



Financial Lines

CyberEdge[®] Policy Documentation





First Response

In the event of an incident, call:

+44 (0) 1273 730992

Response Advisor:*
CMS Cameron McKenna

IT Specialist:*
KPMG

Key Terms and Conditions

- You will receive assistance for a period of 48 hours at AIG's expense.
- Your policy retention does not apply to this service and can be used whenever you have an incident.
- This service is provided without prejudice to policy coverage.
- There is no onus of proof, you can use this service even if you suspect an incident.
- This service does not erode the policy limit

You will be provided with updating reports detailing the support and advice provided regarding the incident and next steps.

* If you choose to appoint alternative providers outside the First Response service you must obtain prior approval from the AIG Claims team, any such costs are subject to the policy retention and will erode the policy limit.

First Response Service



Your call will be answered by an AIG call centre. Your call will be answered in English but a call-back service is available in local language.



The Response Advisor will contact you within 1 hour to take initial details of the incident and advise on next steps as well as assisting with the coordination of the response.



The Response Advisor will appoint an IT specialist to assist you in determining what has been affected and how it can be contained, repaired or restored.



You will receive initial legal advice to assist on the requirements to notify regulators and individuals.



If required, the Response Advisor will appoint a Public Relations Advisor to help prevent reputational damage and a Cyber Extortion Advisor to guide you during an extortion or ransomware event.

General Terms and Conditions

In consideration of the payment of **Premium** or agreement to pay the **Premium**, the **Policyholder** and the **Insurer** agree as follows:

1. Application of General Terms and Conditions

These **General Terms and Conditions** shall apply to all **Coverage Sections**, unless a **Coverage Section** states specifically that all or part of these **General Terms and Conditions** shall not apply to that **Coverage Section**. The terms and conditions set forth in each **Coverage Section** shall only apply to that particular **Coverage Section**. The definitions shall have the meaning given to them either in Section 10 (Definitions) of these **General Terms and Conditions** or in the **Coverage Section** they are used in.

2. Cover

The **Insurer** will provide insurance cover as set out in those **Coverage Sections** which are **Purchased**.

3. Limits of Liability

The total amount payable by the **Insurer** under this policy for the **Policy Period** for all **Loss** in the aggregate arising from all **Insured Events** covered by this policy shall not exceed the **Policy Aggregate Limit of Liability**.

In respect of each **Coverage Section**, the total amount payable by the **Insurer** under this policy for the **Policy Period** for all **Loss** in the aggregate arising from all **Insured Events** covered by that **Coverage Section** shall not exceed that **Coverage Section's Coverage Section Limit of Liability**. Each **Coverage Section Limit of Liability** is part of and not in addition to the **Policy Aggregate Limit of Liability**. Payments of **Loss** under any **Coverage Section** shall erode the **Policy Aggregate Limit of Liability**.

The total amount payable by the **Insurer** for **Loss** in respect of which a sub-limit is specified in the schedule or any other provision of this policy shall not exceed that sub-limit. Sub-limits are part of and not in addition to the **Policy Aggregate Limit of Liability** and the **Coverage Section Limit of Liability** of the **Coverage Section** which covers the **Loss**. Each such sub-limit is, unless specifically stated otherwise, for the **Policy Period** for all **Loss** in the aggregate arising from all **Insured Events** covered by this policy.

Amounts specified for the **Policy Aggregate Limit of Liability**, **Coverage Section Limits of Liability**, sub-limits and other limits are limits for all **Insureds** together, not limits per **Insured**.

4. Retentions

With respect to each **Single Insured Event**, the **Insurer** shall only pay that part of **Loss** which exceeds the **Retention**. The **Insurer** may, in its sole and absolute discretion, advance **Loss** within the **Retention**, and, in that event, such amounts shall be reimbursed to the **Insurer** by the **Policyholder** forthwith.

The **Retention** is to be borne by the **Insureds** and shall remain uninsured. In the event that a **Single Insured Event** triggers more than one **Retention**, then, as to such **Single Insured Event**, the highest of those **Retentions** shall be in effect with regard to the **Loss**.

The **Retentions** for each **Coverage Section** are set out in the schedule. The application of a **Retention** to **Loss** under one **Coverage Section** shall not reduce the **Retention** under any other **Coverage Section**.

5. Subrogation

Where any amount is paid under this policy in respect of an **Insured Event**, the **Insurer** shall be subrogated to all rights of recovery of each **Insured** (whether or not the **Insured** has been fully compensated for its actual loss). The **Insurer** shall be entitled to pursue and enforce such rights in the name of the **Insured** and the **Insured** shall provide the **Insurer** with all reasonable assistance and co-operation in this regard including the execution of any necessary documents. No **Insured** shall do anything to prejudice the **Insurer's** rights of recovery.

A **Company** may waive an **Insured's** rights to recovery against others if such **Company** does so in writing and before the **Insured Event** occurred.

6. Recoveries

In the event the **Insurer** recovers amounts it pays under this policy, the limits and sub-limits out of which those amounts are paid shall be replenished to the extent of the recovery less any costs of recovery.

Amounts recovered in excess of the **Insurer's** total payment under this policy (less any costs of recovery) shall be returned to the relevant **Insured**.

The **Insurer** assumes no duty to seek a recovery of any amounts paid under this policy.

7. Optional Discovery Period

If this policy is not renewed or replaced, the **Policyholder** shall, solely with respect to the **Specified Professions Professional Liability, Media Professional Liability and Technology Professional Liability Coverage Sections**, be entitled to purchase one of the following **Discovery Periods**:

- (i) a period of 1 year for an additional premium of 100% of the **Full Annual Premium**;
- (ii) a period of 2 years for an additional premium of 175% of the **Full Annual Premium**;
- (iii) a period of 3 years for an additional premium of 200% of the **Full Annual Premium**.

To make the purchase, the **Policyholder** must give written notice to the **Insurer** and pay the additional premium no later than 30 days after the expiry of the **Policy Period**. There shall be no entitlement to purchase a **Discovery Period** after those 30 days.

A **Discovery Period** purchased pursuant to this Section 7 (Optional Discovery Period):

- (a) shall incept at the end of the **Policy Period**;
- (b) shall not apply to any **Insured Event** covered under any renewal or replacement of this policy (or any policy providing similar cover); and
- (c) cannot be cancelled (and the additional premium charged for it shall be fully earned at its inception).

8. Claims

8.1 Notice and Reporting

It is a condition precedent to the **Insurer's** liability under this policy for **Loss** arising from an **Insured Event**:

- (i) that the **Insurer** is given written notice of that **Insured Event** as soon as practicable after a **Company's Responsible Officer** first becomes aware of it; and

- (ii) that the **Insurer** is given written notice of any circumstances that a **Company's Responsible Officer** may become aware of and which may reasonably be expected to give rise to that **Insured Event** as soon as practicable following that awareness,

but in all events, no later than:

- (a) 60 days after the end of the **Policy Period**; or
 (b) expiry of any applicable **Discovery Period**.

A notice of circumstances which may reasonably be expected to give rise to an **Insured Event** must include, to the extent known after reasonable inquiry, the reasons for anticipating the **Insured Event** and particulars as to dates, acts and the potential **Insureds** and claimants concerned.

Unless otherwise expressly stated, all notifications must be in writing:

- (A) by post and the date of posting shall constitute the date that notice was given, and proof of posting shall be sufficient proof of notice, to:

City Claims Unit – Financial Lines
AIG, The AIG Building, 58 Fenchurch Street
London, EC3M 4AB; or

- (B) by e-mail to:

Claims.Pl@aig.com.

Where the First Response Cover is **Purchased** and a **Company** has notified the **Insurer** of an **Insured Event** by calling the Emergency Number specified in the schedule, then, provided the **Insurer** has acknowledged the call, the **Company** does not need to also provide written notice to the **Insurer** as set out in this Section 8.1 (Notice and Reporting).

8.2 Related Claims, Insured Events or Circumstances

If a **Claim**, other **Insured Event** or circumstance is notified in writing to the **Insurer** as required by Section 8.1 (Notice and Reporting) of these **General Terms and Conditions**, then all subsequent **Claims**, other **Insured Events** and circumstances that constitute a **Single Insured Event** with that notified **Claim**, other **Insured Event** or circumstance shall be:

- (i) deemed to have been first made (in the case of **Claims**), to have first occurred (in the case of other **Insured Events**) and to have been first notified (in the case of circumstances) at the time when that notified **Claim**, other **Insured Event** or circumstance (respectively) was first made, first occurred or was first notified; and
 (ii) deemed to be notified to the **Insurer** at the time that required or permitted notice was given.

For the purposes of this Section 8.2 (Related Claims, Insured Events or Circumstances), a circumstance which may reasonably be expected to give rise to an **Insured Event** and which is notified in writing to the **Insurer** as required by Section 8.1 (Notice and Reporting) of these **General Terms and Conditions** shall be deemed to be an **Insured Event**.

8.3 Defence and Settlement

The **Insurer** has the right but no obligation to defend any **Claim** or **Regulatory Investigation**.

Each **Insured** shall have the obligation to defend and contest a **Claim** or **Regulatory Investigation** made against them unless the **Insurer**, in its sole and absolute discretion, elects in writing to take over and conduct the defence and settlement of the **Claim** or **Regulatory Investigation**. If the **Insurer** does not so elect, it shall be entitled, but not required, to participate fully in that defence and the negotiation of any settlement that involves or appears reasonably likely to involve the **Insurer** making a payment under this policy.

If legal representation is necessary in relation to any **Insured Event**, the **Insurer** shall select a law firm from its legal panel to provide such legal representation. Should an **Insured** wish to appoint a different law firm, that **Insured** shall make the request in writing to the **Insurer** prior to retaining that law firm. Such request shall include the identity of the proposed fee earners, the proposed hourly rates for each fee earner, a summary of the firm's and those fee earners' experience in handling similar matters and a budget for the **Insured Event**. The **Insurer** shall not be obliged to agree to the request.

The **Insurer** has the right at any time after notification of an **Insured Event** to make a payment to the **Insured** of the unpaid balance of the **Coverage Section Limit of Liability** (or, if a sub-limit is applicable to that **Insured Event**, the unpaid balance of that sub-limit), and upon making such payment, all obligations of the **Insurer** under this policy for that **Insured Event**, including, if any, those relating to defence of such **Insured Event**, shall cease.

8.4 Insurer's Consent

No **Insured** shall admit or assume any liability, enter into any settlement agreement, consent to any judgment, incur any **Defence Costs** or incur any other amounts where consent is required under this policy without the prior written consent of the **Insurer** (which shall not be unreasonably withheld or delayed, provided that the **Insurer** shall be entitled to exercise all of its rights under the policy). Only liabilities, settlements, judgments and **Defence Costs** (and other amounts where consent is required under this policy) consented to by the **Insurer**, and judgments resulting from **Claims** defended in accordance with this policy or other **Insured Events** handled in accordance with this policy, shall be recoverable as **Loss** under this policy.

Notifying a **Regulator** of an actual or potential **Breach of Confidential Information** or breach of **Data Protection Legislation** will not be regarded as an admission of liability for the purposes of this Section 8.4 (Insurer's Consent).

8.5 Insured's Consent

The **Insurer** may make any settlement of any **Insured Event** it deems expedient with respect to any **Insured**, subject to such **Insured's** written consent (which shall not be unreasonably withheld or delayed). If any **Insured** withholds or delays consent to such settlement, the **Insurer's** liability for all **Loss** arising from such **Insured Event** shall not exceed the amount for which the **Insurer** could have settled such **Insured Event**, plus **Defence Costs** (and other costs covered by this policy in relation to that **Insured Event**) incurred as of the date such settlement was proposed in writing by the **Insurer**, less coinsurance (if any) and the applicable **Retention**.

8.6 Cooperation

Each **Insured** will at their own cost:

- (i) provide all reasonable assistance to the **Insurer** and co-operate in the investigation, defence, settlement or appeal of any **Insured Event** and the assertion of indemnification and contribution rights;
- (ii) use due diligence and do and concur in doing all things reasonably practicable to avoid or diminish any **Loss** under this policy; and
- (iii) give such information and assistance to the **Insurer** as the **Insurer** may reasonably require to enable it to investigate any **Loss** or determine the **Insurer's** liability under this policy.

8.7 Other Insurance

The Network Interruption, Event Management and Cyber Extortion Coverage Sections are written on a primary basis.

