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2. reasonable expense incurred to resume **Professional Services** on a temporary basis, including those associated with securing temporary third party Internet service provider services, temporary website and/or e-mail hosting services, rental of temporary **Networks**, other temporary equipment or service contracts; and
3. reasonable expense incurred to engage a third party security expert to:
  - a. investigate, minimize and stop damage to the **Network** caused by the **Exploit** while such **Exploit** is ongoing; and
  - b. collect, analyze and preserve forensic evidence of an **Exploit** for use in identifying the perpetrator responsible for the disruption to **Professional Services**.

**First Party Loss** means amounts which the **Insurer** is obligated to pay as set forth in the **Business Interruption and Network Restoration Costs** Insuring Agreement.

**Identity Theft** means the theft or unauthorized copying of **Personal Information** of a client of the **Insured**, and use of such **Personal Information** to open new financial accounts for the purpose of fraudulently impersonating such individual, including without limitation, payment card accounts, bank accounts, loan accounts, health insurance accounts and insurance accounts.

**Insured's Computer System** means any computer hardware, software or firmware, and components thereof including data stored thereon, that is owned or leased by an **Insured** and is under the direct operational control of an **Insured**.

**Interrelated Breaches/Violations** means **Security Breaches** and/or **Privacy Violations** that are:

1. Similar, repeated or continuous; or
2. Connected by reason of any common fact, circumstance, situation, transaction, causality, event, decision or policy or one or more series of causally or logically related facts, circumstances, situations, transactions, causalities, events, decisions or policies.

**Network** means a local or wide area network owned or operated by or on behalf of or for the benefit of the **Broker/Dealer**; provided, however, **Network** shall not include the internet, telephone company networks, or other public infrastructure network (collectively "public infrastructure network"), unless such public infrastructure network is operated and controlled exclusively by the **Broker/Dealer**.

**Network Impairment** means the disruption, modification, destruction or damage to the **Insured's Network** that results in the impairment of the **Insured's Network** to such an extent that the **Insured** is substantially unable to conduct **Professional Services**.

**Personal Information** means:

1. The name of an **Insured's** client in combination with any one or more of the following:
  - a. Social security number;
  - b. Driver's license number or any other state identification number;
  - c. Medical or healthcare data including protected health information; or
  - d. Any financial account number, credit or debit card number in combination with any required password, access code or other security code that would permit access to the financial account;not including any lawfully available data accessible by the general public; or
2. Non-public personal information as defined in any **Privacy Regulation**.

**Privacy Regulation** means those parts of the following statutes or regulations regulating the use and protection of non-public personal information (as defined in such statutes or regulations):

1. Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the rules and regulations promulgated thereunder as amended;
2. Gramm-Leach Bliley Act of 1999 (GLBA) and the rules and regulations promulgated thereunder, as amended;
3. Consumer protection and unfair and deceptive trade practice laws enforced by state Attorneys General or the Federal Trade Commission, including but not limited to, Section 5(a) of the FTC Act 15;
4. Security breach notification laws that require notice to individuals of the actual or potential theft of their non-public personal information, including but not limited to, the California Security Breach Notification Act of 2003 (CA SB 1386); or
5. Other state, federal or foreign privacy laws requiring reasonable security for non-public personal information, or a privacy policy limiting the sale, disclosure or sharing of non-public personal information or providing individuals with the right to access or correct non-public personal information.

**Privacy Violation** means any:

1. Theft of **Personal Information** while in the care, custody or control of an **Insured**; or
2. Violation of a **Privacy Regulation**.

**Security Breach** means:

1. The actual failure and inability to prevent:
  - a. Unauthorized access to or unauthorized use of **Personal Information** stored in the **Insured's Computer System**; or
  - b. The theft or unauthorized copying of **Personal Information** on the **Insured's Computer System**; or
2. The actual failure and inability to prevent the theft of **Personal Information** as a result of the physical theft by a person other than an **Insured** of the **Insured's Computer System** from premises occupied and controlled by the **Insured**.

