



**XL Insurance**  
UK

# **CyberRiskConnect**

## **Privacy, Security & Technology Insurance**

July 2025  
REF XXX



## Schedule

**Item 1 Policy Number:**

**Item 2 Name of Parent Company:**

**Item 3 Address:**

**Item 4 Business of the Parent Company:**

(and subsidiaries, if materially different)

**Item 5 Insurer:**

**Item 6 Policy Period:** Inception Date: (insert date)

Expiration Date: (insert date)

**Item 7 Premium:**

**Item 8 Broker:**

**Item 9 Territorial Limits:**

**Item 10 Law and Jurisdiction:** this policy will be governed by English law and subject to the exclusive jurisdiction of the courts of England and Wales.

**Item 11 Retroactive Date:**

**Item 12 Period of Restoration:**

**Item 13 Policy Limits:**

**Aggregate Policy Limit:** GBP: in the aggregate each Policy Period and inclusive of Defence Costs

	Third Party Insuring Clause	Coverage	Limit (GBP)
2.1(a)	Technology Wrongful Act	Yes/No	
2.1(b)	Professional Services Wrongful Act	Yes/No	
2.1(c)	Media Wrongful Act	Yes/No	
2.1(d)	Privacy and Cyber Security Wrongful Act	Yes/No	
2.1(e)	Privacy Regulatory Defence, Awards and Fines	Yes/No	
2.1(f)	PCI DSS Coverage	Yes/No	

	First Party Insuring Clause	Coverage	Limit (GBP)
2.2(a)	Business Interruption and Extra Expenses <i>Voluntary and intentional shutdown of the Network</i>	Yes/No	
2.2(b)	Data Recovery	Yes/No	
2.2(c)	Cyber-Extortion Event	Yes/No	
2.2(d)	Bricking	Yes/No	
2.2(e)	Consequential Reputational Loss	Yes/No	
2.2(f)	Social Engineering Fraud	Yes/No	
2.2(g)	Funds Transfer Fraud	Yes/No	

2.2(h)	Invoice Manipulation		Yes/No	
2.2(i)	System Failure	<i>Loss of Business Income</i> <i>Extra Expense</i>	Yes/No	
2.2(j)	Crypto-Jacking		Yes/No	
2.2(k)	Telecommunications Fraud		Yes/No	
2.2(l)	Dependent Business Interruption	<i>Loss of Business Income</i> <i>Extra Expense</i>	Yes/No	
2.2(m)	Dependent Business Interruption - System Failure	<i>Loss of Business Income</i> <i>Extra Expense</i>	Yes/No	

2.3	Data Breach Response and Crisis Management Coverage		Yes/No	
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**Item 14 Waiting Period and Excess:**

	Third Party Insuring Clause	Excess (GBP)
2.1(a)	Technology Wrongful Act	
2.1(b)	Professional Services Wrongful Act	
2.1(c)	Media Wrongful Act	
2.1(d)	Privacy and Cyber Security Wrongful Act	
2.1(e)	Privacy Regulatory Defence, Awards and Fines	
2.1(f)	PCI DSS Coverage	

	First Party Insuring Clause	Waiting Period	Excess (GBP)
2.2(a)	Business Interruption and Extra Expenses		
2.2(b)	Data Recovery	n/a	
2.2(c)	Cyber-Extortion Event	n/a	
2.2(d)	Bricking	n/a	
2.2(e)	Consequential Reputational Loss <i>Period of Indemnity</i>		n/a
2.2(f)	Social Engineering Fraud	n/a	
2.2(g)	Funds Transfer Fraud	n/a	
2.2(h)	Invoice Manipulation	n/a	
2.2(i)	System Failure	<i>Loss of Business Income</i> <i>Extra Expense</i>	n/a
2.2(j)	Crypto-Jacking	n/a	
2.2(k)	Telecommunications Fraud	n/a	
2.2(l)	Dependent Business Interruption	<i>Loss of Business Income</i> <i>Extra Expense</i>	n/a



2.2(m)	Dependent Business Interruption - System Failure <i>Loss of Business Income</i> <i>Extra Expense</i>		n/a
2.3	Data Breach Response and Crisis Management Coverage	n/a	

#### Item 15 Notifications:

Notification of a first party incident must be made by telephone or email via the 24/7 Fusion Response incident response protocol set forth below:

Telephone: +44 207 183 8911

Email: [fusionresponse@kennedyslaw.com](mailto:fusionresponse@kennedyslaw.com)

The Fusion Response 24/7/365 incident response protocol is powered by S-RM and Kennedys, two of the world's leading cyber insurance vendors. Kennedys is a global law firm and S-RM is a global technical support and cyber security consultancy provider. In the event of a cyber incident, Kennedys and S-RM will provide you with a complimentary triage call as well as ongoing legal and regulatory advice throughout the lifetime of the incident (subject to policy coverage and payment of any applicable policy deductible).

Notification to the above telephone number or email represents notification of the incident to AXA Group Operations SAS via the Fusion Response Incident Response Protocol. Kennedys and S-RM will pass on the information regarding the incident to AXA Group Operations SAS to allow Insurers to consider policy coverage.

Notification of a third-party claim or a circumstance must be made to the Insurer in writing via email or mail as set forth below:

Email: [UKNewNotices@axaxl.com](mailto:UKNewNotices@axaxl.com)

Mail: Cyber Claims Manager, AXA XL, 20 Gracechurch Street, London, EC3V 0BG, United Kingdom

Signed on behalf of AXA XL Insurance Company UK Limited in respect of non-EEA and XL Insurance Company SE in respect of EEA.

By:\_\_\_\_\_

Date:\_\_\_\_\_



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# 1. Introduction and Important Information

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## 1.1 Important Information

This [Policy](#) is a contract between the [Parent Company](#) and the [Insurer](#).

This document, the Schedule and any extension(s) or [Endorsement\(s\)](#) set out the details of the insurance which the [Insured](#) has requested. These documents together form the [Policy](#) and should be read as one contract. In deciding to accept this [Policy](#), the [Insurer](#) has relied upon the information which the [Insured](#) has provided.

Please read this whole [Policy](#) carefully, to ensure that the information contained within it is accurate and that the Schedule reflects the coverage the [Parent Company](#) has requested. If anything is wrong the [Parent Company](#) should contact their [Broker](#) as soon as practicably possible.

In return for payment of the premium as stated in the Schedule, the [Insurer](#) agrees to insure the [Insured](#), subject to the terms and conditions contained in or endorsed on this [Policy](#), against the events set out in Section 2 Insuring Clauses and occurring in connection with the business of the [Parent Company](#) during the [Policy Period](#) or any subsequent period for which the [Insurer](#) agrees to accept payment of premium.

If the [Insured](#) has any questions or concerns about this [Policy](#) or the handling of a [Claim](#) they should, in the first instance, contact their [Broker](#) whose contact details are stated under Item 8 of the Schedule.

Please keep this [Policy](#) in a safe place – it may be required in the event of a [Claim](#).

## 1.2 Interpretation

In this [Policy](#):

- (a) reference to any Act, statute or statutory provision will include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of the start of this [Policy](#);
- (b) if any term, condition, exclusion or part thereof is found to be invalid or unenforceable the remainder will be in full force and effect.
- (c) the headings are for general reference only and will not be considered when determining the meaning of this [Policy](#).

## 1.3 Law and Jurisdiction

Unless specifically agreed to the contrary this [Policy](#) will be governed by English law and subject to the exclusive jurisdiction of the courts of England and Wales.

The language of this [Policy](#) and all communications relating to it will be in English.

## 1.4 Breach of the Duty of Fair Presentation

- (a) If, prior to entering into this [Policy](#), the [Insured](#) breaches the duty of fair presentation, the remedies available to the [Insurer](#) are set out below.
  - (i) If the [Insured's](#) breach of the duty of fair presentation is deliberate or reckless:
    - (1) the [Insurer](#) may avoid the [Policy](#), and refuse to pay all [Claims](#); and
    - (2) the [Insurer](#) need not return any of the premiums paid.
  - (ii) If the [Insured's](#) breach of the duty of fair presentation is not deliberate or reckless, the [Insurer's](#) remedy will depend upon what the [Insurer](#) would have done if the [Insured](#) had complied with the duty of fair presentation:
    - (1) if the [Insurer](#) would not have entered into the contract at all, the [Insurer](#) may avoid the [Policy](#) and refuse all [Claims](#) but must return the premiums paid;
    - (2) if the [Insurer](#) would have entered into the [Policy](#), but on different terms (other than terms relating to the premium), the [Policy](#) is to be treated as if it had been entered into on those different terms from the outset, if the [Insurer](#) so requires.

