



**AMERICAN INTERNATIONAL SPECIALTY
LINES INSURANCE COMPANY**

(a capital stock company, herein called the Insurer, we, us or our)
175 Water St., New York, NY 10038

NOTICE: THIS INSURER IS NOT LICENSED IN THE STATE OF NEW YORK
AND IS NOT SUBJECT TO ITS SUPERVISION

**NOTICE: THE LIMITS OF INSURANCE AVAILABLE TO PAY LOSS UNDER
COVERAGE A. SHALL BE REDUCED BY AMOUNTS INCURRED FOR
LEGAL COSTS UNDER COVERAGE A.**

**PERSONAL INTERNET AND IDENTITY COVERAGE
DECLARATIONS**

Policy Number: 916345

- 1. Master Policy Holder: Warranty Corporation of America**
- 2. Address: 3110 Crossing Park Road
Northcross, GA 30071**
- 3. Insured: See Membership Endorsement**
- 4. Master Policy Period: 2/1/2006 12:01 A.M. to 2/1/2007 12:01 A.M., Eastern
Standard Time**
- 5. Deductible: \$ 0**
- 6. Aggregate Limit of Insurance for each insured:**
 - \$ 5,000 Aggregate Limit
 - Lost Wages: \$ 500 per week; 4 maximum weeks

7. Endorsements attached at issuance:

- 1. Membership;**
- 2. NY Residents Exclusion;**
- 3. OFAC**

2/16/06
Issue Date


Authorized Representative

AMERICAN INTERNATIONAL SPECIALTY LINES INSURANCE COMPANY

AIG PERSONAL INTERNET AND IDENTITY COVERAGESM

NOTICE: THE LIMITS OF INSURANCE AVAILABLE TO PAY LOSS UNDER THIS POLICY SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL COSTS UNDER THIS POLICY.

This **policy** provides coverage through a master **policy** with benefits to **insureds**. Please read the entire **policy** to determine the **master policyholder's** and the **insured's** rights and duties and what is and what is not covered under this **policy**.

Words and phrases that appear in boldface are defined in the Definitions Section.

In consideration of the premium paid and in reliance upon the **master policyholder's** statements to **us**, we agree to provide to the **insured** the insurance described in this **policy**.

I. INSURING AGREEMENT

We shall pay the **insured** for **loss**, excess of any applicable deductible, resulting from **stolen identity events** first occurring during the **policy period** and reported to **us** within 6 months of a **stolen identity event**.

II. DEFINITIONS

- A. **Business** means any employment, trade, hobby, profession or occupation.
- B. **Computer attack** means transmission of malicious code, **unauthorized computer access** or **unauthorized computer use**, whether intentional or unintentional, hostile or otherwise and regardless of whether the perpetrator is motivated for profit, which results in copying or misappropriation of identity information pertaining to an **insured**.
- C. **Computer system** means computer hardware, software and firmware and data stored thereon, which are linked together through a network of two or more computers, or accessible through the **Internet**, including network infrastructure, input, output, processing, storage and off-line media libraries. **Computer system** shall also include those written policies and procedures applicable to the security of a computer network.
- D. **Insured** means the natural person on record with **us** as enrolled in an **insured membership program(s)** of the **master policyholder** at the time of a **stolen identity event**.
- E. **Internet** means the worldwide public network of computers as it currently exists or may be manifested in the future.

F. Loss means:

1. Costs

- a. Reasonable and necessary costs incurred in the United States by the **insured** for re-filing applications for loans, grants or other credit instruments that are rejected solely as a result of a **stolen identity event**;
- b. Reasonable and necessary costs incurred in the United States by the **insured** for notarizing affidavits or other similar documents, long distance telephone calls and postage solely as a result of the **insured's** efforts to report a **stolen identity event** and/or amend or rectify records as to the **insured's** true name or identity as a result of a **stolen identity event**; and
- c. Reasonable and necessary costs incurred by the **insured** for up to six credit reports from established credit bureaus (with no more than two reports from any one credit bureau) dated within 12 months after the **insured's** discovery of a **stolen identity event**.

2. Lost Wages

Actual **lost wages** that would have been earned in the United States, whether partial or whole days, for time reasonably and necessarily taken off work and away from the **insured's** work premises solely as a result of the **insured's** efforts to amend or rectify records as to the **insured's** true name or identity as a result of a **stolen identity event**. Actual **lost wages** includes remuneration for vacation days, discretionary days, floating holidays, and paid personal days but not for sick days or any cost arising from time taken from self-employment. Coverage is limited to wages lost within 12 months after the **insured's** discovery of a **stolen identity event**.

