

Identity Guardian Insurance Policy
(Identity Theft Insurance Coverage)

Underwritten by
American Southern Insurance Company

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IDENTITY GUARDIAN COVERAGE FORM

Insuring Agreement

We will provide the insurance described in this policy, which includes the Declarations (the Dec page) and attached endorsements, relying on the facts the named insured has given us. In return, the named **insured** will pay the premium and fees, and comply with all policy provisions.

Definitions

Certain words and phrases used in this policy are defined as follows:

1. **“WE”, “US”** and **“OUR”** mean the company shown in the Dec page as issuing and providing this insurance.
2. **“YOU”** and **“YOUR”** mean the first named **insured** shown on the declarations, and the spouse if a resident of the same house.
3. **“INSURED”** means:
 - a. **“You”**, the named insured;
 - b. **“Domestic Partner”**, means anyone living with **you** in a domestic relationship, which is a relationship between two cohabitating people. They are unrelated by either blood or marriage, regardless of gender. They must be over the age of 18, share the common necessities of life, and have resided together for at least 6 months. They share responsibility for the common living expenses of food, shelter and medical care and are not in any marriage or domestic partnership and/or civil union with another person. In cities or states where domestic partnership registers are available, insureds need to be registered in order to be covered by the family option.
 - c. **“Household Members”** means **you; your** spouse or **Domestic Partner**; children age 21 or under who live with **you**; and children age 24 or under who are full-time students.
4. **“BUSINESS”** means a trade, profession, occupation, or employment including self-employment, performed on a full-time, part-time or temporary basis.
5. **“IDENTITY THEFT”**, also known as **ID Theft**, means the act of knowingly using or transferring without legal authority personal identifying information of an insured such as name, social security number, driver’s license number, bank account number(s) or credit card number(s) with the intent to commit, or to aid or abet another to commit, any illegal activity that constitutes a felony under any applicable state or local law or violation of federal law.
6. **“EXPENSES”** means:
 - a. **Lost Wages** – Actual income lost up to \$500 per day resulting from time taken off work to complete theft or fraud affidavits: or to talk or meet with

credit grantors, credit agencies or similar financial institutions: or to talk or meet with law enforcement and/or legal counsel regarding issues related to reporting and/or resolving **your ID Theft**. Lost Wages does not include potential income not realized, such as commissions.

- b. **Legal Expense** – Reasonable and necessary attorney fees and/or court costs incurred by **you** as a result of **ID Theft** to: defend any lawsuit brought against **you** by financial institutions, merchants or collection agencies; remove any civil or criminal judgments wrongfully entered against **you**; and challenge the completeness or accuracy of any information in **your** credit report. **You** must receive **our** prior written consent regarding choice of all attorneys and/or legal counsel; and **we** reserve the right to appoint an attorney or legal counsel of our choice. **You** must require **your** attorney to bill **you** monthly and must forward to **us** all invoices for legal expense within thirty (30) days after **you** receive them.
 - c. **Investigative Service** – Any fees or costs incurred due to the services provided by a private investigator or a for-hire investigative agency. **You** must receive **our** prior written consent to use such a service; and **you** must also have **our** prior approval regarding the choice of the service. **We** reserve the right to select an investigator for **you**. **You** must require your investigator to bill **you** monthly and must forward to **us** all invoices for investigative expense within thirty (30) days after **you** receive them.
 - d. **Miscellaneous Expense** – The cost of notarizing affidavits or other required documents: costs for mailing and postage: long distance telephone charges: loan application fees: and costs of daycare and/or elder care.
7. **“ACCESS DEVICE”** – a card (such as credit, debit and ATM cards), code, PIN, password, personal check or similar means of access to **your** account at an **access device provider** that may be used to gain access to said account for the purpose of withdrawing or transferring funds, making purchases, or making long distance or cellular telephone calls.
8. **“ACCESS DEVICE PROVIDER”** – a financial institution, merchant or telephone service provider that has issued an **access device** to **you** for personal use.

