



Financial Lines

CyberEdge® V2.0 Cyber Essentials Policy Documentation



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First Response

In the event of an incident, call:

+44 (0) 1273 730992

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.

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

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.

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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

The **GTCs** shall apply to all **Coverage Sections**, unless a **Coverage Section** states specifically that all or part of the **GTCs** 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 4.2 (Definitions) of the **GTCs** 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. Exclusions

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

3.1 Conduct

The **Insurer** shall not be liable to make any payment under this policy or for any **Loss**, arising out of, based upon, or attributable to:

- (i) any wilful disregard or non-compliance by an **Insured** with a ruling, direction or injunction by a court, tribunal, arbitrator or a **Data or Cyber 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** if any of a **Company's** directors, principals, partners or **Responsible Officers** participated in or approved of the act, error, omission or violation or knew, or had reason to know, before it was committed that it would be committed.

The **Insurer** will continue to pay, on behalf of the **Insured**, **Defence Costs** under this policy until either (i) or (i) above is found by a court, tribunal, arbitrator or **Data or Cyber 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.

3.2 Natural Disaster

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

3.3 Pollution

The **Insurer** shall not be liable to make any payment under this policy or for any **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**.

3.4 Prior Claims and Circumstances

The **Insurer** shall not be liable to make any payment under this policy or for any **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 if no **Continuity Date** is specified, the **Retroactive 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.

3.5 Satellite Failure

The **Insurer** shall not be liable to make any payment under this policy or for any **Loss**, arising out of, based upon, or attributable to any failure, disruption, degradation or impairment of any satellite.

3.6 Monetary Value

The **Insurer** shall not be liable to make any payment under this policy or for any **Loss** consisting of the monetary value of cash or a monetary instrument (including but not limited to money, securities, cryptocurrencies or other digital asset) arising out of, based upon, or attributable to:

- (i) the theft of such cash or monetary instrument (including but not limited to money, securities, cryptocurrencies, or other digital asset) by any means, including from an **Insured** or **Third Party**;
- (ii) the transfer or loss of such cash or monetary instrument (including but not limited to money, securities, cryptocurrencies or other digital asset) from or to an **Insured's** accounts or accounts under an **Insured's** control, including customer accounts (but this Exclusion 3.6 (Monetary Value) sub-section (ii) shall not apply to the **Cyber Extortion Coverage Section**). Accounts includes but is not limited to deposit, credit, debit, prepaid and securities brokerage accounts;
- (iii) the transfer or loss of such cash or monetary instrument (including but not limited to money, securities, cryptocurrencies, or other digital asset) from or to a **Third Party's** accounts. Accounts includes but is not limited to deposit, credit, debit, prepaid and securities brokerage accounts; or
- (iv) such cash or monetary instrument being lost or stolen during transfer to or from any account.

This Exclusion 3.6 (Monetary Value) shall not apply to the **Computer Crime Coverage Section**, if **Purchased**.

3.7 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.

3.8 Taxes

The **Insurer** shall not be liable to make any payment under this policy or for any **Loss** arising out of, based upon, or attributable to, or consisting of, any taxes payable by a **Company**, 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**.

3.9 Uninsurable and Prohibited Loss

The **Insurer** shall not be liable to make any payment under this policy or for any **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) or any other **Official Body or Data or Cyber Regulator**).

4. Interpretation and Definitions

4.1 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. Words following the terms "including", "include" or any similar expression shall be construed as illustrative.

All references to specific laws or regulations include amendments to and re-enactments of such laws or regulations and all other equivalent or similar laws or regulations in any jurisdiction in which a **Claim** is made or other **Insured Event** occurs.

References in this policy to the Schedule or a Section mean the Schedule to or a Section of this policy unless otherwise stated.

References in this policy to positions, offices or titles shall include their equivalents in any jurisdiction in which **Claim** is made or an **Insured Event** occurs. Wherever the word "person" or "persons" appears in this policy, it means legal or natural person or persons unless otherwise specified.

Words and expressions appearing in **bold** typeface in the **GTCs** and not defined in the Section 4.2 (Definitions) shall have the meaning given to them in the applicable **Coverage Section** for the purposes of coverage provided under that particular **Coverage Section**.

Certain words and expressions may have different meanings dependent on the applicable **Coverage Section**. Where a word or expression is defined in more than one **Coverage Section** it shall have the meaning given 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**.

4.2 Definitions

The following words and expressions, when used in **bold** typeface, are applicable to all **Coverage Sections** and shall have the meanings set out below:

Company means the **Policyholder** and any **Subsidiary**.

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

Control means:

- (i) control of the composition of the board of directors of an entity;
- (ii) control of more than half of the shareholder or equity voting power of an entity; or
- (iii) the holding of more than half of the issued share or equity capital of an entity.

Coverage Section means 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 means, with respect to a **Coverage Section**, the amount specified in the Schedule as its Coverage Section Limit of Liability.

Computer Crime Coverage Sections means this policy's Computer Crime Coverage Section and Computer Crime Coverage Section with Impersonation Fraud.

Criminal Reward Fund Coverage Section means this policy's Criminal Reward Fund Coverage Section.

Cyber Extortion Coverage Section means this policy's Cyber Extortion Coverage Section.

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

Digital Media Content Coverage Section means this policy's Digital Media Content Coverage Section.

Employee means 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.

Event Management Coverage Section means this policy's Event Management Coverage Section.

First Party Event means an **Insured Event** as defined in any First Party Coverage Section.

First Party Coverage Section means the **Network Interruption Coverage Section**, the **Event Management Coverage Section**, the **Cyber Extortion Coverage Section**, the **Telephone Hacking Coverage Section**, the **Computer Crime Coverage Sections**, or any other coverage section identified as a **First Party Coverage Section** if purchased.

Full Annual Premium means the **Premium** plus any additional **Premium** (as annualised) charged for any endorsements applied to this policy during the **Policy Period**.

GTCs means this policy's General Terms and Conditions.

Insolvency Officer means a liquidator, administrator, monitor, supervisor, receiver or other insolvency office-holder in any jurisdiction of an organisation or of an organisation's assets.

Insurer means the entity specified as insurer in the Schedule.

Media Professional Liability Coverage Section means this policy's Media Professional Liability Coverage Section.

Network Interruption Coverage Section means this policy's Network Interruption Coverage Section.

Official Body means a regulator, government body, government agency, parliamentary commission or committee, official trade body, law enforcement body, or any similar body having legal authority to investigate the affairs of an **Insured**.

Policy Aggregate Limit of Liability means the amount specified under Policy Aggregate Limit of Liability in the Schedule.

Policy Period means 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 means the entity specified under Policyholder in the Schedule.

Pollutants means 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 means the premium detailed under Premium in the Schedule.

Purchased means shown in the Schedule as purchased.

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

Retention means, with respect to a **Coverage Section** or Cover, the amount or amounts specified in the Schedule as its Retention.

Retroactive Date means, with respect to a **Coverage Section**, the date specified in the Schedule as its Retroactive Date.

Security and Privacy Liability Coverage Section means this policy's Security and Privacy Liability Coverage Section.

Single Insured Event means 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.

Specified Professions Professional Liability Coverage Section means this policy's Specified Professions Professional Liability Coverage Section.

Subsidiary means 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**.

Cover under this policy for any **Subsidiary** or any person or entity that is an **Insured** solely as a result of their affiliation therewith shall only apply to **Claims** made or other **Insured Events** first occurring on or after the date the **Policyholder** acquires **Control** and prior to the time that the **Policyholder** ceased to have **Control** of such entity.

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 in its most recent financial year prior to the inception date of this policy that do not exceed 15% of the total gross revenues of the **Policyholder** in the **Policyholder's** most recent financial year prior to the inception date of this policy; and
- (iv) has less than 50% of its total revenues from the United States of America.

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.

Technology Professional Liability Coverage Section means this policy's Technology Professional Liability Coverage Section.

Telephone Hacking Coverage Section means this policy's Telephone Hacking Coverage Section.

Third Party means 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**.

5. Limits of Liability

The total amount payable by the **Insurer** under this policy for the **Policy Period** for all payment and **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 payment and **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 payment or **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 payment or **Loss**. Each such sub-limit is, unless specifically stated otherwise, for the **Policy Period** for all payment and **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**.

6. Retentions and Waiting Hours Periods

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**.

For the avoidance of doubt, a **Waiting Hours Period** is not a **Retention**.

7. Claims

7.1 Notice and Reporting

It is a condition precedent to the **Insurer's** liability under this policy for any payment or **Loss** arising from:

- (i) an **Insured Event**, 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; or
- (ii) a circumstance, that the **Insurer** is given written notice of that circumstance that a **Company's Responsible Officer** becomes aware of and which may reasonably be expected to give rise to an **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 **Discovery Period** to the extent applicable under a **Coverage Section**.

With respect only to the **Event Management Coverage Section**, notice of an **Insured Event** shall be considered to have been given to the **Insurer** as soon as practicable after a **Company Responsible Officer's** first awareness, if it is given within 30 days after any **Loss** resulting from that **Insured Event** has been incurred.

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.PI@aig.com.

