

COMMON POLICY DECLARATIONS

Arch Insurance Company Harborside 3, 210 Hudson St, Suite 300 Jersey City, NJ 07311-1107 Phone: 866-413-5550	McNeil & Company Insurance and Risk Services PO Box 5670 20 Church Street Cortland, NY 13045
NAMED INSURED: <u>Williamson County Fire Marshal Special Operations</u>	
MAILING ADDRESS: <u>911 Tracy Chambers Lane</u> <u>Georgetown, TX 78626</u>	
POLICY PERIOD: FROM <u>01/27/2019</u> TO <u>01/27/2020</u> AT 12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE	


BUSINESS DESCRIPTION	Fire Marshal Operations/Haz Mat Team
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IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.	
	PREMIUM
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART	\$ _____
COMMERCIAL AUTOMOBILE COVERAGE PART	\$ _____
COMMERCIAL GENERAL LIABILITY COVERAGE PART	\$ _____ Incl.
COMMERCIAL INLAND MARINE COVERAGE PART	\$ _____
COMMERCIAL LIABILITY UMBRELLA	\$ _____
COMMERCIAL PROPERTY COVERAGE PART	\$ _____
CRIME AND FIDELITY COVERAGE PART	\$ _____
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART	\$ _____
EQUIPMENT BREAKDOWN COVERAGE PART	\$ _____
FARM COVERAGE PART	\$ _____
LIQUOR LIABILITY COVERAGE PART	\$ _____
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART	\$ _____ Incl.
POLLUTION LIABILITY COVERAGE PART	\$ _____
	\$ _____
TOTAL:	\$ 2,728.00
Premium shown is payable: \$ _____ at inception. \$ _____	

FORMS APPLICABLE TO ALL COVERAGE PARTS (SHOW NUMBERS):

See GU 207

Countersigned: 03/05/2019	By: 
(Date)	(Authorized Representative)

McNeil Insurance and Risk Services, Inc

NOTE

OFFICERS' FACSIMILE SIGNATURES MAY BE INSERTED HERE, ON THE POLICY COVER OR ELSEWHERE AT THE COMPANY'S OPTION.

(The Attaching Clause need be completed only when this endorsement is issued subsequent to preparation of the policy.)

ENDORSEMENT

This endorsement, effective on 01/27/2019 at 12:01 A.M. standard time, forms a part of

Policy No. MEPK06947313 of the Arch Insurance Company
(NAME OF INSURANCE COMPANY)

issued to Williamson County Fire Marshal Special Operations

By McNeil Insurance and Risk Services, Inc.



Authorized Representative

ENDORSEMENT SCHEDULE

FORMS AND ENDORSEMENTS APPLYING TO THIS COVERAGE PART AND MADE PART OF THIS POLICY AT THE TIME OF ISSUE:

<u>NUMBER</u>	<u>EDITION</u>	<u>NAME</u>
IL DS 00	09/08	Commercial Lines Policy Common Declarations
GU207 - FC	06/78	Endorsement Schedule
GU207 - N:	06/78	Long Named Insured Endorsement
05 ML0002	12/14	Signature Page
IL P 001	01/04	OFAC - U.S. Treasury Department
00 ML0042	04/16	TX Policyholder's Notice
05 ML0209	09/07	TX Policyholder's Notice
IL0017	11/98	Common Policy Conditions
IL0168	03/12	Texas Changes - Duties
IL0021	09/08	Nuclear Energy Liability Exclusion
CG DS 01	10/01	Commercial General Liability Coverage Part
CG DS 01 :	01/03	GL Extension Schedule
CG0001	04/13	Commercial General Liability Coverage Form
CG2426	04/13	Amendment of Insured Contract Definition
GL4000	07/17	Network Security and Data Breach Endorsement
CG0103	06/06	Texas Changes
GL2014	01/15	Coverage Extensions
CG3208	12/04	TX Changes Binding Arbitration
CG2251	07/98	Exclusion - Law Enforcement Activities
GL2001	01/15	Fire & Rescue Service
GL2002	01/15	Who Is Insured
GL2005	01/11	Aggregate Limit
GL2003	04/02	Injury to Volunteers
GL2006	01/15	Aircraft & Watercraft
GL2004	01/15	Fellow Member
CG2196	03/05	Silica or Silica-Related Dust Exclusion
CG2409	07/98	Government Subdivision
CG2173	01/15	Exclusion of Certified Acts of Terrorism
00 ML0207	11/03	Emergency Services Liability: Law Enforcement Activities Exclusion
GL2009	04/02	Pollution Liability

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Policy No. MEPK06947313 of the Arch Insurance Company
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issued to Williamson County Fire Marshal Special Operations

By McNeil Insurance and Risk Services, Inc.



