

POLICY NUMBER:

COMMERCIAL AUTO  
CA 04 83 01 24

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

## ALASKA AUTO HACKING EXPENSE COVERAGE

**THIS ENDORSEMENT PROVIDES COVERAGE FOR AUTO HACKING EXPENSES ONLY. NO LIABILITY OR PHYSICAL DAMAGE COVERAGE IS PROVIDED.**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the Policy effective on the inception date of the Policy unless another date is indicated below.

<b>Named Insured:</b>
<b>Endorsement Effective Date:</b>

### SCHEDULE

Description Of Covered Autos	Auto Hacking Expense Aggregate Limit	Per Incident Auto Hacking Expense Deductible	Premium
			\$
	\$	\$	
		<b>Total Premium</b>	\$

<input type="checkbox"/>	If indicated by an "X" in the box to the left, Ransom Coverage also applies.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

For a covered "auto" that you own that is a private passenger type/"private passenger type", light truck or medium truck, which is described in the Schedule and where a premium is shown:

#### **A. Auto Hacking Expense Coverage**

1. We will pay for "auto hacking expenses" resulting directly from an "auto hacking incident". However:
  - a. The amount we will pay for "auto hacking expenses" is limited as described in Paragraph **C. Limit Of Insurance**; and
  - b. Coverage for "auto hacking expenses" ends when the Auto Hacking Expense Aggregate Limit shown in the Schedule has been exhausted.
2. No other obligation to pay sums is covered unless explicitly provided for in the definition of "auto hacking expenses" contained in Paragraph **F.1.** of this endorsement.
3. This insurance applies only if the "auto hacking incident":
  - a. Has occurred or is occurring to a covered "auto" located within the coverage territory; and
  - b. Is "discovered":
    - (1) During the policy period shown in the Declarations; or
    - (2) Within 30 days after the end of the policy period if no subsequent insurance is available to cover "auto hacking expenses" associated with such "auto hacking incident".

#### **B. Exclusions**

This insurance does not apply to:

1. "Loss" based upon, arising out of or attributable to any of the following:
  - a. War, including undeclared or civil war or civil unrest;
  - b. Warlike action by military force, including action hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power or action taken by government authority in hindering or defending against any of these.
2. "Loss" to a covered "auto" or its equipment, excluding its "computer system" and "operational data", and any resulting loss of use.
3. "Loss" based upon, arising out of or attributable to "bodily injury" or "property damage" because of an "auto hacking incident".
4. Any costs to diagnose, repair or restore software designed to modify or manipulate your covered "auto's" "computer system" in a manner not intended by the covered "auto's" manufacturer.
5. Any costs due and confined to the breakdown, malfunction or inadequacy of a covered "auto" unless such breakdown, malfunction or inadequacy is caused directly by an "auto hacking incident" covered under this endorsement.
6. "Loss" based upon, arising out of or attributable to any "auto hacking incident" that you became aware of prior to the effective date of the Policy.
7. "Loss" based upon, arising out of or attributable to the same facts or "auto hacking incident" or in any circumstances, of which notice has been given under any insurance policy of which this Policy is a renewal or replacement.
8. Any costs or expenses associated with upgrading, maintaining, repairing, remediating, replacing or improving a covered "auto's" "computer system" from its original manufactured condition, regardless of the reason, except as provided in Paragraph **F.1.b.(2)**.
9. "Loss" based upon, arising out of or attributable to any unauthorized or unsolicited transmission or dissemination of electronic mail, text message, telefacsimile, or telephone call.
10. "Loss" based upon, arising out of or attributable to:
  - a. The failure of, reduction in or surge of power from an external utility service; or
  - b. Any disruption or failure of communication services including, but not limited to, service relating to Internet access or access to any electronic, cellular or satellite network; not under your operational control.

### C. Limit Of Insurance

1. The Auto Hacking Expense Aggregate Limit shown in the Schedule is the most that we will pay for all "auto hacking expenses" because of all "auto hacking incidents" covered by this endorsement.
2. Regardless of the number of covered "autos", involved in the "auto hacking incident", the most we will pay for all "auto hacking expenses" attributable to any one covered "auto" shall not exceed the actual cash value of such covered "auto" at the time an "auto hacking incident" was "discovered".
3. Our obligation to pay "auto hacking expenses" applies only to the amount of such expenses in excess of any deductible amount shown in the Schedule. The Auto Hacking Expense Aggregate Limit will not be reduced by the amount of this deductible.
4. The Auto Hacking Expense Aggregate Limit applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Auto Hacking Expense Aggregate Limit.

### D. Changes In Conditions

For the purposes of the coverage provided by this endorsement, the **Conditions** section is amended as follows:

1. The **Other Insurance** Condition is replaced by the following:

#### **Other Insurance**

This insurance is excess over any other primary collectible insurance. When this insurance and any other insurance covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of this insurance bears to the total of the limits of all insurance covering on the same basis.