7.2 Cooperation with Official Bodies and Data or Cyber Regulator

If a **Company** receives a written request from an **Official Body** or **Data or Cyber Regulator** to keep information about an actual or suspected **Insured Event** confidential, notice of that **Insured Event**, and of any **Claim** relating to it, arising out of it or alleging it, shall be considered given in the time required by this policy, if:

- (i) as soon as practicable after receipt of the request, the **Company** requests permission from that **Official Body** or **Data or Cyber Regulator** to give notice of such **Insured Event** or **Claim** to the **Insurer** and to share such confidential information with the **Insurer**;
- (ii) the **Company** only withholds notice and information from the **Insurer** to the extent that it has been instructed by the **Official Body** or **Data or Cyber Regulator** not to share with the **Insurer**; and
- (iii) the **Company** gives full notice of such **Insured Event** or **Claim** to the **Insurer** in writing as soon as permitted, including copies of the **Official Body's** or **Data or Cyber Regulator's** request and any subsequent communications relating thereto.

To the extent the procedure set forth above is followed in connection with the **Official Body's** or **Data or Cyber Regulator's** request, any failure or delay in providing information to the **Insurer** shall not be the basis for denial of coverage for such **Insured Event** or **Claim** for failure to provide documentation or otherwise cooperate, as

required by Section 7.1 (Notice and Reporting), 7.4 (Insured's Claim Cooperation Obligations for all **Insured Events**) or 7.5 (Insured's Additional Claim Cooperation Obligations for First Party Events) of the **GTCs**.

Notwithstanding the foregoing, such **Insured Event** or **Claim** shall not be covered under this policy if the information withheld relating to the **Insured Event** was:

- (i) known to the **Company** prior to the applicable **Continuity Date**, or if no **Continuity Date** is applicable, prior to the inception date of the first CyberEdge policy (or other policy providing substantively the same coverage) issued by the **Insurer** (or an insurance company affiliate of the **Insurer**) to the **Policyholder** and continually renewed by the **Insurer** (or an affiliate) until the inception date of this policy; and
- (ii) not disclosed to the **Insurer** when the **Policyholder** was applying for this policy.

7.3 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 7.1 (Notice and Reporting) of the **GTCs**, 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 7.3 (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 7.1 (Notice and Reporting) of the **GTCs** shall be deemed to be an **Insured Event**.

7.4 Insured's Claim Cooperation Obligations for all Insured Events

Before any **Loss** is paid in connection with an **Insured Event**, each **Insured** shall:

- (i) send the **Insurer** copies of all demands, suit papers, other related legal documents and invoices for **Defence Costs** received by such **Insured** as soon as practicable;
- (ii) unless required by law, not take any action or fail to take any required action which prejudices the **Insurer's** rights under this policy without the **Insurer's** prior written consent; and
- (iii) cooperate, at the **Insured's** own cost, with the **Insurer** and any lawyers appointed pursuant to the terms of this policy, including:
 - (a) by providing all reasonable assistance to the **Insurer** and cooperating in the investigation, defence, settlement or appeal of the **Insured Event** and the assertion of indemnification and contribution rights;
 - (b) by using due diligence to do and concur in doing all things reasonably practicable to avoid or diminish any **Loss** under this policy;
 - (c) by giving 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 the policy;
 - (d) by attending depositions, hearings and trials, securing and giving evidence, and obtaining the attendance of witnesses;
 - (e) by providing all documentation within the possession of the **Insured** that may be required;
 - (f) by executing any documents that the **Insurer** deems necessary to secure its rights under this policy; and
 - (g) where requested by the **Insurer**, by submitting to an examination under oath.

7.5 Insured's Additional Claim Cooperation Obligations for First Party Events

Before any **Loss** is paid in connection with a First Party **Event**, each **Insured** shall, in addition to the obligations in Section 7.4 (Insured's Claim Cooperation Obligations for all Insured Events):

- (i) provide to the **Insurer** a written, signed and affirmed proof of **Loss** within 120 days after the discovery of the **Loss** (unless such period has been extended by the **Insurer** in writing) including:
 - (a) a full description of the **First Party Event**, its root cause, the date it first occurred and the date the **Insured** first became aware of it;
 - (b) where the **First Party Event** was caused by, perpetrated by or involved a party other than an **Insured**, the identity of such party and all information known about such party or provided by such party relating to the **First Party Event**;
 - (c) a full description of all **Loss** incurred (including **Loss** incurred within the applicable **Retention**) and the circumstances surrounding such **Loss** including the time and place the **Loss** was incurred and a detailed calculation of all the **Loss**;
 - (d) copies of all notices of the **First Party Event** (and of any other **Insured Events** constituting a **Single Insured Event** with the **First Party Event**) given to **Insurers** of any other insurance policy issued to or for the benefit of the **Insured**;
 - (e) copies of all written reports prepared by service providers participating in the investigation of or response to the **First Party Event** including document describing the services provided by such service provider, the facts discovered throughout the investigation or response and the results of the investigation;
 - (f) copies of all documents (including correspondence and reports) provided to or received from relating to the **First Party Event**; and
 - (g) all underlying documents and materials that reasonably relate to or form any part of the proof of **Loss**;
- (ii) cooperate, at the **Insured's** own cost, with the **Insurer** and any lawyers appointed pursuant to the terms of this policy, including:
 - (a) by providing all reasonable assistance in any investigation or appraisal of the **First Party Event** or **Loss**;
 - (b) where required or advised by lawyers, by reporting **Insured Events** to or cooperating with **Official Bodies** or **Data or Cyber Regulator**; and
 - (c) by taking such actions that the **Policyholder** and the **Insurer** agree are necessary and practicable to **Event** or limit **Loss** arising from the **First Party Event**; and
- (iii) pay all service provider fees, costs and expenses included in **Loss** as they become due, regardless of whether a proof of loss has been submitted or reimbursement has been paid by the **Insurer**.

All adjusted claims shall be due and payable by the **Insurer** 30 days after the **Insurer** has confirmed receipt of satisfactory proof of **Loss** and confirmed cover of the **Loss**. Unless otherwise specifically provided, the costs and expenses of establishing or proving **Loss** under any **First Party Coverage Section**, including those connected with preparing a proof of loss, shall be the **Insured's** obligation and are not covered under this policy.

7.6 Defence and Settlement

The **Insurer** has the right but no obligation to defend any **Claim** or **Data or Cyber Investigation**. Each **Insured** shall have the obligation to defend and contest a **Claim** or **Data or Cyber 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 **Data or Cyber 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. If the **Insurer** does agree to the request, the **Insured** shall comply with the **Insurer's** Litigation Management Guidelines and shall ensure that the law firm does.

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.

With respect only to the **Security and Privacy Liability Coverage Section**, **Insureds** may, notwithstanding the foregoing, settle a **Claim** without the **Insurer's** prior written consent, provided that the total of the settlement amount and all **Defence Costs** and other covered **Loss** resulting from that **Claim** (and all other **Claims**, if any, that constitute a **Single Insured Event** with that **Claim**) does not exceed the applicable **Retention** and that the settlement is a full and final settlement of that **Claim** in its entirety for all **Insureds** against whom it is made (and of all other **Claims**, if any, that constitute a **Single Insured Event** with that **Claim**).

7.7 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 **Data or Cyber Regulator** of an actual or potential **Breach of Confidential Information** or breach of **Data Protection Legislation** or **Cybersecurity Legislation** will not be regarded as an admission of liability for the purposes of this Section 7.7 (Insurer's Consent).

7.8 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**, plus 50% of **Loss** incurred after the date such settlement was proposed (including 50% of **Defence Costs** incurred with the **Insurer's** prior written consent), and less coinsurance (if any) and the applicable **Retention**.

This Section 7.8 (**Insured's Consent**) shall not apply to any settlement where the total **Loss** arising from the **Insured Event** does not exceed the applicable **Retention**.

7.9 Insurer Communications

The **Insurer** may use externally observable **Data** about **Companies'** computer networks and may contact a **Company's** Chief Information Security Officer or other designated person in connection with an observed condition or circumstance that the **Insurer** reasonably believes may indicate a future **Insured Event** for which coverage may be afforded under this policy. This provision does not create any obligation of the **Insurer** to notify or advise any **Insured** as to any condition or circumstance.

7.10 Other Insurance

The Network Interruption and **Event Management Coverage Sections** are written on a primary basis.

Each other **Coverage Section** shall always apply excess over any other valid and collectable insurance.

7.11 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 or persons covered and persons not covered under this policy.

7.12 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.

7.13 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.

8. General Provisions

8.1 Territory

This policy's cover extends, subject to all its other terms, to **Loss** arising from **Insured Events** occurring in any jurisdiction.

8.2 Authority of Policyholder

Except as provided in Section 7.1 (Notice and Reporting) of the **GTCs**, 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.

8.3 Assignment

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

8.4 Rights of Third Parties

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.

8.5 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**.

8.6 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.

8.7 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 Section 8.5 (Fraudulent Claims) of the **GTCs**.

8.8 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.

8.9 Governing Law

This policy and any dispute or **Claim** 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.

8.10 Disputes

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 Section 8.10 (Disputes), 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.

Customer Notices

Complaints

We believe you deserve courteous, fair and prompt service. If there is any occasion when our service does not meet your expectations please contact us using the appropriate contact details below, providing the Policy Number and the name of the **Policyholder** to help us deal with your comments quickly.