Each other Coverage Section shall always apply excess over any other valid and collectable insurance unless such other insurance is expressly written to be excess over the Policy Aggregate Limit of Liability or that Coverage Section's Coverage Section Limit of Liability.

8.8 Allocation

In the event that any **Insured Event** involves both covered matters and matters not covered under this policy or involves persons covered and persons not covered under this policy, a fair and proper allocation of any costs of defence, damages, judgments or settlements or other costs and expenses shall be made between each **Insured** and the **Insurer** taking into account the relative legal and financial exposures attributable to covered matters and matters not covered under this policy.

9. General Provisions

9.1 Cancellation by Policyholder

This policy may be cancelled by the **Policyholder** providing written notice to the **Insurer**. If no **Claim** has been made or other actual or alleged **Insured Event** has occurred and no circumstance has been notified prior to such cancellation, the **Insurer** shall retain the pro-rata proportion of **Premium** due for time on risk. Otherwise, the **Premium** shall not be returned and shall be deemed fully earned at the inception date specified in the schedule.

9.2 Cancellation by Insurer

This policy may not be cancelled by the **Insurer** except for non-payment of the **Premium** by the **Policyholder** or in accordance with clause 9.11 (Fraudulent Claims) of these **General Terms and Conditions**.

9.3 Insured's Insolvency

Insolvency, bankruptcy, winding up of any kind, administration, administrative receivership, voluntary arrangement or any other insolvency procedure of an **Insured** shall not relieve the **Insurer** of any of its obligations under this policy.

9.4 Authority of Policyholder

Except as provided in Section 8.1 (Notice and Reporting) of these **General Terms and Conditions**, the **Policyholder** shall act on behalf of all **Insureds** with respect to all matters relevant to this policy except if and when the **Policyholder** is in bankruptcy, winding up of any kind, administration, administrative receivership, voluntary arrangement or any other insolvency procedure, in which case each **Insured** shall act on their own behalf.

9.5 Assignment

This policy and any rights under or in respect of it cannot be assigned without the prior written consent of the **Insurer**.

9.6 Governing Law

This policy and any disputes or claims arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of England and Wales.

9.7 Contracts (Rights of Third Parties) Act 1999

No person other than an **Insured** shall have directly enforceable rights under this policy, whether pursuant to the Contracts (Rights of Third Parties) Act 1999 or otherwise.

9.8 Interpretation

The descriptions in the headings and titles of this policy are solely for reference and convenience and do not lend any meaning to this policy. Words and expressions in the singular shall include the plural and vice versa. All references to specific legislation include amendments to and re-enactments of such legislation and similar legislation in any jurisdiction in which a **Claim** is made or an **Insured Event** occurs. References to positions, offices or titles shall include their equivalents in any jurisdiction in which **Claim** is made or an **Insured Event** occurs. Words in **bold** typeface have special meaning and are defined in these **General Terms and Conditions** or in the applicable **Coverage Section**. References in this policy to the schedule or a Section mean the schedule to or a Section of this policy unless otherwise stated. Wherever the word "person" or "persons" appears in this policy, it means legal or natural person or persons unless otherwise specified.

9.9 Dispute Resolution

Except as otherwise specifically provided in this policy, any dispute arising out of or in connection with this policy or its subject matter or formation (including non-contractual disputes or claims) which cannot be resolved by agreement within 60 days, may be referred to binding arbitration by either party, upon giving 7 days' notice to the other, in the London Court of International Arbitration (LCIA), whose rules shall be deemed incorporated by reference to this clause, and the cost shall be borne equally between the **Insured** and **Insurer**. The **Insured** and the **Insurer** shall each name one arbitrator and the third shall be appointed by the LCIA. The language to be used in the arbitration proceedings shall be English. The arbitration shall be conducted by a panel of 3 arbitrators having knowledge of the legal and insurance issues relevant to the matters in dispute. The decision of the arbitrators shall be final and binding and provided to both parties, and the arbitrators shall not be asked, and shall not award attorney's fees or other costs.

9.10 Duty of Fair Presentation

A. Fair Presentation

Prior to the inception date specified in the schedule, and a variation of this policy, the **Companies** must make a fair presentation of the risk to be insured under this policy.

A fair presentation of the risk is one:

- (i) which discloses every material circumstance that the Insurance Representatives know or ought to know; or
- (ii) failing that, which gives the **Insurer** sufficient information to put a prudent **Insurer** on notice that it needs to make further enquiries for the purpose of revealing those material circumstances.

For the purposes of this clause the Insurance Representatives ought to know what should reasonably have been revealed by a reasonable search of information available to the **Companies**, including information held by the **Companies'** agents or by those for whom cover is provided by this policy; and an Insurance Representative is deemed to know any circumstance which he suspected, and would have known but for deliberately refraining from confirming or enquiring about it;

- (a) which makes that disclosure in a manner which would be reasonably clear and accessible to a prudent **Insurer**; and
- (b) in which every material representation:
 - (A) as to a matter of fact, is substantially correct;
 - (B) as to a matter of expectation or belief, is made in good faith.

For the purposes of this clause the "Insurance Representatives" consist of those who participate on behalf of the **Companies** in the process of procuring the **Insureds'** insurance together with the individuals who play significant roles in the making of decisions about how the **Company's** activities are to be managed or supervised.

B. Remedies

If the above clause 0. A (Fair Presentation) is breached, and, but for the breach, the **Insurer**

- (i) would not have entered into the policy; or
- (ii) would have done so only on different terms,

The **Insurer** will have remedies as against the **Companies** as follows:

- (a) The **Insurer** may avoid this policy and refuse all claims if:
 - (A) the breach is deliberate or reckless, in which event the **Insurer** may retain the premium paid; or
 - (B) but for the breach the **Insurer's** underwriter would not have entered into the policy on any terms, in which event the **Insurer** shall return the premium.
- (b) In all other cases:
 - (C) where the Insurer's underwriter would have charged more premium, any amounts payable by the Insurer will be scaled down to the ratio that the premium actually charged (the "Actual Premium") bears to the premium that he would have charged to assume that risk (the "Reference Premium"); and in addition
 - (D) where the Insurer's underwriter would have written the risk on different terms (other than in relation to premium) the policy is to be treated as if it had been entered into on those terms.

9.11 Fraudulent Claims

If any **Insured** shall make a fraudulent claim under this policy, the **Insurer**:

- (i) is not liable to pay any part of the claim;
- (ii) may recover from that **Insured** any sums already paid to or on behalf of that **Insured** in respect of the claim; and
- (iii) may, by notice to that **Insured**, treat this policy as having been terminated with effect from the date of the fraudulent act, in which case the **Insurer** is not liable for any relevant event occurring after that date and is entitled to receive and retain the full **Premium**.

10. Definitions

Terms appearing in **bold** in these **General Terms and Conditions** and not defined in this Section 10 (Definitions) shall have the meaning ascribed to them in the applicable **Coverage Section** for the purposes of coverage provided under that particular **Coverage Section**.

Certain terms may have different meanings dependent on the applicable **Coverage Section**. Where a term is defined in more than one **Coverage Section** it shall have the meaning ascribed to it in the **Coverage Section** in which it appears, but that meaning shall apply solely for purposes of coverage provided under that particular **Coverage Section**.

The following terms are applicable to all **Coverage Sections** and shall have the meanings set out below:

Company

The **Policyholder** or any **Subsidiary**.

Continuity Date

With respect to a **Coverage Section** or a specific Cover within a **Coverage Section**, the date specified in the schedule as its Continuity Date.

Coverage Section

A coverage section listed in the schedule. The **Insurer** will provide only the insurance cover set out in those coverage sections which are **Purchased**.

Coverage Section Limit of Liability

With respect to a **Coverage Section**, the amount specified in the schedule as its Coverage Section Limit of Liability.

Data

Any electronically stored, digital, or digitised information or media. For the purposes of this policy, Data is not tangible property.

Discovery Period

a period immediately following the expiry of the **Policy Period** during which written notice may be given to the **Insurer** of a **Claim** first made during such period or the **Policy Period** for a **Wrongful Act** prior to the expiry of the **Policy Period**.

A **Claim** first made during an applicable **Discovery Period** and notified to the **Insurer** in writing during that **Discovery Period** shall be deemed first made during the **Policy Period**.

Employee

A natural person under a contract of employment with a **Company**.

Employee does not include any:

- (i) principal, partner, director or officer; or
- (ii) temporary contract labourer, self employed person or labour-only sub-contractor.

Full Annual Premium

The Premium plus any additional premium (as annualised) charged for any endorsements applied to this policy during the Policy Period.

General Terms and Conditions

This policy's General Terms and Conditions

Insurer

As specified in the schedule

Policy Aggregate Limit of Liability

The amount specified under Policy Aggregate Limit of Liability in the schedule.

Policy Period

The period of time from the inception date specified in the schedule to the expiry date specified in the schedule or, if earlier, to the date of cancellation of this policy.

Policyholder

The entity specified under Policyholder in the schedule.

Pollutants

Any solid, liquid, biological, radiological, gaseous or thermal irritant or containment whether occurring naturally or otherwise, including asbestos, smoke, vapour, soot, fibres, mould, spores, fungus, germs, acids, alkalis, nuclear or radioactive material of any sort, chemicals or waste. Waste includes material to be recycled, reconditioned or reclaimed.

Premium

The premium detailed under Premium in the schedule.

Purchased

Shown in the schedule as purchased.

Responsible Officer

Any Chief Executive Officer, Chief Financial Officer, Chief Compliance Officer, Chief Information Officer, Data Protection Officer, Chief Information Security Officer, Risk Manager, General Counsel or position equivalent to any of the foregoing.

Retention

With respect to a **Coverage Section** or Cover, the amount or amounts specified in the schedule as its Retention.

Retroactive Date

With respect to a **Coverage Section**, the date specified in the schedule as its Retroactive Date.

Single Insured Event

Any one or more **Insured Events** to the extent that such **Insured Events** arise out of, are based upon, are in connection with, or are otherwise attributable to the same originating cause or source. All such **Insured Events** shall be regarded as a **Single Insured Event** regardless of whether such **Insured Events** involve the same or different claimants, **Insureds** or causes of action.

Subsidiary

Any entity of which the **Policyholder** has or had **Control** on or before the inception date specified in the schedule either directly or indirectly through one or more of its other **Subsidiaries**.

Subsidiary shall also automatically include any entity of which the **Policyholder** acquires **Control**, either directly or indirectly through one or more of its other **Subsidiaries** during the **Policy Period**, provided that such acquired entity:

- (i) undertakes materially similar or identical business activities to the acquiring **Company**;
- (ii) has no prior claims or losses that could otherwise be covered under this policy;
- (iii) has total gross revenues that are less than 10% of the total gross revenue of the **Policyholder**; and
- (iv) has less than 50% of their total revenue from the United States of America.

For the purposes of this definition “**Control**” means where the **Policyholder**:

- (a) controls the election of the majority of the board of directors of such entity;
- (b) controls more than half of the voting power of such entity; or
- (c) holds more than 50% of the issued share / equity capital of such entity.

Cover under this policy for such entities which the **Policyholder** has acquired **Control**, either directly or indirectly through one or more of its other **Subsidiaries** during the **Policy Period**, shall only apply to **Claims** made or other **Insured Events** first occurring on or after the date of acquisition.

The applicable **Retroactive Date** and **Continuity Date** in respect of each such entity shall be the date on which the **Policyholder** acquired **Control** of the entity.

Third Party

Any entity or natural person except:

- (i) any **Insured**; and
- (ii) any other entity or natural person having a financial interest or executive role in the operation of a **Company**.

11. Exclusions

The following Exclusions apply to all **Coverage Sections** and in addition to the Exclusions set out in each **Coverage Section**.

11.1 Conduct

The **Insurer** shall not be liable for **Loss**, arising out of, based upon, or attributable to:

- (i) any wilful disregard or non-compliance with a ruling, direction or injunction by a court, tribunal, arbitrator or a Regulator within the relevant jurisdiction;
- (ii) the committing of any dishonest, fraudulent, criminal, reckless or malicious act, error or omission, or any intentional or knowing violation of the law, if committed by:
 - (a) any director, principal, partner or Responsible Officer of a Company, whether acting on their own or in collusion with others; or
 - (b) any Employee acting in collusion with any of a Company's directors, principals, partners or Responsible Officers.

