

CYBER LIABILITY AND DATA BREACH RESPONSE ENDORSEMENT

NOTICE

THIS ENDORSEMENT CHANGES THE PLF CLAIMS MADE EXCESS PLAN. PLEASE READ IT CAREFULLY.

This Endorsement modifies coverage provided under the following:

2018 PLF Claims Made Excess Plan.

COVERAGE AGREEMENTS 1., 3., 4. AND 5. OF THIS ENDORSEMENT PROVIDE COVERAGE ON A CLAIMS MADE AND REPORTED BASIS AND APPLY ONLY TO “CLAIMS” FIRST MADE AGAINST A “COVERED PARTY” DURING THE COVERAGE PERIOD OR OPTIONAL EXTENSION PERIOD, IF APPLICABLE, AND REPORTED TO US DURING THE COVERAGE PERIOD OR AS OTHERWISE PROVIDED IN SECTION VIII. AMOUNTS INCURRED AS “CLAIMS EXPENSES” UNDER THIS ENDORSEMENT SHALL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO RETENTIONS.

ALL TERMS IN QUOTES ARE DEFINED IN SECTION XI OF THIS ENDORSEMENT.

COVERAGE AGREEMENTS 2. AND 6. OF THIS ENDORSEMENT PROVIDE FIRST PARTY COVERAGE ON AN INCIDENT DISCOVERED AND REPORTED BASIS AND APPLY ONLY TO INCIDENTS FIRST DISCOVERED BY A “COVERED PARTY” AND REPORTED TO THE US DURING THE “COVERAGE PERIOD”.

This Cyber Liability and Data Breach Response Endorsement is added to the PLF Claims Made Excess Plan, referred to herein as “plan.” The terms and conditions of this Endorsement govern the scope of coverage and the respective duties and obligations of the PLF and parties covered under this Endorsement.

Throughout this Endorsement, the words “you” and “your” refer to the “firm” shown in Section 1 of the PLF Excess Plan declarations and any other person(s) or organization(s) qualifying as a “covered party” under this Endorsement. The words “we”, “us” and “our” refer to the PLF. The word “covered party” means any person or organization qualifying as such under the “plan.”

This Endorsement amends the “plan” to provide cyber liability and data breach response coverage on a claims made and reported or incidents discovered and reported basis. Various provisions in this Endorsement restrict coverage. Read the entire Endorsement carefully to determine your rights and duties and what is and is not covered. The terms, conditions, exclusions, and limits of liability set forth in this Endorsement apply only to the coverage provided by this Endorsement.

Words and phrases used in this Endorsement that appear in quotation marks have the special meaning set forth in **SECTION XI – DEFINITIONS.**

The terms and conditions of the Cancellation provision of the “plan,” and any amendment to such terms, are incorporated herein and shall apply to coverage as is afforded by this Endorsement, unless specifically stated otherwise in an endorsement(s) attached hereto.

This coverage applies during the Coverage Period noted on the Excess Coverage Declarations in Section 3 beginning at 12:01A.M. standard time at the “firm’s” mailing address shown on the declarations page of the endorsement or “plan.”

CYBER LIABILITY AND DATA BREACH RESPONSE SUPPLEMENTAL DECLARATIONS	
Endorsement Aggregate Limit of Liability Aggregate for all loss, including "claims expenses", subject to the following:	1-10 Attorneys: \$100,000 11+ Attorneys: 250,000
Information Security and Privacy Liability Limit:	\$100,000
Regulatory Defense and Penalties Aggregate Sublimit:	\$50,000
Website Media and Content Liability Limit:	\$100,000
PCI Fines, Expenses and Costs Aggregate Sublimit:	\$5,000
Cyber Extortion Aggregate Sublimit:	\$10,000
Liability Retention Per "Claim" or Incident	
Information Security and Privacy Liability:	\$0
Regulatory Defense and Penalties:	\$0
Website Media and Content Liability:	\$0
PCI Fines, Expenses and Costs:	\$0
Cyber Extortion:	\$2,000
Privacy Breach Response Services Limit of Coverage	
"Computer Expert Services", "Legal Services" and "Public Relations and Crisis Management Expenses" Limit:	\$50,000
Notified Individuals - "Notification Services", "Call Centre Services" and "Breach Resolution and Mitigation Services" Limit	1-10 Attorneys: 10,000 11+ Attorneys: 20,000
Privacy Breach Response Services Retention	
"Computer Expert Services", "Legal Services" and "Public Relations and Crisis Management Expenses":	\$0
Notified Individuals Threshold:	100
Retroactive Date	01/01/2018
Optional Extension Period Length	1 year
Optional Extension Period Premium	100% of annual premium

In consideration for the premium charged for the “plan,” the following additional coverages under this Endorsement are provided to “covered parties” under the “plan.” Except as otherwise specifically set forth herein, no provisions in the “plan” shall apply to this Endorsement.

SECTION I – COVERAGE AGREEMENTS

Coverage is provided under the following coverage agreements for which limits of liability are shown in the supplemental declarations:

1. Information Security and Privacy Liability

We will pay on behalf of a “covered party”, “damages” and “claims expenses”, in excess of the retention, that a “covered party” shall become legally obligated to pay because of any “claim”, including a “claim” for a violation of a “privacy law”, first made against any “covered party” during the “coverage period” or optional extension period, if applicable, and reported in writing to us during the “coverage period” or as otherwise provided in **SECTION VIII – NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM** for:

- A.** theft, loss, or “unauthorized disclosure” of “personally identifiable information” or “third party information” that is in the care, custody or control of the a “covered party” , or a third party for whose theft, loss or “unauthorized disclosure” of “personally identifiable information” or “third party information” a “covered party” is legally liable (a third party shall include a business associate as defined by the Health Insurance Portability and Accountability Act (HIPAA)), provided such theft, loss or “unauthorized disclosure” first takes place on or after the “retroactive date” and before the end of the “coverage period”;
- B.** one or more of the following acts or incidents that directly result from a failure of “computer security” to prevent a “security breach”, provided that such act or incident first takes place on or after the “retroactive date” and before the end of the “coverage period”:
 - i.** the alteration, corruption, destruction, deletion, or damage to data stored on “computer systems”;
 - ii.** the failure to prevent transmission of “malicious code” from “computer systems” to computer or network systems that are not owned, operated or controlled by a “covered party;” or
 - iii.** the participation by the “firm’s” “computer systems” in a “denial of service attack” directed against a computer or network systems that are not owned, operated or controlled by a “covered party;”
- C.** a “covered party’s” failure to timely disclose an incident described in paragraphs A. or B. of this section in violation of any “breach notice law”; provided such incident giving rise to the “covered party’s” obligation under a “breach notice law” must first take place on or after the “retroactive date” and before the end of the “coverage period”;
- D.** failure by the “covered party” to comply with that part of a “privacy policy” that specifically:
 - i.** prohibits or restricts the “firm’s” disclosure, sharing or selling of a person’s “personally identifiable information”;
 - ii.** requires the “firm” to provide access to “personally identifiable information” or to correct incomplete or inaccurate “personally identifiable information” after a request is made by a person; or
 - iii.** mandates procedures and requirements to prevent the loss of “personally identifiable information”; provided the acts, errors or omissions that constitute such failure to comply with a “privacy policy” must first take place on or after the “retroactive date” and before the end of the “coverage period”, and the “firm” 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”; or
- E.** failure by a “covered party” to administer:
 - i.** an identity theft prevention program as required by regulations and guidelines promulgated pursuant to 15 U.S.C. §1681m(e), as amended, or
 - ii.** an information disposal program required by regulations and guidelines promulgated pursuant to 15 U.S.C §1681W, as amended;provided the acts, errors or omissions that constitute such failure must first take place on or after the “retroactive date” and before the end of the “coverage period”.

