



Policy Number: CYB-102444

Insurer: Crum & Forster Specialty Insurance Company
305 Madison Avenue
Morristown, NJ 07962

This insurance has been placed with an insurer that is not licensed by the state of Michigan. In case of insolvency, payment of claims may not be guaranteed.

C&F Simple Cyber CYBER AND MULTIMEDIA LIABILITY INSURANCE POLICY DECLARATIONS

NOTICE: THE CYBER LIABILITY AND MULTIMEDIA LIABILITY COVERAGES UNDER THIS POLICY ARE WRITTEN ON A CLAIMS MADE AND REPORTED BASIS, MEANING COVERAGE APPLIES ONLY TO **CLAIMS** FIRST MADE AGAINST THE **INSURED MEMBER** AND REPORTED TO THE **INSURER** DURING THE **POLICY PERIOD**, OR DURING ANY APPLICABLE EXTENDED REPORTING PERIOD. AMOUNTS INCURRED AS **CLAIMS EXPENSES** SHALL REDUCE AND MAY EXHAUST THE AGGREGATE LIMIT OF LIABILITY AND SHALL ALSO BE APPLIED AGAINST THE **DEDUCTIBLE**.

PLEASE READ THIS POLICY CAREFULLY. WORDS AND PHRASES WHICH ARE PRINTED IN **BOLD TYPEFACE** HAVE SPECIFIC MEANING AND ARE DEFINED IN SECTION III. OF THE POLICY.

Item 1.	Named Sponsor and Mailing Address: West Michigan Risk Management Trust 300 Ottawa NW Ste 301 Grand Rapids, MI 49503															
Item 2.	Policy Period:	From: 07/01/2021 (Effective Date) To: 07/01/2022 (Expiration Date) (12:01 a.m. local time at the address shown in Item 1.)														
Item 3.	Coverage Options: <table border="0"><thead><tr><th><u>COVERAGE</u></th><th><u>PURCHASED</u></th></tr></thead><tbody><tr><td>A. Breach Costs:</td><td><input checked="" type="checkbox"/></td></tr><tr><td>B. Cyber Liability:</td><td><input checked="" type="checkbox"/></td></tr><tr><td>C. Multimedia Liability:</td><td><input checked="" type="checkbox"/></td></tr><tr><td>D. eCrime Loss:</td><td><input type="checkbox"/></td></tr><tr><td>E. First Party Loss:</td><td><input checked="" type="checkbox"/></td></tr><tr><td>Extended First Party Loss:</td><td><input checked="" type="checkbox"/></td></tr></tbody></table>		<u>COVERAGE</u>	<u>PURCHASED</u>	A. Breach Costs:	<input checked="" type="checkbox"/>	B. Cyber Liability:	<input checked="" type="checkbox"/>	C. Multimedia Liability:	<input checked="" type="checkbox"/>	D. eCrime Loss:	<input type="checkbox"/>	E. First Party Loss:	<input checked="" type="checkbox"/>	Extended First Party Loss:	<input checked="" type="checkbox"/>
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E. First Party Loss:	<input checked="" type="checkbox"/>															
Extended First Party Loss:	<input checked="" type="checkbox"/>															

Item 4.	<p>Limits of Liability:</p> <p>Policy Aggregate Limit of Liability: \$5,000,000</p> <p>Insured Member Aggregate Limit of Liability: \$1,000,000</p> <p>The above amounts include Claims Expenses unless amended by specific endorsement to this Policy.</p> <p>Insured Member Sublimits of Liability:</p> <p>Ransomware/Malware Sublimit of Liability:</p> <p>Class 1 Members: \$1,000,000</p> <p>Class 2 Members: \$50,000</p> <p>eCrime Loss Sublimit of Liability: Not Covered</p> <p>Dependent Business Sublimit of Liability: \$50,000</p>
Item 5.	<p>A. Deductible:</p> <p>i. Members with current year budgets less than \$10,000,000 \$10,000 each incident or event</p> <p>ii. Members with current year budgets of \$10,000,000 and up to \$100,000,000 \$15,000 each incident or event</p> <p>iii. Members with current year budgets greater than \$100,000,000 \$25,000 each incident or event</p> <p>The Deductible shall be borne by the Insured Member.</p> <p>B. Cyber Extortion Coinsurance: 10%</p>
Item 6.	Continuity Date: 07/01/2021
Item 7.	Waiting Period: 10 hours
Item 8.	Premium: \$243,055
Item 9.	<p>Notice of Claim or Loss: E-Mail: mapsnol@cfins.com</p> <p>Mail: Crum & Forster Claims Department 305 Madison Avenue Morristown, NJ 07962</p>
Item 10.	<p>Crum & Forster Cyber Response Team:</p> <p>In the event of an actual or reasonably suspected incident or event that may give rise to Breach Costs or other Loss under this Policy, the Insured shall have access to assistance from the Crum & Forster Cyber Response Team.</p> <p>Hotline: 877-271-8661</p> <p>E-Mail: HELP@CFCyberAssist.com</p>
Item 11.	<p>The following forms and endorsements are made a part of this Policy at issuance:</p> <p>Cyber Master Insurance Policy Declarations, SC-MDEC-005 (06/21)</p> <p>Cyber Master Insurance Policy, SC-MPOL-004 (06/21)</p> <p>U.S. Treasury Department's OFAC Advisory Notice to Policyholders, IL P 001 01 04</p> <p>1. Signature Page, CS 07 001 10 17</p> <p>2. Service of Process Clause, SOP CF 07 16</p> <p>3. Disclosure Pursuant to Terrorism Risk Insurance Act, SC-MTRIA-001 (08/20)</p> <p>4. Cap on Losses from Certified Acts of Terrorism, SC-MEND-001 (07/19)</p> <p>5. Cyber Extortion Loss Coinsurance Endorsement, SC-MEND-012 (06/21)</p> <p>6. Class Member Schedule Endorsement, SC-MEND-011 (06/21)</p>
Item 12.	<p>Insured Members means each of the following entities:</p> <p>Refer to the Class Member Schedule Endorsement</p>

These Declarations, the Application, and the Policy with endorsements attached thereto, constitute the entire agreement between the **Insurer** and the **Insured Member**.

C&F Simple Cyber

CYBER MASTER INSURANCE POLICY

In consideration of: (1) the premium paid; (2) the **Named Sponsor's** and **Insured Member's** compliance with the conditions of this Policy; and (3) subject to its terms (including all endorsements); and in reliance on: (a) the statements made in the Application; and (b) the information and documents provided to the **Insurer** by the **Named Sponsor** and **Insured Member**; all of which are made a part of this Policy, the **Insurer** agrees with the **Named Sponsor** and **Insured Member** as follows:

I. INSURING AGREEMENTS

Only those Insuring Agreements shown in Item 3. of the Declarations as PURCHASED shall be applicable to the **Insured Member's** coverage hereunder. If the Declarations do not show that a Coverage was purchased: (a) that Coverage of this Policy has not been purchased by the **Insured Member**; and (b) no coverage shall apply to the **Insured Member** for the corresponding Insuring Agreement(s).

Coverage A: Breach Costs

The **Insurer** will pay on behalf of the **Insured Member** all **Breach Costs** in excess of the **Deductible** resulting from an actual or reasonably suspected **Cyber Event** that the **Insured Member**: (1) first discovers during the **Policy Period**; and (2) that is reported to the **Insurer** in full compliance with the **Notice Requirements**.

Coverage B: Cyber Liability

The **Insurer** will pay on behalf of the **Insured Member** such: (1) **Damages**; and (2) **Claims Expenses**; in excess of the **Deductible** that an **Insured Member** is legally obligated to pay because of a **Claim** first made against an **Insured Member** during the **Policy Period** because of a **Cyber Event**; provided that such **Claim** is reported to the **Insurer** in full compliance with the **Notice Requirements**.

Coverage C: Multimedia Liability

The **Insurer** will pay on behalf of the **Insured Member** such: (1) **Damages**; and (2) **Claims Expenses**; in excess of the **Deductible** that an **Insured Member** is legally obligated to pay because of a **Claim** first made against an **Insured Member** during the **Policy Period** for **Multimedia Liability**; provided that such **Claim** is reported to the **Insurer** in full compliance with the **Notice Requirements**.

Coverage D: eCrime Loss

The **Insurer** will indemnify the **Insured Member** for direct financial loss: (1) in excess of the **Deductible**; and (2) resulting from an **eCrime Event** that the **Insured Member** first discovers during the **Policy Period**; provided that such event is reported to the **Insurer** in full compliance with the **Notice Requirements**.

