

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PERSONAL IDENTITY EVENT COVERAGE

This endorsement modifies Insurance provided under the following:

INSURANCE AGENTS, BROKERS AND CONSULTANTS PROFESSIONAL LIABILITY
INSURANCE POLICY

Schedule

Personal Identity Event Limit Of Insurance:	\$
Personal Identity Event Deductible:	\$1,000

I. The following is added to **Section I. INSURING AGREEMENTS F. ADDITIONAL COVERAGES:**

PRIVACY CRISIS MANAGEMENT EXPENSE

1. **We** will pay on behalf of the **Named Insured** applicable **Privacy Crisis Management Expenses** incurred because of a **Personal Identity Event** to which this insurance applies. The amount **We** will pay is limited as described in Paragraph 5. and 6. below.
2. This insurance applies to a **Personal Identity Event** only if:
 - a. The **Personal Identity Event** takes place in the United States of America (including its territories and possessions);
 - b. The **Personal Identity Event** occurs on or after the **Retroactive Date** and before the end of the **Policy Period**;
 - c. The **Personal Identity Event** is first discovered in accordance with Paragraph 4. below during the **Policy Period**; and
 - d. Written notice is received by **Us** of the **Personal Identity Event** within 60 days of its first discovery.
3. This insurance applies to **Privacy Crisis Management Expenses** only if:
 - a. The **Privacy Crisis Management Expenses** are incurred within 6 months from the date the **Personal Identity Event** was first discovered in accordance with Paragraph 4. below or within 12 months as respects costs included in (5) Services for Individuals Affected by **Personal Identity Event** in the definition of **Privacy Crisis Management Expenses** below; and
 - b. Any consultants, vendors or suppliers providing the materials or services included in **Privacy Crisis Management Expenses** are approved by **Us**.
4. **First Discovery and Related Events and Acts**
 - a. **First Discovery**

A **Personal Identity Event** will be deemed to have been first discovered at the earliest of the following times:

- (1) When such **Personal Identity Event** is discovered and recorded by an **Insured** or by **Us**, whichever comes first; or
- (2) When an **Insured** becomes aware of a **Wrongful Act** that may subsequently result in a **Personal Identity Event**, and an **Insured** gives written notice to **Us**, as described in **Section IV. CONDITIONS**, of such circumstances as soon as practicable but no later than 60 days after becoming aware.

b. Related Events

All related **Personal Identity Events** will be considered one event and will be considered first discovered when the first of such related events is discovered.

Related **Personal Identity Events** include all **Personal Identity Events** that are the same, related or continuous, or that arise from a common nucleus of facts, circumstances, events or acts.

c. Related Acts

All **Wrongful Acts** that result in the same or related **Personal Identity Events** will be considered one **Wrongful Act** and will be considered to have occurred when the first of such related **Wrongful Acts** occurred.

5. Limit of Insurance

The Personal Identity Event Limit of Insurance shown in the Schedule is the most **We** will pay for all **Privacy Crisis Management Expenses** first discovered during the **Policy Period**.

6. When this endorsement is attached to a policy with a Deductible

Our obligation to pay **Privacy Crisis Management Expenses** on the **Named Insured's** behalf applies only to the amount of such expense in excess of any deductible amount shown in the Schedule. This deductible amount applies to any one or all related **Privacy Identity Events**.

If **We** make any payments that are within the deductible, the **Named Insured** must promptly reimburse **Us** for such amounts.

II. Section III. EXCLUSIONS is amended as follows:

1. **Section III. EXCLUSIONS** of the policy applies to the coverage provided by this endorsement. However, **EXCLUSIONS C.** and **Y** do not apply to **Privacy Crisis Management Expenses** arising out of a **Personal Identity Event** to the extent that such coverage is provided by this endorsement.
2. For the purposes of the coverage provided by this endorsement, the following exclusions are added to **Section III. EXCLUSIONS**:

This insurance does not apply to:

a. Failure to Follow Risk Management Procedures and Inadequacy of Software

Damages, loss, fees or expenses arising directly or indirectly from:

- (1) Any shortcoming in security that an **Insured** knew about prior to the inception of this policy and failed to take corrective action within a reasonable time, not to exceed 60 days;
- (2) An **Insured's** failure to comply with all data security standards issued by credit card issuers or financial institutions with whom **You** transact business, if **You** process, store or handle credit card information;
- (3) An **Insured's** failure to take reasonable steps to use, design, maintain and upgrade the **Named Insured's** security; or
- (4) The inability to use, or lack of performance of software:
 - (a) Due to expiration, cancellation, or withdrawal of such software;
 - (b) That has not yet been released from its development stage; or
 - (c) That has not passed all test runs or proven successful in applicable daily operations.

b. Unauthorized Collection of Personal Information

Damages, loss, fees or expenses arising directly or indirectly from:

- (1) The illegal, unauthorized or wrongful collection of **Personally Identifiable Information**, including collection of **Personally Identifiable Information** using cookies or malware, if committed by or with the knowledge of an **Insured**; or
- (2) The failure to provide required notice that such **Personally Identifiable Information** is being collected.

c. Governmental Seizure of Computer System

Damages, loss, fees or expenses arising directly or indirectly from the seizure, confiscation, expropriation, nationalization, or destruction of a **Computer System** by order of any governmental authority.

