ENDORSEMENT NO.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement, effective 12:01AM: forms a part of

Policy no.:

Issued to:

By:

**OKLAHOMA**

**CORPORATE IDENTITY PROTECTION** **(CIP)** **COVERAGE EXTENSION ENDORSEMENT**

This endorsement modifies insurance provided by the policy:

CHIROPRACTOR PROFESSIONAL LIABILITY PLUS

**NOTICE: EXCEPT TO SUCH EXTENT AS PROVIDED HEREIN, THIS ENDORSEMENT EXTENDS COVERAGE ONLY FOR A PERSONAL IDENTITY EVENT FIRST DISCOVERED BY AN INSURED DURING THE POLICY PERIOD AND REPORTED TO US WITHIN THE NOTICE PERIOD. Please read thIS ENDORSEMENT Carefully and discuss the coverage thereunder with your insurance agent or broker.**

# notice: The LimitS of INSURANCE available to pay judgments or settlements shall be reduced by DEFENSE COSTS. further note that amounts incurred for DEFENSE COSTS shall be applied against the CIP retention.

**SCHEDULE**

|  |  |
| --- | --- |
| **CIP Limits of Insurance** | |
| CIP Coverage Limit | **$XX,XXX** |
| a. Personal Identity Liability Sublimit | **$XX,XXX** for all **personal identity events** |
| b. Administrative Action Sublimit | **$XX,XXX** for all **administrative expenses** |
| c. Identity Event Services Sublimit | **$XX,XXX** for all **notification costs**, **crisis expenses** and **post event services** |
| CIP Retention | **$XX,XXX** each **personal identity event** |
|  |  |
| CIP Additional Premium | **$XX,XXX** |
|  |  |
|  | |

Words and phrases that appear in boldface are defined in Clause III. DEFINITIONS of this endorsement.

It is hereby understood and agreed that the policy is extended to provide the coverage set forth below subject to the terms and conditions contained in this endorsement. The terms and conditions of the policy are incorporated herein and shall apply to the coverage afforded by this endorsement unless specifically stated otherwise.

I. INSURING AGREEMENTS – CIP COVERAGE EXTENSION

A. Personal Identity Liability

**We** shall pay on behalf of the **insured**, those amounts in excess of the CIP Retention the **insured** is legally obligated to pay as **damages** resulting from a **claim** arising from a **personal identity event** first discovered by an **insured** during the **policy period** and reportedto **us** within the **notice period.**

B. Administrative Action

**We** shall pay the **insured** for all reasonable **administrative expenses**, in excess of the CIP Retentionresulting from an **administrative action** arising from a **personal identity event** first discovered by an **insured** during the **policy period** and reportedto **us** within the **notice period**.

C. Identity Event Services

**We** shall pay the **named insured** for all reasonable **notification costs, crisis expenses** and **post event services expenses**,in excess of the CIP Retentionresulting from a **personal identity event** first discovered by an **insured** during the **policy period** and reportedto **us** within the **notice period.**

II. DEFENSE – PERSONAL IDENTITY LIABILITY

Solely with respect to coverage afforded under Insuring Agreement I.A, **Personal Identity Liability:**

**A. *Our*** *Duty to Defend* ***Insureds:* We** have the right and the duty to defend a **suit** brought against any **insured** arising from an otherwise covered **personal identity event,** even if the **suit** is groundless or fraudulent.

**B. *Our*** *Right to Settle* ***Claims:* We** have the right, but not the duty, to settle any **claim**,with the written consent of the **insured**.

**C. *Defense Costs***: **We** shall pay for **defense costs** any **insured** incurs with **our** prior written consent in the defense of a **suit** for covered **personal identity events** occurring during the **policy period**. **We** have the right, but not the duty, to investigate any **claim** against any **insured.** In the event **we** investigate any **claim** and the **insured** incurs **defense costs** with **our** prior written consent as a result of such investigation, **we** shall pay such **defense costs**. 

**D. *Insureds’*** *Right to Settle*: The **insured** may settle any **claim** or **suit** to which this insurance applies provided that the **insured** does so (i) on behalf of all **insureds**,and (ii) for an amount not exceeding the CIP Retention (inclusive of **defense costs**).

