

CYBERLIABILITY PLUS™ INSURANCE POLICY

(Claim Expense Within the Limit of Insurance)

IMPORTANT NOTICE

CLAIM EXPENSE IS INCLUDED IN THE LIMIT OF INSURANCE AND THE DEDUCTIBLE. ALL WORDS OR PHRASES, OTHER THAN CAPTIONS, PRINTED IN BOLD FACE ARE DEFINED IN THE POLICY. VARIOUS PROVISIONS IN THIS POLICY RESTRICT COVERAGE. READ THE ENTIRE POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT INSURED.

CLAIMS MADE POLICY: THIS INSURANCE COVERAGE IS ON A CLAIMS MADE BASIS. COVERAGE APPLIES ONLY TO THOSE **CLAIMS** THAT ARE FIRST MADE DURING THE **POLICY PERIOD** AND ANY EXTENDED REPORTING PERIOD, IF APPLICABLE, AS THOSE TERMS ARE DESCRIBED IN THE POLICY. COVERAGE DOES NOT APPLY TO ANY **WRONGFUL ACTS** COMMITTED BEFORE THE **RETROACTIVE DATE** STATED ON THE DECLARATIONS PAGE.

In consideration of the payment of the premium and in reliance on the statements in the Declarations and subject to all other terms of this policy, the **Company** designated in the Declarations agrees with the **Insured** to the following:

I. INSURING AGREEMENT

The **Company** will pay on behalf of the **Insured** all **Damages** and **Claim Expense** in excess of the Deductible and within the Limit of Insurance which the **Insured** becomes legally obligated to pay because of liability as a result of one or more **Claims** arising from any of the following actual or alleged **Wrongful Acts** in performing **Cyberspace Activities**, including obtaining, processing, uttering or disseminating **Content** in or for the **Cyberspace Activities**, when the first written **Claim** is made against any **Insured** during the **Policy Period** or any Extended Reporting Period:

- A. any form of defamation or other tort related to disparagement or harm to the character, reputation or feelings of any person or organization, including libel, slander, product disparagement, trade libel, infliction of emotional distress, malicious falsehood, outrage or outrageous conduct;
- B. any form of invasion, infringement or interference with rights of privacy or publicity, including false light, public disclosure of private facts, intrusion, breach of confidence and commercial appropriation of name or likeness;
- C. infringement of title, slogan, trademark, trade name, trade dress, service mark or service name;
- D. infringement of copyright, false attribution of authorship, passing off, plagiarism or misappropriation of ideas under implied contract;
- E. misuse of an intellectual property right in **Content**, but only when alleged in conjunction with the types of **Claims** named in C. and D. above;
- F. wrongful entry or eviction, trespass, eavesdropping or other invasion of the right of private occupancy;
- G. false arrest, detention or imprisonment or malicious prosecution;
- H. failure to prevent a party from:
 - 1. unauthorized access to, unauthorized use of, tampering with or introduction of malicious code into data or systems; or
 - 2. repetitively accessing a website, under the control of an **Insured**, with the intent to deny others access to such website or with the intent to cause such website's functionality to fail, including what is commonly referred to as denial of service attacks; or

I. errors, omissions or negligent acts.

II. EXCLUSIONS

A. The **Company** will not be obligated to pay **Damages** or **Claim Expense** for **Claims** for or arising out of actual or alleged:

1. **Bodily Injury** or **Property Damage**;
2. harassment, misconduct or discrimination because of or relating to race, creed, color, age, sex, sexual preference, national origin, religion, handicap, disability or marital status;
3. infringement of patent;
4. malfunction or defect of any hardware, equipment or component, except this Exclusion does not apply when the malfunction or defect is solely the result of the **Insured's** negligence in performing **Cyberspace Activities**;
5. electrical failure including electrical power interruption, surge, brownout or blackout;
6. liability assumed under any contract or agreement, except this Exclusion does not apply to liability which the **Insured** would have incurred in the absence of such contract or agreement;
7. breach of contract, warranty or guarantee; however, with respect to allegations of breach of contract, this Exclusion shall not apply to any liability that would have attached in the absence of such contract;
8. false, misleading, deceptive, fraudulent or misrepresenting statements in advertising, publicity or promotional material about the **Insured** or its own product or service;
9. antitrust, restraint of trade or unfair or deceptive trade practices;
10. acts of the **Insured** related to any pension, healthcare, welfare, profit sharing, mutual or investment plans, funds or trusts; or any violation of any provision of the Employee Retirement Income Security Act of 1974, or any amendment to the Act or any violation of any regulation, ruling or order issued pursuant to the Act;
11. violation of the Securities Act of 1933, the Securities Exchange Act of 1934, any state blue sky or securities law, any similar state or federal law, or any amendment to the above laws or any violation of any order, ruling or regulation issued pursuant to the above laws; or
12. the actual or threatened discharge, dispersal or release of any **Pollutant**; or the creation of an injurious condition involving any **Pollutant**; or the existence of any **Pollutant** on any property; or the clean up, removal, testing, monitoring, containment, treatment, detoxification or neutralization of any **Pollutant**. This Exclusion, A.12., is effective whether or not the pollution was sudden, accidental, gradual, intended, expected or preventable or whether or not any **Insured** caused or contributed to the pollution.

B. The **Company** will not be obligated to pay **Damages** or **Claim Expense** for **Claims** for or arising out of:

1. an act, error or omission that a jury, court or arbitrator finds dishonest, fraudulent, criminal, malicious or intentionally committed while knowing it was wrongful; or
2. intentional unauthorized access to, unauthorized use of, tampering with or introduction of malicious code into data or systems by any **Insured** or person who would qualify as an **Insured** but for their acts being outside the scope of their duties as a partner, officer, director or employee of an **Insured**.

However, these Exclusions, II.B.1. and 2., do not apply to any **Insured** who did not commit, acquiesce or participate in the actions that gave rise to the **Claim**.

- C. The **Company** is not obligated to pay **Damages** or **Claim Expense** for **Claims** made by:
1. any **Insured**;
 2. any entity which is a parent, affiliate, subsidiary, joint venturer or co-venturer; or other entity in which any **Insured** is a partner;
 3. any entity directly or indirectly controlled, operated or managed by an entity described in Part II.C.1. or 2. above;
 4. any party or the successor or assignee of any party who has supplied, is supplying or is to supply **Content**, material or services to the **Insured**, but only with respect to **Claims** involving disputes over the ownership of, fees associated with, use of, or exercise of rights in the **Content**, material or services supplied;
 5. any regulatory authority, or any federal, state or local governmental agency; or
 6. any present, former or prospective employee based on, resulting from, or arising directly or indirectly out of the employment relationship or the nature, terms or conditions of employment, including, but not limited to discrimination, harassment, wrongful discharge, breach of contract, employment-related defamation or workplace or employment torts.

III. Where and When We Insure

A. Where We Insure

The territory and jurisdiction of this policy is universal. Coverage applies to **Wrongful Acts** committed anywhere and to **Claims** made in any jurisdiction in the world. If **Damages** or **Claim Expenses** are paid in a currency other than United States of America dollars, then the payment under this policy will be considered to have been made in United States dollars at the conversion rate, which is in effect at the time of the payment.

B. When We Insure

1. **Claims** First Made

This insurance applies when a written **Claim** is first made against an **Insured** during the **Policy Period**. To be covered, the **Claim** must also arise from a **Wrongful Act** committed during the **Policy Period**.

The **Company** will consider a **Claim** to be first made against an **Insured** when a written **Claim** is first received by any **Insured**.

This insurance also applies to **Claims** under the following conditions:

2. Prior **Wrongful Acts**

The **Company** will cover a written **Claim** first made against any **Insured** arising from a **Wrongful Act** committed between the **Retroactive Date** and the Inception Date of this policy, but only if all of the following conditions are met:

- a. The written **Claim** is first made against any **Insured** during the **Policy Period**. The **Company** will consider a **Claim** to be first made against the **Insured** when a written **Claim** is first received by any **Insured**;
- b. No **Insured** knew prior to the Inception Date of a circumstance that could reasonably be expected to lead to the **Claim**; and

c. There is no other valid and collectible insurance for the **Claim**.

