

Alpha Secure Declarations

SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY.

THIS INSURANCE IS ISSUED PURSUANT TO THE FLORIDA SURPLUS LINES LAW. PERSONS INSURED BY SURPLUS LINES CARRIERS DO NOT HAVE THE PROTECTION OF THE FLORIDA INSURANCE GUARANTY ACT TO THE EXTENT OF ANY RIGHT OF RECOVERY FOR THE OBLIGATION OF AN INSOLVENT UNLICENSED INSURER.

THE FIRST PARTY INSURING AGREEMENTS BELOW PROVIDE COVERAGE ON A DISCOVERED AND REPORTED BASIS AND APPLY ONLY TO INCIDENTS DISCOVERED BY THE INSURED DURING THE POLICY PERIOD AND REPORTED TO THE INSURER IN ACCORDANCE WITH GENERAL CONDITIONS, NOTICE OF FIRST PARTY INCIDENT PROVISION OF THIS POLICY. THE LIABILITY INSURING AGREEMENTS BELOW PROVIDE COVERAGE ON A CLAIMS MADE AND REPORTED BASIS AND APPLY ONLY TO CLAIMS AND REGULATORY PROCEEDINGS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR THE OPTIONAL EXTENDED REPORTING PERIOD, IF PURCHASED, AND REPORTED TO THE INSURER IN ACCORDANCE WITH GENERAL CONDITIONS, NOTICE OF CLAIM PROVISION OF THIS POLICY. AMOUNTS INCURRED AS CLAIMS EXPENSES UNDER THIS POLICY WILL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE APPLICABLE RETENTION(S) AS SET FORTH IN THE DECLARATIONS PAGE OF THIS POLICY.

Policy No:

Named Insured:

Policy Period:

Address:

Maximum Aggregate Limit:

Limits of Insurance

Insuring Agreement

	Each Claim Limit	Aggregate Limit for all Claims	Each Claim Retention
Incident Response Expenses			\$1,000
Coverage 1 & 2 Sub limit	\$10,000	\$10,000	
Extortion Loss	\$10,000	\$10,000	\$1,000
Utility Fraud	\$10,000	\$10,000	\$1,000

Third Party Liability Insuring Agreements

Insuring Agreement	Each Claim Limit	Aggregate Limit for all Claims	Each Claim SIR
Network Security and Privacy Liability			\$1,000
Regulatory			\$1,000
Payment Card			\$1,000

Continuity Date:

Elpha Secure Portal: <https://my.elphasecure.com>

Notice to the Insurer: claims@elphasecure.com

Claims Information:
<https://elphasecure.com/insurance/claims>

Premium Details

Broker Commission (incl.)	\$
Total Policy Premium	\$
Surplus Taxes	\$
Surplus Fees	\$
Total Cost	\$

Elpha Secure Team Hotline (does not constitute notice of claim): soc@elphasecure.com, 1-866-218-9867 (24 Hours)

Insurer Signing

Whereas the Insured named in the Declarations herein has paid the premium specified in the Declarations to the Insurers who have hereunto subscribed their Names (hereinafter called 'the Insurers'),

The Insurers hereby agree to insure against loss, damage or liability the risk and sum insured stated in the Declarations.

The Insurers undertake, in the event of a loss, to pay their proportion

The period of this Insurance is as stated in the Declarations. This Insurance will be subject, without notice, to the general and special conditions, endorsements, assignments and alterations of rates as are or may be assumed in the policy upon which this Insurance is based.

The Insurers, whose name and reference numbers are set out in the attached Table of Insurers, hereby bind themselves each for their own part and not one for another, their executors and administrators, and in respect of their due proportion only, to pay or make good to the Insured or the Insured's executors or administrators all such loss, damage or liability as aforesaid after such loss, damage or liability is proved.

Table of Insurers

Name of the Insurer(s)	Reference Number	Proportion (%)
AXIS Surplus Insurance Company (Non-Admitted)	n/a	75%
Everest Indemnity Insurance Company (Non-Admitted)	n/a	25%

AXIS Surplus Insurance Company (Non-Admitted) 111
South Wacker Drive, Suite 3500
Chicago, IL 60606
(866) 259-5435

Everest Indemnity Insurance Company (Non-Admitted)
Warren Corporate Center
100 Everest Way
Warren, New Jersey 07059

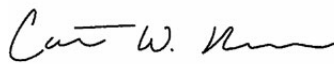
Signature Page



IN WITNESS WHEREOF, the Insurer has caused this policy to be issued by affixing hereto the facsimile signatures of its President and Secretary.

A handwritten signature in black ink, appearing to read "Andrew Weissert".

Secretary
Andrew Weissert, Secretary

A handwritten signature in black ink, appearing to read "Carlton W. Maner".

President
Carlton Maner, President

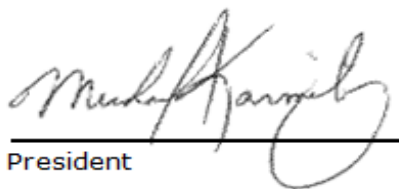
Signature Page



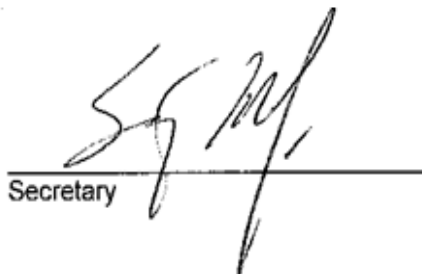
EVEREST

IN WITNESS WHEREOF, This policy is signed by officers of the Company shown on the Declarations page of this policy.

For: Everest Indemnity Insurance Company

A handwritten signature in black ink, appearing to read "Michael K...", written over a horizontal line.

President

A handwritten signature in black ink, appearing to read "S. M.", written over a horizontal line.

Secretary

Table of Forms

Elpha Secure Declarations Page	ES DEC 1100 FL
AXIS Signature Page	AX 5002
Everest Signature Page	EV 5002
Elpha Secure Table of Forms	ES FRM 1000 FL
Elpha Secure Cyber Coverage	ES 1100
Cancellation and Nonrenewal Endorsement – Florida	ES 3000 FL
Axis Service of Suit Notice	AX 5008
Everest Service of Suit Notice	EV5008
Surplus Lines Broker Statement	ES 5001
State Fraud Statements	ES 5003
Broker Ratification Notice	ES 5005
Elpha Secure Privacy Notice	ES 5006
Policyholder Notice – Economic and Trade Sanctions (OFAC)	ES 5007
Policyholder Disclosure – Notice of Terrorism Insurance Coverage	ES 115

Insuring Agreements

First Party

The First Party Insuring Agreements below provide coverage on a discovered and reported basis and apply only to incidents discovered by the Insured during the **Policy Period** and reported to the Insurer in accordance with General Conditions, [Notice of First Party Incident provision](#) of this policy.

Incident Response Expenses

The **Insurer** will pay **Incident Response Expenses** incurred by an **Insured Entity** because of an actual or reasonably suspected **Security Incident** or **Privacy Incident**.

Extortion Loss

The **Insurer** will reimburse the **Insured Entity** for **Extortion Loss** paid by an **Insured Entity** because of an **Extortion Threat**.

Utility Fraud

The **Insurer** will pay or reimburse the **Direct Financial Loss** sustained by an **Insured Entity** as a direct result of **Telephone Fraud**.