**E.** *When* ***Our*** *Duty to Defend Ends:* **Our** duty to defend ends upon the exhaustion of the CIP Coverage Limit of Insurance or applicable Sublimit of Insurance set forth in the Schedule by payment of **damages** and/or **defense costs**. **Our** duty to defend also ends if any **insured** fails or refuses to consent to any settlement **we** recommend and the claimant will accept. The **insured** must then defend the **claim** at the **insured’s** own expense. As a consequence of such failure or refusal, **our** liability for all **damages** and/or **defense costs** shall not exceed the amount for which **we** could have settled the **claim** had the **insured** consented, plus **defense costs** incurred prior to the date of such failure or refusal, plus fifty percent (50%) of the **defense costs** incurred with **our** consent after the date of such failure or refusal.

III. CIP DEFINITIONS

Solely with respect to coverage afforded under this endorsement, the following definitions apply, and supersede definitions of the same terms (if any) in the policy:

**A. Administrative action** means and is limited to:

1. an investigation of the **insured** after written notice is sent to the **insured** by,

2. negotiation of a consent order against the **insured** with, or

3. formal adversarial administrative proceeding against the **insured** institutedby,

a United States or Canadian federal, state, provincial or territorial regulatory agency, arising solely out of a **personal identity event** first discovered by an **insured** during the **policy period** and reportedto **us** within the **notice period.**

**B. Administrative expenses** means reasonable attorneys’ fees and expenses for legal services incurred by the **insured** with **our** prior written consent, in the defense and investigation of an **administrative action,** provided that these services are not performed by employees of the **named insured**. All **administrative expenses** incurred with respect to appeals and proceedings, or a series of continuous or interrelated appeals and proceedings arising out of an **administrative action** shall be considered as part of the original **administrative action. Administrative expenses** shall not include ongoing monitoring or the costs of implementing any changes required or consented to for regulatory compliance.

**C. Claim** means a written demand for payment of money, including a **suit**.

**D. Crisis expenses** means the reasonable and necessary charges and fees incurred by the **named insured** within six (6) months following discovery of a **personal identity event** covered under thisendorsement, for:

1. the services of a public relations firm, crisis management firm, or law firm hired or appointed by **us**, or by the **named insured** with **our** prior written consent, retained solely for the purpose of restoring the confidence of the **named insured’s** customers, investors and employees; and
2. the services of a forensic investigator or firm hired or appointed by **us,** or by the **named insured** with **our** prior written consent, retained solely for the purposes of determining the extent of the **personal identity event** and the identities of those individuals whose **personally identifiable information** is, or may have been, the subject of such **personal identity event**.

**E. Damages** means any amount that the **insured** shall be legally required to pay because of civil judgments or arbitration awards rendered against the **insured**, or for settlements negotiated by **us** or the **insured** in accordance with Clause II. **DEFENSE-PERSONAL IDENTITY LIABILITY.** **Damages** shall also include punitive, exemplary and multiple damages; provided, however, the enforceability of such coverage shall be governed by such applicable law which most favors coverage for punitive, exemplary and multiple damages.

**Damages**, however, shall not include civil or criminal fines or penalties imposed by law, liquidated damages, taxes, or any amount for which an **insured** is not financially liable or which is without legal recourse to an **insured** or matters which may be deemed uninsurable under the law pursuant to which this endorsementis construed.

**F. Defense costs** means reasonable and necessary fees, costs and expenses (including premiums for any appeal bond, attachment bond or similar bond arising out of a covered judgment, but without any obligation to apply for or furnish any such bond or to appeal), charged by an attorney and incurred by **us** or by the **insured** with **our** written consent, and resulting solely from the investigation, adjustment, defense and appeal of any **claim** against the **insured. Defense costs** shall not include compensation or expenses of any **insured**.

**G. Information holder** means a third party that the **insured** has provided **personally identifiable information** to and with whom an **insured** has entered into a contract that requires such party to protect such **personally identifiable information**.