2. Privacy Breach Response Services

We will provide privacy breach response services to the firm,” in excess of the retention, because of an incident, or a reasonably suspected incident, described in paragraphs A. or B. of **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability**, that first takes place on or after the “retroactive date” and before the end of the “coverage period” and is discovered by a “covered party” and is reported to us during the “coverage period” or as otherwise provided in **SECTION VIII – NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM.**

Privacy breach response services means the following:

- A. "computer expert services";
- B. "legal services";
- C. "public relations and crisis management expenses";

paragraphs A.-C. are subject to a monetary limit in excess of the retention as noted in the supplemental declarations;

- D. "notification services" to provide notification to:
 - i. individuals who are required to be notified by the "firm" under the applicable "breach notice law"; or
 - ii. in our discretion, individuals affected by an incident in which their "personally identifiable information" has been subject to theft, loss, or "unauthorized disclosure" in a manner which compromises the security or privacy of such individual by posing a significant risk of financial, reputational or other harm to the individual;

E. "call center services"; and

F. "breach resolution and mitigation services";

paragraphs D.-F. are subject to a maximum notified individual limit and the threshold noted in the supplemental declarations.

Privacy breach response services will be provided subject to the terms and conditions of this Endorsement, subject to the applicable retentions and limitations set forth in the supplemental declarations and shall not include any internal salary or overhead expenses of the "firm". Privacy breach response services will be provided by service providers from our panel selected by us in consultation with the "firm".

3. **Regulatory Defense and Penalties**

We will pay on behalf of a "covered party", "claims expenses" and "penalties", in excess of the retention, that a "covered party" shall become legally obligated to pay because of any "claim" in the form of a "regulatory proceeding", first made against any "covered party" during the "coverage period" or the optional extension period, if applicable, and reported in writing to us during the "coverage period" or as otherwise provided in **SECTION VIII – NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM**, for a violation of a "privacy law" and caused by an incident described in paragraphs A., B. or C. of **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability** that first takes place on or after the "retroactive date" and before the end of the "coverage period".

4. **Website Media Content Liability**

We will pay on behalf of a "covered party," "damages" and "claims expenses", in excess of the retention, which a "covered party" becomes legally obligated to pay resulting from any "claim" first made against any "covered party" during the "coverage period" or the optional extension period, if applicable, and reported in writing to us during the "coverage period", or as otherwise provided in **SECTION VIII – NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM**, for one or more of the following acts first committed on or after the "retroactive date" and before the end of the "coverage period" in the course of the "firm's" display of "media material" on its website or on social media web pages created and maintained by or on behalf of the "firm":

- A. defamation, libel, slander, trade libel, infliction of emotional distress, outrage, outrageous conduct, or other tort related to disparagement or harm to the reputation or character of any person or organization;
- B. a violation of the rights of privacy of an individual, including false light and public disclosure of private facts;
- C. invasion of or interference with an individual's right of publicity, including commercial appropriation of name, persona, voice or likeness;
- D. plagiarism, piracy or misappropriation of ideas under implied contract;
- E. infringement of copyright;
- F. infringement of domain name, trademark, trade name, trade dress, logo, title, metatag, slogan, service mark, service name; or
- G. improper deep-linking or framing within electronic content.

5. **PCI Fines, Expenses and Costs**

We will indemnify a "covered party" for "PCI fines, expenses, and costs", in excess of the retention, which the "covered party" shall become legally obligated to pay because of a "claim" first made against any "covered party" during the "coverage period" or optional extension period, if applicable, and reported in writing to us during the "coverage period" or as otherwise provided in **SECTION VIII – NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM**. Coverage under this coverage agreement is sublimited to the amount set forth in the supplemental declarations and we have no duty to defend any "claim" or pay any "claims expenses" with respect to any "claim" under this coverage agreement.

6. **Cyber Extortion**

We will indemnify a “covered party” for “cyber extortion loss”, in excess of the retention, incurred by the “firm” as a direct result of an “extortion threat” first made against the “firm” during the “coverage period” and reported in writing to us during the “coverage period” or as otherwise provided in **SECTION VIII – NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM**. We will not pay for “cyber extortion loss” which is part of a series of related “extortion threats” that began prior to the “coverage period”.

SECTION II – DEFENSE AND SETTLEMENT OF CLAIMS

1. We shall have the right and duty to defend:
 - A. any “claim” against a “covered party” seeking “damages” which are payable under the terms of this Endorsement, even if any of the allegations of the “claim” are groundless, false or fraudulent; or
 - B. under **SECTION I – COVERAGE AGREEMENTS, 3. Regulatory Defense and Penalties**, any “claim” in the form of a “regulatory proceeding”.Selection of defense counsel shall be mutually agreed upon between the “firm” and us; however, in the absence of such agreement, our decision shall be final.
2. With respect to any “claim” against a “covered party” seeking “damages” or “penalties” which are payable under this Endorsement, we will pay “claims expenses” incurred with our prior written consent. The limit of liability available to pay “damages” and “penalties” shall be reduced and may be completely exhausted by payment of “claims expenses”. “Damages”, “penalties” and “claims expenses” shall be applied against each claim retention payable by a “covered party.”
3. If a “covered party” refuses to consent to any settlement or compromise recommended by us and acceptable to the claimant and elects to contest the “claim”, our liability for any “damages”, “penalties”, and “claims expenses” shall not exceed:
 - A. the amount for which the “claim” could have been settled, less the remaining retention, plus the “claims expenses” incurred up to the time of such refusal; plus
 - B. fifty percent (50%) of any “claims expenses” incurred after the date such settlement or compromise was recommended to the “covered party” plus fifty percent (50%) of any damages above the amount for which the “claim” could have been settled. The remaining fifty percent (50%) of such “claims expenses” and “damages” must be borne by the “covered party” at their own risk and uninsured;or the applicable limit of liability, whichever is less, and we shall have the right to withdraw from further defense thereof by tendering control of said defense to the “firm.” The portion of any proposed settlement or compromise that requires the “covered party” 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 **SECTION I – COVERAGE AGREEMENTS, 3. Regulatory Defense and Penalties**) shall not be considered in determining the amount for which a “claim” could have been settled.
4. We agree that the “covered party” may settle any “claim” where the “damages”, “penalties” and “claims expenses” do not exceed the retention, provided that the entire “claim” is resolved and the “covered party” obtains a full release on behalf of all “covered parties” from all claimants.

SECTION III – WHO IS A “COVERED PARTY”

Whether expressed in the singular or plural, “covered party” shall have the same meaning as the definition set forth in Section II of the PLF Claims Made Excess Plan. This definition is incorporated by reference and has the same force and effect as if fully set for in this Endorsement.

SECTION IV – EXCLUSIONS

This coverage does not apply to any “claim” or “loss”:

1. For, arising out of or resulting from:
 - A. physical injury, sickness, disease or death of any person, including any mental anguish or emotional distress resulting from such physical injury, sickness, disease or death; or
 - B. physical injury to or destruction of any tangible property, including the loss of use thereof; provided that electronic data shall not be considered tangible property for purposes of this exclusion.
2. For, arising out of or resulting from any employer-employee relations, policies, practices, acts or omissions, or any actual or alleged refusal to employ any person, or misconduct with respect to employees, whether such “claim” is brought by an employee, former employee, applicant for employment, or relative or domestic partner of such person; provided, that this exclusion shall not apply to an otherwise covered “claim” under paragraph A. or B. under **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability** by

a current or former “employee” of the “firm”, or to the providing of privacy breach response services involving current or former “employees” of the “firm”.