Liability

The Liability Insuring Agreements below provide coverage on a **Claims** made and reported basis and apply only to **Claims** and **Regulatory Proceedings** first made against the **Insured** during the **Policy Period** or the Optional Extended Reporting Period, if purchased, and reported to the **Insurer** in accordance with General Conditions, Notice of **Claim** provision of this policy. Amounts incurred as **Claims Expenses** under this policy will reduce and may exhaust the limit of liability and are subject to the applicable Retention(s) as set forth in the Declarations Page of this policy.

Network Security and Privacy Liability

The **Insurer** will pay **Damages** and **Claims Expenses** that the **Insured** is legally obligated to pay because of a **Claim** made against an **Insured** for a **Security Incident** or a **Privacy Incident**.

Regulatory

The **Insurer** will pay **Regulatory Fines** and **Claims Expenses** that the **Insured** is legally obligated to pay because of a **Regulatory Proceeding** made against an **Insured** for a **Security Incident** or **Privacy Incident**.

Payment Card

The **Insurer** will reimburse the **Insured Entity** for **PCI Fines and Expenses** which it is legally obligated to pay because of a **Claim** made against an **Insured** for a **Privacy Incident**.

Definitions

Additional Insured means any natural person or entity that the **Insured Entity** has entered into a written agreement to provide insurance coverage under this policy but only for **Claims** arising from acts, errors, omissions, incidents, or events committed by, or on behalf of, the **Insured Entity** under such agreement and the subject act, error, omission, incident, or event first occurs after the **Insured Entity** has entered into such agreement.

Claim means:

1. a written demand for monetary damages or injunctive relief;
2. a written request to toll or waive a statute of limitations; and
3. solely with respect to the Regulatory Insuring Agreement, a **Regulatory Proceeding**.

Multiple **Claims** arising from the same or a series of related, repeated, or continuing acts, errors, omissions, incidents, or events will be considered a single **Claim** for the purposes of this policy. All such **Claims** will be deemed to have been made at the time of the first such **Claim**.

Claims Expenses means the reasonable and necessary:

1. attorney's fees, mediation costs, arbitration expenses, expert witness fees, and other fees and costs incurred by the **Insurer**, or by an **Insured** with the **Insurer's** prior written consent, in the investigation and defense of a **Claim**; and
2. premiums for any appeal bond, attachment bond or similar bond, although the **Insurer** will have no obligation to apply for or furnish such bond.

Claims Expenses will not include wages, salaries, other compensation, overhead or other charges by the **Insured**.

Computer System means computers and related components, Internet of Things (IoT) devices, systems and applications software, terminal devices, related communications networks, mobile devices (handheld and other wireless computing devices), storage devices, and back up devices that are:

1. leased, owned, or operated by the **Insured Entity**; or
2. operated for the **Insured Entity's** benefit by a third party pursuant to a written contract for the provision of hosted computer application services.

Confidential Information means:

1. any information about an individual that is required by any local, state, federal, or foreign law or regulation to be protected from unauthorized access, acquisition, or public disclosure; or
2. any other third party confidential or proprietary information:

- i. provided to an **Insured** and protected under a nondisclosure agreement; or
- ii. which an **Insured** is legally obligated to maintain in confidence.

Control Group means any principal, partner, corporate officer, director, general counsel (or most senior legal counsel), or risk manager of the **Insured Entity** and any individual in a substantially similar position.

Cybersecurity Risk Controls means **Elphaware**.

Damages means any judgment, award of prejudgment or post-judgment interest, settlement, and amount which an **Insured** becomes legally obligated to pay on account of a **Claim**. **Damages** will not include:

1. any amount for which an **Insured** is not financially liable or legally obligated to pay;
2. taxes, fines, penalties or sanctions imposed against an **Insured**;
3. matters uninsurable under the laws pursuant to which this policy is construed;
4. 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;
5. the cost to an **Insured** to comply with any injunctive, remedial, preventative, or other non-monetary or declaratory relief, including specific performance, or any agreement to provide such relief;
6. future profits, restitution, or unjust enrichment;
7. credits, refunds, discounts, coupons, prizes, awards, or other incentives offered by an **Insured**;
8. consideration owed or paid by or to an **Insured** including any royalties, restitution, reduction, disgorgement, or return of any payment, charges, or fees; or costs to correct or re-perform services; or for the reprint, recall, or removal of any media content;
9. liquidated damages pursuant to a contract, but only to the extent that such damages exceed the amount for which the **Insured** would have been liable in the absence of such liquidated damages agreement; or
10. fines, costs, or other amounts an **Insured** is legally liable to pay under a **Merchant Services Agreement**.

Direct Financial Loss means the direct loss of **Money** by the **Insured Entity** as the direct result of **Telephone Fraud**.

Eligible Computers means laptops, desktops, workstations and on-premises servers leased, owned or operated by the **Insured Entity**.

Elphaware means Elpha Secure's proprietary cybersecurity software.

Extortion Loss means the following amounts incurred with the **Insurer's** prior written consent:

1. reasonable and necessary money (including any form of cryptocurrency or other form of digital or electronic currency), goods, property, or services surrendered as payment by or on behalf of the **Insured Entity** in order to prevent, limit, or respond to an **Extortion Threat**; and
2. reasonable and necessary costs charged by qualified third parties to conduct an investigation and advise the **Insured Entity** how to respond to and resolve an **Extortion Threat**.

Extortion Threat means a threat to an **Insured Entity** to:

1. access or disclose **Confidential Information** or an **Insured Entity's** information without authorization;
2. cause a **Security Incident**;
3. restrict or inhibit access to a **Computer System**;
4. interrupt **Computer Systems**; or
5. alter, destroy, damage, delete, or encrypt electronic data,

unless a payment is received by the **Insured Entity**.

First Party Incident means **Security Incident**, **Privacy Incident**, **Extortion Threat**, and **Telephone Fraud**. A **First Party Incident** will be deemed first discovered when such **First Party Incident** first becomes known to a member of the **Control Group**. Multiple **First Party Incidents** arising from the same or a series of related, repeated, or continuing acts, errors, omissions, incidents, or events will be considered a single **First Party Incident** for the purposes of this policy.

Incident Response Expenses means the following expenses incurred by the **Insured Entity** with the **Insurer's** prior written consent in response to an actual or reasonably suspected **Security Incident** or **Privacy Incident**:

1. for an attorney to provide legal services to respond to a **Security Incident** or **Privacy Incident**;
2. for a computer security expert to determine the existence, cause and scope of an actual or reasonably suspected **Security Incident** or **Privacy Incident**, and to assist in containing the incident if still active;
3. for a public relations or crisis management firm to mitigate harm to the **Insured**;
4. for a Payment Card Industry (PCI) Forensic Investigator to investigate the existence and extent of an actual or reasonably suspected **Privacy Incident** involving payment card data and for a Qualified Security Assessor to certify and assist in attesting to the **Insured's** PCI compliance, as required by a **Merchant Services Agreement**;
5. to notify individuals affected by a **Privacy Incident** as required by law or on a voluntary basis;
6. to operate a call center;
7. to provide credit or identity monitoring and identity protection and restoration services for individuals affected by a **Privacy Incident**; and
8. any reasonable amount offered and paid for information not otherwise available which leads to the arrest and conviction of a person or an entity responsible for a **Security Incident** or **Privacy Incident** no later than 60 days following the end of the **Policy Period**.

