENT CONDITIONS

FP-A. NOTICE OBLIGATIONS FOR CLAUSES I.F., I.G. AND I.H.

1. With respect to Clause I.F., before coverage will apply for **Data Protection Loss** sustained by the **Insured Organization** as a direct result of alteration, corruption, destruction, deletion or damage to or inability to access a **Data Asset** first occurring during the **Policy Period**, the **Insured** must forward written notice by express mail or telecopy to Underwriters through persons named in Item 7. of the Declarations immediately upon discovery of alteration, corruption, destruction, deletion or damage to or inability to access a **Data Asset** to which this Insurance applies; provided that all covered **Data Protection Loss** must be discovered and reported (in accordance with ENDORSEMENT CONDITIONS FP-B., Proof and Appraisal of Loss) to Underwriters no later than six months after the end of the **Policy Period.**
2. With respect to Clause I.G., before coverage will apply for **Business Interruption Loss** as a direct result of the actual and necessary interruption or suspension of **Computer Systems** that first occurs during the **Policy Period**, the **Insured** shall forward immediately to Underwriters through persons named in Item 7. of the Declarations, written notice of the interruption or suspension of **Computer Systems** to which this Insurance applies in the form of a telecopy or express mail. Such notice must be provided during the **Policy Period**, or no later than 10 days after the end of the **Policy Period** for interruptions or suspensions occurring within 10 days of the end of the **Policy Period**; provided, all covered **Business Interruption Loss** must be reported to Underwriters (in accordance with ENDORSEMENT CONDITIONS FP-B., Proof and Appraisal of Loss) no later than six months after the end of the **Policy Period**
3. With respect to Clause I.H., before coverage will apply for **Cyber Extortion Loss** in the event of an **Extortion Threat** to which this endorsement applies, the **Insured Organization** shall notify Underwriters by contacting the persons specified in Item 7. of the Declarations by telephone immediately upon receipt of any **Extortion Threat**, and shall thereafter also provide written notice by telecopy or express mail within five (5) days following the **Extortion Threat.**
4. With respect to Clauses I.F and I.G, before coverage will apply, the **Named Insured** must:

- a. complete and sign a written, detailed and sworn proof of loss within ninety (90) days (unless such period has been extended by Underwriter's written consent) after the **Insured Organization** sustains a **Data Protection Loss** or **Business Interruption Loss** (as applicable). Such proof of loss shall include a full description of such **Data Protection Loss** or **Business Interruption Loss** and the circumstances surrounding such **Data Protection Loss** or **Business Interruption Loss**, including, the time, place and cause of the **Data Protection Loss** or **Business Interruption Loss**, a detailed calculation of any **Data Protection Loss** or **Business Interruption Loss**, the **Insured Organization's** interest and the interest of all others in the property, the sound value thereof and the amount of **Data Protection Loss** or **Business Interruption Loss** or damage thereto and all other insurance thereon. Proof of loss shall also include the underlying documents and materials of whatever media that reasonably relates to or forms a part of the basis of the claim for such **Data Protection Loss** or **Business Interruption Loss**; and
- b. upon Underwriters' request, submit to an examination under oath.

The costs and expenses of establishing or proving **Data Protection Loss**, **Business Interruption Loss** or **Cyber Extortion Loss** for this policy, including without limitation those connected with preparing a proof of loss, shall be the **Insured's** obligation, and are not covered under this policy.

5. If the **Insured** shall make or report any **Loss** under this Policy knowing such **Loss** to be false or fraudulent, as regards amounts or otherwise, this Policy shall be come null and void and all coverage hereunder shall be forfeited.

FP-B. PROOF AND APPRAISAL OF LOSS

1. **Proof of Loss:** With respect to Clauses I.F. and I.G., before coverage will apply, the **Named Insured** must:
 - a. prepare and submit to the persons named in Item 7. of the Declarations a written and detailed proof of loss sworn by an officer of the **Named Insured** within ninety (90) days, or within the time limits set forth in Terms and Conditions A, Notice of Loss, if shorter, (unless such period has been extended by Underwriter's written consent) after the **Insured** discovers a **Data Protection Loss** or the **Insured Organization** sustains a **Business Interruption Loss** (as applicable). Such proof of loss shall include a narrative with full particulars of such **Data Protection Loss** or **Business Interruption Loss**, including, the time, place and cause of the **Data Protection Loss** or **Business Interruption Loss**, a detailed calculation of any **Data Protection Loss** or **Business Interruption Loss**, the **Insured Organization's** interest and the interest of all others in the property, the sound value thereof and the amount of **Data Protection Loss** or **Business Interruption Loss** or damage thereto and all other insurance thereon.
 - b. upon Underwriters' request, submit to an examination under oath and provide copies of the underlying documents, data and materials that reasonably relate to or are part of the basis of the claim for such **Data Protection Loss** or **Business Interruption Loss**.
 - c. The costs and expenses of preparing and submitting a proof of loss, and establishing or proving **Data Protection Loss**, **Business Interruption Loss** or any other **Loss** under this Policy shall be the **Insured's** obligation, and are not covered under this Policy.
2. **Appraisal of Loss:** If the **Named Insured** and Underwriters do not agree on the amount of a **Loss**, each party shall select and pay an appraiser or other qualified expert (the "Appraiser") to state the amount of the loss or reasonable expenses, and the Appraisers shall choose an umpire. If the Appraisers cannot agree on an umpire,