**D.** For the purposes of this endorsement, the following are added to Section **V** – Exclusions:

This Policy shall not apply to, and the **Insurer** shall pay neither **Cyber Management Expenses, Credit Monitoring Costs, Damages, Claim Expenses, Extortion Payments** nor **First Party Loss**:

1. Arising out of, based upon or in consequence of, directly or indirectly resulting from of in any way involving any actual or alleged:
  - a. Costs or expenses for the reprinting, reposting, recall, removal or disposal of any online content or any other information, content or media, including any media or products containing such online content, information, content or media;
  - b. Wear and tear or gradual deterioration of any data saved on an **Insured's Computer System** or a **Network**;
  - c. Costs or expenses incurred by any **Insured** or others:
    - (1) To recall, repair, withdraw, replace, upgrade, supplement or remove the **Insured's** online content, products or services from the marketplace, including but not limited to products or services which incorporate the **Insured's** online content, products or services; or
    - (2) For any loss of use by any **Insured** or others that arises out of such recall, repair, withdrawal, replacement, upgrade, supplement or removal.
  - d. Failure to use best efforts to install commercially available software product updates and releases, or to apply security related software patches, to computers and other components of the **Insured's Computer System** or a **Network**;
  - e. Seizure, confiscation, destruction or nationalization of **Insured's Computer System** or a **Network**; or any data accessed by or on behalf of any governmental or public authority;
  - f. Interruption, suspension, failure or outage of any component of the Internet, including without limitation any hardware or software infrastructure supporting the Internet;



The Limit of Liability for all **Extortion Payments, Business Income and Extra Expenses** and **First Party Losses** incurred in all **Extortion Demands, Exploits** or **Network Impairments** submitted by an **Insured** in writing during the **Policy Period** shall not exceed the Extortion Payment and First Party Loss Limits of Liability Insured Aggregates shown in the Schedule of this endorsement.

The Extortion Payment and First Party Loss Limits of Liability Each Claim and Extortion Payment and First Party Loss Limits of Liability Insured Aggregate are part of, subject to and do not increase the Total Aggregate Limit of Liability as shown in the Schedule of this endorsement.

The **Insurer's** obligations under this Policy shall cease after the applicable Limits of Liability has been paid by the **Insurer** for **Extortion Payments, Business Income and Extra Expense** and/or **First Party Losses**.

The Extortion Payment and First Party Loss Limits of Liability shown in the Schedule of this endorsement are part of, and not in addition to the Limits of Liability shown in the Declaration.

#### **Total Aggregate Limit of Liability**

The **Insurer's** liability for all **Cyber Management Expenses, Damages, Credit Monitoring Costs, Claim Expenses, Extortion Payments, Business Income and Extra Expenses** and/or **First Party Losses** incurred in all **Network Security Breaches, Privacy Violations, Extortion Demands, Exploits** or **Network Impairments** shall not exceed the Total Aggregate Limit of Liability shown in the schedule of this endorsement. All of the **Insurer's** obligations under the Policy shall cease when the Total Aggregate Limit of Liability has been paid, regardless of whether **Network Security Breaches, Privacy Violations, Extortion Demands, Exploits** or **Network Impairments** have been resolved.

The Total Aggregate Limits of Liability shown in the Schedule of this endorsement is part of, and not in addition to the Limits of Liability shown in the Declaration.

**F. Section VIII – Retention** is amended to include the following:

The Retentions, shown in the Schedule of this endorsement, apply to **Cyber Management Expenses, Damages, Credit Monitoring Costs, Claim Expenses, Extortion Payments, Business Income and Extra Expenses** or **First Party Loss** incurred in each **Network Security Breach, Privacy Violation, Interrelated Breaches/Violations, Extortion Demand, Exploit** or **Network Impairment**. The Limits of Liability shown in the Schedule of this endorsement shall apply in excess of the Retentions, which are the sole responsibility of the **Insureds** and will remain uninsured.

All other terms and conditions remain unchanged.