- (3) In addition, if the **Insurer** would have entered into the **Policy**, but would have charged a higher premium, the **Insurer** may reduce proportionately the amount to be paid on a **Claim** (and, if applicable, the amount already paid on prior **Claims**). In those circumstances, the **Insurer** will pay only X% of what it would otherwise have been required to pay, where  $X = (\text{premium actually charged/higher premium}) \times 100$ .
- (b) If, prior to entering into a variation to this **Policy**, the **Insured** breaches the duty of fair presentation, the remedies available to the **Insurer** are set out below.
  - (i) If the **Insured's** breach of the duty of fair presentation is deliberate or reckless:
    - (1) the **Insurer** may by notice to the **Insured** treat the **Policy** as having been terminated from the time when the variation was concluded; and
    - (2) the **Insurer** need not return any of the premiums paid.
  - (ii) If the **Insured's** breach of the duty of fair presentation is not deliberate or reckless, the **Insurer's** remedy will depend upon what the **Insurer** would have done if the **Insured** had complied with the duty of fair presentation:
    - (1) if the **Insurer** would not have agreed to the variation at all, the **Insurer** may treat the **Policy** as if the variation was never made but must in that event return any extra premium paid;
    - (2) if the **Insurer** would have agreed to the variation to the **Policy**, but on different terms (other than terms relating to the premium), the variation is to be treated as if it had been entered into on those different terms, if the **Insurer** so requires;
    - (3) if the **Insurer** would have increased the premium by more than it did or at all, then the **Insurer** may reduce proportionately the amount to be paid on a **Claim** arising out of events after the variation. In those circumstances, the **Insurer** will pay only X% of what it would otherwise have been required to pay, where  $X = (\text{premium actually charged/higher premium}) \times 100$ ;
    - (4) if the **Insurer** would not have reduced the premium as much as it did or at all, then the **Insurer** may reduce proportionately the amount to be paid on a **Claim** arising out of events after the variation. In those circumstances, the **Insurer** will pay only X% of what it would otherwise have been required to pay, where  $X = (\text{premium actually charged/reduced total premium}) \times 100$ .

## 1.5 Premium Payment and Cancellation

Notwithstanding any provision to the contrary within this **Policy** or any **Endorsement**, in respect of non-payment of premium only the following clause will apply.

The **Insured** undertakes that premium will be paid in full to the **Insurer** within sixty (60) days of inception of this **Policy** (or, in respect of instalment premiums, when due).

If the premium due under this **Policy** has not been so paid to the **Insurer** by the sixtieth (60<sup>th</sup>) day from the inception of this **Policy** (and, in respect of instalment premiums, by the date they are due) the **Insurer** shall have the right to cancel this **Policy** by notifying the **Insured** via the **Broker** in writing. In the event of cancellation, premium is due to the **Insurer** on a pro rata basis for the period that the **Insurer** is on risk but the full contract premium shall be payable to the **Insurer** in the event of a loss or occurrence prior to the date of termination which gives rise to a valid **Claim** under this **Policy**.

It is agreed that the **Insurer** shall give not less than thirty (30) days prior notice of cancellation to the **Policy** via the **Broker**. If premium due is paid in full to the **Insurer** before the notice period expires, notice of cancellation shall automatically be revoked. If not, the **Policy** shall automatically terminate at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

## 1.6 Third Party Rights

A person who is not a party to this **Policy** has no right under the Contracts (Rights of Third Parties) Act 1999 or any comparable statute, regulation or rule of law to enforce any term of this **Policy**.



## 1.7 Fraud

If the **Insured**, or anyone acting for the **Insured**, makes a fraudulent **Claim** under this **Policy**, the **Insurer**:

- (a) will not be liable to pay the **Claim**; and
- (b) may recover from the **Insured** any sums paid by the **Insurer** to the **Insured** in respect of the **Claim**; and
- (c) may by notice to the **Insured** treat this **Policy** as having been terminated with effect from the time of the fraudulent act.

If the **Insurer** exercises their right under (c) above:

- (i) the **Insurer** will not be liable to the **Insured** in respect of a relevant event occurring after the time of the fraudulent act. A relevant event is whatever gives rise to the **Insurer's** liability under this **Policy** (such as the occurrence of a **Loss**, the making of a **Claim**, or the notification of a potential **Claim**); and
- (ii) the **Insurer** need not return any of the premium paid.

## 1.8 Sanctions

The **Insurer** will not be deemed to provide cover and will not be liable to pay any **Claim** or provide any benefit under this **Policy** to the extent that the provision of such cover, payment of such **Claim** or provision of such benefit would expose the **Insurer** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

## 1.9 Complaints Procedure

The **Insurer** is dedicated to providing a high-quality service and wants to ensure that they maintain this at all times.

If the **Insured** has any questions or concerns about the **Policy** or the handling of a **Claim**, please contact the **Broker** through whom this **Policy** was arranged.

If the **Insured** wishes to make a complaint they can do so at any time by referring the matter to:

Complaints Department  
XL Catlin Services SE, UK Branch  
20 Gracechurch Street  
London  
EC3V 0BG

United Kingdom

Telephone Number: +44 (0)20 7743 8487

Email: [axaxlukcomplaints@axaxl.com](mailto:axaxlukcomplaints@axaxl.com)

XL Catlin Services SE acts on behalf of the **Insurer** in the administration of complaints.

If the **Insured** remains dissatisfied after the Complaints Department has considered their complaint, or has not received a final decision within eight (8) weeks, the **Insured** may be able to refer the complaint to the Financial Ombudsman Service at:

Financial Ombudsman Service  
Exchange Tower  
London  
E14 9SR  
United Kingdom

Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

Telephone Number: **From within the United Kingdom**  
0800 0234 567 calls to this number are free on mobiles and landlines





0300 1239 123

calls to this number costs no more than calls to 01 and 02 numbers

**From outside the United Kingdom**

+44 (0)20 7964 0500

Fax Number:

+44 (0)20 7964 1001

Text Number:

07860 027 586

Call Back Service

#### 1.10 Arbitration

In the event of any dispute arising between the [Insurer](#) and the [Insured](#) regarding any aspect of this [Policy](#), including its validity, the matter may be referred to an arbitration tribunal in the manner set out below.

Unless the parties appoint a sole arbitrator within fourteen (14) days of one receiving a written request from the other for arbitration, the claimant (the party requesting arbitration) will appoint an arbitrator and give written notice to the respondent. Within thirty (30) days of receiving such notice the respondent will appoint an arbitrator and give written notice to the claimant, failing which the claimant may apply to the appointor named below to nominate an arbitrator on behalf of the respondent.

Before they enter upon a reference, the two (2) arbitrators will appoint a third arbitrator. Should they fail to appoint such a third arbitrator within thirty (30) days of the appointment of the respondent's arbitrator then either of them or either of the parties may apply to the appointor for the appointment of the third arbitrator. The three (3) arbitrators will decide by majority. If no majority can be reached the verdict of the third arbitrator will prevail. The third arbitrator will also act as chairman of the tribunal.

Unless the parties otherwise agree the arbitration, tribunal will consist of persons (including those who have retired) with not less than ten (10) years' experience of insurance or reinsurance as persons engaged in the industry itself or as lawyers or other professional advisers.

The arbitration tribunal will, so far as is permissible under the law and practice of the place of arbitration, have power to fix all procedural rules for the holding of the arbitration including discretionary power to make orders as to any matters which it may consider proper in the circumstances of the case with regard to pleadings, discovery, inspection of the documents, examination of witnesses and any other matter whatsoever relating to the conduct of the arbitration and may receive and act upon such evidence whether oral or written strictly admissible or not as it will in its discretion think fit.

The appointor will be the Chairperson for the time being of ARIAS (UK) or if they are unavailable or it is inappropriate for them to act for any reason, such person as may be nominated by the Committee of ARIAS (UK). If for any reason such persons decline or are unable to act, then the appointor will be the Judge of the Commercial Court in England and Wales.

All costs of the arbitration will be determined by the arbitration tribunal who may, taking into account the law and practice of the place of arbitration, direct to and by whom and in what manner they will be paid.

