Key Policy Exclusions
The coverage under this Policy shall not apply to any “Damages”, “Claim Expenses” or “Loss” incurred with respect to any “Claim”, or any “Crisis Management Costs”, “Breach Response Costs” or other amounts, arising out of or resulting, directly or indirectly, from:
A. “Bodily Injury”, except for mental anguish or emotional distress arising out of a “Privacy Wrongful Act;” or “Property Damage”;
B. “Your” employment practices or any alleged or actual discrimination against any person or entity on any basis, including without limitation, race, creed, color, religion, ethnic background, national origin, age, handicap, disability, sex, sexual orientation, or pregnancy;
C. The failure, malfunction or inadequacy of any satellite; any electrical or mechanical failure and/or interruption, including but not limited to electrical disturbance, spike, brownout or blackout; or any outage to gas, water, telephone, cable, telecommunications or other infrastructure, unless such infrastructure is under “Your” operational control; however this exclusion shall not apply to any “Privacy Wrongful Act” that is caused by such electrical or mechanical failure or that is caused by such failure of telephone lines, data transmission lines or other infrastructure comprising or supporting the “Internet”;
D. 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;
E. Breach of any express, implied, actual or constructive contract, agreement, warranty, guarantee or promise, provided, however, this exclusion shall not apply to:
   1. any liability or obligation “You” would have in the absence of such contract or agreement;
   2. any breach of “Your” privacy statement; or
   3. any indemnity by “You” in a written contract or agreement with “Your” client regarding any “Privacy Wrongful Act” or “Security Wrongful Act” by “You” in failing to preserve the confidentiality or privacy of personal information of customers of “Your” client;
F. Any of the following:
   1. Any presence of pollutants or contamination of any kind;
   2. Any actual, alleged or threatened discharge, dispersal, release, or escape of pollutants or contamination of any kind;
   3. 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 or contamination of any kind; or
   4. Manufacturing, mining, use, sale, installation, removal, distribution of or exposure to asbestos, materials, or products containing asbestos, asbestos fibers or dust;
   5. Ionizing radiation or contamination by radioactivity from any nuclear fuel or any nuclear waste from the combustion of nuclear fuel;
   6. Actual, potential or alleged presence of mold, mildew or fungi of any kind;
   7. The radioactive, toxic, or explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof; or
   8. The existence, emission or discharge of any electromagnetic field, electromagnetic radiation or electromagnetism that actually or allegedly affects the health, safety or condition of any person or the environment or that affects the value, marketability, condition or use of any property;
G. Any of the following:
   1. Purchase, sale, offer of or solicitation of an offer to purchase or sell securities, or alleged or actual violation of any securities law, including but not limited to the provisions of the Securities Act of 1933, or the Securities Exchange Act of 1934, as amended, the Sarbanes-Oxley Act of 2002, or any regulation promulgated under the foregoing statutes, or any federal, state, local or foreign laws similar to the foregoing statutes (including “Blue Sky” laws), whether such law is statutory, regulatory or common law;
   2. Alleged or actual violation of the Organized Crime Control Act of 1970 (commonly known as “Racketeer Influenced And Corrupt Organizations Act” or “RICO”), as amended, or any regulation

BCS Insurance Company
promulgated thereunder, or any federal, state, local or foreign law similar to the foregoing statute, whether such law is statutory, regulatory or common law;
3. Alleged or actual violation of the responsibilities, obligations or duties imposed upon fiduciaries by the “Employee” Retirement Income Security Act of 1974, as amended;
4. Alleged or actual anti-trust violations, restraint of trade or unfair competition, including without limitation, violations of the Sherman Act, the Clayton Act or the Robinson-Patman Act, or any other federal, state, local, or foreign laws regulating the same or similar conduct; provided, however, this exclusion H.4 shall not apply to a “Claim” for a “Multimedia Wrongful Act” or “Regulatory Claim”;
H. Any “Act Of Terrorism”; strike 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; including all amounts, “Damages”, or “Claim Expenses” of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing, or in any way relating to the above; however, if “We” allege that by reason of this exclusion any “Damages” or “Claim Expenses” are not covered by this Policy, the burden of proving the contrary shall be upon “You”. However this exclusion does not apply to acts perpetuated electronically.