3. For, arising out of or resulting from any actual or alleged act, error or omission or breach of duty by any director, officer or “manager” in the discharge of their duty if the “claim” is brought by or on behalf of the a “covered party,” or any principals, directors, officers, “managers”, stockholders, members or “employees” of the “covered party.”
4. For, arising out of or resulting from any contractual liability or obligation or arising out of or resulting from breach of contract or agreement, either oral or written; however, this exclusion will not apply:
 - A. with respect only to the coverage provided pursuant to paragraph A. of **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability**, to any obligation of the “ a “covered party” to maintain the confidentiality or security of “personally identifiable information” or of “third party information”;
 - B. with respect only to paragraph D. of **SECTION I – COVERAGE AGREEMENTS, 4. Website Media Content Liability**, for misappropriation of ideas under implied contract;
 - C. to “computer expert services” or “legal services” covered under **SECTION I – COVERAGE AGREEMENTS, 2. Privacy Breach Response Services**;
 - D. to “PCI fines, expenses & costs” covered under **SECTION I – COVERAGE AGREEMENTS, 5. PCI Fines, Expenses and Costs**, or
 - E. to the extent a “covered party” would have been liable in the absence of such contract or agreement.
5. For, arising out of or resulting from any actual or alleged antitrust violation, restraint of trade, unfair competition, or false, deceptive or misleading advertising or violation of the Sherman Antitrust Act, the Clayton Act, or the Robinson-Patman Act, as amended.
6. For, arising out of or resulting from any actual or alleged false, deceptive or unfair trade practices; however, this exclusion does not apply to:
 - A. any “claim” covered under paragraphs A., B. or C. of **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability** or **SECTION I – COVERAGE AGREEMENTS, 3. Regulatory Defense and Penalties**; or
 - B. the provision of privacy breach response services covered under **SECTION I – COVERAGE AGREEMENTS, 2. Privacy Breach Response Services**; that results from a theft, loss or “unauthorized disclosure” of “personally identifiable information” provided that no member of the “control group” participated or colluded in such theft, loss or “unauthorized disclosure”.
7. For, arising out of or resulting from:
 - A. the actual or alleged unlawful collection, acquisition or retention of “personally identifiable information” (except as otherwise covered under paragraph e. of **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability**) or other personal information by, on behalf of, or with the consent or cooperation of the “firm”; or the failure to comply with a legal requirement to provide individuals with the ability to assent to or withhold assent (e.g. opt-in or opt-out) from the collection, disclosure or use of “personally identifiable information”; provided that this exclusion shall not apply to the actual or alleged unlawful collection, acquisition or retention of “personally identifiable information” by a person or entity that is not a “related party” and without the knowledge of the “firm”; or
 - B. the distribution of unsolicited email, text messages, direct mail, or facsimiles, wiretapping, audio or video recording, or telemarketing, if such distribution, wiretapping or recording is done by or on behalf of the “firm”.
8. For, arising out of or resulting from
 - A. that which was the subject of written notice given to us or to any other insurer prior to the inception date of this coverage; or
 - B. which was the subject of any prior and/or pending written demand made against any “covered party” or a civil administrative or arbitration proceeding commenced against any “covered party,” prior to the inception date of this coverage, or that involved the same or substantially the same fact, circumstance or situation underlying or alleged in such prior demand or proceeding.
9. For, arising out of or resulting from any related or continuing acts, errors, omissions, incidents or events where the first such act, error, omission, incident or event was committed or occurred prior to the “retroactive date”.
10. For, arising out of resulting from any of the following:
 - A. any actual or alleged violation of the Organized Crime Control Act of 1970 (commonly known as Racketeer Influenced and Corrupt Organizations Act or RICO), as amended;
 - B. any actual or alleged violation of any securities law, regulation or legislation, including but not limited to the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Act of 1940, the Sarbanes-Oxley Act of 2002 or any “Blue Sky” laws;

- C. any actual or alleged acts, errors or omissions related to any of the “firm’s” pension, healthcare, welfare, profit sharing, mutual or investment plans, funds of trusts, including any violation of any provision of the Employee Retirement Income Security Act of 1974 (ERISA);
- D. any actual or alleged violation of a regulation promulgated under any of the laws described in paragraphs A., B. or C. above; or
- E. any actual or alleged violation of a federal, state, local or foreign laws or legislation similar to the laws described in paragraphs A., B. or C. above;

however, this exclusion does not apply to any otherwise covered “claim” under paragraph A., B. or C. of **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability** or to providing privacy breach response services covered under **SECTION I – COVERAGE AGREEMENTS, 2. Privacy Breach Response Services**, that results from a theft, loss or “unauthorized disclosure” of “personally identifiable information”, provided that no member of the “control group” participated or colluded in such theft, loss or “unauthorized disclosure”.

- 11. Any actual or alleged discrimination of any kind including but not limited to age, color, race, sex, creed, national origin, marital status, sexual preference, disability or pregnancy.
- 12. Arising out of or resulting from any criminal, dishonest, fraudulent, or malicious act, error or omission, any intentional “security breach”, intentional violation of a “privacy policy”, or intentional or knowing violation of the law, if committed by such “covered party,” or by others if the “covered party” colluded or intentionally participated in any such conduct or activity; provided this exclusion shall not apply to:
 - A. “claims expenses” incurred in defending any “claim” alleging the foregoing until such time as there is a final non-appealable adjudication, judgment, binding arbitration decision or conviction against the covered party”, or written admission by the “covered party,” establishing such conduct, or a plea of nolo contendere or no contest regarding such conduct, at which time the “firm” shall reimburse us for all “claims expenses” incurred defending the “claim” and we shall have no further liability for “claims expenses; or
 - B. a “claim” or “loss” against a natural person covered if such “covered party” did not personally commit, participate in or know about any act, error, omission, incident or event giving rise to such “claim” or “loss”. For purposes of this exclusion, only acts, errors, omissions or knowledge of a member of the “control group” will be imputed to the “firm.”
- 13. For, arising out of or resulting from any actual or alleged:
 - A. infringement of patent or patent rights or misuse or abuse of patent or patent rights;
 - B. infringement of copyright arising from or related to software code or software products other than infringement resulting from a theft or “unauthorized access or use” of software code by a person who is not a “related party”;
 - C. use or misappropriation of any ideas, trade secrets or third party corporate information by, or on behalf of, the “firm”, or by any other person or entity if such use or misappropriation is done with the knowledge, consent or acquiescence of a “covered party;”
 - D. disclosure, misuse or misappropriation of any ideas, trade secrets or confidential information that came into the possession of any person or entity prior to the date the person or entity became an employee, officer, director, “manager”, principal, partner or “subsidiary” of the “firm”; or
 - E. under paragraph b. of **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability**, theft of or “unauthorized disclosure” of a “data asset”.
- 14. In connection with or resulting from a “claim” brought by or on behalf of any state, federal, local or foreign governmental entity, in such entity’s regulatory or official capacity; provided, this exclusion shall not apply to an otherwise covered “claim” under **SECTION I – COVERAGE AGREEMENTS, 3. Regulatory Defense and Penalties** or to the provision of privacy breach response services under **SECTION I – COVERAGE AGREEMENTS, 2. Privacy Breach Response Services** to the extent such services are legally required to comply with a “breach notice law”.
- 15. For, arising out of or resulting from a “claim” by or on behalf of one or more “covered parties” under this Endorsement against any other “covered party” or “covered parties” under this Endorsement, provided this exclusion shall not apply to an otherwise covered “claim” under paragraphs A., B. or C. of **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability** made by a current or former “employee” of the “firm”.
- 16. For, arising out of or resulting from:
 - A. any “claim” made by any business enterprise in which any “covered party” has greater than a ten percent (10%) ownership interest; or
 - B. the “covered parties” activities as a trustee, partner, member, “manager”, officer, director or employee of any employee trust, charitable organization, corporation, company or business other than that of the “firm”.