The place of arbitration may be chosen by the parties, but in default of such choice, the place of arbitration will be London.

The proper law of this [Policy](#) will be English law.

The award of the arbitration tribunal will be in writing and binding upon the parties who consent to carry out the same.

#### 1.11 Regulatory Information

(a) **AXA XL Insurance Company UK Limited**

AXA XL Insurance Company UK Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Firm Reference No. 423308).

Registered Office 20 Gracechurch Street, London, EC3V 0BG, United Kingdom.

Registered in England Number 5328622.



The **Insured** can check this out on the FCA's website at [www.fca.org.uk](http://www.fca.org.uk) which includes a register of all the firms they regulate or by calling the FCA on 0800 111 6768.

(b) **XL Catlin Services SE**

XL Catlin Services SE acts as an agent of AXA XL Insurance Company UK Limited in connection with this **Policy**. XL Catlin Services SE is a registered insurance intermediary authorised and regulated by the Central Bank of Ireland.

Registered Office Wolfe Tone House, Wolfe Tone Street, Dublin 1, D01HP90, Ireland.

Registered in Ireland Number 659610.

The **Insured** can check this information on the Central Bank of Ireland's website at [www.centralbank.ie](http://www.centralbank.ie) which includes a register of all the firms they regulate.

## 1.12 Fair Processing Notice

This Privacy Notice describes how AXA XL Insurance Company UK Limited (together, "we", or "us") collect and use the personal information of insureds, claimants and other parties ("you") when we are providing our insurance and reinsurance services.

The information provided to us, together with medical and any other information obtained from you or from other parties about you in connection with this policy, will be used by us for the purposes of determining your application, the operation of insurance (which includes the process of underwriting, administration, claims management, analytics relevant to insurance, rehabilitation and customer concerns handling) and fraud prevention and detection. We may be required by law to collect certain personal information about you, or as a consequence of any contractual relationship we have with you. Failure to provide this information may prevent or delay the fulfilment of these obligations.

Information will be shared by us for these purposes with group companies and third-party insurers, reinsurers, insurance intermediaries and service providers. Such parties may become data controllers in respect of your personal information. Because we operate as part of a global business, we may transfer your personal information outside the United Kingdom and/or the European Economic Area for these purposes.

You have certain rights regarding your personal information, subject to local law. These include the rights to request access, rectification, erasure, restriction, objection and receipt of your personal information in a usable electronic format and to transmit it to a third party (right to portability).

If you have questions or concerns regarding the way in which your personal information has been used, please contact: [dataprivacy@axaxl.com](mailto:dataprivacy@axaxl.com).

We are committed to working with you to obtain a fair resolution of any complaint or concern about privacy. If, however, you believe that we have not been able to assist with your complaint or concern, you have the right to make a complaint to the relevant Data Protection Authority.

For more information about how we process your personal information, please see our full privacy notice at: <https://axaxl.com/privacy-and-cookies>.

### **Brokers, Intermediaries, Partners, Employers and Other Third Parties**

If you provide us with information about someone else, we will process their personal information in line with the above. Please ensure you provide them with this notice and encourage them to read it as it describes how we collect, use, share and secure personal information when we provide our services as an insurance and reinsurance business.



## 2. Insuring clauses

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Subject to the terms, conditions and exclusions of this [Policy](#), the [Insurer](#) will provide coverage under Insuring Clauses 2.1, 2.2 and 2.3 in excess of the [Excess](#) and/or [Waiting Period](#), up to the limits of liability stated under Item 13. of the Schedule.

### 2.1 Third Party Liability Coverages

Cover applies only in respect of [Claims](#) that are first made against the [Insured](#) and reported to the [Insurer](#) in accordance with Section 7 Notification.

The [Insurer](#) will pay on behalf of the [Insured Damages](#) and [Defence Costs](#) that the [Insured](#) is legally obligated to pay as a result of a [Claim](#) first made against the [Insured](#) during the [Policy Period](#) or Extended Reporting Period (if applicable) alleging a:

- (a) [Technology Wrongful Act](#);
- (b) [Professional Services Wrongful Act](#);
- (c) [Media Wrongful Act](#); or
- (d) [Privacy and Cyber Security Wrongful Act](#)

committed by the [Insured](#), a [Rogue Employee](#), an [Outsourced Provider](#), or by a third party for whose [Third Party Wrongful Act](#) the [Insured](#) is legally responsible.

#### (e) Privacy Regulatory Defence, Awards and Fines

The [Insurer](#) will reimburse the [Insured](#) for [Regulatory Damages](#) and [Defence Costs](#) that the [Insured](#) is legally obligated to pay as a result of a [Privacy Regulatory Action](#) first made against the [Insured](#) during the [Policy Period](#) or Extended Reporting Period (if applicable) alleging a [Privacy and Cyber Security Wrongful Act](#) committed by the [Insured](#), a [Rogue Employee](#), an [Outsourced Provider](#), or by a third party for whose [Privacy and Cyber Security Wrongful Act](#) the [Insured](#) is legally responsible.

#### (f) PCI DSS Coverage

The [Insurer](#) will reimburse the [Insured](#) for [PCI DSS Fines and Costs](#) that the [Insured](#) is legally obligated to pay as a result of a [Claim](#) first made against the [Insured](#) during the [Policy Period](#) or Extended Reporting Period (if applicable) alleging a [PCI DSS Wrongful Act](#) committed by the [Insured](#), a [Rogue Employee](#), an [Outsourced Provider](#), or by a third party for whose [PCI DSS Wrongful Act](#) an [Insured](#) is legally responsible.

### 2.2 First Party Coverages

#### (a) Business Interruption and Extra Expenses

The [Insurer](#) will pay or reimburse the [Insured](#) for:

- (i) [Loss of Business Income](#) after the [Waiting Period](#); and
- (ii) [Extra Expenses](#)

during the [Period of Restoration](#) that the [Insured](#) incurs resulting from:

- (iii) a [Cyber Security Breach](#) directly causing a total or partial interruption or deterioration in the [Insured's](#) business operations; or
- (iv) the voluntary and intentional shutdown of the [Network](#):
  - a. ordered by an [Executive Officer](#) of the [Insured](#) who is authorised to make such an order, due to the [Executive Officer's](#) reasonable belief that such shutdown would limit the financial impact of a [Cyber Security Breach](#) or [Data Breach](#); or
  - b. ordered by any governmental entity in such entity's regulatory or official capacity, due to a [Cyber Security Breach](#) or [Data Breach](#), where such shutdown directly causes a total or partial interruption or deterioration in the [Insured's](#) business operations. Provided, however, the [Insurer's](#) maximum limit of liability applicable to a voluntary and intentional shutdown of the [Network](#) as stated above is stated under Item 13. of the Schedule and is part of, and not in addition to, the Business Interruption and Extra Expense Limit as stated under Item 13. of the Schedule.



(b) **Data Recovery**

The **Insurer** will pay or reimburse the **Insured** for **Data Recovery Expenses** that the **Insured** incurs directly resulting from a **Cyber Security Breach**.

(c) **Cyber-Extortion Event**

The **Insurer** will reimburse the **Insured** for **Cyber-Extortion Expenses** that the **Insured** incurs directly resulting from and in response to a **Cyber-Extortion Threat**.

(d) **Bricking**

The **Insurer** will pay the **Insured** for **Hardware Replacement Costs** that the **Insured** incurs resulting from a **Bricking Incident**.

(e) **Consequential Reputational Loss**

The **Insurer** will pay the **Insured** for **Consequential Reputational Loss** that the **Insured** incurs resulting from **Adverse Publicity** after the **Waiting Period** during the **Period of Indemnity**.

(f) **Social Engineering Fraud**

The **Insurer** will pay or reimburse the **Insured** for **Social Engineering Financial Fraud Loss** that the **Insured** incurs directly resulting from a **Social Engineering Financial Fraud Event**,

Provided that:

- (i) such **Social Engineering Financial Fraud Event** is first discovered by the **Insured** during the **Policy Period**; and
- (ii) the **Insured** has in place, and follows in all instances, a pre-established procedure to authenticate the validity of any transfer request.

(g) **Funds Transfer Fraud**

The **Insurer** will pay or reimburse the **Insured** for **Funds Transfer Fraud Loss** that the **Insured** incurs directly resulting from a **Funds Transfer Fraud Event**, provided that such **Funds Transfer Fraud Event** is first discovered by the **Insured** during the **Policy Period**.