Incident Response Expenses will be provided by any vendor on our list of Response Providers specified on the website shown in the Declarations. **Incident Response Expenses** do not include any internal salary or overhead expenses of the **Insured**.

Insured means:

1. **Insured Persons;**
2. **Insured Entities;** and
3. for the Liability Insuring Agreements only, **Additional Insureds**.

Insured Entity means:

1. the **Named Insured;** and
2. **Subsidiaries**.

Insured Person means:

1. any past or present principal, director, officer, partner, trustee, employee, leased employee, temporary employee, volunteer, or intern of the **Insured Entity** but only with respect to the performance of their duties on behalf of the **Insured Entity**;
2. any past or present independent contractor who performs labor or service for the **Insured Entity** pursuant to a written contract or agreement with the **Insured Entity** and the status of such an individual as an independent contractor will be determined as of the date of an alleged act, error, or omission by any such independent contractor;
3. the estate, heirs, executors, administrators, assigns, and legal representatives of any **Insured** in the event of such **Insured's** death, incapacity, insolvency, or bankruptcy, but only to the extent that such **Insured** would otherwise be provided coverage under this policy; and
4. the lawful spouse, including any natural person qualifying as a domestic partner of any **Insured**, but solely by reason of any act, error or omission of an **Insured** other than such spouse or domestic partner.

Insurer means the insurance company providing this insurance.

Loss means **Claims Expenses, Extortion Loss, Damages, Direct Financial Loss, Incident Response Expenses, PCI Fines and Expenses, Regulatory Fines**, and any other amounts covered under this policy. Multiple **Losses** arising from the same or a series of related, repeated, or continuing acts, errors, omissions, incidents, or events will be considered a single **Loss** for the purposes of this policy. With respect to the First Party Insuring Agreements, all acts, errors, omissions, incidents, or events (or series of related, repeated or continuing acts, errors, omissions, incidents, or events) giving rise to a **Loss** or multiple **Losses** in connection with such Insuring Agreements will be deemed to have been discovered at the time the first such act, error, omission, incident, or event is discovered.

Merchant Services Agreement means a contract between the **Insured Entity** and an acquiring bank, or other acquiring institution, that establishes the terms and conditions for accepting and processing payment card transactions.

Money means currency, coin, bank notes, traveler's checks, certified or cashier's checks, money orders, or bullion. **Money** does not include **Securities**.

Named Insured means the entity shown in the Declarations.

PCI Fines and Expenses means:

1. the monetary amount owed by the **Insured Entity** under the terms of a **Merchant Services Agreement** as a direct result of a **Privacy Incident**. With **Insurer's** prior written consent, **PCI Fines and Expenses** also means reasonable and necessary legal costs and expenses incurred by the **Insured Entity** to appeal or negotiate an assessment of such monetary amount.

PCI Fines and Expenses does not include any charge backs, interchange fees, discount fees or other fees unrelated to a **Privacy Incident**.

Policy Period means the period of time between the inception date shown in the Declarations and the effective date of termination, expiration, or cancellation of this policy and specifically excludes any Optional Extended Reporting Period.

Privacy Incident means the actual or suspected loss, theft, unauthorized access, or unauthorized disclosure of **Confidential Information** that is in the care, custody, or control of the **Insured Entity** or a third party whose theft, loss, unauthorized access, or unauthorized disclosure of **Confidential Information** the **Insured Entity** is legally liable.

Regulatory Fines means civil monetary fines, civil penalties, or amounts deposited in a consumer redress fund imposed in a **Regulatory Proceeding**, to the extent insurable in any applicable venue that most favors coverage. **Regulatory Fines** will not include:

1. criminal fines, disgorgement, or the multiple portion of any multiplied damage award;
2. costs to remediate or improve **Computer Systems**;
3. costs to establish, implement, maintain, improve, or remediate security or privacy practices, procedures, programs, or policies;
4. audit, assessment, compliance, or reporting costs; or
5. costs to protect the confidentiality, integrity, or security of **Confidential Information**.

Regulatory Proceeding means a suit, civil investigation, or civil proceeding by or on behalf of any federal, state, local, or foreign government commenced by the service of a notice, complaint, or similar pleading.

Securities means negotiable or non-negotiable instruments or contracts representing either money or tangible property that has intrinsic value.

Security Incident means:

1. the unauthorized access or use of;
2. a denial-of-service attack against;
3. the introduction of malicious code into; or
4. transmission of malicious code from;

a **Computer System**.

Subsidiary means:

1. any entity which on or prior to the inception date of this policy, the **Named Insured** either:
 - a. owns more than 50% of the outstanding voting securities ("Management Control"); or
 - b. has the authority pursuant to by-laws, charter, or other written agreement to elect, appoint or designate the majority of the board of directors of a corporation, the management committee of a joint venture or partnership, or the management board of a limited liability company ("Management Control"); and
2. any entity which the **Named Insured** acquires Management Control after the inception date of this policy provided that
 - a. the gross revenue does not exceed 35% of the gross revenue of the **Named Insured**; or
 - b. if the gross revenues exceed 35% of the **Named Insured**, any such entity will only be provided coverage for 60 days after the **Named Insured** gains Management Control. Additional coverage may be negotiated beyond the 60 days.

This policy provides coverage only for acts, errors, omissions, incidents, or events that occur while the **Named Insured** has Management Control over an entity.

Telephone Fraud means unauthorized use of an **Insured Entity's** telephone system by a third party for outbound long-distance service.

Exclusions

Assumed Liability

The **Insurer** will not pay **Loss** based upon or arising out of any liability assumed by an **Insured**. This exclusion does not apply:

1. when the **Insured** would have been liable in the absence of such assumption of liability;
2. to a **Claim** for **PCI Fines and Expenses**; or
3. to any privacy or confidentiality obligation that the **Insured** has agreed to under a publicly posted privacy policy or nondisclosure agreement.

Antitrust, Unfair Trade Practices, and Consumer Protection

The **Insurer** will not pay **Loss** based upon or arising out of any actual or alleged false, deceptive, or unfair trade practices, antitrust violation, restraint of trade, unfair competition, false advertising, misrepresentation in advertising, violation of any consumer protection or consumer fraud laws or regulations, or violation of the Sherman Antitrust Act, the Clayton Act, or the Robinson-Patman Act and any regulation promulgated under or pursuant to the foregoing, or any federal, state, or local laws analogous to the foregoing, whether such law is statutory, regulatory, or common law.

This exclusion will not apply to coverage under the Incident Response Expenses Insuring Agreement or coverage for a **Claim** for a **Regulatory Proceeding**, provided that no member of the **Control Group** participated or colluded in such **Regulatory Proceeding**.

Biometric Identifiers and Information

The **Insurer** will not cover any **Claim** based upon or arising out of any:

1. collection, use, processing, sharing, sale, possession, retention, security or destruction of, or profit from, biometric identifiers or biometric information or disclosure of genetic information, including but not limited to fingerprints, faceprints, hand scans, vein patterns, voiceprints, iris or retina scans, keystroke, gait or other physical patterns, sleep/health/exercise data, deoxyribonucleic acid (DNA) or genetic test results;
2. use of an **Insured's** products or services in furtherance of or in connection with an activity described in paragraph 1 above; or
3. cause of action under common law or any actual or alleged violation of any federal, state, local or foreign law in connection with an activity described in paragraphs 1 or 2 above, including but not limited to a private right of action under the Illinois Biometric Information Privacy Act, 740 ILCS 14/1-14/25 (BIPA) or Genetic Information Privacy Act, 410 ILCS 513/1-513/50 (GIPA).

