

HOUSTON CASUALTY COMPANY
Houston, Texas

End. Effective Date	Named Insured	Policy Number	Endorsement

NETGUARD® SELECT INSURANCE ENDORSEMENT
GOLSAN SCRUGGS CYBER AMENDATORY

In consideration of the premium charged, it is understood and agreed that this Policy is amended as follows:

1. This Policy is amended to include a Bricking Loss Sublimit, subject to the following:

The Bricking Loss Sublimit, Deductible and Retroactive Date shall be as follows:

- (a) Bricking Loss Sublimit: \$10,000 Each **Claim**/\$10,000 Aggregate
- (b) Bricking Loss Deductible: \$« » Each **Claim**
- (c) Bricking Loss Retroactive Date: _____

2. Section I. **INSURING AGREEMENTS**, is amended by the addition of the following Insuring Agreement:

Bricking Loss Coverage

Subject to the applicable Deductible and Limit of Liability, the Company shall pay **Bricking Loss** that **You** incur due to a **Bricking Event**, provided always that: (a) **You** first discover the **Bricking Event** during the **Policy Period**; (b) the **Bricking Event** is reported to the Company in writing pursuant to Section **XI.(A)** of this Policy, and (c) **You** provide clear evidence that the **Bricking Loss** results from the **Bricking Event**.

3. Section II. **DEFENSE, SETTLEMENT AND INVESTIGATION OF CLAIMS, (B) Consent to Settlement Provisions as to Security and Privacy Liability Coverage**, paragraph (3), is deleted in its entirety and replaced with the following:

- (3) If an **Insured** refuses to consent to any settlement or compromise recommended by the Company that is acceptable to the claimant, and such **Insured** elects to contest the **Claim** or continue any legal proceedings in connection with such **Claim**, the Company's liability for such **Claim** shall not exceed:
 - (a) the amount for which the **Claim** could have been settled, less the remaining Deductible, plus **Defense Costs** incurred up to the date such **Insured** withheld consent to such settlement, plus
 - (b) eighty percent (80%) of any **Defense Costs** and **Damages** incurred after the date such **Insured** withheld consent to such settlement or compromise, subject always to all other terms and conditions of this Policy, including, but not limited to, the applicable Deductible and the Limit of Liability.

HOUSTON CASUALTY COMPANY
Houston, Texas

End. Effective Date	Named Insured	Policy Number	Endorsement

- (c) the remaining twenty percent (20%) of **Defense Costs** and **Damages** referenced in paragraph (b) above shall be the sole responsibility of such **Insured**.

- 4. Section III. **LIMITS OF LIABILITY** is amended by the addition of the following:

Bricking Loss Sublimit

- (a) The Bricking Loss Sublimit is the maximum the Company shall pay for each **Bricking Event** and in the aggregate for all **Bricking Events** first made during the **Policy Period**, regardless of the number of **Claims** or **Insureds**.
 - (b) The Bricking Loss Sublimit shall be the sole Limit of Liability for **Bricking Events**, and the Company shall have no further obligation to defend any **Bricking Event** after the Bricking Loss Sublimit is exhausted.
 - (c) The Bricking Loss Sublimit is part of, and will reduce, the Maximum Policy Aggregate Limit set forth in the Declarations of this Policy.
 - (d) All **Claims** which arise out of the same, related or continuing **Bricking Event** will be considered to be a single **Claim**, regardless of the number of **Insureds**.
- 5. Section VI. **DEFINITIONS**, (1) **Account Manager**, is amended to include any Registered Investment Advisor (RIA) engaged by the **Named Insured** for advisory services, provided such Registered Investment Advisor is authorized by **You** to request the transfer, payment or delivery of **Money**, **Securities** or cryptocurrency.
 - 6. Solely with respect to the Bricking Loss Sublimit, Section VI. **DEFINITIONS**, (10) **Claim**, is amended to include written notice from **You** or **Your** representatives to the Company of a **Bricking Event**.
 - 7. Section VI. **DEFINITIONS**, (25) **Family Member**, is amended to include any person over twenty-one (21) years of age who is residing with the **Named Insured**.
 - 8. Solely with respect to the Bricking Loss Sublimit, Section VI. **DEFINITIONS**, (28) **First Party Insured Event**, is amended to include a **Bricking Event**.
 - 9. Section VI. **DEFINITIONS**, (46) **Property Damage**, is amended to include the following sentence:

“**Property Damage**” does not include the loss of use of **Your** computer hardware or electronic equipment which is caused by a **Bricking Event**.
 - 10. Section VI. **DEFINITIONS** is amended by the addition of the following definitions:

HOUSTON CASUALTY COMPANY
Houston, Texas

End. Effective Date	Named Insured	Policy Number	Endorsement

“**Bricking Event**” means the unauthorized or malicious reprogramming of software or firmware installed on **Your** computer hardware or electronic equipment, including such reprogramming resulting from a **Hacking Attack**, which renders **Your** computer hardware or electronic equipment nonfunctional or useless for its intended purpose, without being physically damaged.

“**Bricking Loss**” means the cost to replace **Your** computer hardware or electronic equipment due to loss of use of such computer hardware or electronic equipment caused by a **Bricking Event**; provided, however, that the amount of **Bricking Loss** payable under this Policy shall not exceed 25% more than the cost to replace **Your** computer hardware or electronic equipment with computer hardware or electronic equipment that is functionally equivalent to that which existed prior to the **Bricking Event**. “**Bricking Loss**” does not include any costs to replace **Your** computer hardware or electronic equipment or **Other Property** which sustains physical damage due to a **Security Breach**.

11. Section **XIII. POLICY CONDITIONS, (D) Cancellation**, paragraph (2), is deleted in its entirety and replaced with the following:

(2) This Policy may not be canceled by the Company for any reason except non-payment of premium. If the Company cancels this Policy because of non-payment of premium, the Company will mail a written notice to the **Named Insured** stating when, not less than ten (10) days from the date of the Company’s notice of cancellation, such cancellation shall be effective.

12. Section **XIII. POLICY CONDITIONS, (B) Subrogation**, is amended to include the following sentence:

Notwithstanding the foregoing, the Company waives any right of subrogation against any Registered Investment Advisor (RIA) engaged by the **Named Insured**, but only to the extent such waiver is permitted by law and only with respect to payments made under this Policy.

All other terms and conditions of this Policy remain unchanged.