



**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"**

## **LLOYD'S SECURITY SCHEDULE**

Syndicate 2623      82%

Syndicate 623      18%

ALL OTHER TERMS, conditions and limitations of said Certificate shall remain unchanged.

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**POLICYHOLDER DISCLOSURE NOTICE OF  
TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended ("TRIA"), insurance coverage provided by this Policy includes losses arising out of acts of terrorism, **as defined in Section 102(1) of the Act, as amended:** The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Any coverage you purchase for "acts of terrorism" shall expire at 12:00 midnight December 31, 2020, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates.

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES PAYS 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020; OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER(S) PROVIDING THE COVERAGE. YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A USD100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS USD100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED USD100 BILLION, YOUR COVERAGE MAY BE REDUCED.

(LMA 9104 amended)

**Effective date of this Endorsement: <Effective Date>**

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

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

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

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

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

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

This Policy\* does not apply:

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

- (c) the injury, sickness, disease, death or destruction arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (c) applies only to injury to or destruction of property at such nuclear facility.

IV. As used in this endorsement:

"hazardous properties" include radioactive, toxic or explosive properties;

"nuclear material" means source material, special nuclear material or by-product material;

"source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act 1954 or in any law amendatory thereof;

"spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;

"waste" means any waste material (1) containing by-product material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof;

"nuclear facility" means:

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

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

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

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

**Effective date of this Endorsement: <Effective Date>**

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

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

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

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

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**SANCTION LIMITATION AND EXCLUSION CLAUSE**

This endorsement modifies insurance provided under the following:

**Beazley Breach Response**

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

All other terms and conditions of this Policy remain unchanged.

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**Authorized Representative**

Effective date of this Endorsement: <Effective Date>  
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**AMEND RETENTION CLAUSE**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause VIII. Retention, paragraph C. is deleted in its entirety and replaced with the following:

- C. In the event that **Damages, Claims Expenses, Penalties, PCI Fines, Expenses and Costs** or **Computer Expert Services, Legal Services, Public Relations and Crisis Management Expenses** arising out of an incident or **Claim** are subject to more than one **Retention**, the applicable **Retention** amounts shall apply to such **Damages, Claims Expenses, Penalties, PCI Fines, Expenses and Costs** or **Computer Expert Services, Legal Services, Public Relations and Crisis Management Expenses**, provided that the sum of such **Retention** amounts shall not exceed the largest applicable **Retention** amount.

All other terms and conditions of this Policy remain unchanged.

\_\_\_\_\_  
Authorized Representative

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**DELETE PCI FINES AND COSTS COVERAGE**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

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

1. Clause I. Insuring Agreements E. PCI Fines and Costs is deleted in its entirety.
2. Clause VI. Definitions G., is deleted in its entirety and replaced with the following:
  - G. **Computer Expert Services** means costs for:
    1. a computer security expert to determine the existence and cause of an actual or suspected electronic data breach which may require the **Insured Organization** to comply with a **Breach Notice Law** and to determine the extent to which such information was accessed by an unauthorized person or persons.
3. Clause V. Exclusions E. is deleted in its entirety and replaced with the following:
  - E. For, arising out of or resulting from any liability or obligation under a **Merchant Services Agreement**;

All other terms and conditions of this Policy remain unchanged.

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Authorized Representative



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**AMEND INSURED TO INCLUDE INDEPENDENT CONTRACTORS, LEASED, OR SEASONAL  
EMPLOYEES**

This endorsement modifies insurance provided under the following:

<ProductName>

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause **III. THE INSURED AND THE INSURED ORGANIZATION** C. is deleted in its entirety and replaced by the following:

- C. An employee (including a part time, leased, seasonal, or temporary employee) or any **Independent Contractors** of the **Insured Organization**, but only for work done while acting within the scope of his or her employment and related to the conduct of the **Insured Organization's** business;

For the purposes of this endorsement, the term "**Independent Contractor**" means any natural person independent contractor who performs labor or service for the **Insured Organization** pursuant to a written contract or agreement, where such labor or service is under the exclusive direction of the **Insured Organization**. The status of an individual as an **Independent Contractor** shall be determined as of the date of an alleged act, error or omission by any such **Independent Contractor**.

All other terms and conditions of this Policy remain unchanged.

\_\_\_\_\_  
Authorized Representative

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**AMEND OTHER INSURANCE CLAUSE**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

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

**XIII. OTHER INSURANCE**

The insurance under this Policy shall apply in excess of any other valid and collectible insurance available to any **Insured**, including any self insured retention or deductible portion thereof unless such other insurance is written only as specific excess insurance over the **Policy Aggregate Limit of Liability** or any other applicable Limit of Liability of this Policy.

Notwithstanding the above, the insurance under this Policy shall apply as primary to any form of Information Security and Privacy Liability coverage included in a Claims Made <Other Insurance> Insurance Policy providing coverage to any person or entity who is an **Insured** under this Policy.

All other terms, exclusions and conditions of this Policy remain unchanged.