This exclusion will not apply to a **Regulatory Proceeding**.

Bodily Injury/Property Damage

The **Insurer** will not pay **Loss** based upon or arising out of:

1. physical injury, sickness, disease, or death of a person;
2. damage or injury to or destruction of tangible property; or
3. impairment to or loss of use of tangible property, whether physically damaged, injured, destroyed or not, including tangible property that cannot be accessed, used, or is less useful.

This exclusion will not apply to any **Claim** for mental injury or anguish, including emotional distress, if directly resulting from a **Security Incident** or **Privacy Incident** that gives rise to a **Claim**.

Conduct

The **Insurer** will not pay **Loss** based upon or arising out of:

1. an **Insured's** criminal, dishonest, fraudulent, or malicious act or omission, or intentional or knowing violation of the law; or
2. the gaining of any profit, remuneration, or financial advantage to which any **Insured** was not legally entitled.

This exclusion will not apply to **Claims Expenses** unless a final non-appealable adjudication in the underlying action establishes such conduct occurred. In applying this exclusion, knowledge or conduct of an **Insured** will not be imputed to another **Insured**, except that knowledge of a **Control Group** member will be imputed to the **Insured Entity**.

Cybersecurity Software

The **Insurer** will not pay **Extortion Loss** originating from any **Eligible Computer** that is not operating **Cybersecurity Risk Controls**.

Employment Practices

The **Insurer** will not pay **Loss** based upon or arising out of:

1. any actual or alleged acts, errors, or omissions related to any of the **Insured Entity's** pension, healthcare, welfare, profit sharing, mutual or investment plans, funds, trusts, or employee benefits;
2. 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; or
3. any actual or alleged discrimination.

This exclusion will not apply to coverage under the Incident Response Expenses Insuring Agreement or coverage for a **Claim** for a **Privacy Incident** or **Security Incident**, provided that no member of the **Control Group** participated or colluded in such **Privacy Incident** or **Security Incident**.

Force Majeure

The **Insurer** will not pay **Loss** based upon or arising out of fire, smoke, explosion, lightning, wind, water, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, or act of God, however caused.

Infrastructure

The **Insurer** will not pay **Loss** based upon or arising out of any electrical, mechanical, Internet, telecommunication, cable, or satellite failure, fluctuation, or outage not under the direct operational control of the **Insured Entity**, however caused, including any electrical power interruption, short-circuit, surge, brownout, or blackout.

Insured v. Insured and Related Entities

The **Insurer** will not pay **Loss** based upon or arising out of a **Claim** made by or on behalf of:

1. any **Insured**; however, this exclusion does not apply to a **Claim** made by an individual that is not a member of the **Control Group** under the Network Security and Privacy Insuring Agreement, or a **Claim** made by an **Additional Insured**; or
2. any business enterprise in which an **Insured Entity** has greater than 25% direct or indirect ownership interest or made by any parent company or other entity which directly or indirectly owns more than 25% of the **Named Insured**;

Intellectual Property

The **Insurer** will not pay **Loss** based upon or arising out of any actual or alleged infringement, misappropriation, misuse or abuse, violation, or assertion of any right or interest in any copyright, service mark, trade name, trademark, patent, or trade secret, by or on behalf of an **Insured**. This exclusion will not apply to:

1. solely with respect to the Incident Response Expenses and Network Security and Privacy Liability Insuring Agreements, any **Claim** arising out of the actual or alleged disclosure or theft of **Confidential Information** resulting from a **Privacy Incident**; however, this exclusion will still apply to any **Loss** for the economic value of such service mark, trade name, trademark, patent, or trade secret.

Governmental Actions

The **Insurer** will not pay **Loss** based upon or arising out of a **Claim** brought by or on behalf of any state, federal, local, or foreign governmental entity, in such entity's regulatory or official capacity; however, this exclusion does not apply to the Regulatory Insuring Agreement.

Pollution

The **Insurer** will not pay **Loss** based upon or arising out of:

1. asbestos, or any materials containing asbestos in whatever form or quantity;
2. any fungi, molds, spores, or mycotoxins of any kind;
3. any electromagnetic field, electromagnetic radiation, or electromagnetism;
4. nuclear reaction, radiation or contamination; or
5. any pollutants, such as solids, liquids, gaseous or thermal irritants or contaminants including gas, acids, alkalis, chemicals, heat, smoke, vapor, soot, fumes, or waste (including waste to be recycled, reconditioned, or reclaimed).

Prior Knowledge

The **Insurer** will not pay **Loss** based upon or arising out of any:

1. **Claim, Loss**, incident, event, or circumstance for which notice has been given and accepted under any prior policy of which this policy is a renewal or replacement;
2. **Claim** first made against the **Insured** before the inception date of this policy; or

3. act, error, omission, incident, or event committed or occurring prior to the Continuity Date listed on the declarations page of the policy, if any member of the **Control Group** knew or could have reasonably foreseen before the Continuity Date of the policy that such act, error or omission, incident, or event might be expected to be the basis of a **Claim** or **Loss**.

For purposes of part 3. of this exclusion only, if this policy is a renewal or replacement of a previous policy issued by the **Insurer**, and is part of a continuous chain of successive policies issued by the **Insurer**, the "Continuity Date of the policy" referenced in part 3. above will be the inception date of the first such policy issued by the **Insurer** to the **Named Insured**.

RICO

The **Insurer** will not pay **Loss** based upon or arising out of any actual or alleged violation of the Organized Crime Control Act of 1970 (commonly known as Racketeer Influenced and Corrupt Organizations Act, or "RICO") and any regulation promulgated under or pursuant to the foregoing or any federal, state, or local law analogous to the foregoing, whether such law is statutory, regulatory, or common law.

Securities

The **Insurer** will not pay **Loss** based upon or arising out of any actual or alleged purchase, sale, or offer or solicitation of an offer to purchase, sell, or solicit securities or any violation of a securities law, including the Securities Act of 1933, the Securities Exchange Act of 1934, and any regulation promulgated under or pursuant to the foregoing, or any federal, state, or local laws analogous to the foregoing (including "Blue Sky" laws), whether such law is statutory, regulatory, or common law.

Monetary Losses and Discounts

The **Insurer** will not pay **Loss** based upon or arising out of any actual or alleged:

1. trading losses, trading liabilities, or change in value of accounts;
2. loss, transfer, or theft of monies, securities, or tangible property of the **Insured** or others in the care, custody, or control of the **Insured Entity**;
3. 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. value of coupons, price discounts, prizes, awards, or any valuable consideration given in excess of the total contracted or expected amount.

Unauthorized Collection

The **Insurer** will not pay **Loss** based upon or arising out of the unauthorized collection, acquisition, or use of **Confidential Information** by or on behalf of the **Insured**.