the **Named Insured** or the Underwriters may request a judge of a court having jurisdiction to make the selection. Each Appraiser shall submit the amount of the **Loss** or reasonable expenses to the umpire, and agreement by the umpire and at least one of the Appraisers as the amount of a **Loss** shall be binding on all **Insureds** and Underwriters. The **Named Insured** and Underwriters will equally share the costs of the umpire and any other costs other than the cost of the Appraisers. This provision shall govern only the appraisal of the amount of a **Loss**, and shall not control the determination of whether such **Loss** is otherwise covered by the Policy. Underwriters will still retain and do not waive their rights to deny coverage or enforce any obligation under this Policy.

FP-C. **INSPECTION RIGHTS**

The **Insured** shall make available to the Underwriters at all reasonable times, and the Underwriters through their designated representatives shall have the right to inspect and copy at their own expense, during the period of this insurance and thereafter, all books, papers and other records of the insured and its agents or brokers in connection with this policy or the subject matter hereof, or to make inspections or surveys. Underwriters' right to make inspections or surveys or the making of them do not constitute an undertaking on behalf or for the benefit of any **Insured**, third party or the public to determine or warrant that any property is safe, nor a determination or warrant concerning the effectiveness of any security applicable to **Computer Systems**.

FP-D. **OBLIGATIONS OF THE INSURED IN THE EVENT OF AN EXTORTION THREAT**

1 **Insured's Duty of Confidentiality**

The **Insured** shall use its best efforts at all times to ensure that knowledge regarding the existence of the **Cyber Extortion Loss Coverage** afforded by this Policy is restricted as far as possible. Underwriters may cancel this Policy upon ten (10) days written notice to the **Named Insured** if the existence of the **Cyber Extortion Loss Coverage** provided by this Policy becomes public knowledge or is revealed to a person making an **Extortion Threat** through no fault of Underwriters.

2. **Insured Organization's Obligation to Investigate Extortion Threat and Avoid or Limit Extortion Payment**

Prior to the payment of any **Extortion Payment**, the **Insured Organization** shall make every reasonable effort to determine that the **Extortion Threat** is not a hoax, or otherwise not credible. The **Insured Organization** shall take all steps reasonable and practical to avoid or limit the payment of an **Extortion Payment**.

3. **Named Insured's Obligation to Demonstrate Duress**

As a condition to payment of any **Extortion Payment** under the terms of this Policy, the **Insured Organization** must be able to demonstrate that such **Extortion Payment** was surrendered under duress.

4. **Notification of Police**

The **Insured Organization** shall allow Underwriters or their representative to notify the police or other responsible law enforcement authorities of any **Extortion Threat**.

NS-E. **RECOVERED PROPERTY**

If the **Insured** or Underwriters recover any property, money or **Data Assets** after a loss payment is made, the party making the recovery must give prompt notice of the recovery to the other party. If the recovered property is money or other funds, the recovery shall be applied first to any costs incurred by Underwriters in recovering the property, second to loss payments made by Underwriters, and third to any Deductible payment made by the **Named Insured**. If property other than money or funds is recovered, then the **Named Insured** may keep the recovered property and return the loss payment, plus the any costs of recovery incurred by Underwriters, or keep the loss payment less the costs of recovery incurred by Underwriters and transfer all rights in the property to Underwriters.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

FIRST PARTY COMPUTER SECURITY INSURANCE COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

AFB MEDIA TECH®

In consideration of the premium charged for this Policy, it is hereby understood and agreed that solely for the purposes of this endorsement:

1. Declarations Item 3. **LIMIT OF LIABILITY** deleted in its entirety and replaced with the following:
 - (a) <Spc_Each_Claim> Each **Claim** - includes **Claims Expenses**.
 - (b) <Spc_AggregateLimit> Aggregate for the **Policy Period** for all **Damages, Claims Expenses and Loss**.
 - (c) Spc_AggregateLimit2Aggregate for the **Policy Period** for all **Damages and Claims Expenses**.
 - (d) Spc_AggregateLimit3 Aggregate for the **Policy Period** for all **Loss**, subject to the following sublimits with respect to **Business Interruption Loss**:
 1. an hourly sublimit of \$ [INSERT AMOUNT] for **Income Loss**;
 2. an aggregate sublimit for the **Policy Period** of \$100,000 for **Business Interruption Loss** arising out of **Computer Systems** operated by a **Dependent Business** for the **Insured Organization**; and
 3. an aggregate sublimit for the **Policy Period** of \$100,000 for all **Forensic Expenses**.
2. Declarations Item 4. **DEDUCTIBLE**, is amended by the addition of the following:

Coverage V: <Spc_Security_Breach> each **Security Breach**

Coverage VI: As calculated pursuant to paragraph 12.FP-B. below, each **Security Breach**.

 1. **Income Loss** amount of <Spc_Income_Loss>
 2. The dollar amount of **Income Loss** during the [INSERT # of HOURS] hour **Waiting Period**.