Authorized Representative

ENDORSEMENT SCHEDULE

FORMS AND ENDORSEMENTS APPLYING TO THIS COVERAGE PART AND MADE PART OF THIS POLICY AT THE TIME OF ISSUE:

<u>NUMBER</u>	<u>EDITION</u>	<u>NAME</u>
DEC PL 02	01/11	Emergency Service Liability Declarations
PL0200	01/15	Emergency Service Liability Coverage Form
PL2005	11/02	Aggregate Limits
PL2007	01/15	Non-Monetary Claims
PL2106 TX	01/11	Texas Changes - Stacking
IL0275	11/13	Texas Changes
PL2017	01/15	Fines And Penalties
GL2016	01/15	Temporary Liquor Liability

(The Attaching Clause need be completed only when this endorsement is issued subsequent to preparation of the policy.)

ENDORSEMENT

This endorsement, effective on 01/27/2019 at 12:01 A.M. standard time, forms a part of

Policy No. MEPK06947313 of the Arch Insurance Company
(NAME OF INSURANCE COMPANY)

issued to Williamson County Fire Marshal Special Operations

By McNeil Insurance and Risk Services, Inc.



Authorized Representative

LONG NAMED INSURED ENDORSEMENT

The Named Insured is amended to read as follows:

Williamson County Fire Marshal Special Operations

Williamson County Haz Mat Team



Signature Page

IN WITNESS WHEREOF, Arch Insurance Company has caused this policy to be executed and attested.

A handwritten signature in black ink that reads "John Mentz".

John Mentz
President

A handwritten signature in black ink that reads "Patrick K. Nails".

Patrick K. Nails
Secretary

COMMERCIAL GENERAL LIABILITY DECLARATIONS

<p>Arch Insurance Company Harborside 3, 210 Hudson St, Suite 300 Jersey City, NJ 07311-1107 Phone: 866-413-5550</p>	<p>McNeil Insurance and Risk Services, Inc. P.O. Box 5670 20 Church Street Cortland, NY 13045</p>
<p><u>Williamson County Fire Marshal Special Operations</u></p>	
<p>NAMED INSURED: <u>911 Tracy Chambers Lane</u></p>	
<p>MAILING ADDRESS: <u>Georgetown, TX 78626</u></p>	
<p>POLICY PERIOD: FROM <u>01/27/2019</u> TO <u>01/27/2020</u> AT 12:01 A.M. TIME AT YOUR MAILING ADDRESS SHOWN ABOVE</p>	

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

LIMITS OF INSURANCE		
EACH OCCURRENCE LIMIT	<u>\$1,000,000</u>	
DAMAGE TO PREMISES RENTED TO YOU LIMIT	<u>\$100,000</u>	Any one premises
MEDICAL EXPENSE LIMIT	<u>\$5,000</u>	Any one person
PERSONAL & ADVERTISING INJURY LIMIT	<u>\$1,000,000</u>	Any one person or organization
GENERAL AGGREGATE LIMIT		<u>\$10,000,000</u>
PRODUCTS/COMPLETED OPERATIONS AGGREGATE LIMIT		<u>\$10,000,000</u>

RETROACTIVE DATE (CG 00 02 ONLY)
<p>THIS INSURANCE DOES NOT APPLY TO "BODILY INJURY", "PROPERTY DAMAGE" OR "PERSONAL AND ADVERTISING INJURY" WHICH OCCURS BEFORE THE RETROACTIVE DATE, IF ANY, SHOWN BELOW.</p> <p>RETROACTIVE DATE: <u>None</u></p> <p style="text-align: center;">(ENTER DATE OR "NONE" IF NO RETROACTIVE DATE APPLIES)</p>

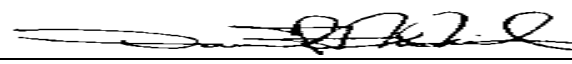
DESCRIPTION OF BUSINESS
<p>FORM OF BUSINESS:</p> <p> <input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> JOINT VENTURE <input type="checkbox"/> TRUST </p> <p> <input type="checkbox"/> LIMITED LIABILITY COMPANY <input checked="" type="checkbox"/> ORGANIZATION, INCLUDING A CORPORATION (BUT NOT INCLUDING A PARTNERSHIP, JOINT VENTURE OR LIMITED LIABILITY COMPANY) </p> <p>BUSINESS DESCRIPTION: <u>Fire Marshal Operations/Haz Mat Team</u></p>

ALL PREMISES YOU OWN, RENT OR OCCUPY	
LOCATION NUMBER	ADDRESS OF ALL PREMISES YOU OWN, RENT OR OCCUPY
See CG DS01 - Supp - Classification Schedule	