Unsolicited Communications

The **Insurer** will not pay **Loss** based upon or arising out of any unsolicited email, telephone calls, text messages, direct mail, facsimiles, or other communications, wiretapping, audio or video recording, or telemarketing by or on behalf of the **Insured**.

War Exclusion

The **Insurer** will not pay **Loss** based upon or arising out of any act of war (whether war is declared or not), invasion, or the confiscation, nationalization or destruction of, or damage to, property under the order of government or other public authority, provided, however, this exclusion does not apply to “Cyber Terrorism.” For purposes of this exclusion only, “Cyber Terrorism” means an act or series of acts of any person or group of persons, whether acting alone or on behalf of or in connection with any organization, committed for social, political, economic, religious or ideological purposes. This shall include, but is not limited to, the intention to influence any government or to put the public in fear for such purposes by using activities perpetrated electronically or otherwise which result in a **Security Incident** involving an **Insured**, or that are directed towards the destruction, disruption or subversion of communication and information systems, infrastructure, computers, the internet, telecommunications or electronic networks, or the contents thereof.

Utility Fraud Exclusions

With respect to the Utility Fraud Insuring Agreement, this policy does not apply to any **Loss** based upon or arising out of any:

1. actual or alleged use of credit, debit, charge, access, convenience, customer identification, or other card;
2. liability to a third party; legal costs or expenses; punitive, exemplary, or multiplied damages; fines, penalties, or loss of any tax benefit; or indirect or consequential loss of any kind;
3. costs to prove or establish the existence of **Telephone Fraud**; or
4. gross profit margin or loss of profit associated with any products or services provided by an **Insured**.

General Conditions

Limits of Insurance

The most the **Insurer** will pay for all **Loss** is the Maximum Aggregate Limit shown in the Declarations.

The most the **Insurer** will pay for all **Loss** under an Insuring Agreement is the applicable Limit for such Insuring Agreement shown in the Declarations.

The most the **Insured** will pay for all **Loss** with respect to an **Additional Insured** is the limit agreed to in the agreement between such **Additional Insured** and the **Insured Entity**, or the applicable Limit shown in the Declarations, whichever is less.

Once the Maximum Aggregate Limit is exhausted, the premium is fully earned, and all obligations of the **Insurer**, including any duty to defend, will cease.

Retention

The Retention listed in the Declarations applies separately to each incident, event, or series of related incidents, or events giving rise to a **Claim** or **Loss**. The **Insured** is solely responsible for payment of such Retention and payments by another insurer or payor cannot be used to satisfy, erode, or exhaust the Retention. The **Insurer's** obligation to pay any amounts under this policy is excess of the applicable Retention. The limits of insurance will not be reduced by the payment of any Retention.

If any **Loss** arising out of an incident, event, or **Claim**, or a series of related incidents, events, or **Claims**, is subject to more than one Retention, the Retention for each applicable Insuring Agreement will apply to such **Loss**, provided that the sum of such Retention(s) will not exceed the largest applicable individual Retention amount.

The **Insurer** may, but is under no obligation to, advance amounts for **Loss** within the Retention. In such event, the **Insured** agrees to promptly reimburse the **Insurer** any such amounts.

Defense and Settlement

The **Insurer** will have the right and duty to defend any covered **Claim** or **Regulatory Proceeding** except with respect to coverage under the Payment Card Insuring Agreement. The **Insurer** will select and appoint defense counsel. With respect to the Payment Card Insuring Agreement, legal counsel will be mutually agreed by the **Named Insured** and the **Insurer**. The **Insurer** has no duty to defend the **Insured** against any **Claim** to which this policy does not apply. The **Insurer's** duty to defend any **Claim** will end upon exhaustion of the limit of insurance applicable to such **Claim**. Upon the **Insured's** satisfaction of any applicable Retention amounts, **Claims Expenses** will reduce the applicable limit of liability shown in the Declarations.

The **Insurer** has the right, with the prior written consent of the **Insured**, which consent will not be unreasonably withheld, to settle a **Claim**. If the **Insured** refuses to consent to any such settlement recommended by the **Insurer** and agreed to by the claimant, then the **Insurer's** duty to defend ends and the **Insurer's** limit of liability for such **Claim** will not exceed the amount for which the **Insurer** could have settled such **Claim** had the **Insured** consented to settlement plus **Claim Expenses** incurred up to the time the **Insurer** made its settlement recommendation.

The **Insurer** agrees that the **Insured** may settle any **Claim** where the **Loss** does not exceed the Retention, provided that the entire **Claim** is resolved and the **Insured** obtains a full release on behalf of all the **Insureds** from all claimants.

Cybersecurity Risk Controls

Solely with respect to **Extortion Loss**, the **Insured** must continually use **Cybersecurity Risk Controls** on **Eligible Computers**.

Notice of Circumstance

If during the **Policy Period** an **Insured** first becomes aware of any circumstance that may reasonably be

expected to be the basis of a **Claim** against an **Insured** and if during the **Policy Period** the **Insured** elects to provide the **Insurer** written notice of such circumstance, then any resulting **Claim**, which is subsequently made against an **Insured** and reported to the **Insurer**, that arises out of such circumstance, will be considered made at the time such notice of circumstance was provided. Notice of such circumstance should be reported to the **Insurer** as shown in the Declarations and must include: (i) a description of the act, error, omission, event, or incident and the reasons for expecting such **Claim**; and (ii) all relevant dates, persons and entities involved.

Notice of Claim

As a condition precedent to the obligations of the **Insurer** under this policy, the **Insured** must provide written notice of a **Claim** to the **Insurer** as soon as reasonably practicable, but in no event later than the end of the **Policy Period**, or any applicable Optional Extended Reporting Period.

Notice of First Party Incident

As a condition precedent to the obligations of the **Insurer** under this policy, the **Insured** must provide written notice to the **Insurer** of a **First Party Incident** as soon as reasonably practicable after discovery by an **Insured**, but in no event later than the end of the **Policy Period**. If a **First Party Incident** involves facts that are subject to a law enforcement hold, the **Insured** must give written notice as soon as reasonably practicable once such court order or hold is no longer in effect.

Notice to Whom

Notice of a **Claim** and/or **First Party Incident** must be provided to the **Insurer's** address as stated in the Declarations. Notice to any incident hotline alone will not serve as proper notice under this policy. Notice provided by email or certified post mail will be deemed effective when received by the **Insurer**.

Optional Extended Reporting Period

Effective upon the date of expiration or cancellation of the policy for any reason other than nonpayment of premium, the **Named Insured** will have the right to purchase an Optional Extended Reporting Period of one, two, or three years in which to provide written notice to the **Insurer** of a **Claim** first made against the **Insured** during the Optional Extended Reporting Period for an act, error, omission, incident, or event that takes place prior to the end of the **Policy Period**. Such right must be exercised by the **Named Insured** within 30 days of the date of expiration or cancellation of the policy by providing written notice to the **Insurer** and remitting the amount of additional premium described below:

1. one year, one hundred percent (100%) of the policy annual premium;
2. two years, one hundred fifty percent (150%) of the policy annual premium; or
3. three years, one hundred seventy-five percent (175%) of the policy annual premium.

The Optional Extended Reporting Period cannot be cancelled and any additional premium charged for the Optional Extended Reporting Period will be fully earned at inception. The Optional Extended Reporting Period will not modify, reinstate, or increase the limits of liability of this policy, or alter the terms and

conditions of this policy, and any payment made during the Optional Extended Reporting Period will reduce the available limits of liability.