Coverage VII: <Spc_Extortion Threat> each **Extortion Threat**

3. Clause I. **INSURING AGREEMENTS** is amended by the addition of the following:
- E. **Coverage V: First Party Data Protection Coverage**
- To indemnify the **Named Insured** for:
- Data Protection Loss**, in excess of the Deductible, incurred by the **Insured Organization** as a direct result of:
1. alteration, corruption, destruction, deletion or damage to a **Data Asset**, or
 2. inability to access a **Data Asset**,
- that first takes place during the **Policy Period** and is directly caused by a failure of **Computer Security** to prevent a **Security Breach**; provided that such **Security Breach** must take place on or after the Retroactive Date set forth in Item 6. of the Declarations and before then end of the **Policy Period**.
- F. **Coverage VI: First Party Network Business Interruption Coverage**
- To indemnify the **Named Insured** for:
- Business Interruption Loss**, in excess of the applicable Deductible, incurred by the **Insured Organization** during the **Period of Restoration** or the **Extended Interruption Period** (if applicable) as a direct result of the actual and necessary interruption or suspension of **Computer Systems** that first takes place during the **Policy Period** and is directly caused by a failure of **Computer Security** to prevent a **Security Breach**; provided that such **Security Breach** must first take place on or after the Retroactive Date set forth in Item 6. of the Declarations and before the end of the **Policy Period**.
- G. **Coverage VII: Cyber Extortion Loss Coverage**
- To indemnify the **Named Insured** for:
- Cyber Extortion Loss**, in excess of the Deductible, incurred by the **Insured Organization** as a direct result of an **Extortion Threat** first made against the **Insured Organization** during the **Policy Period** by a person, other than the **Insured Organization's** employees, directors, officers, principals, trustees, governors, members, management committee members, members of the management board, partners, contractors, outsourcers, or any person in collusion with any of the foregoing. Coverage under this Insuring Agreement is subject to the applicable conditions and reporting requirements, including those set forth in the ENDORSEMENT CONDITIONS clause of this endorsement, paragraph FP-D., OBLIGATIONS IN THE EVENT OF AN EXTORTION THREAT.
4. For the purposes of this endorsement only, clause **VI. DEFINITIONS** F. is deleted in its entirety and replaced with the following:
- F. **Computer Systems** means computers and associated input and output devices, data storage devices, networking equipment, and back up facilities:
1. operated by and either owned by or leased to the **Insured Organization**;
 2. With respect to Coverages I through IV only, operated by a third party service provider and used for the purpose of providing hosted computer application services to the **Insured Organization** or for processing, maintaining, hosting or storing the **Insured Organization's** electronic data, pursuant to written contract with the **Insured Organization** for such services; and
 3. with respect to Coverage VI. (Business Interruption) only, operated by a **Dependent Business**, provided such coverage is subject to the sublimit of liability set forth in Item 3.(d) 2 of the Declarations.
5. Wherever used in this endorsement in bold face type and for the purposes of this endorsement only, the following definitions apply:

FP-A. **“Business Interruption Loss”** means the total of:

1. **Income Loss** and **Extra Expense** during the **Period of Restoration**; and
2. **Extended Income Loss** if the **Income Loss** during the **Period of Restoration** is in excess of the applicable Deductible.

Provided that **Business Interruption Loss** shall not mean and Coverage VI. (First Party Network Business Interruption) shall not cover any of the following: **Loss** arising out of any liability to any third party for whatever reason; legal costs or legal expenses of any type; **Loss** incurred as a result of unfavorable business conditions, loss of market or any other consequential loss; or costs or expenses the **Insured Organization** incurs to identify and remove software program errors or vulnerabilities.

All **Business Interruption Loss** resulting from multiple covered interruptions or suspensions of **Computer Systems** that arise out of the same or a continuing **Security Breach**, from related or repeated **Security Breaches**, or from multiple **Security Breaches** resulting from a failure of **Computer Security** shall be deemed to be a single **Business Interruption Loss**; provided, however, that a separate **Waiting Period** shall apply to each **Period of Restoration**.

FP-B. **“Cyber Extortion Loss”** means:

1. any **Extortion Payment** that has been made under duress by or on behalf of the **Insured Organization** with Underwriters’ prior written consent, but solely to prevent or terminate an **Extortion Threat**;
2. an otherwise covered **Extortion Payment** that is lost in transit by actual destruction, disappearance or wrongful abstraction while being conveyed by any person authorized by or on behalf of the **Insured Organization** to make such conveyance; and
3. fees and expenses paid by or on behalf of the **Insured Organization** for security consultants retained with Underwriter’s prior written approval, but solely to prevent or terminate an **Extortion Threat**;

provided, that **Cyber Extortion Loss** shall not exceed the covered **Loss, Damages** and **Claims Expenses** that the **Insured Organization** would have incurred had the **Extortion Payment** not been paid.

FP-C. **“Computer Security”** means software or computer or network hardware devices, the function or purpose of which is to prevent **Unauthorized Access**, a denial of service attack against **Computer Systems**, infection of **Computer Systems** by **Malicious Code** or transmission of **Malicious Code** from **Computer Systems**. **Computer Security** includes anti-virus and intrusion detection software, firewalls and electronic systems that provide access control to **Computer Systems** through the use of passwords, biometric or similar identification of authorized users.