Claims related complaints:

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

Call: +44 (0)20 7954 7000

Email: Claims.fl2@aig.com

All other complaints:

Write to: Customer Relations Team, AIG, PO Box 3465, Croydon, CR90 9AG

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.

We operate a comprehensive complaint process and will do our best to resolve any issue you may have as quickly as possible. On occasions however, we may require up to 8 weeks to provide you with a resolution. We will send you information outlining this process whilst keeping you informed of our progress.

If we are unable to resolve your concerns within 8 weeks, you may be entitled to refer the complaint to the Financial Ombudsman Service. We will provide full details of how to do this when we provide our final response letter addressing the issues raised.

Please note that the Financial Ombudsman Service may not be able to consider a complaint if you have not provided us with the opportunity to resolve it.

The Financial Ombudsman Service can be contacted at:

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

Call: 0800 023 4567 or 0300 123 9123

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

Online: <https://www.financial-ombudsman.org.uk/>

Following this complaint procedure does not affect your rights to take legal action.

The following applies if AIG Europe S.A. is the insurer, or an insurer, of the policy: As AIG Europe S.A. is a Luxembourg authorised insurance company, you may, in addition to the complaints procedure set out above, send any complaint you may have regarding AIG Europe S.A. to AIG Europe S.A., which can be contacted in writing at AIG Europe S.A., 35D Avenue JF Kennedy L- 1855 Luxembourg, Grand-Duchy of Luxembourg, by telephone: +352 2700 72 01 or email: luxembourg.complaints@aig.com. AIG Europe S.A. will acknowledge the complaint within 10 business days of receiving it and provide an answer within one month (unless specific circumstances **Event** AIG Europe S.A. from doing so, in which case you will be informed). If you are not satisfied with the AIG Europe S.A.'s response, you may contact the Luxembourg Commissariat Aux Assurances (CAA) by writing to CAA, 11 rue Robert Stumper, L-2557 Luxembourg, Grand-Duchy of Luxembourg, by email at reclamation@caa.lu or online through the CAA website: www.caa.lu. Following this complaints procedure or making use of one of the options above does not affect your right to take legal action.

Financial Services Compensation Scheme (FSCS)

American International Group UK Limited is covered by the FSCS. If it is unable to meet its financial obligations you 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 (0)20 7741 4100.

AIG Europe S.A. is not covered by the FSCS.

Privacy

American International Group UK Limited's and AIG Europe S.A.'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; and (b) obtain their permission (where possible) to share their Personal Information with us in accordance with the Privacy Policy.

Outsourcing by AIG Europe S.A.

The following applies if AIG Europe S.A. is the insurer, or an insurer, of the policy.

The **Policyholder** acknowledges and expressly accepts that AIG Europe S.A. may outsource certain services, activities or tasks to external providers (which may or may not be (a) regulated; or (b) located in the Grand-Duchy of Luxembourg) (the Service Providers).

In this context, the **Policyholder** expressly accepts that any data which it has provided to AIG Europe S.A., including data which may directly or indirectly identify the **Policyholder**, or a beneficial owner or an authorized representative of the **Policyholder**, may be communicated to Service Providers. The transfer and/or disclosure of information to Service Providers may continue as long as the **Policyholder** maintains its insurance relationship with AIG Europe S.A..

The list of outsourced services as well as the country of establishment of the Service Providers is available on AIG Europe S.A.'s website at the following address: www.aig.lu/en/professional-secrecy which will be updated from time to time. The **Policyholder** acknowledges (a) having read and accepted this list (b) that it will visit the website from time to time should it wish to access the most up to date list.

American International Group UK Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority (FRN 781109). This can be checked by visiting the FS Register (<https://register.fca.org.uk/>). American International Group UK Limited is registered in England: company number 10737370. Registered address: The AIG Building, 58 Fenchurch Street, London, EC3M 4AB.

Security and Privacy Liability Coverage

1. Insurance Covers

1.1 Data or Cyber Investigation and Data Protection and Cybersecurity Fines

The **Insurer** will pay, to or on behalf of each **Company**, **Loss** resulting from a **Data** or **Cyber Investigation** first occurring during the **Policy Period** and investigating an actual or suspected breach of **Data Protection Legislation** or **Cybersecurity Legislation** first occurring after the **Retroactive Date**.

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) **Breach of Confidential Information** by an **Insured** or an **Information Holder**;
- (ii) **Security Failure**; or
- (iii) failure by a **Company** to notify a **Data Subject** or any **Data or Cyber 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**,

actually or allegedly occurring on or after the **Retroactive Date** and prior to the end of the **Policy Period**.

2. Discovery Periods

If this policy is not renewed or replaced, the **Policyholder** shall, solely with respect to **This Coverage Section**, be entitled to purchase one of the following **Discovery Periods** (including in the event of a **Transaction**):

- (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** (or, in the event of a **Transaction**, no later than 30 days after the effective date of the **Transaction**). There shall be no entitlement to purchase a **Discovery Period** after those 30 days.

A **Discovery Period** purchased pursuant to this Section 2 (Discovery Periods):

- (a) shall incept at the end of the **Policy Period** (or, in the event of a **Transaction**, on the effective date of the **Transaction**);
- (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).

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3. Transactions

If a **Transaction** occurs during the **Policy Period**, this policy shall continue in full force and effect only as to **Security Failure, Breach of Confidential Information**, or breach of **Data Protection Legislation** or **Cybersecurity Legislation** or other **Insured Events** occurring prior to the effective date of the **Transaction**.

Notwithstanding the foregoing, the **Insurer** may decide, at its sole discretion, that this policy continues in full force and effect as to **Security Failure, Breach of Confidential Information**, or breach of **Data Protection Legislation** or **Cybersecurity Legislation** or other **Insured Events** occurring on or after the effective date of a **Transaction** if within 30 days of the effective date of such **Transaction**, the **Policyholder** provides the **Insurer** with full details of the **Transaction**, including the parties to it and such other information as the **Insurer** requests, subject to any amendments to this policy the **Insurer** may require and to payment of such additional premium as the **Insurer** may require.

This policy may not be cancelled by the **Policyholder** on or after the effective date of the **Transaction**.

4. Exclusions

The following Exclusions are specific to **This Coverage Section**. They apply in addition to the Exclusions in Section 3 (Exclusions) of the **GTCs**.

The **Insurer** shall not be liable to make any payment under this policy or for any **Loss** arising out of, based upon or attributable to:

4.1 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 4.1 (Anti-Trust) shall not apply to a **Data** or **Cyber Investigation** alleging such unfair competition directly in connection with a **Security Failure** or **Breach of Confidential Information**.

4.2 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 4.2 (Assumed Liability, Guarantee, Warranty) 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**.

4.3 Bodily Injury and Property Damage

any:

- (i) physical injury, mental illness, sickness, disease or death, however, this Exclusion 4.3 (Bodily Injury and Property Damage) sub-section (i) shall not apply in respect of emotional distress or mental anguish arising solely out of a **Breach of Confidential Information**; or
- (ii) loss, damage or destruction of tangible property.

4.4 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 4.4 (Employment Practices Liability) 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**.

4.5 Government Entity or Public Authority

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

4.6 Infrastructure

any:

- (i) failure, disruption, degradation or impairment of infrastructure not under the control of a **Company**, including electricity, water, gas, fuel, energy, or other utility;
- (ii) failure, disruption, degradation or impairment of telephone lines, data transmission lines, domain name system ("DNS"), internet service provider ("ISP"), certificate authority or other telecommunications, networking or internet infrastructure not under the control of a **Company**; or
- (iii) failure, disruption, degradation or impairment of any securities exchange or market.

4.7 Insured v Insured

any **Claim** brought by or on behalf of:

- (i) an **Insured**;
- (ii) any business entity that is controlled, managed or operated, directly or indirectly, in whole or in part, by an **Insured**;
- (iii) any parent company, successor or assignee of an **Insured**; or
- (iv) any affiliate of an **Insured** or of an entity described in (ii) or (iii) immediately above.

This Exclusion 4.7 (**Insured v Insured**) shall not apply to the extent that any **Employee**, director, principal, partner or officer is alleging a breach of **Personal Information** or a failure to disclose a **Security Failure** or **Breach of Confidential Information**.

4.8 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**.

4.9 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.

4.10 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;
- (ii) 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) actual or alleged violation of any law, regulation or rule alleged by a security holder of a **Company** with respect to such security holder's interest in securities of such **Company** or alleged in derivative proceedings brought on behalf of a **Company** by a security holder of such **Company**.

This Exclusion 4.10 (Securities Claims) shall not apply to any **Damages** or **Defence Costs** incurred in relation to a **Claim** solely alleging a failure to notify a **Data or Cyber Regulator** of a **Breach of Confidential Information** where such failure to notify is in violation of any law.

4.11 Trading Losses

any actual or alleged trading **Losses**, liabilities or changes in trading account value.

4.12 War

- (i) a **War**;
- (ii) a **Cyber Operation** that is carried out as part of a **War** or the immediate preparation for a **War**; or
- (iii) a **Cyber Operation** causing an **Impacted State**,

provided, however, that (iii) immediately above shall not apply to the impact of a **Cyber Operation** on those portions of any **Computer System** owned by or leased to the **Insured** or its third-party service providers that are not physically located in an **Impacted State** but are impacted by a **Cyber Operation**.