Coverage E: First Party Loss

The **Insurer** will indemnify the **Insured Member** for **First Party Loss**: (1) in excess of the **Deductible**; and (2) resulting from a **Cyber Event** that the **Insured Member** first discovers during the **Policy Period**; provided that such event is reported to the **Insurer** in full compliance with the **Notice Requirements**.

With respect to each Insuring Agreement stated above, the amount that the **Insurer** is obligated to pay is limited based on the applicable Limit of Liability as described in Section VI., Limits of Liability.

In addition, in connection with any **Cyber Event** that results in: (1) **Breach Costs**; or (2) **First Party Loss**; that exceeds the **Deductible**, the **Insurer** will also provide **Supplemental Payments & Services** which shall be: (a) part of; and (b) not in addition to; the **Insured Member** Aggregate Limit of Liability as well as the Policy Aggregate Limit of Liability.

II. DEFENSE AND SETTLEMENT OF CLAIMS

A. Defense of **Claims**:

If another insurer has a duty to defend a **Claim** under any other insurance policy, the **Insurer** shall have no duty to defend such **Claim**, but will have the right to associate with the defense of such **Claim**.

If: (1) no other insurer has a duty to defend a **Claim** under any other insurance policy; or (2) such other insurer's duty to defend a **Claim** has ended; the **Insurer** shall have the right and duty to defend, subject to all the provisions, terms and conditions of this Policy, any **Claim** made against an **Insured Member** seeking **Damages** which are payable under the terms of this Policy, even if any of the allegations of the **Claim** are groundless, false or fraudulent. When the **Insurer** has a duty to defend a **Claim**, defense counsel shall be selected by the **Insurer**.

B. Settlement of **Claims**:

The **Insurer** may not settle any **Claim** without the written authorization of the **Insured Member**. If the **Insured Member** refuses to consent to any settlement or compromise recommended by the **Insurer** and acceptable to the claimant and elects to contest the **Claim**, then the **Insurer** will have the right to withdraw from the further defense of such **Claim** and the **Insurer's** liability for **Damages** and **Claims Expenses** shall not exceed:

1. the amount for which the **Claim** could have been settled, less the remaining **Deductible**, plus the **Claims Expenses** incurred up to the time of such refusal; plus 50% of any **Claims Expenses** incurred after the date such settlement or compromise was recommended to the **Insured Member** plus 50% of any **Damages** above the amount for which the **Claim** could have been settled. The remaining 50% of such **Claims Expenses** and **Damages** must be borne by the **Insured Member** at their own risk and uninsured; or
2. the applicable Limit of Liability, whichever is less.

The **Insured Member** may settle any **Claim** where the **Damages** and **Claims Expenses** do not exceed the **Deductible**; provided that: (a) the entire **Claim** is resolved; and (b) the **Insured Member** obtains a full release on behalf of the **Insured Member** and the **Insurer** from all claimants.

III. DEFINITIONS

A. **Breach Costs** means the following reasonable and necessary expenses incurred by the **Insured Member** with respect to a **Cyber Event** with the prior written consent of the **Insurer** and by vendors from the **Insurer's** panel vendors or by vendors otherwise approved by the **Insurer**:

1. for an attorney to provide necessary legal advice to the **Insured Member** to evaluate the **Insured Member's** legal obligations in connection with an actual or reasonably suspected **Cyber Event**;
2. for a computer security expert, or experts, to determine the existence, cause and scope of a **Cyber Event** as well as the costs to contain an ongoing **Cyber Event**, including the cost to retain a PCI Forensic Investigator if required by a written agreement between the **Insured Member** and: (a) a financial institution; (b) a credit or debit card company; (c) a credit or debit card processor; (d) a merchant bank; or (e) any other entity; offering or providing merchant card transaction processing or payment gateway services to the **Insured Member**;
3. to notify individuals or entities whose **Protected Information** was potentially impacted by a **Cyber Event**. This shall include costs incurred by the **Insured Member** to directly notify individuals on behalf of a third party that has the legal obligation to notify such individuals; provided that such third party agrees to allow the **Insured Member** to notify such individuals on their behalf;
4. for a call center to respond to inquiries from individuals that the **Insured Member** has notified because their **Protected Information** was potentially impacted by a **Cyber Event**;
5. to provide a credit monitoring or identity monitoring product to individuals that the **Insured Member** has notified because their **Protected Information** was potentially impacted by a **Cyber Event**. Such credit monitoring or identity monitoring product will be provided for a period of 12 months unless the **Insured Member** is required by law or regulation to provide such a credit monitoring or identity monitoring product for a longer period of time. In that case, such credit monitoring or identity monitoring product will be provided for the period of time required by law or regulation; and
6. for public relations and crisis management costs directly related to mitigating harm to the **Insured Member** which are approved in advance by the **Insurer**.

- B. **Claim** means a written demand for money, services, non-monetary relief or injunctive relief, including service of suit or arbitration proceedings made against the **Insured Member**. Only as respects Coverage B., Cyber Liability: **Claim** also means a request for information from, or civil proceeding against, the **Insured Member** brought by a **Regulatory Body** directly arising from a **Insured Member's** actual or alleged violation of any **Privacy Law**.

Multiple **Claims** arising from: (1) the same or a series of related or repeated acts, errors or omissions; (2) any continuing acts, errors or omissions; or (3) a series of related or repeated **Cyber Events**; shall be considered a single **Claim** for the purposes of this Policy, regardless of the number of claimants or persons, entities or organizations involved in the **Claim**. All such **Claims** shall be deemed to have been made at the time of the first such **Claim**.

- C. **Claims Expenses** means:

1. reasonable and necessary legal fees, costs and expenses directly resulting from the investigation, adjustment, settlement and/or defense of a **Claim**; and
2. the premiums for appeal, attachment or similar bonds, but only for bond amounts within the applicable Limits of Liability. The **Insurer** does not have to furnish these bonds.

Claims Expenses do not include:

- a. salaries, wages, fees, remuneration, overhead, benefits or expenses of an **Insured Member**;
- b. **Damages**, fines, penalties, fees, or taxes levied or assessed against an **Insured Member**;
- c. fees, costs, or expenses incurred by the **Insured Member** prior to the time that a **Claim** is made or which are paid or incurred without the **Insurer's** prior written consent. These unilaterally incurred fees, costs or expenses will not: (i) be reimbursed by the **Insurer**; and (ii) reduce any **Deductible** under the Policy; or
- d. the costs and expenses required to comply with any injunctive or other non-monetary, equitable, declaratory, regulatory or administrative relief including, but not limited to, specific performance, or any agreement to provide such relief.

- D. **Continuity Date** means the date shown in Item 6. of the Declarations.

- E. **Control Group** means any: (1) principal; (2) partner; (3) corporate officer; (4) director; (5) general counsel (or most senior legal counsel); or (6) risk manager; of an **Insured Member** and any individual in a substantially similar position.

- F. **Cyber Event** means:

1. a **Cyber Extortion Threat**;
2. an unintentional and unplanned interruption of any computer system;
3. a theft, loss or **Unauthorized Disclosure** of **Protected Information** that is in the care, custody or control of the **Insured Member** or a third party for whose theft, loss or **Unauthorized Disclosure** of **Protected Information** the **Insured Member** is legally responsible for;
4. the storage, collection, use or disclosure of **Protected Information** by or on behalf of an **Insured Member** that is in violation of a **Privacy Law**;
5. the failure to notify a third party of a theft, loss or **Unauthorized Disclosure** of **Protected Information** in violation of a **Privacy Law**; or
6. the introduction of unauthorized, unwanted or harmful program, computer code or script into an **Insured Member's** computer system. An unwanted or harmful program, computer code or script includes: (a) a computer virus; (b) Trojan horses; (c) worms; (d) time or logic bombs; (e) spyware; (f) malware; (g) spiderware; or (h) ransomware; or
7. the access to, or the use of, an **Insured Member's** computer system by a person or organization that is not authorized to do so.

