

Financial Institutions Risk Protector[®]

NETADVANTAGE SECURITY & PRIVACY LIABILITY COVERAGE SECTION SIX ("SECURITY & PRIVACY COVERAGE SECTION")

Notice: Pursuant to Clause 1 of the General Terms and Conditions, the General Terms and Conditions are incorporated by reference into, made a part of, and are expressly applicable to this Coverage Section, unless otherwise explicitly stated to the contrary in either the General Terms and Conditions or in this Coverage Section.

In consideration of the premium charged, and in reliance upon the statements made to the **Insurer** by application, including its attachments and the material incorporated therein, which form part of this policy, the **Insurer** agrees as follows:

1. INSURING AGREEMENT – SECURITY & PRIVACY LIABILITY COVERAGE

This policy shall pay **Loss** of an **Insured** arising from a **Claim** first made against an **Insured** and reported to the **Insurer** in writing during the **Policy Period** or **Discovery Period** (if applicable), for the **Insured's Wrongful Act(s)**.

2. DEFENSE COSTS, CHARGES AND EXPENSES

- (a) The **Insurer** has the right and duty to defend a **Suit** brought against an **Insured** for covered **Wrongful Acts** occurring during the **Policy Period**, even if the **Suit** is groundless or fraudulent.
- (b) The **Insurer** shall pay **Defense Costs** the **Insured** incurs with the **Insurer's** prior written consent in the defense of a **Suit** for covered **Wrongful Acts** occurring during the **Policy Period**.
- (c) The **Insurer** has the right, but not the duty, to investigate any **Claim** against any **Insured**. In the event the **Insurer** investigates any **Claim** and the **Insured** incurs **Defense Costs** with the **Insurer's** prior written consent as a result of such investigation, the **Insurer** shall pay such **Defense Costs**. The **Insurer** has the right, but not the duty, to settle any **Claim**, with the **Insured's** written consent, against an **Insured**.
- (d) The **Insured** may settle any **Claim** or **Suit** to which the insurance under this **Coverage Section** applies provided that the **Insured** does so (1) on behalf of all **Insureds**, and (2) without incurring **Loss** in excess of the applicable Retention.
- (e) The **Insurer's** duty to defend under this **Coverage Section** ends after the **Policy Aggregate Limit of Liability** or any **Separate Limit of Liability** or **Shared Limit of Liability** has been exhausted by payment of **Loss**, including **Defense Costs**. In addition, the **Insurer's** duty to defend ends if the **Insured** fails or refuses to consent to a settlement of a **Claim** that the **Insurer** recommends and that the claimant will accept. The **Insured** must then defend the **Claim** at the **Insured's** own expense. As a consequence of such failure or refusal, the **Insurer's** liability for **Loss** shall not exceed the amount for which the **Insurer** could have settled such **Claim** had the **Insured** consented or cooperated, plus **Defense Costs** incurred prior to the date of such failure or refusal.

- (f) The **Insurer** has the right, but not the duty, to defend any **Regulatory Action**. The **Insurer** shall pay for **Defense Costs** any **Insured** incurs with the **Insurer's** prior written consent in the defense of a **Regulatory Action** for covered **Wrongful Acts**.

3. DEFINITIONS

- (a) "**Advertising**" means the material in any publicity or promotion including branding, co-branding, sponsorships and/or endorsements.
- (b) "**Claim**" means:
- (1) a written or oral demand for money, services, non-monetary relief or injunctive relief;
 - (2) a **Suit**; or
 - (3) a **Regulatory Action**.
- (c) "**Class Action Claim**" means any **Claim** arising out of a **Wrongful Act** which resulted in a **Privacy Peril**:
- (1) brought on behalf of a class or putative class of plaintiffs (whether or not certified as such);
 - (2) otherwise brought on a representative basis; or
 - (3) alleging or arising from the same **Related Wrongful Act** as any **Claim** described in the preceding subparagraphs 3(c)(1) or 3(c)(2).
- (d) "**Computer Attack**" means **Unauthorized Access, Unauthorized Use, receipt or transmission of a Malicious Code, or a Denial of Service Attack** which:
- (1) alters, copies, misappropriates, corrupts, destroys, disrupts, deletes, damages or prevents, restricts or hinders access to, a **Computer System**;
 - (2) results in the disclosure of private or confidential information stored on a **Computer System**;
or
 - (3) results in **Identity Theft**;
- whether any of the foregoing is intentional or unintentional, malicious or accidental, fraudulent or innocent, specifically targeted at the **Insured** or generally distributed, and regardless of whether the perpetrator is motivated for profit.
- (e) "**Computer System**" means computer hardware, software, firmware, and components thereof, including electronic data stored thereon, which are linked together through a network of two or more computers, including such networks accessible through the **Internet**, intranets, extranets, or virtual private networks.
- (f) "**Confidential Corporate Information**" means any **Trade Secret**, data, design, interpretation, forecast, formula, method, practice, process, record, report or other item of information of a non-**Insured** third party, and which is (i) in the **Insured's** care, custody or control; (ii) not available to the general public, and is: (iii) provided to the **Insured** under a mutually agreed to written confidentiality/non-disclosure agreement; or (iv) marked "confidential" or otherwise specifically designated in writing as "confidential" by such third party.
- (g) "**Damages**" means the amount that the **Insured** shall be legally required to pay because of judgments or arbitration awards rendered against the **Insured**, or for settlements negotiated by the **Insurer** or the **Insured** in accordance with Clause 2, DEFENSE COSTS, CHARGES AND EXPENSES, including, but not limited to:
- (1) pre-judgment interest;

- (2) post-judgment interest that accrues after entry of a judgment and before the **Insurer** has paid, offered to pay or deposited in court that part of the judgment within the **Policy Aggregate Limit of Liability** or any applicable **Separate Limit of Liability** or **Shared Limit of Liability**; or
- (3) subject to this policy's other terms, conditions, exclusions and other limitations, including but not limited to exclusions relating to profit or advantage, fraud or criminal acts: (i) punitive, (ii) exemplary and (iii) multiple damages; provided, however, the enforceability of this subparagraph 3(g)(3) shall be governed by such applicable law that most favors coverage for such punitive, exemplary and multiple damages.

This definition is subject to the limitations set forth in the definition of **Loss**.

- (h) "**Denial of Service Attack**" means an attack launched by a person(s) that sends an excessive volume of electronic data to a **Computer System** in order to deplete such **Computer System's** capacity, and prevents those who are authorized to do so from gaining access to such **Computer System** in a manner in which they are legally entitled. Provided, however a depletion in the **Insured's Computer System's** capacity shall not be considered a **Denial of Service Attack** if caused by a mistake in determining capacity needs.
- (i) "**Failure of Security**" means:
 - (1) the actual failure and inability of the **Security** of the **Insured's Computer System** to mitigate loss from or prevent a **Computer Attack**; or
 - (2) physical theft of hardware or firmware controlled by the **Insured** (or components thereof) on which electronic data is stored, by a person other than an **Insured**, from a premises occupied and controlled by the **Insured**.

Failure(s) of Security shall also include such actual failure and inability above, resulting from the theft of a password or access code by non-electronic means from the **Insured's** premises, the **Insured's Computer System** or the **Directors or Officers**, or **Employees** of a **Company** in direct violation of the **Insured's** specific written **Security** policies or procedures.
- (j) "**Identity Theft**" the misappropriation of **Private Information** that has resulted in, or could result in the wrongful or fraudulent use of such information, including without limitation, fraudulently emulating the identity of an individual or corporation.
- (k) "**Individual Insured**" means **Employees** of the **Company**.
- (l) "**Information Holder**" means a third party that the **Insured** has provided **Personally Identifiable Information** to and with whom the **Insured** has entered into a contract that requires such party to protect such **Personally Identifiable Information**.
- (m) "**Insured(s)**" means (1) any **Individual Insured**; and (2) the **Company**.
- (n) "**Insured's Computer System**" means a **Computer System** under the ownership, operation or control of the **Company**.
- (o) "**Internet**" means the worldwide public network of computers commonly known as the Internet, as it currently exists or may be manifested in the future.
- (p) "**Loss**" means **Damages** and **Defense Costs**; however, **Loss** shall not include:
 - (1) compensation, benefits, overhead, charges or expenses of an **Insured** or its **Employees**;
 - (2) production costs or the cost of recall, reproduction, reprinting, or correction of material by any person or entity;
 - (3) **Insured's** cost of providing, correcting or re-performing or completing any professional services;

- (4) any costs or expenses incurred by any person or entity to withdraw or recall material, media, medium (including CD's, DVD's, cassettes and LP's), products (including products of others which incorporate the **Insured's** products) or professional services from the marketplace, or from loss of use arising out of such withdrawal or recall;
 - (5) civil or criminal fines or penalties;
 - (6) taxes;
 - (7) any amounts for which an **Insured** is not financially liable or which are without legal recourse to an **Insured**;
 - (8) the costs and expenses of complying with any injunctive or other form of equitable relief;
 - (9) the monetary value of any electronic fund transfer or transaction by the **Insured** or on the **Insured's** behalf, which is lost or diminished during transfer into, out of or between the **Insured's** accounts;
 - (10) liquidated damages; or
 - (11) matters which may be deemed uninsurable under the law pursuant to which this policy shall be construed.
- (q) "**Malicious Code**" means an unauthorized corrupting or harmful piece of code. **Malicious Code** includes, but is not limited to, computer viruses, "Trojan horses," "worms," and "time or logic bombs."
- (r) "**Material**" means content in any form, including written, printed, video, electronic, digital, or digitized content:
- (1) in broadcasts, including, but not limited to, television, motion picture, cable, satellite television and radio broadcasts;
 - (2) in publications, including, but not limited to, newspaper, newsletter, magazine, book and other literary, monograph, brochure, directory, screen play, film script, playwright and video publications;
 - (3) in **Advertising**; or
 - (4) displayed on an **Internet** site.
- (s) "**Personally Identifiable Information**" means any of the following in the **Insured's** care, custody or control: (1) information from which an individual may be uniquely and reliably identified or contacted, including without limitation, an individual's name, address, telephone number, social security number, account relationships, account numbers, account balances, account histories and passwords; (2) information concerning an individual that would be considered "nonpublic personal information" within the meaning of Title V of the Gramm-Leach Bliley Act of 1999 (Public Law 106-102, 113 Stat. 1338) (as amended) and its implementing regulations; and (3) information concerning an individual that would be considered "protected health information" within Health Insurance Portability and Accountability Act of 1996 (as amended) and its implementing regulations.
- (t) "**Privacy Peril**" means any actual or alleged:
- (1) unauthorized disclosure by the **Insured** of **Private Information** or failure by the **Insured** to protect **Private Information** from misappropriation, including, without limitation, any unintentional violation of the **Insured's Privacy Policy** or misappropriation that results in **Identity Theft**;

- (2) failure by an **Information Holder** to protect **Personally Identifiable Information** from misappropriation, provided that any failure to protect such information shall not include any intentional, dishonest, fraudulent, criminal or malicious act, error or omission if committed by:
- (i) the **Information Holder**;
 - (ii) any elected or appointed officer, or director of the **Information Holder**; or,
 - (iii) any employee (other than officers) or independent contractors employed by an **Information Holder** if any elected or appointed officer of an **Information Holder** possessed, at any time, knowledge of the intentional, dishonest, fraudulent, criminal or malicious act committed by such employee or independent contractor that caused a direct loss to an **Insured** or any other person.
- (3) failure by the **Insured** to disclose or warn of an actual or potential **Identity Theft**, but only if such **Identity Theft** resulted directly from 3(t)(1) or 3(t)(2) above; or
- (4) violation of any federal, state, foreign or local privacy statute alleged in connection with a **Claim for Damages** from 3(t)(1), 3(t)(2) or 3(t)(3) above.
- (u) "**Privacy Policy**" means an organization's policies and practices intended to protect the confidentiality of **Private Information**, including without limitation, statements in written or electronic form regarding the collection, dissemination or treatment of **Personally Identifiable Information**.
- (v) "**Private Information**" means:
- (1) **Personally Identifiable Information**; or
 - (2) **Confidential Corporate Information**.
- (w) "**Regulatory Action**" means a request for information, civil investigative demand or civil proceeding commenced by service of a complaint or similar pleading, brought by, or on behalf of, a governmental agency that alleges a **Privacy Peril** as defined in subparagraph 3(t)(4) of the definition of **Privacy Peril**, which may reasonably be expected to give rise to a covered **Suit**.
- (x) "**Retroactive Date**" means the applicable date set forth in Item 3 of the Declarations.
- (y) "**Security**" means hardware, software or firmware whose function or purpose is to mitigate loss from or prevent a **Computer Attack**. **Security** includes, without limitation, firewalls, filters, DMZ's, computer virus protection software, intrusion detection, the electronic use of passwords or similar identification of authorized users. **Security** also includes the **Insured's** specific written policies or procedures intended to directly prevent the theft of a password or access code by non-electronic means.
- (z) "**Suit**" means a civil proceeding for monetary, non-monetary or injunctive relief that is commenced by service of a complaint or similar pleading; provided, however, **Suit** shall not include a **Regulatory Action**. **Suit** shall also include a binding arbitration proceeding in which **Damages** are alleged and to which the **Insured** must submit or does submit with the **Insurer's** prior written consent.
- (aa) "**Trade Secret**" means information (including any idea) that has been reduced to a written or electronic form, including a formula, compilation, pattern, program, device, method, process, or technique which:
- (1) derives independent economic value, actual or potential, from not being generally known and not being readily ascertainable through proper means by other persons who can obtain economic advantage from its disclosure or use;

- (2) is the subject of reasonable efforts to maintain its secrecy; and
- (3) is used, capable of being used, or intended to be used in commerce.

(bb) **"Unauthorized Access"** means the gaining of access to a **Computer System** by an unauthorized person or persons.

(cc) **"Unauthorized Use"** means the use of a **Computer System** by an unauthorized person or persons or an authorized person or persons in an unauthorized manner.

(dd) **"Wrongful Act(s)"** means any actual or alleged breach of duty, neglect, act, error or omission committed or omitted on or after the **Retroactive Date**, which resulted in a **Failure of Security** or a **Privacy Peril**.

4. EXCLUSIONS

In addition to the exclusions set forth in Clause 4 of the General Terms and Conditions, the **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against any **Insured**:

(a) alleging, arising out of or resulting, directly or indirectly, from any dishonest, fraudulent, criminal or malicious act, error or omission, or any intentional or knowing violation of the law or of the **Insured's Privacy Policy**, or gaining of any profit or advantage to which the **Insured** is not legally entitled, if any of the aforementioned is committed by any of the **Insured's**:

- (1) **Directors or Officers**, whether acting alone or in collusion with other persons; or
- (2) **Employees** (other than those referenced in subparagraph 4(a)(1) above) or independent contractors employed by the **Insured** if any of those referenced in sub-paragraph 4(a)(1) above possessed, at any time, knowledge of any dishonest, fraudulent, malicious, or criminal acts committed by such **Employee** or independent contractor that caused a direct loss to an **Insured** or any other person;

(b) alleging, arising out of or resulting, directly or indirectly, from any:

- (1) purchase, sale, offer of or solicitation of an offer to purchase or sell securities, or violation of any securities law, including provisions of the Securities Act of 1933, or the Securities Exchange Act of 1934, as amended;
- (2) violation of the Organized Crime Control Act of 1970 (commonly known as "Racketeer Influenced And Corrupt Organizations Act" or "RICO"), as amended;
- (3) breach of fiduciary duty, responsibility, or obligation in connection with any employee benefit or pension plan, including violation of the responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974 as amended;
- (4) antitrust violations, restraint of trade, or unfair competition, or violations of the Sherman Act, the Clayton Act or the Robinson-Patman Act, as amended;
- (5) regulation promulgated under the foregoing laws; or
- (6) any federal, state, local or foreign laws (a) similar to the foregoing laws (including "Blue Sky" laws) or (b) regulating the same or similar conduct or services, whether such law is statutory, regulatory or common law;

(c) alleging, arising out of or resulting, directly or indirectly, from any employment practices or any discrimination against any person or entity on any basis, including but not limited to: race, creed, color, religion, ethnic background, national origin, age, handicap, disability, sex, sexual orientation or pregnancy;

- (d) alleging, arising out of or resulting, directly or indirectly, from any infringement of any patent, copyright, trademark, trade dress, trade name, service mark or other intellectual property;
- (e) alleging, arising out of or resulting, directly or indirectly, from any misappropriation of any **Trade Secret** by, or with active cooperation, participation, or assistance of, any **Insured**, any of the **Insured's** former employees, subsidiaries, directors, officers, partners, trustees, or any of the **Insured's** successors or assignees;
- (f) alleging, arising out of or resulting, directly or indirectly, from any:
 - (1) false arrest, detention or imprisonment;
 - (2) libel, slander or defamation of character;
 - (3) wrongful entry or eviction; or,
 - (4) malicious prosecution;
- (g) alleging, arising out of or resulting, directly or indirectly, from any (1) false or deceptive **Advertising** or misrepresentation in **Advertising** of the **Insured's** products or services, or (2) unfair competition based on such **Advertising**, including, but not limited to, **Advertising** related violations of any local, state or federal consumer protection or privacy laws;
- (h) brought by or on behalf of:
 - (1) the Federal Trade Commission ("FTC"), the Department of Health and Human Services ("HHS"), the Office of Civil Rights ("OCR"), the Federal Communications Commission ("FCC") or any other federal, state or local government agency, or foreign government agency, provided, in accordance with subparagraph 2(f) of the policy, subparagraph 4(h)(1) shall not apply to any **Defense Costs** arising out of a covered **Regulatory Action**; or
 - (2) the American Society of Composers, Authors and Publishers, the Society of European Stage Authors and Composers, Broadcast Music, Inc., or any other licensing or rights organizations in such entity's regulatory, quasi-regulatory or official capacity, functions or duties;
- (i) alleging, arising out of or resulting, directly or indirectly, from any **Failure of Security, Wrongful Act**, circumstance or event committed, omitted or occurring prior to the **Continuity Date** if on or before the **Continuity Date**, the **Insured** knew or could have reasonably foreseen that such **Wrongful Act**, circumstance or event could give rise to a **Claim** against an **Insured** or **Loss**;
- (j) alleging, arising out of or resulting, directly or indirectly, from any **Failure of Security, Wrongful Act** or **Loss**, based upon, relating to or in connection with any act, error or omission, occurring, committed or omitted prior to the applicable **Retroactive Date**;
- (k) alleging, arising out of or resulting, directly or indirectly, from any liability or obligation under any contract or agreement or out of any breach of contract; however, this exclusion does not apply to:
 - (1) any liability or obligation an **Insured** would have in the absence of such contract or agreement, or
 - (2) with respect to a **Privacy Peril**, any liability or obligation under a confidentiality or non-disclosure agreement;
- (l) alleging, arising out of or resulting, directly or indirectly, from any guarantee or express warranty; inaccurate, inadequate, or incomplete description of the price of goods, products or services; or any failure of goods, products or services to conform with an advertised quality or performance; or liquidated damages; or the collection of or seeking the return of fees or royalties or other compensation paid to an **Insured**; or the **Insured's** cost of providing, correcting or re-performing or

completing any services; or any **Insured's** fees, cost or profit guarantees, cost representations, contract price, or estimates of probable costs or cost estimates being exceeded;

(m) alleging, arising out of or resulting, directly or indirectly, from any satellite failure;

(n) brought, directly or indirectly, by or on behalf of:

(1) any **Insured**, provided, however, this sub-paragraph (1) shall not apply to any otherwise covered **Claim** made by any past, present or future **Employee** of the **Company** for a **Wrongful Act**, but only if such **Employee** did not commit, participate in or contribute to such **Wrongful Act(s)** or **Failure of Security**;

(2) any business entity that is controlled, managed or operated, directly or indirectly, in whole or in part, by the **Insured**; or,

(3) any parent company, **Subsidiary**, director, officer, partner, trustee, successor or assignee of the **Insured**, or any person or entity affiliated with the **Insured** or such business entity through common majority ownership or control;

(o) alleging, arising out of or resulting, directly or indirectly, from:

(1) fire, smoke, explosion, lightning, wind, water, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, act of God or any other physical event, however caused;

(2) strikes or similar labor action, war, invasion, act of foreign enemy, hostilities or warlike operations (whether declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, or any action taken to hinder or defend against these actions;

(3) electrical or mechanical failures, including any electrical power interruption, surge, brownout or blackout; provided, however, this subparagraph 4(o)(3) shall not apply to electrical or mechanical failures, other than satellite failures, where such failure was the result of the **Insured's Wrongful Act**; or,

(4) arising out of or resulting, directly or indirectly, from any failure of telephone lines, data transmission lines or other infrastructure comprising or supporting the **Internet**, unless such lines or infrastructure were under the **Insured's** operational control;

(p) alleging, arising out of or resulting, directly or indirectly, from any of the following:

(1) any shortcoming in **Security** that the **Insured** knew about prior to the inception of this policy;

(2) the **Insured's** failure to take reasonable steps, to use, design, maintain and upgrade its **Security**; or

(3) the inability to use, or lack of performance of, software: (a) due to expiration, cancellation, or withdrawal of such software; (b) that has not yet been released from its development stage; or (c) that has not passed all test runs or proven successful in applicable daily operations;

(q) with respect to a **Privacy Peril**, alleging, arising out of or resulting, directly or indirectly, from any of the following:

(1) the collection of **Private Information**, including, without limitation (i) such collection by means of electronic "cookies", "spiders", spybots, spambots, spyware, adware, wire-tapping, **Malicious Code**, key-stroke logging, tracking devices, radio frequency identification tags (RFID tags), bugging or video camera; or (ii) the failure to provide adequate notice regarding: (i) the purposes for which the **Private Information** is collected and used; (ii) contact information for

inquiries or complaints; (iii) those parties to which the **Private Information** could be disclosed to; (iv) "opt out" choices of the individual or entity from whom the **Insured** is collecting the **Private Information**; and (v) the means the **Insured** offers for limiting use or disclosure of the **Private Information**; provided, however, that this exclusion shall not apply to any otherwise covered **Claim** for a **Wrongful Act** that resulted in a **Privacy Peril**;

- (2) the integrity of **Private Information**, including whether the **Private Information** is: (i) relevant and reliable for the purpose for which it is collected or to be used; (ii) accurate; (iii) complete; or (iv) current;
- (3) the **Insured's** provision of, or failure to provide, access to **Private Information** to those individuals or entities with an actual or alleged right to such access, including, without limitation, failing to provide an individual or entity the ability to correct, amend or delete **Private Information**;
- (4) the **Insured's** distribution of unsolicited marketing, e-mail or **Advertising**, including without limitation 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; provided, however, this exclusion shall not apply to any **Claim** for a **Wrongful Act** that resulted in a **Privacy Peril**; or
- (5) the **Insured's** distribution, creation, exhibition, performance, preparation, printing, production, publication, release, display, research or serialization of any **Material**.