3. Reported **Wrongful Acts**

The **Company** will cover a written **Claim** first made against any **Insured** after the end of the **Policy Period**, but only if all of the following conditions are met:

- a. The **Wrongful Act** is committed between the **Retroactive Date** and the end of the **Policy Period**;
- b. The **Company** receives written notice from the **Insured** during the **Policy Period** of the **Wrongful Act**. The notice must include all of the following information:
 - (1) the names of those persons or organizations involved in the **Wrongful Act**;
 - (2) the specific person or organization likely to make the **Claim**;
 - (3) a description of the time, place and nature of the **Wrongful Act**; and
 - (4) a description of the potential **Damages**;
- c. No **Insured** knew prior to the Inception Date, as stated in Item 2. of the Declarations, of a circumstance that could reasonably be expected to lead to the **Claim**; and
- d. There is no other valid and collectible insurance for the **Claim**.

A **Claim** first made after the end of the **Policy Period** and arising from a reported **Wrongful Act** will be covered under the provisions of the policy in effect on the date the **Company** receives the notice of the **Wrongful Act**.

4. Extended Reporting Period

This section describes the provisions and conditions that apply to **Claims** first made after the end of the **Policy Period** when the **Insured** has not reported a **Wrongful Act** during the **Policy Period** in accordance with Part III.B.3. above. Such **Claims** are not automatically covered. To cover them, the **First Named Insured** must purchase an Extended Reporting Period from the **Company**.

If the **First Named Insured** purchases an Extended Reporting Period, the **Company** will cover a **Claim** first made against any **Insured** during the Extended Reporting Period, but only if all of the following conditions are met:

- a. The **Wrongful Act** is committed between the **Retroactive Date** and the end of the **Policy Period**;
- b. No **Insured** knew prior to the Inception Date, as stated in Item 2. of the Declarations, of a circumstance that could reasonably be expected to lead to the **Claim**; and
- c. There is no other valid and collectible insurance for the **Claim**.

The **Company** will consider a **Claim** to be made during the Extended Reporting Period only if written **Claim** is first received by any **Insured** after the Expiration Date of the **Policy Period** and prior to the Expiration Date stated in the Extended Reporting Period Endorsement.

The following provisions and conditions also apply to the Extended Reporting Period:

- d. If the **Company** cancels or non-renews the policy, and upon request by the **First Named Insured**, the **Company** will offer an Extended Reporting Period, unless the **Company** cancels or non-renews the policy because:
 - (1) any **Insured** failed to pay the premium or Deductible; or
 - (2) any **Insured** failed to comply with policy provisions.

The Extended Reporting Period options and the respective percentages of the Premium that the **First Named Insured** must pay to purchase an Extended Reporting Period are:

One Year = 100% of the annual premium
Two Years = 150%

Changes or proposed changes in premium or policy provisions shall not be construed as cancellation or nonrenewal of the policy by the **Company**.

If the **First Named Insured** cancels or nonrenews the policy, the **Company** may, at the **Company's** sole option, offer to sell the **First Named Insured** an Extended Reporting Period for an additional premium.

- e. The **Company** must receive the **First Named Insured's** request for the Extended Reporting Period in writing within thirty (30) days after the end of the **Policy Period**. On receipt and acceptance of the request, the **Company** will issue an endorsement showing the Extended Reporting Period in accordance with the option requested by the **First Named Insured**. At the same time, the **Company** will bill the additional premium, and the **Company** must receive payment within thirty (30) days after the billing date for the endorsement to be effective.
- f. The endorsement shall also include the provisions and conditions applicable to the Extended Reporting Period. Once in effect, the Extended Reporting Period may not be canceled.
- g. A **Claim** that is first made during the Extended Reporting Period will be deemed to have been made on the last day of the **Policy Period**. The provisions of the policy in effect on the last day of the **Policy Period** will apply.
- h. The Extended Reporting Period does not reinstate or increase the Limit of Insurance.
- i. The Extended Reporting Period does not extend the **Policy Period** or change the scope of coverage provided.