Coverages

1. IDENTITY THEFT EXPENSES

We will pay up to the amount of insurance shown on the Dec page of this policy for **expenses**, as defined above, incurred by **you** as the direct result of any single **ID Theft** that occurred and was 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(s) are aiding or abetting others against an **insured**, is considered to be one **ID Theft**, even if a series of acts continues into the next policy period.

2. IDENTITY THEFT FINANCIAL LOSS PROTECTION

We will reimburse **you** up to the amount of insurance shown on the Dec page of this policy for financial loss incurred as a direct result of an **ID Theft** where **you** are the victim. **We** will reimburse **you** if:

- a. **Existing Credit Card Accounts:** **you** are held liable for fraudulent charges to an existing credit account, where the credit card or the credit card information was stolen and used by an unauthorized person.
- b. **Existing Non-Credit Card Accounts:** **you** are held liable for the fraudulent withdrawal of funds from an existing financial account (checking, savings, investments, etc.) where the account has been accessed by an unauthorized person.
- c. **New Accounts & Other Frauds:** **you** become an **ID Theft** victim (1) whose personal information is used to open a new account(s), including new credit card or bank accounts, telephone or wireless service, or bank loans; or (2) a criminal uses your name and personal data when committing other frauds, such as: when charged with a crime; when renting an apartment or house; or when obtaining medical care.

3. IDENTITY THEFT RESOLUTION COVERAGE

If **we** determine that **you** may be a victim of **ID Theft**, **we** may, at **our** option, refer **you** to a firm that specializes in providing services that can assist **you** in resolving the problems caused by **your ID Theft**. To activate and receive this coverage, **you** will be required to authorize the firm to access **your** financial records (credit report) and work on **your** behalf to assist **you** in reporting and addressing the effects of **ID Theft** to which this coverage applies. The firm will also consult with **you** on measures **you** might take if **you** reasonably suspect that **you** have already become, or may become a victim of **ID Theft** to which this coverage applies. In addition to providing **you** with the services of an identity resolution firm, **we** will, as **we** deem appropriate and/or necessary, pay for additional services to help restore **your** identity to a pre-identity theft condition.

If **you** choose not to authorize this firm to work on **your** behalf, **we** will have no obligation to pay for the resolution of **your ID Theft**, nor will **we** be obligated to pay for any additional services associated with restoring **your** identity, as described in this coverage part.

EXCLUSIONS

This coverage does not apply to:

1. Any loss that is not the direct result of "**ID Theft**".
2. Any loss arising out of **business pursuits** of any **insured**.
3. Any **expense** or loss resulting from any bodily injury, sickness, stress, emotional distress or breakdown or any other medical condition, including without limitation, lost wages or salary.

4. Any **expense** or loss due to **your** termination of employment or separation, whether temporary or permanent, from employment for any reason.
5. Any **expense** or loss incurred by **you** if **you** release **your** own personal information in order to receive promised personal financial gain.
6. Any **expense** or loss incurred due to any fraudulent, dishonest or criminal act by any **insured** or any person acting in concert with an **insured**, or by any authorized representative of an **insured**, whether acting alone or in collusion with others.
7. Any **expense** incurred when the **ID Theft** has been committed, aided or abetted by any resident or occupant of your residence.
8. Any **expense** or loss from Credit Cards, Fund Transfer Cards, Forgery, Counterfeit Money or Fund Transfer or Access Devices that are covered under **your** homeowner or similar type of insurance policy.
9. Any **expense** or loss of any type for which a credit card company, bank, creditor or other third party is legally liable.
10. Any loss or **ID Theft** that occurred prior to this coverage becoming effective.
11. Any **expense** or loss involving non-US bank accounts or any non-US **Access Device Provider**.