3. Legal Defense Fees and Expenses

Reasonable and necessary fees and expenses incurred in the United States by the **insured** with **our** consent for an attorney approved by **us** for:

- a. Defending any civil **suit** brought against the **insured** by a creditor, collection agency or other entity acting on behalf of a creditor for non-payment for goods or services or default on a loan solely as a result of a **stolen identity event**; and
- b. Removing any civil judgment wrongfully entered against the **insured** solely as a result of a **stolen identity event**.

G. Master policyholder means the entity first specified in Item 1 in the Declarations.

H. Membership Program means those programs sponsored by the **master policyholder** and that are specifically listed by endorsement as covered programs under this **policy**.

- I. **Policy** means this **policy** and any endorsement attached hereto, together with the application with any attachments thereto.
- J. **Policy period** means the period commencing on the effective date specified in Item 4 of the Declarations. This period ends on the expiration date specified in Item 4 of the Declarations or, in the event of cancellation or non-renewal of this policy, then the date specified in such cancellation or non-renewal notice.
- K. **Stolen identity event** means the theft of the **insured's** personal identification, social security number, or other method of identifying the **insured**, which has or could reasonably result in the wrongful use of such information, including but not limited to **stolen identity events** occurring on or arising out of **insured's** use of the **Internet**. All **loss** resulting from **stolen identity event(s)** and arising from the same, continuous, related or repeated acts shall be treated as arising out of a single **stolen identity event** occurring at the time of the first such **stolen identity event**. **Stolen identity event** shall not include the theft or wrongful use of the **insured's** **business** name, d/b/a or any other method of identifying any **business** activity of the **insured**.
- L. **Suit** means a civil proceeding seeking money damages that is commenced by the service of a complaint or similar pleading.
- M. **Unauthorized computer access** means the gaining of access to a **computer system** by an unauthorized person(s) or by an authorized person(s) in an unauthorized manner. Unauthorized access shall also include **computer attacks**.
- N. **Unauthorized computer use** means the use of a **computer system** by an unauthorized person(s) or by an authorized person(s) in an unauthorized manner. **Unauthorized computer use** shall also include **computer attacks**.
- O. **We, us and our** mean the insurance company providing the insurance.

III. OBLIGATIONS OF THE MASTER POLICYHOLDER

As a condition precedent to coverage under this **policy**, the **master policyholder** shall at all times have the duties and obligations set forth in this section. These duties and obligations are in addition to any obligations of the **insured** otherwise provided for under this **policy**. The **master policyholder** shall:

- A. pay any applicable deposit premium which shall be fully earned by **us** and nonrefundable, as specified in the invoice. Thereafter, the **master policyholder** shall, subject to the quarterly minimum premium specified in Item 7 of the Declarations, pay the premium calculated at the rate shown in Item 5 of Declarations, pursuant to the Premium Endorsement.
- B. transmit complete, accurate and timely data to **us** on a scheduled basis in order for **us** to compute premium pursuant to the Premium Endorsement;

- C. allow **us** to examine and audit all of the **master policyholder's** records that relate to this **policy**. We may conduct the audits during regular business hours during the **policy period** and within three years after the **policy period** ends;
- D. promptly advise **us** of any information it might possess or any communications from any third parties, including **insureds** or third party organizations affiliated with **membership programs**, that might reasonably pertain to an **insured's stolen identity event** or **loss**;
- E. promptly advise **us** and any potentially affected **insured** of a **computer attack** that may have resulted in the **unauthorized computer access** of personal identity information pertaining to an **insured**;
- F. take all reasonable steps to use, design, maintain and upgrade its network and **computer system** security and to minimize **computer attacks** of its network and **computer system**; and
- G. reasonably inform the **insured** of its rights and obligations under this **policy** in a form approved by **us**.

IV. OBLIGATIONS OF THE INSURED

As a condition precedent to coverage under this **policy**, the **insured** shall have the following duties and obligations at all times. These duties and obligations are in addition to any obligations of the **master policyholder** otherwise provided for under this **policy**:

- A. If a **stolen identity event** occurs, the **insured** shall:

Promptly, but no later than 6 months after a **stolen identity event** occurs, notify **us** of a **stolen identity event** by calling the telephone number provided in the **insured's** Summary Description of Benefits, or contacting **us** at AIG Technical Services, Inc., Box 1000, New York, NY 10268. The **insured** shall also follow **our** written instructions to mitigate potential **loss**, which will be provided to the **insured** in a claims kit and which will include the prompt notification of the major credit bureaus, the Federal Trade Commission's Identity Theft Hotline and appropriate law enforcement agencies.