- G. **Cyber Extortion Threat** means a demand made against the **Insured Member** for the payment of monies (including a digital currency), marketable goods or services in order to prevent or terminate the:

1. disclosure of **Protected Information**;

2. introduction of an unauthorized, unwanted or harmful program, computer code or script into a computer system. An unwanted or harmful program, computer code or script includes: (a) a computer virus; (b) Trojan horses; (c) worms; (d) time or logic bombs; (e) spyware; (f) malware; (g) spiderware; or (h) ransomware;
3. corruption, alerting, deletion or destruction of data or software stored on a computer system;
4. restriction or hindering of access to a computer system or to data stored on a computer system;
5. interruption or suspension of a computer system; or
6. electronic communication with the **Insured Member's** customers impersonating the **Insured Member** in order to obtain **Protected Information**.

H. **Cyber Terrorism** means any act directed against a computer system by an individual or group(s) of individuals, whether acting alone, on behalf of or in connection with any organization(s) or government(s), to cause unauthorized access to, unauthorized use of, or a targeted denial of service attack or transmission of unauthorized, corrupting or harmful software code to a computer system for the purpose of: (1) furthering social, ideological, religious, economic or political objectives; (2) intimidating or coercing a government or the civilian population thereof; or (3) disrupting any segment of the economy; provided that none of the preceding are accompanied by, directly associated with or coordinated with armed conflict or the use of physical force.

I. **Damages** means a monetary judgment, award or settlement including prejudgment and post-judgment interest, and punitive damages, exemplary damages or any damages which are a multiple of compensatory damages (if insurable under the applicable law most favorable to the insurability of punitive, exemplary or multiple damages), which the **Insured Member** becomes legally obligated to pay as the direct result of a covered **Claim**.

Solely with respect to Coverage B., Cyber Liability, **Damages** also include:

1. civil fines or penalties levied upon an **Insured Member** by a **Regulatory Body**; provided that this does not include amounts for matters uninsurable under the law;
2. any: (a) fine; (b) penalty; (c) reimbursement; (d) fraud recovery; or (e) assessment; imposed upon or owed by an **Insured Member** under the terms of a written agreement between the **Insured Member** and: (i) a financial institution; (ii) a credit or debit card company; (iii) a credit or debit card processor; (iv) a merchant bank; or (v) any other entity; offering or providing merchant card transaction processing or payment gateway services to the **Insured Member**; provided that this does not include any charge back amounts, interchange fees, discount fees, or other prospective fees owed under such an agreement; and
3. up to \$2,500 for the costs and expenses of complying with any injunctive or other non-monetary relief.

As respects all coverage parts under this Policy, **Damages** do not include:

- a. any amount for which the **Insured Member** is not liable or is not legally obligated to pay;
- b. except as noted in paragraph 1. and 2. above, any fines or monetary penalties or multiples thereof;
- c. taxes or the loss of tax benefits;
- d. liquidated damages, but only to the extent that such damages exceed the amount for which the **Insured Member** would have been liable in the absence of such liquidated damages agreement;
- e. matters uninsurable under the laws applicable to this Policy;
- f. past, present and future earned and unearned: (i) royalties; (ii) fees; (iii) costs; (iv) expenses; (v) commissions; and (vi) profits; unlawfully or unjustly held or obtained including, but not limited to, the return, offset, disgorgement or restitution of such royalties, fees, costs, expenses, commissions, and profits unlawfully or unjustly held or obtained;
- g. except as noted in paragraph 3. above, the costs and expenses of complying with any injunctive or other non-monetary equitable, declaratory, regulatory or administrative relief including, but not limited to, specific performance, or any agreement to provide such relief; and
- h. discounts, prizes, awards, coupons or other incentives offered to the **Insured Member's** clients or customers.

J. **Deductible** means the amount shown in Item 5.A. of the Declarations and described in Section VII. of this Policy.

K. **Dependent Systems Event** means the unintentional and unplanned interruption of computers or associated hardware, software, or firmware, including network devices and backup components, owned, leased, operated or controlled by a third party that provides services or products to the **Insured Member**.

L. **eCrime Event** means:

1. the loss of the **Insured Member's** money or securities that results directly from a wrongful transfer, payment or delivery of such money or securities by such **Insured Member** as a sole result of fraudulent electronic or telephone instructions provided by a third party, that is intended to mislead the **Insured Member** through the misrepresentation of a material fact which is relied upon in good faith by such **Insured Member**, including such loss resulting from business e-mail compromise, social engineering, spear-phishing and e-mail spoofing;
2. the loss of money or securities from an account at a financial institution resulting directly from fraudulent electronic or telephone instructions issued by a third party to a financial institution directing such institution to transfer, pay or deliver money or securities from any account maintained by the **Insured Member** at such institution, without such **Insured Member's** knowledge or consent;
3. the act of a third party gaining access to and using the **Insured Member's** telephone system in an unauthorized manner; or
4. the loss of money owed to the **Insured Member** by a customer or client of such **Insured Member** that cannot be collected resulting directly from an actual and documented use of the **Insured Member's** computer system by an unauthorized person or organization to release or distribute a fraudulent invoice or fraudulent payment instruction to the customer or client of the **Insured Member**.

eCrime Event does not include:

- a. any loss arising, directly or indirectly from an **Insured Member's** acceptance, deposit or handling of:
 - i. counterfeit currency or bank drafts;
 - ii. a bank draft, check or other financial instrument returned due to insufficient funds;
 - iii. counterfeit bonds, securities or other financial instruments; or
 - iv. counterfeit goods of any kind;including, but not limited to, loss arising from a transfer of money by an **Insured Member** to a third party associated with such **Insured Member's** acceptance, deposit or handling of such items;
- b. any loss arising, directly or indirectly, from: (i) loan fraud; (ii) mortgage fraud; or (iii) accounting fraud; including, but not limited to, check kiting, money laundering or fraudulent loan schemes. This includes loss arising from a transfer of money by an **Insured Member** to a third party associated with any such fraud;
- c. any actual or alleged use of credit, debit, charge, access, convenience, customer identification or other cards;
- d. any transfer involving a third party who is not a natural person **Supplemental Insured**, but had authorized access to the **Insured Member's** authentication mechanism;
- e. the processing of, or the failure to process: (i) credit; (ii) check; (iii) debit; (iv) electronic benefit transfers; or (v) mobile payments; for merchant accounts;
- f. any accounting or arithmetical errors or omissions, or the: (i) failure; (ii) malfunction; (iii) inadequacy; or (iv) illegitimacy; of any product or service;
- g. any fraudulent, dishonest or criminal act committed by any natural person **Supplemental Insured**; or
- h. any loss of money owed to the **Insured Member** that results solely from e-mail spoofing or any impersonation of an **Insured Member**.

M. **First Party Loss** means the value of monies (including money in the form of a digital currency), marketable goods or services paid or delivered under duress by or on behalf of the **Insured Member**, with the **Insurer's** prior written consent, solely for the purpose of terminating a **Cyber Extortion Threat**.

If the Declarations indicates that "Extended" **First Party Loss** coverage has been purchased, then **First Party Loss** also means:

1. the reasonable and necessary costs charged by a vendor designated or approved in writing by the **Insurer** to restore, replace or recreate software or electronic data to its condition immediately prior to the **Cyber Event** but only for such costs that are as a direct result of the **Cyber Event**;
2. the reasonable and necessary expenses incurred by the **Insured Member** during the **Indemnity Period** to continue or maintain normal operations that are over and above those expenses the **Insured Member** would have incurred had no **Cyber Event** occurred;
3. the net profit or loss without interest and before tax that the **Insured Member** would have earned or incurred during the **Indemnity Period** as a direct result of the **Cyber Event** (including the voluntary suspension of the **Insured Member's** computer system when such voluntary suspension is reasonable and necessary to mitigate **Loss**), plus the continuing normal operating expenses incurred by the **Insured Member** during the **Indemnity**

Period (including payroll) but only to the extent that such operating expenses must necessarily continue during the **Indemnity Period**;

4. the cost to repair or replace computer hardware or equipment that is damaged or impaired and must be replaced; and
5. the actual and demonstrated additional electrical utility costs resulting from the unauthorized use of the **Insured Member's** computing systems.

First Party Loss does not include, except as described in Section V., **Supplemental Payments & Services**, any costs attributed to an upgrade or improvement of: (a) electronic data; (b) software; or (c) computer systems; beyond what existed prior to the **Cyber Event** unless such upgrade or improvement is reasonable because of improvements in the available technology.