17. For, arising out of or resulting from any of the following:
 - A. trading losses, trading liabilities or change in value of accounts;
 - B. any loss, transfer or theft of “monies”, “securities” or tangible property of others in the care, custody or control of the “firm”;
 - C. the monetary value of any transactions or electronic fund transfers by or on behalf of a “covered party” which is lost, diminished, or damaged during transfer from, into or between accounts; or
 - D. the value of coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount.
18. For, arising out of or resulting from:
 - A. the actual or alleged obligation to make licensing fees or royalty payments;
 - B. any costs or expenses incurred or to be incurred by a “covered party” or others for the reprinting, reposting, recall, removal or disposal of any “media material” or any other information, content or media, including any media or products containing such “media material”, information, content or media;
 - C. any “claim” brought by or on behalf of any intellectual property licensing bodies or organizations;
 - D. the actual or alleged inaccurate, inadequate or incomplete description of the price of goods, products or services, cost guarantees, cost representations, or contract price estimates, the authenticity of any goods, products or services, or the failure of any goods or services to conform with any represented quality or performance;
 - E. any actual or alleged gambling, contest, lottery, promotional game or other game of chance; or
 - F. any “claim” made by or on behalf of any independent contractor, joint venture or venture partner arising out of or resulting from disputes over ownership of rights in “media material” or services provided by such independent contractor, joint venture or venture partner.
19. For, arising out of or resulting from, directly or indirectly occasioned by, happening through or in consequence of: war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority; provided that this exclusion will not apply to cyber terrorism. For purposes of this exclusion, cyber terrorism means the premeditated use of disruptive activities, or threat to use disruptive activities, against a computer system or network with the intention to cause harm, further social, ideological, religious, political or similar objectives, or to intimidate any person(s) in furtherance of such objectives.
20. Either in whole or in part, directly or indirectly arising out of or resulting from or in consequence of, or in any way involving:
 - A. asbestos, or any materials containing asbestos in whatever form or quantity;
 - B. the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind; any action taken by any party in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins; and any governmental or regulatory order, requirement, directive, mandate or decree that any party take action in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins; we will have no duty or obligation to defend any “covered party” with respect to any “claim” or governmental or regulatory order, requirement, directive, mandate or decree which either in whole or in part, directly or indirectly, arises out of or results from or in consequence of, or in any way involves the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind;
 - C. the existence, emission or discharge of any electromagnetic field, electromagnetic radiation or electromagnetism that actually or allegedly affects the health, safety or condition of any person or the environment, or that affects the value, marketability, condition or use of any property; or
 - D. the actual, alleged or threatened discharge, dispersal, release or escape of pollutants; or any governmental, judicial or regulatory directive or request that the “covered party” or anyone acting under the direction or control of a “covered party” test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants. Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant including gas, acids, alkalis, chemicals, heat, smoke, vapor, soot, fumes or waste. Waste includes but is not limited to materials to be recycled, reconditioned or reclaimed.
21. With respect to **SECTION I – COVERAGE AGREEMENTS, 6. Cyber Extortion**, for, arising out of or resulting from:

- A. any threat to physically harm or kidnap any person; or
 - B. 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”.
22. With respect to **SECTION I – COVERAGE AGREEMENTS, 6. Cyber Extortion**, for, arising out of or resulting from an “extortion threat” first made against a “covered party” during the “coverage period” by any of the “firm’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.
23. 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.

SECTION V – LIMIT OF LIABILITY AND COVERAGE

1. The policy aggregate limit of liability set forth in the supplemental declarations is our combined total limit of liability for all “damages”, “penalties”, “PCI fines, expenses and costs”, “cyber extortion loss” and “claims expenses” payable under this Endorsement.
2. The Information Security and Privacy Liability limit of liability stated in the supplemental declarations is the aggregate limit of liability payable under **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability** of this Endorsement and is part of and not in addition to the coverage aggregate limit of liability.
3. The Regulatory Defense and Penalties sublimit of liability stated in the supplemental declarations is the aggregate sublimit of liability payable under **SECTION I – COVERAGE AGREEMENTS, 3. Regulatory Defense and Penalties** of this Endorsement and is part of and not in addition to the coverage aggregate limit of liability.
4. The Website Media Content Liability limit of liability stated in the supplemental declarations is the aggregate limit of liability payable under **SECTION I – COVERAGE AGREEMENTS, 4. Website Media Content Liability** of this Endorsement and is part of and not in addition to the coverage aggregate limit of liability.
5. The PCI Fines, Expenses and Costs sublimit of liability stated in the supplemental declarations is the aggregate sublimit of liability payable under **SECTION I – COVERAGE AGREEMENTS, 5. PCI Fines, Expenses and Costs** of this Endorsement and is part of and not in addition to the coverage aggregate limit of liability.
6. The Cyber Extortion sublimit of liability stated in the supplemental declarations is the aggregate sublimit of liability payable under **SECTION I – COVERAGE AGREEMENTS, 6. Cyber Extortion** of this Endorsement and is part of and not in addition to the coverage aggregate limit of liability. Multiple related or continuing “extortion threats” shall be considered a single “extortion threat” for purposes of this Endorsement and shall be deemed to have occurred at the time of the first such “extortion threat”. Prior to the payment of any “extortion payment”, the “firm” shall make every reasonable effort to determine that the “extortion threat” is not a hoax, or otherwise not credible. The “firm” shall take all steps reasonable and practical to avoid or limit the payment of an “extortion payment”.
7. Neither the inclusion of more than one “covered party” under this Endorsement, nor the making of “claims” by more than one person or entity shall increase the sublimit of liability or aggregate limit of liability under this Endorsement.
8. The limit of liability for the optional extension period shall be part of and not in addition to the coverage aggregate limit of liability.
9. We shall not be obligated to pay any “damages”, “penalties”, “PCI Fines, Expenses and Costs” or “claims expenses”, or to undertake or continue defense of any suit or proceeding after the aggregate limit of liability under this Endorsement have been exhausted by payment of “damages”, “penalties”, “PCI Fines, Expenses and Costs”, “cyber extortion loss” or “claims expenses”, or after deposit of the coverage aggregate limit of liability in a court of competent jurisdiction. Upon such payment, we shall have the right to withdraw from further defense of any “claim” under this Endorsement by tendering control of said defense to the “covered party.”
10. The “notified individuals” limit stated in the supplemental declarations is the maximum total number of “notified individuals” to whom notification will be provided or attempted for all incidents or series of related incidents giving rise to an obligation to provide “notification services”, “call center services” or “breach resolution and mitigation services”.
11. The aggregate limit of coverage stated for “computer expert services”, “legal services” and “public relations and crisis management expenses” in the supplemental declarations is the aggregate limit of coverage for all “computer expert services”, “legal services” and “public relations and crisis management expenses” combined. This is a separate limit, apart from and in addition to the coverage aggregate limit of liability.
12. If the total number of notifications made pursuant to paragraph D. of **SECTION I – COVERAGE AGREEMENTS, 2. Privacy Breach Response Services** aggregates to more than the “notified individuals”

limit of coverage stated in the supplemental declarations, the “firm” will be responsible for paying for privacy breach response services with respect to any excess notification, and such costs will not be covered under this Endorsement. If an incident involves notifications made pursuant to paragraph C. of **SECTION I – COVERAGE AGREEMENTS, 2. Privacy Breach Response Services** both within the “notified individuals” limit of coverage stated in the supplemental declarations and in excess of such limit, all excess notifications will be provided by the same service provider that provides “notification services” covered under this Endorsement, and the costs will be allocated between us and the “firm” pro rata based on the number of covered and non-covered notifications.