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Authorized Representative

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**AMEND PRIVACY BREACH RESPONSE SERVICES THRESHOLD**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

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

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

Item 4. **RETENTIONS:**

**B. Privacy Breach Response Services**

Threshold and Retention:

1. **Call Center Services** for each incident involving at least: **<NumberPeople> Notified Individuals**
2. **Retention** applicable to **Computer Expert Services, Legal Services, Public Relations and Crisis Management Expenses, Notification Services and Breach Resolution and Mitigation Services** USD <Retention> combined, but one-half (1/2) of the amount shown herein for **Legal Services** (which retention is part of and not in addition to the combined retention)

2. Clause VIII. Retention, paragraph B. is deleted in its entirety and replaced with the following:

- B. Call Center Services** will only be provided for each incident, event or related incidents or events, requiring notification to at least the number of individuals set forth in Item 4.B.1. of the Declarations. For incidents involving notification to fewer individuals there shall be no coverage for any **Call Center Services** under Insuring Agreement B.

For all **Computer Expert Services, Legal Services, Notification Services, Breach Resolution and Mitigation Services** and **Public Relations and Crisis Management Services**, the **Retention** amounts set forth in Item 4.B.2. of the Declarations apply separately to each incident, event or related incidents or events, giving rise to an obligation to provide such services; and the Each Incident **Retention** shall be satisfied by monetary payments by the **Named Insured** for such services.

All other terms and conditions of this Policy remain unchanged.

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Authorized Representative

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**FIRST PARTY COMPUTER SECURITY COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

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

1. Item 3.A. of the Declarations is amended to add the following:

FP-1. <b>Cyber Extortion Loss</b> sublimit:	USD <Limit>
FP-2. <b>Data Protection Loss</b> sublimit:	USD <Limit>
FP-3. <b>Business Interruption Loss</b> sublimit:	USD <Limit>
(1) <b>Forensic Expenses</b> sublimit:	USD <Limit>
(2) <b>Dependent Business Loss</b> sublimit:	USD <Limit>

The above sublimits of liability are part of, and not in addition to, the overall **Policy Aggregate Limit of Liability** stated in Item 3.A.1.

2. Item 4. of the Declarations is amended to add the following:

FP-1. Each <b>Extortion Threat</b>	USD <Retention>
FP-2. Each <b>Security Breach</b>	USD <Retention>
FP-3. Each <b>Security Breach</b>	USD <Retention>
FP-4. <b>Waiting Period</b>	<Retention> Hours

3. Clause I. Insuring Agreements is amended by the addition of:

**FP-A. Cyber Extortion**

To indemnify the **Named Insured** for **Cyber Extortion Loss**, in excess of the **Retention**, incurred by the **Insured Organization** as a direct result of an **Extortion Threat** first made against the **Insured Organization** during the **Policy Period**.

**FP-B. First Party Data Protection**

To indemnify the **Named Insured** for **Data Protection Loss**, in excess of the **Retention**, 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 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 and before the end of the **Policy Period**.

**FP-C. First Party Network Business Interruption**

To indemnify the **Named Insured** for the actual **Business Interruption Loss**, in excess of the applicable **Retention**, the **Insured Organization** sustains during the **Period of Restoration** as a direct result of an actual and necessary interruption of **Computer Systems** caused directly 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** and before the end of the **Policy Period**.

3. Clause V. Exclusions is amended by the addition of:

FP-A. With respect to Insuring Agreements FP-B. and FP-C., 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-B. With respect to Insuring Agreement FP-A., 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 a **Data Asset**, even if such threat is made in conjunction with a threat to **Data Assets**;

FP-C. 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-D. With respect to FP-A., arising out of or resulting from an **Extortion Threat** first made against the **Insured Organization** during the **Policy Period** by any of the **Insured Organization's** directors, officers, principals, trustees, governors, **Managers**, members, management committee members, members of the management board, partners, or any person in collusion with any of the foregoing.

4. Clause VI. Definitions, paragraph O. is deleted in its entirety and replaced with the following:

O. **Loss** means **Damages, Claims Expenses, Privacy Breach Response Services, PCI Fines, Expenses and Costs, Cyber Extortion Loss, Business Interruption Loss, Data Protection Loss** and **Penalties**.

5. Clause VI. Definitions is amended by the addition of:

FP-A. **Business Interruption Loss** means the actual **Income Loss**, and **Dependent Business Loss** sustained, and **Forensic Expenses** and **Extra Expense** incurred, during the **Period of Restoration**.

**Business Interruption Loss** shall not include:

1. **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 or remove software program errors or vulnerabilities; or
2. 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 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-B. **Cyber Extortion Loss** means:

1. any **Extortion Payment** that has been made under duress by or on behalf of the **Insured Organization** with the Underwriters' prior written consent, but solely to prevent or terminate an **Extortion Threat**; or
2. reasonable and necessary expenses incurred by the **Insured Organization** with the Underwriters' prior written approval, that directly relate to the **Insured's** efforts to prevent or terminate an **Extortion Threat**.

FP-C. **Data Asset** means any software or electronic data that exists in **Computer Systems** and that is subject to regular back-up procedures

FP-D. **Data Protection Loss** means the reasonable and necessary costs and expenses incurred by the **Insured Organization** to regain access to, replace, restore, re-assemble or recollect any **Data Asset**, or if any **Data Asset** cannot reasonably be accessed, replaced, restored, re-assembled or recollected, then the actual, reasonable and necessary costs and expenses incurred by the **Insured Organization** to reach this determination.