I. Any of the following:
1. Any claim, circumstance, loss, act, error or omission known by “You” prior to the earlier of the inception date of this Policy or, if this Policy is a renewal, the inception date of the earliest policy “We” issued to “You” for this coverage, provided it was then reasonably foreseeable that such claim, circumstance, loss, act, error or omission could reasonably give rise to a “Claim” or “Loss” covered under this Policy;
2. Any “Claim” or circumstance previously notified to a prior insurer that could reasonably be expected to be the type of “Claim” or “Loss” covered by this Policy; or
3. Any circumstance occurring, or act, error, or omission committed prior to the “Retroactive date”;
J. Any criminal, dishonest, intentional violation of the law, unfair or deceptive business practice, fraudulent or malicious act, error or omission committed by “You” with actual criminal, dishonest, fraudulent or malicious purpose or intent; provided, however, this exclusion shall not apply to:
1. “Claim Expenses” incurred in defending any such “Claim” until there is a final adjudication, judgment, binding arbitration decision or conviction against “You” in such “Claim” or an admission by “You” establishing such conduct, or a plea of nolo contendere or no contest by “You” regarding such conduct, in which event “You” shall reimburse “Us” for all “Claim Expenses” that “We” have paid and “We” shall have no further liability for “Claim Expenses” from such “Claim”; and
2. any of “You” who did not personally commit or personally participate in committing or personally acquiesce in such conduct, except that the exclusion shall apply with respect to “Your Organization” if an admission, final adjudication, or finding in a proceeding separate or collateral to the “Claim” establishes that a current principal, partner, director, or officer of “Your Organization” in fact engaged in such conduct;
K. Any “Claim” made by or on behalf of:
1. any person or entity within the definition of “You” against any other Insured person or entity within the definition of “You” provided this exclusion shall not apply to an otherwise covered “Claim” under Coverage A made by a current or former “Employee” of “Your Organization”; or
2. Any entity which:
   a. Is operated, managed, or controlled by “You” or in which “You” have an ownership interest in excess of fifteen percent (15%) or in which “You” are an officer or director; or
   b. Operates, controls, or manages “Your Organization”, or has an ownership interest of more than fifteen percent (15%) in “Your Organization”;
L. “Your” activities as a trustee, partner, officer, director, or “Employee” of any “Employee” trust, charitable organization, corporation, company or business other than “Your Organization”;
M. Any alleged or actual infringement or violation of patent rights or misappropriation, theft, copying, display or publication of any trade secret by, or with active cooperation, participation, or assistance of, “You”, any of “Your” former “Employees”, “Subsidiaries”, directors, officers, partners, trustees, or any of “Your” successors or assignees; or
N. Any trading losses or trading liabilities; the monetary value of any electronic fund transfers or transactions by or on behalf of “You” which is lost, diminished, or damaged during transfer from, into or between accounts; or the face value of coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount.
O. “We” will not provide coverage and will not be liable to pay any “Claim” or provide any benefit hereunder to the extent that the provision of such coverage, payment of such “Claim” or provision of such benefit would expose “Us” to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.
With respect to Insuring Coverage G only this Policy does not apply to any “Loss” arising out of, or resulting, directly or indirectly, from:
P. Any costs of updating, upgrading or remediation of “Your” “Computer systems” or “Your” “Digital Assets”;
provided, however, this exclusion shall not apply to “Restoration Costs” otherwise covered under Coverage G.2.;
Q. Any failure of:
1. Telephone lines;
2. Data transmission lines or wireless communications connection; or
3. Other telecommunications equipment, facilities or electronic infrastructure, including equipment, facilities or infrastructure that supports the operation of computer networks, including the internet, which are Used to transmit or receive voice or data communications and which are not under “Your” direct operational control or, if applicable, not under the direct operational control of “Your Service Provider”;
R. Any seizure, confiscation, nationalization, or destruction of, or damage to or “Loss” of Use of any digital asset or “Your” “Computer Systems” by order of any governmental authority;
S. Ordinary wear and tear, gradual deterioration of or failure to maintain “Digital Assets” or “Computer systems” on which “Digital Assets” are processed or stored, whether owned by “You” or others;
T. The physical “Loss” of, damage to or destruction of tangible property, including the “Loss” of use thereof;
provided, however, tangible property does not include “Digital Assets”, but does include all computer hardware;
U. any form of third (3rd) party liability or other legal liability, including but not limited to, any lawsuits, claims or demands by any third (3rd) party, “Employee”, officer, director or partner.
NOTE: Exclusions P thru U apply to Insuring Coverage G only.