



IDENTITY FRAUD EXPENSE REIMBURSEMENT MASTER POLICY DECLARATIONS

Travelers Casualty and Surety Company of America
Hartford, Connecticut
(A Stock Insurance Company, herein called the Company)

POLICY NUMBER:

<enter policy number>

POLICY PERIOD:

Inception Date: <enter date> Expiration Date: <enter date>
12:01 A.M. standard time both dates at the Principal Address stated in ITEM 1.

MASTER POLICY HOLDER:

<enter name>
<enter address>

FILING A CLAIM

<Email: BSIClaims@travelers.com>
<Fax: 1-888-460-6622>

<Mail: Travelers Bond & Specialty Insurance Claim
P.O. Box 2989
Hartford, CT 06104-2989

Overnight Mail: Travelers Bond & Specialty Insurance Claim
One Tower Square, MN06
Hartford, CT 06183>

<For questions related to claim reporting or handling, please call 1-800-842-8496.>

PREMIUM:

\$<enter amount>

INSURANCE AFFORDED is only with respect to the following coverage(s), subject to all terms of this Policy having reference thereto.

(1) Identity Fraud Expense Reimbursement Coverage:

Limit of Insurance: \$<enter amount>

Deductible: \$<enter amount>

ENDORSEMENTS:

<enter form number/edition date>
<enter form number/edition date>
<enter form number/edition date>
<enter form number/edition date>
<enter form number/edition date>
<enter form number/edition date>
<enter form number/edition date>
<enter form number/edition date>

Countersigned by (if required)

Authorized Company Representative

IN WITNESS WHEREOF, the Company has caused this policy to be signed by its authorized officers.

[Signature of J. P. Kelly]

[Signature of Wendy C. Skj]

President, Bond & Specialty Insurance

Corporate Secretary

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**CONSIDERATION CLAUSE**

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In consideration of the payment of the premium for this Policy and subject to the Insuring Agreements, Conditions, and other terms of this Policy, the Company agrees with the **Master Policy Holder**:

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**INSURING AGREEMENT**

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**(1) IDENTITY FRAUD EXPENSE REIMBURSEMENT COVERAGE**

To reimburse an **Insured Person** for **Expenses** incurred by the **Insured Person** as the direct result of any one **Identity Fraud Discovered** during the policy period.

Only an **Insured Person** will be entitled to coverage under this Insuring Agreement **(1) Identity Fraud Expense Reimbursement Coverage**.

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**CONDITIONS**

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**1. Definitions**

- (a) **Discovers, Discovered, or Discovery** means the moment when the **Insured Person** first becomes aware of facts which would cause a reasonable person to assume that a loss of a type covered by this **Identity Fraud Expense Reimbursement Master Policy** has been or will be incurred, even though the exact details of loss may not then be known.
- (b) **Expenses** means
- (i) costs for notarizing fraud affidavits or similar documents for credit agencies, financial institutions, healthcare providers, merchants or other credit grantors that have required that such affidavits be notarized.
  - (ii) costs for certified mail to law enforcement agencies, credit agencies, financial institutions, healthcare providers, merchants or other credit grantors.
  - (iii) lost wages or salaried earnings, up to a maximum payment of \$1,000 per week for a maximum period of five weeks, during absence from employment:
    - a. to communicate with law enforcement agencies, legal counsel, credit agencies, financial institutions, healthcare providers, merchants or other credit grantors;
    - b. to complete fraud affidavits or similar documents; or
    - c. due to wrongful incarceration arising solely from someone having committed a crime in the **Insured Person's** name; provided, that lost wages will not apply in the case of wrongful incarceration absent all charges being dismissed or an acquittal.
  - (iv) loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.
  - (v) costs for long distance telephone calls, cellular telephone calls and facsimiles, to law enforcement agencies, credit agencies, financial institutions, healthcare providers, merchants or other credit grantors to report or discuss any actual **Identity Fraud**.
  - (vi) reasonable attorney fees incurred, with the Company's prior written consent, for:
    - a. defense of lawsuits brought against the **Insured Person** by financial institutions, healthcare providers, merchants, other credit grantors or their collection agencies;

