



PERSONAL IDENTITY COVERAGE

NOTICE: THE LIMITS OF INSURANCE AVAILABLE TO PAY LOSS UNDER THIS POLICY SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL COSTS UNDER THIS POLICY.

This **policy** provides coverage through a master **policy** with benefits to **insureds**. Please read the entire **policy** to determine the **master policyholder's** and the **insured's** rights and duties and what is and what is not covered under this **policy**.

Terms appearing in bold face have special meaning and are defined in the Definitions Section.

In consideration of the premium paid and in reliance upon the **master policyholder's** statements to **us**, **we** agree to provide to the **insured** the insurance described in this **policy**.

I. INSURING AGREEMENT

We shall pay the **insured** for **loss**, excess of any applicable deductible, resulting from **stolen identity events** first occurring during the **policy period** and reported to **us** within six (6) months of a **stolen identity event**.

II. DEFINITIONS

- A. **Business** means any employment, trade, hobby, profession or occupation.
- B. **Computer attack** means receipt or transmission of malicious code, **unauthorized access** or **unauthorized use**, whether intentional or unintentional, hostile or otherwise and regardless of whether the perpetrator is motivated for profit, which results in copying, misappropriation or transmission of **personal information** pertaining to an **insured**.
- C. **Computer system** means computer hardware, software, firmware, including electronic data stored thereon, which are linked together through a network of two or more computers, including such networks accessible through the Internet. **Computer system** shall also include network infrastructure, input, output, processing, storage and off-line media libraries, as well as those written policies and procedures applicable to the security of a computer network.
- D. **Costs** means the following reasonable and necessary costs incurred by the **insured** as a result of a **stolen identity event**:
 - a. cost of re-filing rejected applications for loans, grants or other credit instruments;

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- b. cost of notarizing affidavits or other similar documents, long distance telephone calls and postage incurred by the **insured** in order to report a **stolen identity event** and/or amend or rectify records as to the **insured's** true name or identity;
 - c. cost of up to six credit reports from established credit bureaus (with no more than two reports from any one credit bureau);
 - d. costs approved by **us**, for providing periodic reports on changes to, and inquiries about the information contained in the **insured's** credit reports or public databases (including, but not limited to credit monitoring services);
 - e. cost of travel within the United States incurred as a result of the **insured's** efforts to amend or rectify records as to the **insured's** true name and identity; and
 - f. costs for elder care or child care incurred as a result of the **insured's** efforts to amend or rectify records as to the **insured's** true name or identity.
- E. Insured** means each natural person on record with **us** as enrolled in a **membership program** of the **master policyholder** at the time of a **stolen identity event**.
- F. Legal Defense Fees and Expenses** means the reasonable and necessary fees and expenses incurred by the **insured** with **our** consent for an attorney approved by **us** including:
- a. An initial consultation with a lawyer to determine the severity of and appropriate response to a **stolen identity event**;
 - b. Defending any **suit** brought against the **insured** by a creditor, collection agency or other entity acting on behalf of a creditor for non-payment for goods or services or default on a loan solely as a result of a **stolen identity event**;
 - c. Removing any civil judgment wrongfully entered against the **insured** solely as a result of a **stolen identity event**; and
 - d. Defending criminal charges brought against the **insured** as a result of a **stolen identity event**; provided, however, we will only pay criminal defense related fees and expenses after it has been established that the **insured** was not in fact the perpetrator.
- G. Loss** means the reasonable and necessary **costs, lost wages, legal defense fees and expenses** incurred within twelve months of an **insured's** discovery of a **stolen identity event** and incurred within the United States of America.
- H. Lost Wages** means actual lost wages that would have been earned for time reasonably and necessarily taken off work and away from the **insured's** work premises, whether partial or whole days, solely as a result of the **insured's** efforts to amend or rectify records as to the **insured's** true name or identity as a result of a **stolen identity event**. Actual **lost wages** includes remuneration for vacation days, discretionary days, floating holidays, and paid personal days and excludes business interruption or future earnings of a **self-employed professional**. Computation of lost wages for **self-employed persons** must be supported by, and will be based on, prior year tax returns.
- I. Master policyholder** means the entity first specified in Item 1 in the Declarations.