- B. If a **loss** occurs, the **insured** shall also:

1. Promptly notify **us** of the **loss**, submit to **us** the written proof of **loss** provided to the **insured** in a claims kit, and provide any other reasonable information or documentation that **we** may request;
2. Take all reasonable steps to mitigate **loss** resulting from a **stolen identity event** including, but not limited to, requesting a waiver for any applicable fees, loan application fees or credit bureau fees; and

3. Provide all assistance and cooperation we may require in the investigation and determination of any **loss**, including but not limited to:
 - a. Immediately forwarding to **us** any notices, summons or legal papers received by the **insured** in connection with a **loss** or the identity theft;
 - b. Authorizing **us** to obtain records and other information with regard to any **loss**;
 - c. Cooperating with and helping **us** to enforce any legal rights the **insured** or **we** may have against anyone who may be liable to the **insured**;
 - d. Attending depositions, hearings and trials, securing and giving evidence, and obtaining the attendance of witnesses with regard to any **loss**; or
 - e. Answering **our** questions under oath at such times as may be reasonably required about any matter relating to this insurance or the **insured's loss**, as well as permitting **us** to inspect the **insured's** books and records. In such event, the **insured's** answers under oath shall be signed.

V. EXCLUSIONS

This policy shall not apply to any **loss** arising directly or indirectly out of the following:

A. Dishonest Acts

Any dishonest, criminal, malicious or fraudulent acts if the **insured** that suffered a **loss** personally participated in, directed, or had knowledge of such acts.

B. Bodily Injury

Any physical injury, sickness, disease, disability, shock, mental anguish, and mental injury, including, required care, loss of services or death at any time resulting there from.

C. War and Terrorism

1. Strikes or similar labor action, war (whether declared or not), or any act or condition incident to war. War includes civil war, insurrection, act of foreign enemy, civil commotion, factional civil commotion, military or usurped power, rebellion, revolution, invasion, hostilities or warlike operations or mutiny.
2. Acts of terrorism (whether declared or not, whether domestic or foreign) undertaken by any person or group, whether or not acting on behalf of or in any connection with any organization, government, power, authority or military force. Terrorism includes the actual or threatened: (a) use of force or violence against person or property, (b) commission of an act dangerous to human life or property, or (c) commission of an act, including a **computer attack**, that interferes with or disrupts an electronic or communication system (including the **Internet** or any part thereof), when the intent or effect is to intimidate or coerce a government, the civilian population or any segment

thereof, or to disrupt any segment of the economy, the functioning of any government, or the health, welfare or safety of any civilian population, or to interfere with the operations of any organization providing goods or services that benefit the defense or economy of any nation, civilian population or segment thereof; or any action taken to hinder or defend against any of the foregoing. Terrorism shall also specifically include:

- any hostile act by a person(s) acting with the sponsorship, endorsement or assistance of a state or governmental entity designated by the United States Government as a “rogue state”, “state of concern”, “hostile state” or similar designation;
- any hostile act by a person(s) who is/are members of, or acting on behalf of, an organization recognized as a hostile or terrorist organization by the United States or any agency thereof or other domestic or foreign governmental or law enforcement agency; or
- any hostile act that is verified, recognized or determined by a competent and recognized judicial, administrative, executive or legislative governmental entity to be an act of terrorism.

D. Pollution

Claims alleging or arising out of the presence of or the actual, alleged or threatened discharge, dispersal, release or escape of pollutants (including nuclear materials), or 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.

E. Late Reporting

Any loss reported to us more than six months after a **stolen identity event** occurs.

F. Family Member

Any **Stolen Identity Event** which a member of the **insured's** family (including but not limited to spouse, sibling, parent, grandparent, child, grandchild, niece or nephew) participated in, directed or had prior knowledge.

VI. LIMITS OF INSURANCE

- A.** The aggregate limit of insurance specified in Item 9 of the Declarations is the most we shall pay the **insured** for **loss**, excess of any applicable deductible, resulting from all **stolen identity events** combined first occurring during the **policy period**.
- B.** All **loss** arising out of the same, continuous, related or repeated **stolen identity events** shall be subject to the terms, conditions, exclusions and single Aggregate Limit of Insurance in effect at the time the first such **stolen identity event** occurs.

