

Insurance Agents Professional Liability

THIS IS A CLAIMS MADE AND REPORTED POLICY. THIS INSURANCE AGENTS PROFESSIONAL LIABILITY POLICY IS LIMITED TO LIABILITY FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST AN INSURED DURING THE POLICY PERIOD OR AN OPTIONAL EXTENDED REPORTING PERIOD (IF APPLICABLE) AND REPORTED TO THE COMPANY IN WRITING PURSUANT TO THE TERMS AND CONDITIONS OF THIS POLICY. LOSS, CLAIM EXPENSES AND NOTIFICATION EXPENSES REDUCE THE LIMIT OF LIABILITY. PLEASE REVIEW THIS POLICY CAREFULLY WITH YOUR INSURANCE BROKER OR ADVISOR.

In consideration of the payment of the premium, the undertaking of the **Named Insured** to pay the Deductible herein, and in reliance upon all statements made and information in the **Application**, which is deemed attached hereto and made a part of this Policy, and subject to the Limit of Liability and Deductible as well as all the terms, conditions, limitations and exclusions of this Policy, the Company agrees with the **Named Insured** as follows:

The Company shall mean the insurance carrier set forth in the Declarations of this Policy.

I. INSURING AGREEMENTS

(A) Professional Services Liability Coverage

The Company shall pay **Loss** and **Claim Expenses**, in excess of the Deductible and subject always to this Policy's Limit of Liability, that an **Insured** shall become legally obligated to pay as a result of a **Claim** made against an **Insured** for a **Wrongful Act** arising from **Professional Services**, provided always that: (1) the **Claim** is first made against an **Insured** during the **Policy Period** or the Optional Extended Reporting Period, if applicable; and reported to the Company in writing during the **Policy Period**, or within sixty (60) days after the end of the **Policy Period**, or during the Optional Extended Reporting Period, if applicable; (2) an **Insured's** partners, principals, officers, directors, **Managers** or risk managers had no knowledge of any circumstances, dispute, situation or incident that could reasonably have been expected to give rise to such **Claim** prior to the Knowledge Date stated in the Declarations of this Policy; and (3) the **Wrongful Act** takes place on or after the Retroactive Date set forth in the Declarations of this Policy and prior to the end of the **Policy Period**.

(B) Network Security and Privacy Liability Coverage

The Company shall pay **Loss**, **Claim Expenses** and **Notification Expenses**, up to a Sublimit of Liability of USD25,000 in the aggregate, that an **Insured** shall become legally obligated to pay as a result of a **Claim** made against an **Insured** for a **Wrongful Act** arising from **Professional Services** and resulting in a **Privacy Breach** or a **Security Breach**, provided always that: (1) the **Claim** is first made against an **Insured** during the **Policy Period** or during the Optional

Extended Reporting Period, if applicable; and reported to the Company in writing during the **Policy Period**, or within sixty (60) days after the end of the **Policy Period**, or during the Optional Extended Reporting Period, if applicable; (2) an **Insured's** partners, principals, officers, directors, **Managers** or risk managers had no knowledge of any circumstances, dispute, situation or incident that could reasonably have been expected to give rise to such **Claim** prior to the Effective Date stated in the Declarations of this Policy; and (3) such **Wrongful Act** takes place on or after the Retroactive Date set forth in the Declarations of this Policy and prior to the end of the **Policy Period**.

This Sublimit of Liability is part of, and not in addition to, the Limit of Liability stated in the Declarations of this Policy. Payment of **Loss, Claim Expenses** and **Notification Expenses** as a result of a **Privacy Breach** or a **Security Breach** shall reduce the available Sublimit of Liability, which will also reduce the available Limit of Liability of this Policy.

All payments made by the Company pursuant to coverage provided by **Insuring Agreement I. (B)** shall not be subject to any Deductible.

II. SUPPLEMENTAL COVERAGES

All payments made by the Company pursuant to coverage provided by Section II. shall not be subject to any Deductible and shall not operate to reduce this Policy's Limit of Liability.

(A) Regulatory Proceedings

The Company shall reimburse an **Insured**, upon written request, up to USD15,000 per **Regulatory Proceeding**, subject to a maximum of USD30,000 in the aggregate under this Policy for reasonable and necessary legal fees and expenses incurred by an **Insured**, with the prior written consent of the Company, in responding to a **Regulatory Proceeding** brought directly against an **Insured** by or before a state licensing board, provided always that the following conditions are satisfied:

- (1) the **Regulatory Proceeding** arises out of an **Insured's Professional Services**; and
- (2) the **Regulatory Proceeding** is first initiated against an **Insured** during the **Policy Period** and is also reported to the Company, in writing, during the **Policy Period** or within sixty (60) days after the end of the **Policy Period**.

After the Company has paid USD30,000 in the aggregate under this provision, the Company shall not be obligated to pay any further legal fees or expenses in connection with any **Regulatory Proceeding** under this Policy.

When this provision applies, the Company shall have the right, but not the duty to defend any **Insured** in any **Regulatory Proceeding**.

(B) Subpoena Response Assistance

The Company shall reimburse an **Insured**, upon written request, up to USD30,000 in the aggregate under this Policy for reasonable and necessary legal fees and expenses incurred by an **Insured**, with the prior written consent of the Company, in responding to a subpoena served upon an **Insured**, provided always that the following conditions are satisfied:

- (1) the subpoena arises out of an **Insured's Professional Services**; and
- (2) the subpoena is served upon an **Insured** during the **Policy Period** and is also reported to the Company, in writing, during the **Policy Period** or within sixty (60) days after the end of the **Policy Period**.

After the Company has paid USD30,000 in the aggregate under this provision, the Company shall not be obligated to pay any further legal fees or expenses in connection with any subpoena under this Policy.

When this provision applies, the Company shall have the right, but not the duty to defend any **Insured** in connection with any subpoena.

However, if a **Claim** is subsequently made against an **Insured** alleging a **Wrongful Act** arising from **Professional Services**, the Company shall have the right to cease any payment under this provision.

(C) Insured's Expense Reimbursement

The Company shall reimburse an **Insured**, upon written request, for reasonable and necessary expenses incurred by an **Insured** and provable loss of wages sustained by an **Insured**, if an **Insured** is required by the Company to attend legal proceedings in connection with the defense of a **Claim**. Such reimbursement shall be subject always to the following:

- (1) the maximum reimbursement for such expenses shall not exceed USD500 per day, and USD7,500 per **Claim**, for an **Insured** who attends such proceedings at the Company's request; and
- (2) the Company's maximum aggregate liability for payment of reasonable and necessary expenses shall not exceed USD25,000 under this Policy.