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- J. Membership Program** means each program sponsored by the **master policyholder** and specifically listed by endorsement as covered programs under this **policy**.
- K. Personal information** means (i) non-public information from which an individual may be uniquely and reliably identified or contacted; (ii) information concerning an individual that would be considered "nonpublic personal information" within the meaning of Title V of the Gramm-Leach-Bliley Act of 1999 (Public Law 106-102, 113 Stat 1338); and (iii) information concerning an individual that would be considered "protected health information" within the Health Insurance Portability and Accountability Act of 1996 (as amended) and its implementing regulations. **Personal information** includes, without limitation, an individual's social security number, account numbers, account balances, account histories and passwords.
- L. Policy** means this **policy** and any endorsement attached hereto, together with the application with any attachments thereto.
- M. Policy period** means the period commencing on the effective date specified in Item 4 of the Declarations. This period ends on the expiration date specified in Item 4 of the Declarations or, in the event of cancellation or non-renewal of this policy, then the date specified in such cancellation or non-renewal notice.
- N. Self-employed person** means a person who owns or operates his or her own **business** and whose primary income is earned from such **business**.
- O. Stolen identity event** means the theft of the **insured's personal information**, which has resulted or could reasonably result in the wrongful use of such information. All **loss** resulting from **stolen identity event(s)** and arising from the same, continuous, related or repeated acts shall be treated as arising out of a single **stolen identity event** occurring at the time of the first such **stolen identity event**. **Stolen identity event** shall not include the theft or wrongful use of the **insured's business** name, d/b/a or any other method of identifying any **business** activity of the **insured**.
- P. Suit** means a civil proceeding seeking money damages that is commenced by the service of a complaint or similar pleading.
- Q. Unauthorized access** means the gaining of access to a **computer system** by an unauthorized person(s) or by an authorized person(s) in an unauthorized manner.
- R. Unauthorized use** means the use of a **computer system** by an unauthorized person(s) or by an authorized person(s) in an unauthorized manner.
- S. We, us and our** mean the insurance company providing this **policy**.

III. OBLIGATIONS OF THE MASTER POLICYHOLDER

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As a condition precedent to coverage under this **policy**, the **master policyholder** shall at all times have the duties and obligations set forth in this section. These duties and obligations are in addition to any obligations of the **insured** otherwise provided for under this **policy**. The **master policyholder** shall:

- A. allow **us** to examine and audit all of the **master policyholder's** records that relate to this **policy**. **We** may conduct the audits during regular business hours during the **policy period** and within three years after the **policy period** ends;
- B. promptly advise **us** and any potentially affected **insured** of a **computer attack** that may have resulted in the **unauthorized computer access** of personal identity information pertaining to an **insured**;
- C. take all reasonable steps to use, design, maintain and upgrade its network and **computer system** security and to minimize **computer attacks** of its network and **computer system**;
- D. reasonably inform the **insured** of its rights and obligations under this **policy** in a form approved by **us**;
- E. submit to **us** for our review and approval any informational materials developed by the **master policyholder** with respect to the **policy** or policy benefits. This shall specifically include, but not be limited to, any materials that refer, directly or indirectly, to Chartis Inc., or the existence of the **policy** issued to the **master policyholder**;
- F. comply with all applicable privacy laws and regulations including, without limitation, all laws and regulations relating to the collection, maintenance and dissemination of **personal information**;
- G. pay applicable premium and not charge any **insured** an itemized, separate fee for receiving the **policy** benefits.

IV. OBLIGATIONS OF THE INSURED

As a condition precedent to coverage under this **policy**, the **insured** shall have the following duties and obligations at all times. These duties and obligations are in addition to any obligations of the **master policyholder** otherwise provided for under this **policy**:

- A. If a **stolen identity event** occurs, the **insured** shall:

Promptly, but no later than six (6) months after a **stolen identity event** occurs, notify **us** of such **stolen identity event** by calling the telephone number provided in the **insured's** Summary Description of Benefits, or contacting **us** at Chartis Claims, Inc., 175 Water Street, New York, NY 10038. The **insured** shall follow **our** written instructions to mitigate potential **loss**, which will be provided to the **insured** in a claims kit and which will include the prompt notification of the major credit bureaus, the

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Federal Trade Commission's Identity Theft Hotline and appropriate law enforcement agencies.

B. If a **loss** occurs, the **insured** shall also:

1. Promptly notify **us** of the **loss**, submit to **us** the written proof of **loss** provided to the **insured** in a claims kit, and provide any other reasonable information or documentation that **we** may request;
2. Take all reasonable steps to mitigate **loss** resulting from a **stolen identity event** including, but not limited to, requesting a waiver of any applicable fees including loan application fees or credit bureau fees;
3. File a report with the police or appropriate law enforcement authority, and
4. Provide all assistance and cooperation **we** may require in the investigation and determination of any **loss**, including but not limited to:
 - a. Immediately forwarding to **us** any notices, summons or legal papers received by the **insured** in connection with a **loss** or the theft of **personal information**;
 - b. Authorizing **us** to obtain records and other information with regard to any **loss** including permitting **us** to inspect the **insured's** books and records;
 - c. Cooperating with and helping **us** to enforce any legal rights the **insured** or **we** may have against anyone who may be liable to the **insured**;
 - d. Attending depositions, hearings and trials, securing and giving evidence, and obtaining the attendance of witnesses with regard to any **loss**; or
 - e. Answering **our** questions under oath at such times as may be reasonably required about any matter relating to this **policy** or the **insured's loss**. In such event, the **insured's** answers under oath shall be signed.