13. To the extent privacy breach response services costs are covered pursuant to a “claim” as described in paragraph 5.D. of **SECTION XI – DEFINITIONS**, such “costs” shall be covered solely under **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability**.

SECTION VI – RETENTION

1. The retention amount set forth in the supplemental declarations applies separately to each incident, event or related incidents or events giving rise to a “claim”. The retention shall be satisfied by monetary payments by the “firm” of “damages”, “claims expenses”, “penalties” or “PCI Fines, Expenses & Costs”.
2. For “notification services”, “call center services” and “breach resolution and mitigation services” for each incident, the “notified individuals” threshold amount set forth in the supplemental declarations applies separately to each incident, event or related incidents or events giving rise to an obligation to provide such services.
3. For all “computer expert services”, “legal services” and “public relations and crisis management services”, the retention amount set forth in the supplemental declarations apply separately to each incident, event or related incidents or events, giving rise to an obligation to provide such services; and the applicable retention stated in the supplemental declarations shall be satisfied by monetary payments by the “firm” for such services.
4. With respect to **SECTION I – COVERAGE AGREEMENTS, 6. Cyber Extortion**, the retention set forth in the supplemental declarations applies separately to each “extortion threat”. The retention shall be satisfied by monetary payments by the “firm” of covered “cyber extortion loss”.
5. In the event that “damages”, “claims expenses”, “penalties” or “PCI Fines, Expenses and Costs” arising out of a “claim” are subject to more than one retention, the applicable retention amount shall apply to such “damages”, “claims expenses”, “penalties” or “PCI Fines, Expenses and Costs”, provided, that the sum of such retention amounts shall not exceed the largest applicable retention amount.
6. In the event that “cyber extortion loss” arising out of a single incident is subject to more than one retention, the applicable retention amounts shall apply to such “cyber extortion loss”, provided that the sum of such retention amounts shall not exceed the largest applicable retention amount.
7. Satisfaction of the applicable retention is required prior to the payment by us of any amounts or providing of any services hereunder, and we shall be liable only for the amounts in excess of such retention subject to our total liability not exceeding the policy aggregate limit of liability or limit for privacy breach response services set forth in the supplemental declarations. The “firm” shall make direct payments within the retention to appropriate other parties designated by us.

SECTION VII – OPTIONAL EXTENSION PERIOD

1. Upon termination of this Endorsement for any reason except for the non-payment of premium, the “firm” shall have the right, upon payment in full of the percentage of the premium set forth in the supplemental declarations, to have issued an Endorsement providing an optional extension period for the period of time set forth in the supplemental declarations for “claims” first made against any “covered party” and reported to us during the optional extension period and arising out of any act, error or omission committed on or after the “retroactive date” and before the end of the “coverage period”.
2. In order for the “firm” to invoke the optional extension period option, the payment of the additional premium for the optional extension period must be paid to us within thirty (30) days of the termination of this Endorsement. If notice of election of the optional extension period is not given to us within such thirty (30) day period, there shall be no right to purchase the optional extension period.
3. The limit of liability for the optional extension period shall be part of, and not in addition to, the applicable policy aggregate limit of liability for the “coverage period”. The purchase of the optional extension period does not in any way increase the coverage aggregate limit of liability or any sublimit of liability. The optional extension period does not apply to **SECTION I – COVERAGE AGREEMENTS, 2. Privacy Breach Response Services** or **6. Cyber Extortion**.
4. The optional extension period does not extend the policy period or change the scope of coverage provided. The optional extension period only extends the claims reporting period.

5. At the commencement of the optional extension period the entire premium shall be deemed earned, and in the event the “firm” terminates the optional extension period for any reason prior to its natural expiration, we will not be liable to return any premium paid for the optional extension period.

SECTION VIII – NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM

1. With respect to **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability, 3. Regulatory Defense and Penalties, 4. Website Media Content Liability and 5. PCI Fines, Expenses and Costs:**
 - A. If any “claim” is made against insured “covered party,” the “covered party” shall forward as soon as practicable to us written notice of such “claim” by email or express or certified mail, together with every demand, notice, summons or other process received by the “covered party” or the “covered party’s” representative. In no event shall we be given notice of a “claim” later than the end of the “coverage period”, the end of the optional extension period, if applicable, or sixty (60) days after the expiration date of the “coverage period”.
 - B. If, during the “coverage period”, a “covered party” becomes aware of any circumstance that could reasonably be the basis for a “claim”, it may give written notice to us in the form of an email or express or certified mail as soon as practicable during the “coverage period”. Such notice must include:
 - i. the specific details of the act, error, omission, or “security breach” that could reasonably be the basis for a “claim”;
 - ii. the injury or damage which may result or has resulted from the circumstance; and
 - iii. the facts by which the “covered party” first became aware of the act, error, omission or “security breach”. Any subsequent “claim” made against the “covered party” arising out of such circumstance which is the subject of the written notice will be deemed to have been made at the time written notice complying with the above requirements was first given to us.
 - C. A “claim” or legal obligation under paragraph a. of this section shall be considered to be reported to us when written notice is first received by us in the form of an email or express or certified mail of the “claim” or legal obligation, or of an act, error, or omission, which could reasonably be expected to give rise to a “claim” if provided in compliance with this paragraph.
 - D. In the event coverage is renewed by us and privacy breach response services are provided because of such incident or suspected incident that was discovered by the “covered party” prior to the expiration of this coverage, and first reported during the sixty (60) day post “coverage period” reporting period, then any subsequent “claim” arising out of such incident or suspected incident is deemed to have been made during the “coverage period”.
2. With respect to **SECTION I – COVERAGE AGREEMENT, 2. Privacy Breach Response Services and 6. Cyber Extortion:**
 - A. If any incident, or reasonably suspected incident, described in paragraphs a. or b. of **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability** occurs, or in the event of a cyber extortion threat, the “covered party” must report such incident, or reasonably suspected incident, to us in writing by email or express or certified mail as soon as practicable during the “coverage period” after discovery by the “covered party.” In no event shall we be given notice of such incident later than the end of the “coverage period” or sixty (60) days after the expiration date of the “coverage period”.

SECTION IX – OTHER INSURANCE

The coverage under this Endorsement shall apply in excess of any other valid and collectible insurance available to any “covered party,” including any self-insured retention or deductible portion thereof, unless such other insurance is written, only as specific excess insurance over the aggregate limit of liability or any other applicable limit of liability or coverage of this Endorsement.