- C. All **Legal Defense Fees and Expenses** shall be part of and subject to the Aggregate Limit of Insurance for each **insured**. **LEGAL DEFENSE FEES AND EXPENSES ARE PART OF, AND NOT IN ADDITION TO, THE AGGREGATE LIMIT OF INSURANCE FOR EACH INSURED.**
- D. The maximum we shall pay per **insured** for **lost wages** shall not exceed the amount per week for **lost wages** and the maximum number of weeks as specified in Item 9 of the Declarations. The amount per week for **lost wages** is a sublimit of the Aggregate Limit of Insurance for each **insured** and, as such, is part of, and not in addition, to the Aggregate Limit of Insurance for each **insured**.

VII. DEDUCTIBLE

- A. The **insured** shall be responsible for the applicable Deductible amount shown in the Declarations and the **insured** may not insure against it.
- B. Regardless of the number of covered **stolen identity events** first occurring during the **policy period** each **insured** shall be responsible for only a single Deductible during any one **policy period**.

VIII. POLICY CONDITIONS

A. Coverage Territory

Subject to its terms, conditions and exclusions, this **policy** applies to a **stolen identity event** occurring anywhere in the world, but we shall only pay for **loss** incurred in the United States.

B. Legal Action Against Us

No legal action may be brought or made against **us** under this **policy** unless:

1. There has been full compliance with all of the terms of this **policy**; and
2. The action is brought within two (2) years after the date on which a **stolen identity event** occurred.

C. Concealment, Misrepresentation or Fraud

This **policy** shall be void if the **master policyholder** intentionally conceals or misrepresents a material fact concerning this **policy**. In addition, this **policy** shall also be void for any one **insured** if that **insured** intentionally conceals or misrepresents a material fact concerning:

1. A **stolen identity event**;
2. The **insured's** interest in any property involved in a **loss**; or
3. A **loss** under this **policy**.

D. Bankruptcy

The bankruptcy or insolvency of the **insured** or **the insured's** estate shall not relieve **us** of any obligation under this **policy**.

E. Titles of Paragraphs

Titles of paragraphs are inserted solely for convenience of reference and shall not be deemed to limit, expand or otherwise affect the provisions to which they relate.

F. Transfers of Rights of Recovery Against Others to Us

If any person for whom **we** make payment under this **policy** has rights to recover from another, those rights are transferred to **us** to the extent of **our** payment. That person shall do everything necessary to secure **our** rights and shall do nothing after **loss** to impair them. The **insured** may, however, waive the **insured's** rights of recovery in writing before a **loss** occurs.

G. Other Insurance

1. We shall be excess over any other insurance (including, without limitation, homeowner's or renter's insurance), product warranty, extended services agreement or contract. If the **insured** has other insurance that applies to a **loss** under this **policy**, the other insurance shall pay first. This **policy** applies to the amount of **loss** that is in excess of:
 - a. The Limit of Insurance of the **insured's** other insurance; and
 - b. The total of all the **insured's** deductibles and self-insured amounts under all such other insurance.
2. In all events, **we** shall not pay more than **our** Limits of Insurance as specified in Item 9 of the Declarations.

H. Duplicate Coverages

Should the **insured** be enrolled in more than one **membership program** insured by **us** or any of **our** affiliates, subject to the applicable deductibles and limits of insurance of the **insured** under the applicable **membership program**, **we** will reimburse the **insured** under each **membership program**, but in no event shall the total amount reimbursed to the **insured** under all **membership programs** exceed the actual amount of **loss**.

I. Service of Suit

In the event **we** fail to pay any amount claimed under the **policy**, **we** shall at the request of the **insured** submit to the jurisdiction of a court of competent jurisdiction within the United

States. Nothing in this provision constitutes or should be understood to constitute a waiver of the right to commence an action in any court of competent jurisdiction in the United States or to remove an action to a United States District Court or to seek a transfer of a case to another court as permitted by the laws of the United States or of any state in the United States. Service of process in such **suit** may be made upon General Counsel, Legal Department, American International Specialty Lines Insurance Company, 70 Pine Street, New York 10270, or his or her representative. In any **suit** instituted against **us** under this **policy**, **we** shall abide by the final decision of such court or of any appellate court in the event of any appeal.