CLASSIFICATION AND PREMIUM							
LOCATION NUMBER	CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
				Prem/Ops	Prod/Comp Ops	Prem/Ops	Prod/Comp Ops
See CG DS01 -	Supp - Classification Schedule						
PREMIUM SHOWN IS PAYABLE:				STATE TAX OR OTHER (if applicable)		\$ PER ILDS00	
				TOTAL PREMIUM (SUBJECT TO AUDIT)		\$ _____	
AT INCEPTION						Incl _____	
AT EACH ANNIVERSARY						\$ _____	
				(IF POLICY PERIOD IS MORE THAN ONE YEAR AND PREMIUM IS PAID IN ANNUAL INSTALLMENTS)			
AUDIT PERIOD (IF APPLICABLE)		<input type="checkbox"/> ANNUALLY	<input type="checkbox"/> SEMI-ANNUALLY	<input type="checkbox"/> QUARTERLY	<input type="checkbox"/> MONTHLY		

ENDORSEMENTS
ENDORSEMENTS ATTACHED TO THIS POLICY: REFER TO GU207 (06/78)

THESE DECLARATIONS, TOGETHER WITH THE COMMON POLICY CONDITIONS AND COVERAGE FORM(S) AND ANY ENDORSEMENT(S), COMPLETE THE ABOVE NUMBERED POLICY.

Countersigned: 03/05/2019	By: 
(Date)	(Authorized Representative) McNeil Insurance and Risk Services, Inc.

NOTE

OFFICERS' FACSIMILE SIGNATURES MAY BE INSERTED HERE, ON THE POLICY COVER OR ELSEWHERE AT THE COMPANY'S OPTION.

POLICY NUMBER: MEPK06947313

COMMERCIAL GENERAL LIABILITY SUPPLEMENTAL DECLARATIONS

LOCATION OF PREMISES
Location of All Premises You Own, Rent or Occupy: 911 Tracy Chambers Lane, Georgetown, TX 78626

CLASSIFICATION AND PREMIUM						
CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Prem/Ops	Prod/Comp Ops	Prem/Ops	Prod/Comp Ops
Fire Dept. - volunteer [Includes Products and Completed Ops]	43551				Incl	Incl
Fellow Member Liability					Incl	Incl

Total Advance Premium Incl

ARCH INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NETWORK SECURITY AND DATA BREACH ENDORSEMENT

Insured:Williamson County Fire Marshal Special Operations Policy No.:MEPK06947313 Effective Date: 1/27/2019

NOTICE: EXCEPT AS OTHERWISE PROVIDED, THE COVERAGE PROVIDED BY THIS ENDORSEMENT IS LIMITED TO ONLY THOSE EVENTS THAT ARE FIRST DISCOVERED AND REPORTED WHILE THIS POLICY IS IN FORCE OR DURING ANY EXTENDED REPORTING PERIOD. VARIOUS PROVISIONS IN THIS ENDORSEMENT RESTRICT COVERAGE. PLEASE READ THE ENTIRE ENDORSEMENT CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.

This endorsement modifies the insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

Coverage E – Network Security and Data Breach Liability

Network Security and Data Breach Liability Each Event Limit	\$ 1,000,000
Network Security and Data Breach Liability Aggregate Limit	\$ 10,000,000
Network Security and Data Breach Liability Retroactive Date	10/31/2014

Coverage F – Privacy Event Mitigation Expense

Privacy Event Mitigation Expense Each Event Limit	\$ 50,000
Privacy Event Mitigation Expense Aggregate Limit	\$ 50,000
Privacy Event Mitigation Expense Retroactive Date	10/31/2014

A. The following are added to **Section I – Coverages**:

1. Coverage E – Network Security and Data Breach Liability

Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as monetary damages because of a "network security or data breach event" to which this insurance applies. We have the right and duty to defend the insured against any "suit" seeking those monetary damages. We have no duty to defend the insured against any "suit" not seeking monetary damages. We also have no duty to defend the insured against any "suit" based upon, arising out of, or attributable to a "network security or data breach event" to which this insurance does not apply. However, at our discretion, we have the right to investigate any "network security or data breach event" and settle any claim or "suit" that may result. But:

(1) The amount we will pay for monetary damages is limited as described below in **Section C. Limits Of Insurance**;

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **Supplementary Payments – Coverages A, B and E**.

b. This insurance applies to a "network security or data breach event" only if:

(1) Such "network security or data breach event" takes place in the "coverage territory"; and

(2) Such "network security or data breach event" did not result from an act, error or omission that occurred before the Network Security and Data Breach Liability Retroactive Date shown in the schedule or after the end of the policy period; and

- (3) The "network security or data breach event" is first discovered in accordance with Paragraph **c.** below during the policy period or any Extended Reporting Period we provide under **4. Extended Reporting Periods**; and
- (4) Written notice is received by us of the "network security or data breach event" within sixty (60) days of its first discovery or before the end of any Extended Reporting Period we provide under **4. Extended Reporting Periods**, whichever is earlier.

c. First Discovery and Related Events or Acts

(1) First Discovery

A "network security or data breach event" will be deemed to have been discovered at the earliest of the following times:

- (a) When such "network security or data breach event" is discovered and recorded by any insured, or by us, whichever comes first; or
- (b) When the insured becomes aware of an act, error or omission that may subsequently result in a "network security or data breach event", and you give written notice to us, as described in **Section IV – Conditions**, of such circumstances as soon as practicable but no later than:
 - (i) Sixty (60) days after becoming aware; or
 - (ii) The end of any applicable Extended Reporting Period; whichever is earlier.