5. Multiple **Claims**

All **Claims** arising from the same **Wrongful Act** will be deemed to have been made on the earlier of the following dates:

- a. the date the first of those **Claims** is made against any **Insured**; or
- b. the first date the **Company** receives the **Insured's** written notice of the **Wrongful Act**.

The provisions of the policy in effect on that date will apply.

IV. **POLICY LIMIT AND DEDUCTIBLE**

A. Limit of Insurance

1. Each **Wrongful Act**

The Each **Wrongful Act** Limit of Insurance stated in Item 5.a. on the Declarations is the most the **Company** will pay for **Damages** and **Claim Expenses** combined for the total of all **Claims** made during the **Policy Period** and any Extended Reporting Period arising from each **Wrongful Act**, no matter how many:

- a. **Insureds** this policy covers;
- b. **Claims** are made; or
- c. Persons or organizations make **Claims**.

2. Total Limit of Insurance

The Total Limit of Insurance stated in Item 5.b. on the Declarations is the most the **Company** will pay for **Damages** and **Claim Expenses** combined for the total of all **Claims** made during the **Policy Period** and any Extended Reporting Period, no matter how many:

- a. **Insureds** this policy covers;
- b. **Claims** are made;
- c. Persons or organizations make **Claims**; or
- d. **Wrongful Acts** are committed.

B. Deductible

A separate Deductible applies to each actual and/or alleged **Wrongful Act**. For purposes of this provision, a series of related **Wrongful Acts**, as described in Part V.O., will be considered a single **Wrongful Act**. The Deductible applies to **Damages** and **Claim Expenses** combined, and the **Company's** obligation to pay **Damages** and **Claim Expenses** applies only to the amount of **Damages** and **Claim Expenses** in excess of the Deductible. The amount of the **Insured's** Deductible is stated in Item 6. on the Declarations. The Deductible does not deplete the applicable Limit of Insurance.

V. DEFINITIONS

- A. "**Bodily Injury**" means physical injury, sickness or disease sustained by a person, including death resulting from any of these at any time. **Bodily Injury** also means disability, emotional distress, mental anguish, mental injury, shock or fright when these conditions result in or from physical injury, sickness, disease or death.
- B. "**Claim**" means a demand or assertion of a legal right made against any **Insured**, even if any of the allegations of the **Claim** are groundless, false or fraudulent. **Claim** also means a suit seeking injunctive relief relating to the **Wrongful Acts** specified in Part I., **INSURING AGREEMENT**.
- C. "**Claim Expense**" means, when authorized and approved by the **Company**:
 1. fees charged by an attorney in defense of a **Claim**, including such fees necessitated by a demand for a retraction or correction;
 2. all other fees, costs and expenses which result from the investigation, discovery, adjustment, defense, negotiation, arbitration, mediation, settlement or appeal of a **Claim**;
 3. interest on any part of a judgment not exceeding the Limit of Insurance that accrues after the entry of the judgment and before the **Company** has paid or tendered or deposited the applicable judgment amount in court; and
 4. premiums on appeal bonds required as a result of a **Claim** and premiums on bonds to release attachments for a bond amount not exceeding the Limit of Insurance, but the **Company** has no obligation to apply for or furnish any such bonds.

Claim Expense does not include salary charges or expenses of regular employees of the **Insured**.

- D. "**Company**" means the insurance company stated at the top of the Declarations.
- E. "**Content**" means printed, audio, visual, digital or informational material.
- F. "**Cyberspace Activities**" means those services or other activities as described in Item 4. of the Declarations.

- G. "**Damages**" means monetary judgment, award or settlement, including those that are actual, statutory, punitive, multiplied or exemplary, except when applicable law prohibits insurance for punitive, multiplied or exemplary damages; and legal expense or other costs included as part of a judgment, award or settlement.