Limits and Conditions of Payment

1. **ID Theft Expense** – We will only pay for expenses incurred while this policy is in effect or within 180 days after this coverage is terminated. If this coverage terminates, **our** total liability for expenses incurred by any **insured** during the 180 days after the termination will not exceed the amount equaling the difference between the limit at the time coverage terminated and the amount **we** already paid to **you** during the policy period.
2. **Resolution Service** – This is a critical part of restoring **your** identity and credit after **you** become a victim of **ID Theft**. If **we** refer **you** to a firm that specializes in providing this service, **you** will be required to authorize this firm to access **your** credit report and work on **your** behalf to assist in reporting and addressing the effects of **ID Theft** to which this coverage applies. If **you** are not willing to authorize this firm to work on **your** behalf, then Coverage section 3, **IDENTITY THEFT RESOLUTION COVERAGE** will become void, and **we** will not be obligated to pay to resolve **your ID Theft**.
3. **Limit of Insurance** – The most we will pay for **ID Theft** coverage incurred by all **insureds** during the policy period, which is an accumulation of all payments made for all coverage provided, including legal expense and all other expense, will not exceed the limit of insurance shown on the Dec page of this policy regardless of the number of instances or when they occurred, or the number of persons making a claim for **ID Theft**.
4. **Other Insurance** – If **you** have other insurance or another source of recovery that covers any loss or part of a loss, **we** will pay only **our** proportionate share

of the loss, based on the total amount of insurance and other sources of recovery that are collectable.

5. **Proof of Loss** – In case of loss, **you** must submit to **us**, within 60 days after **we** request, **your** signed, sworn proof of loss which sets forth, to the best of **your** knowledge and belief, evidence or affidavit supporting a claim including bills, receipts, or other records that support a claim under the coverage provided by this policy.
6. **Right of Recovery** – **We** may require an assignment of **your** right of recovery for a loss to the extent that **we** have made payment. If an assignment is sought, **you** must sign and deliver all related papers and cooperate with **us**.
7. **Other Means of Recovery** – In the event that any money is recovered or any obligation is forgiven and **we** have paid **you** for the same expense or loss, **we** shall be reimbursed for the amount recovered or forgiven within ten (10) days of receipt of the funds by **you**. This includes any restitution paid as a result of any criminal proceeding.
8. **Your Duties When Loss Occurs** – Upon knowledge or discovery of a loss or an occurrence which may become a claim under this insurance, **you** must provide notice of claim by informing **us** or one of **our** authorized agents as soon as is possible. **You** must also notify the police if the loss involves a violation of the law. Upon notice of claim, **we** will send **you** certain forms and request certain information, which **you** must complete and furnish to establish proof of loss. **You** must furnish all information and evidence required by **us** in such forms and of such nature as **we** may request, to include, but not limited to, detailed receipts, as well as other records supporting **your** claim for coverage under this policy. **You** must cooperate with **us** in all matters concerning **your** loss or claim, and upon **our** request submit to an examination under oath.

General Policy Conditions

1. HOW YOUR POLICY MAY BE CHANGED

- a. Any part of this policy, which may be in conflict with state statutes in which this policy is issued, is hereby amended to conform. If any provision of this policy is found to be void or unenforceable, it is severed from the remaining provisions which remain in effect.
- b. **You** will automatically have the benefit of any broadening of coverage in this policy as of the effective date of the change, provided it does not require more premiums. This condition does not apply to changes made with general program revisions that include both broadening and restrictions in the coverage provided, whether or not such changes are made through a subsequent edition of this policy or any amendatory endorsement attached to the policy.

- c. Any waiver or change of a part of this policy must be in writing by and from **us** to be valid.

2. CONCEALMENT OR FRAUD

- a. If **you** or any other **insured** has intentionally misrepresented any material fact or circumstance which would have caused **us** not to issue or renew this policy, then this policy will be void and coverage will not be in effect.
- b. This policy does not provide coverage for any **insured** if **you** or any other **insured**, either before or after a loss, has:
 - 1) Intentionally concealed or misrepresented any material fact or circumstance; or
 - 2) Committed any fraud or made false statements in regards to such loss.