(2) Related Events

All related "network security or data breach events" will be considered one event and will be considered first discovered when the first of such related events is discovered.

Related "network security or data breach events" include all "network security or data breach events" that are logically or causally connected by a common nexus of facts, circumstances, situations, events, transactions, causes or acts.

2. Coverage F – Privacy Event Mitigation Expense

Insuring Agreement

- a. We will pay "privacy event mitigation expenses" incurred by the insured, provided such expenses arise directly out of a "privacy event" for which coverage is not otherwise excluded. But the amount we will pay is limited as described below in **Section C – Limits Of Insurance**;

No other obligation or liability to pay sums or perform acts or services is covered.

- b. This insurance applies to "privacy event mitigation expenses" only if:

- (1) The "privacy event" takes place in the "coverage territory"; and
- (2) The "privacy event" did not result from an act, error or omission that occurred before the Privacy Event Mitigation Expense Retroactive Date shown in the schedule or after the end of the policy period; and
- (3) The "privacy event" is first discovered in accordance with Paragraph **c.** below during the policy period or any Extended Reporting Period we provide under **4. Extended Reporting Periods**; and
- (4) Written notice is received by us of the "privacy event" within sixty (60) days of its first discovery or before the end of any Extended Reporting Period we provide under **4. Extended Reporting Periods**, whichever is earlier.

c. First Discovery and Related Events or Acts

(1) First Discovery

A "privacy event" will be deemed to have been discovered at the earliest of the following times:

- (a) When such "privacy event" is discovered and recorded by any insured, or by us, whichever comes first; or
- (b) When you become aware of an act, error or omission that may subsequently result in a "privacy event", and you give written notice to us, as described in **Section IV – Conditions**, of such circumstances as soon as practicable but no later than:
 - (i) Sixty (60) days after becoming aware; or
 - (ii) The end of any applicable Extended Reporting Period; whichever is earlier.

(2) Related Events

All related "privacy events" will be considered one event and will be considered first discovered when the first of such related events is discovered.

Related "privacy events" include all "privacy events" that are the same, related or continuous, or that arise from a common nucleus of facts, circumstances, events or acts.

3. Exclusions

This insurance does not apply to:

- a. Damages, loss or expense arising directly or indirectly from:
 - (1) Any shortcoming in data security that the insured knew about prior to the inception of this policy for which you failed to take corrective action within a reasonable time, not to exceed sixty (60) days;
 - (2) The insured's failure to comply with all the data security standards issued by credit card issuers or financial institutions with whom you transact business, if you process, store or handle credit card information;
 - (3) The insured's failure to take reasonable steps to use, design, maintain and upgrade your data security; or
 - (4) 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.
- b. Damages, loss or expense arising directly or indirectly from:
 - (1) The illegal, unauthorized or wrongful collection of "personally identifiable information" including but not limited to collection of "personally identifiable information" using cookies or malware, if committed by or with the knowledge of the insured; or
 - (2) The failure to provide required notice that such "personally identifiable information" is being collected.
- c. Damages, loss or expense arising directly or indirectly from the seizure, confiscation, expropriation, nationalization or destruction of a "computer system" by order of any governmental authority.
- d. Any "network security or data breach event" or "privacy event" that results from an act, error or omission that takes place prior to the inception date of this policy if the insured knew or reasonably should have foreseen that such act, error or omission would give rise to a claim or "privacy event mitigation expense".
- e. Damages, loss or expense based upon, attributable to, arising out of, in consequence of, or in any way related to litigation or any administrative or regulatory proceedings if such litigation or administrative or regulatory proceedings were initiated prior to or were pending on the inception date of this policy.
- f. "Bodily injury", "property damage" or "personal and advertising injury".
- g. Violation or invasion of any right of privacy except as a result of a "privacy event".
- h. Breach of contract by an insured or liability assumed by an insured under any contract or agreement. This exclusion does not apply to liability the insured would have in the absence of the contract or agreement.
- i. Fines or penalties imposed by any federal, state or local governmental authority.
- j. Any fraudulent, dishonest, malicious, or criminal act by the insured.
- k. Any "claim" or "suit" brought by or on behalf of any insured against any other insured; provided, however, that this exclusion will not apply to any otherwise covered "claim" or "suit" brought by or on behalf of any insured against an insured arising out of a "privacy event", provided that such insured bringing the "claim" or "suit" is not involved in any manner with any such "privacy event".
- l. Costs or expenses incurred by the insured to comply with any demand or order by any federal, state or local governmental authority other than those provided under **Coverage F – Privacy Event Mitigation Expense**.
- m. Any cost to comply with any injunctive or other non-monetary or declaratory relief or any agreement to provide such relief.