N. **Indemnity Period** means:

1. in the case of the actual interruption or impairment of the **Insured Member's** business operations, the period of time that: (a) begins after the elapse of the **Waiting Period** shown in Item 7. of the Declarations; and (b) ends 90 days after the time when the **Insured Member** could have resumed normal operations with the exercise of due diligence and dispatch; or
2. in all other cases, 120 days after the **Insured Member's** discovery of a **Cyber Event**;

The time frames indicated in paragraphs 1. and 2. above are not limited by the expiration date of this Policy. Despite any other provisions in this Policy, the maximum **Indemnity Period** is 180 days.

O. **Insured Member** means: (1) each entity named in Item 12. of the Declarations; (2) each **Subsidiary**; (3) each **Newly Acquired Entity**; and (4) each **Supplemental Insured**.

P. **Insurer** means the insurance company shown in the Declarations.

Q. **Loss** means: (1) **Breach Costs**; (2) **First Party Loss**; (3) financial loss from an **eCrime Event**; (4) **Damages**; and (5) **Claims Expenses**.

Multiple **Losses** arising from: (a) the same or a series of related or repeated acts, errors or omissions; (b) any continuing acts, errors or omissions; or (c) a series of related or repeated **Cyber Events**; shall be considered a single **Loss** for the purposes of this Policy. All such **Loss** shall be deemed to have been made at the time of the first such **Loss**.

R. **Multimedia Liability** means one or more of the following acts committed by, or on behalf of, the **Insured Member** in the course of creating, displaying, broadcasting, publishing, disseminating or releasing **Multimedia Material** to the public:

1. (a) defamation; (b) libel; (c) slander; (d) product disparagement; (e) trade libel; (f) infliction of emotional distress; (g) outrage; (h) outrageous conduct; or (i) other tort related to disparagement or harm to the reputation or character of any person or organization;
2. a violation of the rights of privacy of an individual, including: (a) false light; (b) intrusion upon seclusion; and (c) public disclosure of private facts;
3. invasion or interference with an individual's right of publicity, including commercial appropriation of: (a) name; (b) persona; (c) voice; or (d) likeness;
4. plagiarism, piracy, or misappropriation of ideas under implied contract;
5. infringement of copyright;
6. infringement of: (a) domain name; (b) trademark; (c) trade name; (d) trade dress; (e) logo; (f) title; (g) metatag; or (h) slogan, service mark or service name;
7. improper deep-linking or framing; or
8. unfair competition, if alleged in conjunction with any of the acts listed in paragraphs 5. or 6. above.

S. **Multimedia Material** means the content of material published or broadcast by, or on behalf of, the **Insured Member**, including any: (1) information; (2) words; (3) sounds; (4) numbers; (5) images; or (6) graphics; included in such content, but will not include computer software or the actual goods, products or services described, illustrated or displayed in such content.

- T. **Named Sponsor** means the entity named in Item 1. of the Declarations.
- U. **Newly Acquired Entity** means any entity: (1) formed or acquired by an **Insured Member** during the **Policy Period**; and (2) in which the **Insured Member** has more than 50% of the legal or beneficial interest; provided that if the trailing 12 month revenues for such entity exceed 15% of the **Insured Member's** annual operating budget for the same trailing 12 month period, then only if all of the following conditions are met:
1. within 90 days of the formation of a **Newly Acquired Entity**, the **Insured Member** notifies the **Insurer** in writing of the details of such: (a) merger; (b) acquisition; or (c) newly created joint venture or partnership;
 2. the **Insured Member** agrees to any changes in terms and conditions of this Policy or such **Insured Member** related to the **Newly Acquired Entity** including, but not limited to, the payment of additional premium, if any, charged by the **Insurer**; and
 3. the **Insurer** has issued a written endorsement specifically noting the addition of the **Newly Acquired Entity** as a covered **Insured Member**.
- V. **Notice Requirements** means the requirements described in Section IX. of this Policy.
- W. **Policy Period** means the length of time between the effective date shown in Item 2. of the Declarations and the earlier of:
1. the expiration date shown in Item 2. of the Declarations; or
 2. the cancellation date of this Policy.
- X. **Privacy Law** means a federal, state or foreign statute or regulation:
1. requiring the **Insured Member** to protect the confidentiality or security of **Protected Information**;
 2. requiring notice by the **Insured Member** to a person or organization whose **Protected Information** was accessed or reasonably may have been accessed by an unauthorized person; or
 3. governing the collection, use or storage of **Protected Information** by the **Insured Member**.
- Y. **Protected Information** means the following information that an **Insured Member** has a legal obligation to safeguard, protect or maintain in confidence:
1. non-public individually identifiable information as defined by any: (a) federal; (b) state; (c) local; or (d) foreign; statute, rule or regulation;
 2. an individual's: (a) social security number; (b) taxpayer identification number; (c) unpublished telephone number; (d) driver's license number; (e) state identification number; (f) passport number; (g) financial account number; (h) credit card number; (i) debit card number; or (j) the magnetic strip information from a credit or debit card; and
 3. any: (a) trade secret; (b) data; (c) design; (d) interpretation; (e) forecast; (f) formula; (g) method; (h) record; (i) report; or (j) other item of information; of a third party that is not available to the general public.
- Z. **Ransomware/Malware Event** means any circumstance or event including, but not limited to, a **Cyber Extortion Threat**, caused by software designed, or software that has been altered:
1. that results in the exfiltration of data;
 2. that results in the blocking of access to data or computer systems; or
 3. that otherwise causes damage to data, a computer or a computer system.

Such software includes, but is not limited to, ransomware.

AA. **Regulatory Body** means any federal, state, local or foreign governmental entity in such entity's regulatory or official capacity.

BB. **Subsidiary** means any entity in which the **Insured Member** as of the effective date of the Policy, either:

1. directly or indirectly owns more than 50% of the issued and outstanding voting equity securities; or
2. controls voting rights representing the present right to vote for election or to appoint more than 50% of the directors or trustees.

CC. **Supplemental Insured** means:

1. any past or present: (a) employee (including a part time, temporary, leased or seasonal employee); (b) the principals; (c) the partners ; or (d) executive officers or directors; of an **Insured Member** but only while acting within the scope of their duties as such;
2. any past or present natural person independent contractor who performs labor or service for the **Insured Member** pursuant to a written contract or agreement, where such labor or service is under the exclusive direction of the **Insured Member**, but only while acting in the scope of their duties as such and in the performance of labor or service to the **Insured Member**. The status of an individual as an independent contractor shall be determined as of the date of an alleged act, error or omission by any such independent contractor;
3. any: (a) spouse; or (b) the legally recognized domestic partner (whether by state or federal law); of any person otherwise qualifying as an **Supplemental Insured** but only with respect to their status as such;
4. in the event of: (a) death; (b) incapacity; (c) bankruptcy; or (d) insolvency; of any **Supplemental Insured**, such **Supplemental Insured's**: (i) heirs; (ii) estate; (iii) executors; (iv) administrators; and (v) legal representative in his or her capacity as such; but only with respect to matters for which the **Supplemental Insured** otherwise would have been entitled to coverage under this Policy; and
5. only as respects Coverage B., Cyber Liability: any person or entity that the **Insured Member** has agreed in writing to add as an additional insured under this Policy prior to the commission of any act for which such person or entity would be provided coverage under this Policy, but only for the vicarious liability of such additional insured for the wrongful acts of the **Insured Member**.

DD. **Supplemental Payments & Services** means the amounts described in Section V. of this Policy.

EE. **Unauthorized Disclosure** means the disclosure (including disclosure resulting from phishing) of or access to information in a manner that is not authorized by the **Insured Member** and is without: (1) knowledge; (2) consent; or (3) acquiescence; of any member of the **Control Group**.

FF. **Waiting Period** means the period: (1) starting upon the actual interruption or impairment of the **Insured Member's** business operations caused by a **Cyber Event**; and (2) ending after the number of hours shown in Item 7. of the Declarations.