After the Company has paid USD25,000 in the aggregate under this provision, the Company shall not be obligated to pay any further expenses incurred or wages lost by any **Insured** under this Policy.

(D) Crisis Management Expenses

The Company shall reimburse an **Insured**, upon written request, up to USD25,000 per **Crisis Incident**, subject to a maximum of USD50,000 in the aggregate under this Policy for reasonable and necessary **Crisis Management Expenses** incurred by an **Insured** arising out of a **Crisis Incident** provided always that the following conditions are satisfied:

- (1) such **Crisis Incident** occurs during the **Policy Period** and is reported to the Company within three (3) calendar days of the **Crisis Incident**; and
- (2) such **Crisis Management Expenses** are incurred within twelve (12) months of the date that an **Insured** reports the **Crisis Incident** to the Company.

After the Company has paid USD50,000 in the aggregate under this provision, the Company shall not be obligated to pay any further **Crisis Management Expenses** under this Policy.

III. DEFENSE, INVESTIGATION & SETTLEMENT OF CLAIMS

(A) Defense

The Company shall have the right and duty to defend any **Claim** to which this Policy applies, even if the allegations are groundless or false. The Company has the sole right to select and appoint legal counsel to represent any **Insured** with respect to any **Claim** to which this Policy applies. The Company's duty to defend any **Claim** shall cease upon exhaustion of the applicable Limit of Liability or Sub-Limit of Liability.

(B) Investigation and Settlement of Claims

- (1) An **Insured** shall not, except at its own expense, incur any **Claim Expenses**, engage in settlement negotiations, enter into any settlement agreement, make any payment, agree to make any payment, admit any liability, assume any obligation or incur any expense without the prior written consent of the Company, such consent not to be unreasonably withheld. The Company shall not be liable for any **Claim Expenses**, settlement or other amount, assumed obligation or admission, to which it has not given its prior written consent.
- (2) The Company shall have the right and sole discretion to conduct any investigation it deems necessary.
- (3) The Company may, with the consent of the **Named Insured**, settle any **Claim** it deems reasonable and necessary.

- (4) If any **Insured** refuses to consent to any settlement recommended by the Company, then the Company's liability for such **Claim** shall not exceed:
- (a) the amount of the recommended settlement plus **Claim Expenses** incurred up to the date of an **Insured's** refusal to consent to the recommended settlement; plus
 - (b) fifty percent (50%) of any **Loss** and **Claim Expenses**, in excess of the amount referenced in paragraph (a) above, incurred in connection with such **Claim**, subject always to all other applicable terms and conditions of this Policy, including, but not limited to, the Deductible and the Limit of Liability.
 - (c) The remaining fifty percent (50%) of any **Loss** and **Claim Expenses**, in excess of the amount referenced in paragraph (b) above, shall be the sole responsibility of an **Insured**.

IV. DEFINITIONS

(A) **Application**

"**Application**" shall mean all applications and/or proposals, including any attachments thereto, and all other information and materials submitted by or on behalf of any **Insured** to the Company in connection with the underwriting of this Policy, or any other policy or policies of which this Policy is an indirect or direct renewal or replacement.

(B) **Bodily Injury**

"**Bodily Injury**" shall mean physical injury, sickness, disease, death of a person, mental anguish, emotional distress, mental injury, shock, humiliation, pain and suffering, or any similar injury to any person.

(C) **Claim**

"**Claim**" shall mean:

- (1) a written demand made against any **Insured** for monetary damages or non-monetary relief, or
- (2) any civil, arbitration or administrative proceeding commenced by the service of a complaint or similar pleading and initiated against any **Insured**; including any appeal thereof.

However, **Claim** does not include any criminal or investigative proceedings initiated against any **Insured** or subpoenas served upon any **Insured**.

A **Claim** will be deemed to have been first made against an **Insured** when any **Insured** first receives written notice of such **Claim**.

(D) Claim Expenses

“**Claim Expenses**” shall mean (1) reasonable and necessary legal fees and expenses charged by an attorney selected and appointed by the Company in defense of a **Claim** or circumstance that may lead to a **Claim**; and (2) all other reasonable and necessary fees, costs or expenses incurred in the investigation, adjustment, defense and appeal of a **Claim** if incurred by the Company or an attorney selected and appointed by the Company, or by an **Insured** with the prior written consent of the Company (provided, however, that the Company shall have no obligation to apply for or furnish any bond for appeal, injunction, attachment or similar purpose).

“**Claim Expenses**” shall not include: (1) salary expenses, wages or lost earnings of any **Insured**; (2) any fees, costs, or expenses incurred with respect to any criminal proceedings or criminal actions against any **Insured**; (3) any fees, costs, or expenses incurred by any **Insured** in connection with a disciplinary or regulatory proceeding; or (4) any fees, costs, or expenses incurred by an **Insured** in connection with responding to a subpoena.

(E) Computer System

“**Computer System**” shall mean computer hardware, software, firmware, and components thereof, including electronic data stored therein, which are linked together through a network of two or more computers, including such networks accessible through the **Internet**, intranets, extranets, clouds or other virtual private networks.

(F) Crisis Incident

“**Crisis Incident**” shall mean a situation that in the reasonable opinion of the **Named Insured** did cause or is reasonably likely to result in significant harm to the reputation of the **Named Insured**. **Crisis Incident** shall not include a **Privacy Breach**.

(G) Crisis Management Expenses

“**Crisis Management Expenses**” shall mean reasonable fees, costs, and expenses incurred and paid by an **Insured** for services provided by a public relations firm to an **Insured** to mitigate any actual or potential negative publicity arising out of any **Crisis Incident**. **Crisis Management Expenses** shall not include any **Claim Expenses**.

(H) Domestic Partner

“**Domestic Partner**” shall mean any person qualifying as such under any federal, state or local laws, or under an **Insured’s** employee benefit plan or program.

(I) Independent Contractor

“**Independent Contractor**” shall mean any individual, including leased employees, contracted to perform **Professional Services** on behalf of and at the direction of the **Named Insured**, but only if:

- (1) the **Named Insured** entered into a written contract for specific **Professional Services** provided by the **Independent Contractor**; and
- (2) the **Named Insured** agrees via written contract to indemnify the **Independent Contractor** for **Claims** arising from the performance of **Professional Services**.