(h) **Invoice Manipulation**

The **Insurer** will pay or reimburse the **Insured** for **Invoice Manipulation Loss** that the **Insured** incurs directly resulting from an **Invoice Manipulation Fraud Event**, provided that such **Invoice Manipulation Fraud Event** is first discovered by the **Insured** during the **Policy Period**.

(i) **System Failure**

The **Insurer** will pay or reimburse the **Insured** for **System Failure Losses** after the **Waiting Period** during the **Period of Restoration** that the **Insured** incurs resulting from a **System Failure** directly causing a total or partial interruption or deterioration in the **Insured's** business operations.

(j) **Crypto-Jacking**

The **Insurer** will pay or reimburse the **Insured** for **Utility Fraud Loss** that the **Insured** incurs directly resulting from a **Crypto-Jacking Event**, provided that such **Crypto-Jacking Event** is first discovered by the **Insured** during the **Policy Period**.

(k) **Telecommunications Fraud**

The **Insurer** will pay or reimburse the **Insured** for **Utility Fraud Loss** that the **Insured** incurs directly resulting from a **Telecommunications Fraud Event**, provided that such **Telecommunications Fraud Event** is first discovered by the **Insured** during the **Policy Period**.

(l) **Dependent Business Interruption**

The **Insurer** will pay or reimburse the **Insured** for **Dependent Business Interruption Loss** after the **Waiting Period**.



(m) **Dependent Business Interruption – System Failure**

The **Insurer** will pay or reimburse the **Insured** for **System Failure Dependent Business Interruption Loss** after the **Waiting Period**.

2.3 **Data Breach Response and Crisis Management Coverage**

The **Insurer** will pay or reimburse the **Insured** for **Data Breach Response and Crisis Management Costs** that the **Insured** incurs for a continuous eighteen (18) month period resulting from a **Data Breach** or **Cyber Security Breach**. The payment period begins when the **Data Breach** or **Cyber Security Breach** is reported to the **Insurer** in accordance with Section 7 Notification.

2.4 **Application of Coverage**

- (a) The coverage provided under Insuring Clause 2.1 Third Party Liability Coverages will only apply if:
  - (i) the first **Third Party Wrongful Act** or **Related Matter** occurs on or after the **Retroactive Date**, as stated under Item 11. of the Schedule, and during the **Policy Period**;
  - (ii) prior to the commencement of the **Policy Period**, no **Executive Officer** knew or could have reasonably foreseen that such **Third Party Wrongful Act** or **Related Matter** did or likely would result in a **Claim**; and
  - (iii) the **Claim** is reported in accordance with Section 7 Notification.
- (b) The coverage provided under Insuring Clause 2.2 First Party Coverages and Insuring Clause 2.3 Data Breach Response and Crisis Management Coverage will only apply if:
  - (i) an **Executive Officer** first discovers and/or becomes aware of such **First Party Incident** or **Related Matter** during the **Policy Period**;
  - (ii) the **First Party Incident** is reported in accordance with Section 7 Notification.
- (c) The coverage provided under Insuring Clause 2.2(f) Social Engineering Fraud will only apply if the **Insured** verifies the instruction to transfer **Money** or **Securities** by following a pre-arranged call back or other established procedural method to authenticate the validity of the request before acting upon any transfer instruction.



### 3. Defence and Settlement

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#### 3.1 Defence

The [Insurer](#):

- (a) has the right, but not the duty, to defend any [Claim](#) under Insuring clause 2.1 Third Party Liability Coverages made against the [Insured](#) even if the allegations in the [Claim](#) are groundless, false or fraudulent; and
- (b) will select and appoint legal representatives to defend the interests of the [Insured](#).

#### 3.2 Settlement

The [Insurer](#) has the right, with the prior written consent of the [Insured](#), such consent not to be unreasonably withheld, to settle a [Claim](#). If the [Insured](#) refuses to consent to any such settlement recommended by the [Insurer](#) and agreed to by the claimant, the [Insurer's](#) limit of liability for such [Claim](#) will not exceed the amount for which the [Insurer](#) could have settled such [Claim](#) had the [Insured](#) consented to settlement, plus [Defence Costs](#) incurred up to the time the [Insurer](#) made its settlement recommendation, plus an additional seventy percent (70%) of [Defence Costs](#) and [Damages](#) incurred by the [Insured](#) after the [Insurer](#) had made its settlement recommendation. All such payments by the [Insurer](#) are subject to the terms stated under Section 4 Limit of Liability and Excess.

## 4. Limit of Liability and Excess

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### 4.1 Limit of Liability

- (a) The aggregate limit is the total sum payable by the [Insurer](#) under this [Policy](#) as stated under Item 13. of the Schedule and the [Insurer](#) will have no liability in excess of the aggregate limit of liability.
- (b) Subject always to clause 4.1(a), the limits stated in Item 13. of the Schedule for Insuring Clauses 2.1, 2.2 and 2.3 are the total aggregate sums payable by the [Insurer](#) under such Insuring Clauses and the [Insurer](#) will have no liability in excess of such limits of liability under each Insuring Clause.
- (c) Any sum paid by the [Insurer](#) under this [Policy](#) will erode the relevant limit and the aggregate limit stated under Item 13. of the Schedule.
- (d) Each limit is part of and not in addition to the aggregate limit.
- (e) The [Insurer](#) may at any time pay to the [Insured](#), the amount of the relevant limit for a specified Insuring Clause (after deduction of any sums already paid), and upon such payment being made the [Insurer](#) will have no further liability or obligation under such Insuring Clause.
- (f) The [Insurer](#) may at any time pay to the [Insured](#), the amount of the aggregate limit as stated under Item 13. of the Schedule and upon such payment being made the [Insurer](#) will have no further liability or obligation under this [Policy](#).

### 4.2 Defence Costs

[Defence Costs](#) are included within and reduce the limits, and the aggregate limit as stated under Item 13. of the Schedule.

### 4.3 Excess

The [Insurer](#) is liable only for that portion of [Damages](#), [Defence Costs](#), [Regulatory Damages](#), and [First Party Costs](#) (not including [Loss of Business Income](#)) in excess of the applicable Insuring Clause's [Excess](#), as stated under Item 14. of the Schedule. If more than one [Excess](#) applies to a [Claim](#) and/or [First Party Incident](#), then the [Insured](#) is responsible for paying the highest applicable [Excess](#).

Solely with respect to Insuring Clauses 2.2(a) Business Interruption and Extra Expenses, 2.2(e) Consequential Reputational Loss, 2.2(i) System Failure, 2.2(l) Dependent Business Interruption and 2.2(m) Dependent Business Interruption – System Failure, the [Insurer](#) is liable only for [Loss of Business Income](#) in excess of the [Waiting Period](#).

### 4.4 Aggregation

All costs, [Losses](#), fees or expenses arising out of, based upon or attributable to the same original cause or event will be aggregated together and treated as one [Claim](#) under this [Policy](#) for the purposes of determining any limit, and any applicable [Excess](#) will be deducted from each and every [Claim](#).

### 4.5 Related Matters and Related Losses

#### (a) Related Third Party Wrongful Acts

All [Claims](#) resulting from a [Related Matter](#) will be treated as a single [Claim](#) first made against the [Insured](#) at the time the first such [Related Matter](#) occurred, irrespective of whether such [Related Matter](#) occurred before or during the [Policy Period](#), and irrespective of the number of [Related Matters](#) involved. Any applicable [Excess](#) will be deducted from each [Claim](#).

#### (b) Related First Party Incidents

- (i) A [Related Matter](#) involving a [First Party Incident](#) (other than a [Cyber-Extortion Threat](#)) will be considered a single [First Party Incident](#) which will be deemed to have been discovered on the date on which the earliest such [First Party Incident](#) was discovered by an [Executive Officer](#);
- (ii) All [Related Matters](#) involving [Cyber-Extortion Threats](#) will be considered a single [Cyber-Extortion Threat](#) first occurring on the date the first such [Cyber-Extortion Threat](#) occurred.



(c) **Related Loss**

All Losses will be considered a single Loss occurring at the time the first Related Matter giving rise to such Loss first occurred or was first discovered, irrespective of the number of Related Losses involved.





## 5. Definitions

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There are words and expressions used in this [Policy](#) which have a specific meaning unique to this [Policy](#). These words are shown below and, where applicable in the individual Section to which they relate, when shown in bold type the specific meaning will apply. Plural forms of the words defined have the same meaning as the singular form.