IV. EXCLUSIONS

The **Insurer** shall not be liable to defend, pay, indemnify or reimburse an **Insured Member** with respect to any **Claim** or **Loss** based upon, resulting from, arising out of, in consequence of, or in any way connected with or involving, directly or indirectly:

- A. the actual or alleged: (1) distribution of unsolicited email, text messages, direct mail, facsimiles or other communications (including, but not limited to, any actual or alleged violation of the Telephone Consumer Protection Act of 1991 or the CAN-SPAM Act of 2003); (2) wire tapping; (3) audio or video recording; or (4) telemarketing; if such distribution, wire tapping, recording or telemarketing is done by or on behalf of an **Insured Member** (including a **Supplemental Insured**); however this exclusion will not apply to **Claims Expenses** incurred in defending an **Insured Member** against allegations of unlawful audio or video recording;
- B. any: (1) act; (2) error; (3) omission; (4) incident; or (5) event; committed or occurring prior to the effective date of this Policy if any member of the **Control Group** on or before the **Continuity Date** knew or could have reasonably foreseen that such act, error or omission, incident or event might be expected to be the basis of a **Claim** or **Loss**;
- C. any: (1) **Claim**; (2) **Loss**; (3) incident; or (4) circumstance; for which notice has been provided under any prior policy of which this Policy is a renewal or replacement;
- D. any criminal, dishonest, fraudulent, or malicious act or omission, or intentional or knowing violation of the law, if committed by or on behalf of an **Insured Member**, or committed by others if an **Insured Member** colluded or participated in any such conduct or activity; but this exclusion will not apply to:
 1. **Claims Expenses** incurred in defending any **Claim** alleging the foregoing until there is a final non-appealable adjudication establishing such conduct, at which time an **Insured Member** shall reimburse the **Insurer** for all

- Claims Expenses** incurred defending such **Claim**;
2. any natural person **Supplemental Insured**, if such **Supplemental Insured** did not personally commit, participate in or know about any: (a) act; (b) error; (c) omission; (d) incident; or (e) event; giving rise to such **Claim** or **Loss**; and
 3. the **Insured Member**; provided that no member of the **Control Group** personally committed, participated in or knew about any: (a) act; (b) error; (c) omission; (d) incident; or (e) event; giving rise to such **Claim** or **Loss**;
- E. any actual or alleged infringement, misuse or abuse of patent or patent rights;
- F. any actual or alleged infringement, use, misappropriation or disclosure of any intellectual property including, but not limited to, trade secret misappropriation, copyright infringement, trademark infringement, trademark dilution or trade dress infringement; but this exclusion will not apply to:
1. any **Claim** or **Loss** resulting from a theft, use or disclosure of **Protected Information** by a person who is not a past, present or future: (a) employee; (b) director; (c) officer; (d) partner; or (e) independent contractor; of a **Insured Member** and without the: (i) knowledge; (ii) consent; or (iii) acquiescence; of any member of the **Control Group**; or
 2. any **Claim** under Coverage C., **Multimedia Liability**;
- G. any actual or alleged use or misappropriation of any ideas or trade secrets by, or on behalf of, an **Insured Member**, or by any other person or entity if such use or misappropriation is done with the knowledge, consent or acquiescence of any member of the **Control Group**;
- H. a **Claim** made by or on behalf of:
1. any **Insured Member**; but this exclusion will not apply to a **Claim** made by an individual that is not a member of the **Control Group** under Coverage B., Cyber Liability, or a **Claim** made by any person or entity that the **Insured Member** has agreed in writing to add as an additional insured under this Policy; or
 2. any business enterprise in which an **Insured Member** has greater than 15% ownership interest or made by any parent company or other entity which owns more than 15% of the applicable **Insured Member**;
- I. any loss, transfer or theft of monies, securities or tangible property of the **Insured Member** or others in the care, custody or control of an **Insured Member**; but this exclusion will not apply to coverage under Coverage D., eCrime Loss;
- J. (1) nuclear reaction; (2) nuclear radiation; (3) radioactive contamination; (4) radioactive substance; (5) electromagnetic field; (6) electromagnetic radiation; or (7) electromagnetism;
- K. (1) war; (2) invasion; (3) acts of foreign enemies; (4) hostilities (whether or not war is declared); (5) rebellion; (6) revolution; (7) insurrection; (8) war-like action; (9) coup; (10) usurped powers; or (11) military power; but this exclusion will not apply to **Cyber Terrorism**;
- L. any economic or trade sanction imposed by the United States including, but not limited to, sanctions administered and enforced by The United States Treasury Department's Office of Foreign Assets Control ("OFAC");
- M. any presence, discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, oil or other petroleum substances or derivatives, waste materials or other irritants, contaminants, pollutants or any other substances including, but not limited to, asbestos, fungus, mold and lead, which are or may be injurious to public health, property or the environment ("hazardous substances") or the cost to:
1. clean up or remove hazardous substances;
 2. monitor, assess or evaluate, the: (a) presence; (b) discharge; (c) dispersal; (d) escape; (e) release; or (f) threat of same; of hazardous substances;
 3. dispose of hazardous substances or take such other action as may be necessary to temporarily or permanently: (a) prevent; (b) minimize; or (c) mitigate; damage to the public health or welfare or to property or the environment, which may otherwise result; or
 4. directly or indirectly respond to or address any government direction or request that the applicable **Insured Member**: (a) test for; (b) monitor; (c) clean up; (d) remove; (e) contain; (f) treat; (g) detoxify; or (h) neutralize; hazardous substances;

N. solely with respect to Coverages B., Cyber Liability and Coverage C., **Multimedia Liability**:

1. any actual or alleged violation of the federal Fair Debt Collection Practices Act (FDCPA);
2. any actual or alleged violation from the failure to properly truncate credit, debit or payment card information on receipts or statements as required by the Fair and Accurate Credit Transactions Act of 2003 (FACTA);
3. any **Claim** covered under the terms of: (a) a commercial general liability insurance policy; (b) a professional liability insurance policy; (c) a management liability insurance policy; or (d) an employment practices liability insurance policy; maintained by the **Insured Member**; provided that this shall not apply to **Damages** or **Claims Expenses** in excess of the limits of liability of any such insurance policy;
4. any employment or labor relations: (a) policies; (b) practices; (c) acts or omissions; or (d) any actual or alleged refusal to employ any person, or misconduct with respect to employees; whether such **Claim** is brought by an employee, former employee, applicant for employment, or relative or domestic partner of such person; provided that this exclusion shall not apply to an otherwise covered **Claim** by a current or former employee of the **Insured Member** for **Damages** arising strictly from a **Cyber Event**; and
5. the: (a) ownership, sale or purchase of; or (b) offer to sell or purchase; stock or other securities, or an actual or alleged violation of a securities law or regulation;

O. solely with respect to Coverage C., **Multimedia Liability**, any:

1. contractual liability or obligation; but this exclusion will not apply to a **Claim** for misappropriation of ideas under implied contract;
2. actual or alleged obligation to make licensing fee or royalty payments;
3. costs or expenses incurred or to be incurred by the **Insured** or others for the: (a) reprinting; (b) reposting; (c) recall; (d) removal; or (e) disposal; of any **Multimedia Material** or any other information, content or media including, but not limited to, any media or products containing such **Multimedia Material**, information, content or media;
4. **Claim** brought by or on behalf of any intellectual property licensing bodies or organizations;
5. actual or alleged inaccurate, inadequate or incomplete description of the price of goods, products or services, cost guarantees, cost representations, contract price estimates, false advertising or the failure of any goods or services to conform with any represented quality or performance;
6. gambling, contest, lottery, promotional game or other game of chance; or
7. **Claim** made by or on behalf of any independent contractor, joint venturer or venture partner arising out of or resulting from disputes over ownership of rights in **Multimedia Material** or services provided by such independent contractor, joint venturer or venture partner;

P. solely with respect to Coverage D., eCrime Loss: any loss covered under the terms of: (1) a commercial crime insurance policy; or (2) a professional liability policy; maintained by the **Insured Member**; provided that this shall not apply to direct financial loss in excess of the limits of liability of any such insurance policy;

Q. solely with respect to Coverage E., **First Party Loss**, any **First Party Loss**:

1. arising from the: (a) seizure; (b) nationalization; (c) confiscation; or (d) destruction; of property or data by order of any governmental or public authority;
2. arising from: (a) fire; (b) flood; (c) earthquake; (d) volcanic eruption; (e) explosion; (f) lightning; (g) wind; (h) hail; (i) damage by water; (j) landslide; (k) act of God; or (l) any other physical event;
3. for additional costs to: (a) update; (b) replace; (c) restore; (d) assemble; (e) reproduce; (f) recollect; or (g) enhance; data or computer systems to a level beyond that which existed prior to a **Cyber Event**, except as covered under Section V., **Supplemental Payments & Services**;
4. arising from any:
 - a. failure or malfunction of satellites;
 - b. failure, malfunction or outage of electrical power, unless such failure, malfunction or outage was under the **Insured Member's** direct operational control;
 - c. failure or outage of any electricity, gas, water or sewerage utility service; or
 - d. failure, malfunction or outage of Internet or telecommunications infrastructure that is not under the **Insured Member's** direct operational control including, but not limited to, a data or telecommunications trunk line, root name server or any portion of the domain name system; or

5. covered under the terms of a property insurance policy providing coverage for risks of direct physical loss to property maintained by the **Insured Member**; provided that this shall not apply to **First Party Loss** in excess of the limits of liability of any such insurance policy.