- n. Any claim or "suit" alleging, based upon, arising out of, or resulting from, directly or indirectly, any unsolicited electronic faxes, emails, telephone calls or unsolicited communications, including but not limited to claims arising out of 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 claims alleging 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 and privacy.
- o. Any uploading, downloading, piracy or file-sharing of digitized music, photos, movies, software or video games.
- p. Any actual or alleged:
 - (1) Price fixing, restraint of trade, monopolization, including violations of the Sherman Anti-Trust Act, the Clayton Act, or any similar provision of any federal, state, or local statutory law or common law anywhere in the world; or
 - (2) Unfair trade practices or violation of consumer protection laws; provided, however that this exclusion does not apply to any otherwise covered claim under Insuring Agreements E or F; or
 - (3) Violation of the Employee Retirement Income Security Act of 1974, as amended; the Securities Act of 1933, as amended; the Securities Exchange Act of 1934 as amended; or any state Blue Sky or securities law or similar state, foreign or federal statute, including any regulation or order issued pursuant to any of the foregoing statutes.
- q. Any actual or alleged infringement, misappropriation or violation of any patent, copyright, trademark, service mark, trade dress or trade name.
- r. Alleging, based upon, arising out of, or resulting from, directly or indirectly, to section 605 (requirements relating to information contained in consumer reports) or 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.

4. Extended Reporting Periods

- a. We will provide one or more Extended Reporting Periods, as described below, and notify you in writing within thirty days of policy termination, if:
 - (1) This Coverage Part is canceled or not renewed; or
 - (2) We renew or replace this endorsement with other insurance that does not apply to monetary damages on a first discovered and reported basis; or
 - (3) We renew or replace this endorsement with other insurance containing terms and conditions that are less favorable for you than those contained in this endorsement.
- b. Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They only apply to claims arising out of "network security or data breach event" or "privacy event mitigation expenses" arising out of a "privacy event" that occurred prior to the end of the policy period. Once in effect, Extended Reporting Periods may not be canceled.
- c.
 - (1) A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for sixty (60) days.
 - (2) During the Basic Extended Reporting Period you have the right to report claims made against you arising out of "network security or data breach event" or "privacy event mitigation expenses" arising out of a "privacy event" that occurred prior to the end of the policy period, or to report any "network security or data breach event" or "privacy event" that occurred prior to the end of the policy period which may later result in a claim or "privacy event mitigation expenses".
 - (3) The Basic Extended Reporting Period does not apply to any claims or "privacy event mitigation expenses" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such claims or "privacy event mitigation expenses".
 - (4) The Basic Extended Reporting Period does not reinstate or increase the Limits of Insurance.

- d. (1) A Supplemental Extended Reporting Period of five (5) years duration is available, but only by an endorsement and for an extra charge. This supplemental period starts when the Basic Extended Reporting Period, set forth in c. above, ends.
- (2) During the Supplemental Extended Reporting Period you will have the right to report claims made against you arising out of "network security or data breach event" or "privacy event mitigation expenses" arising out of a "privacy event" that occurred prior to the end of the policy period, or to report any "network security or data breach event" or "privacy event" that occurred prior to the end of the policy period which may later result in a claim or "privacy event mitigation expenses". There is no coverage during the Supplemental Extended Reporting Period for any other claims or "privacy event mitigation expenses".
- (3) You must give us a written request for the endorsement within sixty (60) days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.
- (4) We will determine the additional premium in accordance with our rules and rates in effect on the date the policy was issued or last renewed. In doing so, we may take into account the following:
- (a) The exposure insured;
 - (b) Previous types and amounts of insurance;
 - (c) Limits of insurance available under this endorsement for future payments and damages; and
 - (d) Other related factors.

The additional premium will not exceed 200% of the expiring annual premium for this coverage.

