In consideration of the payment of the premium and subject to the General Terms and Conditions, the Insurer and the Insureds agree as follows:

I. INSURING CLAUSE

The Insurer shall pay, on behalf of an Insured, Loss on account of a Claim first made during the Policy Period.

II. EXCLUSIONS

In addition to the Exclusions set forth in Section II. EXCLUSIONS of the GTC, no coverage shall be provided under this Coverage Part for Loss on account of that portion of a Claim:

A. Antitrust - based upon, arising out of or resulting from anti-trust, price fixing or discrimination, restraint of trade, monopolization, unfair trade practices or predatory pricing;

B. Contract – for any liability in connection with any contract or agreement to which an Insured is a party, provided that this Exclusion B shall not apply to: 1. the extent that such Insured would have been liable in the absence of such contract or agreement; 2. any liability or obligation under a confidentiality or non-disclosure agreement;

C. Electronic Funds Transfer – based upon, arising out of or resulting from any actual or alleged transfer of any fund, money or security;

D. Employment Practices - based upon, arising out of or resulting from any employment-related Wrongful Act;

E. Data Collection – based upon, arising out of or resulting from the unauthorized or surreptitious collection, acquisition or use of Personal Information or Corporate Information by the Insured or the failure to provide adequate notice that such information is being collected;

F. Disclosure of Loss – based upon, arising out of or resulting from the Insured's intentional failure to disclose the loss of Personal Information in violation of any law or regulation;

G. False Advertising – based upon, arising out of or resulting from false or deceptive advertising;

H. Government and Licensing – based upon, arising out of or resulting from any action brought by or on behalf of the Federal Trade Commission ("FTC"), the Federal Communications Commission ("FCC"), the Securities and Exchange Commission ("SEC") or any other federal, state or local government agency, or The American Society of Composers, Authors and Publishers ("ASCAP"), Broadcast Music, Inc. ("BMI"), The Recording Industry Association of America ("RIAA"), The Society of European Stage Authors and Composers ("SESAC") or any other licensing or rights organizations, in any such organization's regulatory, quasi-regulatory, or official capacity, function or duty;

I. Infrastructure Failure - based upon, arising out of or resulting from any electrical or mechanical failure or interruption, including any electrical disturbance, surge, spike, brownout or blackout, and any outage to gas, water, telephone, cable, satellite, telecommunications or other infrastructure;

J. Insured v. Insured - brought by, or on behalf of:

1. an Insured, in any capacity, against any other Insured; or

2. any entity: (a) that is either controlled, managed or operated, directly or indirectly, in whole or in part, by an Insured; or (b) in which an Insured possesses an ownership interest of at least 10%, where such entity is a privately traded company, or 30% where such entity is a privately held company;

K. Intellectual Property - based upon, arising out of or resulting from any infringement of copyright, patent, trademark, trade dress, trade name or service mark or any misappropriation of ideas, trade secrets or other intellectual property rights, provided that this exclusion shall not apply to any Claim involving misappropriation of a trade secret resulting from a Network Security Wrongful Act which is otherwise covered under this Coverage Part;

L. Internet Failure – based upon, arising out of or resulting from any failure, interruption, or outage to Internet access service provided by the Internet service provider that hosts the Insured's website, unless such infrastructure is under the Insured's operational control;

M. Media - based upon, arising out of or resulting from the creating, preparing, producing, gathering, collecting, researching, serializing, broadcasting, disseminating, releasing, publishing, distributing, exhibiting, performing, printing or licensing of Material, or any Material created by or on behalf of an Insured to advertise, publicize,
promote or sell media, including any Material created by or on behalf of an Insured for any social media platform, provided that this Exclusion M shall not apply to a Privacy Event; and

N. Software Product Withdrawal – based upon, arising out of or resulting from the inability to use, or lack of performance of, software programs:
   1. due to the expiration or withdrawal of technical support by the software vendor; or
   2. that are in development, are in ‘beta’ or a similar testing stage or have not yet been authorized for general commercial release.

With respect to this Coverage Sub-Part, the following exceptions shall apply to Section II. EXCLUSIONS of the GTC:
1. Exclusion A. Bodily Injury/Property Damage shall not apply to any Claim for mental anguish, emotional distress or humiliation;
2. Exclusion C. ERISA shall not apply to any Claim that is otherwise covered under this Coverage Part; and
3. Exclusion E. Pollution includes Biological Agents in addition to Pollutants.

III. LIMIT OF LIABILITY

The Privacy and Network Security Combined Aggregate Limit of Liability stated in Item 3 of the Declarations of this Coverage Part represents the maximum amount payable for all Loss under this Coverage Part and Coverage Sub-Parts, if purchased, during the Policy Period.

IV. OTHER INSURANCE

With the exception of insurance which is written specifically as excess of the Limit of Liability of this Coverage Part, this Coverage Part shall be excess of and shall not contribute with any valid and collectible insurance providing coverage for Loss for which this Coverage Part provides coverage, provided that any payment by an Insured of a retention or deductible under any such other insurance shall reduce the Retention under this Coverage Part by the amount of such payment which would otherwise have been Loss under this Coverage Part.

V. GLOSSARY

A. Biological Agent means any bacteria, mildew, mold, fungi, spore or other micro-organisms or mycotoxins and any of their associated toxins or any virus or other pathogen (whether or not a micro-organism).

B. Claim means any:
   1. written demand for monetary or non-monetary (including injunctive) relief, including demands for arbitration, mediation or waiving or tolling of a statute of limitations; and
   2. civil proceeding, evidenced by the service of a complaint or similar pleading; against an Insured for a Wrongful Act, including any appeal therefrom.