FP-D. **“Data Asset”** means any software or electronic data that exists in **Computer Systems** and that is subject to regular back up procedures, including computer programs, applications, account information, customer information, private or personal information, marketing information, financial information and any other information necessary for use in the **Insured Organization’s** ordinary course of business.

FP-E. **“Data Protection Loss”** means:

1. with respect to any **Data Asset** that is altered, corrupted, destroyed, deleted or damaged the actual, reasonable and necessary costs and expenses incurred by the **Insured Organization** to restore a **Data Asset** from back-ups or from originals or to gather, assemble and recollect such **Data Asset** from other sources to the level or condition in which it existed immediately prior to its alteration, corruption, destruction, deletion or damage; or
2. with respect to any **Data Asset** that the **Insured Organization** is unable to access, the lesser of the actual, reasonable and necessary costs and expenses incurred by the **Insured Organization** to:
 - a. regain access to such **Data Asset**; or
 - b. restore such **Data Asset** from back-ups or originals or gather, assemble and recollect such **Data Asset** from other sources, to the level or condition in which it existed immediately prior to the **Insured Organization’s** inability to access it;

Provided that if such **Data Asset** cannot reasonably be accessed, restored, gathered, assembled or recollected, then **Data Protection Loss** means the actual, reasonable and necessary costs and expenses incurred by the **Insured Organization** to reach this determination.

Provided further that **Data Protection Loss** shall not exceed, and shall not mean any amount in excess of, the amount by which the net profit before income taxes of the **Insured Organization** would have decreased had the **Insured Organization** failed to restore, gather, assemble or recollect as set forth in sub-paragraphs FP-E.1. and FP-E.2. above.

A **Data Protection Loss** will be deemed to occur at the time such alteration, corruption, destruction, deletion or damage to or inability to access a **Data Asset** is first discovered by the **Insured**. All **Data Protection Loss** that arises out of the same or a continuing **Security Breach**, from related or repeated **Security Breaches**, or from multiple **Security Breaches** resulting from a failure of **Computer Security** shall be deemed to be a single **Data Protection Loss**.

Data Protection Loss shall not mean, and there shall be no coverage under Coverage V. (First Party Data Protection Loss) for: 1. costs or expenses incurred by the **Insured Organization** to identify or remediate software program errors or vulnerabilities or update, replace, restore, gather, assemble, reproduce, recollect or enhance a **Data Asset** or **Computer Systems** to a level beyond that which existed prior to the alteration, corruption, destruction, deletion or damage of such **Data Asset**; 2. costs or expenses to research or develop any **Data Asset**, including but not limited to trade secrets or other proprietary information; 3. the monetary value of profits, royalties, or lost market share related to a **Data Asset**, including but not limited to trade secrets or other proprietary information or any other amount pertaining to the value of the **Data Asset**; 5. loss arising out of any liability to third party for whatever reason; or 6. legal costs or legal expenses of any type.

FP-F. **Dependent Business** means any a third party service provider that provides hosted computer application services to the **Insured Organization** or processes, maintains, hosts or stores the **Insured Organization’s** electronic data, pursuant to written contract with the **Insured Organization** for such services.

FP-G. “**Extended Income Loss**” means the **Income Loss** during the **Extended Interruption Period**.

FP-H. “**Extended Interruption Period**” means the period of time that:

1. begins on the date and time that the **Period of Restoration** ends; and
2. terminates on the date and time the **Insured** restores, or would have restored if the **Insured** had exercised due diligence and dispatch, the net profit before income taxes that would have been earned by the **Insured** directly through its business operations had the actual and necessary interruption or suspension of **Computer Systems** not occurred;

provided that in no event shall the **Extended Interruption Period** mean more than or exceed thirty (30) days.

FP-I. “**Extortion Payment**” means cash, marketable goods or services demanded to prevent or terminate an **Extortion Threat**.

FP-J. “**Extortion Threat**” means a threat to breach **Computer Security** in order to:

1. alter, destroy, damage, delete or corrupt any **Data Asset**;
2. prevent access to **Computer Systems** or a **Data Asset**, including a denial of service attack or encrypting a **Data Asset** and withholding the decryption key for such **Data Asset**;
3. perpetrate a **Theft of Data** through external access;
4. introduce **Malicious Code** into **Computer Systems** or to third party computers and systems from **Computer Systems**; or
5. interrupt or suspend **Computer Systems**;

unless an **Extortion Payment** is received from or on behalf of the **Insured Organization**.

Multiple related or continuing **Extortion Threats** shall be considered a single **Extortion Threat** for purposes of this Policy and shall be deemed to have occurred at the time of the first such **Extortion Threat**.