V. SUPPLEMENTAL PAYMENTS & SERVICES

In addition to the amounts described in Section I., Insuring Agreements, of this Policy, in the event of an actual **Cyber Event** that results in **Breach Costs** or **First Party Loss** that exceeds the **Deductible**, the **Insurer** shall also pay the following costs but only to reasonably and significantly reduce the possibility of a similar **Cyber Event** from occurring in the future:

- A. up to \$10,000 for a third party consultant recommended by the **Insurer** to provide ongoing assistance to the **Insured Member** to improve and upgrade computer security; and
- B. up to \$5,000 for the purchase of computer equipment or computer software recommended by such third party consultant recommended by the **Insurer**.

Such payments shall be part of, and not in addition to, the **Insured Member** Aggregate Limit of Liability as well as the Policy Aggregate Limit of Liability shown in Item 4. of the Declarations.

VI. LIMITS OF LIABILITY

- A. The Policy Aggregate Limit of Liability shown in Item 4. of the Declarations is the most the **Insurer** will pay for all **Loss** under this Policy as respects all **Insured Members**. Once the Policy Aggregate Limit of Liability has been exhausted, the **Insurer** shall have no further duty to defend any **Insured Member** for any **Claim** which may otherwise be covered by this Policy.
- B. The **Insured Member** Aggregate Limit of Liability shown in Item 4. of the Declarations is the maximum the **Insurer** will pay as respects each **Insured Member** for all **Loss** covered by the Policy regardless of the number of: (1) individuals or organizations that make a **Claim**; (2) entities, organizations or individuals against whom **Claims** are made; (3) the number of **Claims** made; (4) the number of incidents; or (4) the number of **Dependent System Events, Cyber Events, eCrime Events, Supplemental Payments & Services** or actual or alleged wrongful acts.
- C. The Ransomware/Malware Sublimit of Liability shown in Item 4. of the Declarations is the maximum amount the **Insurer** is obligated to pay in the aggregate as respects each **Insured Member** for all **Breach Costs** and **First Party Loss** resulting from a **Ransomware/Malware Event**. The Ransomware/Malware Sublimit of Liability shall be part of, and not in addition to both the **Insured Member** Aggregate Limit of Liability as well as the Policy Aggregate Limit of Liability.
- D. The eCrime Loss Sublimit of Liability shown in Item 4. of the Declarations is the maximum amount the **Insurer** is obligated to pay in the aggregate as respects each **Insured Member** for all direct financial loss arising from all **eCrime Events** first discovered during the **Policy Period**. The eCrime Loss Sublimit of Liability shall be part of, and not in addition to both the **Insured Member** Aggregate Limit of Liability as well as the Policy Aggregate Limit of Liability.
- E. The Dependent Business Sublimit of Liability shown in Item 4. of the Declarations is the maximum amount the **Insurer** is obligated to pay in the aggregate as respects each **Insured Member** for **First Party Loss** arising from all **Dependent Systems Events**. The Dependent Business Sublimit of Liability shall be part of, and not in addition both the **Insured Member** Aggregate Limit of Liability as well as the Policy Aggregate Limit of Liability.

VII. DEDUCTIBLE

The **Deductible**, as shown in Item 5.A. of the Declarations, applies separately to each incident or event giving rise to **Breach Costs, Claims Expenses, Damages**, direct financial loss or **First Party Loss** under Coverages A., B., C., D and E.; provided, however, that multiple incidents or events arising from the same or a series of related or repeated acts or from any continuing acts, shall be considered a single incident or event for the purposes of this Policy and only one **Deductible** shall apply to all resulting **Loss**.

The **Insurer** shall only be obligated to pay any **Loss** under this Policy in excess of the **Deductible**.

The **Deductible** shall be borne by the **Insured Member**. In the event that this Policy provides coverage for **Loss** in excess of the limits available under other insurance, then the **Insurer** shall recognize payment by the **Insured Member** of any retention or deductible applicable to such other insurance against the **Deductible**.

The **Deductible** for an **Insured Member** is separate and apart from the **Deductible** for other **Insured Members**.

VIII. COINSURANCE

In addition to the **Deductible**, the **Insured Member** shall be responsible to pay the percentage shown in item 5.B. of the Declarations as respects any amount paid for the purpose of terminating a **Cyber Extortion Threat** and the **Insurer's** obligation to pay **Loss** shall be reduced by such amount. Such coinsurance amount shall be borne by the **Insured Member**.

IX. NOTICE REQUIREMENTS

A. The applicable **Insured Member** must give the **Insurer** written notice of any **Claim** as soon as practicable, but in no event later than: (1) 60 days after the end of the **Policy Period**; or (2) the expiration of any applicable Extended Reporting Period. Notice must be provided through the contacts shown in Item 9. of the Declarations.

All notices of **Claims** must be in writing and provide the following information: (a) the potential claimant(s) by name or description; (b) the names of each entity, organization or individuals involved that are part of the **Insured Member**; (c) the time, date, location and the description of the specific incident which forms the basis of the **Claim** including the nature of the potential **Damages** arising from such specific **Claim** or incident; (d) the circumstances by which the **Insured Member** first became aware of the specific **Claim**; and (e) the reason the **Insured Member** reasonably believes the subject **Claim** is likely to trigger coverage under this Policy.

B. With respect to **Breach Costs**: the **Insured Member** must notify the **Insurer** of any actual or reasonably suspected **Cyber Event** as soon as practicable after discovery by the **Control Group**, but in no event later than 60 days after the end of the **Policy Period**. Notice may be provided to the Crum & Forster Cyber Response Team shown in Item 10. of the Declarations. Otherwise notice must be provided through the contacts shown in Item 9. of the Declarations. Notice of an actual or reasonably suspected **Cyber Event** in conformance with this paragraph will also constitute notice of a circumstance that could reasonably be the basis for a **Claim**.

C. With respect to a **Cyber Extortion Threat**: the **Insured Member** must notify the **Insurer** via the email address shown in Item 10. of the Declarations as soon as practicable after discovery of a **Cyber Extortion Threat** but in no event later than 60 days after the end of the **Policy Period**. The **Insured Member** will provide the **Insurer** with a proof of **Loss** from a **Cyber Extortion Threat** no later than six months after the end of the **Policy Period**, unless the **Insurer** has agreed in writing to extend this deadline. The **Insured Member** must obtain the **Insurer's** consent prior to paying any ransom or demand related to a **Cyber Extortion Threat**.

D. With respect to any other **First Party Loss** or a loss from an **eCrime Event**: the **Insured Member** must notify the **Insurer** through the contacts shown in Item 9. of the **Declarations** as soon as practicable after discovery of the **Cyber Event** or **eCrime Event**. The **Insured Member** must provide the **Insurer** with a proof of **First Party Loss** or financial loss under the eCrime Loss Coverage. The full loss amount including all documentation and all proofs of loss must be provided to the **Insurer** no later than six months after the end of the **Policy Period** unless the **Insurer** has agreed in writing to extend this deadline.

E. Any **Claim** arising out of a **Loss** that is covered under Coverages A., **Breach Costs**, D., eCrime Loss or E., **First Party Loss**, and that is reported to the **Insurer** in conformance with paragraphs B., C. or D. above will be considered to have been made during the **Policy Period**.

F. With respect to any circumstance that could reasonably be the basis for a **Claim**, the **Insured Member** may give written notice of such circumstance to the **Insurer** through the contacts shown in Item 9. of the Declarations. Such notice must include:

1. the specific details of the act, error, omission or event that could reasonably be the basis for a **Claim**;
2. the injury or damage which may result or has resulted from the circumstance; and
3. the facts by which the **Insured Member** first became aware of the act, error, omission or event.

If such notice that meets the requirements outlined above is made during the **Policy Period**, then any subsequent **Claim** made against the **Insured Member** arising out of any circumstance reported to the **Insurer** will be considered to have been made at the time written notice complying with the above requirements was first given to the **Insurer**.