Change in Control

If, during the **Policy Period**, the **Named Insured** consolidates or merges with or is acquired by another entity, or sells more than 50% of its assets to another entity, then the policy will remain in full force until the end of the **Policy Period** but only with respect to an act, error or omission, or **First Party Incident** involving the **Named Insured** that took place prior to the date of the consolidation, merger, sale, or acquisition of the **Named Insured**. The above provision may be waived in writing by the **Insurer** and the **Named Insured** has agreed to any additional premium and terms of coverage required by the **Insurer**.

Other Insurance

This policy is excess over any other valid and collectible insurance unless such other insurance is expressly written to be excess of this policy.

Allocation

In the event that any **Claim** or **First Party Incident** involves both covered matters and matters not covered, a fair and proper allocation of any **Loss** will be made between **Insured** and **Insurer** taking into account the relative legal and financial exposures attributable to covered matters and matters not covered under this policy.

In the event any **Extortion Loss** involves both **Eligible Computers** that are operating **Cybersecurity Risk Controls** and **Eligible Computers** that are not operating **Cybersecurity Risk Controls**, the allocation for **Extortion Loss** will be calculated by dividing the **Extortion Loss** under paragraph 1 equally among all **Eligible Computers** and reducing the **Extortion Loss** by the portion of the **Eligible Computers** that were not operating **Cybersecurity Risk Controls** when the **Extortion Threat** was made.

Sanction Limitations

The **Insurer** will not be liable to pay any **Loss** or provide any benefit under this policy to the extent that the provision of such benefit or payment of such **Loss** would expose the **Insurer** to any sanction, prohibition, or restriction under United Nations resolutions or any trade or economic sanctions, laws, or regulations of the European Union, United Kingdom, or United States of America. It is hereby agreed that any payment under this policy will only be made in full compliance with all United States of America economic and trade sanction laws or regulations, including, but not limited to, sanctions, laws, and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

Assistance and Cooperation

The **Insured** will reasonably cooperate with the **Insurer** and upon request of the **Insurer**:

1. assist the **Insurer** in the investigation of any **Claim** or **First Party Incident**, including allowing a computer security expert access to systems, files, and information;
2. attend hearings, depositions, and trials;

3. assist the **Insurer** in defending and effecting settlements of **Claims**;
4. secure and provide evidence, including obtaining the attendance of witnesses;
5. allow the **Insurer** to participate in the handling and management of any suit or proceeding;
and
6. assist the **Insurer** in enforcing any right, contribution, or indemnity against a third party which may be liable to the **Insured**.

The **Insured** will take any other actions to assist the **Insurer** as the **Insurer** may request from time to time.

The **Insured** agrees not to take any action which in any way increases the **Insurer's** exposure under this policy and will take all reasonable steps to limit and mitigate any **Loss** arising from any act, error, omission, or **First Party Incident** for which coverage may be or is sought under the policy. The **Insured** will do nothing which in any way increases the **Insurer's** exposure under the policy or in any way prejudices the **Insurer's** potential or actual rights of recovery. Except as provided in DEFENSE AND SETTLEMENT, the **Insured** will not, except at the **Insured's** own cost, voluntarily make any payment, assume or admit any liability, or incur any expense without the prior written consent of the **Insurer**.

Assignment

The **Insured** may not assign any rights, remedies, privileges, or protections under the policy.

Named Insured Sole Agent

The **Named Insured** will be the sole agent and will act on behalf of any **Insured** for the purpose of:

1. providing and/or receiving notices, amendments to, or cancelling of the policy;
2. completing the application;
3. making statements, representations, and warranties;
4. remitting premium and receiving the return premium that may become due;
5. paying the Retention; and
6. exercising or declining to exercise any right under the policy.

Policy Changes

Notice to any agent of the **Insurer** or knowledge possessed by any such agent or by any other person will not effect a waiver or a change in any part of the policy and will not prevent or preclude the **Insurer** from asserting or invoking any right under or provision of the policy. None of the provisions of the policy will be waived, changed, or modified except by a written agreement and/or endorsement issued by the **Insurer** to form a part of the policy.

Subrogation

In the event of payment of **Loss** by the **Insurer** under the policy, the **Insurer** is subrogated to all of the **Insured's** rights of recovery against any person or entity, including any rights to contribution from another insurer. The **Insured** warrants and agrees to execute and deliver instruments and papers and

do whatever else is required by the **Insurer** to secure, prosecute, and collect on such rights. The **Insured** further warrants and agrees not to prejudice such rights. If, prior to any act, error, omission, incident, or event giving rise to a **Claim** or **Loss**, the **Insured Entity** has waived its rights to recovery against a third-party in any written contract or agreement, then the **Insurer** will waive its rights to subrogation against such person or entity to the same extent as the **Insured Entity's** waiver, provided such written contract or agreement was entered into prior to any such act, error, omission, incident, or event giving rise to the **Claim** or **Loss**. Any recovery obtained through subrogation, after expenses incurred in such subrogation are deducted by the **Insurer**, will be applied first to the **Insured** to the extent of any payments in excess of the limit of coverage, if any; then to the **Insurer** to the extent of its payment under the policy; and then to the **Insured** to the extent of its Retention.

Action against the Insurer

No action may be brought against the **Insurer** unless:

1. the **Insured** has fully complied with all of the terms, conditions, and other provisions of the policy; and
2. the **Insured's** obligation has been finally determined, either by judgment against the **Insured** after a trial and appeal or by written agreement by the claimant, **Insured**, and **Insurer**.

No person or entity will have the right under the policy to:

1. join the **Insurer** or its agents and representatives as a defendant, co-defendant, or other party in any action against the **Insured** to determine the **Insured's** liability; or
2. implead the **Insurer** or its agents and representatives in any such action.

Bankruptcy

The **Insured's** bankruptcy or insolvency of the **Named Insured** will not relieve the **Insurer** of its obligations hereunder.

Cancellation

1. Cancellation by the **Named Insured**. Except for nonpayment of premium, as set forth below, the **Named Insured** has the exclusive right to cancel the policy. Cancellation may be effected by mailing to the Insurer written notice stating when such cancellation will be effective.
 - a. In the event such cancellation of the policy is effective within 30 days after the inception of the policy, the **Insurer** will retain the pro-rata portion of earned premium.
 - b. In the event such cancellation of the policy is effective more than 30 days after the inception of the policy, then the premium charged for the policy will be deemed fully earned and no premium will be refunded to the **Named Insured**.
2. Cancellation by the **Insurer**. The **Insurer** may only cancel this policy for nonpayment of premium when due. The **Insurer** will provide not less than 15 days written notice stating the reason for cancellation and when the policy will be canceled. Notice of cancellation will be sent to the **Named Insured**.

3. Non-Renewal of Coverage. The **Insurer** is under no obligation to renew the policy upon its expiration. If the **Insurer** elects to non-renew the policy, the **Insurer** will deliver or mail to the **Named Insured** written notice stating such at least 60 days prior to the policy's expiration date, as shown in the Declarations. The offering of terms and conditions different from the expiring terms and conditions, including limits of liability, Retention, or premium, will not constitute a refusal to renew or a cancellation of the policy.