3. RENEWAL

This policy is written for a specific policy period as shown on the Dec page. **We** will renew it for successive policy periods subject to the following conditions:

- a. Renewal will be in accordance with the policy forms, rules, rates, and rating plan in use by **us** at the time.
- b. All premiums, premium installment payments and fees must be paid when due.
- c. At least 45 days prior to the end of a policy period for which premium has been paid, **we** will mail a notice to **you** for the premium required to renew or maintain the policy in effect. **We** will mail this notice to the address last known to **us**.

4. NON-RENEWAL

- a. At the end of each policy period, **we** will have the right to refuse to renew this policy.
- b. If **we** choose not to renew, **we** will mail written notice to **you**, at the address shown in the policy at least 45 days before the renewal date of the policy. **We** will state our reason or reasons in the notice why the policy is not being renewed. Proof of mailing shall be proof of notice.
- c. For non-payment of renewal premium, coverage will terminate without notice at the end of the last policy period for which the premium was paid.

5. CANCELLATION

You may cancel this policy at any time by returning it to **us** or by notifying **us** in writing of the future date cancellation is to take effect.

We may cancel this policy for the reasons stated in this condition by notifying **you** in writing of the date cancellation takes effect. This cancellation notice will be mailed to **you** at the address shown in the policy. The notice will

include the precise reason for cancellation. Proof of mailing will be proof of notice.

- a. When premium has not been paid, whether payable to **us** or **our** agent, **we** may cancel at any time by giving notice at least 10 days before cancellation takes effect.
- b. When this policy has been in effect 90 days or less and is not a renewal with **us**, **we** may cancel for any reason by giving notice at least 30 days before cancellation takes effect.
- c. When this policy has been in effect for more than 90 days, or at any time if it is a renewal, **we** may cancel by giving notice at least 30 days before cancellation takes effect if:
 - 1) There has been a material misstatement or material misrepresentation of fact which if known to **us** would have caused us not to issue this policy;
 - 2) The risk has changed substantially since the policy was issued, including a permanent change of your residence to some place outside of the continental United States;
 - 3) We have cancelled all **insureds** for a given class of **insureds**;
or
 - 4) There has been a substantial breach of contractual duties, conditions or warranties;

If this policy is cancelled before it expires, we will return any unearned premium. The return premium, if any, will be calculated according to our rules. If the return premium is not refunded with the notice of cancellation or when the policy is returned to **us**, **we** will refund it within fifteen (15) working days after cancellation takes effect.

6. ASSIGNABILITY

No interest in this policy may be transferred without **our** written consent. However, if the first **named insured** dies, coverage will stay in force for the rest of the policy period for:

- a. The following if living in your household at the time of death:
 - 1) **Your** spouse or **Domestic Partner**;
 - 2) Children age 21 or under; and children age 24 or under who are full-time students.
- b. **Your** appointed legal representative.

7. SUBROGATION

- a. When **we** have paid **you** for a loss covered under this policy and **you** also receive payment for the same loss from another person, company or group, the amount received will be held by **you** in trust for **us** and paid to **us** as reimbursement of **our** payment within 30 days of receipt by **you**.

- b. **You** may, before loss occurs, waive in writing all rights of recovery against any person. The person will provide **us** with proof of the waiver, when requested by **us**. If not waived, when **we** pay a loss, **your** right to recover from someone else becomes **ours** up to the amount **we** paid. **You** must protect **our** rights and help **us** enforce them.

8. NON-SUFFICIENT FUNDS CHARGE AND LATE FEES

We reserve the right to impose a fee for:

- a. Any premium that cannot be processed due to non-sufficient funds, or if there are non-sufficient funds in an account that is being used for electronic funds transfer (ETF) payments.
- b. Any reinstatement of the policy if premium payment is received after the cancellation date. This is under the terms and conditions approved where required by the Department of Insurance.

9. ACTION AGAINST US

No action shall be brought against **us** by **you** unless **you** are in full compliance with the terms and conditions of this policy, including providing the required proofs of loss to **us** in a timely manner; and **you** must bring such action against **us** within one (1) year from the date when **you** first notified **us** of **your ID Theft**.