X. EXTENDED REPORTING PERIOD

As a condition precedent to obtaining an Automatic Extended Reporting Period (AERP) or an Optional Extended Reporting Period (OERP), the full premium for this Policy, for any endorsements, and payment of **Deductibles** must have been paid in full. Neither the AERP nor the OERP reinstate or increase any Limits of Liability. Neither the AERP nor the OERP extend the **Policy Period** or change the scope of coverage afforded by this Policy.

A. Automatic Extended Reporting Period

1. If the **Named Sponsor** cancels or non-renews this Policy for any reason; or
2. the **Insurer** cancels or non-renews this Policy, for any reason other than:
 - (a) non-payment of premium;
 - (b) non-payment of **Deductible**;
 - (c) non-compliance with any terms and conditions of this Policy; or
 - (d) fraud or material misrepresentation;

then the each **Insured Member** shall be entitled to an AERP of 60 days from the date of expiration or cancellation to report **Claims** in writing to the **Insurer** which are first made against the **Insured Member** during the AERP and which arise from: (i) a **Cyber Event** that first occurs before the end of the **Policy Period**; or (ii) **Multimedia Material** first disseminated before the end of the **Policy Period**. If the OERP in subsection B. below is purchased, then this AERP shall be included within such OERP and will not further extend such OERP.

B. Optional Extended Reporting Period

1. If the **Named Sponsor** cancels or non-renews this Policy for any reason; or
2. the **Insurer** cancels or non-renews this Policy for any reasons other than:
 - (a) non-payment of premium;
 - (b) non-payment of **Deductible**;
 - (c) non-compliance with any terms and conditions of this Policy; or
 - (d) fraud or material misrepresentation;

then the **Named Sponsor** may purchase an OERP from the options below. If elected, the OERP will begin on the date the **Policy Period** expires or is cancelled and will entitle each **Insured Member** to notify the **Insurer** in writing of **Claims** which are first made against the **Insured Member** during the OERP and which arise from: (i) a **Cyber Event** that first occurs before the end of the **Policy Period**; or (ii) **Multimedia Material** first disseminated before the end of the **Policy Period**.

C. OERP Options

1. 12 months for a premium not to exceed 100% of the annual premium shown in Item 8. of the Declarations; or
2. 36 months for a premium not to exceed 195% of the annual premium shown in Item 8. of the Declarations

- D. In order to purchase the OERP, the **Named Sponsor**: (1) must provide the **Insurer** with written notice of the **Named Sponsor's** intention to do so no later than 30 days after the expiration of the **Policy Period** or cancellation date of the Policy; and (2) must include full payment of premium for the OERP at that time. The entire OERP premium is fully earned and non-refundable as of the date the **Named Sponsor** notifies the **Insurer** of its intent to purchase the OERP and full payment must be made at that time for the OERP to apply.

XI. OTHER CONDITIONS

A. Cooperation

The **Insured Member** shall immediately send the **Insurer** copies of all: (1) demands; (2) notices; (3) summonses; or (4) legal papers; received in connection with a **Claim** or **Loss**. The **Insured Member** must do whatever is

necessary to secure and affect any rights of indemnity, contribution or apportionment that the **Insured Member** may have and will not do anything after an act, incident or event giving rise to a **Claim** or **Loss** to prejudice such rights. The **Insured Member** shall: (a) cooperate with counsel; and (b) refrain from discussing any **Claim** or **Cyber Event** with anyone other than counsel retained to represent the **Insured Member** or the **Insurer's** representatives.

The **Insured Member** (including a **Supplemental Insured**) must fully assist and cooperate with the **Insurer** in the conduct, defense, investigation, negotiation and settlement of any **Claim** or **Loss**. At the **Insurer's** request, the **Insured Member** (including a **Supplemental Insured**) must submit to an examination under oath, provide the **Insurer** with written statements as requested by the **Insurer**, attend meetings and negotiations; and produce and make available all information, records, documents and other materials which the **Insurer** deems relevant to the **Claim** or **Loss**. The **Insured Members** shall not knowingly take any action that in any way increases **Loss** or prejudices the **Insurer's** position under this Policy.

As respects any **Claim**, the **Insured Member** (including a **Supplemental Insured**) must attend hearings, depositions, proceedings, trials and appeals; and assist the **Insurer** in affecting settlements, securing and giving evidence and obtaining the attendance of witnesses, and pursuing or enforcing any right of contribution or indemnity against a person or entity who may be liable to any **Insured**.

Except as otherwise provided in Section II., Defense and Settlement of **Claims**, Part A., no **Insured Member** (including a **Supplemental Insured**) will, except at its own cost: (1) admit liability; (2) settle a **Claim**; (3) incur any expense to investigate a **Claim** or **Loss**; (4) retain attorneys; (5) incur **Claims Expenses**; (6) assume any other obligation with respect to a **Claim** or **Loss**; or (7) incur any other expense with respect to a **Claim** or **Loss**; without the **Insurer's** prior written consent. Compliance with a statute or regulation that requires notice to government authorities, regulatory authorities or to persons whose personal information may have been accessed by an unauthorized individual, will not be considered an admission of liability for purposes of this clause.

B. Due Dispatch

The **Insured Member** shall make every reasonable effort to restore operations as quickly as possible after a **Cyber Event**. If the **Insured Member** does not resume operations, or does not resume operations as quickly as possible, the **Insurer** may reduce the payment of **First Party Loss** to the amount of **First Party Loss** based on the length of time it would have taken to resume operations as quickly as possible.

C. Action Against the **Insurer** and Bankruptcy

1. No action shall be taken against the **Insurer** unless, as a condition precedent thereto, the **Insured** and the **Insured Member** shall have fully complied with all the terms and conditions of this Policy, nor until the amount of the **Insured Member's** obligation to pay **Damages** for any **Claim** shall have been fully and finally determined either by judgment against the **Insured Member** or by written agreement between the **Insured Member**, the claimant, and the **Insurer**.
2. Nothing contained herein shall give any person or entity any right to join the **Insurer** as a party to any **Claim** against the **Named Sponsor** or the **Insured Member** to determine their liability. Nor shall the **Insurer** be impleaded by the **Named Sponsor** or the **Insured Member** or their legal representative in any **Claim**.
3. Bankruptcy or insolvency of the **Named Sponsor** or an **Insured Member** or of the estate of the **Named Sponsor** or an **Insured Member** shall not relieve the **Insurer** of its obligations nor deprive the **Insurer** of its rights or defenses under this Policy.

D. Cancellation and Nonrenewal

1. The **Named Sponsor** may cancel this Policy by written notice to the **Insurer**, stating at what future date cancellation is to be effective. If the **Named Sponsor** cancels, earned premium shall be computed using the customary short rate table. Provided, however, the premium shall be deemed fully earned if any **Claim** or **Loss** or other circumstance that could reasonably be the basis for a **Claim** or **Loss**, is reported to the **Insurer** on or before the date of cancellation.
2. The **Insurer** can cancel this Policy by written notice to the **Named Sponsor**, at the address shown in Item 1. of the Declarations. The **Insurer** will provide written notice at least 30 days before cancellation is to be effective

and the earned premium will be computed pro-rata. However, if the **Insurer** cancels because the **Named Sponsor** has failed to pay a premium when due, only 10 days written notice of cancellation will be required.

3. This Policy will terminate on the effective date of the cancellation. Return of unearned premium is not a condition of cancellation. Unearned premium will be returned as soon as practicable.
4. The **Insurer** will not be required to renew this Policy upon its expiration. If the **Insurer** elects not to renew this Policy, the **Insurer** will mail to the **Named Sponsor**, at the address shown in Item 1. of the Declarations, written notice of nonrenewal at least 30 days prior to the expiration date of this Policy. Any offer of renewal on terms involving a change of **Deductible**, premium, Limit of Liability, or other terms and conditions shall not constitute, nor be construed as, a failure or refusal by the **Insurer** to renew this Policy.
5. Proof of mailing of any notice of cancellation or nonrenewal shall be sufficient proof of notice.

E. Assignment of the **Named Sponsor** or **Insured Member's** Interest

The interest of the **Named Sponsor** or **Insured Member** under this Policy is not assignable to any other person or organization, except with the **Insurer's** prior written consent.