Additionally, pursuant to any statute of any state, territory, or district of the United States which makes provision therefor, **we** hereby designate the Superintendent, Commissioner, Director of Insurance, other officer specified for that purpose in the statute, or his or her successor or successors in office as **our** true and lawful attorney upon whom service of any lawful process in any action, **suit** or proceeding instituted by or on behalf of the **insured** or any beneficiary hereunder arising out of this **policy**, may be made, and **we** designate the General Counsel, at the above address, as the authorized representative to whom said officer is authorized to mail such process or a true copy.

J. Assignment

This **policy** and any rights provided by this insurance are not assignable without **our** written consent.

K. Changes

Changes to the provisions of this **policy** shall be made only by endorsement issued by **us** and made a part of this **policy**.

IX. Policy Termination

A. This **policy** shall terminate on the expiration date specified in Item 4 of the Declarations or, in the event of cancellation or non-renewal of this policy, then the date specified in such notice of cancellation or non-renewal. There shall be no coverage for any **stolen identity event** occurring after the effective date and time of such expiration, cancellation or non-renewal. Termination of this **policy** shall not reduce or eliminate the 6 month period in which the **insured** must report to **us** a **stolen identity event**.

B. If **we** cancel or non-renew this **policy**, **we** shall mail or deliver written notice to the **master policyholder** at the mailing address shown in Item 2 of the Declarations stating the effective date of such cancellation or non-renewal. If notice is mailed, proof of mailing shall be sufficient proof of notice.

C. **We** may cancel or non-renew this **policy** by mailing or delivering to the **master policyholder** written notice at least:

1. Ten (10) days before the effective date of cancellation if we cancel for nonpayment of premium; or
2. Thirty (30) days before the effective date of non-renewal or cancellation, if we cancel for any other reason. At our sole and absolute discretion, we may extend this **policy** on the same terms and rates beyond the expiration date set forth on the declarations for such period as is necessary for us to comply with this paragraph.

The **policy period** shall end on the effective date specified in the cancellation or non-renewal notice.

D. The **master policyholder** may cancel this **policy** by mailing or delivering to us advance written notice of cancellation setting forth the date and time thereafter during the **policy period** on which the cancellation shall be effective. In such case, the **master policyholder** shall return the **policy** or a properly executed Lost Policy Release by mail or delivery to us within seven (7) days of the effective date of cancellation.

X. CANCELLATION OF MEMBERSHIP

After the cancellation, termination or expiration of the **insured's** individual membership in the **membership program**, any coverage under this **policy** for that **insured** is terminated and there shall be no coverage for that **insured** for any **stolen identity event** occurring after the effective date and time of such termination.

IN WITNESS WHEREOF, we have caused this **policy** to be signed by our President and Secretary and signed on the Declarations page by our duly authorized representative.

Elizabeth M. Shel
SECRETARY

L. H. Kelley
PRESIDENT



AMERICAN INTERNATIONAL
SPECIALTY LINES INSURANCE COMPANY

Membership Endorsement No. 1

This endorsement, effective February 1, 2006 12:01 A.M. forms part of policy number 916345 issued to Warranty Corporation of America by American International Specialty Lines Insurance Company.

POLICY MODIFICATIONS

This policy as issued is amended by the addition of the following membership programs:
Members of Warranty Corporation of America's Mobile Lifeline Program

All other terms and conditions remain unchanged.

2/16/06
Date

[Signature]
Authorized Representative



**AMERICAN INTERNATIONAL
SPECIALTY LINES INSURANCE COMPANY**

States Endorsement No. 2

This endorsement, effective February 1, 2006 12:01 A.M. forms part of policy number 916345 issued to Warranty Corporation of America by American International Specialty Lines Insurance Company.

POLICY MODIFICATIONS

This policy as issued is amended as follows:

Coverage does not apply to residents of the state of New York. Call-center privileges only will apply for residents of New York

All other terms and conditions remain unchanged.

Date

Authorized Representative



AMERICAN INTERNATIONAL
SPECIALTY LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 3

This endorsement, effective February 1, 2006 12:01 A.M. forms part of policy number 916345 issued to Warranty Corporation of America by American International Specialty Lines Insurance Company.

COVERAGE TERRITORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

Payment of **loss** under this policy shall only be made in full compliance with all United States of America economic or trade sanction laws or regulations, including, but not limited to, sanctions, laws and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").



AUTHORIZED REPRESENTATIVE