V. EXCLUSIONS

This **policy** shall not apply to any **loss** arising directly or indirectly out of the following:

A. Dishonest Acts

Any dishonest, criminal, malicious or fraudulent acts if the **insured** that suffered a **loss** personally participated in, directed, or had knowledge of such acts.

B. Bodily Injury

Any physical injury, sickness, disease, disability, shock, mental anguish, and mental injury, including, required care, loss of services or death at any time resulting therefrom.

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C. War

Strikes or similar labor action, war (whether declared or not), or any act or condition incident to war. War includes civil war, insurrection, act of foreign enemy, civil commotion, factional civil commotion, military or usurped power, rebellion, revolution, invasion, hostilities or warlike operations or mutiny.

D. Pollution

The presence of or the actual, alleged or threatened discharge, dispersal, release or escape of pollutants (including nuclear materials), or any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants, or in any way respond to or assess the effects of pollutants.

E. Late Reporting

Any loss reported to us more than six (6) months after a stolen identity event occurs.

VI. LIMITS OF INSURANCE

- A. The aggregate limit of insurance specified in Item 9 of the Declarations is the most we shall pay the **insured** for **loss**, excess of any applicable deductible, resulting from all **stolen identity events** combined first occurring during the **policy period**.
- B. All **loss** arising out of the same, continuous, related or repeated **stolen identity events** shall be subject to the terms, conditions, exclusions and single Aggregate Limit of Insurance in effect at the time the first such **stolen identity event** occurs.
- C. The maximum **we** shall pay per **insured** for an initial consultation with a lawyer shall not exceed the amount for initial legal consultation as specified in Item 9 of the Declarations. **ALL LEGAL DEFENSE FEES AND EXPENSES ARE PART OF, AND NOT IN ADDITION TO, THE AGGREGATE LIMIT OF INSURANCE FOR EACH INSURED.**
- D. The maximum **we** shall pay per **insured** for **lost wages** shall not exceed the amount per week for **lost wages** and the maximum number of weeks as specified in Item 9 of the Declarations. The amount per week for **lost wages** is a sublimit of the Aggregate Limit of Insurance for each **insured** and, as such, is part of, and not in addition, to the Aggregate Limit of Insurance for each **insured**.
- E. The maximum **we** shall pay per **insured** for travel shall not exceed the amount for travel expenses as specified in Item 9 of the Declarations. This amount is a sublimit of the Aggregate Limit of Insurance for each **insured** and, as such, is part of and not in addition to, the Aggregated Limit of Insurance for each **insured**.
- F. The maximum **we** shall pay per **insured** for elder care and child care shall not exceed the amount for elder care and child care as specified in Item 9 of the Declarations. This amount is a sublimit of the Aggregate Limit of Insurance for each **insured** and, as such, is part of and not in addition to, the Aggregate Limit of Insurance for each **insured**.

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VII. DEDUCTIBLE

- A. The **insured** shall be responsible for the applicable deductible amount specified in Item 6 of the Declarations and the **insured** may not insure against it.
- B. Regardless of the number of covered **stolen identity events** first occurring during the **policy period** each **insured** shall be responsible for only a single deductible during any one **policy period**.

VIII. POLICY CONDITIONS

A. Coverage Territory

Subject to its terms, conditions and exclusions, this **policy** applies to a **stolen identity event** occurring anywhere in the world, but **we** shall only pay for **loss** incurred in the United States.

B. Legal Action Against Us

No legal action may be brought or made against **us** under this **policy** unless:

1. There has been full compliance with all of the terms of this **policy**; and
2. The action is brought within two (2) years after the date on which a **stolen identity event** occurred.

C. Concealment, Misrepresentation or Fraud

This **policy** shall be void if the **master policyholder** intentionally conceals or misrepresents a material fact concerning this **policy**. In addition, this **policy** shall also be void for any one **insured** if that **insured** intentionally conceals or misrepresents a material fact concerning:

1. A **stolen identity event**;
2. The **insured's** interest in any property involved in a **loss**; or
3. A **loss** under this **policy**.

D. Bankruptcy

The bankruptcy or insolvency of the **insured** or the **insured's** estate shall not relieve **us** of any obligation under this **policy**.

E. Titles of Paragraphs

Titles of paragraphs are inserted solely for convenience of reference and shall not be deemed to limit, expand or otherwise affect the provisions to which they relate.

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F. Transfers of Rights of Recovery Against Others to Us

If any person for whom **we** make payment under this **policy** has rights to recover from another, those rights are transferred to **us** to the extent of **our** payment. That person shall do everything necessary to secure **our** rights and shall do nothing after **loss** to impair them. The **insured** may, however, waive the **insured's** rights of recovery in writing before a **loss** occurs.