- b. the removal of any criminal or civil judgments wrongly entered against the **Insured Person**;
- c. challenging the accuracy or completeness of any information in a consumer credit report;
- d. pursuing the release of medical records solely for the purpose of investigating medical-related **Identity Fraud**, upon the exhaustion of the healthcare provider's medical record and personal information request and appeal process;
- e. contesting wrongfully incurred tax liability; or
- f. contesting the wrongful transfer of ownership of an **Insured Person's** tangible property;
- (vii) costs for daycare and eldercare incurred solely as a direct result of any one Identity Fraud **Discovered** during the policy period.
- (viii) reasonable costs for travel and accommodations incurred by the **Insured Person**, up to a maximum payment of \$1,000 per week for a maximum period of five weeks, to:
  - a. participate in the defense of lawsuits brought against the **Insured Person** by financial institutions, healthcare providers, merchants, other credit grantors or their collection agencies;
  - b. challenge the accuracy or completeness of any information in a consumer credit report;
  - c. participate in the criminal prosecution of the perpetrators of the **Identity Fraud**; or
  - d. file in person loss affidavits and civil or criminal complaints with local law enforcement in the jurisdiction in which the **Identity Fraud** occurred, as required by local law;
- (ix) fees for the re-application and re-issuance of government issued personal identification documentation, including passports, commercial and non-commercial drivers licenses, state and federal personal identification cards, and social security cards, compromised as a result of **Identity Fraud**; and
- (x) fees charged for copies of medical records, including x-rays, obtained solely for the purpose of investigating medical-related **Identity Fraud**.
- (c) **Identity Fraud** means the act of knowingly transferring or using, without lawful authority, a means of identification of an **Insured Person** with the intent to commit, or to aid or abet, any unlawful activity that constitutes a violation of Federal law or a felony under any applicable state or local law.
- (d) **Insured Person** means any natural person who is currently subscribed to a **Membership Program** that has been specifically expanded by the **Master Policy Holder** to include the protection afforded by this Policy.
- (e) **Master Policy Holder** means the entity named in the Declarations as the **Master Policy Holder**.
- (f) **Membership Program** means a membership program or affinity group sponsored by the **Master Policy Holder** and that is specifically named within an endorsement attached to this Policy.
- (g) **Policy Period** means the period stated in the Declarations.

## 2. Exclusions

This Policy does not apply:

- (a) to loss due to any fraudulent, dishonest or criminal act by an **Insured Person** or any person acting in concert with an **Insured Person**, or by any authorized representative of an **Insured Person**, whether acting alone or in collusion with others;
- (b) to loss other than **Expenses**;
- (c) to an **Identity Fraud** that was **Discovered**, or **Expenses** incurred, when an individual was not an **Insured Person**.

- (d) to loss due to nuclear reaction, nuclear radiation or radioactive contamination, or due to any act or condition incident to any of the foregoing; or
  - (e) to loss due to war, whether or not declared, civil war, insurrection, rebellion, revolution, or to any act or condition incident to any of the foregoing.
3. **Policy Period – Discovery** – This Policy applies only to **Identity Fraud**, occurring anywhere in the world, which is **Discovered** during the **Policy Period** and is reported to the Company during the **Policy Period** or within 30 days following the termination of either
- (a) this Policy; or
  - (b) membership of the **Insured Person** in a **Membership Program**.
4. **Limits of Insurance** - Under Insuring Agreement (1), the limit of the Company's liability per **Insured Person** for loss covered under this Policy shall not exceed the applicable Limit of Insurance shown in the Declarations. Under this Policy, all losses incidental to an act or series of related acts or arising from the same method of operation, whether committed by one or more persons, shall be deemed to arise out of one occurrence and shall be treated as one loss. However, solely with respect to Insuring Agreement (1), should one such act cause a covered loss to more than one **Insured Person**, the available Limit of Insurance under this Policy and the deductible amount shall apply to each **Insured Person** separately.

Regardless of the number of **Membership Programs** that an **Insured Person** is a member of, the Company's liability to such **Insured Person** for loss covered under this Policy shall not exceed the applicable Limit of Insurance shown in the Declarations.