**H.** **Insured** means (i) the **named insured**; and (ii) any partner, officer, director, trustee or employee of the **named insured**, in their capacity as such and with respect to their duties as such.

**I. Named insured** means the entity (ies) indicated as the FIRST NAMED INSURED in the Declarations.

**J. Notification costs** means and is limited to the reasonable and necessary costs incurred by the **named insured** with **our** prior written consent, within one (1) year following discovery of a **personal identity event** covered under thisendorsement, for:

1. newspaper or other printed media, radio and television advertisements, or correspondence intended to inform or educate the general public, that cite a **personal identity event** and advise any individual whose **personally identifiable information** is the subject of such **personal identity event** of any available remedy; and
2. correspondence or any other communication directed to any individual whose **personally identifiable information** is the subject of a **personal identity event** for purposes of notifying them of the **personal identity event** and any available remedy.

**K. Notice period** means the sixty (60) day period of time the **insured** shall have to notify **us** that a **personal identity event** has occurred. The **notice period** shall commence immediately upon first discovery of the **personal identity event** by an **insured**.

**L. Personally identifiable information means any of the following:** (1) information from which an individual may be uniquely and reliably identified or contacted, including without limitation, an individual’s name, address, telephone number, social security number, account relationships, account numbers, account balances, account histories and passwords; (2) information concerning an individual that would be considered “nonpublic personal information” within the meaning of Title V of the Gramm-Leach Bliley Act of 1999 (Public Law 106-102, 113 Stat. 1338) (as amended) and its implementing regulations; and (3) information concerning an individual that would be considered “protected health information” within Health Insurance Portability and Accountability Act of 1996 (as amended) and its implementing regulations.

**M. Personal identity** **event** means any event involving the **named insured** that has resulted in, or could reasonably result in, the fraudulent use of **personally identifiable information,** that is or was in the care, custody or control of an **insured** or **information holder**. All **claims, administrative actions, damages**, **defense costs**, **administrative expenses**, **notification costs**, **crisis expenses** and **post event** **services** **expenses** resulting from the same, continuous, related or repeated event or which arise from the same, related or common nexus of facts will be deemed to arise out of one **personal identity event**.

**N. Policy period** means the period commencing on the effective date specified in the Declarations and ending on the earlier of either the expiration date specified in the Declarations or the cancellation of the policy.

**O. Pollutants** means, but are not limited to, any solid, liquid, gaseous, biological, radiological or thermal irritant or contaminant, including smoke, vapor, dust, fibers, mold, spores, fungi, germs, soot, fumes, asbestos, acids, alkalis, chemicals and waste. “Waste” includes, but is not limited to, materials to be recycled, reconditioned or reclaimed and nuclear materials.

**P. Post event services expenses** means reasonable fees and expenses incurred by the **named insured** with **our** prior written consent, for any service specifically approved by **us** in writing, including without limitation, identity theft education and assistance and credit file monitoring. Such servicesmust be provided by or on behalf of the **named insured** within one (1) year following discovery of a **personal identity event** covered under this endorsement to any individual whose **personally identifiable information** is the subject of that **personal identity event** for the primary purpose of mitigating the effects of such **personal identity event.**

**Q. Privacy policy** means any policy in any form regarding the collection, dissemination, storage, or treatment of information regarding customers, visitors to an Internet site, or other persons.

**R. Suit** means a civil proceeding seeking monetary relief that is commenced by the service of a summons and a complaint or similar pleading. **Suit** shall also include a binding arbitration proceeding in which monetary relief is alleged and to which the **insured** must submit or does submit with **our** prior written consent.

**S. We**, **us** and **our** mean the insurer issuing the policy to which this endorsement is attached.

IV. DUTIES IN THE EVENT OF A PERSONAL IDENTITY EVENT

**A.** Before coverage will apply under thisendorsement, the **insured** shall notify **us** in writing as soon as practicable within the **notice period** of a **personal identity event** first discovered by an **insured** during the **policy period.**  Notice must include:

1. How, when, and where the **personal identity event** took place;

2. The number of individuals and type of **personally identifiable information** involved in the **personal identity** **event**; and

3. Upon request by **us**, the names and addresses of individuals affected by the **personal identity event**.

**B.** The **insured** shall also provide **us** written notice of any **claim** or **administrative action** arising from such **personal identity event** reported in accordance with paragraph A above, as soon as practicable after such **claim** or **administrative action** is made.