Representations

All **Insureds** agree that the statements contained in the information and materials provided to the **Insurers** in connection with the underwriting and issuance of this policy are true, accurate and are not misleading, and that the **Insurers** issued this policy, and assumed the risks hereunder, in reliance upon the truth thereof. Any material misrepresentation, concealment, or misstatement by the **Insured** will render the policy null and void with respect to any natural person **Insured** who knew of such material misrepresentation, concealment, or misstatement (with respect to the **Insured Entity**, if a **Control Group** member knew of such material misrepresentation, concealment, or misstatement) and will relieve the **Insurer** from all obligations and liability herein with regard to said **Insured** parties.

Alternative Dispute Resolution

Any dispute arising out of or relating to the policy, including its construction, application, and validity, or any breach thereof, will first be submitted to non-binding mediation administered by a mediation facility to which the **Insurer** and the **Insured** mutually agree. The **Insured** and the **Insurer** will attempt in good faith to settle the dispute in accordance with the commercial mediation rules of the American Arbitration Association in effect at the time of the dispute. No award of punitive damages will be made in any such mediation. Each party will bear its own fees and costs in connection with any such mediation. However, the costs incurred through the mediation facility, including the fees and expenses of the mediator, will be shared equally by the parties unless the mediation award provides otherwise. All mediation proceedings will be held in a state in the United States where either the **Named Insured** or the **Insurer** has its principal place of business, at the election of the party commencing mediation.

Territory

This policy applies to **Claims** made, acts, errors, or omissions committed, or **Loss** occurring anywhere in the world.

Singular Form of a Word

Whenever the singular form of a word is used herein, the same will include the plural when required by context.

Cancellation and Nonrenewal Endorsement – Florida

It is agreed that:

Any Cancellation or Nonrenewal provision in this policy is replaced by the following. If the policy does not contain a Cancellation and/or Nonrenewal provision, the following is added to the policy:

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance notice of cancellation. Such advance notice of cancellation should be mailed or delivered to the address indicated in the Declarations under the item entitled Notices to Insurer.

2. Cancellation Of Policies In Effect

a. For 90 Days Or Less

If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, accompanied by the reasons for cancellation, at least:

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2) 45 days before the effective date of cancellation if we cancel for any other reason, except we may cancel immediately if there has been:
 - (a) A material misstatement or misrepresentation; or
 - (b) A failure to comply with the underwriting requirements established by the insurer.

b. For More Than 90 Days

If this policy has been in effect for more than 90 days, we may cancel this policy only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) The policy was obtained by a material misstatement;
- (3) Failure to comply with underwriting requirements established by the insurer within 90 days of the effective date of coverage;
- (4) A substantial change in the risk covered by the policy; or
- (5) The cancellation is for all insureds under such policies for a given class of insureds.

If we cancel this policy for any of these reasons, we will mail or deliver to the first Named Insured written notice of cancellation, accompanied by the reasons for cancellation, at least:

- (a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (b) 45 days before the effective date of cancellation if we cancel for any of the other reasons stated in Paragraph 2.b.

c. Notwithstanding the above provisions, if this policy provides coverage for an Insured's commercial residential property, if we cancel this policy for any of the reasons in 2.b., we will mail or deliver to the first Named Insured written notice of cancellation, accompanied by the reasons for cancellation, at least:

- (a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (b) 120 days before the effective date of cancellation if we cancel for any of the other reasons stated in Paragraph 2.b.

3. We will mail or deliver our notice to the first Named Insured at the last mailing address known to us.

4. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will mail the refund within 15 working days after the date cancellation takes effect, unless this is an audit policy.

If this is an audit policy, then, subject to your full cooperation with us or our agent in securing the necessary data for audit, we will return any premium refund due within 90 days of the date cancellation takes effect. If our audit is not completed within this time limitation, then we shall accept your own audit, and any premium refund due shall be mailed within 10 working days of receipt of your audit.

The cancellation will be effective even if we have not made or offered a refund.

5. Nonrenewal

- a. If we decide not to renew this policy we will mail or deliver to the first Named Insured written notice of

nonrenewal, accompanied by the reason for nonrenewal, at least 45 days prior to the expiration of this policy.

b. Any notice of nonrenewal will be mailed or delivered to the first Named Insured at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

6. If notice of cancellation is mailed, proof of mailing shall be considered sufficient proof of notice.

As used herein, "us" and "we" refers to the insurance company named on the Declarations.

As used herein, "you", "your" or "named insured" refers to the person or entity first named as such on the Declarations.

If any provision of the policy contains cancellation or nonrenewal terms that are more favorable to the insured than those provided in this endorsement, then, except where prohibited by applicable state law, the more favorable terms control.

All other provisions of the policy remain unchanged.

Service of Suit

Countrywide

The Company hereby designates the Superintendent, Commissioner or Director of Insurance, or his/her designee, as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by you or on your behalf or by any beneficiary under this Policy against the Company arising out of this Policy, provided that all lawful process received by said Superintendent, Commissioner or Director of Insurance, or his/her designee, is sent by certified or registered mail to the Company at:

AXIS U.S. Insurance
Attn: Claims Administrator
10000 Avalon Blvd
Suite 200
Alpharetta, GA 30009

Everest Service of Suit

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Service of Suit

It is agreed that in the event of our failure to pay any amount claimed to be due hereunder, we, at your request will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver of our rights to commence an action in any court of competent jurisdiction in the United States, to remove an action to a United States District Court or to seek a transfer of a case to another court as permitted by the laws of the United States or of any state in the United States. It is further agreed that service of process in such suit may be made upon Counsel, Legal Department, Everest Indemnity Insurance Company, c/o Mt. McKinley Managers, L. L. C., 100 Everest Way, Warren, NJ 07059 or his or her representative, and that in any suit instituted against us upon this contract, we will abide by the final decision of such court or of any appellate court in the event of any appeal.

Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefor, we hereby designate the Superintendent, Commissioner, or Director of Insurance, other officer specified for that purpose in the statute, or his or her successor or successors in office as our true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of you or any beneficiary hereunder arising out of this contract of insurance, and hereby designate the above named Counsel as the person to whom the said officer is authorized to mail such process or a true copy thereof

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

Brokerage Details

Broker Name: Geraldine Del Prete

Broker Address: 580 5TH AVE STE 820,
NEW YORK, NY, 10036-4762

Brokerage: Elpha Secure, LLC

Insured Details

Insured Name:

Insured Address:

Policy Number:

Policy Period:

Dear Broker

Many states require AXIS, as an eligible surplus lines insurer, to obtain and report certain Surplus Lines Broker information on policies written. So that we may report to the states accurately, we ask that you carefully review the information below. **Note that if you are required to complete any section of this form, it is imperative that you return this form within fifteen (15) days of the policy's effective date.**

Home State

According to our records, the Policyholder's "Home State" is _____ . ("Home State" as defined by the Nonadmitted and Reinsurance Reform Act of 2010). If this is correct, skip to the next section. **If this is NOT correct**, it is imperative that you complete the following information:

Named Insured's Corrected Home State (if applicable): _____

Procuring Surplus Lines Broker's Name: _____

Procuring Surplus Lines Broker's Address: _____

Procuring Surplus Lines Broker's "Home State" License #: _____

New Jersey Home State Risks

If the Home State is New Jersey, the Transaction Number is **REQUIRED**: _____

Independent Procurement

With respect to independently procured policies, the following individual hereby confirms that the required filings will be made and applicable taxes paid for any independently procured coverage:

Name: _____ Date: _____

By completion of this form, the Procuring Surplus Lines Broker confirms that this policy is issued as a surplus lines policy in accordance with applicable state requirements and that surplus lines tax filings, and any applicable surcharges, fees or assessments, will be filed as required. The Procuring Surplus Lines Broker further agrees that, upon request of AXIS or any insurance regulator, a copy of applicable surplus lines broker license(s) and evidence of payment of required surplus lines taxes will be provided promptly.