FP-K. “**Extra Expense**” means:

1. reasonable and necessary expenses that are incurred by the **Insured Organization** during the **Period of Restoration** to minimize, reduce or avoid an **Income Loss**, provided:
 - a. that such expenses are over and above those the **Insured Organization** would have incurred had no interruption or suspension of the **Computer Systems** occurred; and
 - b. do not exceed the amount by which the **Income Loss** covered under this Policy is thereby reduced; and
2. **Forensic Expenses**, subject to the sublimit set forth in clause VII. LIMIT OF LIABILITY;

provided that **Extra Expense** shall not mean, and there shall be no coverage under Coverage VI. (First Party Network Business Interruption) for expenses incurred by the **Insured** to update, upgrade, enhance or replace **Computer Systems** to a level beyond that which existed prior to the actual and necessary interruption or suspension of **Computer Systems**; or the costs and expenses incurred by the **Insured Organization** to restore, reproduce, or regain access to any **Data Asset** that was altered, corrupted,

destroyed, deleted, damaged or rendered inaccessible as a result of the failure of **Computer Security** to prevent a **Security Breach**.

FP-L. "**Forensic expenses**" mean those additional expenses incurred by the **Insured Organization** to investigate the source or cause of the failure of **Computer Security** to prevent a **Security Breach**.

FP-M. "**Income Loss**" means:

1. the net profit before income taxes that the **Insured Organization** is prevented from earning through its business operations or the net loss before income taxes that the **Insured Organization** is unable to avoid through its business operations as a direct result of the actual and necessary interruption or suspension of **Computer Systems**; and
2. fixed operating expenses incurred by the **Insured Organization** (including payroll), but only to the extent that a. such operating expenses must necessarily continue during the **Period of Restoration** (or **Extended Interruption Period**, if applicable); and b. such expenses would have been incurred by the **Insured Organization** had such interruption or suspension not occurred.

Income Loss shall be reduced to the extent the **Insured** or **Dependent Business** (if applicable) is able, with reasonable dispatch and due diligence, to reduce or limit such interruption or suspension of **Computer Systems** or conduct its business operations by other means.

In determining **Income Loss**, due consideration shall be given to the prior experience of the **Insured Organization's** business operations before the beginning of the **Period of Restoration** and to the probable business operations the **Insured Organization** could have performed had no actual and necessary interruption or suspension occurred as result of a failure of **Computer Security** to prevent a **Security Breach**.

Income Loss will be calculated on an hourly basis based on the **Insured Organization's** net profit (or loss) and fixed operating expenses.

FP-N. "**Loss**" means **Cyber Extortion Loss, Data Protection Loss** and **Business Interruption Loss**.

FP-O. "**Period of Restoration**" means the time period that:

1. begins on the specific date and time that the actual and necessary interruption or suspension of **Computer Systems** first occurred; and
2. ends on the specific date and time that the actual and necessary interruption or suspension of **Computer Systems** ends, or would have ended had the **Insured** or **Dependent Business** (if applicable) acted with due diligence and dispatch;

provided that in no event shall the **Period of Restoration** mean more than or exceed thirty (30) days; and

provided further that restoration of **Computer Systems** will not end the **Period of Restoration** if such systems are actually and necessarily interrupted or suspended again within one hour of such restoration due to the same cause as the original interruption or suspension.

FP-P. "**Security Breach**" means **Unauthorized Access** of **Computer Systems**, a denial of service attack against **Computer Systems**, infection of **Computer Systems** by **Malicious Code** or transmission of **Malicious Code** from **Computer Systems**, whether any of the foregoing is specifically targeted attack or a generally distributed attack. A series of continuing **Security Breaches**, related or repeated **Security Breaches**, or multiple **Security Breaches** resulting from a failure of **Computer Security** shall be

considered a single **Security Breach** and be deemed to have occurred at the time of the first such **Security Breach**.

FP-Q. "**Waiting period**" means the period of time beginning when the **Period of Restoration** begins and expiring after the elapse of the number of hours set forth in Item 4. Coverage VI.2. of the Declarations. A **Waiting Period** shall apply to each **Period of Recovery**.

6. For the purposes of this endorsement only Clause **V. EXCLUSIONS** A., K. and L. are not applicable.

7. For the purposes of this endorsement only, the lead-in language of Clause **V. EXCLUSIONS**, is hereby deleted in its entirety and replaced with the following:

The coverage under this Insurance does not apply to any **Damages** or **Claims Expenses** in connection with or resulting from any **Claim**, failure of **Computer Security** to prevent a **Security Breach, Extortion Threat** or **Loss**:

8. For the purposes of this endorsement only, the following exclusions are added to Clause **V. EXCLUSIONS**:

The coverage under this endorsement does not apply to any failure of **Computer Security** to prevent a **Security Breach, Extortion Threat** or **Loss**:

FP-A. Arising out of or resulting from any criminal, dishonest, fraudulent, or malicious act, error or omission, or any **Security Breach, Extortion Threat**, or intentional or knowing violation of the law, if committed by any of the **Insured Organization's** directors, principals, officers, partners, or trustees or any person in participation or collusion with any of the **Insured Organization's** principals, directors, officers, partners, or trustees;

FP-B. Arising out of or resulting from any seizure, nationalization, confiscation, or destruction of **Computer Systems** or **Data Assets** by order of any governmental or public authority;

FP-C. Arising out of or resulting from any act, error, omission, failure of **Computer Security** or **Security Breach** committed or occurring prior to the inception date of this Policy:

1. if any **Insured** on or before the inception date knew or could have reasonably foreseen that such act, error or omission, failure of **Computer Security**, or **Security Breach** might be expected to be the basis of **Loss** or an **Extortion Threat**; or
2. in respect of which any **Insured** has given notice of a circumstance which might lead to an **Extortion Threat** or **Loss** to the insurer of any other policy in force prior to the inception date of this Policy;

FP-D. Arising out of any related or continuing acts, errors, omissions, **Extortion Threats**, or **Security Breaches**, where the first such act, error, omission or failure or breach was committed or occurred prior to the Retroactive Date set forth in Item 6. of the Declarations;

FP-E. Arising out of or resulting from:

1. any failure or malfunction of electrical or telecommunications infrastructure or services, provided that this exclusion shall not apply to any otherwise covered **Claim** or **Loss** arising out of failure of **Computer Security** to prevent a **Security Breach** that was solely caused by a failure or malfunction of telecommunications infrastructure or services under the **Insured Organization's** direct operational control;
2. fire, flood, earthquake, volcanic eruption, explosion, lighting, wind, hail, tidal wave, landslide, act of God or other physical event; or
3. any satellite failures;

FP-F. Arising out of or resulting from:

1. the failure of **Computer Systems** or **Data Assets** to be protected by **Computer Security** and security practices and procedures equal to or superior to those disclosed in response to questions in the Application for Insurance relating to **Computer Security**, including access protection, intrusion detection, data back up procedures, **Malicious Code** protection, software product updates and releases, patch protection, and data encryption; or
 2. the failure to use best efforts to install commercially available software product updates and releases, or to apply commercially available security related software patches, to computers and other components of the **Insured Organization's Computer Systems**;
- FP-G. Arising out of or resulting from any trading losses or trading liabilities; monetary value of any electronic fund transfers or transactions by or on behalf of the **Insured** which is lost, diminished, or damaged during transfer from, into or between accounts; or the value of coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount;
- FP-H For purposes of Coverage VII (Cyber Extortion Loss Coverage), the coverage under this endorsement does not apply to **Cyber Extortion Loss** arising out of or resulting from:
1. any threat to physically harm or kidnap any person; or
 2. any threat to harm, take, or transfer property other than any **Data Asset**, even if such threat is made in conjunction with a threat to a **Data Asset** or by carrying out such a threat harm, theft, or transfer property, a **Data Asset** may be damaged, corrupted, altered, taken, disseminated or transferred;
9. The second paragraph of Clause **VII. LIMIT OF LIABILITY** is hereby deleted and replaced with the following:
- The "Aggregate for the **Policy Period** for all **Damages, Claims Expenses** and **Loss**" stated in Item 3.(b) of the Declarations is Underwriters' combined total Limit of Liability for all covered **Damages** and **Claims Expenses** under Coverages I, II, III, and IV, together with all covered **Loss** under Coverages V, VI and VII. The inclusion of more than one **Insured** under this Policy, the making of **Claims** or incurring **Loss** by more than one person or entity shall increase the Limit of Liability.
10. For the purposes of this endorsement only, Clause **VII. LIMIT OF LIABILITY** is amended by the addition of the following:
- FP-A. The "Aggregate for the **Policy Period** for all **Damages** and **Claims Expenses**" stated in Item 3.(c) of the Declarations is Underwriters' combined total Limit of Liability for all covered **Claim Expenses** and **Damages** arising out of all **Claims** or circumstances which might lead to a **Claim** which are covered under the terms and conditions of this Policy, and neither the inclusion of more than one **Insured** under this Policy, nor the making of **Claims** by more than one person or entity shall increase the Limit of Liability. The Limit of Liability set forth in Item 3.(c) is subject to, and not in addition to, the Limit of Liability set forth in Item 3.(b) of the Declarations.
- FP-B. The "Aggregate for the **Policy Period** for all **Loss**" stated in Item 3.(d) of the Declarations is Underwriters' combined total Limit of Liability for all covered **Loss** under Coverages V, VI and VII. The Limit of Liability set forth in Item 3.(d) is subject to, and not in addition to, the Limit of Liability set forth in Item 3.(b) of the Declarations.
- FP-C. The Limit of Liability stated in Item 3(d)1. of the Declarations is the limit of Underwriters' liability for all covered **Income Loss** per hour under Coverage VI.
- FP-D. The Limit of Liability stated in Item 3(d)2. of the Declarations is the limit of Underwriters' liability for the **Policy Period** for all covered **Business Interruption Loss** arising out **Computer Systems** operated by a **Dependent Business** for the **Insured Organization** under Coverage VI.