(J) Insured

“**Insured**” shall mean:

- (1) the **Named Insured** designated as such in the Declarations of this Policy;
- (2) any natural person who is a current, former or future partner, principal, officer, **Manager**, director, member or employee of any **Insured** with respect to a **Wrongful Act** committed only while acting within the scope of his or her duties on behalf of any **Insured**;
- (3) any natural person who is contract, temporary or leased personnel rendering **Professional Services**, but only with respect to a **Wrongful Act** committed while acting under the direct supervision of and on behalf of any **Insured**;
- (4) the lawful spouse or **Domestic Partner** of an **Insured** (as set forth in paragraphs (2) or (3) above) for any **Claim** made against such spouse or **Domestic Partner** solely by reason of his/her status as a spouse or **Domestic Partner** of an **Insured** or his/her ownership interest in marital property/assets that are sought as recovery for such **Claim**, but only if the **Claim** does not allege any **Wrongful Act** by such spouse or **Domestic Partner**;
- (5) the estate, heirs, assigns or legal representatives of any **Insured** (as set forth in paragraphs (2) or (3) above) in the event of such **Insured’s** death, incapacity or insolvency, for any **Claim** made against the estate, heirs, assigns or legal representatives of such **Insured** solely by reason of his/her/its status as the estate, heirs, assigns or legal representatives of such **Insured** and only to the extent that coverage would have otherwise been provided under this Policy to such **Insured**;
- (6) **Subsidiary**;
- (7) **Predecessor Firm**; and

(8) an **Independent Contractor**.

(K) Internet

“**Internet**” shall mean the worldwide public network of computers commonly known as the internet, as it currently exists or may exist in the future.

(L) Interrelated Wrongful Acts

“**Interrelated Wrongful Acts**” shall mean all **Wrongful Acts** that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of causally connected facts, circumstances, situations, events, transactions or causes.

(M) Loss

“**Loss**” shall mean a monetary judgment, award or settlement for damages including statutory attorneys’ fees and costs. **Loss** shall also include pre and post judgment interest, the non-multiplied portion of punitive and exemplary damages to the extent such damages are insurable under the law of the most favorable applicable jurisdiction that allows coverage for such damages. **Loss** shall not include:

- (1) any amount for which any **Insured** is not financially liable or that are without legal recourse to an **Insured**;
- (2) criminal or civil fines, penalties, taxes or sanctions;
- (3) the multiple portion of any multiplied damages award;
- (4) the return, reduction, disgorgement, withdrawal, restitution or refund of any profits or commissions accrued or fees and expenses charged by any **Insured**;
- (5) any remuneration, salaries, regular or overtime wages, benefits or fees of an **Insured** or fees and expenses of independent adjusters;
- (6) liquidated damages;
- (7) all amounts associated with any orders or agreements to provide affirmative, equitable, injunctive or non-monetary relief, other than **Claim Expenses** associated with such relief;
- (8) any matters, judgments, damages or other amounts uninsurable under the laws pursuant to which this Policy is construed; or
- (9) any amount allocable to uncovered **Loss** under this Policy.

(N) Malicious Code

“**Malicious Code**” shall mean unauthorized, corrupting or harmful software code, including, but not limited to, computer viruses, Trojan horses, keystroke loggers, cookies, spyware, adware, worms and logic bombs.

(O) Manager

“**Manager**” shall mean any natural person who is a past, present or future manager, managing member, member of the board of managers or equivalent executive of the **Named Insured**.

(P) Mediation

“**Mediation**” shall mean the voluntary, non-binding process by which a qualified, professional third-party neutral intercedes between the parties to a **Claim** with the intention to resolve such **Claim**. The term **Mediation** shall not include any court-ordered dispute resolution nor shall the term include arbitrations.

(Q) Named Insured

“**Named Insured**” shall mean the entity or individual designated as such in the Declarations of this Policy.

(R) Network Security

“**Network Security**” shall mean any hardware or software with a function or purpose of loss mitigation or prevention of a computer attack. **Network Security** shall include, but shall not be limited to the following: firewalls, filters, DMZs, computer virus protection software, intrusion detection, the electronic use of passwords or similar identification of authorized users, and encryption.

(S) Notification Expenses

“**Notification Expenses**” shall mean those reasonable and necessary expenses that an **Insured** shall become legally obligated to pay, solely to comply with **Privacy Regulations**, including communications with, and credit monitoring services for, affected customers and/or clients. **Notification Expenses** shall not include **Claim Expenses**.

(T) Personal Information

“**Personal Information**” shall mean an individual’s first and last name together with any one or more of that individual’s:

- (1) social security number;
- (2) medical or healthcare data or other protected health information;

- (3) driver's license number, state identification number, or zip code;
- (4) account number, debit or credit card number together with any required security code, access code or password that would permit access to the individual's financial account; or
- (5) any non-public information of an individual as such might be defined by a **Privacy Regulation**.

Personal Information shall not include any information that is lawfully available to the general public for any reason including, but not limited to, any information contained in federal, state or local government records.

(U) Personal Injury

"Personal Injury" shall mean any actual or alleged:

- (1) false arrest, detention, or imprisonment;
- (2) wrongful entry, wrongful eviction, or other invasions of private occupancy;
- (3) malicious prosecution;
- (4) libel, slander, or other defamatory or disparaging material or a publication or utterance in violation of an individual's right of privacy; or
- (5) libel or slander that defames a person or organization, or disparaged the goods, products or services of a person or organization;

solely in the performance or failure to perform **Professional Services**.

(V) Policy Period

"Policy Period" shall mean the period from the Effective Date of this Policy to its Expiration Date as set forth in the Declarations of this Policy, or this Policy's earlier termination date, if any. **Policy Period** specifically excludes the sixty (60) days following expiration referenced in Section **IX.(A)** and specifically excludes the Optional Extended Reporting Period.

(W) Predecessor Firm

"Predecessor Firm" shall mean the entity or individual designated as such in an Endorsement to this Policy.

(X) Privacy Breach

"Privacy Breach" shall mean a common law or statutory breach of confidence or violation of any common law or statutory rights to privacy, including, but not

limited to, a breach of an **Insured's Privacy Policy**, or public disclosure of a person's **Personal Information**.