<<INSURANCE COMPANY>>

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**LIBERALIZATION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMPANY SPONSORED INSURANCE AGENTS PROFESSIONAL LIABILITY INSURANCE POLICY

It is here by understood and agreed that:

- A. If there is an inconsistency between a state amendatory endorsement attached to this Policy and any term or condition of the Policy, the **Insurer** shall apply whichever term or condition is more favorable to the **Insured**, unless application of such term or condition is against public policy or applicable state law.
- B. For the purposes of this Endorsement, it is further understood that in the event the terms, conditions or exclusions of the **Expiring Policy** would grant coverage for a **Claim** that is not covered under the terms, conditions or exclusions of this Policy (including endorsements to this Policy), then the terms, conditions and exclusions of the **Expiring Policy** will apply to such **Claim**. However, the coverage granted by this Endorsement will not apply if such **Claim** is not covered under this Policy by virtue of the **Policy Period**, Limit of Liability, Retention, Policy **Retroactive Date** or the name of the **Insured** shown in the Declarations of this Policy.

For the purposes of this Endorsement, the term **Expiring Policy**, whenever used in this Policy, shall mean Policy Number XXXXXX Issued by XXXXXXXXXX.

All other terms and conditions remain unchanged.



<<INSURANCE COMPANY>>

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**SOCIAL ENGINEERING CLAIM COVERAGE**

CLAIM EXPENSES, AS WELL AS DAMAGES, ARE INCLUDED WITHIN AND WILL REDUCE THE LIMITS OF LIABILITY.

This endorsement modifies insurance provided under the following:

COMPANY SPONSORED LIFE INSURANCE AGENTS PROFESSIONAL LIABILITY INSURANCE POLICY

**SCHEDULE**

Social Engineering Claim Limits Of Liability:	\$100,000 Each Claim \$100,000 Agent Aggregate \$1,000,000 Coverage Aggregate
Social Engineering Claim Deductible:	\$5,000

A. The following is added to Section I – Insuring Agreements:

**Social Engineering Claim**

The **Insurer** shall pay, on behalf of an **Agent**, **Damages** which an **Agent** becomes legally obligated to pay because of a **Social Engineering Claim** that is both made against an **Agent** and reported to the **Insurer** in writing during the **Certificate Period**, or as allowed by Section X – Notice Of Claim below, or during an Extended Reporting Period, if applicable, for a **Wrongful Act** or **Interrelated Wrongful Act** committed solely in the rendering of or failing to render **Professional Services** by an **Agent**, provided:

- Such **Wrongful Act** or any **Interrelated Wrongful Act** occurred on or after the **Retroactive Date** and before the end of the **Certificate Period**; and
- As of the inception date of this Policy as shown in the Master Policy Declarations, or the effective date of the **Agent's** enrollment for coverage hereunder as shown in the Certificate Of Insurance, no **Insured** had knowledge or reasonable basis upon which to anticipate that the **Wrongful Act** or any **Interrelated Wrongful Act** could result in a **Social Engineering Claim**.

B. For the purpose of this endorsement, the following definitions are added to Section IV – Definitions:

**Deceptive Communication** means an electronic, facsimile or written document or telephone contact received by an **Agent** from a third-party which:

- directly relates to a life insurance or other product referenced in the Definition **IV.P (Professional Services)** that is serviced by an **Agent** on behalf of a client and in which a third party has no legal right or interest;
- contains a misrepresentation of material fact concerning a client of an **Agent**, which is reasonably relied upon by an **Agent** in believing that the document or contact is from his or her client or the client's authorized representative; and
- requests the withdrawal, surrender or transfer of fund held in the client's life insurance or other product referenced in the Definition **IV.P (Professional Services)**.

**Social Engineering Claim** means a **Claim** arising from a third party misleading an **Agent** through a **Deceptive Communication**, which is reasonably relied upon by an **Agent** as genuine and results in an **Unauthorized Transfer**.

**Unauthorized Transfer** means theft, conversion or misappropriation of funds held in a client's life insurance or other products referenced in the Definition **IV.P (Professional Services)** by a third party solely because of such party's **Deceptive Communication** with an **Agent** and without knowledge of and actual or implied consent by a client.