The time when a Claim shall be deemed first made for the purposes of this Coverage Part shall be the date on which the Claim is first made against, served upon or received by the Insured.

C. Corporate Information means any proprietary or confidential corporate information in any format that cannot be lawfully obtained or known by the general public, including customer lists, trade secrets and financial information that are provided to the Insured by a third party.

D. Computer System means computer software, middleware, firmware, hardware, applications, tools, programs, codes, scripts, websites, associated call centers, and the data stored thereon, as well as associated input and output devices, data storage devices, networking equipment, storage area network, or other electronic data backup facilities:
   1. leased, owned or operated by the Insured;
   2. owned by the Insured, but operated for the benefit of the Insured by a Service Provider; or
   3. licensed to the Insured.

E. Defense Costs means that part of Loss consisting of:
   1. reasonable costs, charges, fees (including, attorneys’ fees and experts’ fees) and expenses (other than regular or overtime wages, salaries, fees or benefits of any Insured) incurred in investigating, defending, opposing or appealing any Claim; or
   2. the premium for appeal, attachment or similar bonds (but the Insurer shall be under no obligation to furnish any bond).
F. **Electronic Data** means any data, text, sounds, images or similar matter, including **Corporate Information** or **Personal Information**, that exists on a **Computer System** and is subject to scheduled back-up procedures and security protections.

G. **Independent Contractor** means any natural person working for a **Company** pursuant to a written contract or agreement between such natural person and the **Company** which specifies the terms of the **Company's** engagement of such natural person.

H. **Insured** means any **Company** or **Insured Person**.

I. **Insured Person** means any:
   1. **Executive** or **Employee**; or
   2. **Independent Contractor**, but only if the **Company** agrees to indemnify the **Independent Contractor** in the same manner as **Employees** for liability arising out of a **Claim**.

J. **Loss** means the amount that an **Insured** becomes legally obligated to pay on account of any **Claim** including:
   1. compensatory damages;
   2. judgments and settlements;
   3. pre and post-judgment interest;
   4. **Defense Costs**; and
   5. punitive, exemplary or multiplied damages, if and to the extent that any such damages are insurable under the law of the jurisdiction most favorable to the insurability of such damages.

   In determining the most favorable jurisdiction as set forth in paragraph 5 above, due consideration shall be given to the jurisdiction with a substantial relationship to the relevant **Insureds**, to the **Company**, or to the **Claim** giving rise to such damages, and the Insurer shall not challenge any opinion of independent legal counsel (mutually agreed to by the Insurer and the **Insured**) that such damages are insurable under applicable law.

   **Loss** does not include any portion of such amount that constitutes any:
   (a) amount not insurable under the law pursuant to which this Coverage Part is construed;
   (b) cost incurred to comply with any order for injunctive or other non-monetary relief, or to comply with an agreement to provide such relief;
   (c) liquidated damages, except to the extent that the amount of such damages is equal to the amount of **Loss** resulting from a **Wrongful Act**;
   (d) return of any fee, charge, commission, gain or other compensation paid to an **Insured**;
   (e) royalty or licensing fees or payments; or
   (f) tax, fine or penalty imposed by law.

K. **Malicious Code** means the unauthorized corrupting of **Software**, including but not limited to computer viruses, Trojan Horses, keystroke loggers, cookies, spyware, adware, worms, and logic bombs, that successfully corrupts or impairs a **Computer System**.

L. **Material** means the content of any communication, regardless of its nature or form or the medium by which such content is communicated.

M. **Network Security Event** means an **Insured's** or **Rogue Employee's** failure to prevent the breach of a **Computer System** that results in:
   1. the theft, corruption, or deletion of **Electronic Data** from such **Computer System**;
   2. the **Unauthorized Access** to or **Unauthorized Use** of such **Computer System**;
   3. the denial of an authorized user's access to such **Computer System**, unless such denial of access is caused by a mechanical or electrical failure outside the control of the **Insured**;
   4. the transmission of **Malicious Code** from such **Computer System**; or
   5. a denial of service attack emanating from such **Computer System**.
N. Personal Information means any information not available to the general public from which an individual may be identified, including an individual's name, telephone number, social security number, medical or healthcare data or other protected health information, driver's license number or state identification number, account number(s), bank account number(s), financial account information, retirement account number(s), healthcare account number(s), employee identification number(s), home address, credit information, government identification number(s), credit card number(s), access code or password that would permit access to that individual's account.

O. Privacy Event means an Insured's or Rogue Employee's: 1. unintentional and unauthorized disclosure or loss of Personal Information or Corporate Information in the care, custody or control of any Insured or Service Provider; or 2. a violation of any Privacy Regulation or failure to comply with a Company's privacy policies.

P. Privacy Regulation means any identity theft or privacy protection law requiring commercial entities that collect Personal Information to post privacy policies, adopt specific privacy or security controls, or notify individuals in the event that Personal Information may have been compromised.

Q. Retroactive Date means the date, if any, stated in Item 2 of the Declarations of this Coverage Part.

R. Rogue Employee means an Employee of the Company who deliberately acts outside the course and scope of employment and whose intentional conduct results in a Claim.

S. Service Provider means a business the Insured does not own, operate or control, but that the Insured hires for a fee pursuant to a written contract to perform services related to the Insured's business.

T. Unauthorized Access means the gaining of access to a Computer System by an unauthorized person(s), or by an authorized person(s) in an unauthorized manner.

U. Unauthorized Use means the use of a Computer System by an unauthorized person(s), or by an authorized person(s) in an unauthorized manner.

V. Wrongful Act means a Privacy Event or Network Security Event which occurs on or after the Retroactive Date and prior to the end of the Policy Period.