Damages does not include civil or criminal fines or penalties; royalties, fines or penalties sought by any music licensing organization; disputed royalties, fees, deposits, commissions or charges for goods or services; or loss or disgorgement of profits by an **Insured**. **Damages** also does not include costs of correcting, performing or reperforming the **Insured's Cyberspace Activities** by the **Insured** or another party when the **Insured** has the capability to correct, perform or reperform the activity that generated the costs.

- H. "**First Named Insured**" means the **Named Insured** first listed in the Declarations under Item 1., **Named Insured**.

- I. "**Insured**" means, individually and collectively:

1. the **Named Insured** and any **Subsidiary**;
2. the **Named Insured's** stockholders for their liability as stockholders;
3. the **Named Insured's** and **Subsidiaries'** partners, officers, directors and employees, but only with respect to their activities within the scope of their duties in such capacity in the performance of **Cyberspace Activities** by the **Named Insured** or any **Subsidiary**;
4. the **Named Insured's** and **Subsidiaries'** former partners, officers, directors and employees, but only with respect to their activities within the scope of their duties in the capacity of the **Named Insured's** partner, officer, director or employee in the performance of **Cyberspace Activities** by the **Named Insured**; and
5. in the event of death, incompetency, insolvency or bankruptcy of any **Insured**, the **Insured's** legal representative, but only with respect to their activities within the scope of their duties in such capacity in the performance of **Cyberspace Activities** by the **Named Insured**.

- J. "**Named Insured**" means the person(s) or entity(ies) listed in Item 1. of the Declarations of the policy.

- K. "**Policy Period**" means the period of time stated in Item 2. of the Declarations or any shorter period resulting from cancellation of the policy.

- L. "**Pollutant**" means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to:

1. smoke, vapor, soot, fumes, acids, alkalis, chemicals, lead, silica, mold or asbestos;
2. hazardous, toxic or radioactive matter or nuclear radiation;
3. waste, which includes material to be recycled, reconditioned or reclaimed; or
4. any other **Pollutant** as defined by applicable federal, state or local statutes, regulations, rulings or ordinances.

- M. "**Property Damage**" means physical injury to tangible property and any resulting loss or corruption of data or information, including all resulting loss of use of that property, data or information. **Property Damage** does not mean the loss, corruption or destruction of data or information when the tangible property on which the data or information resides or resided is not physically injured.

- N. "**Retroactive Date**" means the date, if any, stated in Item 3. on the Declarations.

- O. “**Wrongful Act**” means the conduct or alleged conduct by the **Insured** or any person or organization for whom the **Insured** is legally liable as described in Part I., **INSURING AGREEMENT**.

All **Wrongful Acts** that:

1. take place between the **Retroactive Date** and the end of the **Policy Period** of the last CyberLiability Plus™ policy issued to the **Insured**, and
2. involve the same or related subject, person, class of person or have common facts or circumstances or involve common transactions, events or decisions, regardless of the number of repetitions, alterations, actions or forms of communication

will be treated under this policy as one **Wrongful Act**.

- P. “**Subsidiary(ies)**” means any entity in which, and so long as, the **Named Insured** either directly or indirectly:

1. owns more than fifty percent (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 fifty percent (50%) of the directors or trustees;

on or before the effective date of this policy or after the effective date of this policy; provided that, with respect to any entity that becomes a **Subsidiary** after the effective date of the policy, the entity shall only be deemed to be a **Subsidiary** under this Policy for a period of ninety (90) days from the date it became a **Subsidiary**.

If the **Named Insured** gives written notice, within ninety (90) days of the creation or acquisition of the **Subsidiary**, including the necessary underwriting information as the **Company** may require, and pays any additional premium as the **Company** may require, then the **Company** will issue an endorsement including such entity in the definition of **Subsidiary** for the duration of the **Policy Period**.

In all events there is no coverage for **Wrongful Acts** by any **Subsidiary**, or **Insured** thereof, occurring prior to the time such entity became a **Subsidiary**.

VI. CONDITIONS

A. Time of Inception; Policy Period

This policy will begin at 12:01 a.m. on the Inception Date shown in the Declarations. The policy will continue to apply until 12:01 a.m. on the Expiration Date also shown in the Declarations unless terminated at an earlier date.