**C.** In the event of a **claim**, the **insured** shall immediately record the specifics of the **claim** and the date such **insured** first received such **claim**. The **insured** shall also:

1. Immediately send **us** copies of all demands, notices, summonses or other legal documents received in connection with the **claim**;
2. Authorize **us** to obtain records and other information; and
3. Give **us** and any counsel **we** select to represent an **insured** in connection with a **suit** or to investigate any **claim**, full cooperation and such information as **we** or such counsel may reasonably require, including, but not limited to, assisting **us** or such counsel in:
   * + 1. any investigation of a **claim**,or other matter relating to the coverage afforded under this endorsement (including submission to an examination by **us** or **our** designee, under oath if required by **us**);

### making settlements;

### enforcing any legal rights the **insured** or **we** may have against any person or entity who may be liable to the **insured;**

### attending depositions, hearings and trials;

### securing and giving evidence, and obtaining the attendance of witnesses; and

* + - 1. any inspection or survey conducted by **us**.

**D.** In the event of an **administrative action**, the **insured** shall notify **us** whether the **insured** has any other insurance policy, prepaid legal service contract or legal practitioner retainer agreement available to him/her with respect to such **administrative action.** The **insured** shall also:

1. Send to **us**, as soon as practicable, copies of any notices, complaints or other legal papers received in connection with any **administrative action**;

2.Authorize **us** to obtain records and other information; and

3. Furnish **us**, upon **our** request, with records and other information and submit to an interview by **us** or **our** representative concerning the full extent of their knowledge of the events leading to the **administrative action**. **We** shall also be entitled to immediately receive upon request copies of any regulatory agency correspondence the **insured** received relating to such **administrative action**, including without limitation any correspondence which may have predated the date of application for coverage under the policy.

**E**. Under all circumstances, no **insured** shall admit any liability, assume any financial obligation, pay any money, or incur any expense in connection with any **personal identity event** without **our** prior written consent. If any **insured** does, it will be at such **insured’s** own expense. The foregoing sentences of this paragraph IV.E. shall not apply to a settlement pursuant to Clause II. **DEFENSE-PERSONAL IDENTITY LIABILITY**, paragraph D. of this endorsement so long as the **insured** provides **us** written notice of such settlement as soon as practicable, but in no case later than thirty (30) days after such settlement is reached in principle.

**F.** The **insured** shall take reasonable steps to prevent a **personal identity event** and to mitigate the **damages** arising out of a **personal identity event.** In all events, no **insured** shall take any action, or fail to take any action, without **our** prior written consent, which prejudices **our** rights under thisendorsement**,** except as indicated in Clause II. **DEFENSE- PERSONAL IDENTITY LIABILITY**, paragraph D.

V. ADDITIONAL CIP OBLIGATIONS

In addition to all other duties and obligations contained elsewhere in the policy**:**

1. The **named insured** shall allow **us** to examine and audit all of the **named insured’s** records that relate to thisendorsement. **We** may conduct the audits during regular business hours during the **policy period** and within three (3) years after the **policy period** ends; and
2. The **named insured** shall pay all additional premium under this endorsementwhen due. The **named insured** shall also act on behalf of each and every **insured** with respect to the giving and receiving of any notice under thisendorsement, including, but not limited to, notice of a **personal identity event** and any **claim** or **administrative action** arising out of such **personal identity event.**
3. Payments made under this endorsement to or on behalf of any **insureds** shall be repaid to **us** by such **insureds**, severally according to their respective interests, in the event and to the extent that such **insureds** shall not be entitled to such payment.