SECTION X – SUBROGATION

If any payment is made under this Endorsement and there is available to us any of the “covered party’s” rights of recovery against any other party, then we shall maintain all such rights of recovery. The “covered party” shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The “covered party” shall do nothing after an incident or event giving rise to a “claim” or “loss” to prejudice such rights. Any recoveries shall be applied first to subrogation expenses, second to “loss” paid by us and lastly to the retention. Any additional amounts recovered shall be paid to the “firm”.

SECTION XI – DEFINITIONS

1. "Breach notice law" means: any federal, state, local or foreign statute or regulation that requires notice to persons whose "personally identifiable information" was accessed or reasonably may have been accessed by an unauthorized person.
2. "Breach resolution and mitigation services" means a credit monitoring, identity monitoring or other solution offered to "notified individuals". The product offered to "notified individuals" will be selected from our panel by us in consultation with the "firm".
3. "Call center services" means the provision of a call center to answer calls during standard business hours for a period of ninety (90) days following notification (or longer if required by applicable law or regulation) of an incident for which notice is provided pursuant to paragraph d. of **SECTION I – COVERAGE AGREEMENTS, 2. Privacy Breach Response Services**. "Call center services" will be provided by a service provider from our panel selected by us in consultation with the "firm".
4. "Claim" means:
 - A. a written demand received by any "covered party" for money or services, including service of a suit or institution of regulatory or arbitration proceedings;
 - B. with respect to coverage provided under **SECTION I – COVERAGE AGREEMENTS, 3. Regulatory Defense and Penalties** only, institution of a "regulatory proceeding" against any "covered party;"
 - C. a written request or agreement to toll or waive a statute of limitations relating to a potential "claim" described in paragraph A. above; and
 - D. with respect to coverage provided under paragraph a. of **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability** only, a demand received by any "covered party" to fulfill the "firm's" contractual obligation to provide notice of an incident, or reasonably suspected incident, described in paragraph A. of **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability** pursuant to a "breach notice law".

Multiple "claims" arising from the same or a series of related or repeated acts, errors, or omissions, or from any continuing acts, errors, omissions, or from multiple "security breaches" arising from a failure of "computer security" shall be considered a single "claim" for the purposes of this Endorsement, irrespective of the number of claimants or "covered parties" involved in the "claim". All such "claims" shall be deemed to have been made at the time of the first such "claim".

5. "Claims expenses" means:
 - A. reasonable and necessary fees charged by an attorney designated pursuant to paragraph 1. of **SECTION II – DEFENSE AND SETTLEMENT OF CLAIMS**;
 - B. all other legal costs and expenses resulting from the investigation, adjustment, defense and appeal of a "claim", suit, or proceeding arising in connection therewith, or circumstance which might lead to a "claim" if incurred by us or the a "covered party" with our prior written consent;
 - C. the premium cost for appeal bonds for covered judgments or bonds to release property used to secure a legal obligation, if required in any "claim" against a "covered party" provided that we shall have no obligation to appeal or to obtain bonds.

"Claims expenses" do not include any salary, overhead, or other charges by a "covered party" for any time spent cooperating with the defense and investigation of any "claim", or circumstance that might lead to a "claim", under this Endorsement, or costs to comply with any regulatory orders, settlements or judgments.

6. "Computer expert services" means costs for:
 - A. a computer security expert to determine the existence and cause of an actual or suspected electronic data breach which may require the "firm" to comply with a "breach notice law" and to determine the extent to which such information was accessed by an unauthorized person or persons; and if such breach is actively in progress on the "firm's" "computer systems", to assist in containing the existing intrusion on such systems from accessing "personally identifiable information"; and
 - B. a Payment Card Industry (PCI) Forensic Investigator that is approved by the PCI Security Standards Council and is retained by the "firm" in order to comply with the terms of a "merchant services agreement" to investigate the existence and extent of an actual or suspected compromise of credit card data; and, in our discretion, where a computer security expert described in paragraph a. above has not been retained, for a computer security expert to provide advice and oversight in connection with the investigation conducted by the PCI Forensic Investigator; and
 - C. a computer security expert to demonstrate the "covered party's" ability to prevent a future electronic data breach as required by a "merchant services agreement".

"Computer expert services" will be provided by a service provider from our panel selected by us in consultation with the "firm".

7. "Computer security" means software, computer or network hardware devices, as well as the "firm's" information security policies and procedures, the function or purpose of which is to prevent "unauthorized access or use", 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.
8. "Computer systems" means computers, any software residing on such computers, and associated input and output devices, data storage devices, networking equipment, and back up facilities:
 - A. operated by and either owned by or leased to the "firm", or
 - B. systems operated by a third party service provider and used for the purpose of providing hosted computer application services, including cloud services, to the "firm" or for processing, maintaining, hosting or storing the "firm's" electronic data, pursuant to written contract with the "firm" for such services.
9. "Control group" means any principal, partner, managing partner, most senior legal counsel or risk manager of the "firm" and any individual in a substantially similar position.
10. "Coverage period" means the period of time between the inception date and the effective date of termination of coverage and specifically excludes any optional extension period or any prior coverage period or renewal period.
11. "Covered party" has the same meaning as the definition set forth in Section II of the PLF Claims Made Excess Plan. This definition is incorporated by reference and has the same force and effect as if fully set for in this Endorsement.
12. "Cyber extortion loss" means:
 - A. any "extortion payment" that has been made under duress by or on behalf of the "firm", with our prior written consent, but solely to prevent or terminate an "extortion threat";
 - B. reasonable and necessary expenses incurred by the "firm", with our prior written approval, that directly relate to the insured's efforts to prevent or terminate an "extortion threat".
13. "Damages" means a monetary judgment, award or settlement. The term "damages" shall not include or mean:
 - A. future profits, restitution, disgorgement of unjust enrichment or profits by an "covered party," or the costs of complying with orders granting injunctive or equitable relief;
 - B. return or offset of fees, charges, or commissions charged by or owed to a "covered party" for goods or services already provided or contracted to be provided;
 - C. taxes or loss of tax benefits;
 - D. fines, sanctions or penalties;
 - E. punitive or exemplary damages, or any damages which are a multiple of compensatory damages, unless insurable by law in any applicable venue that most favors coverage for such punitive, exemplary or multiple damages;
 - F. discounts, coupons, prizes, awards or other incentives offered to a "covered party's" customers or clients;
 - G. liquidated damages, but only to the extent that such damages exceed the amount for which a "covered party" would have been liable in the absence of such liquidated damages agreement; or
 - H. any amounts for which a "covered party" is not liable, or for which there is no legal recourse against a "covered party."
14. "Data asset" means any software or electronic data that exists in computer systems and that is subject to regular back up procedures.
15. "Denial of service attack" means a cyber-attack where the perpetrator seeks to make a machine or network resource unavailable to its intended users.
16. "Digital currency" means a type of digital currency that:
 - A. requires cryptographic techniques to regulate the generation of units of currency and verify the transfer thereof;
 - B. is both stored and transferred electronically; and
 - C. operates independently of a central bank or other central authority.
17. "Employee" means:
 - A. A natural person:
 - i. while in the regular service of the "firm" in the ordinary course of its business; and
 - ii. whom the "firm" has the right to direct and control while performing labor or service for the "firm"; and
 - iii. who is compensated directly by the "firm" through salary, wages or commissions;
 - B. a natural person who is directed and controlled by the "firm" while performing labor or service for the "firm" pursuant to a lease or other written contract to which the "firm" is a party;