The **Insurer** will continue to pay, on behalf of the **Insured**, **Defence Costs** under this policy until either (i) or (ii) above is found by a court, tribunal, arbitrator or **Regulator** to have been committed by the **Insured**. Following such finding the **Insurer** shall be entitled to repayment of any amount paid to the **Insured** under this policy.

11.2 Natural Disaster

The **Insurer** shall not be liable for **Loss**, arising out of, based upon, or attributable to any fire, smoke, explosion, lightening, wind, water, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, Act of God or any natural event howsoever caused.

11.3 Pollution

The **Insurer** shall not be liable for **Loss**, arising out of, based upon, or attributable to:

- (i) the actual, alleged or threatened discharge, dispersal, seepage, release, migration or escape of **Pollutants**;
- (ii) any direction, request or effort to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise **Pollutants** or respond to or assess the effects of **Pollutants**; or
- (iii) any actual or alleged act, error or omission in any way connected to **Pollutants**.

11.4 Prior Claims and Circumstances

The **Insurer** shall not be liable for **Loss**, arising out of, based upon, or attributable to:

- (i) any circumstance or **Insured Event** that as of the inception date specified in the schedule may reasonably have been expected by a **Company's Responsible Officer** to give rise to a claim under this policy; or any circumstance or **Insured Event** of which notice has been given under any policy of which this policy is a renewal or replacement or which it may succeed in time;
- (ii) any pending or prior civil, criminal, administrative or regulatory proceeding, investigation, arbitration, mediation, other dispute resolution or adjudication of which a **Company's Responsible Officer** had notice as of the **Continuity Date**, or alleging or deriving from the same or essentially the same facts alleged in such actions; or
- (iii) any **Insured Event** that would otherwise constitute a **Single Insured Event** with any claim or other matter reported under any policy of which this policy is a renewal or a replacement or which it may succeed in time.

11.5 Satellite Failure

The **Insurer** shall not be liable for **Loss**, arising out of, based upon, or attributable to any satellite failure.

11.6 Monetary Value

The **Insurer** shall not be liable for **Loss** consisting of the actual monetary value of cash or a monetary instrument (including cryptocurrencies) arising from:

- (i) the theft of such cash or monetary instrument (including cryptocurrencies) from an **Insured**; or
- (ii) the transfer or loss of such cash or monetary instrument (including cryptocurrencies) from or to an **Insured's** accounts or accounts under an **Insured's** control, including customer accounts. Accounts includes deposit, credit, debit, prepaid and securities brokerage accounts.

11.7 Sanctions

The **Insurer** shall not be deemed to provide cover and the **Insurer** shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the **Insurer**, its parent company or its ultimate controlling entity to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, the United Kingdom or the United States of America.

11.8 Taxes

The **Insurer** shall not be liable for **Loss** arising out of, based upon, or attributable to, or consisting of, any taxes payable by a **Company** howsoever arising, other than any VAT or equivalent taxes payable in connection with the provision of covered **IT Services, Legal Services, Reputation Protection Services, Notification Action, Credit Monitoring and ID Monitoring Services** or **Cyber Extortion Services**.

11.9 Uninsurable and Prohibited Loss

The **Insurer** shall not be liable for **Loss**:

- (i) which is uninsurable under the law of this policy or the law of the jurisdiction where the **Claim** is first made or other **Insured Event** first occurs; or
- (ii) which the **Insurer** is prohibited from paying by law or regulation (including any rule of the Financial Conduct Authority (or any successor organisation)).

12. Complaints and Privacy

12.1 Complaints

The **Insurer** believes that the **Insureds** deserve courteous, fair and prompt service. If there is any occasion when the **Insurer's** service does not meet an **Insured's** expectations, the **Insured** should contact the **Insurer** using the appropriate contact details below, providing the policy/claim number and the name of the **Policyholder/Insured** to help the **Insurer** deal with comments quickly.

Claims related complaints:

Write to: Head of Financial Lines & Professions Claims Manager,
58 Fenchurch Street, London, EC3M 4AB

Call: +44 (0) 20 7063 5418

Email: claims.pi@aig.com

Lines are open Monday to Friday 9.15am – 5pm – excluding bank holidays.

All other complaints:

Write to: Customer Relations Team, AIG, The AIG Building, 2–8 Altyre Road, Croydon CR9
2LG

Call: 0800 012 1301

Email: uk.customer.relations@aig.com

Online: <http://www.aig.co.uk/your-feedback>

Lines are open Monday to Friday 9.15am – 5pm, excluding bank holidays. The Customer Relations Team number above may not be available from outside the UK – so please call from abroad on +44 20 8649 6666. Calls may be recorded for quality, training and monitoring purposes.

The **Insurer** operates a comprehensive complaint process and will do its best to resolve any issue the **Insured** may have as quickly as possible. On occasions however, the **Insurer** may require up to 8 weeks to provide the **Insured** with a resolution. The **Insurer** will send the **Insured** information outlining this process whilst keeping the **Insured** informed of its progress. If the **Insurer** is unable to resolve the **Insured's** concerns within 8 weeks, the **Insured** may be entitled to refer the complaint to the Financial Ombudsman Service. The **Insurer** will provide full details of how to do this when it provides its final response letter addressing the issues raised.

The following applies if AIG Europe S.A. is the **Insurer**:

As AIG Europe S.A. is a Luxembourg based insurance company, in addition to the complaints procedure set out above, you have access to Luxembourg mediator bodies for any complaints you may have regarding AIG Europe S.A. Contact details of the Luxembourg mediator bodies are available on AIG Europe S.A.'s website:

<http://www.aig.lu>

Please note that the Financial Ombudsman Service may not be able to consider a complaint if the complainant has not provided the **Insurer** with the opportunity to resolve it.

The Financial Ombudsman Service can be contacted at:

Write to: The Financial Ombudsman Service,
Exchange Tower, London, E14 9SR

Call: 0800 023 4567 or +44 300 123 9 123

Email: complaint.info@financial-ombudsman.org.uk

Online: www.financial-ombudsman.org.uk

Following this complaint procedure does not affect the right to take legal action.

If you wish to complain about an insurance policy purchased online you may be able to use the European Commission's Online Dispute Resolution platform, which can be found at <http://ec.europa.eu/consumers/odr/>

12.2 Financial Services Compensation Scheme (FSCS)

The **Insurer** is covered by the FSCS. If the **Insurer** is unable to meet its financial obligations the **Insured** may be entitled to compensation from the scheme, depending on the type of insurance and the circumstances of the claim.

Further information about compensation scheme arrangements is available at www.fscs.org.uk or call (Freephone) on 0800 678 1100 or +44 20 7741 4100.

12.3 Privacy Policy

The **Insurer's** Privacy Policy is available at <https://www.aig.co.uk/privacy-policy> or by requesting a copy from: Data Protection Officer, AIG, The AIG Building, 58 Fenchurch Street, London EC3M 4AB, UK or by email dataprotectionofficer.uk@aig.com.

Before providing us with personal information about another individual you must (unless we agree otherwise): (a) inform the individual about the content of this notice and our Privacy Policy except in so far as the provision of such information proves impossible or would involve a disproportionate effort in accordance with the GDPR; and (b) obtain their permission (where required in accordance with the GDPR) to share their Personal Information with us in accordance with the Privacy Policy.

Security and Privacy Liability Coverage

1. Insurance Covers

1.1 Data Protection Investigation and Data Protection Fines

The **Insurer** will pay, to or on behalf of each **Company**, **Loss** resulting from a **Regulatory Investigation** first occurring during the **Policy Period**.

1.2 Cyber Liability

The **Insurer** will pay, to or on behalf of each **Insured**, **Loss** resulting from a **Claim** first made during the **Policy Period** for any:

- (i) actual or alleged Breach of Confidential Information by an Insured or an Information Holder;
- (ii) actual or alleged Security Failure; or
- (iii) actual or alleged failure by a Company to notify a Data Subject or any Regulator of an unauthorised disclosure or transmission of Personal Information for which the Company is responsible in accordance with the requirements of any Data Protection Legislation,

which occurred or occurs prior to or during the **Policy Period**.

2. Definitions

The following definitions are specific to this **Security and Privacy Liability Coverage Section**. All other definitions set out within Section 10 (Definitions) of the **General Terms and Conditions** shall apply as stated.

Breach of Confidential Information

The unauthorised disclosure or transmission of **Confidential Information**.

Claim

- (i) A written demand against an **Insured**;
- (ii) civil, administrative or arbitral proceedings brought against an **Insured**; or
- (iii) a **PCI-DSS Assessment**,
seeking any legal remedy.

Company Computer System

- (i) Any computer hardware, software or any components thereof that are linked together through a network of two or more devices accessible through the internet or an intranet or that are connected through data storage or other peripheral devices which are owned, operated, controlled or leased by a **Company**;
- (ii) any of the foregoing computer hardware, software or components thereof which is part of an industrial control system, including a supervisory control and data acquisition (SCADA) system;
- (iii) any employee "Bring Your Own Device" but only to the extent such device is used to access any of the foregoing computer hardware, software or components thereof or **Data** contained therein; or
- (iv) any cloud service or other hosted computer resources, used by a **Company** and operated by a **Third Party** service provider under a written contract between such **Third Party** service provider and a **Company**.

Confidential Information

Corporate Information and **Personal Information** in a **Company's** or **Information Holder's** care, custody or control or for which a **Company** is legally responsible.

Corporate Information

A **Third Party's** items of information that are not available to the public (including trade secrets, data, designs, forecasts, formulas, practices, processes, records, reports and documents) which are subject to contractual or legal protection.

Cyber Terrorism

The premeditated use of disruptive activities against a **Company Computer System** or network, or the explicit threat to use such activities, by an individual or group of individuals, whether acting alone or on behalf of or in connection with any entity or government, in each case with the intention to cause harm, further social, ideological, religious, political or similar objectives, or to intimidate any person(s) in furtherance of such objectives.

Cyber Terrorism does not include any such activities which are part of or in support of any use of military force or war.

Damages

Damages that an **Insured** is legally liable to pay resulting from a **Claim** as ascertained by:

- (i) judgments or arbitral awards rendered against that Insured; or
- (ii) a settlement agreement negotiated by that **Insured** and which is approved by the **Insurer**.

Damages includes punitive or exemplary or multiple damages where lawfully insurable and any monetary amounts that an **Insured** is required by law or has agreed by settlement to deposit into a consumer redress fund.

Data Protection Fines

Any lawfully insurable fines or penalties which are adjudicated by a Regulator to be payable by a **Company** for a breach of Data Protection Legislation.

Data **Protection Fines** does not include any other type of civil or criminal fines and penalties.

Data Protection Legislation

The Data Protection Act 1998, the Data Protection Act 2018 and the General Data Protection Regulation (Regulation (EU) 2016/679) and any subsequent legislation that alters, repeals or replaces such legislation and all other equivalent laws and regulations relating to the regulation and enforcement of data protection and data privacy in any country.

Data Subject

Any natural person whose **Personal Information** has been either collected, stored or processed by or on behalf of a **Company**.

Defence Costs

Reasonable and necessary legal fees, costs and expenses which an **Insured** incurs with the prior written consent of the **Insurer** in relation to the investigation, response, defence, appeal or settlement of a **Claim** or **Regulatory Investigation**, including court attendance costs incurred by or on behalf of that **Insured**.

Defence Costs does not include the remuneration of any **Insured**, cost of their time or any other costs or overheads of any **Insured**.

Information Holder

A **Third Party** that:

- (i) a **Company** has provided **Personal Information** or **Corporate Information** to; or
- (ii) has received **Personal Information** or **Corporate Information** on behalf of a **Company**.

Insured

- (i) A **Company**;
- (ii) a natural person who was, is or during the **Policy Period** becomes a principal, partner, director, officer or **Employee** of a **Company**;
- (iii) a natural person who is an independent contractor, temporary contract labourer, self-employed person, or labour-only sub-contractor, under the direction and direct supervision of a **Company** but only in relation to the services provided to that **Company**.

Insured includes the estate, heirs or legal representatives of a deceased, legally incompetent or bankrupt **Insured** referred to in (ii) above to the extent that a **Claim** is brought against them solely by reason of them having an interest in property that is sought to be recovered in a **Claim** against such **Insured** referred to in (ii) above.

Insured Event

A **Claim** or a **Regulatory Investigation**.