G. Other Insurance

1. We shall be excess over any other insurance (including, without limitation, homeowner's or renter's insurance), product warranty, extended services agreement or contract. If the **insured** has other insurance that applies to a **loss** under this **policy**, the other insurance shall pay first. This **policy** applies to the amount of **loss** that is in excess of:
 - a. The Limit of Insurance of the **insured's** other insurance; and
 - b. The total of all the **insured's** deductibles and self-insured amounts under all such other insurance.
2. In all events, **we** shall not pay more than **our** Limit of Insurance specified in Item 9 of the Declarations.

H. Duplicate Coverages

Should the **insured** be enrolled in more than one **membership program** insured by **us** or any of **our** affiliates, subject to the applicable deductibles and limits of insurance of the **insured** under the applicable **membership program**, **we** will reimburse the **insured** under each **membership program**, but in no event shall the total amount reimbursed to the **insured** under all **membership programs** exceed the actual amount of **loss**.

I. Conformance To Statute

To the extent a term of this **policy** conflicts with a statute of the State within which this **policy** is issued, the term shall be deemed amended so as to conform to the statute.

J. Assignment

This **policy** and all rights provided by this insurance are not assignable without **our** written consent.

K. Changes

Changes to the provisions of this **policy** shall be made only by endorsement issued by **us** and made a part of this **policy**.

L. Litigation

The **master policyholder** shall promptly advise **us** of the material facts of (i) any pending or threatened investigation with respect to the **policy** by a governmental agency or authority, (ii) any complaint filed against the parties with respect to the

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policy by any governmental agency or authority or (iii) any pending or threatened litigation against the **master policyholder** or **us** with respect to the **policy**. The **master policyholder** shall also promptly advise **us** of the material facts of any pending or threatened litigation, or the existence of any criminal indictment or conviction against the **master policyholder** or its senior management, which could adversely affect the **policy** or either the **master policyholder's** or **our** ability to perform obligations under this **policy**.

M. Proprietary Rights

Except as provided herein, this **policy** does not confer upon either party any interest in or right to use any trademark, service mark or other intellectual property right of the other party hereto or its affiliates (collectively referred to as such party's "Intellectual Property Rights") in connection with the **policy** or for any other purpose unless a party receives the prior written consent of the other party hereto, which consent may be granted or withheld in a party's sole discretion. Upon termination of this **policy** each party shall immediately cease and discontinue all use of the other party's Intellectual Property Rights. In no event may any party or any affiliated person or entity utilize any other party's Intellectual Property Rights in connection with any products or services other than the **policy**.

IX. Policy Termination

- A. This **policy** shall terminate on the expiration date specified in Item 4 of the Declarations or, in the event of cancellation or non-renewal of this policy, the date specified in such notice of cancellation or non-renewal. There shall be no coverage for any **stolen identity event** occurring after the effective date and time of such expiration, cancellation or non-renewal. Termination of this **policy** shall not reduce or eliminate the six (6) month period in which the **insured** must report to **us** a **stolen identity event**.
- B. If **we** cancel or non-renew this **policy**, **we** shall mail or deliver written notice to the **master policyholder** at the mailing address shown in Item 2 of the Declarations stating the effective date of such cancellation or non-renewal. If notice is mailed, proof of mailing shall be sufficient proof of notice.
- C. **We** may cancel or non-renew this **policy** by mailing or delivering to the **master policyholder** written notice at least:
1. Twenty (20) days before the effective date of cancellation if **we** cancel for nonpayment of premium; or
 2. Forty-five (45) days before the effective date of non-renewal or cancellation, if **we** cancel for any other reason. At **our** sole and absolute discretion, **we** may extend this **policy** on the same terms and rates beyond the expiration date set forth in Item 4 of the Declarations for such period as is necessary for **us** to comply with this paragraph.

The **policy period** shall end on the effective date specified in the cancellation or non-renewal notice.

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D. The **master policyholder** may cancel this **policy** by mailing or delivering to **us** advance written notice of cancellation setting forth the date and time thereafter during the **policy period** on which the cancellation shall be effective. In such case, the **master policyholder** shall return the **policy** or a properly executed Lost Policy Release by mail or delivery to **us** within seven (7) days of the effective date of cancellation.

X. CANCELLATION OF MEMBERSHIP

After the cancellation, termination or expiration of the **insured's** individual membership in the **membership program**, any coverage under this **policy** for that **insured** is terminated and there shall be no coverage for that **insured** for any **stolen identity event** occurring after the effective date and time of such termination.

IN WITNESS WHEREOF, **we** have caused this **policy** to be signed by **our** President and Secretary and signed on the Declarations page by **our** duly authorized representative.