**Data Protection Loss** shall not mean, and there shall be no coverage under Insuring Agreement FP-B. for:

1. costs or expenses incurred by the **Insured Organization** to identify or remediate software program errors or vulnerabilities or update, replace, restore, 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**;
4. loss arising out of any liability to any third party for whatever reason; or
5. legal costs or legal expenses of any type.

FP-E. **Dependent Business** means any entity that the **Insured Organization** does not own but which provides necessary products or services to the **Insured Organization** pursuant to a written contract.

FP-F. **Dependent Business Loss** means **Income Loss** and **Extra Expense** incurred by the **Insured Organization** during the **Period of Restoration** as a direct result of an actual and necessary interruption of the **Insured Organization's Computer Systems** caused by a failure of computer security to prevent a security breach of computer systems operated by a **Dependent Business**.

FP-G. **Digital Currency** means a type of digital currency that:

1. requires cryptographic techniques to regulate the generation of units of currency and verify the transfer thereof;
2. is both stored and transferred electronically; and
3. operates independently of a central bank or other central authority.

FP-H. **Extortion Payment** means cash, **Digital Currency**, marketable goods or services demanded to prevent or terminate an **Extortion Threat**.

FP-I. **Extortion Threat** means a threat to:

1. alter, destroy, damage, delete or corrupt any **Data Asset**;
2. prevent access to **Computer Systems** or a **Data Asset**,
3. perpetrate a theft or misuse of a **Data Asset** on **Computer Systems** through external access;
4. introduce malicious code into **Computer Systems** or to third party computers systems from **Computer Systems**;
5. interrupt or suspend **Computer Systems**; or
6. publicly disclose a **Data Asset**, **Personally Identifiable Information** or **Third Party Information** that is obtained by **Unauthorized Access or Use** to the **Insured Organization's Computer Systems**,

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

FP-J. **Extra Expense** means reasonable and necessary expenses that are incurred by the **Insured Organization** during the **Period of Restoration** to minimize, reduce or avoid **Income Loss**, over and above those expenses the **Insured Organization** would have incurred had no interruption of **Computer Systems** occurred.

FP-K. **Forensic Expenses** means reasonable and necessary expenses incurred by the **Insured Organization** to investigate the source or cause of the failure of **Computer Security** to prevent a **Security Breach**.

FP-L. **Income Loss** means an amount equal to:

1. net profit or loss before interest and tax that the **Insured Organization** would have earned or incurred; and
2. continuing normal 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**; and (b) such expenses would have been incurred by the **Insured Organization** had such interruption not occurred;

In determining **Income Loss**, due consideration shall be given to:

- a. the prior experience of the **Insured Organization's** business operations before the beginning of the **Period of Restoration**;
- b. the probable business operations the **Insured Organization** could have performed had no actual and necessary interruption occurred as result of a failure of **Computer Security** to prevent a **Security Breach**; and
- c. the **Insured Organization's** ability to reasonably reduce or limit the interruption of **Computer Systems** or conduct its business operations by other means.

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

1. begins after the expiration of the **Waiting Period** following the actual and necessary interruption of **Computer Systems**; and
2. ends one hundred twenty (120) days after the actual and necessary interruption of **Computer Systems** ends (or would have ended with the exercise of due diligence and dispatch);

provided that in no event shall the **Period of Restoration** mean a period of time greater than one hundred eighty (180) 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-N. **Waiting Period** means the period of time beginning when the actual and necessary interruption of **Computer Systems** caused directly by a failure of **Computer Security** to prevent a **Security Breach** begins and expiring after the elapse of the number of hours set forth in Item 4.FP-4. of the Declarations. A **Waiting Period** shall apply to each **Period of Restoration**.

6. Clause VII. Limit of Liability and Coverage, Paragraph A. is amended by the addition of:

The sublimit of liability stated in Item 3.A.FP-1. is the aggregate limit of liability payable under this Policy for all **Cyber Extortion Loss** covered under Insuring Agreement FP-A. and is part of and not in addition to the **Policy Aggregate Limit of Liability**. 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**.

The sublimit of liability stated in Item 3.A.FP-2. is the aggregate limit of liability payable under this Policy for all **Data Protection Loss** under Insuring Agreement FP-B. of this Policy and is part of and not in addition to **the Policy Aggregate Limit of Liability**.

The sublimit of liability stated in Item 3.A.FP-3. is the aggregate limit of liability payable under this Policy for all **Business Interruption Loss** under Insuring Agreement FP-C. of this Policy and is part of and not in addition to **the Policy Aggregate Limit of Liability**.

The sublimit of liability stated in Item 3.A.FP-3.(1) is the aggregate limit of liability payable under this Policy for all **Forensic Expenses** under Insuring Agreement FP-C. and shall be part of and not in addition to the **Business Interruption Loss** sublimit stated in Item 3.A.FP-3.