B. Premium

The **Named Insured** will pay to the **Company** the amount of premium stated in Item 7. of the Declarations. The premium may be adjusted at any time during the **Policy Period** or any extensions of the **Policy Period** based upon changes in the **Insured's Cyberspace Activities** or provisions of the policy as may be agreed upon by the **Named Insured** and the **Company**.

C. Change of Operations

This policy applies only to **Cyberspace Activities** described at the Inception Date of this policy in the Declarations or by endorsement. This policy will not apply to any other activities or entities unless, with the **Company's** consent, such activities or entities are added to the policy by endorsement. The **Named Insured** will promptly pay any additional premium that may become due as a result of such addition.

D. Defense; Cooperation of Insured; Settlement

1. Insured's Duties in the Event of Claim; Conduct of Defense; Cooperation

- a. The **Named Insured** will give prompt notice to the **Company** of any **Claim** or any circumstance likely to result in a **Claim** under this policy. The notice must contain details that identify the **Insured**, the claimant and also reasonably obtainable information concerning the time, place and other details of the **Claim** and the **Cyberspace Activity**, which resulted in the **Claim**.
- b. The **Company** will have the right and duty to appoint an attorney and defend a covered **Claim**, even if the allegations are groundless, false or fraudulent. However the **Company's** right and duty to defend and pay on the **Insured's** behalf ends when the **Company** has used up the applicable Limit of Insurance in payment of **Damages** or **Claim Expenses**.
- c. The **Insured** will in all respects cooperate with and provide information requested by the **Company** with respect to any **Claim** for which insurance is afforded under this policy and, at the **Company's** request, assist in mitigating **Damages**, in making settlements and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the **Insured**. The **Insured** will attend hearings and trials, assist in securing and giving evidence and obtaining the attendance of witnesses.

2. Settlements and Appeals

- a. It is understood that the **Named Insured** may settle any **Claim** for which the total cost of **Damages** and **Claim Expense** associated therewith is less than the amount of the remaining Deductible. No offer to settle any other **Claim** will be made or accepted by the **Insured** without prior written agreement by the **Company**.
- b. In the event that the **Named Insured** and the **Company** disagree with respect to the final disposition of any **Claim**, the following provisions will apply:
 - (1) If the **Named Insured** is willing to accept a settlement which is offered by a claimant or is unwilling to appeal from a judgment of a trial court, the **Company** will have the right to litigate in lieu of such settlement or appeal from such judgment, provided that the **Company** bears all costs and expenses, including incidental interest, of such litigation or appeal, any new trial ordered by an appellate court and any increase in the judgment amount or final settlement amount. Any increase in the judgment or settlement amount in such instance will not be applied against the Limit of Insurance.
 - (2) If the **Company** is willing to accept the judgment of the trial or appellate court or any negotiated settlement or settlement offer and the **Named Insured** is not willing to accept such judgment or settlement, and providing the judgment or settlement is in excess of the **Named Insured's** remaining Deductible, the **Company** may tender or pay to the **Named Insured** the difference between the amount of said settlement or judgment and the **Named Insured's** remaining Deductible, and will thereby be relieved from paying further **Damages** and **Claim Expense** as respects said **Claim**.

E. Other Insurance

The insurance afforded by this policy is excess over any other valid and collectible insurance available to the **Insured**, except insurance specifically arranged by the **Named Insured** to apply in excess of this insurance.

F. Subrogation and Recovery of Claim Expense

In the event of any payment under this policy, the **Company** will be subrogated to all the **Insured's** rights of recovery therefore against any person or organization, and the **Insured** will execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** will do

nothing to prejudice such rights. The **Company** will have no rights of subrogation against any **Insured** hereunder. Any recoveries shall be applied as follows:

1. First, to the **Company** up to the amount the **Company** has paid for **Damages** and **Claim Expense**;
2. Then, to the **First Named Insured** as recovery of Deductible amounts paid as **Damages** and **Claim Expense**.

The **Company** will have the right to seek recovery from any **Insured** of any **Claim Expense** incurred as a result of any portion of a **Claim** that is not covered by this policy.