2. The **Duties** Condition is replaced by the following:

#### **Duties In The Event Of An Auto Hacking Incident**

We have no duty to provide coverage under this Policy unless there has been full compliance with the following duties:

In the event an "auto hacking incident" is "discovered", you must give us or our authorized representative prompt notice. Additionally, you must:

- a. Cooperate with us in the investigation of the "auto hacking incident".
- b. Promptly notify the police.
- c. Agree to examination under oath at our request and give us a signed statement of your answers. You have the right to have legal counsel present at the examination.
- d. Give us detailed, sworn proof of any "auto hacking expenses".

3. The **Policy Period, Coverage Territory**

Condition is replaced by the following:

#### **Policy Period, Coverage Territory**

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico; and
- d. Canada.

4. The following conditions are added:

#### **a. Security Updates Or Recalls**

You must make every reasonable effort to promptly install or respond to any software security updates or recalls that are recommended for your vehicle by the "auto" manufacturer.

#### **b. Confidentiality Condition**

You must make every reasonable effort not to divulge the existence of this coverage.

### E. Ransom Coverage

If the Schedule indicates that Ransom Coverage applies, then the following provisions also apply:

1. The definition of "auto hacking expenses" is amended by the addition of the following:
  - d. Ransom payments made by you, including payments made in the form of virtualcurrency such as, but not limited to bitcoin, as a result of an "auto hacking incident".
  - e. Interest costs paid by you for any loan from a financial institution taken by you to pay a ransom demand.
2. The definition of "auto hacking incident" is amended by the addition of the following:
  - c. Demand for ransom payments made to you in connection with the actual or threatened perpetration of any of the events described in Paragraph **F.2.a.** or **F.2.b.**
3. The **Duties In The Event Of An Auto Hacking Incident** Condition is amended by the addition of the following:
  - e. With respect to demands for ransom payments, as described in Paragraph **E.2.**, you must:
    - (1) Make every reasonable effort to remediate the cause of the ransomware;
    - (2) Make every reasonable effort to immediately notify us before making any ransom payment based upon the "auto hacking incident"; and
    - (3) Approve any ransom payment based upon the "auto hacking incident".

## F. Definitions

For the purposes of the coverage provided by this endorsement, the **Definitions** section is amended as follows:

1. "Auto hacking expenses" means the costs to establish whether an "auto hacking incident" has occurred or is occurring.

If an "auto hacking incident" has occurred, the following are also included:

- a. Costs incurred to tow a covered "auto" to a service or repair facility in the event an "auto hacking incident" disables, prevents entry into or exit from, or prevents the normal operation or use of a covered "auto". We will pay under this endorsement only that amount of towing costs which are not already provided under this Coverage Form's Physical Damage Coverage Extension, if applicable.
  - b. Costs to:
    - (1) Investigate the cause, scope and extent of an "auto hacking incident";
    - (2) Restore or repair a covered "auto's" "computer system" to the level of operational capability that existed immediately before the "auto hacking incident". This includes any subsequent "computer system" security or other software updates that are deemed necessary for your covered "auto's" normal operation or use by the covered "auto's" manufacturer; and
    - (3) Restore or replace "operational data" stored within the covered "auto's" "computer system".
  - c. Temporary transportation expenses incurred by you up to \$30 per day, to a maximum of \$900, while your covered "auto" is being serviced or repaired because of an "auto hacking incident". We will pay transportation expenses incurred during the period beginning 48 hours after it has been established that an "auto hacking incident" has occurred and ending, regardless of the Policy's expiration, when the covered "auto" is returned to use.
2. "Auto hacking incident" means any:
    - a. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into the covered "auto's" "computer system" (including "operational data") and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of the covered "auto's" "computer system" (including "operational data") or otherwise disrupts the normal operation or use of a covered "auto".
    - b. Denial of service attack specifically directed at you, which disrupts, prevents or restricts access to or use of the covered "auto's" "computer system" (including "operational data") or otherwise disrupts the covered "auto's" normal operation or use.
  3. "Computer system" means the covered "auto's" computers, and any related peripheral components, any embedded original manufacturer systems and applications software, or any related communications networks connected to or used in connection with such computers.

4. "Discovered" means the time when you first become aware of facts which would cause a reasonable person to assume that an "autohacking incident" has occurred, regardless of when the "auto hacking incident" occurred, even though the exact amount of the "autohacking expenses" or details of the "auto hacking incident" may not then be known.
5. "Operational data" means the information, facts, images or sounds stored, processed, created, collected, transmitted, recorded or used by a covered "auto's" "computer system" in connection with the normal operation, use, navigation or monitoring of your covered "auto" or its physical operating environment. "Operational data" does not include "personal or confidential information", or other audio, visual or data files uploaded to, downloaded from or streamed to a covered "auto's" "computer system", unless such information, data or files are deemed necessary for the covered "auto's" normal operation or use by the covered "auto's" manufacturer.
6. "Personal or confidential information" means any person's or organization's confidential or personal information, including but not limited to customer or contact lists, financial information, credit card information, security codes, passwords, PINs associated with credit card, debit or charge card numbers which would permit access to financial accounts, driving behavior or preferences, health or biometric information or any other type of nonpublic information.