The sublimit of liability stated in Item 3.A.FP-3.(2) is the aggregate limit of liability payable under this Policy for all **Dependent Business Loss** under Insuring Agreement FP-C. and shall be part of and not in addition to the **Business Interruption Loss** sublimit stated in Item 3.A.FP-3.

7. Clause VII. Limit of Liability and Coverage is amended by the addition of:

FP-A. 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**.

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**.

All **Business Interruption Loss** resulting from multiple covered interruptions 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**.

8. Clause VIII. Retention is amended by the addition of:

FP-A. With respect to Insuring Agreement FP-A., the **Retention** set forth in Item 4.FP-1. of the Declarations applies separately to each **Extortion Threat**. The **Retention** shall be satisfied by monetary payments by the **Named Insured** of covered **Cyber Extortion Loss**.

FP-B. With respect to Insuring Agreement FP-B., the **Retention** amount set forth in Item 4.FP-2. of the Declarations applies separately to each **Security Breach**. The **Retention** shall be satisfied by monetary payments by the **Named Insured** of covered **Data Protection Loss**.

FP-C. With respect to Insuring Agreement FP-C., the **Retention** set forth in Item 4.FP-3. of the Declarations applies separately to each **Security Breach**. The **Retention** shall be satisfied by covered **Business Interruption Loss** retained by the **Insured Organization**. The **Retention** applicable to Insuring Agreement FP-C. shall be reduced on a dollar-for-dollar basis by the amount of **Income Loss** that was sustained by the **Insured Organization** during the **Waiting Period**.

FP-D. In the event that **Cyber Extortion Loss**, **Data Protection Loss** or **Business Interruption Loss** arising out of a single incident are subject to more than one **Retention**, the applicable **Retention** amounts shall apply to such **Cyber Extortion Loss**, **Data Protection Loss** or **Business Interruption Loss**, provided that the sum of such **Retention** amounts shall not exceed the largest applicable **Retention** amount.

9. Clause X. Notice of Claim, or Circumstances That Might Lead to a Claim is amended by the addition of:

FP-A. In the event of an **Extortion Threat** to which this Policy applies, the **Named Insured** shall notify Underwriters by contacting the persons specified in Item 9.(a). of the Declarations by telephone at (646) 943-5900 immediately upon receipt of any **Extortion**

**Threat**, and shall thereafter also provide written notice by telecopy, email or express mail within five (5) days following the **Extortion Threat**.

FP-B. The **Named Insured** must forward written notice by express mail, email or telecopy to Underwriters through persons named in Item 9.(a). 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 Clause FPC-A., Proof of Loss and Appraisal) to Underwriters no later than six (6) months after the end of the **Policy Period**.

FP-C. The **Named Insured** shall forward immediately to Underwriters through persons named in Item 9.(a) of the Declarations, written notice of the interruption or suspension of **Computer Systems** to which this Insurance applies in the form of a telecopy, email or express mail. Such notice must be provided during the **Policy Period**, or no later than ten (10) days after the end of the **Policy Period** for interruptions or suspensions occurring within ten (10) days of the end of the **Policy Period**; provided, all covered **Business Interruption Loss** must be reported to Underwriters (in accordance with Clause FPC-A., Proof and Appraisal of Loss) no later than six (6) months after the end of the **Policy Period**.

10. Clause XXV. Valuation and Currency is amended by the addition of:

If any **Extortion Payment** is made by or on behalf of the **Insured Organization** in **Digital Currency**, payment by the Underwriters under this Policy shall be made in United States Dollars equal to the US Dollar-value of the Digital Currency at the time the **Extortion Payment** is made.

For purposes of this paragraph, an **Extortion Payment** using **Digital Currency** shall be considered "made" at the time that such **Digital Currency** is first recorded in a public ledger of transactions for such **Digital Currency** (for example, the time at which **Digital Currency** is included in a block on the blockchain).

11. The following Clauses are added to the Policy:

#### FPC-A. PROOF AND APPRAISAL OF LOSS

1. Before coverage under Insuring Agreements FP-B. and FP-C. will apply, the **Named Insured** must:

- a. prepare and submit to the persons named in Item 9.(a) of the Declarations a written and detailed proof of loss sworn by an officer of the **Named Insured** within ninety (90) days after the **Insured** discovers a **Data Protection Loss** or the **Insured Organization** sustains a **Business Interruption Loss** (as applicable), but in no event later than six (6) months following the end of the **Policy Period**. Such proof of loss shall include a narrative with full particulars of such **Business Interruption Loss** or **Data Protection Loss**, including the time, place and cause of the **Business Interruption Loss** or **Data Protection Loss**, a detailed calculation of the **Business Interruption Loss** or **Data Protection Loss**, the Insured Organization's interest and the interest of all others in the property, the sound value thereof, the amount of **Business Interruption Loss** or **Data Protection Loss** or damage thereto, and all other insurance thereon; and
- 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**.

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. 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; and compliance with this provision shall have no effect on Underwriters' rights or ability to deny coverage or enforce any obligation under this Policy.

#### FPC-B. RECOVERED PROPERTY

If the **Insured** or the 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 **Loss** payments made by Underwriters, second to any **Retention** payment made by the **Named Insured**, and third to any costs incurred by Underwriters in recovering the property. If property other than money or funds is recovered, the **Named Insured** may (i) keep the recovered property and return the **Loss** payment plus all costs of recovery incurred by Underwriters, or (ii) 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.

