

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

## IDENTITY FRAUD EXPENSE COVERAGE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

### SCHEDULE

**Identity Fraud Expense Aggregate Limit – \$25,000 unless otherwise indicated below:**

\$

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**Section I – Property** is amended as follows:

**A.** The following is added to Paragraph **A.5. Additional Coverages:**

#### Identity Fraud Expense Coverage

1. We will pay up to \$25,000, unless a different Identity Fraud Expense Aggregate Limit is indicated in the Schedule, for the sum of all "expenses" incurred by you as the direct result of all acts of "identity fraud" first discovered or learned of during the policy period.
2. We will pay up to \$5,000 for the sum of all additional advertising expenses you incur to restore your reputation as the result of all acts of "identity fraud" first discovered or learned of during the policy period.
3. Regardless of the number of claims you make:
  - a. The Identity Fraud Expense Aggregate Limit shown in the Schedule is the most we will pay for the sum of all "expenses"; and
  - b. \$5,000 is the most we will pay for the sum of all additional advertising expenses.

These limits are the most we will pay as a result of all acts of "identity fraud" which are first discovered or learned of during the policy period.

Any act or series of acts committed by one or more persons, or in which such person or persons are aiding or abetting others against you, is considered to be one "identity fraud", even if a series of acts continues into a subsequent policy period.

This Identity Fraud Expense Coverage is additional insurance.

**B.** With respect to the coverage provided by this endorsement, the following is added to Paragraph **B. Exclusions:**

We will not pay for:

1. "Expenses" or additional advertising expenses incurred by you as the result of any "identity fraud" due to any fraudulent, dishonest or criminal act by:
  - a. You, your partners, "members", officers, "managers", directors, trustees; or
  - b. Any authorized representative of yours, but only if such act was committed with the knowledge or consent of any of the individuals listed in Paragraph **B.1.a.** of this endorsement,
 

whether acting alone or in collusion with others.

In the event of any such act, no insured is entitled to "expenses" or additional advertising expenses, including insureds who did not commit or conspire to commit the act causing the "identity fraud".

2. Loss other than "expenses" or additional advertising expenses.

**C.** With respect to the coverage provided by this endorsement, Paragraph **D. Deductible** is replaced by the following:

We will not pay for "expenses" or additional advertising expenses until the amount of "expenses" and advertising expenses exceeds \$250. We will then pay the amount of "expenses" and additional advertising expenses in excess of the deductible up to the applicable limit of insurance provided in this endorsement. No other deductible applies to Identity Fraud Expense Coverage.

**D.** The following is added to Paragraph **E.3. Duties In The Event Of Loss Or Damage** Property Loss Conditions:

Send to us, within 60 days after our request, receipts, bills or other records that support your claim for "expenses" or additional advertising expenses under Identity Fraud Expense Coverage.

**E.** If the **Employee Dishonesty** Optional Coverage is shown as an applicable coverage in the Declarations, the coverage provided by this endorsement does not apply to any loss payable under that **Employee Dishonesty** Optional Coverage.

**F.** The following definitions are added to Paragraph **H. Definitions**:

1. "Expenses" means:

- a. Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies.
- b. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors.
- c. Costs for obtaining credit reports.
- d. Lost income resulting from time taken off work to complete fraud affidavits, meet with or talk to law enforcement agencies, credit agencies and/or legal counsel, up to a maximum payment of \$250 per day. Total payment for lost income is not to exceed \$10,000.
- e. Loan application fees for reapplying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.

**f.** Reasonable attorney fees incurred as a result of "identity fraud" to:

- (1) Defend lawsuits brought against you by merchants, vendors, suppliers, financial institutions or their collection agencies;
- (2) Remove any criminal or civil judgments wrongly entered against you; and
- (3) Challenge the accuracy or completeness of any information in a consumer credit report.

**g.** Charges incurred for long distance telephone calls to merchants, vendors, suppliers, customers, law enforcement agencies, financial institutions or similar credit grantors, or credit agencies to report or discuss an actual "identity fraud".

2. "Identity fraud" means the act of knowingly transferring or using, without lawful authority, a means of identification of your business, as described in the Declarations, with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

**G.** With respect to the coverage provided by this endorsement, the **Other Insurance** Condition under **Section III – Common Policy Conditions** is replaced by the following:

The coverage provided under this endorsement will be excess over any other insurance or agreement covering the same loss or damage, whether you can collect on it or not. But we will not pay more than the applicable limit of insurance provided under this endorsement.