Loss

- (i) For the purposes of Insurance Cover 1.1, **Defence Costs** and **Data Protection Fines**;
- (ii) for the purposes of Insurance Cover 1.2, **Damages**, **Defence Costs** and any amounts payable in connection with a **PCI-DSS Assessment**.

Loss does not include:

- (a) non-compensatory or multiple damages (except to the extent covered as **Damages** or as part of a **PCI-DSS Assessment**) or liquidated damages;
- (b) fines or penalties (except **Data Protection Fines** to the extent covered in 1.1. (Data Protection Investigation and Data Protection Fines));
- (c) the costs and expenses of complying with any order for, grant of or agreement to provide injunctive or other non-monetary relief; or
- (d) an **Insured's** remuneration, cost of time or overheads.

PCI–DSS Assessment

Any written demand received by a **Company** from a Payment Card Association (e.g., MasterCard, Visa, American Express) or bank or servicer processing payment card transactions (e.g., an “Acquiring Bank” or “Payment Processor”) for a monetary amount (including fraud recovery, operational reimbursement, reimbursement of card reissuance costs and contractual fines and penalties) where:

- (i) a **Company** has contractually agreed to indemnify such Payment Card Association, bank or servicer processing payment card transactions for any monetary assessment made in connection with a **Company’s** obligations under generally accepted and published Payment Card Industry Standards for data security, including such contractual obligations contained in a merchant services agreement or similar agreement; and
- (ii) such monetary assessment arises out of a **Breach of Confidential Information**.

Personal Information

Any information relating to an identified or identifiable natural person.

Personal Information includes a natural person’s name, online identifier, telephone number, credit card or debit card number, account and other banking information, medical information, or any other information about a natural person protected under any **Data Protection Legislation**.

Regulator

A regulator established pursuant to **Data Protection Legislation** in any jurisdiction and which is authorised to enforce statutory obligations in relation to the collecting, storing, processing or control of **Confidential Information**.

Regulator includes any other government agency or authorised data protection authority who makes a demand on the **Insured** in relation to **Data Protection Legislation**.

Regulatory Investigation

Any formal or official action, investigation, inquiry or audit by a **Regulator** against a **Company** once it is identified in writing by a **Regulator**, which arises out of the use or suspected misuse of **Personal Information** or any aspects of the control, collection, storing or processing of **Personal Information** or delegation of data processing to an **Information Holder**, which is regulated by **Data Protection Legislation**.

Regulatory Investigation does not include any industry-wide, non-firm specific, action, investigation, inquiry or audit.

Security Failure

- (i) Any intrusion of, unauthorised access (including an unauthorised person using authorised credentials) to, or unauthorised use of (including by a person with authorised access) a Company Computer System, including that which results in or fails to mitigate any:
 - (a) denial of service attack or denial of access; or
 - (b) receipt or transmission of a malicious code, malicious software or virus;
- (ii) the loss of Data arising from the physical theft or loss of hardware controlled by a Company; or
- (iii) the unauthorised reprogramming or corruption of software (including firmware) which renders a Company Computer System or any component thereof non-functional or useless for its intended purpose.

3. Exclusions

The following Exclusions are specific to this **Security and Privacy Liability Coverage Section**. They apply in addition to the Exclusions in Section 11 (Exclusions) of the **General Terms and Conditions**.

The **Insurer** shall not be liable for **Loss** arising out of, based upon or attributable to:

3.1 Anti-Trust

Any actual or alleged antitrust violation, restraint of trade, unfair competition or unfair or deceptive business practices, including violation of any consumer protection law.

This Exclusion 3.1 shall not apply to a **Regulatory Investigation** alleging such unfair competition directly in connection with a **Security Failure** or **Breach of Confidential Information**.

3.2 Assumed Liability, Guarantee, Warranty

Any guarantee, warranty, contractual term or liability assumed or accepted by an **Insured** under any contract or agreement except to the extent such liability would have attached to the **Insured** in the absence of such contract or agreement.

This Exclusion 3.2 shall not apply to:

- (i) a contractual obligation to prevent a **Security Failure** or **Breach of Confidential Information**;
- (ii) an obligation under a confidentiality or disclosure agreement held within contracts with a **Third Party** to prevent a **Breach of Confidential Information**; or
- (iii) the obligation to comply with Payment Card Industry Data Security Standards.

3.3 Bodily Injury and Property Damage

Any:

- (i) physical injury, mental illness, sickness, disease or death: however, this Exclusion 3.3 (i) shall not apply in respect of emotional distress or mental anguish arising solely out of an **Breach of Confidential Information**; or
- (ii) loss, damage or destruction of tangible property.

3.4 Employment Practices Liability

Any of a **Company's** employment practices (including wrongful dismissal, discharge or termination, discrimination, harassment, retaliation or other employment-related claim).

This Exclusion 3.4 shall not apply to any **Claim** by an individual to the extent such individual is alleging:

- (i) a **Breach of Confidential Information** in connection with such individual's employment or application for employment with a **Company**; or
- (ii) a failure to disclose a Security Failure or Breach of Confidential Information.

3.5 Government Entity or Public Authority

Any seizure, confiscation or nationalisation of a **Company Computer System** by order of any government entity or public authority.

3.6 Infrastructure

Any electrical or mechanical failure of infrastructure not under the control of a **Company**, including any electrical power interruption, surge, brownout or blackout, failure of telephone lines, data transmission lines, or other telecommunications or networking infrastructure.

This Exclusion 3.6 shall not apply to **Loss** arising out of, based upon or attributable solely to a **Security Failure** or **Breach of Confidential Information** that is caused by such electrical or mechanical failure of infrastructure.

3.7 Insured v Insured

Any **Claim** brought by or on behalf of an **Insured** against another **Insured**.

This Exclusion 3.7 shall not apply to an actual or alleged breach of **Personal Information** of any **Employee**, director, principal, partner or officer.

3.8 Patent/Trade Secret

Any:

- (i) infringement of patents;
- (ii) loss of rights to secure registration of patents; or
- (iii) misappropriation of trade secrets by or for the benefit of a **Company**.

3.9 PCI-DSS Assessment

Any **PCI-DSS Assessment**, unless the specific **Insured** which is the subject of the **PCI-DSS Assessment** was validated as compliant with the generally accepted and published Payment Card Industry Standards for data security prior to and at the time of any **Breach of Confidential Information** which gives rise to such **PCI-DSS Assessment** occurring.

3.10 Securities Claims

Any:

- (i) actual or alleged violation by an **Insured** of any law, regulation or rule relating to the ownership, purchase, sale or offer of, or solicitation of an offer to purchase or sell, securities; or
- (ii) any actual or alleged violation by an **Insured** of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934 (each a United States of America statute) or any similar law of any jurisdiction.

This Exclusion 3.10 shall not apply to any **Damages** or **Defence Costs** incurred in relation to a **Claim** solely alleging a failure to notify a **Regulator** of a **Breach of Confidential Information** where such failure to notify is in violation of any law.

3.11 War and Terrorism

Any war (whether war is declared or not), terrorism (except **Cyber Terrorism**), invasion, use of military force, civil war, popular or military rising, rebellion or revolution, or any action taken to hinder or defend against any of these events.

Network Interruption Coverage

1. Insurance Covers

1.1 Network Interruption Loss

The **Insurer** will, with regard to an **Insured Event** which first occurs during the **Policy Period**, pay to each **Company**:

- (i) **Network Loss** which results from the **Insured Event** and which the **Company** incurs during the **Insured Event** (but, if the **Insured Event** lasts longer than 120 days, only during the first 120 days); and
- (ii) **Network Loss** which results from the **Insured Event** and which the **Company** incurs during the 90 days following resolution of the **Insured Event**.

1.2 Interruption and Mitigation Costs

The **Insurer** will pay, to or on behalf of each **Company**, **Network Interruption Costs** incurred in mitigating the impact of an **Insured Event** which first occurs during the **Policy Period**.

1.3 Loss Preparation Costs

If **Loss Preparation Costs** Cover is **Purchased**, the **Insurer** will pay, to or on behalf of each **Company**, **Loss Preparation Costs** incurred as a result of an **Insured Event** which first occurs during the **Policy Period**.

2. Definitions

The following definitions are specific to this **Network Interruption Coverage Section**. All other definitions set out within Section 10 (Definitions) of the **General Terms and Conditions** shall apply as stated.

Company Computer System

- (i) Any computer hardware, software or any other components thereof that are linked together through a network of two or more devices accessible through the internet or an intranet or that are connected through data storage or other peripheral devices which are owned, operated, controlled or leased by a **Company**; or
- (ii) any of the foregoing computer hardware, software or components thereof which is part of an industrial control system, including a supervisory control and data acquisition (SCADA) system.

Cyber Terrorism

The premeditated use of disruptive activities against a **Company Computer System** or network, or the explicit threat to use such activities, by an individual or group of individuals, whether acting alone or on behalf of or in connection with any entity or government, in each case with the intention to cause harm, further social, ideological, religious, political or similar objectives, or to intimidate any person(s) in furtherance of such objectives.

Cyber Terrorism does not include any such activities which are part of or in support of any use of military force or war.

Increased Costs of Working

Expenses (including overtime of **Employees**) incurred over and above normal operating expenses in order to ensure continuation of the normal business operations of a **Company** and to reduce its loss of business income.

Insured

A **Company**.

Insured Event

- (i) If **Security Failure** Cover is **Purchased**, a **Material Interruption** to a **Company Computer System** that is caused by a **Security Failure**;
- (ii) if **System Failure** Cover is **Purchased**, a **Material Interruption** to a **Company Computer System** that is caused by a **System Failure**;
- (iii) if **Voluntary Shutdown** Cover is **Purchased**, a **Material Interruption** to a **Company Computer System** that is caused by a **Voluntary Shutdown**;
- (iv) if **OSP Security Failure** Cover is **Purchased**, a **Material Interruption** to an **OSP Computer System** that is caused by an **OSP Security Failure**; and
- (v) if **OSP System Failure** Cover is **Purchased**, a **Material Interruption** to an **OSP Computer System** that is caused by an **OSP System Failure**,

and in each case, only where the duration of the **Material Interruption** exceeds the applicable **Waiting Hours Period** specified in the schedule.

Loss

- (i) For the purposes of Insurance Cover 0, **Network Loss**;
- (ii) for the purposes of Insurance Cover 0, **Network Interruption Costs**;
- (iii) for the purposes of Insurance Cover 0, **Loss Preparation Costs**.

Loss Preparation Costs

Reasonable and necessary professional fees and expenses incurred by a **Company** with the **Insurer's** consent, for the services of a third-party forensic accounting firm to establish, prove, verify or quantify **Network Loss** or **Network Interruption Costs** or prepare the proof of loss referred to in Condition 0 of this **Network Interruption Coverage Section**.

Loss Preparation Costs does not include any fees or expenses for consultation on coverage or negotiation of claims.

Material Interruption

- (i) The suspension or degradation of a **Company Computer System** (for the purposes of Insured Event (i) – (iii)) or an **OSP Computer System** (for the purposes of Insured Event (iv) or (v)) causing the **Company** to be unable to continue the normal business operations of the **Company**; or
- (ii) the deletion, damage, corruption, alteration or loss of or to **Data** on a **Company Computer System** (for the purposes of Insured Event (i) – (iii)) or an **OSP Computer System** (for the purposes of Insured Event (iv) or (v)) causing the **Company** to be unable to access that **Data** and unable to continue the normal business operations of the **Company**.

Network Interruption Costs

The reasonable and necessary costs and expenses that a **Company** incurs to minimise the **Network Loss**, or reduce the impact of a **Material Interruption**; provided however that the amount of **Network Loss** prevented or reduced would be greater than the costs and expenses incurred.

Network Loss

- (i) A **Company's** actual loss sustained resulting from the reduction in business income calculated by taking either Network Loss Option 1 or Network Loss Option 2; and
- (ii) the **Company's Increased Costs of Working** (but only up to an amount equal to the reduction in business income that would have been incurred had the **Company** been unable to continue its normal operating procedure).

Network Loss Option 1 (Net Profit and Continuing Fixed Costs Calculation) is calculated as follows:

Take the net profit or loss which would have been earned or incurred had the **Material Interruption** not occurred and add the costs (including ordinary payroll) which necessarily continue during the **Material Interruption**.