VI. CIP EXCLUSIONS

The exclusions of the policy apply to this endorsement. However, solely with respect to the coverage afforded under this endorsement, the following additional exclusions apply:

The coverage afforded under this endorsement shall not apply to:

**A.** any **damages**, **defense costs, administrative expenses, notification costs, crisis expenses,** and **post event services expenses** arising out of or resulting, directly or indirectly, from any dishonest, fraudulent, criminal or malicious act, error or omission, or any intentional or knowing violation of the law or the **privacy policy** of the **named insured**, or gaining of any profit or advantage to which the **insured** is not legally entitled, if committed by any of the **named insured’s**:

1. directors, officers, trustees, governors, management committee members, members of the management board or partners (or the equivalent positions), whether acting alone or in collusion with other persons; or

2. employees (other than officers), if any ofthe **named insured’s** elected or appointed officers possessed knowledge of any such:

a) dishonest, fraudulent, criminal or malicious act, error or omission;

b) intentional or knowing violation of the law or the **privacy policy** of the **named insured**;or

c) gaining of any profit or advantage to which the **insured** is not legally entitled,

prior to or at the time (a), (b) or (c) above were committed;

provided, however, we will defend **suits** alleging any of the foregoing conduct, until there is a judgment against, final adjudication against, adverse finding of fact against, adverse admission by, or plea of *nolo contendere* or no contest by, the **insured** as to such conduct, at which time the **insured** shall reimburse **us** for **defense costs**;

1. any **personal identity event** that any of the **named insured’s** directors, officers, trustees, governors, management committee members, members of the management board or partners (or the equivalent positions) knew or reasonably could have foreseen prior to the occurrence of that **personal identity event**;

**C**. any **damages**, **defense costs**, **administrative expenses**, **notification costs, crisis expenses,** and **post event services expenses** arising out of or resulting, directly or indirectly, from physical injury, sickness, disease, disability, shock or mental anguish sustained by any person, including without limitation, required care, loss of services or death at any time resulting therefrom;

**D.** any **damages, defense costs, administrative expenses, notification costs, crisis expenses, and post event services expenses** arising out of or resulting, directly or indirectly, from any of the following**:**

1. fire, smoke, explosion, lightning, wind, water, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, an act of God or any other physical event, however caused;

1. strikes or similar labor action, war, invasion, act of foreign enemy, hostilities or warlike operations (whether declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, or any action taken to hinder or defend against these actions; or

3. electrical or mechanical failures, including any electrical power interruption, surge, brownout or blackout; a failure of telephone lines, data transmission lines, satellites or other infrastructure comprising or supporting the Internet, unless such lines or infrastructure were under the **insured’s** operational control;

# E. any damages, defense costs, administrative expenses, notification costs, crisis expenses, and post event services expenses arising out of or resulting, directly or indirectly, from the presence of or the actual, alleged or threatened discharge, dispersal, release or escape of pollutants (including nuclear materials), or any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants, or in any way respond to or assess the effects of pollutants;

**F.** any **personal identity event** that was not properly reported to **us** during the **notice period**;

**G.** any **claim** seeking non-monetary relief, including without limitation, injunctive relief, declaratory relief, or other equitable remedies;

**H.** any expenses incurred as a result of regularly scheduled, recurring or routine regulatory examinations, inquiries or compliance activities;

**I.** any liability or obligation of any **insured** under any contract or agreement; however, this exclusion shall not apply to liability the **insured** would have in the absence of such contract or agreement;

**J.** any **claim** alleging, arising out of or resulting, directly or indirectly, from any purchase, sale, or offer or solicitation of an offer to purchase or sell securities, or any violation of any securities law, including the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or any regulation promulgated under the foregoing statutes, or any federal, state or local laws similar to the foregoing statutes (including “Blue Sky” laws), whether such law is statutory, regulatory or common law;

**K.** any **personal identity event** resulting from failure of the **insured**:

1. to use, maintain and update at a minimum every ninety (90) days, when necessary, anti-virus software, firewall software on all broadband or high-speed connections to the Internet and software security patches; or

2. to comply with all data security standards issued by credit card issuers or financial institutions with whom the **insured** transacts business, if the **insured** processes, stores or handles credit card information;

**L.** any **damages**, **defense costs**, **administrative expenses**, **notification costs, crisis expenses,** and **post event services** **expenses** arising out of or resulting, directly or indirectly, from the infringement of copyright, patent, trademark, trade secret or other intellectual property rights;