5. Definitions

The following definitions are specific to **This Coverage Section**. All other definitions set out within Section 4.2 (Definitions) of the **GTCs** shall apply as stated.

Breach of Confidential Information means the Loss, theft or unauthorised disclosure or transmission of **Confidential Information**, including, without limitation, any event resulting from the use of a computer or electronic device (including but not limited to mobile phone or tablet) owned or controlled by a **Company's** officer or **Employee** or **Information Holder**, including any Employee "Bring Your Own Device", to store or access **Confidential Information**.

Breach of Confidential Information does not include the theft of **Confidential Information** by or for the benefit of a **Company**.

Claim means:

- (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 means:

- (i) any computer hardware, software or any components thereof, including wireless and mobile equipment and other devices enabled to electronically send and/or receive information, that are linked together through a network of two or more devices accessible through the internet or an internal network or are connected with data storage or other peripheral devices and are under the ownership, operation or control of, or leased by, a **Company**; and
- (ii) cloud computing or other hosted computer resources operated by a third party service provider for use by a **Company** as provided in a written contract between such third party and a **Company**.

Company Computer System includes any of the foregoing that is part of an industrial control system, including a supervisory control and data acquisition (SCADA) system.

Computer System means any computer, hardware, software, communications system, electronic device (including but not limited to, smart phone, laptop, tablet, wearable device), server, cloud infrastructure or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

Confidential Information means **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 means a **Third Party's** information that is not available to the public (including but not limited to trade secrets, data, designs, forecasts, formulas, practices, processes, records, reports and documents) which are subject to contractual or legal protection.

Cyber Operation means the use of a **Computer System** by, at the direction, or under the control of a sovereign state to:

- (i) disrupt, deny access to or degrade functionality of a **Computer System**; or
- (ii) copy, remove, manipulate, deny access to or destroy information in a **Computer System**.

Cybersecurity Legislation means the Digital Operational Resiliency Act (Regulation (EU) 2022/2554), the NIS2 Directive (Directive (EU) 2022/2555), and any subsequent legislation that alters, repeals or replaces such legislation and all other equivalent laws and regulations that require companies to adopt specific privacy or security controls in any country.

Damages means 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 or Cyber Investigation means any formal or official action, investigation, inquiry or audit by a **Data or Cyber Regulator** against a **Company** once it is identified in writing by a **Data or Cyber Regulator**, which arises out of:

- (i) 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** or **Cybersecurity Legislation**; or
- (ii) any actual or alleged breach of **Cybersecurity Legislation** arising out of a **Security Failure** or out of a **Breach of Confidential Information**.

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

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

Data or Cyber Regulator includes any other:

- (i) government agency; or
- (ii) authorised data protection authority,

who makes a demand on the **Insured** in relation to **Data Protection Legislation** or **Cybersecurity Legislation**.

Data Protection and **Cybersecurity Fines** means any lawfully insurable fines or penalties which are adjudicated by a **Data or Cyber Regulator** to be payable by a **Company** for:

- (i) a breach of **Cybersecurity Legislation** arising out of a **Breach of Confidential Information** or out of a **Security Failure**; or
- (ii) a breach of **Data Protection Legislation**.

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

Data Protection Legislation means 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 or similar laws and regulations relating to the regulation and enforcement of data protection and data privacy in any country.

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

Defence Costs means 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 **Data or Cyber 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**.

Discovery Period means:

- (i) a period immediately following the expiry of the **Policy Period** during which, under **This Coverage Section**, written notice may be given to the **Insurer** of:
 - (a) a **Claim** first made during such period for a **Breach of Confidential Information, Security Failure** or failure to notify a **Data Subject** or **Data or Cyber Regulator** actually or allegedly occurring prior to expiry of the **Policy Period** (and such 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**); or
 - (b) a **Data or Cyber Investigation** first occurring during such period concerning conduct, an omission or **Event** occurring prior to expiry of the **Policy Period** (and such a **Data or Cyber Investigation** first occurring during an applicable **Discovery Period** and notified to the **Insurer** in writing during that **Discovery Period** shall be deemed first occurring during the **Policy Period**); or
- (ii) in the event of a **Transaction**, a period commencing on the effective date of the **Transaction** during which, under **This Coverage Section**, written notice may be given to the **Insurer** of:
 - (a) a **Claim** first made during such period for a **Breach of Confidential Information, Security Failure** or failure to notify a **Data Subject** or **Data or Cyber Regulator** actually or allegedly occurring prior to the effective date of the **Transaction** (and such 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**); or
 - (b) a **Data or Cyber Investigation** first occurring during such period concerning conduct, an omission or **Event** occurring prior to the effective date of the **Transaction** (and such a **Data or Cyber Investigation** first occurring during an applicable **Discovery Period** and notified to the **Insurer** in writing during that **Discovery Period** shall be deemed first occurring during the **Policy Period**).

Essential Service means a service that is essential for the maintenance of vital functions of a state, whether such service is provided by the state, a subdivision within the state or private entities, including, but not limited to, national defence, law enforcement, energy, telecommunication services and infrastructure, health services, utility services, emergency services, transportation services, and services necessary for the maintenance, operation and regulation of the financial systems (including banking and financial market infrastructure).

Impacted State means a sovereign state where a **Cyber Operation** has had a major detrimental impact on:

- (i) the functioning of that sovereign state due to critical disruption to the availability, integrity or delivery of an **Essential Service** in that sovereign state; or
- (ii) the security or defence of that sovereign state,

provided, however, that an **Impacted State** shall not result from an attack, or related series of attacks, solely impacting the **Insured**.

Information Holder means a **Third Party** that:

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

Insured means:

- (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 means a **Claim** or a **Data or Cyber Investigation**.

Loss means:

- (i) for the purposes of Insurance Cover 1.1 (Data or Cyber Investigation and Data Protection and Cybersecurity Fines), **Defence Costs** and **Data Protection** and **Cybersecurity Fines**;
- (ii) for the purposes of Insurance Cover 1.2 (Cyber Liability), **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** and **Cybersecurity Fines** to the extent covered in Insurance Cover 1.1 (Data or Cyber Investigation and Data Protection and Cybersecurity Fines));
- (c) the costs and expenses of complying with any order for, grant of or agreement to provide injunctive or other non-monetary relief;
- (d) an **Insured's** cost of providing, correcting, reperforming or completing any services;
- (e) amounts for which an **Insured** is not financially liable or which are without legal recourse to any **Insured**; or
- (f) the remuneration, compensation, fees, benefits, or internal charges of any **Insured**, cost of their time or any other costs or overheads of any **Insured**.

PCI-DSS Assessment means 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 but not limited to 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 **Security Failure** or a **Breach of Confidential Information**.

Personal Information means any information relating to an identified or identifiable natural person.

Personal Information includes a natural person's name, online identifier, telephone number, email address, 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**.

Security Failure means:

- (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.

Security Failure includes any such intrusion, access, use, reprogramming or corruption resulting from:

- (i) the theft of a password or access code by electronic or non-electronic means; or
- (ii) the use of a computer or electronic device (including but not limited to mobile phone or tablet) owned or controlled by a **Company's** officer or **Employee** or an **Information Holder**, including any **Employee** "Bring Your Own Device", to access a **Company Computer System**.

This Coverage Section means the Security and Privacy Liability **Coverage Section** of this policy.

Transaction means:

- (i) the **Policyholder** consolidating with or merging into another entity, such that the **Policyholder** is not the surviving entity, or selling all or substantially all of its assets to any other person or entity or group of persons or entities acting in concert; or
- (ii) a person or entity or group of persons or entities acting in concert acquiring **Control** of the **Policyholder** (but not including such acquisition by one or more **Insolvency Officers** of the **Policyholder**).

War means armed conflict involving physical force either:

- (i) by a sovereign state against another sovereign state; or
- (ii) as part of a civil war, rebellion, revolution, insurrection, military action or usurpation of power, regardless of whether war is declared.

Network Interruption Coverage

1. Insurance Covers

1.1 Network Interruption Loss

The **Insurer** will pay to each **Company Network Loss** incurred during the **Period of Interruption** and **Extended Period of Indemnity** (if any) as a result of an **Insured Event** which first occurs during the **Policy Period**.

1.2 Interruption and Mitigation Costs

The **Insurer** will pay to each **Company Network Interruption Costs** incurred in mitigating during the **Period of Interruption** 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 each **Company, Loss Preparation Costs** incurred as a result of an **Insured Event** which first occurs during the **Policy Period**.

2. Transactions

If a **Transaction** occurs during the **Policy Period**, this policy shall continue in full force and effect only as to **Insured Events** occurring prior to the effective date of the **Transaction**.

Notwithstanding the foregoing, the **Insurer** may decide, at its sole discretion, that this policy continues in full force and effect as to **Insured Events** occurring on or after the effective date of a **Transaction** if within 30 days of the effective date of such **Transaction**, the **Policyholder** provides the **Insurer** with full details of the **Transaction**, including the parties to it and such other information as the **Insurer** requests, subject to any amendments to this policy the **Insurer** may require and to payment of such additional **Premium** as the **Insurer** may require.

This policy may not be cancelled by the **Policyholder** on or after the effective date of the **Transaction**.

3. Exclusions

The following Exclusions are specific to This **Coverage Section**. They apply in addition to the Exclusions in Section 3 (Exclusions) of the **GTCs**.

The **Insurer** shall not be liable to make any payment under this policy or for any **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 3.1 (Betterment) sub-section (i) shall not apply to the extent an update, upgrade or enhancement is necessary to end the **Material Interruption**; provided, further, that the cost of any such update, upgrade or enhancement covered as **Loss** shall not exceed the original cost to the **Company** for the component being replaced; or
- (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** or **OSP Computer System** by order of any government entity or public authority.

3.5 Infrastructure

arising out of, based upon or attributable to any:

- (i) failure, disruption, degradation or impairment of infrastructure not under the control of a **Company**, including electricity, water, gas, fuel, energy, or other utility;
- (ii) failure, disruption, degradation or impairment of telephone lines, data transmission lines, domain name system ("DNS"), internet service provider ("ISP"), certificate authority or other telecommunications, networking or internet infrastructure not under the control of a **Company**; or
- (iii) failure, disruption, degradation or impairment of any securities exchange or market.

3.6 Liability

arising out of, based upon or attributable to any:

- (i) written demand, civil, administrative, arbitral proceedings or investigation, 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

arising out of, based upon or attributable to:

- (i) a **War**;
- (ii) a **Cyber Operation** that is carried out as part of a **War** or the immediate preparation for a **War**; or
- (iii) a **Cyber Operation** causing an **Impacted State**,

provided, however, that (iii) immediately above shall not apply to the impact of a **Cyber Operation** on those portions of any **Computer System** owned by or leased to the **Insured** or its third-party service providers that are not physically located in an **Impacted State** but are impacted by a **Cyber Operation**.

4. Definitions

The following definitions are specific to This **Coverage Section**. All other definitions set out within Section 4.2 (Definitions) of the **GTCs** shall apply as stated.

Company Computer System means any computer hardware, software or any components thereof, including wireless and mobile equipment and other devices enabled to electronically send and/or receive information, that are linked together through a network of two or more devices accessible through the internet or an internal network or are connected with Data storage or other peripheral devices and are under the ownership, operation or control of, or leased by, a **Company**.

Company Computer System includes any of the foregoing that is part of an industrial control system, including a supervisory control and data acquisition (SCADA) system.

Computer System means any computer, hardware, software, communications system, electronic device (including but not limited to, smart phone, laptop, tablet, wearable device), server, cloud infrastructure or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

Cyber Operation means the use of a **Computer System** by, at the direction, or under the control of a sovereign state to:

- (i) disrupt, deny access to or degrade functionality of a **Computer System**; or
- (ii) copy, remove, manipulate, deny access to or destroy information in a **Computer System**.

Essential Service means a service that is essential for the maintenance of vital functions of a state, whether such service is provided by the state, a subdivision within the state or private entities, including, but not limited to, national defence, law enforcement, energy, telecommunication services and infrastructure, health services, utility services, emergency services, transportation services, and services necessary for the maintenance, operation and regulation of the financial systems (including banking and financial market infrastructure).

Extended Period of Indemnity means the period of 90 days beginning at the end of the **Period of Interruption**.

Gross Earnings means net sales, including the sales value of production, derived from the operation of the business, less the cost of all:

- (i) raw materials utilised in production;
- (ii) materials and supplies consumed in the operations or services; and
- (iii) services purchased from others (not a **Company's** employees) that do not continue under contract.

Impacted State means a sovereign state where a **Cyber Operation** has had a major detrimental impact on:

- (i) the functioning of that sovereign state due to critical disruption to the availability, integrity or delivery of an **Essential Service** in that sovereign state; or
- (ii) the security or defence of that sovereign state,

provided, however, that an **Impacted State** shall not result from an attack, or related series of attacks, solely impacting the **Insured**.

Increased Costs of Working means expenses (including overtime of **Employees**), other than **Network Interruption Costs**, 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 during the **Period of Interruption** or **Extended Period of Indemnity** that would not have been incurred but for a **Material Interruption**.

Insured means a **Company**.

Insured Event means:

- (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. For the avoidance of doubt, once the **Waiting Hours Period** has been exceeded the **Insurer** will be liable to pay **Network Loss** incurred during as well as after the **Waiting Hours Period**, subject to the **Retention** set out in the Schedule.

Loss means:

- (i) for the purposes of Insurance Cover 1.1 (Network Interruption Loss), **Network Loss**;
- (ii) for the purposes of Insurance Cover 1.2 (Interruption and Mitigation Costs), **Network Interruption Costs**;
- (iii) for the purposes of Insurance Cover 1.3 (Loss Preparation Costs), **Loss Preparation Costs**.

Loss does not include:

- (a) lawyers' fees or legal expenses of any type;
- (b) civil, criminal or contractual fines or penalties or consequential damages;
- (c) income loss due to unfavourable business conditions not related to the **Material Interruption**; or
- (d) extortion payments, investigation costs or public relations expenses.

Loss Preparation Costs means reasonable professional fees, costs and expenses incurred by a **Company** with the **Insurer's** consent, for the services of a third-party forensic accounting firm to establish, prove or quantify **Network Loss** or **Network Interruption Costs** or prepare the proof of **Loss** referred to in Condition 5.1 (**Loss Calculation**) of **This Coverage Section**.

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

Material Interruption means:

- (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 means the reasonable 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 means:

- (i) a **Company's** actual **Loss** sustained resulting from the reduction in business income calculated by taking **Gross Earnings** that would have been derived from the operation of the business had the **Material Interruption** not occurred and subtracting the variable costs, and any other costs, which do not necessarily continue or are otherwise saved during the **Material Interruption**; and/or
- (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).

When calculating **Network Loss**, due consideration shall be given to:

- (i) the experience of the business before the date of the **Material Interruption** and the probable experience during the **Period of Interruption** had no **Material Interruption** occurred, including, without limitation, the experience of the business during the same period in prior years;
- (ii) the continuation of only those necessary charges and expenses that would have existed had no **Material Interruption** occurred; and
- (iii) **Network Loss** which is made up during the **Extended Period of Indemnity** (if any) or within a reasonable period of time (no less than one year) after the expiration of the **Period of Interruption** and the **Extended Period of Indemnity** (if any).

OSP Computer System means 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 internal network or are connected with data storage or other peripheral devices and are owned, operated, controlled or leased by an **Outsource Service Provider**.

OSP Security Failure means 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 means 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 means 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, written 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.

Period of Interruption means the period of time beginning at the start of the **Insured Event** and ending:

- (i) with respect to an **Insured Event** of a **Company Computer System**, at the time the **Company** restores access to the **Company Computer System** to the same or similar conditions that existed prior to the time of the **Insured Event** (or could have restored access to the **Company Computer System** if the **Company** exercised due diligence and dispatch), but, if the **Insured Event** lasts longer than 120 days, at expiry of the first 120 days; or

- (ii) with respect to an **Insured Event** of an **OSP Computer System**, at the earlier of:
 - (a) the time the **Company** restores its business to the same or similar conditions that existed prior to the time of the **Insured Event** (or could have restored its business if the **Company** exercised due diligence and dispatch), but, if the **Insured Event** lasts longer than 120 days, expiry of the first 120 days; and
 - (b) the time the **Outsource Service Provider** restores access to the **OSP Computer System** to the same or similar conditions that existed prior to the time of the **Insured Event**, but, if the **Insured Event** lasts longer than 120 days, expiry of the first 120 days.

The **Period of Interruption** is not cut short by the end of the **Policy Period**.

Security Failure means:

- (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.

Security Failure includes any such intrusion, access, use, reprogramming or corruption resulting from:

- (i) the theft of a password or access code by electronic or non-electronic means; or
- (ii) the use of a computer or electronic device (including but not limited to mobile phone or tablet) owned or controlled by a **Company's** officer or **Employee** to access a **Company Computer System**.

System Failure means any unintentional and unplanned outage of a **Company Computer System**.

This Coverage Section means the Network Interruption Coverage Section of this policy.

Transaction means:

- (i) the **Policyholder** consolidating with or merging into another entity, such that the **Policyholder** is not the surviving entity, or selling all or substantially all of its assets to any other person or entity or group of persons or entities acting in concert; or
- (ii) a person or entity or group of persons or entities acting in concert acquiring **Control** of the **Policyholder** (but not including such acquisition by one or more **Insolvency Officers** of the **Policyholder**).

Voluntary Shutdown means a voluntary and intentional shutdown or impairment of a **Company Computer System** by or at the direction of the Chief Information Officer or Chief Information Security Officer of a **Company** (or the equivalent position regardless of title) or 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 means the number of hours as defined in the Schedule, commencing at the beginning of a **Material Interruption**.

War means armed conflict involving physical force either:

- (i) by a sovereign state against another sovereign state; or
- (ii) as part of a civil war, rebellion, revolution, insurrection, military action or usurpation of power, regardless of whether war is declared.

5. Conditions

The following conditions are specific to **This Coverage Section** and shall apply in addition to the conditions set out within the **GTCs**.

5.1 Loss Calculation

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 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 Insurance Cover 1.3 (**Loss Preparation Costs**) of **This Coverage Section**.

5.2 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.

5.3 Insured's Obligations

Each **Company** agrees to:

- (i) use any resource owned or controlled by such **Company**, or available to such **Company** from other sources (including any other **Company**), in order to continue its business and reduce **Loss**;
- (ii) act with due diligence and dispatch to repair or restore the **Company Computer System** to the same or equivalent operating conditions that existed prior to the **Material Interruption** in order to continue its business and to reduce **Loss**; and
- (iii) seek recovery from an **Outsource Service Provider** or any other third party that is likely to have a contractual or other legal obligation to indemnify the **Company** for **Loss**.

Event Management Coverage

1. Insurance Covers

1.1 Event Management

The **Insurer** will pay to each **Company**:

- (i) **Legal Expenses;**
- (ii) **Cyber Extortion Expenses;**
- (iii) **IT Expenses;**
- (iv) **Data Recovery Expenses;**
- (v) **Reputation Protection Expenses;**
- (vi) **Notification Expenses; and**
- (vii) **Credit Monitoring and ID Monitoring 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's Responsible Officer** first becomes aware of such **Insured Event**. The aforementioned fees, costs and expenses will only be paid by the **Insurer** to the extent that they are incurred within two years from the date of notification to the **Insurer** of the **Insured Event**.

2. Transactions

If a **Transaction** occurs during the **Policy Period**, this policy shall continue in full force and effect only as to **Insured Events** occurring prior to the effective date of the **Transaction**.

Notwithstanding the foregoing, the **Insurer** may decide, at its sole discretion, that this policy continues in full force and effect as to **Insured Events** occurring on or after the effective date of a **Transaction** if within 30 days of the effective date of such **Transaction**, the **Policyholder** provides the **Insurer** with full details of the **Transaction**, including the parties to it and such other information as the **Insurer** requests, subject to any amendments to this policy the **Insurer** may require and to payment of such additional premium as the **Insurer** may require.

This policy may not be cancelled by the **Policyholder** on or after the effective date of the **Transaction**.

3. Exclusions

The following Exclusions are specific to This **Coverage Section**. They apply in addition to the Exclusions in Section 3 (Exclusions) of the **GTCs**.

The **Insurer** shall not be liable to make any payment under this policy or for any **Loss**:

3.1 Betterment

consisting of the costs of:

- (i) replacing lost or stolen electronic equipment;

- (ii) updating, upgrading, enhancing or replacing a **Company Computer System** to a level beyond that which existed prior to the occurrence of an **Insured Event**; provided however, this Exclusion 3.1 (Betterment) sub-section (ii) shall not apply to the extent such update, upgrade or enhancement is necessary to resolve a **Security Failure** or return the **Company Computer System** to the functionality that existed prior to a **Security Failure**; provided, further, that the cost of any such update, upgrade or enhancement covered as **Loss** shall not exceed the original cost to the **Company** for the component being replaced; or
- (iii) 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 Extortion Payment

consisting of the amount of any ransom paid or the value of any payment made to end an extortion threat of any kind.

3.5 Infrastructure

arising out of, based upon or attributable to any:

- (i) failure, disruption, degradation or impairment of infrastructure not under the control of a **Company**, including electricity, water, gas, fuel, energy, or other utility; or
- (ii) failure, disruption, degradation or impairment of telephone lines, data transmission lines, domain name system ("DNS"), internet service provider ("ISP"), certificate authority or other telecommunications, networking or internet infrastructure not under the control of a **Company**; or
- (iii) failure, disruption, degradation or impairment of any securities exchange or market.

3.6 Internal/Staff Costs

consisting of a **Company's** costs of payroll, fees, benefits, overheads or internal charges of any kind.

3.7 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;
- (iii) misappropriation of trade secrets by or for the benefit of a **Company**; or
- (iv) fees, costs or expenses incurred in the original creation of trade secrets or any other intellectual property, including the creation of new intellectual property to replace **Data** that cannot be repaired, restored or recreated.

3.8 War

arising out of, based upon or attributable to:

- (i) a **War**;
- (ii) a **Cyber Operation** that is carried out as part of a **War** or the immediate preparation for a **War**; or
- (iii) a **Cyber Operation** causing an **Impacted State**,

provided, however, that (iii) immediately above shall not apply to the impact of a **Cyber Operation** on those portions of any **Computer System** owned by or leased to the **Insured** or its third-party service providers that are not physically located in an **Impacted State** but are impacted by a **Cyber Operation**.

4. Definitions

The following definitions are specific to **This Coverage Section**. All other definitions set out within Section 4.2 (Definitions) of the **GTCs** shall apply as stated.

Approved Vendor means a person or organisation designated as such in an endorsement to this policy or otherwise approved or appointed by the **Insurer** to perform specified services or tasks in advance of costs being incurred.

Breach of Confidential Information means the **Loss**, theft, or unauthorised disclosure or transmission of **Confidential Information**, including, without limitation, any event resulting from the use of a computer or electronic device (including but not limited to mobile phones or tablet) owned or controlled by a **Company's** officer or **Employee** or **Information Holder**, including any employee "Bring Your Own Device," to store or access **Confidential Information**.

Breach of Confidential Information does not include the theft of **Confidential Information** by or for the benefit of a **Company**.

Bricked Equipment means computer hardware that is part of a **Company Computer System**, which is not physically damaged but is rendered non-functional or useless for its intended purpose by the alteration, erasure, or corruption of its software (including firmware) as a result of a **Security Failure**.

Bricked Equipment does not include any computer hardware that is part of an industrial control system, including a supervisory control and data acquisition (SCADA) system.

Claim means:

- (i) a written demand against a **Company**;
- (ii) civil, administrative or arbitral proceedings brought against a **Company**; or
- (iii) a **PCI-DSS Assessment**,

seeking legal remedy.

Company Computer System means:

- (i) any computer hardware, software or any components thereof, including wireless and mobile equipment and other devices enabled to electronically send and/or receive information, that are linked together through a network of two or more devices accessible through the internet or an internal network or are connected with data storage or other peripheral devices and are under the ownership, operation or control of, or leased by, a **Company**; and
- (ii) cloud computing or other hosted computer resources operated by a third-party service provider for use by a **Company** as provided in a written contract between such **Third Party** and a **Company**.

Company Computer System includes any of the foregoing that is part of an industrial control system, including a supervisory control and data acquisition (SCADA) system.

Computer System means any computer, hardware, software, communications system, electronic device (including but not limited to, smart phone, laptop, tablet, wearable device), server, cloud infrastructure or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

Confidential Information means **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 means a **Third Party's** information that is not available to the public (including but not limited to trade secrets, data, designs, forecasts, formulas, processes, records, reports and documents) which are subject to contractual or legal protection.

Credit Monitoring and ID Monitoring Expenses means 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 means 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 Extortion Expenses means 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 means the services of:

- (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 Operation means the use of a **Computer System** by, at the direction, or under the control of a sovereign state to:

- (i) disrupt, deny access to or degrade functionality of a **Computer System**; or
- (ii) copy, remove, manipulate, deny access to or destroy information in a **Computer System**.

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

Data or Cyber Regulator includes any other:

- (i) government agency; or
- (ii) authorised data protection authority,

who makes a demand on a **Company** in relation to **Data Protection Legislation** or **Cybersecurity Legislation**.

Data Protection Legislation means 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 or similar laws and regulations relating to the regulation and enforcement of data protection and data privacy in any country.

Data Recovery Expenses means 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;
- (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; and
- (iv) repair or replace (whichever costs less) **Bricked Equipment** in use by the **Company** at the time of a **Security Failure** and required for the continuing operation of the **Company's** business.

Data Recovery Expenses does not include compensation, fees, benefits, overhead or internal charges of any **Company**. Expenses and costs to perform the services or tasks described above shall only be covered as **Data Recovery Expenses** to the extent such services or tasks are performed by an **Approved Vendor**.

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

Essential Service means a service that is essential for the maintenance of vital functions of a state, whether such service is provided by the state, a subdivision within the state or private entities, including, but not limited to, national defence, law enforcement, energy, telecommunication services and infrastructure, health services, utility services, emergency services, transportation services, and services necessary for the maintenance, operation and regulation of the financial systems (including banking and financial market infrastructure).

Extortion Threat means any demand to a **Company** for money, digital assets (including cryptocurrency), securities or other tangible or intangible property, or the performance of or cessation of a service or other activity by a **Company**, in order to:

- (i) end an attack against a **Company Computer System** including an attack resulting in or involving a denial of service attack, the encryption of **Data** or the unavailability of all or part of the **Company Computer System**;
- (ii) avoid an attack on, the corruption of, damage to or destruction of a **Company Computer System**;
- (iii) end a threat or connected series of threats to disclose information concerning a vulnerability in a **Company Computer System**; or
- (iv) end a threat or connected series of threats to unlawfully access, use, disclose, damage or destroy **Confidential Information** for which a **Company** is legally responsible.

An **Extortion Threat** occurs at the time a **Company** first receives a demand.

Extortion Threat does not include:

- (a) a demand in connection with any physical attack on, or threat to physically attack, a **Company Computer System** or other tangible property; or
- (b) any regulatory or enforcement threat, action or demand by any government or public authority.

Impacted State means a sovereign state where a **Cyber Operation** has had a major detrimental impact on:

- (i) the functioning of that sovereign state due to critical disruption to the availability, integrity or delivery of an **Essential Service** in that sovereign state; or
- (ii) the security or defence of that sovereign state,

provided, however, that an **Impacted State** shall not result from an attack, or related series of attacks, solely impacting the **Insured**.

Information Holder means 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 means a **Company**.

Insured Event means:

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

IT Expenses means the reasonable and necessary fees, costs and expenses of an **IT Specialist** providing **IT Services**.

IT Services means 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 means an information technology services firm appointed by the **Insurer**, or any other information technology services firm appointed by a **Company** that has been approved in advance of such appointment by the **Insurer**.

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

Legal Services means the services of:

- (i) advising on the appropriate course of action that is legally required or appropriate to respond to a **Breach of Confidential Information** or **Security Failure**, including advice as to whether the **Company** has a right to indemnification from another party in connection with the **Breach of Confidential Information** or **Security Failure**;

- (ii) co-ordinating the **IT Specialist, Public Relations Advisor**, or other **Approved Vendors** as deemed required in response to a **Breach of Confidential Information** or **Security Failure**;
- (iii) advising on the appropriate content, scope and distribution of any notice or disclosure to **Data Subjects**, government agencies (including disclosure to any agency regulating the securities of a **Company**), **Data** or **Cyber Regulators**, law enforcement agencies, or investors concerning a **Breach of Confidential Information** or **Security Failure**;
- (iv) advising a **Company** on responses to a **Breach of Confidential Information** or **Security Failure** for the purposes of minimising harm to the **Company**, including actions taken to maintain and restore public confidence in the **Company**;
- (v) monitoring complaints (other than **Claims**) raised by **Data** Subjects and advising on any responses to inquiries from law enforcement agencies concerning a **Breach of Confidential Information** or **Security Failure**.

Loss means **Legal Expenses, IT Expenses, Data Recovery Expenses, Reputation Protection Expenses, Notification Expenses, Credit Monitoring and ID Monitoring Expenses, and Cyber Extortion Expenses.**

Loss does not include remuneration, compensation, fees, benefits, or internal charges of any **Company**, cost of their time or any other costs or overheads of any **Company**. Expenses and costs to perform the services or tasks described above shall only be covered as **Loss** to the extent such services or tasks are performed by an **Approved Vendor**.

Notification means:

- (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 **Data** or **Cyber Regulator**;
- (iii) organising and obtaining printing and mailing of materials and advertising for the purposes of (ii) immediately above; or
- (iv) investigating and collating information,

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

Notification Expenses means the reasonable and necessary fees, costs and expenses incurred by a **Company** on **Notification** with the **Insurer's** prior written consent.

Operational Failure means the loss or damage to **Data** caused by:

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

PCI-DSS Assessment means 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 but not limited to 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 **Security Failure** or a **Breach of Confidential Information**.

Personal Information means any information relating to an identified or identifiable natural person.

Personal Information includes a natural person's name, online identifier, telephone number, email address, 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**.

Public Relations Advisor means 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**.

Reputation Protection Expenses means the reasonable and necessary fees, costs and expenses of a **Public Relations Advisor**, with the **Insurer's** prior written consent, providing **Reputation Protection Services**.

Reputation Protection Services means 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 the **Event** potential adverse effect, or reputational damage, from media reporting of an **Insured Event**.

Response Advisor means 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 means:

- (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.

Security Failure includes any such intrusion, access, use, reprogramming or corruption resulting from:

- (i) the theft of a password or access code by electronic or non-electronic means; or
- (ii) the use of a computer or electronic device (including but not limited to mobile phone or tablet) owned or controlled by a **Company's** officer or **Employee** or an **Information Holder**, including any employee "Bring Your Own Device", to access a **Company Computer System**.

This Coverage Section means the Event Management Coverage Section of this policy.

Transaction means:

- (i) the **Policyholder** consolidating with or merging into another entity, such that the **Policyholder** is not the surviving entity, or selling all or substantially all of its assets to any other person or entity or group of persons or entities acting in concert; or
- (ii) a person or entity or group of persons or entities acting in concert acquiring **Control** of the **Policyholder** (but not including such acquisition by one or more **Insolvency Officers** of the **Policyholder**).

War means armed conflict involving physical force either:

- (i) by a sovereign state against another sovereign state; or
- (ii) as part of a civil war, rebellion, revolution, insurrection, military action or usurpation of power,

regardless of whether war is declared.

Cyber Extortion Coverage

1. Insurance Covers

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

2. Transactions

If a **Transaction** occurs during the **Policy Period**, this policy shall continue in full force and effect only as to **Insured Events** occurring prior to the effective date of the **Transaction**.

Notwithstanding the foregoing, the **Insurer** may decide, at its sole discretion, that this policy continues in full force and effect as to **Insured Events** occurring on or after the effective date of a **Transaction** if within 30 days of the effective date of such **Transaction**, the **Policyholder** provides the **Insurer** with full details of the **Transaction**, including the parties to it and such other information as the **Insurer** requests, subject to any amendments to this policy the **Insurer** may require and to payment of such additional premium as the **Insurer** may require.

This policy may not be cancelled by the **Policyholder** on or after the effective date of the **Transaction**.

3. Exclusions

The following Exclusions are specific to **This Coverage Section**. They apply in addition to the Exclusions in Section 3 (Exclusions) of the **GTCs**.

The Insurer shall not be liable to make any payment under this policy or 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, the United States of America, the United Kingdom or any other government with authority over this policy, the **Policyholder** or the **Insurer**.

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 a regulatory or enforcement threat or demand by any government entity or public authority.

3.4 Infrastructure

arising out of, based upon or attributable to any:

- (i) failure, disruption, degradation or impairment of infrastructure not under the control of a **Company**, including electricity, water, gas, fuel, energy, or other utility; or
- (ii) failure, disruption, degradation or impairment of telephone lines, data transmission lines, domain name system ("DNS"), internet service provider ("ISP"), certificate authority or other telecommunications, networking or internet infrastructure not under the control of a **Company**; or
- (iii) failure, disruption, degradation or impairment of any securities exchange or market.

3.5 Patent

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

3.6 War

arising out of, based upon or attributable to:

- (i) a **War**;
- (ii) a **Cyber Operation** that is carried out as part of a **War** or the immediate preparation for a **War**; or
- (iii) a **Cyber Operation** causing an **Impacted State**,

provided, however, that (iii) immediately above shall not apply to the impact of a **Cyber Operation** on those portions of any **Computer System** owned by or leased to the **Insured** or its third-party service providers that are not physically located in an **Impacted State** but are impacted by a **Cyber Operation**.

4. Definitions

The following definitions are specific to **This Coverage Section**. All other definitions set out within Section 4.2 (Definitions) of the **GTCs** shall apply as stated.

Company Computer System means:

- (i) any computer hardware, software or any components thereof, including wireless and mobile equipment and other devices enabled to electronically send and/or receive information, that are linked together through a network of two or more devices accessible through the internet or an internal network or are connected with data storage or other peripheral devices and are under the ownership, operation or control of, or leased by, a **Company**; and
- (ii) cloud computing or other hosted computer resources operated by a third-party service provider for use by a **Company** as provided in a written contract between such third party and a **Company**.

Company Computer System includes any of the foregoing that is part of an industrial control system, including a supervisory control and data acquisition (SCADA) system.

Computer System means any computer, hardware, software, communications system, electronic device (including but not limited to, smart phone, laptop, tablet, wearable device), server, cloud infrastructure or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

Confidential Information means **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 means a **Third Party's** information that is not available to the public (including but not limited to trade secrets, data, designs, forecasts, formulas, practices, processes, records, reports and documents) which are subject to contractual or legal protection.

Cyber Operation means the use of a **Computer System** by, at the direction, or under the control of a sovereign state to:

- (i) disrupt, deny access to or degrade functionality of a **Computer System**; or
- (ii) copy, remove, manipulate, deny access to or destroy information in a **Computer System**.

Data Protection Legislation means 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 or similar laws and regulations relating to the regulation and enforcement of data protection and data privacy in any country.

Essential Service means a service that is essential for the maintenance of vital functions of a state, whether such service is provided by the state, a subdivision within the state or private entities, including, but not limited to, national defence, law enforcement, energy, telecommunication services and infrastructure, health services, utility services, emergency services, transportation services, and services necessary for the maintenance, operation and regulation of the financial systems (including banking and financial market infrastructure).

Extortion Threat means any demand to a **Company** for money, digital assets (including cryptocurrency), securities or other tangible or intangible property or the performance of or cessation of a service or other activity by the **Company**, in order to:

- (i) end an attack against a **Company Computer System** including an attack resulting in or involving a denial of service attack, the encryption of data or the unavailability of all or part of the **Company Computer System**;
- (ii) avoid an attack on, the corruption of, damage to or destruction of a **Company Computer System**;
- (iii) end a threat or connected series of threats to disclose information concerning a vulnerability in a **Company Computer System**; or
- (iv) end a threat or connected series of threats to unlawfully access, use, disclose, damage or destroy **Confidential Information** for which a **Company** is legally responsible.

An **Extortion Threat** occurs at the time a **Company** first receives a demand.

Extortion Threat does not include:

- (a) a demand in connection with any physical attack on, or threat to physically attack, a **Company Computer System** or other tangible property; or
- (b) any regulatory or enforcement threat, action or demand by any government or public authority.

Impacted State means a sovereign state where a **Cyber Operation** has had a major detrimental impact on:

- (i) the functioning of that sovereign state due to critical disruption to the availability, integrity or delivery of an **Essential Service** in that sovereign state; or
- (ii) the security or defense of that sovereign state,

provided, however, that an **Impacted State** shall not result from an attack, or related series of attacks, solely impacting the **Insured**.

Information Holder means a **Third Party** that:

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

Insured means a **Company**.

Insured Event means an **Extortion Threat**.

Loss means the reasonable amount of money paid by or on behalf of a **Company** to a person or entity believed to be responsible for an **Extortion Threat** that could result in harm or further harm to any **Company**, but only if such payment is made after notice has been made to the **Insurer** of such **Extortion Threat**. Such payment shall be made by the **Company** or on behalf of the **Company** by a party other than the **Insurer**. The **Insurer** shall only reimburse a ransom payment as **Loss** after receiving an acceptable proof of loss, and only to the extent that neither the payment nor the reimbursement of the payment is in violation of any applicable law including, without limitation, any sanctions imposed by the European Union, the United Kingdom, the United States of America, Australia or any other government with authority over the policy, the **Policyholder**, or the **Insurer**.

Loss also means the reasonable and necessary expenses incurred to obtain cryptocurrency to be surrendered as ransom (including service and credit charges paid to obtain cryptocurrency).

Personal Information means any **Data** relating to an identified or identifiable natural person.

Personal Information includes a natural person's name, online identifiers, telephone number, email address, 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**.

This Coverage Section means the Cyber Extortion Coverage Section of this policy.

Transaction means:

- (i) the **Policyholder** consolidating with or merging into another entity, such that the **Policyholder** is not the surviving entity, or selling all or substantially all of its assets to any other person or entity or group of persons or entities acting in concert; or
- (ii) a person or entity or group of persons or entities acting in concert acquiring **Control** of the **Policyholder** (but not including such acquisition by one or more **Insolvency Officers** of the **Policyholder**).

War means armed conflict involving physical force either:

- (i) by a sovereign state against another sovereign state; or
- (ii) as part of a civil war, rebellion, revolution, insurrection, military action or usurpation of power,

regardless of whether war is declared.

Criminal Reward Fund Coverage

1. Insurance Covers

1.1 Criminal Reward Fund

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

2. Exclusions

The following Exclusions are specific to **This Coverage Section**. They apply in addition to the Exclusions in Section 3 (Exclusions) of the **GTCs** and in addition to the Exclusions set out within the **Security and Privacy Liability Coverage Section**, the **Network Interruption Coverage Section**, the **Event Management Coverage Section** and the **Cyber Extortion Coverage Section**.

2.1 Payments not covered

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

3. Definitions

The following definitions are specific to **This Coverage Section**. All other definitions set out within Section 4.2 (Definitions) of the **GTCs** shall apply as stated.

Criminal Reward Fund means 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** that are **Purchased: Security and Privacy Liability Coverage Section, Network Interruption Coverage Section, Event Management Coverage Section and Cyber Extortion Coverage Section**.

Loss means an amount described in the definition of **Criminal Reward Fund**.

This Coverage Section means the Criminal Reward Fund Coverage Section of this policy.

Telephone Hacking Coverage

1. Insurance Covers

1.1 Unauthorised Access of Telephone Systems Cover

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

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

Discovered during the **Policy Period**.

2. Exclusions

The following Exclusions are specific to **This Coverage Section**. They apply in addition to the Exclusions in Section 3 (Exclusions) of the **GTCs**.

2.1 Indirect or Consequential Loss

The **Insurer** shall not be liable to make any payment under this policy or for any **Loss** arising out of, based upon or attributable to any indirect or consequential **Loss**, including but not limited to:

- (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 **Company Telephone System(s)** being unavailable; or
- (iii) any loss arising from a **Company** voluntarily giving or surrendering unauthorised access to the **Company Telephone System(s)** through a purchase or exchange.

2.2 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. Definitions

The following definitions are specific to **This Coverage Section**. All other definitions set out within Section 4.2 (Definitions) of the **GTCs** shall apply as stated.

Discovered or Discovery means when any **Company** or any of the **Company's** directors, partners, officers, departmental directors, senior managers, trustees or equivalent of any **Company** 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 **Company**.

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

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

Telephone System(s) means a PBX or electronic key telephone system, with or without adjuncts including but not limited to voice mail, auto attendants and automated call directors, that is owned operated, controlled or exclusively leased by the **Company**.

This **Coverage Section** means the Telephone Hacking Coverage Section of this policy.

Digital Media Content Liability Coverage

1. Insurance Cover

1.1 Digital Media Content Liability

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

2. Exclusions

The following Exclusions are specific to This **Coverage Section**. They apply in addition to the Exclusions in Section 3 (Exclusions) of the **GTCs**.

The **Insurer** shall not be liable to make any payment under this policy or for any **Loss** arising out of, based upon or attributable to:

2.1 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.

2.2 Assumed Liability, Guarantee, Warranty

any:

- (i) guarantee or warranty made by an **Insured**; or
- (ii) contractual liability or other obligation assumed or accepted by an **Insured** except to the extent that such liability would have attached in the absence of such contract.

2.3 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.

unless arising from an actual or alleged failure to achieve the legally required standard of care, diligence and expertise in performing **Digital Media Activities**.

2.4 Employment Practices Liability

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

2.5 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.

2.6 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**.

2.7 Government/Regulatory Action

any

- (i) government, regulatory, licensing or commission action or investigation of any jurisdiction;
- (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 of any jurisdiction.

2.8 Infrastructure

any:

- (i) failure, disruption, degradation or impairment of infrastructure not under the control of a **Company**, including electricity, water, gas, fuel, energy, or other utility;
- (ii) failure, disruption, degradation or impairment of telephone lines, data transmission lines, domain name system ("DNS"), internet service provider ("ISP"), certificate authority or other telecommunications, networking or internet infrastructure not under the control of a **Company**; or
- (iii) failure, disruption, degradation or impairment of any securities exchange or market.

2.9 Insured v Insured

any **Claim** brought by or on behalf of:

- (i) an **Insured**;
- (ii) any business entity that is controlled, managed or operated, directly or indirectly, in whole or in part, by an **Insured**; or
- (iii) any parent company, successor or assignee of an **Insured**; or
- (iv) any affiliate of an **Insured** or of an entity described in (ii) or (iii) immediately above.

This Exclusion 2.9 (Insured v Insured) shall not apply to any **Claim** by an **Insured** which directly results from another **Claim** by a **Third Party** first made during the **Policy Period** and covered by **This Coverage Section**.

2.10 Intentional Infringement of Intellectual Property

any intentional infringement of **Intellectual Property**.

2.11 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.

2.12 Over-Redemption

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

2.13 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, **Employee** of the foregoing, or employee or agent of the **Company**.

2.14 Patent/Trade Secret

any:

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

2.15 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.

2.16 Securities Claims

any:

- (iii) 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;
- (iv) 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
- (v) actual or alleged violation of any law, regulation or rule alleged by a security holder of a **Company** with respect to such security holder's interest in securities of such **Company** or alleged in derivative proceedings brought on behalf of a **Company** by a security holder of such **Company**.

2.17 RICO

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 and all other equivalent or similar laws, regulations or rules of any jurisdiction.

2.18 Trade Debts

any:

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

2.19 Trading Losses/Monetary Value

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

2.20 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.

3. Definitions

The following definitions are specific to **This Coverage Section**. All other definitions set out within Section 4.2 (Definitions) of the **GTCs** shall apply as stated.

Claim means:

- (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 means damages that an **Insured** is legally liable to pay resulting from a **Claim** as ascertained by:

- (iii) judgments or arbitral awards rendered against that **Insured**; or
- (iv) 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.

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

Digital Media means any digitised content, including but not limited to text, graphics, audio and video, that can be transmitted over the internet or computer networks.

Insured means:

- (i) a **Company**;
- (ii) a natural person who was, is or becomes a principal, partner, director, officer or **Employee** of a **Company**;
- (iii) an independent contractor, temporary contract labourer, self-employed person, or labour-only sub-contractor, but only when and to the extent they are acting on behalf of a **Company** and under the direction and direct supervision of a **Company**;
- (iv) a joint venture where a **Company** maintains operational control, but only to the extent of the **Company's** interest in such joint venture; and
- (v) 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 or entity is acting on behalf of that **Company** and under the direction and direct supervision of that **Company**;

provided that such organisation or person shall only be covered under **This Coverage Section** in respect of **Loss** arising from a **Wrongful Act** when undertaking **Digital Media Activities** in one of 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.

Insured Event means a **Claim**.

Intellectual Property means 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 means **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) the remuneration, compensation, fees, benefits or internal charges of any **Insured**, cost of their time or any other costs or overheads of any **Insured**.

This Coverage Section means the Digital Media Content Liability Coverage Section of this policy.

Wrongful Act means:

any actual or alleged unintentional:

- (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) infringement of copyright, title, slogan, trademark, trade name, trade dress, mark, service mark, service name, domain name or licence agreement;
- (iii) plagiarism, piracy, 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) to (iv) above,

and actually or allegedly occurring on or after the **Retroactive Date** and prior to the end of the **Policy Period** in the course of providing **Digital Media Activities**.

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