- (5) This endorsement shall set forth the terms, not inconsistent with this section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for claims and "privacy event mitigation expenses" first discovered during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.
- e. If the Supplemental Extended Reporting Period is in effect, we will provide Supplemental Aggregate Limits of Insurance as described below, but only for claims arising out of "network security or data breach events" or "privacy event mitigation expenses" arising out of "privacy events" which are first discovered during the Supplemental Extended Reporting Period. Paragraph 2. of **Section III – Limits Of Insurance** will be amended to include the following:
- (1) Claims arising out of "network security or data breach events" first discovered during the Supplemental Extended Reporting Period will be subject to a Supplemental Aggregate Limit equal to the dollar amount shown in the Schedule for the Network Security or Data Breach Liability Aggregate Limit in effect at the end of the policy period. The Supplemental Aggregate Limit is the most we will pay for the sum of all monetary damages under **Coverage E – Network Security or Data Breach Liability** arising out of claims first discovered during the Supplemental Extended Reporting Period. If we make a payment for such monetary damages, the Supplemental Aggregate Limit will be reduced by the amount of such payment. Such reduced limit will then be the amount available for further covered monetary damages arising out of "network security or data breach events" first discovered during the Supplemental Extended Reporting Period. The Network Security or Data Beach Liability Each Event Limit will continue to apply.
- (2) "Privacy event mitigation expenses" arising out of "privacy events" first discovered during the Supplemental Extended Reporting Period will be subject to a Supplemental Aggregate Limit equal to the dollar amount shown in the Schedule for the Privacy Event Mitigation Expense Aggregate Limit in effect at the end of the policy period. The Supplemental Aggregate Limit is the most we will pay for the sum of all "privacy event mitigation expenses" under **Coverage F – Privacy Event Mitigation Expense** arising out of "privacy events" first discovered during the Supplemental Extended Reporting Period. If we make a payment for such "privacy event mitigation expenses", the Supplemental Aggregate Limit will be reduced by the amount of such payment. Such reduced limit will then be the amount available for further covered "privacy events" first discovered during the Supplemental Extended Reporting Period. The Privacy Event Mitigation Expense Each Event Limit will continue to apply.

B. Supplementary Payments Coverages A and B is amended to read:

Supplementary Payments – Coverages A, B and E.

C. Limits Of Insurance

For the purposes of coverage provided by this endorsement, the following is added to **Section III – Limits Of Insurance**:

1. The Limits of Insurance shown in the Schedule and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made, "suits" brought or "privacy events"; or
 - c. Persons or organizations making claims or bringing "suits."
2. The following applies to **Coverage E – Network Security or Data Breach Liability**:
 - a. The Network Security or Data Breach Liability Aggregate Limit shown in the Schedule is the most we will pay for the sum of all monetary damages under this endorsement;
 - b. Subject to **2.a.** above, the Network Security or Data Breach Liability Each Event Limit is the most we will pay for all monetary damages resulting from any one "network security or data breach event". All monetary damages arising out of related "network security or data breach events" will be deemed to be one "network security or data breach event".
3. The following applies to **Coverage F – Privacy Event Mitigation Expense**:
 - a. The Privacy Event Mitigation Expense Aggregate Limit shown in the Schedule is the most we will pay for the sum of all "privacy event mitigation expenses" under this endorsement;
 - b. Subject to **3.a.** above, the Privacy Event Mitigation Expense Each Event Limit is the most we will pay for all "privacy event mitigation expenses" resulting from any one "privacy event". All "privacy event mitigation expenses" arising out of related "privacy events" will be deemed to be one "privacy event".
4. The Limits of Insurance under this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the limits of insurance.

D. Conditions

For the purposes of coverage provided by this endorsement, **Section IV – Conditions** is modified as follows:

1. Sub-paragraph **a.** under Paragraph **2. Duties in the Event of Occurrence, Offense, Claim or Suit** as respects coverage provided by **Coverage E – Network Security or Data Breach Liability** is deleted and replaced by the following:
 - a. You must see to it that we are notified as soon as practicable of a "network security or data breach event," "occurrence" or an offense which may result in a claim or "suit." To the extent possible, notice should include:
 - (1) How, when and where the "network security or data breach event," "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the "network security or data breach event," "occurrence" or offense.
2. The following is added under Paragraph **2. Duties in the Event of Occurrence, Offense, Claim or Suit** as respects coverage provided by **Coverage F – Privacy Event Mitigation Expense**:
 - e. You must cooperate with us and our designated representatives in the provision of the services described in "privacy event mitigation expenses".
3. The following is added as respects coverage provided by **Coverage F – Privacy Event Mitigation Expense**:

Duties in the Event of a Privacy Event

 - a. You must notify us as soon as practicable of a "privacy event", but in no event later than thirty (30) days after you incur "privacy event mitigation expenses" for which coverage will be requested under this endorsement.
 - b. With respect to a "privacy event", you must notify us in writing as soon as practicable but no later than sixty (60) days after the first discovery of the "privacy event" by you. Notice must include:
 - (1) How, when and where the "privacy event" took place;
 - (2) A description of the "privacy event";
 - (3) The number of individuals and type of "personally identifiable information" involved in the "privacy event";

- (4) Upon request by us, the names and addresses of individuals affected by the "privacy event".
- c. You must provide us with all information and assistance that we request and cooperate with us and our designated representatives in the:
- (1) Investigation of any "privacy event" or any acts, errors or omissions that may result in a "privacy event"; and
 - (2) Provision of the services described in "privacy event mitigation expenses".