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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”**

### **FRAUDULENT INSTRUCTION COVERAGE**

This endorsement modifies insurance provided under the following:

#### **BEAZLEY BREACH RESPONSE**

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

1. Item 3.A. of the Declarations is amended by the addition of:
  - FI. Aggregate sublimit applicable to all loss under USD <sublimit>  
Insuring Agreement FI. (Fraudulent Instruction):
2. The **Retention** amount applicable to each incident, event, or related incidents or events, giving rise to an obligation to pay loss under Insuring Agreement FI. shall be equal to the amount stated in Item 4.A. of the Declarations.
3. Clause I. Insuring Agreements is amended by the addition of:
  - FI. **FRAUDULENT INSTRUCTION**  
  
To indemnify the **Named Insured** for loss, in excess of the applicable **Retention**, resulting directly from an **Insured** having transferred, paid, or delivered any **Money** or **Securities** as a direct result of **Fraudulent Instructions**, provided such loss is first discovered by the **Insured** and reported in writing to the Underwriters during the **Policy Period** and must occur after the Retroactive Date and before the end of the **Policy Period**. Coverage under this Insuring Agreement is sublimited to the amount set forth in Item 3.A.FI. of the Declarations.
4. Clause V. Exclusions, paragraph Q. is deleted in its entirety and replaced with the following:
  - Q. For, arising out of or resulting from any of the following:
    - (1) trading losses, trading liabilities or change in value of accounts; (2) any loss, transfer or theft of monies, securities or tangible property of others in the care, custody or control of the **Insured Organization**; (3) the monetary value of any transactions or electronic fund transfers by or on behalf of the **Insured** which is lost, diminished, or damaged during transfer from, into or between accounts; or (4) the value of coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount; provided that subsections (1), (2) and (3) of this exclusion shall not apply to **Loss** covered under Insuring Agreement FI.;
5. There shall be no coverage under Insuring Agreement FI. for **Loss** arising out of or resulting from, either directly or indirectly:
  1. the actual or alleged use of credit, debit, charge, access, convenience, customer identification or other cards;
  2. any transfer of money, goods, information or other item involving any person or entity that had authorized access to the **Insured's** authentication mechanism;

3. the processing of, or the failure to process, credit, check, debit, personal identification number debit, electronic benefit transfers or mobile payments for merchant accounts;
  4. any **Fraudulent Instruction** that was not verified with the requestor using an **Out-of-Band Authentication**;
  5. the failure of any party to perform, in whole or in part, under any contract or agreement;
  6. the failure, malfunction, inadequacy or illegitimacy of any product or service;
  7. accounting or arithmetical errors or omissions;
  8. indirect or consequential loss of any kind including income not realized as the result of a covered loss; or
  9. fees, costs or expenses incurred in defending or prosecuting any legal proceeding or claim.
6. Clause VI. Definitions, paragraph O., “**Loss**” is amended to include loss covered under Insuring Agreement FI.
7. Clause VI. Definitions is amended by the addition of:
- FI-A. **Authorized Employee** means an employee who is authorized by the **Insured** to transfer **Money** or **Securities** or to instruct other employees to transfer **Money** or **Securities**.
- FI-B. **Client** means a customer of the **Insured** to whom the **Insured** provides goods or services under a written contract or for a fee.
- FI-C. **Fraudulent Instructions** means a fraudulent written instruction, electronic instruction (including email or web-based instruction) or telephone instruction provided by a person purporting to be a **Vendor**, **Client**, or an **Authorized Employee**, that is intended to mislead an **Insured** through the misrepresentation of a material fact that is relied upon in good faith by such **Insured**.
- FI-D. **Money** means:
1. currency, coins or bank notes in current use and having a face value; and
  2. traveler’s checks, register checks or money orders held for sale to the public.
- FI-E. **Out-of-Band Authentication** means a method of challenge and response to the requestor of a transfer, payment or delivery of **Money** or **Securities** by an **Insured**, via a method other than the original means of request, to verify the authenticity or validity of the request.
- FI-F. **Securities** mean negotiable and non-negotiable instruments or contracts representing either **Money** or property and includes:
1. tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
  2. evidences of debt issued in connection with credit or charge cards, which cards are not issued by the **Insured**.
- FI-G. **Third Party** means any person or entity other than a **Related Party**.