(Y) Privacy Policy

"**Privacy Policy**" shall mean an **Insured's** policies in written or electronic form that govern the collection, dissemination, confidentiality, integrity, accuracy or availability of **Personal Information** provided to an **Insured's** employees or third parties.

(Z) Privacy Regulation

"**Privacy Regulation**" shall mean any federal, state or local statute, legislative act or regulation governing the confidentiality, control and use of personally identifiable financial, medical or other sensitive information, including, but not limited to:

- (1) Health Insurance Portability and Accountability Act of 1996 or any regulations promulgated thereunder;
- (2) Gramm-Leach-Bliley Act of 1999 or any regulations promulgated thereunder;
- (3) the Identity Red Flags under the Fair and Accurate Credit Transactions Act of 2003 or any regulations promulgated thereunder; and
- (4) any other similar federal, state or local identity theft and privacy protection statutes or regulations that require commercial entities that collect **Personal Information** to post privacy policies, adopt privacy policies and/or controls or notify individuals if **Personal Information** has potentially been compromised.

(AA) Professional Services

"**Professional Services**" shall mean only the following activities undertaken by a licensed insurance agent, insurance broker, managing general agent, surplus lines broker, wholesale insurance broker, underwriting manager, managing general underwriter, claims adjuster, and/or program administrator:

- (1) the soliciting, placing, selling or servicing of any of the following:
 - (a) property and casualty insurance;
 - (b) life insurance, accident and health insurance, workers compensation insurance as part of a 24-hour accident and health insurance product, long-term care insurance, disability income insurance, or fixed annuities;

- (c) variable products, including, but not limited to, variable annuities, flexible and scheduled premium annuities, and variable life insurance, but only as a licensed registered representative to provide such products; or
 - (d) employee benefit plans, including, but not limited to, Group Plans, Group or Ordinary Pension or Profit Sharing Plans, 401-(K) or 501 (b) Plans, Retirement Annuities, Life, Accident and Health or Disability Plans;
- (2) insurance consulting and expert witness services in connection with insurance related matters;
 - (3) appraising real or personal property for a client in connection with the products set forth above;
 - (4) arrangement of premium financing for a client in connection with the placement of insurance coverage;
 - (5) safety consulting, loss control services, teaching insurance/risk management courses/seminars, and risk management services for a client in connection with the products set forth above;
 - (6) tax advice which is an incidental part of the rendering of **Professional Services**; and
 - (7) services as a notary public in connection with soliciting, placing, selling or servicing of insurance coverage.

“**Professional Services**” shall include services performed for others, by or on behalf of an **Insured**, on or via the **Insured’s Computer System**, e-mail, telecommunication or similar system.

“**Professional Services**” shall not include the sale, attempted sale, servicing, or any activities in connection with securities, including, but not limited to, stocks, bonds, limited partnerships, promissory notes, viatical settlements, leasing arrangements, real estate trusts, or investment participation or pooling arrangements.

(BB) Property Damage

“**Property Damage**” shall mean:

- (1) physical injury to, or destruction of, tangible property including loss of use resulting therefrom; or
- (2) loss of use of tangible property that has not been physically injured or destroyed.

(CC) Regulatory Proceeding

“**Regulatory Proceeding**” shall mean a formal proceeding by a state or other regulatory or disciplinary official, board or agency to investigate charges of professional misconduct by any **Insured** in the performance of or failure to perform **Professional Services**.

(DD) Security Breach

“**Security Breach**” shall mean:

- (1) the failure by any **Insured** to prevent the transmission of a **Malicious Code** from a **Computer System** to a third party’s computers and systems;
- (2) the failure by any **Insured** to provide any authorized third party user of an **Insured’s** website, or an **Insured’s** computer or communications network, with access to such website, or computer or communications network;
- (3) the failure by any **Insured** to prevent unauthorized access to or use of data containing **Personal Information** of others; or
- (4) the failure by any **Insured** to provide notification of any actual or potential unauthorized access to or use of data containing **Personal Information** of others if such notification is required by **Privacy Regulation**.

(EE) Subsidiary

“**Subsidiary**” shall mean any:

- (1) corporation, in which and for as long as, the **Named Insured** owns or controls, either directly or indirectly, more than fifty percent (50%) of the issued and outstanding voting securities representing a right to vote for the election of the board of directors of such corporation;
- (2) limited liability company, in which and for as long as, the **Named Insured** owns or controls, either directly or indirectly, the right to elect, appoint or designate more than fifty percent (50%) of the members of the board of managers or management committee of such limited liability company; or
- (3) any other entity in which the **Named Insured** owns or controls more than fifty percent (50%) of the ownership equity, including any limited or general partnership;

Notwithstanding the above, any entity that becomes a **Subsidiary** after the Effective Date of this Policy, such entity shall not be automatically deemed a **Subsidiary** if such entity’s annual gross revenues exceed twenty-five percent

(25%) of the **Named Insured's** consolidated annual gross revenues as of the Effective Date of this Policy.

There is no coverage for any **Claim** for a **Wrongful Act** committed by a **Subsidiary**, which took place prior to the time such entity became a **Subsidiary** or which takes place when such entity is no longer a **Subsidiary**.

(FF) Wrongful Act

"**Wrongful Act**" shall mean:

- (1) any actual or alleged negligent act, error or omission committed or allegedly committed by any **Insured** solely in connection with the rendering of **Professional Services**; or
- (2) **Personal Injury** actually or allegedly caused by an **Insured** solely in connection with the rendering of **Professional Services**.

For all purposes under this Policy, the same **Wrongful Act** or any **Interrelated Wrongful Acts** shall be deemed to have been committed at the time when the first such **Wrongful Act** was committed.

V. EXCLUSIONS AS TO THE ENTIRE POLICY

This Policy does not apply to any **Claim, Claim Expenses, Notification Expenses** or **Loss**:

- (A)** based upon or arising out of any dishonest, criminal, fraudulent, malicious or intentional acts, errors or omissions, committed or allegedly committed by any **Insured** or any individual or entity for which any **Insured** is legally liable; however, the Company may pay **Claim Expenses** incurred in connection with the defense of any actual or alleged dishonest, criminal, fraudulent, malicious or intentional acts, errors or omissions, committed or allegedly committed by any **Insured**, until such time as there is a final adjudication in the matter.