III. **Section IV. CONDITIONS** of the policy also applies to coverage provided under this endorsement for any **Personal Identity Event**, except paragraphs **J.** and **L.** which are deleted and replaced by the following:

J. Other Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis. This does not apply to insurance that is written to apply in excess of this policy by reference to this specific policy and its limits of insurance in the other policy's Declarations. **We** will pay only **Our** share of the amount of the loss, if any, that exceeds the sum of the total amount that all such other insurance would pay for the loss in the absence of this insurance; and the total of all deductibles and self-insured amounts under all that other insurance.

L. Duties in the Event of a Personal Identity Event

- a. **You** must notify us in writing as soon as practicable of a **Personal Identity Event**, but in no event later than the earlier of the following:

(1) 30 days after **You** incur **Privacy Crisis Management Expenses** for which coverage will be requested under this policy; or

(2) 60 days after the first discovery of the **Personal Identity Event** by **You**.

b. Notice must include:

(1) How, when and where the **Personal Identity Event** took place;

(2) A description of the **Personal Identity Event**;

(3) The number of individuals and type of personal identification involved in a **Personal Identity Event**; and

(4) Upon request by **Us**, the names and addresses of individuals affected by a **Personal Identity Event**.

c. **You** must provide **Us** all information and assistance that **We** request and cooperate with **Us** and **Our** designated representatives in the:

(1) Investigation of any **Personal Identity Event** or any **Wrongful Acts** that may result in a **Personal Identity Event**; and

(2) Provision of the services described in **Privacy Crisis Management Expense**.

IV. For the purposes of the coverage provided by this endorsement, the following definitions are added to **Section VI DEFINITIONS**:

1. **Personal Identity Event** means:

a. Unauthorized disclosure by an **Insured** of **Personally Identifiable Information** or an **Insured's** failure to protect **Personally Identifiable Information** from misappropriation.

b. Failure by an **Insured** to disclose or warn of an actual or potential disclosure or misappropriation of **Personally Identifiable Information**, but only if this policy applies to such disclosure or misappropriation and it resulted directly from **a.** above; or

c. Violation of any federal or state privacy statute addressing disclosure or misappropriation of **Personally Identifiable Information**, but only if:

(1) This policy applies to such disclosure or misappropriation and it resulted directly from **a.** or **b.** above; and

(2) The violation is not willful.

2. **Privacy Crisis Management Expense** means:

a. Reasonable and necessary fees and expenses for:

(1) **Computer Forensic Analysis**

An approved outside vendor to conduct a computer forensic analysis with reasonable allocation of time and resources to investigate a **Computer System** to determine the cause and extent of the **Personal Identity Event**;

(2) **Crisis Management Review and Advice**

The approved crisis management or legal firm to review the **Personal Identity Event** and advise the **Named Insured** on the appropriate response;

(3) **Travel Expenses**

Travel by directors, executive officers, partners, or employees of the **Named Insured**, that is done to mitigate the damage from the **Personal Identity Event**;

(4) **Notification to Affected Parties**

Printing, advertising, mailing of materials or other costs to provide notice to affected parties of the **Personal Identity Event** for the purposes of maintaining goodwill or compliance with any notification requirements imposed by law; and

(5) **Services for Individuals Affected by Personal Identity Event**

The following services provided to any individual whose personal identification is the subject of a **Personal Identity Event**, but only if the primary purpose of such services is mitigating the effect of the **Personal Identity Event**:

(a) **Call Center Services**

Reasonable fees and expenses to establish, maintain and provide call center services;

(b) **Credit Monitoring Services**

Credit file monitoring services; or

(c) **Other Services**

Reasonable fees and expenses for any other service specifically approved by us in writing.

b. However, **Privacy Crisis Management Expenses** shall not include:

a. Compensation, fees, benefits or overhead of an **Insured**;

b. Costs or expenses that would have been incurred in the absence of the **Personal Identity Event**;

c. Costs or expenses associated with upgrading, maintaining, improving, repairing or remediating any **Computer System** as a result of a **Personal Identity Event**; or

d. Costs or expenses associated with upgrading, maintaining, improving, repairing or remediating any procedures, services or property as a result of a **Personal Identity Event**.

All other terms and conditions of this Policy remain unchanged.

Specimen

Endorsement Number:

Policy Number:

Named Insured:

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: