

This endorsement, effective at 12:01 AM

forms a part of

Policy number

Issued to:

By:

INTERNET PROFESSIONAL SERVICES COVERAGE EXTENSION ENDORSEMENT

In consideration of the premium charged, and in reliance on the statements in the application(s) attached hereto and made part hereof, it is hereby understood and agreed as follows:

ENDORSEMENT SCHEDULE

Item 1.	Internet Professional Services Coverage Sublimit of Liability: \$ _____	
Item 2.	Retroactive Date:	
Item 3.	First Inception Date:	
Item 4.	INTERNET PROFESSIONAL SERVICES (covered only if checked)	
(1)	Application service provider (ASP services) , which means providing access to computer applications controlled by you for use by others through the Internet .	<input type="checkbox"/>
(2)	Domain name registration services , which means the following services provided in order to facilitate navigation of the Internet : collecting, processing or maintaining information provided to you which is necessary for registering a domain name; registering a domain name; or accepting or maintaining a record of domain names in a database.	<input type="checkbox"/>
(3)	e-Commerce transaction services , which means the following services provided on behalf of others through the Internet : processing electronic transactions; registering Internet users; or collecting or organizing information provided by Internet users, including demographic and transactional data.	<input type="checkbox"/>
(4)	Electronic exchange and auction services , which means: the electronic matching of third-party buyers and third-party sellers of goods or services through the Internet ; and providing e-commerce transactions services with respect to such buyers and sellers.	<input type="checkbox"/>
(5)	Internet hosting services , which means: housing or maintaining physical control over others' computer file servers connected to the Internet ; or providing storage of others' electronic data on your computer systems connected to the Internet for the purpose of transmitting electronic data through the Internet .	<input type="checkbox"/>
(6)	Internet media services , which means: the electronic publishing or display of material (including advertising) on an Internet site; or providing or maintaining of: instant messaging, web-conferencing, webcasting, Internet -based electronic mail, online forums, bulletin boards, list-serves or chat rooms.	<input type="checkbox"/>
(7)	Internet service provider (ISP services) , which means providing direct access to the Internet .	<input type="checkbox"/>
(8)	Managed and network security services , which means: reviewing, analyzing or consulting with respect to written security policies intended to prevent a computer attack ; analyzing, testing or monitoring the security infrastructure or vulnerabilities of computer systems ; implementing, managing or maintaining security ; providing content filtering security ; providing security patch	<input type="checkbox"/>

administration; providing security audits; or preparing security assessment reports.	
(9) Public Key Infrastructure Services , which means: developing, implementing or managing public key infrastructure; registering, authenticating or validating the identities of users of public key infrastructure; issuing or managing electronic security credentials or digital certificates for message encryption; monitoring or maintaining the integrity or security of electronic information transmitted using public key infrastructure.	<input type="checkbox"/>
(10) Search engine services , which means providing search or navigational computer applications to allow others to locate electronic data through the Internet .	<input type="checkbox"/>
(11) Web portal services , which means organizing, aggregating or providing access to electronic data, material or any service described above (that has been selected and checked in this endorsement) in this definition, through an Internet site commonly known as a "web portal."	<input type="checkbox"/>

1. Solely with respect to any **claim** arising out of **your wrongful act** in rendering or failing to render **Internet professional services**, Clause II. **DEFINITIONS**, paragraphs E., F., and M. are respectively deleted in their entirety and replaced with the following:

E. First inception date means the inception date set forth in Item 3. of the Endorsement Schedule.

F. Loss means the total sum of **damages** and **claim expenses**. "**Claim expenses**," "**damages**" and "**loss**" shall not mean and this policy shall not cover: (1) compensation, benefits, overhead, charges or expenses of any **insured** or such **insured's** employees; (2) production costs or the cost of recall, reproduction, reprinting or correction of material by any person or entity; (3) **your** 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 **your** 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 imposed against **you**; (6) taxes imposed against **you**; (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 an **insured** or on **your** behalf, which is lost or diminished during transfer into, out of or between an **insured's** accounts; (10) liquidated damages; and (11) matters which may be deemed uninsurable under the law pursuant to which this policy shall be construed.

M. Retroactive date means the date set forth in Item 2. of the Endorsement Schedule.

2. Clause II. **DEFINITIONS**, paragraph K., **professional services**, is amended by appending the following to the end of that paragraph:

Professional services also means **Internet professional services**.

3. Solely with respect to any **claim** arising out of **your wrongful act** in rendering or failing to render **Internet professional services**, Clause II. **DEFINITIONS** is amended by appending the following definitions at the end of such Clause:

IP-A. Computer attack means **unauthorized access, unauthorized use**, receipt or transmission of a **malicious code** or **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 **you** or generally distributed, and regardless of whether the perpetrator is motivated for profit.

IP-B. 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.