F. Subrogation

If any payment is made under this Policy and there is available to the **Insurer** any of the **Insured Member's** rights of recovery against any other party, then the **Insurer** will maintain all such rights of recovery. The **Insured Member** will do whatever is reasonably necessary to secure such rights and will not do anything after an act, incident or event giving rise to a **Claim** or **Loss** to prejudice such rights. If the **Insured Member** has waived its right to subrogate against a third party through written agreement made before an act, incident or event giving rise to a **Claim** or **Loss** has occurred, then the **Insurer** will waive its rights to subrogation against such third party. Any recoveries will be applied first to subrogation expenses, second to **Loss** paid by the **Insurer**, and lastly to the **Deductible**. Any additional amounts recovered will be paid to the **Insured Member**.

G. Changes Made to this Policy

The terms and conditions of this Policy cannot be waived or changed except by specific written endorsement issued by the **Insurer** and made part of the Policy.

H. Application

The statements provided by the **Named Sponsor** or contained in an **Insured Member's** Application, and any and all attachments, constitute the representations of each **Insured Member** and are material. This Policy is issued and continued in force by the **Insurer** in reliance upon the truth, accuracy and completeness of such representations, which are the basis of this Policy and current as of the date of binding. Upon the binding of coverage, the Application and any and all attachments are incorporated in and form a part of the Policy.

In the event of any material untruth, misrepresentation or omission in connection with any of the particulars or statements in the Application, this Policy shall be void with respect to the **Insured Member**, any individual, entity or organization who knew of such untruth, misrepresentation or omission or to whom such knowledge is imputed.

I. False or Fraudulent **Claims**

If a **Insured Member** reports any **Claim** or **Loss** knowing such to be false or fraudulent, insurance as respects such **Insured Member** under this Policy shall become void and all insurance coverage hereunder shall be forfeited as to the inception date as respects such **Insured Member**.

J. Terms and Conditions of Policy Conformed to Statute

Where necessary, the terms and conditions of this Policy will be amended to conform to applicable law.

K. Change in Risk

If, during the **Policy Period**: (1) an **Insured Member** is dissolved, sold, acquired by, merged into, or consolidated with another entity such that the **Insured Member** is not the surviving entity; or (2) a third party receiver, conservator, trustee, liquidator, rehabilitator or any similar official is appointed for or with respect to such **Insured Member**; then coverage under this Policy as respects such **Insured Member** shall continue in full force and effect until the expiration date or any earlier cancellation or termination date, but only with respect to events, acts or incidents that occur prior to such consolidation, merger or acquisition.

L. **Named Sponsor** as Agent

The **Named Sponsor** named in Item 1. of the Declarations will be considered the agent of all **Insured Members** with respect to the giving of or receipt of all notices pertaining to this Policy (except for those notices required by an **Insured Member** pursuant to Section IX., Notice Requirements and Section XI.A., Cooperation) and may cancel this Policy or negotiate changes to this Policy on behalf of any and all **Insured Members**. The **Named Sponsor** is responsible for the payment of all premiums and **Deductibles** and for receiving any return premiums.

M. Other Insurance

1. With respect to Coverage A., **Breach Costs**: this Policy shall be primary of any other insurance policy.
2. With respect to Coverages B., C., D. and E.: all **Loss** payable under this Policy shall be in excess of and shall not contribute with other existing insurance including, but not limited to, any insurance under which there is a duty to defend regardless of whether any **Loss** is collectible or recoverable under such other insurance, unless such other insurance is written specifically excess of this Policy. This Policy shall not be subject to the terms or conditions of any other insurance.

N. Policy Territory

This insurance applies to **Claims** made and acts, errors or omissions committed, or **Loss** occurring anywhere in the world except countries or states against which the United States has implemented trade or diplomatic sanctions.

O. Economic and Trade Sanctions or Violations of Law

Any **Loss, Claim**, covered event or other transaction or matter which is uninsurable under any: (1) act; (2) statute; (3) rule; (4) regulation; (5) ordinance; (6) common law; or (7) other law; of the United States of America concerning trade or economic sanctions or export control laws is not covered under this Policy.

P. Entire Agreement

All of the individuals, organizations or entities comprising the **Insured Member** and the **Named Sponsor** named in Item 1. of the Declarations agree that this Policy, including the: (1) Application; (2) Declarations; and (3) any endorsements; constitutes the entire agreement between them and the **Insurer** or any of its agents relating to this insurance.

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC")

ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC.

Other limitations on the premiums and payments also apply.

Crum & Forster Specialty Insurance Company
A Delaware Corporation
Home Office: Wilmington, DE

(A Capital Stock Company)

SIGNATURE



Marc J. Adee
Chairman and CEO

SIGNATURE



James Kraus
Secretary

SERVICE OF PROCESS CLAUSE

The Insurance Commissioner, Director of Insurance, Superintendent of Insurance, or other officer specified by law, pursuant to the laws of the state where this policy is delivered, is hereby designated as the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit, or proceeding arising out of this policy. The Company further designates:

Name: Marc Adee, President
Name of Company or Firm: Crum & Forster Specialty Insurance Company
Mailing Address: 305 Madison Avenue
Morristown, NJ 07960

as its person to whom such process shall be forwarded by the Insurance Commissioner, Director of Insurance, Superintendent of Insurance, or other officer specified by law.

All other terms and conditions of the policy remain unchanged.



THIS NOTICE IS IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS NOTICE DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT
SCHEDULE

Terrorism Premium (Certified Acts): \$0

This premium is the total Certified Acts premium attributable to the following Policy:

Cyber Master Insurance Policy

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorists acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this notice.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 80% beginning on January 1, 2020, of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

C. Cap on Insurer Participation in Payment of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured: West Michigan Risk Management Trust		Endorsement Number: 4
Policy Number: CYB-102444	Policy Period: 07/01/2021 to 07/01/2022	Effective Date of Endorsement: 07/01/2021
Insurer: Crum & Forster Specialty Insurance Company		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

CYBER MASTER INSURANCE POLICY

In consideration of the premium charged, it is agreed that Section X., Other Conditions, is amended by addition of the following:

• **CERTIFIED ACTS OF TERRORISM**

1. If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and the **Insurer** has met its deductible under the Terrorism Risk Insurance Act, the **Insurer** shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

“**Certified Act of Terrorism**” means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a “**Certified Act of Terrorism**” include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
 - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
2. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Policy.

All other terms, conditions and limitations of the Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured: West Michigan Risk Management Trust		Endorsement Number: 5
Policy Number: CYB-102444	Policy Period: 07/01/2021 to 07/01/2022	Effective Date of Endorsement: 07/01/2021
Insurer: Crum & Forster Specialty Insurance Company		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

CYBER EXTORTION COINSURANCE ENDORSEMENT

This endorsement modifies insurance provided under the following:

CYBER MASTER INSURANCE POLICY

In consideration of the premium charged, it is agreed that:

1. The **Insurer's** obligation to indemnify an **Insured Member** for a **First Party Loss** resulting from a "Cyber Extortion Payment" shall be limited to 90% of such **First Party Loss**. The remaining 10% must be borne by the **Insured Member** and is in addition to the **Deductible**.
2. Section III. of the Policy, Definitions, is amended by addition of the following:
 - "Cyber Extortion Payment" means the total value of monies (including money in the form of a digital currency), marketable goods or services paid or delivered under duress by or on behalf of the **Insured Member**, for the purpose of terminating a **Cyber Extortion Threat**.

All other terms, conditions and limitations of the Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured: West Michigan Risk Management Trust		Endorsement Number: 6
Policy Number: CYB-102444	Policy Period: 07/01/2021 to 07/01/2022	Effective Date of Endorsement: 07/01/2021
Insurer: Crum & Forster Specialty Insurance Company		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

CLASS MEMBER SCHEDULE ENDORSEMENT

This endorsement modifies insurance provided under the following:

CYBER MASTER INSURANCE POLICY

In consideration of the premium charged, it is agreed that:

1. the following **Insured Members** shall be considered to be Class 1 Members:

- Delton Kellogg Schools
- East Grand Rapids Public Schools
- Holland Public School
- South Haven Public Schools
- Wyoming Public Schools
- Zeeland Public Schools

2. the following **Insured Members** shall be considered to be Class 2 Members:

- Comstock Park Public Schools
- Forest Hills Public Schools
- Grandville Public School
- Ionia County ISD
- Kent City Community Schools
- Lowell Area Schools
- Northview Public Schools
- Ottawa Area Intermediate School District
- Rockford Public Schools
- Sparta Area Schools
- Spring Lake Public Schools
- Youth Advancement Academy

All other terms, conditions and limitations of the Policy remain unchanged.