- FI-H. **Vendor** means any entity or natural person that provides goods or services to the **Insured** pursuant to a written agreement.
8. Clause X. Notice of Claim, Loss or Circumstance That Might Lead to a Claim is amended by the addition of:
- FI-A. With respect to Insuring Agreement FI., the **Named Insured** shall forward written notice as soon as practicable upon discovery of such transfer, payment or delivery of **Money** or **Securities** to which this Policy applies, to the Underwriters through persons named in Item 9.(a) of the Declarations in the form of telecopy, email or express or certified mail. In no event shall the Underwriters be given notice of such transfer, payment or delivery of **Money** or **Securities** later than the expiration date of the **Policy Period** or the end of the Optional Extension Period (if applicable).
- Before coverage under Insuring Agreement FI. will apply, the **Named Insured** must prepare and submit to the persons named in Item 9.(a) of the Declarations a proof of loss, duly sworn to, within sixty (60) days after the **Insured** discovered such loss. Such proof of loss shall include any available documentation of fraudulent written, electronic or telephone instructions, documentation of verification via a method other than the original means of the request, the amount of loss incurred, and all other insurance available to the **Insured** in connection with such loss.
9. All losses arising out of or resulting from the same **Fraudulent Instruction**, multiple or series of **Fraudulent Instructions** purporting to be from the same **Vendor**, **Client** or **Authorized Employee** or related **Vendors**, **Clients** or **Authorized Employees**, or multiple or a series of **Fraudulent Instructions** from the same **Third Party** or related **Third Parties** shall be deemed to be each a single loss under this Policy subject to the **Retention** stated in Section 2. of this Endorsement.
10. Coverage under this Endorsement is excess to the coverage provided by any commercial crime policy; provided, however, notwithstanding the foregoing or anything in this Policy to the contrary, the Underwriters will recognize erosion of the **Retention** applicable to Insuring Agreement FI. by any payments made by or on behalf of the **Insured Organization** pursuant to such commercial crime policy issued to the **Insured Organization**, but only if such payments are for **Loss** that would otherwise be covered under Insuring Agreement FI.

All other terms and conditions of this Policy remain unchanged.

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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"

### CONSEQUENTIAL REPUTATIONAL LOSS

This endorsement modifies insurance provided under the following:

#### **BEAZLEY BREACH RESPONSE**

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

1. Item 3.A. of the Declarations is amended by the addition of:

Aggregate sublimit of liability for all **Consequential Reputational Loss**, which amount is part of, and not in addition to, the **Policy Aggregate Limit of Liability**: USD <Limit>

2. Item 4. of the Declarations is amended by the addition of:

**Retention** applicable to each incident giving rise to **Consequential Reputational Loss** USD <Retention>

3. The Underwriters will indemnify the **Named Insured** for **Consequential Reputational Loss**, in excess of the applicable **Retention**, incurred by the **Insured Organization** during the **Notification Period** as a direct result of an incident (i) described in Insuring Agreement A.1. or A.2. that first takes place on or after the Retroactive Date and before the end of the **Policy Period**, and (ii) for which **Notification Services** are provided pursuant to Insuring Agreement B.3.

4. Clause **VI. DEFINITIONS**, paragraph O. "**Loss**" is amended to include **Consequential Reputational Loss**.

5. For purposes of this Endorsement:

DEF-A. **Consequential Reputational Loss** means the **Income Loss** during the **Notification Period**; provided that **Consequential Reputational Loss** shall not mean and no coverage shall be available under this endorsement for 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, investigate, respond to or remediate an incident described in Insuring Agreement A.1. or A.2.

DEF-B. **Income Loss** means the net profit resulting directly from the **Insured Organization's** business operations, before income taxes, that the **Insured Organization** is prevented from earning as a direct result of damage to the **Insured Organization's** reputation caused by an incident (or reasonably suspected incident) described in Insuring Agreement A.1. or A.2. 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 **Notification Period** and to the reasonable and probable business operations the **Insured Organization** could have performed had the incident described in Insuring Agreement A.1. or A.2. not occurred.

**Income Loss** does not include any internal salary, costs or overhead expenses of the **Insured Organization**.

DEF-C. **Notification Period** means the 30-day period that begins on the specific date on which **Notified Individuals** first receive notification of the incident for which **Notification Services** are provided.

6. The following Clause is added to the Policy:

**PROOF AND APPRAISAL OF LOSS**

A. **Proof of Loss.** With respect to **Consequential Reputational Loss**, before coverage will apply, the **Named Insured** must:

1. prepare and submit to the persons named in Item 9.(a) of the Declarations a written and detailed proof of loss sworn by an officer of the **Named Insured** within ninety (90) days after the **Insured Organization** sustains a **Consequential Reputational Loss**, but in no event later than six (6) months following the end of the **Policy Period**. Such proof of loss shall include a narrative with full particulars of such **Consequential Reputational Loss**, including, the time, place and cause of the incident giving rise to **Consequential Reputational Loss**, a detailed calculation of any **Consequential Reputational Loss**, and the amount of **Consequential Reputational Loss** and all other insurance thereon; and
2. 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 **Consequential Reputational Loss**.

The costs and expenses of preparing and submitting a proof of loss, and establishing or proving **Consequential Reputational Loss** shall be the **Insured's** obligation, and are not covered under this Policy.

B. **Appraisal of Loss.** If the **Named Insured** and Underwriters do not agree on the amount of **Consequential Reputational 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 **Consequential Reputational Loss** or reasonable expenses to the umpire, and agreement by the umpire and at least one of the Appraisers as to the amount of **Consequential Reputational Loss** shall be binding on all **Insureds** and the 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 **Consequential Reputational Loss**, and shall not control the determination of whether such **Consequential Reputational 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.

All other terms and conditions of this Policy remain unchanged.