Notwithstanding the foregoing, Section **V.(A)** shall not apply to any **Insured**, who is a natural person, who did not commit, participate in, or have prior knowledge of any dishonest, criminal, fraudulent, malicious, or intentional, acts, errors or omissions to which Section **V.(A)** would otherwise apply.

- (B)** based upon or arising out of, any actual or alleged violations of any federal, state, local, foreign or common law, prohibiting any kind of discrimination, harassment, retaliation, misconduct or wrongful employment conduct. This Exclusion applies whether an **Insured** may be liable as an employer, prospective employer or in any other capacity.

(C) based upon or arising out of any actual or alleged breach of contract or agreement by any **Insured**, or for the liability of others assumed by any **Insured** under any oral or written contract or agreement, unless:

- (1) such liability would have attached to such **Insured** even in the absence of such contract or agreement; or
- (2) such liability is assumed by an **Insured** under a Standard Agency Agreement or Brokerage Agreement.

For purposes of this Exclusion, “Standard Agency Agreement” or “Brokerage Agreement” shall mean an executed, written contract between an **Insured** and an insurance company, the purpose of which is to establish a relationship whereby that **Insured** represents the insurance company in the capacity as an agent, broker, wholesaler or general agent.

(D) by or on behalf of any:

- (1) **Insured**;
- (2) entity in which the **Insureds** collectively own a ten percent (10%) or greater financial interest;
- (3) entity that is or was operated, managed or controlled by any **Insured**;
- (4) entity in which any **Insured** is an officer, director, partner, principal, or an employee;
- (5) parent company or other entity which owns greater than ten percent (10%) of any **Insured**; or
- (6) any governmental or quasi-governmental official, agency or licensing organization; however, this Exclusion shall not apply to a **Claim** brought by or on behalf of such entity in its capacity as a client of an **Insured**.

(E) based upon or arising out of, any actual or alleged unsolicited electronic dissemination of faxes or e-mails to multiple actual or prospective customers of an **Insured** or any other third party, including, but not limited to, actions brought under the Telephone Consumer Protection Act, any federal or state anti-spam statutes, and/or any federal or state statutes, laws or regulations relating to a person’s or entity’s right to seclusion.

(F) based upon or arising out of, any actual or alleged violation of:

- (1) any Multiple Employer Welfare Arrangement within the meaning of the Employee Retirement Income Security Act of 1974;
- (2) any Voluntary Employee Beneficiary Association within the meaning of the Employee Retirement Income Security Act of 1974;

- (3) The Securities Act of 1933;
- (4) The Securities Exchange Act of 1934;
- (5) any State Blue Sky or Securities Law;

or any amendments thereto, including any rules or regulations issued in relation to such acts, or any other similar local, state, federal or foreign statutes, laws, rules, regulations or ordinances, provided, however, this Exclusion shall not apply to a **Claim** arising from **Professional Services** set forth in Definition **(AA)**.

(1).

(G) for:

- (1) **Bodily Injury**; or
- (2) **Property Damage**.

However, this Exclusion shall not apply to a **Claim** based upon or arising out of the performance or failure to perform **Professional Services**, as long as the **Bodily Injury** or **Property Damage** was not directly caused by an **Insured**.

(H) based upon or arising out of any actual or alleged guarantees, promises or warranties as to interest rates, market rates, earnings, future values, future premiums, or payments in connection with life insurance or annuities.

(I) based upon or arising out of a nuclear reaction, radiation, or contamination or originating from a nuclear facility where nuclear material is stored or disposed of, or where a nuclear reactor is located, under any circumstances and regardless of cause.

(J) for:

- (1) the actual, alleged or threatened discharge, dispersal, release, escape, migration or seepage of; or
- (2) any request, demand, order or statutory or regulatory requirement that any **Insured** abate, test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, remediate or dispose of or in any way respond to or assess the effects of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, soot, vapors, fumes, acids, alkalis, chemicals, hazardous substances, hazardous materials or waste materials (including materials to be recycled, reconditioned or reclaimed) on, in, into, or upon land or structures thereupon, the atmosphere, any watercourse, body of water or groundwater, provided, however, this Exclusion shall not apply to a **Claim** arising from **Professional Services** set forth in Definition **(AA)**. **(1)**.

- (K) based upon or arising out of any actual or alleged **Privacy Breach** or a **Security Breach**, except to the extent covered under **Insuring Agreement I.(B)**.
- (L) based upon or arising out of any person's actual or alleged performance, or failure to perform services as an attorney, financial planner, financial advisor, actuary, accountant, tax preparer, real estate agent or real estate broker, third party claims administrator, Registered Investment Advisor, reinsurance broker or securities broker/dealer.
- (M) based upon or arising out of the notarized certification or acknowledgement of a signature without the physical appearance, at the time of such notarization, before the notary public, of the person who is or claims to be the person signing.
- (N) based upon or arising out of any actual or alleged sale, attempted sale, servicing, advice, or planning with respect to any form of insurance, benefit plan or annuity placed directly or indirectly with any organization, entity or vehicle of any kind, nature or structure which is not licensed or authorized to do business in the state or jurisdiction with authority to regulate such business.

However, this Exclusion shall not apply to a **Claim** based upon or arising out of the placement of insurance or coverage with an eligible surplus lines company in the state or jurisdiction with authority to regulate such business.

- (O) based upon or arising out of the placement of insurance on any property in the care, custody or control of any **Insured** at any time.
- (P) based upon or arising out of the insolvency, receivership, conservatorship, liquidation, bankruptcy or inability to pay of any company, organization, entity, vehicle or arrangement of any nature in which any **Insured** placed, recommended to be placed, obtained coverage, or alleged coverage of a benefit plan.

However, this Exclusion shall not apply to a **Claim** based upon or arising out of the insolvency, receivership, conservatorship, liquidation, bankruptcy or inability to pay of any insurance company rated A.M. Best as B+ or better at the time when an **Insured** placed such coverage or the insurance company was guaranteed by a governmental body or was operated by a governmental body, including, but not limited to, assigned risk plans, Joint Underwriting Associations, or Fair Plans, but not including any state insolvency fund or State Guarantee Fund.