5. LIMIT OF LIABILITY

Clause 5 of the General Terms and Conditions is modified to the extent necessary to provide the following:

The maximum limit of the **Insurer's** liability for **Defense Costs** for all **Regulatory Actions** combined occurring during the **Policy Period** or the **Discovery Period** (if applicable), in the aggregate, shall be the amount set forth in Item 5(h) of the Declarations as the Regulatory Action Sublimit of Liability ("**Regulatory Action Sublimit of Liability**"). The **Regulatory Action Sublimit of Liability** shall be the maximum limit of the **Insurer** under this policy regardless of the number of persons, occurrences, **Regulatory Actions** or entities covered by this **Coverage Section**, or claimants or **Regulatory Actions** brought against any **Insured** during the **Policy Period** or the **Discovery Period** (if applicable); provided, however, that the **Regulatory Action Sublimit of Liability** shall be part of, and not in addition to, the **Policy Aggregate Limit of Liability** stated in Item 5(a) of the Declarations of this policy and any **Separate Limit of Liability** or **Shared Limit of Liability** applicable to this **Coverage Section** as stated in Item 3 of the Declarations, and will in no way serve to increase the **Insurer's Policy Aggregate Limit of Liability** or any **Separate Limit of Liability** or **Shared Limit of Liability** as stated therein.

6. SPECIAL CLASS ACTION RETENTION

With respect to a **Privacy Peril** only, for each **Class Action Claim**, the **Insurer** shall only be liable for the amount of **Loss** arising from such **Class Action Claim** that exceeds the applicable Retention amount for such **Claim**. Accordingly, the Retention amount for each **Class Action Claim** shall be the greater of one hundred thousand dollars (\$100,000) or two hundred percent (200%) of the Retention amount set forth in Item 3 of the Declarations.

7. WHAT YOU MUST DO IN THE EVENT OF A CLAIM

- (a) In addition to providing notice as required Clause 7 of the General Terms and Conditions, each **Insured** must also:

- (1) send the **Insurer** copies of all demands, suit papers, other legal documents and invoices for **Defense Costs** received by such **Insured**, as soon as practicable;
 - (2) immediately record the specifics of any **Claim** and the date such **Insured** first received such **Claim**;
 - (3) take prompt and reasonable steps to minimize the **Loss** and take reasonable steps to prevent further **Loss**;
 - (4) at the **Insurer's** request, report such **Loss** to the Federal Bureau of Investigation (FBI), a computer emergency response team (CERT), information sharing and analysis center (ISAC) or any other central reporting or investigative organization which the **Insurer** may designate;
 - (5) upon the **Insurer's** request, furnish to the **Insurer** any and all documentation within such **Insured's** possession; and
 - (6) give the **Insurer** and any counsel the **Insurer** selects to represent an **Insured** in connection with a **Suit** or to investigate any **Claim**, full cooperation and such information as the **Insurer** or such counsel may reasonably require, including, but not limited to, assisting the **Insurer** or such counsel in:
 - (a) any investigation of a **Claim**, **Loss** or other matter relating to the coverage afforded under this policy (including submission to an examination by the **Insurer** or its designee, under oath if required by the **Insurer**);
 - (b) making settlements;
 - (c) enforcing any legal rights the **Insured** or **Insurer** may have against any person or entity who may be liable to the **Insured**;
 - (d) attending depositions, hearings and trials;
 - (e) securing and giving evidence, and obtaining the attendance of witnesses; and
 - (f) any inspection or survey conducted by the **Insurer**.
- (b) No **Insured** shall admit any liability, assume any financial obligation or pay any money in connection with any **Claim** without the **Insurer's** prior consent. If any **Insured** does, it will be at such **Insured's** own expense. The foregoing sentences of this Paragraph 6(b) shall not apply to a settlement pursuant to Coverage 2(d) of this **Coverage Section** so long as such **Insured** provides the **Insurer** written notice of such settlement as soon as practicable, but in no case later than thirty (30) days after such settlement is reached in principle.
- (c) In all events, no **Insured** shall take any action, or fail to take any required action, without the **Insurer's** written consent, which prejudices the **Insurer's** rights under this policy.

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