Network Loss Option 2 (Gross Profits Calculation) is calculated as follows:

Take the revenue which would have been derived from the operation of the business had the **Material Interruption** not occurred and subtract the variable costs, and any other costs, which do not necessarily continue during the **Material Interruption**.

OSP Computer System

Any computer hardware, software or any components thereof that are linked together through a network of two or more devices accessible through the internet or an intranet or that are connected through data storage or other peripheral devices which are owned, operated, controlled or leased by an **Outsource Service Provider**.

OSP Security Failure

Any intrusion of, unauthorised access (including any unauthorised person using authorised credentials) to, or unauthorised use of (including by a person with authorised access) an **OSP Computer System**, including that which results in or fails to mitigate any:

- (i) denial of service attack or denial of access; or
- (ii) receipt or transmission of a malicious code, malicious software or virus.

OSP System Failure

Any unintentional and unplanned outage of an **OSP Computer System** such that the **Outsource Service Provider** is unable to provide to a **Company** the services described in a

contract between a **Company** and an **Outsource Service Provider** pursuant to which an **Outsource Service Provider** provides services to a **Company** for a fee.

Outsource Service Provider

A **Third Party** that a **Company** has appointed to provide specified information technology services (such as the processing, hosting and storage of **Data**) based on an express contractual agreement, but only to the extent of the provision of such services.

Outsource Service Provider does not include:

- (i) a public utility (including a provider of electricity, gas, water or telecommunication services);
- (ii) an internet service provider (including any provider of internet connectivity); or,
- (iii) a securities exchange or market.

Security Failure

- (i) Any intrusion of, unauthorised access (including an unauthorised person using authorised credentials) to, or unauthorised use of (including by a person with authorised access) a **Company Computer System**, including that which results in or fails to mitigate any:
 - (a) denial of service attack or denial of access; or,
 - (b) receipt or transmission of a malicious code, malicious software or virus; or
- (ii) the unauthorised reprogramming or corruption of software (including firmware) which renders a **Company Computer System** or any component thereof non-functional or useless for its intended purpose.

System Failure

Any unintentional and unplanned outage of a **Company Computer System**.

Voluntary Shutdown

A voluntary and intentional shutdown or impairment of a **Company Computer System** by or at the direction of:

- (i) the Chief Information officer or Chief Information Security Officer of a **Company** (or the equivalent position regardless of title) who has at least 5 years' experience in an Information Security or Technology role; or
- (ii) an information technology services firm appointed by a **Company** that has been approved in advance of such appointment by the **Insurer**,

after the discovery of a **Security Failure**, with the reasonable belief that such shutdown or impairment would limit the **Loss** that would otherwise be incurred as a result of that **Security Failure**.

Waiting Hours Period

The number of hours as defined in the schedule, commencing at the beginning of a **Material Interruption**.

3. Exclusions

The following Exclusions are specific to this **Network Interruption Coverage Section**. They apply in addition to the Exclusions in Section 11 (Exclusions) of the **General Terms and Conditions**.

The **Insurer** shall not be liable for **Loss**:

3.1 Betterment

Consisting of the costs of:

- (i) updating, upgrading, enhancing or replacing any component of a **Company Computer System** or an **OSP Computer System** to a level beyond that which existed prior to the occurrence of a **Material Interruption**; however, this exclusion shall not apply to the extent that the replacement of a component of a **Company Computer System** is:
 - (a) required to end the **Material Interruption**; and
 - (b) no longer available and can only be reasonably replaced with an upgraded or enhanced version.
- (ii) removing software program errors or vulnerabilities.

3.2 Bodily Injury and Property Damage

Arising out of, based upon or attributable to any:

- (i) physical injury, mental illness, sickness, disease or death; or
- (ii) loss, damage or destruction of tangible property.

3.3 Business Conditions

Consisting of loss of earnings, or costs or expenses, attributable to unfavourable business conditions.

3.4 Government Entity or Public Authority

Arising out of, based upon or attributable to any seizure, confiscation or nationalisation of a **Company Computer System** by order of any government entity or public authority.

3.5 Infrastructure

Arising out of, based upon or attributable to any electrical or mechanical failure of infrastructure not under the control of a **Company** (or, where **OSP Security Failure Cover** or **OSP System Failure Cover** is **Purchased**, an **Outsource Service Provider**), including any electrical power interruption, surge, brownout or blackout, failure of telephone lines, data transmission lines, or other telecommunications or networking infrastructure.

3.6 Liability

Arising out of, based upon or attributable to any:

- (i) written demand, civil, administrative or arbitral proceedings, made by any **Third Parties** seeking any legal remedy; or
- (ii) penalties paid to **Third Parties**.

3.7 Patent

Arising out of, based upon or attributable to any infringement of patents.

3.8 Trading Losses

Consisting of trading losses, liabilities or changes in trading account value.

3.9 War and Terrorism

Arising out of, based upon or attributable to any war (whether war is declared or not), terrorism (except **Cyber Terrorism**), invasion, use of military force, civil war, popular or military rising, rebellion or revolution, or any action taken to hinder or defend against any of these events.

4. Conditions

The following conditions are specific to this **Network Interruption Coverage Section** and shall apply in addition to the conditions set out within the **General Terms and Conditions**.

4.1 Proof of Loss

In addition to the requirements to give notice to the **Insurer** under Section **Error! Reference source not found.** (Notice and Reporting) of the **General Terms and Conditions**, and before coverage under this **Network Interruption Coverage Section** shall apply, a **Company** must also:

- (i) complete and sign a written, detailed and affirmed proof of loss after the resolution of the **Material Interruption**, which will include:
 - (a) a full description of the Network Interruption Costs or Network Loss and the circumstances of such Network Interruption Costs or Network Loss;
 - (b) a detailed calculation of any Network Loss;
 - (c) all underlying documents and materials that reasonably relate to or form a part of the basis of the proof of the Network Interruption Costs or Network Loss; and
- (ii) upon the **Insurer's** request promptly respond to requests for information.

All adjusted claims are due and payable 45 days after:

- (a) the presentation of the satisfactory written proof of **Network Loss** and **Network Interruption Costs** as provided for in (i) and (ii) above; and
- (b) the subsequent written acceptance thereof by the **Insurer**.

Network Loss shall be reduced by any amounts recovered by a **Company** (including the value of any service credits provided to a **Company**) from any party (including any **Outsource Service Provider**).

The costs and expenses of establishing or proving **Network Loss** and/or **Network Interruption Costs** under this **Network Interruption Coverage Section**, including those associated with preparing the proof of loss, shall be the obligation of the **Company** and are not covered under this policy except as covered under 0 (Loss Preparation Costs) of this **Network Interruption Coverage Section**.

4.2 Appraisal

If a **Company** and the **Insurer** disagree on the extent of **Network Loss** or **Network Interruption Costs**, either may make a written demand for an appraisal of such **Network Loss** or **Network Interruption Costs**. If such demand is made, each party will select a competent and impartial appraiser. The appraisers will then jointly select an expert who has not less than 10 years' standing and who is a partner in a major international accounting firm, experienced in assessing loss of this nature. Each appraiser will separately state the extent of **Network Loss** or **Network Interruption Costs**. If they fail to agree, they will submit their differences to the expert. Any decision by the expert will be final and binding.

The **Company** and the **Insurer** will:

- (i) pay their own costs, including the costs of their respective chosen appraiser, and
- (ii) bear the expenses of the expert equally.

Event Management Coverage

1. Insurance Covers

1.1 Event Management

The **Insurer** will pay to or on behalf of each **Company**:

- (i) **Legal Expenses**;
- (ii) **IT Expenses**;
- (iii) **Data Recovery Expenses**;
- (iv) **Reputation Protection Expenses**;
- (v) **Notification Expenses**;
- (vi) **Credit Monitoring and ID Monitoring Expenses**; and
- (vii) (if First Response Cover is **Purchased**) **First Response Expenses**,

incurred solely as a result of an **Insured Event** which has occurred, or the **Company** reasonably believes has occurred, before or during the **Policy Period** and which, during the **Policy Period**, the **Company** first becomes aware of such **Insured Event**.

First Response Expenses will only be paid by the **Insurer** to the extent that they are incurred during the period of hours stated for the First Response Cover in the schedule, which shall commence when the **Responsible Officer** of the **Policyholder** first notifies the **First Response Advisor** of the **Insured Event** by contacting the Emergency Number specified in the schedule.

No **Retention** shall apply to **First Response Expenses**.

2. Definitions

The following definitions are specific to this **Event Management Coverage Section**. All other definitions set out within Section 10 (Definitions) of the **General Terms and Conditions** shall apply as stated.

Breach of Confidential Information

The unauthorised disclosure or transmission of **Confidential Information**.

Company Computer System

- (i) Any computer hardware, software or any components thereof that are linked together through a network of two or more devices accessible through the internet or an intranet or that are connected through data storage or other peripheral devices which are owned, operated, controlled or leased by a **Company**;
- (ii) any of the foregoing computer hardware, software or components thereof which is part of an industrial control system, including a supervisory control and data acquisition (SCADA) system; or
- (iii) any employee "Bring Your Own Device" but only to the extent such device is used to access any of the foregoing computer hardware, software or components thereof or **Data** contained therein.

Confidential Information

Corporate Information and **Personal Information** in a **Company's** or **Information Holder's** care, custody or control or for which a **Company** is legally responsible.

Corporate Information

A **Third Party's** items of information that are not available to the public (including trade secrets, data, designs, forecasts, formulas, practices, processes, records, reports and documents) which are subject to contractual or legal protection.

Credit Monitoring and ID Monitoring Expenses

The reasonable and necessary fees, costs and expenses incurred by a **Company**, with the **Insurer's** prior written consent, for **Credit Monitoring and ID Monitoring Services** provided to those **Data Subjects** whose **Confidential Information** is reasonably believed to have been disclosed or transmitted.

Credit Monitoring and ID Monitoring Services

Credit or identity theft monitoring services to identify possible misuse of any **Personal Information** as a result of an actual or suspected **Breach of Confidential Information**.

Cyber Terrorism

The premeditated use of disruptive activities against a **Company Computer System** or network, or the explicit threat to use such activities, by an individual or group of individuals, whether acting alone or on behalf of or in connection with any entity or government, in each case with the intention to cause harm, further social, ideological, religious, political or similar objectives, or to intimidate any person(s) in furtherance of such objectives.

Cyber Terrorism does not include any such activities which are part of or in support of any use of military force or war.

Data Recovery Expenses

The reasonable and necessary fees, costs and expenses incurred by a **Company** on actions taken to:

- (i) identify lost, damaged, destroyed or corrupted Data;
- (ii) determine whether any lost, damaged, destroyed or corrupted Data can be restored, repaired, recollected or recreated; and
- (iii) restore, recreate, repair or recollect lost, damaged, destroyed or corrupted Data to substantially the form in which it existed immediately prior to the Insured Event, including where necessary the cost to restore Data from backups or the recreation of **Data** from physical records.

Data Subject

Any natural person whose **Personal Information** has been either collected, stored or processed by or on behalf of a **Company**.

First Response Advisor

The law firm specified in the schedule, or other law firms instructed by such specified law firm, or any replacement firm nominated by the **Insurer** in the event of a conflict of interest, with respect to whom a **Company** shall enter into a **Relevant Engagement**.

First Response Expenses

The reasonable and necessary fees, costs and expenses of:

- (i) the **First Response Advisor** providing **First Response Legal Services**;
- (ii) the **First Response IT Specialist** providing **IT Services**; and
- (iii) the **Public Relations Advisor**, if its appointment is considered necessary by the **First Response Advisor** or the **Insurer**, providing **Reputation Protection Services**.

First Response IT Specialists

The firm specified in the schedule, or any replacement firm appointed by the **Insurer** in the event of a conflict of interest.

First Response Legal Services

- (i) legal advice and support provided pursuant to a **Relevant Engagement**;
- (ii) coordinating the **First Response IT Specialist**, and, if considered necessary by the **First Response Advisor** or **Insurer**, the **Public Relations Advisor**; and
- (iii) preparation and notification to any relevant **Regulator**.

Information Holder

A **Third Party** that:

- (i) a **Company** has provided **Personal Information** or **Corporate Information** to; or
- (ii) has received **Personal Information** or **Corporate Information** on behalf of a **Company**.

Insured

A **Company**.

Insured Event

- (i) A **Breach of Confidential Information**;
- (ii) a **Security Failure**; or
- (iii) in respect of **Data Recovery Expenses** only, an **Operational Failure**.