- (Q) based upon or arising out of:
 - (1) any commingling, misappropriation or conversion of funds;
 - (2) the collection, payment or return of, or the failure to collect, pay or return any commissions, fees, client lists or entitlements; or

- (3) any dispute with another insurance agent or broker concerning commissions, fees, client lists or entitlements.
- (R) based upon or arising out of:
 - (1) any benefit plan, insurance program, or trust owned or sponsored by any **Insured** or in which any **Insured** is a participant, trustee or named fiduciary; or
 - (2) the ownership, formation or operation of any insurance company, health maintenance organization, preferred provider organization, captive, risk retention group, self-insurance program or purchasing group.

VI. EXCLUSIONS AS TO INSURING AGREEMENT B ONLY

With respect to **Insuring Agreement I.(B)** only, this Policy does not apply to any **Claim, Claim Expenses, Notification Expenses** or **Loss**:

- (A) based upon or arising out of war, invasion, acts of foreign enemies, actual or alleged terrorism, hostilities or warlike operations (whether war is declared or not), strike, lock-out, riot, civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military acts or usurped power.
- (B) based upon or arising out of fire, smoke, explosion, lightning, wind, water, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, act of God or any other physical event, regardless of the cause.
- (C) based upon or arising out of an **Insured's** intentional failure to disclose the loss of **Personal Information** in violation of any **Privacy Regulation** or common law.
- (D) based upon or arising out of:
 - (1) any failure, outage, surge, brownout or blackout, or any other disruption of power, utility services, satellites, or telecommunications services not within an **Insured's** direct operational control; or
 - (2) any failure of telephone lines, cable lines, data transmission lines or other infrastructure comprising or supporting the **Internet** not within an **Insured's** direct operational control.
- (E) based upon or arising out of the **Insured's** failure to reasonably ensure that an **Insured's Computer System** is protected by security practices and systems maintenance procedures that are equal to or superior to those disclosed in the **Application** for this Policy.

- (F) based upon or arising out of:
- (1) the inability to use, or the lack of performance of, any software: (a) due to the expiration, cancellation or withdrawal of such software; (b) that had not yet been released to the production environment; or (c) that has not passed all test runs or proven successful in daily operations;
 - (2) any **Insured's** failure to take reasonable steps to use, design, maintain and/or upgrade its **Network Security**; or
 - (3) any inadequacy or weakness in any **Insured's Network Security** of which any **Insured** had knowledge prior to the Effective Date of this Policy.
- (G) based upon or arising out of the existence, emission or discharge of any electromagnetic field, electromagnetic radiation or electromagnetism that actually or allegedly affects the health, safety or condition of any person or the environment, or that affects the value, marketability, condition or use of any real or personal property, or that actually or allegedly causes **Bodily Injury** or **Property Damage**.
- (H) based upon or arising out of any failure or defective design, architecture or configuration of any **Insured's Computer System**, including, but not limited to, the failure to design for traffic and capacity requirements.

VII. LIMIT OF LIABILITY / DEDUCTIBLE

(A) Limit of Liability

The amount stated in the Declarations of this Policy shall be the Company's per **Claim** and maximum aggregate Limit of Liability for all **Loss**, including **Claim Expenses** and **Notification Expenses**, for all **Claims** first made during the **Policy Period**, including any Optional Extended Reporting Period, if purchased.

(B) Exhaustion of Limit of Liability

The Company shall not be liable to pay any **Loss**, **Claim Expenses** or **Notification Expenses**, or continue the defense of any **Claim**, after the Limit of Liability, or applicable Sublimit of Liability, has been exhausted.

The payment of **Loss**, **Claim Expenses** or **Notification Expenses** by the Company reduces and may totally exhaust the applicable Limit of Liability, or applicable Sublimit of Liability.

(C) Deductible

- (1) The Deductible amount stated in the Declarations of this Policy shall apply to **Loss** and **Claim Expenses** for each **Claim**. The Company shall

not be obligated to pay **Loss** or **Claim Expenses** until an **Insured** pays the applicable Deductible in full.

- (2) Notwithstanding paragraph **(C)(1)** above, an **Insured's** obligation and liability to pay the Deductible shall not exceed an Aggregate Deductible amount of three (3) times the Deductible amount stated in the Declarations of this Policy, for all **Claims** first made against an **Insured** and reported to the Company, in writing, during the **Policy Period**.

Any payments made to satisfy the retention or deductible under another policy of insurance shall not satisfy or apply towards the applicable Deductible, or any portion thereof, under this Policy.

(D) Mediation of Claims Deductible Credit

The applicable Deductible amount stated in the Declarations of this Policy will be decreased by fifty percent (50%) and reimbursed to an **Insured** that paid the Deductible, subject to a maximum aggregate reduction of USD25,000, if a **Claim** is fully and finally resolved through **Mediation**. If such **Mediation** does not fully and finally resolve the **Claim**, there shall be no reduction of the Deductible obligation.

(E) Multiple Claims

Two or more **Claims** based upon or arising out of the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be considered a single **Claim** and shall be deemed to have been made when the first such **Claim** was made against any **Insured**. Further, any **Interrelated Wrongful Acts** shall be deemed to have been committed at the time when the first such **Wrongful Act** was committed. A single Deductible and a single per **Claim** Limit of Liability shall apply to any **Claim** or the total of all **Claims** arising from the same **Wrongful Act** or **Interrelated Wrongful Acts**.

(F) Allocation

If a **Claim** made against any **Insured** includes both covered and uncovered allegations or is made against both an **Insured** and others not insured under this Policy, the **Named Insured** and the Company agree that there must be an allocation between insured and uninsured **Loss** and **Claim Expenses**. Additionally, the **Named Insured** and the Company agree that in determining a fair and appropriate allocation of insured and uninsured **Loss** and **Claim Expenses**, the parties will take into account the relative legal and financial exposures of, and relative benefits obtained in connection with, the defense and/or settlement of the **Claim** by the **Named Insured** and others. If there is no agreement as to the allocation of **Claim Expenses**, the Company shall pay the allocated portion of **Claim Expenses** which the Company deems fair and appropriate until such time as an agreement can be reached. In addition, if there

is no agreement on allocation of **Loss** and **Claim Expenses**, no presumption as to allocation shall exist in any arbitration, suit or other proceeding.

VIII. TERRITORY

This Policy shall apply to **Wrongful Acts** arising from **Professional Services** worldwide, provided always that the **Claim** against the **Insured** is made, filed and maintained within the United States of America, its territories and possessions or Canada.