### 5.1 **Adverse Publicity**

means the public dissemination in the media of an actual or alleged [Cyber Security Breach](#) or [Data Breach](#) which damages the [Insured's](#) brand, reputation, or customer trust.

### 5.2 **Authorised Employee**

means an employee of the [Insured](#) who is authorised by the [Insured](#) to transfer, or to instruct others to transfer, [Money](#) or [Securities](#).

### 5.3 **Breach Response Providers**

means the [Insurer's](#) pre-approved panel of breach response vendors.

### 5.4 **Bricking Incident**

means a [Cyber Security Breach](#) that renders a [Computer System](#) non-functional for its intended purpose if after reasonable efforts have been made, such device cannot be restored to the level of functionality that existed immediately preceding the [Cyber Security Breach](#).

### 5.5 **Broker**

means the [Insured's](#) broker or intermediary, specified in Item 8. of the Schedule, retained for the purpose of arranging this, [Policy](#).

### 5.6 **Claim**

means:

- (a) a written demand for monetary damages, services, or injunctive or other non-monetary relief;
- (b) a civil proceeding for monetary damages, services, or injunctive or other non-monetary relief that is commenced by service of a claim form or similar pleading, including any appeal;
- (c) a mandatory arbitration or other mandatory alternative dispute resolution proceeding for monetary damages, services, or injunctive or other non-monetary relief commenced by a written demand, including any appeal, or a non-mandatory arbitration or other non-mandatory alternative dispute resolution proceeding to which the [Insurer](#) has consented in writing;
- (d) solely with respect to Insuring Clause 2.1(e) Privacy Regulatory Defence, Awards and Fines, a [Privacy Regulatory Action](#); or
- (e) a request for a standstill or to waive any applicable statute of limitations.

### 5.7 **Computer System**

means any electronic device, computer, hardware, software, communications system, network, server, cloud, or microcontroller, including any component thereof, any similar system or configuration of the aforementioned and including any associated input, output, data storage device, networking equipment, information or communication systems or networks, or back up facility.

### 5.8 **Confidential Business Information**

means third party information, whether printed or digital, encrypted or unencrypted, in the care, custody or control of the [Insured](#) or [Outsourced Provider](#), including a trade secret, formula, pattern, compilation, program, device, method, technique, or process, that derives independent economic value, actual or potential, from not being generally known or readily ascertainable through appropriate means by other persons and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

### 5.9 **Consequential Reputational Loss**

means net income (net profit before income taxes) that would have been earned by the [Insured](#) but for [Adverse Publicity](#).



**Consequential Reputational Loss** does not include:

- (a) amounts arising out of liability to a third party for any reason;
- (b) legal costs or legal expenses of any type;
- (c) any internal salary, costs or the Insured's overhead expenses.

#### 5.10 Consumer Redress Amount

means the sum of money that the **Insured** is legally obligated to deposit in a fund for the payment of consumer claims as the result of a **Privacy Regulatory Action**, if the insuring of such monies is permitted under the laws and public policy of the jurisdiction pursuing or enforcing the **Privacy Regulatory Action**.

#### 5.11 Crypto-Jacking Event

means any unauthorised access to, use or misuse of, and/or modification to the **Network** by a **Cyber Act** perpetrated by a third party or **Rogue Employee** through any electronic means, including malware, viruses, worms, and Trojan horses, spyware and adware, zero-day attacks, hacker attacks and denial of service attacks, for the purpose of mining cryptocurrency that directly results in a **Utility Fraud Loss** incurred by the **Insured**.

#### 5.12 Cyber Act

means the use of any **Computer System** or technique involving any combination of software, firmware, hardware, malware, and exploits to:

- (a) disrupt, deny access to, degrade, manipulate, damage, or destroy a **Computer System**; or
- (b) to compromise, destroy or threaten the integrity, confidentiality, or availability of computers, information or communications systems or networks, physical or virtual infrastructure controlled by computers or information systems, or information or data stored on any **Computer System**.

#### 5.13 Cyber Security Breach

means any unauthorised access to, use or misuse of, modification to the **Network**, and/or denial of **Network** resources by a **Cyber Act** perpetrated by a third party or **Rogue Employee** through any electronic means, including malware, viruses, worms, and Trojan horses, spyware and adware, zero-day attacks, hacker attacks and denial of service attacks.

#### 5.14 Cyber-Extortion Expenses

means:

- (a) reasonable, necessary, and compliant money, digital currency, property, or other consideration surrendered as payment by or on behalf of the **Insured**, to which the **Insurer** has consented, such consent not to be unreasonably withheld, in order to eliminate, mitigate or remove a **Cyber-Extortion Threat**; and
- (b) reasonable and necessary costs paid to:
  - (i) **Breach Response Providers**; or
  - (ii) qualified third parties with the prior consent of the **Insurer**,

to conduct an investigation and advise the **Insured** how to respond to and resolve a **Cyber-Extortion Threat**.

#### 5.15 Cyber-Extortion Threat

means any **Threat Communication** made by a third party or **Rogue Employee** related in any way to an actual or potential threat to start or continue to:

- (i) disrupt the **Network** to impair business operations of the **Insured**;
- (ii) alter, damage, or destroy data stored on the **Network**;
- (iii) use the **Network** to generate and transmit malware to third parties;
- (iv) deface the **Insured's** website;
- (v) access, release or otherwise misuse data, including **Personally Identifiable Information**, **Protected Health Information** or **Confidential Business Information**, stored or previously stored on the **Network**;
- (vi) refuse to return data stolen from the **Network**;
- (vii) prevent access to the **Network** or data by using encryption and withholding the decryption key; or
- (viii) disclose any fact relating to the foregoing to the public or to any third party.



#### 5.16 Cyber Terrorism

means any actual or threatened attack against the [Network](#), with the intention to cause harm, to further social, ideological, religious or political objectives or to intimidate any person or entity in furtherance of such objectives. [Cyber Terrorism](#), however, does not include any such activities which are by, or by those acting under the direction or the control of, a sovereign state or non-state organized armed group which are part of or in support of any [War](#) or use of force.

#### 5.17 Damages

means compensatory damages resulting from a judgment, award or settlement agreement, including pre-judgment and post-judgment interest, which the [Insured](#) becomes legally obligated to pay as a result of a [Claim](#).

[Damages](#) do not include:

- (a) the return of any fees paid to the [Insured](#) or the offset of any future fees to be charged by or owed to the [Insured](#);
- (b) lost investment income;
- (c) costs incurred by the [Insured](#) to withdraw or recall [Technology Products](#), including products that incorporate the [Insured's Technology Products](#), [Technology Services](#), or [Professional Services](#);
- (d) costs incurred by the [Insured](#) to correct, re-perform or complete any [Technology Services](#) or [Professional Services](#);
- (e) costs incurred by the [Insured](#) or by a third party at the direction of the [Insured](#) to remediate, repair, replace, restore, modify, update, upgrade, supplement, correct, or otherwise improve a [Network](#) to a level of functionality beyond that which existed before a [Cyber Security Breach](#);
- (f) civil or criminal fines or penalties or compliance violation remedies imposed on the [Insured](#), provided, however, civil fines or penalties will constitute damages under Insuring Clause 2.1(e) Privacy Regulatory Defence, Awards and Fines if permitted under the laws and public policy of the jurisdiction under which this [Policy](#) is construed;
- (g) liquidated damages in excess of the [Insured's](#) liability that otherwise results from a [Third Party Wrongful Act](#);
- (h) the monetary value of an electronic fund transfer or transaction that is lost or diminished, however this will not apply in respect to Insuring Clauses 2.2(f) Social Engineering Fraud, 2.2(g) Funds Transfer Fraud and 2.2(h) Invoice Manipulation;
- (i) any amounts incurred before the [Insured](#) provided notice of a [Claim](#) pursuant to the terms of this [Policy](#);
- (j) price discounts, prizes, awards, coupons, vouchers, service credits or the value of non-monetary relief, including any amount attributable to or arising therefrom.
- (k) punitive, exemplary or multiple damages; or
- (l) royalty or licensing fees or payments.

#### 5.18 Data Breach

means any actual or reasonably suspected theft, loss, or unauthorised acquisition, access to, or disclosure of data or hardware containing data that has or may compromise the security, confidentiality and/or integrity of [Personally Identifiable Information](#), [Protected Health Information](#), or [Confidential Business Information](#).