IT Expenses

The reasonable and necessary fees, costs and expenses of an **IT Specialist** providing **IT Services**.

IT Services

The services of:

- (i) substantiating whether an **Insured Event** has occurred, how it occurred and whether it is still occurring;
- (ii) identifying any compromised **Data** resulting from an **Insured Event**;
- (iii) establishing the extent to which **Confidential Information** may have been compromised; or
- (iv) containing and resolving an **Insured Event** and making recommendations to prevent or mitigate a future occurrence of the same or similar event.

IT Specialist

An information technology services firm appointed by a **Company** that has been approved in advance of such appointment by the **Insurer**.

Legal Expenses

The reasonable and necessary fees, costs and expenses of a **Response Advisor** providing the **Legal Services**.

Legal Services

The services of:

- (i) co-ordinating the **IT Specialist** or **Public Relations Advisor**;
- (ii) advising, notifying and corresponding on any notification requirements with any relevant **Regulator**; or
- (iii) monitoring complaints raised by **Data Subjects** and advising a **Company** on responses to an **Insured Event** for the purposes of minimising harm to the **Company**, including actions taken to maintain and restore public confidence in the **Company**,

in dealing with any actual or suspected **Breach of Confidential Information** or **Security Failure**.

Loss

Legal Expenses, IT Expenses, Data Recovery Expenses, Reputation Protection Expenses, Notification Expenses, Credit Monitoring and ID Monitoring Expenses and First Response Expenses.

Notification

- (i) Setting up and operating call centres;
- (ii) preparing and notifying;
 - (a) those **Data Subjects** whose **Confidential Information** is reasonably believed to have been disclosed or transmitted; or
 - (b) any relevant **Regulator**; or
- (iii) investigating and collating information,

with regard to any actual or suspected **Breach of Confidential Information**.

Notification Expenses

The reasonable and necessary fees, costs and expenses incurred by a **Company** on **Notification**.

Operational Failure

The loss or damage to **Data** caused by:

- (i) a negligent or unintentional act or failure to act by:
 - (a) an **Insured**;
 - (b) an employee of an **Insured**; or
 - (c) a third party service provider to an **Insured**;
- (ii) the loss or theft of electronic equipment; or

- (iii) a magnetic event other than:
 - (a) the use of electromagnetic or directed-energy weapons; or
 - (b) the natural deterioration of the storage media or data.

Personal Information

Any information relating to an identified or identifiable natural person.

Personal Information includes a natural person's name, online identifier, telephone number, credit card or debit card number, account and other banking information, medical information, or any other information about a natural person protected under any **Data Protection Regulation**.

Public Relations Advisor

A consultant appointed by the **Insurer** or the **Response Advisor**, or any other consultant appointed by a **Company** that has been approved by the **Insurer** in advance of such appointment, to provide **Reputation Protection Services**.

Regulator

A regulator established pursuant to **Data Protection Legislation** in any jurisdiction and which is authorised to enforce statutory obligations in relation to the collecting, storing, processing or control of **Confidential Information**.

Regulator includes any other government agency or authorised data protection authority who makes a demand on a **Company** in relation to **Data Protection Legislation**.

Relevant Engagement

A written agreement between the **First Response Advisor** and a **Company** governing the provision of the **First Response Legal Services** to the **Company**.

Reputation Protection Expenses

The reasonable and necessary fees, costs and expenses of a **Public Relations Advisor** providing **Reputation Protection Services**.

Reputation Protection Services

Advice and support (including advice concerning media strategy and independent public relations services, and the design and management of a communications strategy) in order to mitigate or prevent the potential adverse effect, or reputational damage, from media reporting of an **Insured Event**.

Response Advisor

Any law firm appointed by the **Insurer**, or any other law firm appointed by a **Company** that has been approved in advance of such appointment by the **Insurer**.

Security Failure

- (i) Any intrusion of, unauthorised access (including an unauthorised person using authorised credentials) to, or unauthorised use of (including by a person with authorised access) a **Company Computer System**, including that which results in or fails to mitigate any:
 - (a) denial of service attack or denial of access; or
 - (b) receipt or transmission of a malicious code, malicious software or virus;
- (ii) The loss of **Data** arising from the physical theft or loss of hardware controlled by a **Company**; or
- (iii) the unauthorised reprogramming or corruption of software (including firmware) which renders a **Company Computer System** or any component thereof non-functional or useless for its intended purpose.

3. Exclusions

The following Exclusions are specific to this **Event Management Coverage Section**. They apply in addition to the Exclusions in Section 11 (Exclusions) of the **General Terms and Conditions**.

The **Insurer** shall not be liable for any **Loss**:

3.1 Betterment

Consisting of the costs of:

- (i) updating, upgrading, enhancing or replacing a **Company Computer System** to a level beyond that which existed prior to the occurrence of an **Insured Event**; and
- (ii) removing software program errors or vulnerabilities.

3.2 Bodily Injury and Property Damage

Arising out of, based upon or attributable to any:

- (i) physical injury, mental illness, sickness, disease or death; or
- (ii) loss, damage or destruction of tangible property.

3.3 Government Entity or Public Authority

Arising out of, based upon or attributable to any seizure, confiscation or nationalisation of a **Company Computer System** by order of any government entity or public authority.

3.4 Infrastructure

Arising out of, based upon or attributable to any electrical or mechanical failure of infrastructure not under the control of a **Company**, including any electrical power interruption, surge, brownout or blackout, failure of telephone lines, data transmission lines, or other telecommunications or networking infrastructure.

This Exclusion 3.4 shall not apply to **Loss** arising out of, based upon or attributable solely to a **Security Failure** or **Breach of Confidential Information** that is caused by such electrical or mechanical failure of infrastructure.

3.5 Internal/Staff Costs

Consisting of the costs of payroll, fees, benefits, overheads or internal charges of any kind incurred by a **Company**.

3.6 Patent/Trade Secret

Arising out of, based upon or attributable to any:

- (i) infringement of patents;
- (ii) loss of rights to secure registration of patents; or
- (iii) misappropriation of trade secrets by or for the benefit of a **Company**.

3.7 War and Terrorism

Arising out of, based upon or attributable to any war (whether war is declared or not), terrorism (except **Cyber Terrorism**), invasion, use of military force, civil war, popular or military rising, rebellion or revolution, or any action taken to hinder or defend against any of these events.

4. Conditions

The following conditions are specific to this **Event Management Coverage Section** and shall apply in addition to the conditions set out within the **General Terms and Conditions**.

4.1 First Response Notification

The cover provided for **First Response Expenses** is granted solely with respect to a **Breach of Confidential Information** or **Security Failure** first discovered during the **Policy Period** and a **Company** shall, as a condition precedent to the obligations of the **Insurer** in respect of such **First Response Expenses**, notify the **Insurer** by contacting the Emergency Number specified in the schedule as soon as reasonably practicable after the **Breach of Confidential Information** or **Security Failure** first occurs.

Cyber Extortion Coverage

1. Insurance Covers

1.1 Cyber Extortion

The **Insurer** will pay, to or on behalf of each **Company**, **Loss** that the **Company** incurs solely as a result of an **Extortion Threat** which first occurs during the **Policy Period**.

2. Definitions

The following definitions are specific to this **Cyber Extortion Coverage Section**. All other definitions set out within Section 10 (Definitions) of the **General Terms and Conditions** shall apply as stated.

Breach of Confidential Information

The unauthorised disclosure or transmission of **Confidential Information**.

Company Computer System

- (i) Any computer hardware, software or any components thereof that are linked together through a network of two or more devices accessible through the internet or an intranet or that are connected through data storage or other peripheral devices which are owned, operated, controlled or leased by a **Company**;
- (ii) any of the foregoing computer hardware, software or components thereof which is part of an industrial control system, including a supervisory control and data acquisition (SCADA) system; or
- (iii) any employee "Bring Your Own Device" but only to the extent such device is used to access any of the foregoing computer hardware, software or components thereof or **Data** contained therein.

Confidential Information

Corporate Information and **Personal Information** in a **Company's** or **Information Holder's** care, custody or control or for which a **Company** is legally responsible.

Corporate Information

A **Third Party's** items of information that are not available to the public (including trade secrets, data, designs, forecasts, formulas, practices, processes, records, reports and documents) which are subject to contractual or legal protection.

Cyber Extortion Expenses

The reasonable and necessary fees, costs and expenses of any firm appointed by the **Insurer** or any other firm appointed by the **Company** that has been approved by the **Insurer** in advance of such appointment to provide the **Cyber Extortion Services**.

Cyber Extortion Services

- (i) Conducting an investigation to determine the validity, cause and scope of an **Extortion Threat**;
- (ii) advising on the response to an **Extortion Threat**;
- (iii) containing or resolving the disruption of the operations of a **Company Computer System** caused by the **Extortion Threat**; or
- (iv) assisting a **Company** in negotiating a resolution to an **Extortion Threat**.

Cyber Terrorism

The premeditated use of disruptive activities against a **Company Computer System** or network, or the explicit threat to use such activities, by an individual or group of individuals, whether acting alone or on behalf of or in connection with any entity or government, in each case with the intention to cause harm, further social, ideological, religious, political or similar objectives, or to intimidate any person(s) in furtherance of such objectives.

Cyber Terrorism does not include any such activities which are part of or in support of any use of military force or war.

Extortion Threat

Any threat or connected series of threats, for the purpose of demanding money, securities or other tangible or intangible property of value from a **Company**, to:

- (i) commit or continue a **Breach of Confidential Information**;
- (ii) commit or continue an intentional attack against a **Company Computer System** (including through the use of ransomware); or
- (iii) disclose information concerning a vulnerability in a **Company Computer System**.

Information Holder

A **Third Party** that:

- (i) a **Company** has provided **Personal Information** or **Corporate Information** to; or
- (ii) has received **Personal Information** or **Corporate Information** on behalf of a **Company**.

Insured

A **Company**.

Insured Event

An **Extortion Threat**.

Loss

- (i) Any payment of cash, monetary instrument, cryptocurrencies (including the costs to obtain such cryptocurrencies) or the fair market value of any property which a **Company** has paid, to prevent or end an **Extortion Threat**; and
- (ii) **Cyber Extortion Expenses**.

Personal Information

Any **Data** relating to an identified or identifiable natural person.

Personal Information includes a natural person's name, online identifiers, telephone number, credit card or debit card number, account and other banking information, medical information, or any other information about a natural person protected under any **Data Protection Legislation**.

3. Exclusions

The following Exclusions are specific to this **Cyber Extortion Coverage Section**. They apply in addition to the Exclusions in Section 11 (Exclusions) of the **General Terms and Conditions**.

The **Insurer** shall not be liable for any **Loss**:

3.1 Anti-terrorism legislation

To the extent that the provision of such payment to or on behalf of a **Company** would expose the **Insurer**, its parent company or its ultimate controlling entity to any applicable anti-terrorism legislation or regulation under United Nations resolutions laws or regulations of the European Union, or the United States of America or the United Kingdom.

3.2 Bodily Injury and Property Damage

For any:

- (i) physical injury, mental illness, sickness, disease or death; or
- (ii) loss, damage or destruction of tangible property.

3.3 Government Entity or Public Authority

Arising out of, based upon or attributable to a regulatory or enforcement threat or demand by any government entity or public authority.

3.4 Patent

Arising out of, based upon or attributable to any infringement of patents.

3.5 War and Terrorism

Arising out of, based upon or attributable to any war (whether war is declared or not), terrorism (except **Cyber Terrorism**), invasion, use of military force, civil war, popular or military rising, rebellion or revolution, or any action taken to hinder or defend against any of these events.

Computer Crime Coverage

1. Insurance Covers

1.1 Impersonation Fraud

The **Insurer** will indemnify the **Insured** for **Loss** resulting directly from **Impersonation Fraud** discovered during the **Policy Period**.

Cover under this Insurance Cover 1.1 is subject to the condition that prior to making any transfer or amending any payment details, the **Employee** of the **Insured** receiving the fraudulent instruction has **Verified** that the instruction is coming from a genuine person described in sub-clause (a) or (b) as set out in the definition of **Impersonation Fraud**.

Funds Transfer Fraud

The **Insurer** will indemnify the **Insured** for **Loss** resulting directly from **Funds Transfer Fraud** discovered during the **Policy Period**.

