

Artificial Intelligence Exclusion (Absolute)

Amendment to PC 51000 DO (02-18)

Amendment to PC 51000 EPL (02-18)

Amendment to PC 51000 FLI (02-18)

In consideration of the premium paid, it is understood and agreed that all Liability **Coverage Parts**, Section **III. Exclusions**, is amended to include the following:

The **Insurer** shall not be liable to make payment under this Coverage Part for **Loss** on account of any **Claim** made against any **Insured** based upon, arising out of, or attributable to:

- (1) any actual or alleged use, deployment, or development of **Artificial Intelligence** by any person or entity, including but not limited to:
 - (a) the generation, creation, or dissemination of any content or communications using **Artificial Intelligence**;
 - (b) any **Insured's** actual or alleged failure to identify or detect content or communications created through a third party's use of **Artificial Intelligence**;
 - (c) any **Insured's** inadequate or deficient policies, practices, procedures, or training relating to **Artificial Intelligence** or failure to develop or implement any such policies, practices, procedures, or training;
 - (d) any **Insured's** actual or alleged breach of any duty or legal obligation with respect to the creation, use, development, deployment, detection, identification, or containment of **Artificial Intelligence**;
 - (e) any product or service sold, distributed, performed, or utilized by an **Insured** incorporating **Artificial Intelligence**;
or
 - (f) any alleged representations, warranties, promises, or agreements actually or allegedly made by a chatbot or virtual customer service agent;

- (2) any **Insured's** actual or alleged statements, disclosures, or representations concerning or relating to **Artificial Intelligence**, including but not limited to:
 - (a) the use, deployment, development, or integration of **Artificial Intelligence** in the **Company's** business or operations;
 - (b) any assessment or evaluation of threats, risks, or vulnerabilities to the **Company's** business or operations arising from **Artificial Intelligence**, whether from customers, suppliers, competitors, regulators, or any other source; or
 - (c) the **Company's** current or anticipated business plans, capabilities, or opportunities involving **Artificial Intelligence**;

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured [Insert Insured Name]	Policy Number [Insert Policy Number]
Effective Date of This Endorsement [Insert Endorsement Effective Date]	Authorized Representative [Insert Authorized Rep Signature]

- (3) any actual or alleged violation of any federal, state, provincial, local, foreign, or international law, statute, regulation, or rule regulating the use or development of **Artificial Intelligence** or disclosures relating to **Artificial Intelligence**; or
- (4) any demand, request, or order by any person or entity or any statutory or regulatory requirement that the **Company** investigate, study, assess, monitor, address, contain, or respond to the risks, effects, or impacts of **Artificial Intelligence**.

“Artificial Intelligence” means any machine-based system that, for explicit or implicit objectives, infers, from the input it receives, how to generate outputs such as predictions, content, recommendations, or decisions that can influence physical or virtual environments, including, without limitation, any system that can emulate the structure and characteristics of input data in order to generate derived synthetic content, including images, videos, audio, text, and other digital content.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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