- FP-E. The Limit of Liability stated in Item 3(d)3. of the Declarations is the limit of Underwriters' liability for the **Policy Period** for all **Forensic Expenses** under Coverage VI.
- FP-F. The Limits of Liability set forth in clause **VII. LIMIT OF LIABILITY** FP-C., FP-D. and FP-E are subject to, and not in addition to the Limit of Liability in Items 3(b) and 3(d) of the Declarations.
11. For the purposes of this endorsement only, clause **VIII. DEDUCTIBLE** is amended by the addition of the following:
- FP-A. The Deductible stated in Item 4. of the Declarations for Coverage V applies separately to each **Security Breach**. The Deductible applicable to each **Security Breach** shall be satisfied by monetary payments by the Named Insured of covered **Data Protection Loss**.
- FP-B. The applicable Deductible for Coverage VI. applies separately to each **Security Breach**. The Deductible shall be satisfied by covered **Business Interruption Loss** retained by the **Insured Organization**. The Deductible for Coverage VI shall be as follows:
1. with respect to covered **Income Loss**, the Deductible shall be the greater of:
 - a. the **Loss** amount set forth in Item 4. of the Declarations, less the amount of any payments within the Deductible for covered **Loss** under Coverage V made in accordance with Section 11. FP-A. or;
 - b. the amount of **Income Loss** during the **Waiting Period**; and
 2. with respect to **Extra Expense**, the Deductible shall be \$50,000, provided that the Deductible for **Extra Expense** shall be reduced on a dollar-for-dollar basis (up to \$50,000) by the amount of covered **Income Loss** in excess of the applicable **Income Loss** Deductible.
- FP-C. The Deductible stated in Item 4. of the Declarations for Coverage VII applies separately to each **Extortion Threat**. The Deductible applicable to each **Extortion Threat** shall be satisfied by monetary payments by the Named Insured of covered **Cyber Extortion Loss** pursuant to Item 4, Coverage VII of the Declarations.
- FP-D. Satisfaction of the Deductible for Coverages V, VI and VII is a condition precedent to the payment by the Underwriters of any **Loss** hereunder, and the Underwriters shall be liable only for the **Loss** in excess of the applicable Deductible subject to Underwriters' total liability not exceeding the Limits of Liability stated in Items 3 of the Declaration.
- FP-E. With respect to Coverages V, VI and VII, in the event there is coverage under more than one Coverage, the single highest Deductible between the Coverages shall apply.
12. For the purposes of this endorsement only, clause **XVI. MERGERS AND ACQUISITIONS** is amended by the addition of the following:
- FP-A. During the **Policy Period**, if the Named Insured or any **Subsidiary** acquires another entity whose annual revenues are more than ten percent (10%) of the Named Insured's total annual revenues as set forth in the most recent Application for insurance, then no **Insured** shall have coverage under this Policy for any **Data Protection Loss, Business Interruption Loss** or **Cyber Extortion Loss** sustained by the acquired entity or any person employed by the acquired entity unless the Named Insured gives the Underwriters written notice at least 30 days prior to the acquisition, obtains the written consent of Underwriters to extend coverage to such additional entities, assets or exposures, and agrees to pay any additional premium required by Underwriters.
13. Clause **XIX. SUBROGATION**. is hereby deleted and replaced with the following:

In the event of any payment under this Insurance, the Underwriters shall be subrogated to all the **Insureds'** rights of recovery therefore against any person or organization, and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing to prejudice such rights. Any recoveries shall be applied first to subrogation expenses, second to **Damages, Claims Expenses** and **Loss** paid by Underwriters, and third to the Deductible. Any additional amounts recovered shall be paid to the Named Insured.

14. Clause **XV. CANCELLATION** is amended with the addition of the following:
 - C. If the Underwriters cancel this Insurance prior to any **Claim** or **Loss** being reported under this Policy, earned premium shall be computed pro rata.
 - D. The premium shall be deemed fully earned if any **Claim** or **Loss** under this Policy is reported to Underwriters on or before the date of cancellation.
15. **ENDORSEMENT CONDITIONS.** For the purposes of this endorsement only, the following is added to the policy:

ENDORSEMENT CONDITIONS

FP-A. NOTICE OBLIGATIONS FOR COVERAGES V, VI and VII.

1. With respect to Coverage V, the **Insured** must forward written notice by express mail or telecopy to Underwriters through persons named in Item 7. of the Declarations immediately upon discovery of alteration, corruption, destruction, deletion or damage to or inability to access a **Data Asset** to which this Insurance applies; provided that all covered **Data Protection Loss** must be discovered and reported (in accordance with ENDORSEMENT CONDITIONS FP-B., Proof and Appraisal of Loss) to Underwriters no later than six months after the end of the **Policy Period**.
2. With respect to Coverage VI, written notice of the interruption or suspension of **Computer Systems** to which this Insurance applies in the form of a telecopy or express mail. Such notice must be provided during the **Policy Period**, or no later than 10 days after the end of the **Policy Period** for interruptions or suspensions occurring within 10 days of the end of the **Policy Period**; provided, all covered **Business Interruption Loss** must be reported to Underwriters (in accordance with ENDORSEMENT CONDITIONS FP-B., Proof and Appraisal of Loss) no later than six months after the end of the **Policy Period**.
3. With respect to Coverage VII, in the event of an **Extortion Threat** to which this endorsement applies, the **Insured Organization** shall notify Underwriters by contacting the persons specified in Item 7. of the Declarations by telephone immediately upon receipt of any **Extortion Threat**, and shall thereafter also provide written notice by telecopy or express mail within five (5) days following the **Extortion Threat**.
4. If the **Insured** shall make or report any **Loss** under this Policy knowing such **Loss** to be false or fraudulent, as regards amounts or otherwise, this Policy shall be come null and void and all coverage hereunder shall be forfeited.