4. The following is added as respects coverage provided by this endorsement:

Your Right to Claim Information

- a. Upon request, we will provide the first Named Insured shown in the Declarations the following information relating to this and any preceding first discovery coverage endorsement we have issued to you during the previous three years:

- (1) A list or other record of each "network security or data breach event" or "privacy event", not previously reported to any other insurer, of which we were notified in accordance with Paragraph 2. **Duties In the Event of Occurrence, Offence, Claim or Suit of Section IV – Conditions** or Paragraph D.3. above. We will include the date and brief description of the "network security or data breach event" or "privacy event" if that information was in the notice we received.
- (2) A summary by policy year, of payments made and amounts reserved, stated separately, under any applicable aggregate limit.
Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values.

- b. You must not disclose this information to any claimant or any claimant's representative without our consent.

- c. We compile claim and related information for our own business purposes and exercise reasonable care in doing so. In providing this information to the first Named Insured, we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on behalf of any insured. Cancellation or non-renewal will be effective even if we inadvertently provide inaccurate information.

5. All references to **Coverages A** and **B** are amended to read **Coverages A, B, E, and F** under Paragraph 4. **Other Insurance** as respects coverage provided by this endorsement.

6. The following is added under Paragraph 4. **Other Insurance** as respects coverage provided by this endorsement:

- d. However, if the insured has another policy, coverage part or endorsement issued by us or one of our affiliated companies that applies to damages, loss or expense we cover under this endorsement, the most we will pay in total is the single largest applicable limit. This limitation on the amount we will pay applies regardless of whether this coverage or the other coverage is primary, unless the other coverage was purchased specifically to apply in excess of this coverage.

E. The following definitions are added to **Section V – Definitions**:

1. "Computer system" means any:

- a. Computer hardware, including Personal Digital Assistants (PDAs) and other transportable or hand held devices, software or firmware, or components thereof including data stored thereon, and associated networking equipment or backup facilities;
- b. Communications networks including the internet, intranets, extranets or virtual private networks to the extent used by the items in a. above;

By which "electronic data" is collected, transmitted, processed, stored or retrieved.

"Computer system" includes "electronic data" that is stored on any of the items described in a. above or temporarily outside of your "computer system" for use by an insured.

2. "Confidential corporate information" means any commercial trade secret, data, design, interpretation, forecast, formula, method, practice, process, record, report or other item of information of a third party which is:

- a. Not available to the general public; and
 - (1) Provided to you under a mutually agreed to written confidentiality or non-disclosure agreement; or
 - (2) Marked confidential or otherwise specifically designated in writing as confidential by such third party.

3. "Electronic Data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
4. "Network Security or Data Breach Event" means:
 - a. Transmission of malware from your "computer system" to a third party;
 - b. The inability of an authorized user to access your website or your "computer system" because of a denial of service attack; or
 - c. A "privacy event".

As used in this definition, a denial of service attack means a malicious attack intended by the perpetrator to overwhelm the capacity of your "computer system" or website by sending an excessive volume of "electronic data" to such "computer system" or website in order to prevent authorized access to it.

5. "Personally identifiable information" means any:
 - a. Individual's name in combination with any one or more of the following:
 - (1) Social security number;
 - (2) Drivers license number or any other state identification number;
 - (3) Medical or healthcare data including protected health information;
 - (4) Any account number, credit card number or debit card number;
 - (5) Any account relationships, account balances or account histories; or
 - (6) Any password, access code or other security code that would permit access to a financial account.
 - b. Non-public personal information as defined in any part of the following statutes or regulations which regulate 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; or
 - (3) Other state, federal or local privacy laws requiring reasonable security within a "computer system" 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 collect non-public personal information.
6. "Privacy Event" means:
 - a. Unauthorized disclosure of, loss of, theft of, or unintentional delivery or exposure to others of "personally identifiable information" or "confidential corporate information" which is in the insured's care, custody or control. Such disclosure, loss, theft or unintentional delivery or exposure to others is limited to information obtained or released directly from your "computer system"; or
 - b. Failure by you to disclose or warn of actual or potential disclosure or misappropriation of "personally identifiable information" or "confidential corporate information", but only if this endorsement covers such disclosure or misappropriation and it resulted directly from **a.** above; or
 - c. Violation or the investigation of a violation of any federal, state or local privacy statute addressing disclosure or misappropriation of "personally identifiable information" or "confidential corporate information", but only if this endorsement covers such disclosure or misappropriation and it resulted directly from **a.** above.
7. "Privacy Event Mitigation Expense" means:
 - a. Reasonable and necessary fees and expenses for:
 - (1) An outside vendor to conduct a computer forensic analysis with reasonable allocation of time and resources to investigate your "computer system" to determine the cause and extent of a "privacy event";
 - (2) An approved crisis management or legal firm to review the "privacy event" and advise you on the appropriate response;
 - (3) Travel by directors, executive officers, partners or employees of the insured which is done to mitigate damage from the "privacy event";
 - (4) Printing, advertising, mailing of materials or other costs to provide notice to affected parties of a "privacy event" for the purposes of maintaining good will or compliance with any notification requirements imposed by law; and