#### 5.19 Data Breach Reporting Requirement

means any provision in a law, statute or regulation, domestic or foreign, that requires the [Insured](#) to provide notification to affected persons of a suspected breach of such person's [Personally Identifiable Information](#) or [Protected Health Information](#).

#### 5.20 Data Breach Response and Crisis Management Costs

means:

- (a) reasonable and necessary costs charged by [Breach Response Providers](#) to:
  - (i) determine the legal applicability of and actions necessary to respond to a [Data Breach Reporting Requirement](#);
  - (ii) perform computer forensics to determine the existence, cause and scope of a [Data Breach](#) or [Cyber Security Breach](#);

- (iii) notify individuals of a [Data Breach](#), either those who are required to be notified pursuant to a [Data Breach Reporting Requirement](#) or on a voluntary basis;
  - (iv) operate a call centre to manage [Data Breach](#) inquiries;
  - (v) provide credit or identity monitoring and identity protection and restoration services or any similar service for those individuals whose [Personally Identifiable Information](#) was or may have been breached;
  - (vi) provide medical identity restoration for those individuals whose [Protected Health Information](#) was or may have been breached; or
  - (vii) minimise reputational harm to the [Insured](#) by hiring a public relations or crisis communications firm;
- (b) reasonable and necessary costs charged by any qualified provider that is not a [Breach Response Provider](#) so long as the qualified provider:
- (i) is pre-approved in writing by the [Insurer](#); or
  - (ii) provides comparable services to those stated in 5.20(a) above and whose rate will not exceed the rate the [Insurer](#) has pre-negotiated with the [Breach Response Providers](#); and
- (c) costs charged by a Payment Card Industry (PCI) Forensics Investigator to perform forensics to determine the existence, cause and scope of a breach or suspected breach of cardholder data so long as their appointment is pre-approved in writing by the [Insurer](#) such consent not to be unreasonably withheld.

#### 5.21 Data Recovery Expenses

means reasonable and necessary costs incurred by the [Insured](#) with the prior written consent of the [Insurer](#), such consent not to be unreasonably withheld, to:

- (a) determine whether damaged or destroyed computer programs, software or electronic data can be replaced, recreated, restored or repaired; and
- (b) replace, recreate, restore or repair such damaged or destroyed computer programs, software or electronic data residing on the [Network](#) to substantially the form in which it existed immediately before a [Cyber Security Breach](#).

#### 5.22 Defence Costs

means reasonable and necessary fees incurred in defending a [Claim](#), plus any other reasonable and necessary fees, costs and expenses incurred with the prior written consent of the [Insurer](#) that result from the investigation, adjustment, negotiation, arbitration, defence or appeal of a [Claim](#) which is covered under this [Policy](#).

[Defence Costs](#) do not include any amounts incurred by the [Insured](#) or others to come into compliance with the UK General Data Protection Regulation (UK GDPR) or Data Protection Act 2018 or any comparable statute or regulation, and any successor.

[Defence Costs](#) also do not include any amounts incurred by the [Insured](#) or others to come into compliance with the UK GDPR or Data Protection Act 2018 or comparable statute or regulation and any successor as a result of an alleged violation of the Data Protection Act 2018 in response to a written notice provided by a consumer unless such amounts are otherwise covered under any other applicable coverage part of this [Policy](#).

#### 5.23 Dependent Business

means any entity the [Insured](#) relies on to conduct operations pursuant to a written contract.

#### 5.24 Dependent Business Interruption Loss

means:

- (a) [Loss of Business Income](#) after the [Waiting Period](#);
- (b) [Extra Expenses](#)

during the [Period of Restoration](#) that the [Insured](#) incurs resulting from a [Cyber Security Breach](#) to a [Dependent Business](#) directly causing a total or partial interruption or deterioration in the [Insured's](#) business operations.

[Dependent Business Interruption Loss](#) does not mean:

- (i) loss of market share or other consequential loss;
- (ii) loss arising out of liability to any third party;
- (iii) legal expenses;
- (iv) loss incurred as a result of unfavourable business conditions.



**5.25 Domestic Partner**

means any spouse, civil partner, or any person qualifying as a domestic partner under common law or under the [Insured's](#) employee benefit plan.

**5.26 Endorsement**

means a change in the terms and conditions of this [Policy](#) agreed in writing by the [Insurer](#) that may extend or restrict cover.

**5.27 Excess**

means the amount, as stated under Item 14. of the Schedule, that the [Insured](#) must pay for each and every [Claim](#) or [Loss](#) before the [Insurer](#) makes any payment under this [Policy](#).

**5.28 Executive Officer**

means any duly elected or appointed Chief Executive Officer, Chief Financial Officer, Chief Information Officer, Chief Privacy Officer, Chief Security Officer, Chief Information Security Officer, Chief Technology Officer, Risk Manager, General Counsel and in-house Solicitor designated to be in charge of litigation, or the functional equivalent of any such positions, of the [Insured](#).

**5.29 Extra Expenses**

means reasonable and necessary expenses, including payroll, in excess of the [Insured's](#) normal operating expenses which are incurred to reduce or avoid [Loss of Business Income](#) and/or restore business operations but not exceeding the sum equal to the [Loss of Business Income](#) reduced or avoided.

**5.30 Financial Institution**

means a bank, credit union, saving and loan association, trust company or other licensed financial service, securities broker-dealer, mutual fund, or liquid assets fund or similar investment company where the [Insured](#) maintains a bank account.

**5.31 First Party Costs**

means any:

- (a) [Loss of Business Income](#), [Extra Expenses](#), [Data Recovery Expenses](#), [Dependent Business Interruption Loss](#), [System Failure Dependent Business Interruption Loss](#), [Cyber-Extortion Expenses](#), [Data Breach Response and Crisis Management Costs](#), [Social Engineering Financial Fraud Loss](#), [Funds Transfer Fraud Loss](#), [Invoice Manipulation Loss](#), [System Failure Losses](#), and [Utility Fraud Loss](#);
- (b) solely with respect to Insuring Clause 2.2(d), [Hardware Replacement Costs](#); and
- (c) solely with respect to Insuring Clause 2.2(e), [Consequential Reputational Loss](#).

Provided that:

- (i) Except with respect to [Social Engineering Financial Fraud Loss](#), [Funds Transfer Fraud Loss](#), [Invoice Manipulation Loss](#), and [Utility Fraud Loss](#), [First Party Costs](#) do not include any amounts incurred before the [Insured](#) provided notice of the [First Party Incident](#);
- (ii) [Social Engineering Financial Fraud Loss](#), [Funds Transfer Fraud Loss](#), and [Invoice Manipulation Loss](#), do not include any amounts incurred to prove or establish the existence of such [Social Engineering Financial Fraud Loss](#), [Funds Transfer Fraud Loss](#), or [Invoice Manipulation Loss](#);
- (iii) [First Party Costs](#) do not include any amounts incurred before the [Insured](#) or others to come into compliance with the UK GDPR or Data Protection Act 2018 or any comparable statute, regulation or successor;
- (iv) [First Party Costs](#) do not include any amounts incurred by the [Insured](#) or others to come into compliance with the UK GDPR or Data Protection Act 2018 or any comparable statute, regulation or successor as a result of an alleged violation of the Data Protection Act 2018 in response to a written notice provided by a consumer, unless such amounts are otherwise covered under any other applicable coverage part of this [Policy](#).



#### 5.32 **First Party Incident**

means a [Cyber Security Breach](#), [Cyber-Extortion Threat](#), [Data Breach](#), [Dependent Business Interruption Loss](#) arising from a [Cyber Security Breach](#) or [Data Breach](#), [Social Engineering Financial Fraud Event](#), [Funds Transfer Fraud Event](#), [Invoice Manipulation Fraud Event](#), [System Failure](#) or [System Failure](#) resulting in [System Failure Dependent Business Interruption Loss](#), [Crypto-Jacking Event](#), [Telecommunications Fraud Event](#) or solely with respect to Insuring Clause 2.2(d) [Bricking Incident](#).

#### 5.33 **Funds Transfer Fraud Event**

means an unauthorised and fraudulent written, electronic, or telephonic instruction transmitted to a [Financial Institution](#) by a third party falsely purporting to be the [Insured](#), directing such [Financial Institution](#) to transfer, pay, debit or deliver [Money](#) or [Securities](#) from the [Insured's](#) account, without the [Insured's](#) knowledge or consent.