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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”**

### **TELECOMMUNICATIONS FRAUD ENDORSEMENT**

This endorsement modifies insurance provided under the following:

#### **BEAZLEY BREACH RESPONSE**

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

1. Item 3.A. of the Declarations is amended to include the following prior to the last paragraph thereof:
  - TT. Aggregate sublimit of liability applicable to Insuring Agreement TT. (Telecommunications Fraud): USD <sublimit>
2. Item 4. of the Declarations is amended to include:
  - TT. Each incident, event, or related incidents or events, giving rise to an obligation to pay loss under Insuring Agreement TT.: USD <retention>
3. Clause **I. INSURING AGREEMENTS** is amended by the addition of:
  - TT. **TELECOMMUNICATIONS FRAUD**  
To indemnify the **Insured Organization** for any **Telecommunications Fraud Loss**, in excess of the applicable **Retention**, incurred by the **Insured** during the **Policy Period** and reported in writing to the Underwriters during the **Policy Period**.
4. Clause **VI. DEFINITIONS**, paragraph O. is amended to include **Telecommunications Fraud Loss** within the definition of “**Loss**”.
5. Clause **VI. DEFINITIONS** is amended by the addition of:
  - TT-A. **Third Party** means any person or entity other than the **Insured Organization** or a **Related Party**.
  - TT-B. **Telecommunications Fraud Loss** means any direct financial loss to the **Insured** that results directly from a **Third Party** gaining access to and using the **Insured Organization’s** telephone system in an unauthorized manner; provided that such unauthorized access and use must occur after the Retroactive Date and before the end of the **Policy Period**.
6. Clause **VII. LIMIT OF LIABILITY AND COVERAGE**, Paragraph A. is amended to include the following immediately prior to the last paragraph thereof:

The sublimit of liability stated in Item 3.A.TT. is the aggregate limit of liability payable under this Policy for all **Telecommunications Fraud Loss** covered under Insuring Agreement TT. and is part of and not in addition to the **Policy Aggregate Limit of Liability**.
7. Clause **VIII. RETENTION** is amended by the addition of:
  - TT. The **Retention** set forth in Item 4.TT. of the Declarations applies separately to each incident, event, or related incidents or events, giving rise to an obligation to pay loss under Insuring Agreement TT.

All other terms and conditions of this Policy remain unchanged.

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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"**

### **CRIMINAL REWARD COVERAGE**

This endorsement modifies insurance provided under the following:

#### **BEAZLEY BREACH RESPONSE**

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

1. Clause **I. INSURING AGREEMENTS** is amended by the addition of:

#### **Criminal Reward Fund**

To indemnify the **Named Insured**, at the Underwriter's sole and absolute discretion, up to USD <Limit> in the aggregate as a **Criminal Reward Fund**. No Deductible shall apply to this Insuring Agreement.

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

CR-C **Criminal Reward Fund** means any amount offered and paid by the Underwriters for information that leads to the arrest and conviction of any individual(s) committing or trying to commit any illegal act related to any coverage under this Policy. Provided, however, the Underwriters shall not pay any **Criminal Reward Fund** for, and this Policy shall not cover any amount based upon, any information provided by the **Insured**, the **Insured's** auditors, whether internal or external, any individual hired or retained to investigate the aforementioned illegal acts, or any other individuals with responsibilities for the supervision or management of the aforementioned individuals. **Criminal Reward Fund** coverage is subject to the limitations set forth in Clause VI.L..

All other terms and conditions of this Policy remain unchanged.

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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”**

### **ELECTRONIC CRIME ENDORSEMENT**

This endorsement modifies insurance provided under the following:

#### **BEAZLEY BREACH RESPONSE**

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

1. Item 3.A. of the Declarations is amended to include the following prior to the last paragraph thereof:
  - CC. Aggregate sublimit of liability applicable to USD <sublimit not to exceed \$250k>  
Insuring Agreement CC. (Electronic Crime):
2. Item 4. of the Declarations is amended to include the following at the end thereof:
  - CC. Insuring Agreement CC. (Electronic Crime)  
**Retention** applicable to each incident, event, or related incidents or events, giving rise to an obligation to pay loss of **Money** or **Securities**: <Insert amount equal to amount listed in Item 4.A. of the Declarations>
3. Clause I., Insuring Agreements, is amended by the addition of the following at the end thereof:
  - CC. **ELECTRONIC CRIME**  
To indemnify the **Insured Organization** for the loss of **Money** or **Securities**, in excess of the **Retention**, contained in a **Transfer Account** at a **Financial Institution** resulting directly from **Funds Transfer Fraud** committed solely by a **Third Party**;  
provided that such loss must be **Discovered** by the **Insured** during the **Policy Period** and reported to the Underwriters during the **Policy Period** or as otherwise provided in Clause IX. of this Policy.
4. Clause V., Exclusions, paragraph R. shall not apply to loss otherwise covered under Insuring Agreement CC.
5. There shall be no coverage under this Endorsement for any loss for, arising out of or resulting directly or indirectly from:
  - CC-A. the type or kind covered by the **Insured Organization’s** financial institution bond or commercial crime policy, regardless of any deductible amount or limit of liability;
  - CC-B. any actual or alleged fraudulent, dishonest or criminal act or omission by any **Employee**, whether acting alone or in collusion with any other person or entity;
  - CC-C. indirect or consequential loss of any kind;
  - CC-D. punitive, exemplary or multiplied damages of any kind or any fines, penalties or loss of any tax benefit;
  - CC-E. the giving or surrendering of any **Money** or **Securities** in any exchange or purchase, whether fraudulent or not;
  - CC-F. fees, costs or expenses incurred or paid by the **Insured Organization** in defending or prosecuting any legal proceeding or claim;
  - CC-G. proving or establishing the existence of loss under this Endorsement;
  - CC-H. the theft, disappearance, destruction of, or unauthorized access to, confidential

information including, but not limited to, trade secrets, customer lists, and intellectual property;