Name of Person Completing this Form: _____ Date: _____

State Fraud Statement

Alabama

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison or any combination thereof.

Arkansas

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Colorado

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

District of Columbia

Warning: it is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

Florida

Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

Kansas

A "fraudulent insurance act" means an act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.

Kentucky

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information, or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

Louisiana

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Maine

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

Maryland

Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

New Jersey

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

New Mexico

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

New York

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

Ohio

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Oklahoma

Warning: any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Oregon

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents materially false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.

In order for us to deny a claim on the basis of misstatements, misrepresentations, omissions or concealments on your part, we must show that:

- A. The misinformation is material to the content of the policy;
- B. We relied upon the misinformation; and
- C. The information was either:
 - 1. Material to the risk assumed by us; or
 - 2. Provided fraudulently.

For remedies other than the denial of a claim, misstatements, misrepresentations, omissions or concealments on your part must either be fraudulent or material to our interests.

With regard to fire insurance, in order to trigger the right to remedy, material misrepresentations must be willful or intentional.

Misstatements, misrepresentations, omissions or concealments on your part are not fraudulent unless they are made with the intent to knowingly defraud.

Pennsylvania

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

Puerto Rico

Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation with the penalty of a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances be present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

Rhode Island

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Tennessee

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

Vermont

Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

Virginia

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

Washington

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

Washington

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Broker Ratification

Your acceptance of this Elpha Secure Cyber Policy No. 100821136 ratifies and reaffirms the execution by RT Specialty - Farmington on your behalf of your application for insurance coverage from Elpha Secure as well as the truth, accuracy, and completeness of all information provided by you or RT Specialty - Farmington therein. By accepting this Elpha Secure Cyber Policy No. 100821136 you further waive any defense or claim against Elpha Secure arising out of or relating to the execution by RT Specialty - Farmington of your application, including, without limitation, that RT Specialty - Farmington did not have authority to execute the application on your behalf. If you do not agree with any of the foregoing, please contact us immediately at underwriting@elphasecure.com.

Privacy Notice

Our privacy statement explains how we collect, use, share, and protect your personal information. So just how do we protect your privacy? In a nutshell, we respect your right to privacy and promise to treat your personal information responsibly. It's as simple as that. Here's how.

Confidentiality and security

We follow all data security laws. We protect your information by using physical, technical, and procedural safeguards. We limit access to your information to those who need it to do their jobs. Our business partners are legally bound to use your information for permissible purposes.

Collecting and using your personal information

We collect information about you when you ask about or buy one of our products or services. The information comes from your application, business transactions with us, consumer reports, and publicly available sources. Please know that we only use that information to sell, service, or market products to you. We may collect the following types of information:

- Name, address, and Social Security number
- Assets and income
- Property address and value
- Account and policy information
- Credit reports and other consumer report information
- Family member and beneficiary information
- Public information

Sharing your information for business purposes

We share your information with our business partners. When you buy a product, we may share your personal information for everyday business purposes. Some examples include mailing your statements or processing transactions that you request. You cannot opt out of these. We also share your information with your producer. They use your personal information to manage your policy or account. We may also share your personal information as federal and state law requires.

Sharing your information for marketing purposes

We don't sell your information to anyone – period. We may share your personal information with our business partners to market products to you. We have joint marketing agreements with our business partners. This means that we have partnered with them to offer you a product that might interest you. They may use your personal information to market their products. If you would like to learn more about opting out, please read the next section.

Opting Out

You can ask us not to share your personal information with our business partners to market products to you. To opt out of sharing for marketing purposes, please email optout@elphasecure.com. You may opt out at any time and your request will take effect in 30 days. If you have already opted out, you don't need to opt out again because your request will never expire. We will not share the personal information of Vermont customers for marketing purposes without your consent.

Using your medical information

We sometimes collect medical information. We may use this medical information for a product or service you're interested in, to pay a claim, or to provide a service. We may share this medical information for these business purposes if required or permitted by law. But we won't use it for marketing purposes unless you give us permission.

Accessing your information

You can always ask us for a copy of your personal information. Please send your privacy inquiry to the address below and have your signature notarized. This is for your protection so we may prove your identity.

We don't charge a fee for giving you a copy of your information now, but we may charge a small fee in the future.

You can change your personal information by [email, calling]. But we can't update information that other companies, like credit agencies, provide to us. So you'll need to contact these other companies to change and correct your information.

Send your privacy inquiries to the address below. Please include your name, address, and policy number.

580 Fifth Avenue, Suite 820 New York, NY 10036
optout@elphasecure.com

A parting word...

These are our privacy practices. They apply to all current, joint, and former clients of Elpha Secure, Technology Inc.

Policyholder Notice

Economic and Trade Sanctions

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by the Office of Foreign Assets Control (OFAC).

THE OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") OF THE US DEPARTMENT OF THE TREASURY ADMINISTERS AND ENFORCES ECONOMIC AND TRADE SANCTIONS BASED ON US FOREIGN POLICY AND NATIONAL SECURITY GOALS AGAINST TARGETED FOREIGN COUNTRIES AND REGIMES, TERRORISTS, INTERNATIONAL NARCOTICS TRAFFICKERS, THOSE ENGAGED IN ACTIVITIES RELATED TO THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION, AND OTHER THREATS TO THE NATIONAL SECURITY, FOREIGN POLICY OR ECONOMY OF THE UNITED STATES.

WHENEVER COVERAGE PROVIDED BY THIS POLICY WOULD BE IN VIOLATION OF ANY U.S. ECONOMIC OR TRADE SANCTIONS, SUCH COVERAGE SHALL BE NULL AND VOID. FOR MORE INFORMATION, PLEASE REFER TO:

<https://www.treasury.gov/resource-center/sanctions/pages/default.aspx>

Policyholder Disclosure

Notice of Terrorism Insurance Coverage

The Terrorism Risk Insurance Act established a program (Terrorism Risk Insurance Program) within the Department of the Treasury, under which the federal government shares, with the insurance industry, the risk of loss from future terrorist attacks. You are hereby notified that an "act of terrorism", as defined in Section 102(1) of the Terrorism Risk Insurance Act, as amended (the "Act"), 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 certain air carriers or vessels 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. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 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 insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 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 exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

Please note that your policy includes the terrorism coverage required to be offered by the Act, and that no separate additional premium charge has been made for such terrorism coverage. The policy premium does not include any charges for the portion of losses covered by the United States government under the Act.

Notice to Broker

Mandatory Policyholder Disclosure

Re: Terrorism Insurance Coverage

We are required by the Terrorism Risk Insurance Act, as amended (the "Act"), to provide policyholders with clear and conspicuous disclosures. This notice must be provided at the time of offer and renewal of the policy.

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