#### 5.34 **Funds Transfer Fraud Loss**

means loss of [Money](#) or [Securities](#) directly resulting from a [Funds Transfer Fraud Event](#).

#### 5.35 **Hardware Replacement Costs**

means reasonable and necessary costs to replace a [Computer System](#) with identical or commercially equivalent items that perform the same function.

#### 5.36 **Insured**

means the [Parent Company](#) and any [Subsidiary](#) domiciled in the Territorial Limits stated in Item 9. of the Schedule; and

- (a) any past or present employee, director, officer, member, principal, partner, trustee, leased, temporary, seasonal employee/worker and volunteer of the [Insured](#) acting in their capacity and in accordance with their authority as such;
- (b) any independent contractor performing services for the [Insured](#) under a written contract but solely with respect to such independent contractor's duties on behalf and for the benefit of the [Insured](#);
- (c) with respect to Insuring Clause 2.1(c) Media Wrongful Act, any person or entity that disseminates [Media](#) on behalf and for the benefit of the [Insured](#) where, before such dissemination, the [Insured](#) has agreed in writing to include such person or entity as the [Insured](#) under the [Policy](#); and
- (d) any entity that the [Insured](#) is required by written contract to be insured under the [Policy](#), but only for a [Third Party Wrongful Act](#) committed by the [Insured](#) or any persons under 5.36(a) and 5.36(b);

Provided, however a [Rogue Employee](#) is not an [Insured](#) pursuant to this definition.

#### 5.37 **Insured Invoice**

means a printed or electronic statement of any [Payment](#) owed to the [Insured](#) for goods, products, or services provided by the [Insured](#).

#### 5.38 **Invoice Manipulation Fraud Event**

means the release or distribution of any fraudulent payment instructions to the [Insured's](#) client, customer or [Vendor](#) as a direct result of a [Cyber Security Breach](#) in order to mislead or deceive the [Insured's](#) client, customer, or [Vendor](#) into transferring payment intended for paying an [Insured Invoice](#) to another person or entity.

#### 5.39 **Invoice Manipulation Loss**

means the financial loss the [Insured](#) incurs directly from being unable to collect payment from the [Insured's](#) client, customer or [Vendor](#) for any [Insured Invoice](#) directly resulting from an [Invoice Manipulation Fraud Event](#). The [Invoice Manipulation Loss](#) will not include any profit to the [Insured](#) as a result of providing goods, products, or services which is the subject of such [Invoice Manipulation Loss](#).

#### 5.40 **Insurer**

means the insurance company stated in Item 5. of the Schedule.

#### 5.41 **Loss**

means all [Damages](#), [Defence Costs](#), [Regulatory Damages](#), [First Party Costs](#) and [PCI DSS Fines and Costs](#).



#### 5.42 **Loss of Business Income**

means net income (net profit or net loss before income taxes) that could have reasonably been earned or net loss that could have reasonably been avoided, including the costs of retaining a forensic accountant to determine such amount. Such forensic accountant will be selected by the [Insurer](#).

A [Loss of Business Income](#) calculation is based upon the amount of actual [Loss of Business Income](#) the [Insured](#) sustains per hour during the [Period of Restoration](#).

#### 5.43 **Management Control**

means:

- (a) ownership interests representing more than fifty percent (50%) of the voting, appointment or designation power of a company for the selection of a majority of:
  - (i) the board of directors of a corporation;
  - (ii) the management committee members of a joint venture or partnership; or
  - (iii) the members of the management board of a limited liability company; or
- (b) the right, pursuant to written contract or the by-laws, charter, operating agreement or similar documents of an entity, to select, appoint or designate a majority of:
  - (i) the board of directors of a corporation;
  - (ii) the management committee members of a joint venture or partnership; or
  - (iii) the members of the management board of a limited liability company.

#### 5.44 **Media**

means the content of communication, including language, data, facts, fiction, music, photographs, images, artistic expression, or visual or graphical materials. Provided, however, [Media](#) does not include [Technology Products](#) or products or services described, illustrated or displayed in [Media](#).

#### 5.45 **Media Wrongful Act**

means any of the following resulting from the [Insured](#) acquiring, blogging, broadcasting, collecting, disseminating, distributing, editing, exhibiting, gathering, obtaining, posting, producing, publishing, releasing, researching, recording, tweeting or uttering, [Media](#) through traditional and/or digital methods, including, cable television, radio, movie and music studios, public speaking, newspapers, magazines, books and print publications, website, apps, CD-ROMs and DVDs:

- (a) libel, slander, or any other form of defamation or harm to the character or reputation of any person or entity, including product disparagement or trade libel;
- (b) copyright infringement or misappropriation of property rights, information or ideas or dilution or infringement of title, slogan, trademark, trade dress, logo, trade name, service mark or service name;
- (c) common law unfair competition or unfair trade practices alleged as a direct result of 5.45(a) and 5.45(b);
- (d) invasion or infringement of the right of privacy or publicity, including the torts of intrusion upon seclusion, publication of private facts, false light, and misappropriation of name or likeness;
- (e) infliction of emotional distress or mental anguish.
- (f) false arrest, detention or imprisonment, harassment, trespass, wrongful entry or eviction, eavesdropping, or other invasion of the right of private occupancy; or
- (g) plagiarism, piracy, or misappropriation of ideas under implied contract.

#### 5.46 **Merchant Services Agreement**

means an agreement between the [Insured](#) and a [Financial Institution](#), credit/debit card company, credit/debit card processor or independent service operator enabling the [Insured](#) to accept credit card, debit card, prepaid card, or other payment cards for payments or donations.

#### 5.47 **Money**

means the [Insured's](#):

- (a) currency, coins and bank notes in current use and having a face value; and
- (b) traveler's cheques and money orders held for sale to the public.





Provided, however, that [Money](#) does not include digital currency or non-fungible tokens.

**5.48 Network**

means a connected system of computing hardware, software, firmware or associated electronic components or mobile devices, including industrial control systems and SCADA systems (Supervisory control and data acquisition systems) or other industrial IT, under the ownership, operation or control of, or leased by, the [Insured](#), or solely with respect to Insuring Clauses 2.2(l) Dependent Business Interruption and 2.2(m) Dependent Business Interruption - System Failure, a [Dependent Business](#).

**5.49 Outsourced Provider**

means any third party, including a cloud service provider, with whom the [Insured](#) has contracted to provide a business process on behalf and for the benefit of the [Insured](#).

**5.50 Parent Company**

means the entity stated under Item 2. of the Schedule.

**5.51 Party to the War**

means both sovereign states and non-state organised armed group(s) taking part in [War](#).

**5.52 Payment**

means currency and bank notes in current use and having a face value and traveller's cheques and money orders held for sale to the public. Payment will not include cryptocurrency or any other digital currency in any form.

**5.53 PCI DSS Fines and Costs**

means fines, penalties, assessments, fraud recovery and operational expense recovery that the [Insured](#) is contractually obligated to pay under its [Merchant Services Agreement\(s\)](#) as the result of a [PCI DSS Wrongful Act](#). Provided, however, [PCI DSS Fines And Costs](#) does not mean interchange fees, discount fees or prospective service fees.

**5.54 PCI DSS Wrongful Act**

means any actual or alleged [Cyber Security Breach](#) or [Privacy and Cyber Security Wrongful Act](#) resulting in the unauthorised acquisition of cardholder data as defined under Payment Card Industry Data Security Standard (PCI-DSS).

**5.55 Period of Indemnity**

means the amount of time stated under Item 13. of the Schedule with respect to 2.2(e) Consequential Reputational Loss.

**5.56 Period of Restoration**

means the period stated under Item 12. of the Schedule:

- (a) solely with respect to [Loss of Business Income](#), that period of time that begins at the end of the [Waiting Period](#) and continues until the [Insured's](#) operations are restored to the condition that existed immediately before the [Cyber Security Breach](#), [Data Breach](#), or [System Failure](#); and
- (b) solely with respect to [Extra Expenses](#), that period of time that begins after a [Cyber Security Breach](#), [Data Breach](#), or [System Failure](#) has directly caused a total or partial interruption or deterioration in the [Insured's](#) business operations and continues until the [Insured's](#) operations are restored to the condition that existed immediately before the [Cyber Security Breach](#), [Data Breach](#), or [System Failure](#).