5. **Deductible** - The Company shall be liable only for the amount by which any loss exceeds the applicable Deductible Amount as shown in the Declarations. This Deductible Amount applies to each and every loss and shall have no aggregate limitation.
6. **Recoveries** - Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this Policy will be distributed as follows:
- (a) first, to the **Insured Person**, until the **Insured Person** is reimbursed for any loss that was sustained by the **Insured Person** that exceeds the Limit of Insurance and the Deductible Amount, if any;
  - (b) then to the Company, until the Company is reimbursed for the settlement made; and
  - (c) then to the **Insured Person** until the **Insured Person** is reimbursed for that part of the loss equal to the Deductible Amount, if any.

Recoveries do not include any recovery from insurance, suretyship, reinsurance, security or indemnity taken for the Company's benefit.

7. **Ownership Interests Covered** - This Policy shall be for the sole use and benefit of the **Insured Persons** and the **Master Policy Holder**. It provides no rights or benefits to any other person, entity, or organization.
8. **Insured Person's Duties When Loss Occurs** – Upon knowledge or **Discovery** of loss or of an occurrence which may give rise to a claim under the terms of this Policy, the **Insured Person** shall give notice thereof as soon as practicable to the Company, and file detailed proof of loss, duly sworn to, with the Company within six months after the **Discovery** of loss and provide any subsequently obtained supplemental information within twelve months after the **Discovery** of such loss. If the loss involves a violation of law, the **Insured Person** shall also notify the police.

Upon the Company's request, the **Insured Person** shall submit to examination by the Company, subscribe the same, under oath if required, and produce for the Company's examination all pertinent records, all at such reasonable times and places as the Company shall designate, and shall cooperate with the Company in all matters pertaining to loss or claims with respect thereto. Compliance with all terms and conditions of this Policy are conditions precedent to recovery under this Policy.

The **Insured Person** shall keep books, receipts, bills and other records in such manner that the Company can accurately determine therefrom the amount of any loss. At any time subsequent to the reporting thereof to the Company, the Company may examine and audit the **Insured Person's** books and records as they relate to a loss under this Policy.

9. **Other Insurance** - If there is any other valid and collectible insurance which would apply in the absence of this Policy, the insurance under this Policy shall apply only as excess insurance over such other insurance.
10. **Action Against Company** - No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all terms of this Policy, nor until 90 days after the required proof of loss has been filed with the Company, nor at all unless commenced within two years from the date when the **Insured Person** first **Discovers** the loss. If any limitation of time for notice of loss or any legal proceeding herein contained is shorter than that permitted to be fixed by agreement under any statute controlling the construction of this Policy, the shortest permissible statutory limitation of time shall govern and shall supersede the time limitation herein stated.
11. **Subrogation** - In the event of any payment under this Policy, the Company shall be subrogated to all the **Insured Person's** rights of recovery therefor against any person or organization, and the **Insured Person** shall execute and deliver instruments and papers and shall take whatever other actions are necessary to secure such rights for the Company. The **Insured Person** shall not take any action after the **Discovery** of any loss that would prejudice such rights.
12. **Changes** - Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this Policy or stop the Company from asserting any right under the terms of this Policy; nor shall the terms of this Policy be waived or changed, except by endorsement issued by the Company and made to form a part of this Policy.
13. **Cancellation:**
- (a) The **Master Policy Holder** may cancel this Policy by mailing or delivering to the Company advance written notice of cancellation.
  - (b) The Company may cancel this Policy by mailing or delivering to the **Master Policy Holder** written notice of cancellation at least:
    - (i) ten (10) days before the effective date of cancellation if the Company cancels for nonpayment of premium; or
    - (ii) thirty (30) days before the effective date of cancellation if the Company cancels for any other reason.
  - (c) The Company will deliver notice to the **Master Policy Holder's** last mailing address known to it.
  - (d) Notice of cancellation will state the effective date of cancellation. The **Policy Period** will end on that date.
  - (e) If this Policy is canceled by the Company, the Company will send the **Master Policy Holder** any premium refund due and the refund will be pro rata. If the **Master Policy Holder** cancels, the refund may be less than pro rata. The cancellation will be effective even if the Company has not made or offered a refund.
  - (f) If notice is mailed, proof of mailing will be sufficient proof of notice.
14. **Assignment** - Assignment of interest under this Policy shall not bind the Company until its consent is endorsed herein.
15. **Concealment or Misrepresentation** - This Policy is void as to any **Insured Person** if, at any time, said **Insured Person** intentionally conceals or misrepresents a material fact concerning either this insurance or a claim under this insurance.