**M.** any **damages**, **defense costs**, **administrative expenses**, **notification costs, crisis expenses,** and **post event services** **expenses** alleging, arising out of or resulting, directly or indirectly, from any discrimination against any person or entity on any basis, including but not limited to: race, creed, color, religion, ethnic background, national origin, age, handicap, disability, sex, sexual orientation or pregnancy; or

**N**. any **claim** against an **insured** that is brought, directly or indirectly, by or on behalf of:

1. any **insured**;
2. any entity that is owned, managed or operated, directly or indirectly, in whole or in part, by an **insured**; or
3. any parent company, subsidiary, director, officer, partner, trustee, successor or assignee of an **insured**, or anyone affiliated with an **insured** or such business entity through common majority ownership or control,

provided, however, this exclusion shall not apply to any **claim** brought by or on behalf of an **insured** whose **personally identifiable information** is the subject of an otherwise covered **personal identity event**. Notwithstanding the foregoing, there shall be no coverage for any counterclaims against such **insured.**

Provided further, however, this endorsementshall apply to **defense costs** incurred in connection with any cross claim for contribution or indemnity that is part of an otherwise covered **claim** and is brought by one **insured** against another **insured**.

VII. CIP LIMITS OF INSURANCE

The following limits are in addition to the Limits of Insurance for the policy shown in the Declarations and described in the policy:

**A.** The CIP Coverage Limit of Insurance indicated in the Schedule of this endorsement will be the most **we** shall pay for all coverages combined, regardless of the number of **personal identity events,** persons, entities, **claims** or **administrative actions** covered by this endorsement**,** or claimants, **claims** or **administrative actions** made and regardless of the total of all **damages**, **defense** **costs**, **administrative expenses,** **notification costs**, **crisis expenses** and **post event services expenses** resulting from all **personal identity events** first discovered by an **insured** during the **policy period** and reported to **us** within the **notice period.**

**B.** All **claims, administrative actions, damages**, **defense** **costs**, **administrative expenses,** **notification costs, crisis expenses** and **post event services** **expenses** resulting from the same, continuous, related or repeated **personal identity event** shall be subject to the terms, conditions, exclusions and the CIP Coverage Limit of Insurance of the CIP Coverage Extension Endorsement issued by **us** to the **named insured** in effect at the time the first such **personal identity event** is first discovered by an **insured**.

**C.** The most **we** shall pay for the total of all:

1. **damages** and **defense costs** is the Personal Identity Sublimit indicated in the Schedule;

2. **administrative expenses** is the Administrative Action Sublimit indicated in the Schedule; and

3. **notification costs, crisis expenses** and **post event services** **expenses** is the Identity Event Services Sublimit indicated in the Schedule;

regardless of the number of **personal identity events** first discovered by an **insured** during the **policy period** and reported to **us** within the **notice period.** The above enumerated Sublimits shall be part of, and not in addition to the CIP Coverage Limit of Insurance, and shall be excess of the CIP Retention**.**

**D.** Solely with respect to Insuring Agreement **I.A.** **Personal Identity Liability**, **we** shall also pay all interest on that amount of any judgment for a covered **personal identity event** that is within the Personal IdentityLiabilitySublimit:

1. which accrues after entry of judgment; and

2. before **we** have paid, offered to pay, or deposited in court that part of the judgment within thePersonal Identity Liability Sublimit.

Any such payment shall be part of, and not in addition to, the CIP Coverage Limit of Insurance.

VIII. CIP RETENTION

The **insured** shall be responsible for the CIP Retention set forth in the Schedule and such CIP Retention amount must remain uninsured. The CIP Retention applies to each **personal identity event**. In **our** sole and absolute discretion without prior notice to the **insured**, **we** may advance all or part of the CIP Retention in which case the **insured** agrees to repay **us** promptly after **we** notify the **insured** of that payment.

**IX. ERP CLAUSE NOT APPLICABLE**

If the policy contains an extended reporting period provision(s), said provision(s) shall not apply to this CIP Endorsement.

All other terms and conditions of the policy remain the same.

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