- (5) Services provided to any individual whose primary identification is the subject of a “privacy event”, but only if the primary purpose of such services is mitigating the effect of the “privacy event”:
 - (i) Reasonable fees and expenses to establish, maintain and provide call center services;
 - (ii) Credit file monitoring services; or
 - (iii) Reasonable fees and expenses for any other service specifically approved by us in writing.
- b. However, “privacy event mitigation expense” shall not include:
 - (1) Compensation, fees, benefits or overhead of any insured or employee of any insured;
 - (2) Costs or expenses that would have been incurred in the absence of the “privacy event”;
 - (3) Costs or expenses associated with upgrading, maintaining, improving, repairing or remediating any “computer system” as a result of a “privacy event”; or
 - (4) Costs or expenses associated with upgrading, maintaining, improving, repairing or remediating any procedures, services or property as a result of a “privacy event”.

ARCH INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLLUTION LIABILITY

This endorsement modifies the insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE	
“Corrective Action Costs” Reimbursement	\$ <u>1,000,000</u>

(If no entry appears above, information required to complete this endorsement will be shown on the Declarations as applicable to this endorsement.)

I. The following is added to SUPPLEMENTARY PAYMENTS - COVERAGES A AND B:

“Corrective Action Costs” Reimbursement

We will pay up to the amount shown in the Schedule in the aggregate per policy year for “corrective action costs” that you become legally obligated to pay, provided the “corrective action costs” arise directly out of a “pollution incident” that occurs during the policy period at a site or location where you are performing “emergency service actions” or “emergency training actions.”

II. The following changes apply to SECTION I - COVERAGES:

- A.** Exclusion 2.f.(1)(a) under **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is amended to read:

At or from any “underground storage tank system” located at any premises, site or location owned, occupied or rented by the insured prior to or during the policy period. However, this exclusion shall not apply to “bodily injury” or “property damage” arising out of heat, smoke or fumes from a hostile fire;

- B.** Exclusion 2.f.(1)(d) under **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** does not apply to your “emergency service actions” nor to your “emergency training actions.”

- C.** Exclusion 2.f.(2)(b) does not apply to loss, costs, expenses, claims or “suits” arising directly out of your “emergency service actions” or “emergency training actions.”

III. The following is added to SECTION V - DEFINITIONS:

“Corrective action costs” means reasonable and necessary expenses incurred by you for the removal or neutralization of “pollutants” in compliance with any demand or order by the United States Environmental Protection Agency or by the Environmental Protection Agency or similar agency of any U.S. state government, by whatever name called. “Corrective action costs” exclude fines or penalties imposed by any federal, state, or local governmental authority.

“Emergency service actions” means “your work” that:

- (1) Is conducted away from any premises you own, rent or occupy; and
- (2) Is in response to an official request for emergency aid.

“Emergency training actions” means your training activities that:

- (1) Are conducted away from any premises you own, rent or occupy; and
- (2) Form a part of your pre-planned and pre-scheduled official training activities.

“Emergency training actions” includes controlled burns of overgrown vegetation, and fires intentionally ignited by you away from any premises you own, rent or occupy for the purposes of fire suppression training and instruction.

“Environmental damage” means the injurious presence in or upon land, the atmosphere, or any watercourse or body of water of solid, liquid, gaseous or thermal contaminants, irritants or pollutants.

“Regulated substances” means:

- (1) Petroleum and all refined by-products of petroleum such as gasoline, diesel fuel, fuel oil, kerosene, or propane; and
- (2) Any hazardous substance as defined in Section 101(4) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA).

“Pollutants” means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

“Pollution incident” means emission, discharge, release or escape of “pollutants” into or upon land, the atmosphere, or any watercourse or body of water, provided that such emission, discharge, release or escape results in “environmental damage”. The entirety of any such emission, discharge, release or escape shall be deemed to be one “pollution incident”.

“Underground storage tank system” means a tank or tanks including any connected piping, ancillary equipment and containment systems that are:

- (1) Used to contain “regulated substances;” and
- (2) Located partially or wholly below the surface of the ground; and
- (3) In contact with any surface or subsurface soils.

ARCH INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FINES AND PENALTIES

This endorsement modifies the insurance provided under the following:

EMERGENCY SERVICE LIABILITY COVERAGE FORM

In the event of a "wrongful act" involving the violation of any federal, state or local statute, ordinance or regulation that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of individually identifiable health information, we will pay up to \$100,000 per policy period for fines and penalties assessed by a federal, state or local authority as a result of such violation.

Payment of such fines and penalties will not reduce the limits of insurance otherwise applicable to the "wrongful act".