2. Definitions

The following definitions are specific to this **Computer Crime Coverage Section**. All other definitions set out within Section 10 (Definitions) of the **General Terms and Conditions** shall apply as stated.

Any Other Person

Any natural person who:

- (i) is not a director, officer, partner, trustee or **Employee** of any **Insured**;
- (ii) does not have and does not provide services under any contract for services, written or implied, with any **Insured**; and
- (iii) is not acting in collusion with any **Employee**.

Discovered or Discovery

When any **Insured** or any of the **Insured's** directors, partners, officers, departmental directors, senior managers, trustees or equivalent of any **Insured** becomes aware of any act, omission or event which could give rise to a **Loss** covered by this policy even though the exact amount or details of a Loss, act, omission or event are not known at the time of **Discovery**. Such **Discovery** shall constitute knowledge possessed or **Discovery** made by every **Insured**.

Employee

A natural person other than a director or partner of the **Insured** who:

- (i) has entered into or works under a contract of service with any **Insured** and whom such **Insured** compensates by salary, wages and/or commissions and whom the **Insured** has the right to govern and direct in the performance of such service;
- (ii) is a part-time or temporary worker performing the duties referred to in subsection (i) above under the **Insured's** supervision;

- (iii) is a retired **Employee** appointed by the **Insured** under a written contract whom the **Insured** governs and directs in the performance of their service as an **Employee**;
- (iv) is a student, secondee or volunteer pursuing studies, gaining work experience or performing the duties of an **Employee** referred to in subsection (i) above under the **Insured's** supervision;
- (v) is provided to the **Insured** by an employment agency (or similar source) to perform the duties referred to in subsection (i) above under the **Insured's** supervision;

Employee also includes:

- (vi) a director of the **Insured** but only whilst such director is performing acts coming within the scope of the usual duties referred to in subsection (i) above; and
- (vii) a natural person who the **Insured** is unable to identify by name but whose act or acts have caused a **Loss** covered under this policy, provided that the evidence submitted proves beyond reasonable doubt that the Loss was due to the act of an **Employee** as referred to in subsections (i)-(vi).

Notwithstanding the above the term **Employee** does not mean any person who is or acts on behalf of any external auditor, external accountant, broker, investment adviser or investment manager, factor, commission merchant, consignee, contractor or other similar agent or representative unless specifically agreed by the Insurer and endorsed to this Policy.

Forged

The hand-written signing or endorsing of the name of a genuine natural person or a copy of the said person's signature by **Any Other Person** without authority and with intent to deceive. It does not include the signing or endorsing in whole or in part of one's own name, with or without authority, in any capacity, for any purpose. Forgery by mechanically or electronically produced or reproduced signatures are treated the same as hand-written signatures.

Fraudulent Alteration

The material alteration to an instrument for a fraudulent purpose by **Any Other Person** other than the person who was authorised to prepare or sign the instrument.

Forged

- (i) The **Policyholder**; and
- (ii) any **Subsidiary**

Impersonation Fraud

The **Insured** having, in good faith:

- (i) transferred funds from its own accounts; or
- (ii) amended current payment details of a customer, supplier, or service provider,

as a result of a fraudulent instruction via e-mail, communicated to an **Employee** of the **Insured**, by a person purporting to be:

- (a) a director, officer, partner, member or sole proprietor of the **Insured** or other **Employee** of the **Insured**; or
- (b) a customer, supplier, service provider or adviser, or a representative or employee of such person or entity, that has a legitimate written agreement or a pre-existing arrangement written agreement to provide goods or services to the **Insured**.

Insured Event

- (i) For the purposes of Insurance Cover 1.1, **Impersonation Fraud**; and
- (ii) for the purposes of Insurance Cover 1.2, **Funds Transfer Fraud**.

Investigative Specialist

Any independent investigative specialist firms approved by the **Insurer**

Loss

The direct financial loss sustained by the **Insured**.

Loss does not include:

- (a) financial loss resulting from any dealing or trading in securities, commodities, futures, options, foreign or Federal funds, currencies, foreign exchange and the like;
- (b) any reckless or inadvertent acts;
- (c) the creation of a liability to a third party or the loss of **Money, Securities** or other property belonging to a third party;
- (d) fines, penalties or damages of any type;
- (e) any **Insured's** remuneration, cost of time or overheads;
- (f) fees, costs or other expenses incurred in establishing the existence or amount of Loss, or in prosecuting or defending any claim, suit or legal proceeding, or for any recall costs or costs associated with a recall; or
- (g) indirect or consequential loss of any nature, including but not limited to any loss of income, interest and dividends not realised by the **Insured** or any other individual or organisation.

Money

Currency, coins, bank notes and bullion, cheques, travellers' cheques, registered cheques, postal orders, bank drafts and money orders.

Outsource

The retention and authorisation by the **Insured** of a person or an organisation to perform a normal administrative function on behalf of the **Insured**, provided that:

- (i) such function is performed under a written contract;
- (ii) the **Insured** retain the right to audit the performance of such function; and
- (iii) the **Insured** can demonstrate that they have vetted the person or organisation for competency, financial stability and honesty prior to the retention and authorisation by the **Insured** of such person or organisation to perform such function.

Cover in respect of any person or organisation to whom the **Insured Outsource** any normal administrative function shall apply in excess of any indemnification or valid and collectible insurance or indemnity, contractual or otherwise, available to the **Outsource** entity or the **Insured**.

Securities

All negotiable and non-negotiable instruments or contracts, including any note, stock, bond, debenture, evidence of indebtedness, share or other equity or debt security, representing either money or property, but does not include **Money**.

Subsidiary

Any entity of which the **Policyholder** has or had **Control** on or before the inception date specified in the schedule either directly or indirectly through one or more of its other **Subsidiaries**.

Subsidiary shall also automatically include any entity of which the **Policyholder** acquires **Control**, either directly or indirectly through one or more of its other **Subsidiaries** during the **Policy Period**, provided that such acquired entity:

- (i) undertakes materially similar or identical business activities to the acquiring **Company**;
- (ii) has no prior claims or losses that could otherwise be covered under this policy;
- (iii) has total gross revenues that are less than 10% of the total gross revenue of the **Policyholder**;
- (iv) has less than 50% of their total revenue from the United States of America;
- (v) is not incorporated or domiciled in the United States of America; and
- (vi) does not have any of its securities listed on a securities exchange.

For the purposes of this definition “**Control**” means where the **Policyholder**:

- (a) controls the election of the majority of the board of directors of such entity;
- (b) controls more than half of the voting power of such entity;
- (c) holds more than 50% of the issued share / equity capital of such entity; or
- (d) creates or created such entity.

Cover under this policy for such entities which the **Policyholder** has acquired **Control**, either directly or indirectly through one or more of its other **Subsidiaries** during the **Policy Period**, shall only apply to **Claims** made or other **Insured Events** first occurring on or after the date of acquisition.

The applicable **Retroactive Date** and **Continuity Date** in respect of each such entity shall be the date on which the **Policyholder** acquired **Control** of the entity.

Verified

Confirmation of the genuineness of a person, who communicated the fraudulent instruction, verified independently from the person who communicated the fraudulent instruction and confirmed by the **Insured**:

- (i) through a telephone call back procedure consisting of calling the requestor by using the telephone number of such requestor which is:
 - (a) held on file by the **Insured**, or
 - (b) available in the internal phone directory of the **Insured**; or
 - (c) verifiable into the public domain, and
- (ii) where such instruction is in the form of an e-mail, by verifying and ensuring that the genuine requestors' work e-mail address has been used for such instruction.

3. Exclusions

The following Exclusions are specific to this **Computer Crime Coverage Section**. They apply in addition to the Exclusions in Section 11 (Exclusions) of the **General Terms and Conditions**.

The **Insurer** shall not be liable to make any payment under any Insurance Cover arising from or related to or amounting to:

3.1 Benefit to Another Insured

Loss sustained by one **Insured** to the advantage of any other **Insured**.

3.2 Consequential Loss

Indirect or consequential loss of any nature, including but not limited to any loss of income, interest and dividends not realised by the **Insured** or any other individual or organisation because of a **Loss** covered under this **Policy**.

3.3 Directors / Partners

Loss resulting directly or indirectly from any act or series of acts committed by any director or partner, de facto director or partner of the **Insured**, whether acting alone or in collusion, except to the extent that at the time the relevant act is committed such director or partner is deemed to be an **Employee**.

3.4 Loss Sustained After Knowledge

Loss caused from the time:

- (i) any **Insured** or any of the **Insured's** directors, partners, trustees, officers, departmental directors, senior managers (or equivalent); or
- (ii) any party to whom the **Insured Outsource**,

shall have knowledge or information that an **Employee** or any other individual or organisation has committed any act or acts of fraud, dishonesty, criminal damage or theft:

- (i) whilst such **Employee** is in the **Insured's** service or during the term of employment with any **Insured**;
or
- (ii) prior to an **Employee** being employed by any **Insured**, provided the act or acts involved **Money**, **Securities** or other property valued at £15,000 or more.

3.5 Major Shareholder

Loss involving any person who, at the time of committing an act which results in a **Loss**, owns or controls more than 5% of issued share capital of any **Insured**.

3.6 Prior or Subsequent Discovery of Loss

Loss:

- (i) **Discovered** prior to the inception date specified in the **Schedule**; or
- (ii) **Discovered** after the expiry date specified in the **Schedule**.

3.7 Profit, Loss or Inventory Computation

Loss, the proof of which is dependent solely upon a:

- (i) profit and loss computation or comparison; or
- (ii) comparison of inventory records with an actual physical count.

3.8 Violent Crime by any Individual or Organisation

Loss arising out of theft occasioning the use of forcible and violent means.

3.9 Voluntary Exchange or Purchase

Loss arising out of the voluntary giving or surrendering (whether or not such giving and surrendering is induced by deception) of **Money, Securities** or other property in any exchange or purchase, unless such voluntary giving or surrendering is committed by an **Employee** (acting alone or in collusion with others) and covered under Insurance Cover 1.1 (Impersonation Fraud).

3.10 War and Terrorism

Loss resulting directly or indirectly out of any war (whether war is declared or not), terrorism, invasion, use of military force, civil war, popular or military rising, rebellion or revolution, or any action taken to hinder or defend against any of these events.

4. Conditions

The following conditions are specific to this **Computer Crime Coverage Section** and shall apply in addition to the conditions set out within the **General Terms and Conditions**.

4.1 Claim Conditions

In addition to the requirements of Section 8 (Claims) of the **General Terms and Conditions**, on **Discovery** of a **Loss** the **Insured** shall:

- (i) give notice to the police unless **Loss** is caused by or implicates any **Employee**; and
- (ii) furnish to the **Insurer** affirmative proof of loss with full particulars within 6 months of **Discovery** in the absence of a conclusive report by an **Investigative Specialist**.

4.2 Basis of Valuation

In no event shall the **Insurer** be liable for more than the actual market value, determined by that published in the Financial Times in the United Kingdom or equivalent local daily financial newspaper of foreign funds or currencies at the close of business on the day the **Loss** was **Discovered**;

4.3 Recoveries

Recoveries (except from insurance, reinsurance, sureties or indemnity) following a paid **Loss** under this **Computer Crime Coverage Section**, will be allocated in the following order of reimbursement:

- (i) firstly, for any costs and expenses reasonably and necessarily incurred in relation to the recovery;
- (ii) secondly, the **Policyholder** will be reimbursed for any **Loss** exceeding the **Coverage Section Limit of Liability**;
- (iii) thirdly, the **Insurer** will be reimbursed for any settlement made for **Loss** paid under this **Computer Crime Coverage Section**; and
- (iv) lastly, the **Insured** will be reimbursed for **Loss** equal to the **Retention**.

4.4 Crime Anti-stacking

In the event that another insurance policy which provides indemnification for the same cover is provided by the **Insurer** or any member company or affiliate of the **Insurer**, then the maximum amount payable by the **Insurer** under all such policies shall not exceed either:

- (i) this **Computer Crime Coverage Section's Coverage Section Limit of Liability**; or
- (ii) the limit of liability of the other policy provided by the **Insurer** or any member company or affiliate of the **Insurer**,

whichever has the highest applicable limit of liability.

Nothing contained herein shall be construed to increase the **Policy Aggregate Limit of Liability** or the **Coverage Section Limit of Liability**. To the extent that another insurance policy imposes upon the **Insurer** a duty to defend a claim, defence costs arising out of such a claim shall not be covered under this policy.

Criminal Reward Fund Coverage

1. Insurance Covers

1.1 Criminal Reward Fund

The **Insurer** may pay on a **Company's** behalf, at the **Insurer's** sole and absolute discretion, a **Criminal Reward Fund**.

2. Definitions

The following definitions are specific to this **Criminal Reward Fund Coverage Section**. All other definitions set out within Section 10 (Definitions) of the **General Terms and Conditions** shall apply as stated.

Criminal Reward Fund

An amount offered by the **Insurer** for information that leads to the arrest and conviction of any individual(s) committing or trying to commit any illegal act related to the coverage under any of following **Coverage Sections** if such **Coverage Sections** are **Purchased: Security and Privacy Liability Coverage Section, Network Interruption Coverage Section, Event Management Coverage Section and Cyber Extortion Coverage Section**.

3. Exclusions

The following Exclusions are specific to this **Criminal Reward Fund Coverage Section**. They apply in addition to the Exclusions in Section 11 (Exclusions) of the **General Terms and Conditions** and in addition to the Exclusions set out within the **Data Protection and Cyber Liability Coverage Section, the Network Interruption Coverage Section, Event Management Coverage Section and Cyber Extortion Coverage Section**.

3.1 Fees, Costs and Expenses

The **Insurer** shall not be liable for **Loss** arising out of, based upon or attributable to any information provided by any **Insured**, an **Insured's** auditors, whether internal or external, any individual hired or retained to investigate the aforementioned illegal acts, or any other individuals with responsibilities for the supervision or management of the aforementioned individuals.

Telephone Hacking Coverage

1. Insurance Covers

1.1 Unauthorised Access of Telephone Systems Cover

The **Insurer** will pay to each **Company**, **Loss** which:

- (i) results from the unauthorised access and use of the **Company Telephone System(s)** located on the **Premises** regardless of whether such access and use is initiated on or off such **Premises**; and
- (ii) is incurred by the **Company** within forty five (45) days from the date on which the first call charge was made.

2. Definitions

The following definitions are specific to this **Telephone Hacking Coverage Section**. All other definitions set out within Section 10 (Definitions) of the **General Terms and Conditions** shall apply as stated.

Loss

Call charges that the **Company** is liable for as a result of unauthorised access and use of the **Company Telephone System(s)**.

Premises

The premises from where the **Company** conducts its normal business operations.

Telephone System(s)

A PBX or electronic key telephone system, with or without adjuncts including voice mail, auto attendants and automated call directors, that is owned operated, controlled or exclusively leased by the **Company**.

3. Exclusions

The following Exclusions are specific to this **Telephone Hacking Coverage Section**. They apply in addition to the Exclusions in Section 11 (Exclusions) of the **General Terms and Conditions**.

3.1 Indirect or Consequential Loss

The **Insurer** shall not be liable for **Loss** arising out of, based upon or attributable to any indirect or consequential loss, including:

- (i) any loss of monies, securities or financial assets arising from the unauthorised access or use of the **Company Telephone System(s)**;
- (ii) any loss arising from the **Telephone System(s)** being unavailable; or
- (iii) any loss arising from an **Insured** voluntarily giving or surrendering unauthorised access to the **Company Telephone System(s)** through a purchase or exchange.

Digital Media Content Liability

1. Insurance Cover

1.1 Digital Media Content Liability

The **Insurer** will pay, on behalf of each **Insured**, **Loss** resulting from a **Claim** first made during the **Policy Period** arising from **Digital Media Activities**.

2. Definitions

The following definitions are specific to this **Digital Media Content Liability Coverage Section**. All other definitions set out within Section 10 (Definitions) of the **General Terms and Conditions** shall apply as stated.

Claim

- (i) A written demand against an **Insured**; or
- (ii) civil, administrative or arbitral proceedings brought against an **Insured**, seeking any legal remedy for a **Wrongful Act**.

Damages

Damages that an **Insured** is legally liable to pay resulting from a **Claim** as ascertained by:

- (i) judgments or arbitral awards rendered against that **Insured**;
- (ii) monies payable by that **Insured** pursuant to any settlement agreement negotiated by that **Insured** and which is approved by the **Insurer**.

Damages includes punitive or exemplary or multiple damages where lawfully insurable.

Defence Costs

Reasonable and necessary fees, costs and expenses which an **Insured** incurs with the prior written consent of the **Insurer**, in relation to the investigation, response, defence, appeal or settlement of a **Claim**, including court attendance costs incurred by or on behalf of that **Insured**.

Defence Costs does not include the remuneration of any **Insured**, cost of their time or any other costs or overheads of any **Insured**.

Digital Media Activities

The posting on the **Company's** website or social media outlets, of any **Digital Media**.

Digital Media

Any digitised content, including text, graphics, audio and video, that can be transmitted over the internet or computer networks.

Insured**A Company;**

- (i) a natural person who was, is or during the **Policy Period** becomes a principal, partner, director, officer or **Employee** of a **Company**;
- (ii) an independent contractor, temporary contract labourer, self-employed person or labour-only sub-contractor, under the direction and direct supervision of a **Company**, but only in relation to the **Digital Media Activities** they undertake for that **Company**;
- (iii) a joint venture where a **Company** maintains operational control, but only to the extent of the **Company's** interest in such joint venture; and
- (iv) a natural person or entity which a **Company** is required by contract to add as an **Insured** under this policy, but only when and to the extent such natural person is acting on behalf of that **Company**;

provided that such organisation or person shall only be covered under this **Digital Media Content Liability Coverage Section** in respect of **Loss** arising from a **Wrongful Act** when undertaking **Digital Media Activities** in the foregoing capacities.

Insured includes the estate, heirs or legal representatives of a deceased, legally incompetent or bankrupt **Insured** referred to in (ii) above to the extent that a **Claim** is brought against them solely by reason of them having an interest in property that is sought to be recovered in a **Claim** against such **Insured** referred to in (ii) above.

Intellectual Property

Copyright, trade mark, service mark, design rights, know-how, database rights, registered domain or any other intellectual property, but not including patents or trade secrets.

Loss**Damages and Defence Costs;**

Loss does not include:

- (i) non-compensatory or multiple damages (except to the extent covered as **Damages**) or liquidated damages;
- (ii) fines or penalties;
- (iii) the costs and expenses of complying with any order for, grant of or agreement to provide injunctive or other non-monetary relief;
- (iv) discounts, service credits, rebates, price reductions, coupons, prizes, awards or other contractual or non-contractual incentives, promotions or inducements offered to an **Insured's** customers or clients;
- (v) production costs or the cost of recall, reproduction, reprinting, return or correction of **Digital Media** by any person or entity; or
- (vi) any **Insured's** remuneration, cost of time or overheads.

Wrongful Act

Any actual or alleged:

- (i) defamation, including libel, slander, or disparagement of trade reputation or the character of any person or organisation, or infliction of emotional distress or mental anguish arising from the foregoing;
- (ii) unintentional infringement of copyright, title, slogan, trademark, trade name, trade dress, mark, service mark, service name, domain name or license agreement;
- (iii) plagiarism, piracy or misappropriation or theft of ideas or information;
- (iv) invasion, infringement or interference with rights of privacy, publicity, morals, false light, public disclosure of private facts, intrusion and commercial appropriation of name, persona or likeness; or
- (v) passing-off but only if alleged in conjunction with any of the acts listed in (i) – (iv) above,

on or after the **Continuity Date** and prior to the end of the **Policy Period** in the course of undertaking **Digital Media Activities**.

3. Exclusions

The following Exclusions are specific to this **Digital Media Content Liability Coverage Section**. They apply in addition to the Exclusions in Section 11 (Exclusions) of the **General Terms and Conditions**.

The **Insurer** shall not be liable for **Loss** arising out of, based upon or attributable to:

3.1 Anti –Trust

Any actual or alleged antitrust violation, restraint of trade, unfair competition or unfair or deceptive business practices, including violation of any consumer protection law.

3.2 Assumed Liability, Guarantee, Warranty

Any:

- (i) guarantee or express warranty made by an **Insured**; or
- (ii) contractual liability or other obligation assumed or accepted by an **Insured**.

3.3 Bodily Injury and Property Damage

Any:

- (i) physical injury, mental illness, sickness, disease or death; or
- (ii) damage to or loss of or destruction of tangible property or loss of use thereof,

3.4 Employment Practices Liability

Any of a **Company's** employment practices (including wrongful dismissal, discharge or termination, discrimination, harassment, retaliation or other employment-related claim).

3.5 Financial Data

Errors made in any financial data that the **Company** publicises including the **Company's** annual report and accounts and any communications to the stock market.

3.6 Goods, Products or Services

Any:

- (i) false advertising or misrepresentation in advertising of a **Company's** products or services;
- (ii) any failure of goods, products or services to conform with an advertised quality or performance; or
- (iii) infringement of trade marks or trade dress by any goods, products or services displayed or contained in any **Digital Media**.

3.7 Government/Regulatory Action

Any

- (i) government, regulatory, licensing or commission action or investigation; or
- (ii) **Claim** brought by or on behalf of:
 - (a) ASCAP, SESAC, BMI, RIAA or any other music licensing organisation;
 - (b) the Federal Trade Commission;
 - (c) the Department of Health and Human Services or Office of Civil Rights;
 - (d) the Federal Communications Commission; or
 - (e) any other government, agency or office.

3.8 Infrastructure

Any:

- (i) mechanical failure;
- (ii) electrical failure, including any electrical power interruption, surge, brownout or blackout; or
- (iii) telecommunications failure.

3.9 Insured v Insured

Any **Claim** brought by or on behalf of an **Insured** against another **Insured** except a **Claim** by an **Insured** which directly results from another **Claim** by a **Third Party** first made during the **Policy Period** and covered by this **Digital Media Content Liability Coverage Section**.

3.10 Intentional Infringement of Intellectual Property

Any intentional infringement of **Intellectual Property**.

3.11 Internal Messaging Services

Any publication or broadcast of **Digital Media** posted or transmitted on any of the **Company's** internal instant message system, messaging boards, or chat rooms.

3.12 Over-Redemption

Any price discounts, prizes, awards or other consideration given in excess of the total contracted or expected amount.

3.13 Ownership Rights

Any **Claim** against the **Company** brought by or on behalf of any independent contractor, third-party distributor, licensee, sub-licensee, joint venture, venture partner, any employee of the foregoing, or any employee or agent of the **Company** arising out of, based upon or attributable to disputes over:

- (i) the ownership or exercise of rights in **Digital Media**; or,
- (ii) services supplied by such independent contractor, third-party distributor, licensee, sub-licensee, joint venturer, venture partner or employee or agent.

3.14 Patent/Trade Secret

Any:

- (i) infringement of patents;
- (ii) loss of rights to secure registration of patents; or
- (iii) misappropriation of trade secrets.

3.15 Royalties and other monies

Any:

- (i) accounting or recovery of profits, royalties, fees or other monies claimed to be due from an **Insured**; or
- (ii) licensing fees or royalties ordered, directed or agreed to be paid by an **Insured** pursuant to a judgment, arbitration award, settlement agreement or similar order or agreement, for the continued use of a person or entity's copyright, trade mark, service mark, design rights, know-how, database rights, registered domain or any other intellectual property.

3.16 Securities Claims

Any:

- (i) actual or alleged violation by an **Insured** of any law, regulation or rule relating to the ownership, purchase, sale or offer of, or solicitation of an offer to purchase or sell, securities;
- (ii) any actual or alleged violation by an **Insured** of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934 (each a United States of America statute) or any similar law of any jurisdiction; or
- (iii) any actual or alleged violation by an **Insured** of the Racketeer Influenced and Corrupt Organisation Act 18 USC Section 1961 et seq (a United States of America statute) and any amendments thereto or any Rule or Regulation promulgated thereunder.

3.17 Trade Debts

Any:

- (i) trading debt incurred by an **Insured**; or
- (ii) guarantee given by an **Insured** for a debt.

3.18 Trading Losses/Monetary Value

Any trading losses or trading liabilities, monetary value of any electronic fund transfers or transfers by or on behalf of an **Insured**.

3.19 War and Terrorism

Any war (whether war is declared or not), terrorism, invasion, use of military force, civil war, popular or military rising, rebellion or revolution, or any action taken to hinder or defend against any of these events.



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