



**NETWORK RISK AND PRIVACY CLAIM ENDORSEMENT**  
(FOR USE WITH THE REAL ESTATE PROFESSIONALS ERRORS & OMISSIONS POLICY)

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

1. Section **IV. DEFINITIONS**, the definition of **Claim** is amended to include the following:

**Claim** also includes:

- a) **privacy claims** and
- b) **client network damage claims.**

2. Solely with respect to the coverage provided by this endorsement, Section **IV. DEFINITIONS** is amended to add the following terms:

**Client network damage claim** means a demand, including the service of suit or the institution of any alternative dispute resolution proceeding, received by the **Insured** for money or services alleging that a **security breach** or **electronic infection** caused **network damage** to a client's **network** in the rendering of **professional real estate services**.

**Computer virus** means unauthorized computer code that is designed and intended to transmit, infect and propagate itself over one or more **networks**, and cause:

1. a computer code or programs to perform in an unintended manner;
2. the deletion or corruption of electronic data or software; or
3. the disruption or suspension of a **network**.

**Confidential commercial information** means information that has been provided to the **Insured** by another, or created by the **Insured** for another where such information is subject to the terms of a confidentiality agreement or equivalent obligating the **Insured** to protect such information on behalf of another.

**Denial of service attack** means an attack executed over one or more **networks** or the **Internet** that is specifically designed and intended to disrupt the operation of a **network** and render a **network** inaccessible to authorized users.

**Electronic infection** means the transmission of a **computer virus** to a **network**, including without limitation, such transmission to or from the **your network**.

**Electronic information damage** means the destruction, deletion or alteration of any information residing on the **network** of any third party.

**Internet** means the worldwide public **network** of computers as it currently exists or may be manifested in the future, but **Internet** does not include the **your network**.

**Network** means a party's local or wide area **network** owned or operated by or on behalf of or for the benefit of that party; provided, however, **network** shall not include the **Internet**, telephone company **networks**, or other public infrastructure **network**.

**Network damage** means:

1. the unscheduled and unplanned inability of an authorized user to gain access to a **network**;
2. **electronic information damage**; or
3. the suspension or interruption of any **network**;

**Non-public personal information** means personal information not available to the general public from which an individual may be identified, including without limitation, an individual's name, address, telephone number, social security number, account relationships, account numbers, account balances, and account histories.



**Privacy claim** means a demand, including the service of suit or the institution of any alternative dispute resolution proceeding, received by the **Insured** for money or services and alleging **privacy injury and identity theft** that occurred in the rendering of **professional real estate services**.

**Privacy injury and identity theft** means:

- a. any unauthorized disclosure of, inability to access, or inaccuracy with respect to, **non-public personal information** in violation of:
  1. **Your privacy policy**; or
  2. any federal, state, foreign or other law, statute or regulation governing the confidentiality, integrity or accessibility of **non-public personal information**, including but not limited to, the Health Insurance Portability and Accountability Act of 1996, Gramm-Leach-Bliley Act, Children's Online Privacy Protection Act, or the EU Data Protection Act.
- b. the **Insured's** failure to prevent **unauthorized access** to **confidential commercial information**;

**Privacy policy** means policies in written or electronic form that:

1. govern the collection, dissemination, confidentiality, integrity, accuracy or availability of **non-public personal information**; and
2. the **Insured** provides to **your** clients, customers, employees or others who provide the **Insured** with **non-public personal information**.

**Security breach** means the failure of the **your network** hardware, software, firmware, the function or purpose of which is to:

1. identify and authenticate parties prior to accessing the **your network**;
2. control access to the **your network** and monitor and audit such access;
3. protect against **computer viruses**;
4. defend against **denial of service attacks** upon the **Insured** or unauthorized use of the **your network** to perpetrate a **denial of service attack**; or,
5. ensure confidentiality, integrity and authenticity of information on the **your network**.

**Privacy breach notice law** means any statute or regulation that requires an entity who is the custodian of **non-public personal information** to provide notice to individuals of any actual or potential privacy breach with respect to such **non-public personal information**. **Privacy breach notice laws** include Sections 1798.29 and 1798.82- 1798.84 of the California Civil Code (formerly S.B. 1386) and other similar laws in any jurisdiction.

**Unauthorized access** means any accessing of information in the **Insured's** care, custody or control by unauthorized persons or by authorized persons accessing or using such information in an unauthorized manner.

**Unauthorized access** also includes:

1. theft from the **Insured** of any information storage device used by the **Insured** to:
  - A. store and retrieve information on **your network**; or
  - B. transport information between the **Insured** and authorized recipients;
2. any unauthorized use by the **Insured** of information in the **Insured's** care, custody or control if accessed by the **Insured** in the course of rendering **professional real estate services**.

3. Section **II. SUPPLEMENTARY PAYMENTS**, Paragraph **2. Licensing Proceeding** is deleted in its entirety and replaced with the following:

We will pay up to \$5,000.00 to the **Insured** for attorney fees and other reasonable costs, expenses or fees resulting from the investigation or defense of a proceeding before:

1. a real estate licensing board incurred by the **Insured** as the result of a notice of proceeding both first received by the **Insured** and reported to us during the **policy period**, arising out of an act or omission in the rendering of **professional real estate services** by the **Insured**;
2. a state licensing board, self regulatory body, public oversight board or a governmental agency with the authority to regulate the **Insured's professional real estate services** incurred by the **Insured** as the result of a notice of proceeding both first received by the **Insured** and reported to us during the **policy period** arising from an actual or alleged violation of a **privacy breach notice law** or any law referenced



under the definition of **privacy injury and identity theft** that occurred in the rendering of **professional real estate service**;

In no event shall the amount payable hereunder exceed \$5,000.00 per proceeding and \$10,000.00 per **policy period** regardless of the number of **Insureds** or the number of such proceedings.

This endorsement shall not be construed as to increase the Limits of Liability of this Policy.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

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