- C. a natural person volunteer who is directed and controlled by the “firm” while performing labor or service for the “firm”;
 - D. a natural person who is a director, trustee, officer, administrator, “manager” or partner of the “firm”, when performing acts coming within the scope of the usual duties of a director, trustee, officer, administrator, “manager” or partner; or
 - E. a natural person who is:
 - i. 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 “firm”; or
 - ii. required to be bonded by Title 1 of ERISA.
18. “Extortion payment” means cash, “digital currency”, marketable goods or services demanded to prevent or terminate an “extortion threat”. If an “extortion payment” is made by or on behalf of the “firm” in “digital currency”, payment by us 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”.
19. “Extortion threat” means a threat to:
- A. alter, destroy, damage, delete or corrupt any “data asset”;
 - B. prevent access to “computer systems” or a “data asset”;
 - C. perpetrate a theft or misuse of a “data asset” on “computer systems” through external access;
 - D. introduce “malicious code” into “computer systems” or to third party computer systems from “computer systems”; or
 - E. publicly disclose a “data asset”, “personally identifiable information” or “third party information” that is obtained by “unauthorized access or use” to the firm’s “computer systems”, unless an “extortion payment” is received from or on behalf of the “firm”.
20. “Forensic expenses” means reasonable and necessary expenses incurred by the “firm” to investigate the source or cause of the failure of “computer security” to prevent a “security breach”.
21. “Firm” means any law entity designated in Section 1 or 11 of the Excess Coverage declarations.
22. “Legal services” means fees charged by an attorney:
- A. to determine the applicability of and actions necessary for the “firm” to comply with “breach notice laws” due to an actual or reasonably suspected theft, loss or “unauthorized disclosure” of “personally identifiable information”;
 - B. to provide necessary legal advice to the “firm” in responding to actual or suspected theft, loss or “unauthorized disclosure” of “personally identifiable information”;
 - C. to advise the “firm” regarding the notification of relevant governmental entities of an actual or reasonably suspected theft, loss or “unauthorized disclosure” of “personally identifiable information”; and
 - D. to advise the “firm” in responding to credit card system operating regulation requirements for any actual or suspected compromise of credit card data that is required to be reported to the “firm’s” merchant bank under the terms of a “merchant services agreement”; however, “legal services” do not include fees incurred in any actual or threatened legal proceeding, arbitration or mediation, or any advice in responding to credit card system operating regulation in connection with an assessment of “PCI fines, expenses, and costs”.
- “Legal services” will be provided in accordance with the terms and conditions set forth in this Endorsement and will be provided by an attorney from our panel selected by us in consultation with the “firm”.
23. “Loss” means:
- A. “damages”;
 - B. “claims expenses”;
 - C. privacy breach response services;
 - D. “PCI fines, expenses and costs”;
 - E. “cyber extortion loss”; and
 - F. “penalties”.
24. “Malicious code” means any virus, Trojan horse, worm or any other similar software program, code or script intentionally designed to insert itself into computer memory or onto a computer disk and spread itself from one computer to another.
25. “Management control” means:
- A. owning, directly or indirectly, more than fifty percent (50%) of the outstanding securities, representing the present right to vote for the election of an entity’s directors, members of the board of managers,

- management committee members or persons serving in a functionally equivalent role for such an entity operating or organization outside of the United States; or
- B.** having the right, pursuant to a written contract or bylaws, charter, operating agreement or similar documents of an entity to elect, appoint or designate a majority of:
- i.** the Board of Directors of a corporation;
 - ii.** the Management Committee of a joint venture or partnership;
 - iii.** the Management Board of a limited liability company; or
 - iv.** persons serving in a functionally equivalent role for such an entity operating or organized outside of the United States.
- 26.** “Manager” means manager of a limited liability company.
- 27.** “Media material” means any information in electronic form, including words, sounds, numbers, images, or graphics and shall include advertising, video, streaming content, web-casting, online forums, bulletin boards and chat room content, but does not mean computer software or the actual goods, products or services described, illustrated or displayed in such “media material”.
- 28.** “Merchant services agreement” means any agreement between a “covered party” and a financial institution, credit/debit company, credit/debit card processor or independent service operator enabling a “covered party” to accept credit card, debit card, prepaid card, or other payment cards for payments or donations.
- 29.** *Reserved.*
- 30.** “Notification services” means:
- A.** notification by first class mail or e-mail to United States, Canadian or Mexican residents; and
 - B.** notification by first class mail or e-mail to individuals residing outside the United States, Canada or Mexico, but only to the extent reasonably practicable.
- “Notification services” will be provided by a service provider from our panel selected by us in consultation with the “firm”.
- 31.** “Notified individual” means an individual person to whom notice is given or attempted to be given under paragraph d. of **SECTION I – COVERAGE AGREEMENTS, 2. Privacy Breach Response Services** pursuant to a “breach notice law”.
- 32.** “PCI fines, expenses and costs” means the direct monetary fines, penalties, reimbursements, fraud recoveries or assessments owed by the “firm” under the terms of a “merchant services agreement”, but only where such fines, penalties, reimbursements, fraud recoveries or assessments result both from the “firm’s” actual or alleged noncompliance with published Payment Card Industry (PCI) Data Security Standards and from a data breach caused by an incident, or reasonably suspected incident, described in paragraphs A. and B. of **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability**; provided, that the term “PCI fines, expenses and costs” shall not include or mean any charge backs, interchangeable fees, discount fees or prospective service fees.
- 33.** “Penalties” means:
- A.** any civil fine or punitive sum of money payable to a governmental entity that was imposed in a “regulatory proceeding” by any other federal, state, local or foreign governmental entity, in such entity’s regulatory or official capacity; the insurability of “penalties” shall be in accordance with the law in the applicable venue that most favors coverage for such “penalties”; and
 - B.** amounts which a “covered party” is legally obligated to deposit in a fund as equitable relief for the payment of consumer claims due to an adverse judgment or settlement of a “regulatory proceeding”; but shall not include payments to charitable organizations or disposition of such funds other than for payment of consumer claims for losses caused by an event covered pursuant to paragraphs A., B., or C. of **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability**;
 - C.** “Penalties” do not mean:
 - i.** costs to remediate or improve “computer systems”;
 - ii.** costs to establish, implement, maintain, improve or remediate security or privacy practices, procedures, programs or policies;
 - iii.** audit, assessment, compliance or reporting costs; or
 - iv.** costs to protect the confidentiality, integrity and/or security of “personally identifiable information” from theft, loss or disclosure.
- 34.** “Personally identifiable information” means:
- A.** information concerning the individual that constitutes nonpublic personal information as defined in the Gramm-Leach Bliley Act of 1999, as amended, and regulations issued pursuant to this Act;

- B. 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 this Act;
- C. information concerning the individual that is defined as private personal information under statutes enacted to protect such information in foreign countries, for “claims” subject to the law of such jurisdiction;
- D. information concerning the individual that is defined as private personal information under a “breach notice law”;
- E. education records as defined by the Family Educational Rights and Privacy Act which are directly related to an individual’s attendance as a student; or
- F. the individual’s drivers’ license or state identification number, social security number, unpublished telephone number, and credit, debit, or other financial account numbers in combination with associated security codes, access codes, passwords or pins; if such information allows an individual to be uniquely and reliably identified or contacted or allows access to the individual’s financial account or medial record information.