- CC-I. any fraudulent instruction if the sender, or anyone acting in collusion with the sender, ever had access to the **Insured Organization's** password, PIN or other security code;
  - CC-J. any forged, altered or fraudulent negotiable instruments, securities, documents or instructions;
  - CC-K. any actual or alleged use of credit, debit, charge, access, convenience or other cards or the information contained on such cards;
  - CC-L. damages of any type for which the **Insured Organization** is legally liable, except for direct compensatory damages arising directly from **Funds Transfer Fraud**; or
  - CC-M. costs or expenses incurred by a customer or client of the **Insured Organization**.
6. Clause VI. Definitions, paragraph O. is amended to include loss or damage covered under Insuring Agreement CC. within the definition of "**Loss**".
7. For purposes of this endorsement only, Clause VI. Definitions, is amended to include the following:
- CC-A. **Discovered** means the moment when the **Insured Organization** or any director, trustee, officer, administrator, manager, partner or insurance representative of the **Insured Organization** first becomes aware of facts which would cause a reasonable person to believe that a loss covered by this Endorsement has been or will be incurred.
  - CC-B. **Employee** means:
    - 1. a natural person:
      - (a) while in the regular service of the **Insured Organization** in the ordinary course of its business;
      - (b) whom the **Insured Organization** has the right to direct and control while performing labor or service for the **Insured Organization**; and
      - (c) who is compensated directly by the **Insured Organization** through salary, wages or commissions;
    - 2. a natural person who is directed and controlled by the **Insured Organization** while performing labor or service for the **Insured Organization** pursuant to a lease or other written contract to which the **Insured Organization** is a party;
    - 3. a natural person volunteer who is directed and controlled by the **Insured Organization** while performing labor or service for the **Insured Organization**;
    - 4. a natural person who is a director, trustee, officer, administrator, manager or partner of the **Insured Organization**, when performing acts coming within the scope of the usual duties of a a director, trustee, officer, administrator, manager or partner; or
    - 5. a natural person who is:
      - (a) a trustee, officer, employee, administrator, fiduciary or manager of any Employee Welfare or Pension Benefit Plan, as defined in Employee Retirement Income Security Act of 1974 and any amendments thereto ("ERISA"), which is or becomes solely sponsored by the **Insured Organization**; or
      - (b) required to be bonded by Title 1 of ERISA.

CC-C. **Financial Institution** means:

- 1. a bank, credit union, saving and loan association, trust company or other

licensed financial service where the **Insured Organization** maintains a **Transfer Account**; or

2. a securities broker-dealer, mutual fund, liquid assets fund or similar investment company where the **Insured Organization** maintains a **Transfer Account**.

CC-D. **Funds Transfer Fraud** means fraudulent written, electronic, telegraphic, cable, teletype or telephone instructions by a **Third Party** issued to a **Financial Institution** directing such institution to transfer, pay or deliver **Money** or **Securities** from any account maintained by the **Insured Organization** at such institution, without the **Insured Organization's** knowledge or consent.

CC-E. **Money** means:

1. currency, coins or bank notes in current use and having a face value; and
2. travelers checks, registered checks or money orders held for sale to the public.

CC-F. **Property** means tangible property other than **Money** or **Securities** that has intrinsic value.

CC-G. **Securities** means negotiable and non-negotiable instruments or contracts representing either **Money** or **Property**, but **Securities** does not include **Money**.

CC-H. **Third Party** means any person or entity other than the **Insured Organization** or **Employee**.

CC-I. **Transfer Account** means an account maintained by the **Insured Organization** at a **Financial Institution** from which the **Insured Organization** can initiate the transfer, payment or delivery of **Money** or **Securities**.

8. Clause VII., Limit of Liability, paragraph A. is amended to include the following immediately before the last paragraph thereof:

The sublimit of liability stated in Item 3.A.CC. of the Declarations is the aggregate limit of liability under this Policy for all loss or damage covered under Insuring Agreement CC. and is part of and not in addition to the **Policy Aggregate Limit of Liability** stated in Item 3.A.1. of the Declarations.

9. Clause VIII., Retention, is amended to include the following immediately before the last paragraph thereof:

CC-A. The **Retention** amount set forth in Item 4.CC. of the Declarations applies separately to each incident, event, or related incidents or events, giving rise to an obligation to pay loss or damage under Insuring Agreement CC.

All other terms and conditions of this Policy remain unchanged.

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Authorized Representative