FP-B. PROOF AND APPRAISAL OF LOSS

1. **Proof of Loss:** With respect to Coverages V and VI, before coverage will apply, the **Named Insured** must:

- a. prepare and submit to the persons named in Item 7. of the Declarations a written and detailed proof of loss sworn by an officer of the **Named Insured** within ninety (90) days, or within the time limits set forth in Terms and Conditions A, Notice of Loss, if shorter, (unless such period has been extended by Underwriter's written consent) after the **Insured** discovers a **Data Protection Loss** or the **Insured Organization** sustains a **Business Interruption Loss** (as applicable). Such proof of loss shall include a narrative with full particulars of such **Data Protection Loss** or **Business Interruption Loss**, including, the time, place and cause of the **Data Protection Loss** or **Business Interruption Loss**, a detailed calculation of any **Data Protection Loss** or **Business Interruption Loss**, the **Insured Organization's** interest and the interest of all others in the property, the sound value thereof and the amount of **Data Protection Loss** or **Business Interruption Loss** or damage thereto and all other insurance thereon;
 - b. upon Underwriters' request, submit to an examination under oath and provide copies of the underlying documents, data and materials that reasonably relate to or are part of the basis of the claim for such **Data Protection Loss** or **Business Interruption Loss**; and
 - c. the costs and expenses of preparing and submitting a proof of loss, and establishing or proving **Data Protection Loss**, **Business Interruption Loss** or any other **Loss** under this Policy shall be the **Insured's** obligation, and are not covered under this Policy.
2. **Appraisal of Loss:** If the **Named Insured** and Underwriters do not agree on the amount of a **Loss**, each party shall select and pay an appraiser or other qualified expert (the "Appraiser") to state the amount of the loss or reasonable expenses, and the Appraisers shall choose an umpire. If the Appraisers cannot agree on an umpire, the **Named Insured** or the Underwriters may request a judge of a court having jurisdiction to make the selection. Each Appraiser shall submit the amount of the **Loss** or reasonable expenses to the umpire, and agreement by the umpire and at least one of the Appraisers as to the amount of a **Loss** shall be binding on all **Insureds** and Underwriters. The **Named Insured** and Underwriters will equally share the costs of the umpire and any other costs other than the cost of the Appraisers. This provision shall govern only the appraisal of the amount of a **Loss**, and shall not control the determination of whether such **Loss** is otherwise covered by the Policy. Underwriters will still retain and do not waive their rights to deny coverage or enforce any obligation under this Policy.

FP-C. **INSPECTION RIGHTS**

The **Insured** shall make available to the Underwriters at all reasonable times, and the Underwriters through their designated representatives shall have the right to inspect and copy at their own expense, during the period of this insurance and thereafter, all books, papers and other records of the insured and its agents or brokers in connection with this policy or the subject matter hereof, or to make inspections or surveys. Underwriters right to make inspections or surveys or the making of them do not constitute an undertaking on behalf or for the benefit of any **Insured**, third party or the public to determine or warrant that any property is safe, nor a determination or warrant concerning the effectiveness of any security applicable to **Computer Systems**.

FP-D. **OBLIGATIONS OF THE INSURED IN THE EVENT OF AN EXTORTION THREAT**

1 **Insured's Duty of Confidentiality**

The **Insured** shall use its best efforts at all times to ensure that knowledge regarding the existence of the **Cyber Extortion Loss** Coverage afforded by this endorsement is restricted as far as possible. Underwriters may cancel this Policy upon ten (10) days written notice to the **Named Insured** if the existence of the **Cyber Extortion**

Loss Coverage provided by this endorsement becomes public knowledge or is revealed to a person making an **Extortion Threat** through no fault of Underwriters.

2. **Insured Organization's Obligation to Investigate Extortion Threat and Avoid or Limit Extortion Payment**

Prior to the payment of any **Extortion Payment**, the **Insured Organization** shall make every reasonable effort to determine that the **Extortion Threat** is not a hoax, or otherwise not credible. The **Insured Organization** shall take all steps reasonable and practical to avoid or limit the payment of an **Extortion Payment**.

3. **Named Insured's Obligation to Demonstrate Duress**

As a condition to payment of any **Extortion Payment** under the terms of this Policy, the **Insured Organization** must be able to demonstrate that such **Extortion Payment** was surrendered under duress.

4. **Notification of Police**

The **Insured Organization** shall allow Underwriters or their representative to notify the police or other responsible law enforcement authorities of any **Extortion Threat**.

FP-E. **RECOVERED PROPERTY**

If the **Insured** or Underwriters recover any property, money or **Data Assets** after a loss payment is made, the party making the recovery must give prompt notice of the recovery to the other party. If the recovered property is money or other funds, the recovery shall be applied first to any costs incurred by Underwriters in recovering the property, second to loss payments made by Underwriters, and third to any Deductible payment made by the **Named Insured**. If property other than money or funds is recovered, then the **Named Insured** may keep the recovered property and return the loss payment, plus the any costs of recovery incurred by Underwriters, or keep the loss payment less the costs of recovery incurred by Underwriters and transfer all rights in the property to Underwriters.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative