



ACE Privacy ProtectionSM
Aaron's Franchisee Insurance Trust Policy
Privacy and Network Liability Supplemental Application

NOTICE

The Policy for which you are applying is written on a claims made and reported basis. Only Claims first made against the Insured and reported to the Insurer during the Policy Period or Extended Reporting Period, if applicable, are covered subject to the Policy provisions. The Limits of Liability stated in the Policy are reduced, and may be exhausted, by Claims Expenses. Claims Expenses are also applied against your Retention, if any. If you have any questions about coverage, please discuss them with your insurance agent.

Please read carefully. Fully answer all questions and submit all requested information for each Coverage you seek. Provide any supporting information on separate sheets, attached to this Application, using your letterhead and reference the applicable question numbers. All such separate sheets shall be deemed attached to, incorporated into, and become part of this Application. All applicants must complete the General Information and Declaration and Certification sections of this Application. Underwriters will rely upon all statements made in this Application and attachments.

Agency Information:

- 1. Agent Name: _____
- 2. Agency Name: _____
- 3. Email address: _____
- 4. Phone number: _____

I. GENERAL INFORMATION (Required of all applicants):

- 1. Applicant Name: _____
(hereinafter "Applicant," "you," or "your") _____
Mailing Address: _____

- 2. Web address(es): _____

II. APPLICANT STATISTICS, INTERNET ACTIVITIES and CONTROLS (Required of all applicants):

Year Established: _____ Number of Records Containing PII: _____ Number of Employees: _____
Projected Annual Revenue: _____ % of Revenue from e-commerce activity: _____

RECORDS, INFORMATION MANAGEMENT AND NETWORK OPERATIONS:

- 1. Is Applicant in full compliance with all information, network security, and privacy policies and procedures as required by Aarons, Inc. (hereinafter Franchisor)? o Yes o No
If no, please provide details.
- 2. Does Applicant use any third-party service providers and/or partners that have not been reviewed, approved, and/or vetted by Franchisor? o Yes o No
If yes, please provide details.
- 3. Does Applicant conduct regular reviews of your third-party service providers and partners to ensure that they adhere to both Franchisor's and your contractual requirements for the protection of sensitive business/customer data that you entrust to their care for processing, handling, and marketing purposes? o Yes o No
If no, please provide details.
Do contracts with third-party service providers include indemnity provisions that protect you from any liability arising out of their loss of your sensitive information? o Yes o No
- 4. Has the Applicant had an audit conducted within the last 12 months by Franchisor to review all information, network security, and privacy policies and procedures as required by Franchisor? o Yes o No
If so, was outcome acceptable to Franchisor and were all recommendations addressed and resolved? o Yes o No
If outcome was not acceptable to Franchisor and / or all recommendations have not been addressed and resolved, please provide details.



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5. Does Applicant run any software or hardware that is no longer supported or has been identified as end-of-life support by the software or hardware vendor? o Yes o No

If yes, please identify all software or hardware and describe plans for replacement:

CLAIMS EXPERIENCE:

1. Has the Applicant had any computer security incidents, any allegations that personal information was compromised, and/or notified customers that their information was or may have been compromised during the past five (5) years (incident refers to any unauthorized access, intrusion, breach, compromise or use of the Applicant's computer systems, including theft of money, proprietary information, or confidential customer information, denial of service, electronic vandalism or sabotage, computer virus or other computer incidents)? o Yes o No

If yes, please provide details.

It is understood and agreed that if any such incident, allegation, or notification exists or occurred (whether or not reported above), then: (i) such incident, allegation and notification; and (ii) any Claim arising from any such incident, allegation, or notification, are excluded from coverage under the Policy.

2. Is the Applicant or any of its partners, principals, directors or officers aware of, or are there any circumstances that may give, or have given, rise to a claim against the company or against this insurance policy? o Yes o No
3. In the last five years has the Applicant experienced any claims or are you aware of any circumstances that could give rise to a claim that would be covered by the this policy? o Yes o No

III. ACKNOWLEDGMENT OF COMMON CLAIMS EXCLUSION AND SUBLIMIT OF LIABILITY:

The Applicant understands and acknowledges that the Policy **will exclude coverage** for any Claim or series of Claims that have as a common nexus a Wrongful Act or a privacy or Network Security incident, event, circumstance, transaction, situation, cause or series of related circumstances, transactions, situations, events, or causes that:

- (i) results from or is directed at the franchisor's computer system or network, or the computer system or network of any subsidiaries or other franchisees of the franchisor; or
- (ii) is committed, attempted, or allegedly committed or attempted by the franchisor or any subsidiaries or other franchisees of the franchisor.

However this exclusion shall not apply to Damages, Claims Expenses, or Data Breach Expenses incurred, or to Digital Asset Loss, Extra Expense, or Income Loss incurred in the event First Party Network Security coverage is purchased, subject to an aggregate sublimit of liability. The sub-limit of liability shall be part of, and not in addition to the otherwise applicable Aggregate Limit of Liability and will in no way serve to increase the Insurer's limits of liability.

Applicant's Signature: _____

IV. FRAUD WARNING STATEMENTS

NOTICE TO ALABAMA APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison, or any combination thereof.

NOTICE TO ARKANSAS, LOUISIANA, RHODE ISLAND AND WEST VIRGINIA APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO COLORADO APPLICANTS: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to



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defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

NOTICE TO DISTRICT OF COLUMBIA APPLICANTS: WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits, if false information materially related to a claim was provided by the applicant.

NOTICE TO FLORIDA APPLICANTS: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

NOTICE TO KANSAS APPLICANTS: Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

NOTICE TO KENTUCKY APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

NOTICE TO MAINE APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

NOTICE TO MARYLAND APPLICANTS: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO MINNESOTA APPLICANTS: A person who submits an application or files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

NOTICE TO NEW JERSEY APPLICANTS: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

NOTICE TO NEW MEXICO APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES.

NOTICE TO NEW YORK APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

NOTICE TO OHIO APPLICANTS: Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

NOTICE TO OKLAHOMA APPLICANTS: WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

NOTICE TO OREGON APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or another person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading information concerning any fact material thereto, may be committing a fraudulent insurance act, which may be a crime and may subject the person to criminal and civil penalties.

NOTICE TO PENNSYLVANIA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.



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NOTICE TO VERMONT APPLICANTS: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

NOTICE TO TENNESSEE, VIRGINIA AND WASHINGTON APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

NOTICE TO ALL OTHER APPLICANTS:

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON, FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS INFORMATION FOR THE PURPOSE OF MISLEADING, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

V. DECLARATION AND CERTIFICATION

ALL APPLICANTS MUST COMPLETE THIS SECTION.

BY SIGNING THIS APPLICATION, THE APPLICANT REPRESENTS TO THE INSURANCE COMPANY THAT ALL STATEMENTS MADE IN THIS APPLICATION INCLUDING ATTACHMENTS, ABOUT THE APPLICANT AND ITS OPERATIONS ARE TRUE AND COMPLETE, AND THAT NO MATERIAL FACTS HAVE BEEN MISSTATED IN THIS APPLICATION OR CONCEALED. COMPLETION OF THIS FORM DOES NOT BIND COVERAGE. THE APPLICANT'S ACCEPTANCE OF THE INSURANCE COMPANY'S QUOTATION IS REQUIRED BEFORE THE APPLICANT MAY BE BOUND AND A POLICY ISSUED.

THE APPLICANT AGREES TO COOPERATE WITH THE COMPANY IN IMPLEMENTING AN ONGOING PROGRAM OF LOSS-CONTROL AND WILL ALLOW THE COMPANY TO REVIEW AND MONITOR SUCH PROGRAMS THAT THE APPLICANT UNDERTAKES IN MANAGING ITS TECHNOLOGY EXPOSURES.

Signature of CEO, CFO, President, Risk Manager, or
General Counsel:

Print Name

Title

Date

Signature of Broker/Agent:

Print Name

Date

Signed by Licensed Resident Agent

(Where Required By Law)



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FOR FLORIDA APPLICANTS ONLY:

Agent Name: _____

Agent License Identification Number: _____

FOR IOWA APPLICANTS ONLY:

Broker: _____

Address: _____

FOR ARKANSAS, MISSOURI & WYOMING APPLICANTS ONLY:

PLEASE ACKNOWLEDGE AND SIGN THE FOLLOWING DISCLOSURE TO YOUR APPLICATION FOR INSURANCE:

THE APPLICANT UNDERSTANDS AND ACKNOWLEDGES THAT THE POLICY FOR WHICH IT IS APPLYING CONTAINS A DEFENSE WITHIN LIMITS PROVISION WHICH MEANS THAT CLAIMS EXPENSES WILL REDUCE THE POLICY'S LIMITS OF LIABILITY AND MAY EXHAUST THEM COMPLETELY. SHOULD THAT OCCUR, THE APPLICANT SHALL BE LIABLE FOR ANY FURTHER CLAIMS EXPENSES AND DAMAGES.

Applicant's Signature:

(Signature of CEO, CFO, President, Risk Manager,
or General Counsel)

Print Name and Title

Date