IX. NOTIFICATION

(A) As a condition precedent to any available rights under this Policy, if any **Claim** is made against any **Insured**, any **Insured** shall give written notice of the **Claim** to the individual designated in the Declarations of this Policy as soon as practicable, but no later than sixty (60) days after the end of the **Policy Period** or during the Optional Extended Reporting Period (if applicable).

(B) Solely with respect to the coverage provided in **Insuring Agreement I.(A)**, if, during the **Policy Period**, any **Insured** first becomes aware of any circumstance that may lead to a **Claim**, and if any **Insured**, during the **Policy Period** only (and not during the sixty (60) days after the end of the **Policy Period** or during the Optional Extended Reporting Period), gives written notice, to the Company of:

- (1) the circumstances (including the names of the parties involved);
- (2) the specific alleged **Wrongful Act**; and
- (3) the consequences that have resulted therefrom;

then any **Claim** subsequently made against any **Insured** arising in whole or in part out of such circumstances shall be deemed for the purposes of this Policy to have been first made on the date such circumstances were first reported to the Company. The Company shall have no obligation to pay any fees, expenses, or other costs incurred prior to the time such circumstances become a **Claim** and written notice of such **Claim** is provided to the Company pursuant to Section **IX.(A)**. Section **IX.(B)** shall not apply to coverage under **Insuring Agreement I.(B)**.

X. CONDITIONS

(A) Assistance and Cooperation

Every **Insured** shall cooperate with the Company and its representatives and, upon the Company's request, shall submit to examination and interrogation by a representative of the Company, under oath if required; shall attend hearings, depositions and trials; shall assist in effecting settlement; shall cooperate in securing and giving evidence, obtaining the attendance of witnesses and in the conduct of suits; and shall give a written statement or statements to the

Company's representatives and meet with such representatives for the purpose of investigation and/or defense, all without charge to the Company, except as stated in Section **II.(C)** of this Policy. Every **Insured** shall further cooperate with the Company and do whatever is necessary to secure and affect any rights of indemnity, contribution or apportionment that any **Insured** may have.

As a condition precedent to every **Insured's** rights under this Policy, every **Insured** agrees not to settle or offer to settle any **Claim**, incur any **Claim Expenses**, or otherwise assume any contractual obligation, or admit any liability with respect to any **Claim** without the prior written consent of the Company. Every **Insured** must take all reasonable action, within its ability, to prevent and/or mitigate any **Claim** or **Loss** to which this Policy applies and agrees that it shall not take any action which in any way increases the Company's exposure under this Policy.

(B) Subrogation

If any payment is made under this Policy, the Company shall be subrogated to the extent of such payment to all rights of recovery thereof, and any **Insured** shall execute all documents required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Company to effectively bring suit in the name of any **Insured**, and shall provide all other assistance and cooperation which the Company may reasonably require. An **Insured** shall do nothing after a **Claim** is made against an **Insured(s)** to prejudice the Company's subrogation rights.

All recoveries (after first deducting the legal fees and expenses incurred by the Company in obtaining such recovery) shall first be paid to the Company to the extent of any **Loss** or **Claim Expenses** incurred by the Company, with the balance paid to an **Insured**.

(C) Other Insurance

This Policy shall be excess over any other valid and collectible insurance, including the amount of any deductibles and/or retentions, available to any **Insured**, including any insurance under which there is a duty to defend and regardless of whether such other policy or policies are stated to be primary, contributory, excess, contingent or otherwise, unless such insurance is written specifically as excess insurance of this Policy by reference in such other policy to the Policy number as set forth in the Declarations of this Policy.

(D) Cancellation

The **Named Insured** may cancel this Policy by giving advance written notice to the Company stating when thereafter cancellation shall take effect.

If the Company decides to cancel this Policy, the Company will mail a written notice to the **Named Insured** stating on what date cancellation shall be effective and the reason for cancellation. If the reason is because of non-payment of premium, then the date of cancellation will be at least ten (10) days from the date of the Company's notice of cancellation. If it is for any other reason, then the date of cancellation will be at least sixty (60) days from the date of the Company's notice of cancellation.

If this Policy is cancelled by the Company before the Expiration Date the return portion of the premium shall be computed on a prorated basis. If the **Named Insured** elects to cancel this Policy before the Expiration Date, the Company will return ninety percent (90%) of the unearned premium as computed on a prorated basis. Cancellation is not contingent upon acceptance by the **Named Insured** of the unearned premium.

(E) Optional Extended Reporting Period

If this Policy is cancelled or non-renewed by the Company for any reason other than fraud, material misrepresentation, material omission or for the non-payment of premium, or if the **Named Insured** cancels or chooses not to renew this Policy, then the **Named Insured** shall have the right, following the effective date of such cancellation, if applicable, or the Expiration Date of the Policy, to purchase an Optional Extended Reporting Period, upon written request and payment of an additional premium of up to the percentage of the full annual premium not to exceed:

- For 12 months: 100% of the full annual premium.
- For 24 months: 150% of the full annual premium.
- For 36 months: 185% of the full annual premium.
- For 72 months: 250% of the full annual premium.

At the commencement of the Optional Extended Reporting Period, the entire premium shall be considered fully earned.

Any such Optional Extended Reporting Period:

- (1) shall only apply with respect to any **Claim** first made during the Optional Extended Reporting Period and only with respect to any **Wrongful Acts** committed before the effective date of cancellation, if applicable, or the Expiration Date of the Policy;
- (2) shall be evidenced by issuance of an Endorsement to this Policy;
- (3) is subject to all of the terms, conditions, limitations and exclusions of this Policy;

- (4) shall require payment within thirty (30) days from the **Named Insured's** written request to bind such Optional Extended Reporting Period; and
- (5) shall be effective on the effective date of such cancellation, if applicable, or the Expiration Date of the Policy.

The aggregate Limit of Liability for the Optional Extended Reporting Period shall be part of, and not in addition to, the aggregate Limit of Liability for the **Policy Period** set forth in the Declarations. The purchase of the Optional Extended Reporting Period shall not increase or reinstate the Limit of Liability set forth in the Declarations, which shall be the Company's maximum liability for all **Loss**, including **Claim Expenses**, on account of all **Claims** first made during the **Policy Period** and Optional Extended Reporting Period.

As used herein, "full annual premium" means the equivalent annual premium level for the coverage terms in effect immediately prior to the end of the **Policy Period**.