G. Changes

Notice or knowledge possessed by any person will not effect a waiver or a change in any part of this policy or estop the **Company** from asserting any rights under the terms of this policy; nor will the terms of this policy be waived or changed except by written endorsement issued to form a part of this policy.

H. Assignment

Assignment of any interest under this policy will not bind the **Company** unless and until its written consent is endorsed hereon.

I. Action Against the Company

1. No action will lie against the **Company** unless, as a condition precedent thereto, there will have been full compliance with all of the terms of this policy, nor until the amount of the **Insured's** obligation to pay will have been fully determined either by judgment or award against the **Insured** after actual trial or arbitration or by written agreement among the **Insured**, the claimant and the **Company**.
2. Any person or organization, or the legal representative thereof, who has secured such judgment or written agreement will thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy.
3. No person or organization will have any right under this policy to join the **Company** as a party to any action against the **Insured** to determine the **Insured's** liability, nor will the **Company** be impleaded by the **Insured** or the **Insured's** legal representative. Bankruptcy or insolvency of the **Insured** or the **Insured's** estate will not relieve the **Company** of any of its obligations hereunder.

J. Cancellation and Nonrenewal

1. Cancellation

This policy may be canceled by the **First Named Insured** by mailing to the **Company** written notice stating when thereafter the cancellation will be effective. This policy may be canceled by the **Company** by mailing to the **First Named Insured**, at the address shown in this policy, written notice stating when, not less than thirty (30) days thereafter, such cancellation will be effective. If cancellation is a result of nonpayment of premium or Deductible, the **Company** will give written notice stating when, not less than ten (10) days thereafter, such cancellation will be effective.

If this policy is canceled prior to the Expiration Date, the premium due the **First Named Insured** will be:

- a. the pro rata unearned amount of the annual premium subject to a factor of .90, if such cancellation is by the **First Named Insured**; or
- b. the pro rata unearned amount of the annual premium if such cancellation is by the **Company**;

but the return of such premium to the **First Named Insured** is not a condition of cancellation.

2. **Nonrenewal**

The **Company** may elect not to renew this policy by mailing or delivering written notice of nonrenewal to the **First Named Insured's** last mailing address known to the **Company**. The **Company** will mail or deliver the notice at least thirty (30) days before the expiration of the policy.

If notice of cancellation or nonrenewal is mailed, proof of mailing will be sufficient proof of notice. Delivery of the notice will be the same as mailing.

K. **Authorization**

The **First Named Insured** is responsible for assurance of payment of all premiums and Deductibles. The **First Named Insured** will have exclusive authority to act on behalf of all other **Insureds** with respect to providing and receiving notices of cancellation or nonrenewal, receiving any return premium, and purchasing an Extended Reporting Period. In the event of a disagreement between any **Insureds**, the **First Named Insured** will have exclusive authority to act on behalf of all other **Insureds** with respect to negotiation of settlements and the decision to appeal or not to appeal any judgment.

L. **Representations**

By accepting this policy, the **Named Insured** agrees:

1. The statements in the Application or Renewal Application for this insurance furnished to the **Company** are accurate and complete;
2. Those statements furnished to the **Company** and the statements in the Declarations are representations the **Named Insured** made to the **Company** on behalf of all **Insureds**;
3. Those representations are a material inducement to the **Company** to issue this policy;
4. The **Company** has issued this policy in reliance upon those representations; and
5. This policy embodies all agreements existing between the **Insured** and the **Company** or any of its agents relating to this insurance.

In Witness Whereof, the **Company** has caused this policy to be executed and attested, but this policy will not be valid unless countersigned by a duly authorized representative of the **Company**.

President

Secretary

VII. A COPY OF THE INSURED'S APPLICATION OR RENEWAL APPLICATION

A copy of the **Insured's** signed Application or Renewal Application is attached to the back of this page. All attachments to the Application or Renewal Application furnished to the **Company** for the purpose of applying for the insurance will be kept on file by the **Company** and deemed attached to the policy as if physically attached to it.

SPECIMEN