**C.** For the purposes of this endorsement, the following are added to Section **V** – Exclusions:

This Policy shall not apply to, and the **Insurer** shall pay neither **Damages** nor **Claim Expenses** for any **Social Engineering Claim**:

1. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any actual or alleged:
  - a. Costs or expenses for the reprinting, reposting, recall, removal or disposal of any online content or any other information, content or media, including any media or products containing such online content, information, content or media;
  - b. Costs or expenses incurred by any **Insured** or others:
    - (1) To recall, repair, withdraw, replace, upgrade, supplement or remove the **Agent's** online content, products or services from the marketplace, including but not limited to products or services which incorporate the **Agent's** online content, products or services; or
    - (2) For any loss of use by any **Insured** or others that arises out of such recall, repair, withdrawal, replacement, upgrade, supplement or removal;
  - c. Fine or penalty arising out of any agreement by any **Insured** to comply with or follow the PCI Standard or any Payment Card Company rules, or to implement, maintain or comply with any security measure(s) or standards related to any payment card data; or
  - d. Unsolicited electronic faxes, emails, telephone calls or unsolicited communications, including but not limited to unsolicited electronic messages, chat room postings, bulletin board postings, newsgroup postings, pop-up or pop-under Internet advertising or fax-blasting, direct mailing or telemarketing, or actual or alleged violations of the Telephone Consumer Protection Act of 1991, as amended, the CAN-SPAM Act of 2003, as amended, and any other federal, foreign or state anti-spam statutes, or federal, foreign or state statute, law or regulation relating to a person's right to seclusion; or
  - e. Unauthorized or illegal collection of any data or information, including but not limited to the collection of any data or information using cookies, spyware, or other malicious code, or the failure to provide adequate notice that data or information is being collected; or
  - f. Liability of the **Sponsoring Company**.
2. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any Section 605 (requirements relating to information contained in consumer reports) or Section 616 (civil liability for willful noncompliance) of the Fair Credit Reporting Act, or any other similar federal, state or local laws or regulations, including but not limited to any laws or regulations requiring truncation of payment card numbers on, or the removal of the expiration date from, payment card receipts; or
3. Covered in whole or in part under any other insurance.

**D.** For purposes of this endorsement, the following is added to Section **VII** – Limits Of Liability:

**Social Engineering Claim Limits Of Liability**

The **Social Engineering Claim** Limits Of Liability are subject to Paragraphs **A.** and **B.** of Section **VII** – Limits Of Liability.

Subject to the **Social Engineering Claim** Limits Of Liability Agent Aggregate and Coverage Aggregate, the limit of the **Insurer's** liability for **Damages** and **Claim Expenses** incurred in each **Social Engineering Claim** reported by an **Agent** to the **Insurer** in writing during the **Certificate Period**, or as allowed by Section **X** – Notice of Claim, or Extended Reporting Period, if applicable, shall not exceed the **Social Engineering Claim** Limit Of Liability Each Claim shown in the Schedule of the endorsement. The inclusion of multiple **Agents** or clients in **Interrelated Wrongful Acts** shall not increase the **Social Engineering Claim** Limit Of Liability Each Claim shown in the Schedule of this endorsement.



The Limit Of Liability for all **Damages** and **Claim Expenses** incurred in all **Social Engineering Claims** submitted by an **Agent** in writing during the **Certificate Period** shall not exceed the **Social Engineering Claim** Limit Of Liability Agent Aggregate shown in the Schedule of this endorsement.

The **Social Engineering Claim** Limit Of Liability Each Claim and **Social Engineering Claim** Limit Of Liability Agent Aggregate are part of, subject to and do not increase the **Social Engineering Claim** Limit Of Liability Coverage Aggregate as shown in the Schedule of this endorsement.

The **Insurer's** obligations under this Policy, including the duty to defend, shall cease after the applicable **Social Engineering Claim** Limits Of Liability has been paid by the **Insurer** for all **Damages** and/or **Claim Expenses**.

The **Social Engineering Claim** Limits Of Liability shown in the Schedule of this endorsement are part of, and not in addition to the Limits Of Liability shown in the Certificate Of Insurance.

**E.** The following is added to Section **VIII** – Deductible:

The **Social Engineering Claim** Deductible shown in the Schedule of this endorsement applies to **Damages** and **Claim Expenses** incurred in each **Social Engineering Claim** or **Social Engineering Claim** arising from **Interrelated Wrongful Acts**.

All other terms and conditions remain unchanged.