A change in Policy terms, conditions or exclusions and/or premiums shall not be considered a nonrenewal for purposes of triggering the **Named Insured's** rights to purchase the Optional Extended Reporting Period.

The rights contained in this provision shall terminate, however, unless the **Named Insured** provides written notice of such election to purchase the Optional Extended Reporting Period to the Company within thirty (30) days of the effective date of cancellation, if applicable, or the Expiration Date of the Policy. Furthermore, as a condition precedent to the **Named Insured's** rights to purchase the Optional Extended Reporting Period, the total premium for this Policy must have been paid in full and any outstanding Deductible fully satisfied.

(F) Action Against the Company

No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this Policy, nor until the amount of an **Insured's** obligation to pay with respect to a **Claim** shall have been finally determined either by judgment against an **Insured** after actual trial or by written agreement of an **Insured**, the claimant and the Company.

Any individual or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Policy to the extent of the insurance afforded by this Policy. No individual or organization shall have any right under this Policy to join the Company as a party to any action against any **Insured** to determine an **Insured's** liability, nor shall the Company be impleaded by any **Insured** or their legal representative.

(G) Assignment

No assignment of interest under this Policy shall bind the Company unless its prior written consent is endorsed hereon.

(H) Authorization Clause

The **Named Insured**, designated in the Declarations of this Policy, shall have the sole authority and responsibility to act on behalf of every **Insured** with respect to: (1) the payment or return of premium; (2) the receipt and agreement of any Endorsements issued to form a part of this Policy; (3) the exercise of the rights provided in Section **III.(B)** regarding consent to settlement; and (4) the exercise of the rights provided in Section **X.(E)** regarding the Optional Extended Reporting Period.

By acceptance of this Policy, each **Insured** under this Policy understands and agrees that the **Named Insured** shall have the authority set forth in this Section **X.(H)**.

(I) Representations

- (1) Each **Insured** represents and acknowledges that statements made in the **Application**, and the information submitted therewith, are true and accurate, and that such statements and information:
 - (a) are the bases upon which this Policy was issued and are considered to be incorporated herein and form a part of this Policy; and
 - (b) are deemed material to the acceptance of the risk assumed by the Company under this Policy.
- (2) Each **Insured** understands and agrees that this Policy was issued in reliance upon the truth and accuracy of the representations, statements and information made in or submitted with the **Application**.

(J) False or Fraudulent Claims

If any **Insured** shall commit fraud in proffering any **Claim** with regard to amount or otherwise, this Policy in its entirety shall be void from the date such fraudulent **Claim** is proffered.

(K) Bankruptcy

Bankruptcy or insolvency of any **Insured** shall not relieve the Company of its obligations nor deprive the Company of its rights or defenses under this Policy.

(L) Office of Foreign Assets Control

Payment of **Loss, Claim Expenses** and **Notification Expenses** under this Policy shall only be made in full compliance with all United States of America economic or trade sanctions, laws or regulations, including, but not limited to, sanctions, laws and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

(M) Headings

The titles of the various paragraphs of this Policy and its Endorsements are inserted solely for convenience or reference, and are not to be deemed in any way to limit or affect the provision to which they relate.

(N) Policy Conformance

Any terms of this Policy that are in conflict with any local or state law, regulation or ordinance of the state that applies, will be thereby amended to the extent necessary in order to conform to such local or state law, regulation or ordinance.

XI. MATERIAL CHANGES

(A) If after the Effective Date of this Policy:

- (1) the **Named Insured** merges with or is consolidated with another entity such that the **Named Insured** is the surviving entity; or
- (2) the **Named Insured** creates or directly or indirectly acquires, a **Subsidiary** whose annual gross revenues exceed thirty percent (30%) of the **Named Insured's** annual gross revenues as of the acquisition date;

coverage shall be afforded to the **Named Insured** or its **Subsidiary** for **Claims**, first made within ninety (90) days of the effective date of such transaction or event, involving the assets acquired or the assets, liabilities or directors, officers or employees of the entity acquired or merged with, or such **Subsidiary**, but only for **Claims** wholly involving **Wrongful Acts** occurring after the effective date of such transaction or event.

(B) The Company shall have the option of providing coverage for the **Named Insured**, or its **Subsidiary** beyond the ninety (90) days provided that:

- (1) the **Named Insured** gives the Company notice of such transaction or event as soon as practicable, not later than thirty (30) days after the effective date of the transaction or event;
- (2) the **Named Insured** gives the Company information regarding the transaction or event as the Company may reasonably require; and

- (3) the **Named Insured** accepts any terms, conditions, exclusions, limitations and additional premium, if any, as the Company, in its sole discretion, may impose.

If the Company, at its sole discretion, elects to provide coverage for any entity subject to this provision, this Policy shall not apply to, and the Company shall not pay any **Loss, Claim Expenses or Notification Expenses** for any **Claim** based upon, arising out of, or directly or indirectly resulting from, or in any way involving any **Wrongful Act** occurring before: (a) the effective date of the transaction or event; or (b) the effective date of coverage under this Policy as set forth in an Endorsement, whichever is later.

XII. CHANGE OF CONTROL

If during the **Policy Period**:

- (1) the **Named Insured** merges into or consolidates with another entity such that the **Named Insured** is not the surviving entity; or
- (2) Another entity, person or group of entities and/or person acting in concert acquires securities or voting rights which results in ownership or voting control by the other entity(ies) or person(s) of more than fifty percent (50%) of the outstanding securities representing the rights to vote for the election of an **Insured's** directors;

(either of the above events are hereinafter referred to as the "Transaction") then the coverage provided by this Policy shall continue until the later of the expiration date of the Policy or such other date to which we may agree, but solely for **Claims for Wrongful Acts** which wholly occurred prior to the Transaction and are otherwise covered by this Policy, and the premium shall be considered fully earned.

The **Named Insured** shall give written notice of such event to the Company within thirty (30) days of the Transaction.

XIII. ENTIRE AGREEMENT

By acceptance of this Policy, the **Named Insured** agrees that this Policy embodies all agreements existing between the **Named Insured** and the Company or any of its agents relating to this Policy. Notice to any agent or knowledge possessed by any agent or other individual acting on behalf of the Company shall not effect a waiver or a change in any part of this Policy or estop the Company from asserting any rights under the terms of this Policy, nor shall the terms be waived or changed except by written endorsement or rider issued by the Company and signed by an authorized representative of the Company to form a part of this Policy.