IP-C. 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, that depletion in **your computer system's** capacity shall not be considered a **denial of service attack** if caused by a mistake in determining capacity needs.

IP-D. Internet means the worldwide public network of computers commonly known as the **Internet**, as it currently exists or may be manifested in the future.

IP-E. Identity theft means the misappropriation of personal identity information of customers or members that is stored on a **computer system**, including without limitation, social security numbers, account numbers, passwords, credit card numbers, addresses or phone numbers, and that has resulted in, or could reasonably result in the wrongful or fraudulent use of such information.

IP-F. Internet professional services means any of the services defined, selected and checked in Item 4. of the Endorsement Schedule, which **you** provide to others.

IP-G. 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."

IP-H. Organization means (1) the **named insured**; and (2) each **subsidiary**.

IP-I. Privacy policy means statements in written or electronic form regarding the collection, dissemination or treatment of information regarding customers, visitors to the **Internet** site, or other persons.

IP-J. 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 **your** specific written policies and procedures intended to directly prevent the theft of a password or access code by non-electronic means.

IP-K. Unauthorized access means the gaining of access to a **computer system** by an unauthorized person or persons.

IP-L. 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.

IP-M. Your computer system means a **computer system** under the ownership, operation or control of an **organization**.

4. Solely with respect to the coverage afforded under this endorsement, Clause III. **EXCLUSIONS**, I. (false advertising), J. (regulatory exclusion) and S. (personal injury) are deleted in their entirety.

5. Solely with respect to any **claim** arising out of **your wrongful act** in rendering or failing to render **Internet professional services**, Clause III. **EXCLUSIONS** is hereby amended by appending the following at the end of such Clause:

We shall also not cover claims for your wrongful act in rendering or failing to render Internet professional services:

IP-A. 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 IP-A.(3) shall not apply to electrical or mechanical failures, other than satellite failures, where such failure was the result of **your 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 **your** operational control in the provision of **Internet professional services**;

IP -B. alleging, arising out of or resulting, directly or indirectly, from any satellite failure;

IP-C. 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 any failure to provide goods or products, or perform services within a specified time period, by a deadline or according to specified milestones; or any **insured's** fees, cost or profit guarantees, cost representations, contract price, or estimates of probable costs or cost estimates being exceeded;

IP-D. alleging, arising out of or resulting, directly or indirectly, from any (1) false or deceptive advertising or misrepresentation in advertising of **your** 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;

IP-E. 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 of any physical premises; (4) malicious prosecution; or (5) invasion of any right of privacy;

IP-F. against **you** that is 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; 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;

- IP-G. alleging, arising out of or resulting, directly or indirectly, from any antitrust violations, restraint of trade, or unfair competition, or violations of the Sherman Act, the Clayton Act or the Robinson-Patman Act, as amended;
- IP-H. alleging, arising out of or resulting, directly or indirectly, from an actual or threatened **computer attack to your computer system**;
- IP-I. alleging, arising out of or resulting, directly or indirectly, from any violation of any **insured's privacy policy** or any failure of any **insured** to maintain a **privacy policy**; or
- IP-J. arising out of a **wrongful act** committed with the knowledge that it was a **wrongful act**; or
- IP-K. alleging or arising out of coupons, price discounts, prizes, awards or any other valuable consideration given in excess of the total contracted or expected amount.
6. Solely with respect to the coverage afforded under this endorsement, Clause IV. **LIMITS OF LIABILITY**, is hereby amended by appending the following:
- IP-A. The Internet Professional Services Coverage Sublimit of Liability set forth in Item 1. of the Endorsement Schedule is the most **we** shall pay for **loss**, in the aggregate, arising from all covered **claims** arising out of **your wrongful act** in rendering or failing to render **Internet professional services**. The Internet Professional Services Coverage Liability Sublimit of Liability is part of and subject to the limits of liability set forth in Item 3. of the Declarations.
7. Solely with respect to the coverage afforded under this endorsement, Clause VI. **OTHER PROVISIONS AFFECTING COVERAGE**, is hereby amended by appending the following:

IP-A. SPOUSAL AND LEGAL REPRESENTATIVE EXTENSION

If a **claim** against a natural person **insured** includes a **claim** against: (a) the lawful spouse of such **insured**; or (b) a property interest of such spouse, and such **claim** arises from any actual or alleged **wrongful act** of such **insured**, this policy shall cover **loss** arising from the **claim** made against that spouse or the property of that spouse to the extent that such **loss** does not arise from a **claim** for any actual or alleged act, error or omission of such spouse. This policy shall cover **loss** arising from a **claim** made against the estates, heirs, or legal representatives of any deceased natural person **insured**, and the legal representatives of any natural person **insured**, in the event of incompetency, insolvency or bankruptcy, who was an **insured** at the time the **wrongful acts** upon which such **claim** is based were committed.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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