“Personally identifiable information” does not include publicly available information that is lawfully made available to the general public from government records.

- 35. “Privacy law” means a federal, state or foreign statute or regulation requiring the “firm” to protect the confidentiality and/or security of “personally identifiable information”.
 - 36. “Privacy policy” means the “firm’s” public declaration of its policy for collection, use, disclosure, sharing, dissemination and correction or supplementation of, and access to “personally identifiable information”.
 - 37. “Property” means tangible property other than “money” or “securities” that has intrinsic value.
 - 38. “Public relations and crisis management expenses” shall mean the following costs, approved in advance by us, which are directly related to mitigating harm to the “firm’s” reputation or potential “loss” covered by this Endorsement resulting from an incident described in paragraphs A. and B. of **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability** or from a “public relations event”:
 - A. costs incurred by a public relations or crisis management consultant;
 - B. costs for media purchasing or for printing or mailing materials intended to inform the general public about the incident;
 - C. for incidents or events in which notifications services are not otherwise provided pursuant to **SECTION I – COVERAGE AGREEMENTS, 1. Information Security and Privacy Liability** and **2. Privacy Breach Response Services**, costs to provide notifications and notices via e-mail or first class mail to affected individuals where such notifications are not required by law (voluntary notifications), including non-affected customers or clients of the “firm”;
 - D. costs to provide government mandated public notices related to breach events (including such notifications required under the Health Insurance Portability and Accountability Act of 1996 or the Health Information Technology for Economic and Clinical Health Act);
 - E. costs to provide services to restore healthcare records of “notified individuals” residing in the United States whose “personally identifiable information” was compromised as a result of theft, loss or “unauthorized disclosure”; and
 - F. other costs approved in advance by us.
- “Public relations and crisis management expenses” must be incurred no later than twelve (12) months following the reporting of such “claim” or breach event to us and, with respect to paragraphs a. and b. above, within ninety (90) days following the first publication of such “claim” or incident. If voluntary notifications are provided, e-mail notification will be provided in lieu of first class mail to the extent practicable.
- 39. “Public relations event” means the publication or imminent publication in a newspaper (or other general circulation print publication) or on radio, television or a publically accessible website of a covered “claim” or incident under this Endorsement.
 - 40. “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 any federal, state, local or foreign governmental entity in such entity’s regulatory or official capacity in connection with such proceeding.
 - 41. “Related party” means the “firm” and any past, present or future employees, directors, officers, “managers”, partners or natural person independent contractors of the “firm”.
 - 42. “Retroactive date” means the date shown on in Section 8 of Excess Coverage declarations.
 - 43. “Security breach” means:
 - A. “unauthorized access or use” of “computer systems”, including “unauthorized access or use” resulting from the theft of a password from a “computer system” or from any “covered party;”

- B. A “denial of service attack” against “computer systems” or “computer systems” that are not owned, operated or controlled by a “covered party;” or
- C. infection of “computer systems” by “malicious code” or transmission of “malicious code” from “computer systems”.

A series of continuing “security breaches”, related or repeated “security breaches”, or multiple “security breaches” resulting from a continuing 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”.

- 44. “Third party information” means any trade secret, data, design, interpretation, forecast, formula, method, practice, credit or debit card magnetic strip information, process, record, report or other item of information of a third party not covered under this Endorsement which is not available to the general public and is provided to the “covered party” subject to a mutually executed written confidentiality agreement or which the “firm” is legally required to maintain in confidence; however, “third party information” shall not include “personally identifiable information”.
- 45. “Unauthorized access or use” means the gaining of access to or use of “computer systems” by an unauthorized person or persons or the use of “computer systems” in an unauthorized manner.
- 46. “Unauthorized disclosure” means the disclosure of (including disclosure resulting from phishing) or access to information in a manner that is not authorized by the “firm” and is without knowledge of, consent, or acquiescence of any “covered party.”
- 47. “Vendor” means any entity or natural person that provides goods or services to the insured pursuant to a written agreement.

SECTION XII – CANCELLATION

The provisions of Section XI of the PLF Excess Claims Made Plan are incorporated into this Endorsement by reference and have the same force and effect as if fully set forth in this Endorsement.

SECTION XIII – ASSISTANCE AND COOPERATION

- 1. We shall have the right to make any investigation we deem necessary, and the “covered party” shall cooperate with us in all investigations. The “covered party” shall execute or cause to be executed all papers and render all assistance as is requested by us. The “covered party” agrees not to take any action which in any way increases our exposure under this Endorsement.
- 2. Upon our request, the “covered party” shall assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the “covered party” because of acts, errors or omissions, incidents or events with respect to which coverage is afforded under this Endorsement; and the “covered party” shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.
- 3. The “covered party” 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 our written consent, except as specifically provided in **SECTION II – DEFENSE AND SETTLEMENT OF CLAIMS**. Compliance with a “breach notice law” will not be considered an admission of liability for purposes of this Clause.
- 4. Expenses incurred by the “covered party” in assisting and cooperating with us do not constitute “claims expenses” under the Endorsement.

SECTION XIV – ACTION AGAINST US

No action shall lie against us or our representatives unless and until, as a condition precedent thereto, the “covered party” shall have fully complied with all provisions, terms and conditions of this Endorsement and the amount of the “covered party’s” obligation to pay shall have been finally determined either by judgment or award against the “covered party” after trial, regulatory proceeding, arbitration or by written agreement of the “covered party,” the claimant, and us.

No person or organization shall have the right under this Endorsement to join us as a party to an action or other proceeding against the “covered party” to determine the “covered party’s” liability, nor shall we be impleaded by the “covered party” or the “covered party’s” legal representative.

A bankruptcy or insolvency of a “covered party’s” estate shall not relieve us of our obligations hereunder.

SECTION XV – ASSIGNMENT

The interest hereunder of any “covered party” is not assignable. If a “covered party” shall die or be adjudged incompetent, the coverage provided to such “covered party” under this Endorsement shall apply to the “covered party’s” legal representative.

SECTION XVI – FIRM AS AGENT

The “firm” shall be considered the agent of all “covered parties,” and shall act on behalf of any “covered party” with respect to the giving of or receipt of all notices pertaining to this Endorsement, the acceptance of any endorsements to this Endorsement, and the “firm” shall be responsible for the payment of all premiums and Retentions.

SECTION XVII – AUTHORIZATION

By acceptance of this Endorsement, the “covered parties” agree that the “firm” will act on their behalf with respect to the giving and receiving of any notice provided for in this Endorsement, the payment of premiums and the receipt of any return premiums that may become due under this Endorsement, and the agreement to and acceptance of endorsements.

SECTION XVIII – CHOICE OF LAW

Any disputes involving this Endorsement shall be resolved applying the law of the United States of America.

SECTION XIX – VALUATION AND CURRENCY

All premiums, limits, deductibles, “loss” and other amounts under this Endorsement are expressed and payable in the currency of the United States. If judgment is rendered, settlement is denominated or another element of “loss” under this Endorsement is stated in a currency other than United States dollars or is paid in a currency other than United States dollars, payment under this Endorsement shall be made in United States dollars at the rate of exchange published in the *Wall Street Journal* on the date the judgment becomes final or payment of the settlement or other element of “damages”, “penalties”, or “PCI Fines, Expenses and Costs” is due or, with respect to “claims expenses”, the date they are paid.

SECTION XX – TERRITORY

This Endorsement applies to “claims” made, acts committed, or “loss” occurring anywhere in the world.