**5.57 Personally Identifiable Information**

means:

- (a) information, whether printed or digital, encrypted or unencrypted, in the care, custody or control of the [Insured](#) or [Outsourced Provider](#), that alone or in conjunction can be used to uniquely identify an individual; or
- (b) information concerning an individual that would be considered "personal data" or "sensitive personal data" within the meaning of the General Data Protection Regulation (GDPR) or any similar law or regulation and





any amendments thereto; or

- (c) information concerning a consumer or household that would be considered “personal information” within the meaning of the Data Protection Act 2018 or any similar law or regulation and any amendments thereto.

**5.58 Policy**

means this document, the Schedule and any [Endorsements](#) issued to amend the details in this document or the Schedule.

**5.59 Policy Period**

means the period of time stated under Item 6. of the Schedule, beginning on the effective date and expiring on the date of termination, expiration or cancellation of this [Policy](#), whichever is earliest.

**5.60 Pollutants**

means any solid, liquid, gaseous or thermal irritant or contaminant, or smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste materials or asbestos, including materials to be recycled, reconditioned, or reclaimed. [Pollutants](#) will also mean any air emission, odour, wastewater, oil or oil products, lead or lead products, latex infectious or medical waste, noise, dust, fibres, germs, fungus (including mould or mildew and any mycotoxins, spores, scents or by-products produced or released by fungi) and electric or magnetic or electromagnetic field.

**5.61 Privacy and Cyber Security Wrongful Act**

means any:

- (a) [Loss](#), theft or failure to protect, or unauthorised acquisition of [Personally Identifiable Information](#), [Protected Health Information](#), or [Confidential Business Information](#);
- (b) violation of any law, statute or regulation governing the authenticity, availability, confidentiality, storage, control, disclosure, integrity, or use of [Personally Identifiable Information](#) or [Protected Health Information](#);
- (c) violation of a [Data Breach Reporting Requirement](#);
- (d) failure to reasonably implement privacy or security practices required by law or regulations;
- (e) failure to prevent a [Cyber Security Breach](#) that results in:
  - (i) the inability of an authorised user to gain access to the [Network](#);
  - (ii) the malicious addition, alteration, copy, destruction, deletion, disclosure, damage, removal or theft of data residing on the [Network](#); or
  - (iii) the transmission of malware from the [Network](#) to third parties; or
- (f) failure to comply with the [Insured's](#) privacy policy and/or privacy notice.

**5.62 Privacy Regulatory Action**

means a written request for information, civil investigative demand or civil proceeding brought by or on behalf of a governmental, regulatory authority, or authorised data protection authority.

**5.63 Privacy Regulatory Fine**

means a civil monetary fine or penalty imposed on the [Insured](#) by a governmental, regulatory, or authorised data protection authority, if the insuring of such fines or penalties is permitted under the laws and public policy of the jurisdiction under which the fines or penalties are imposed.

**5.64 Professional Services**

means the services stated under Item 4. of the Schedule.

**5.65 Professional Services Wrongful Act**

means any of the following in rendering or failing to render [Professional Services](#): any actual or alleged act, error, omission, neglect, negligent misrepresentation, or breach of duty.



**5.66 Protected Health Information**

means all protected and individually identifiable health information, whether printed or digital, encrypted or unencrypted, held or transmitted by the [Insured](#) or a third party that remotely and electronically stores personal information on the [Insured's](#) behalf.

**5.67 Regulatory Damages**

means any [Consumer Redress Amount](#) or [Privacy Regulatory Fine](#).

**5.68 Related Loss**

means a [Loss](#) that results or arises from the same, related, similar, or continuous [Claim](#) or [First Party Incident](#).

**5.69 Related Matter**

means:

- (a) a [Third Party Wrongful Act](#) arising from, based upon, attributable to, or related to the same original cause; or
- (b) a [First Party Incident](#) arising from, based upon, attributable to, or related to the same original cause.

**5.70 Retroactive Date**

means the applicable date, if any, stated under Item 11. of the Schedule.

**5.71 Rogue Employee**

means an employee of the [Insured](#) who deliberately acts outside the course and scope of employment and whose intentional conduct results in a [Claim](#) or [First Party Incident](#); provided, however, [Rogue Employee](#) does not include an [Executive Officer](#).

**5.72 Securities**

means the [Insured's](#) negotiable and non-negotiable instruments or contracts representing either [money](#) or property, and includes tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use, and evidences of debt issued in connection with credit or charge cards, which cards are not issued by the [Insured](#).

**5.73 Social Engineering Financial Fraud Event**

means the transfer of [Money](#) or [Securities](#) by the [Insured](#) to an account outside the [Insured's](#) control pursuant to instructions made by a person purporting to be an [Authorised Employee](#), [Outsourced Provider](#), [Vendor](#) or customer of the [Insured](#), when such instructions prove to have been fraudulent.

**5.74 Social Engineering Financial Fraud Loss**

means loss of [Money](#) or [Securities](#) directly resulting from a [Social Engineering Financial Fraud Event](#).

**5.75 Subsidiary**

means any entity over which the [Insured](#), directly or indirectly, has or had [Management Control](#) through or by way of one or more subsidiaries on the commencement of the [Policy Period](#).

**5.76 System Failure**

means any unintentional and unplanned outage or failure of the [Network](#).

**5.77 System Failure Dependent Business Interruption Loss**

means:

- (a) [Loss of Business Income](#) after the [Waiting Period](#);
- (b) [Extra Expenses](#).

during the [Period of Restoration](#) that the [Insured](#) incurs resulting from a [System Failure](#) to a [Dependent Business](#) directly causing a total or partial interruption or deterioration in the [Insured's](#) business operations.

[System Failure Dependent Business Interruption Loss](#) does not include:

- (i) loss of market share or other consequential loss;
- (ii) loss arising out of liability to any third party;



- (iii) legal expenses;
- (iv) loss incurred as a result of unfavourable business conditions.

#### 5.78 **System Failure Losses**

means [Loss of Business Income](#) and [Extra Expenses](#).

[System Failure Losses](#) do not include losses arising out of a loss of market share or any other consequential loss and any losses incurred by the [Insured](#) to upgrade, enhance, or replace the [Network](#) to a condition beyond that which existed immediately before sustaining a [System Failure](#).

#### 5.79 **Technology Products**

means computer or telecommunications hardware or software products, components or peripherals or electronic products or components, including software updates, service packs and other maintenance releases provided for such products:

- (a) created, designed, distributed, manufactured, or sold by or on behalf and for the benefit of the [Insured](#); or
- (b) leased or licensed by the [Insured](#) to third parties.

#### 5.80 **Technology Services**

means any computer, cloud, information technology, telecommunication, electronic services and any related consulting and staffing services, including data processing, data and application hosting, the provision of managed services, software as a service (SaaS), platform as a service (PaaS), infrastructure as a service (IaaS), network as a service (NaaS), computer systems analysis, computer consulting and training, programming, computer systems installation, management, repair, and maintenance, network design and Internet service.

#### 5.81 **Technology Wrongful Act**

means either of the following in rendering or failing to render [Technology Services](#):

- (a) any actual or alleged act, error, omission, neglect, negligent misrepresentation or breach of duty; or
- (b) failure of Technology Products to perform the intended function or serve their intended purpose for others in exchange for a fee.

#### 5.82 **Telecommunications Fraud Event**

means any [Cyber Security Breach](#) which directly results in a [Utility Fraud Loss](#) incurred by the [Insured](#) in the form of long-distance telephone charges.

#### 5.83 **Third Party Wrongful Act**

means a [Technology Wrongful Act](#), [Professional Services Wrongful Act](#), [Media Wrongful Act](#), [Privacy and Cyber Security Wrongful Act](#) and [PCI DSS Wrongful Act](#).

#### 5.84 **Threat Communication**

means a threat made demanding or seeking payment and/or other consideration in exchange for, or in connection with, the prevention, elimination, mitigation or removal of a threat against the [Insured](#) or any communications intended to initiate such communications with the [Insured](#).

#### 5.85 **Utility Fraud Loss**

means an increase in service charges or fees incurred by the [Insured](#) resulting from the unauthorised use of any of the following utilities services:

- (a) electricity;
- (b) natural gas;
- (c) oil;
- (d) water;
- (e) internet access, including mobile data;
- (f) cable or satellite television; or
- (g) telephone.



provided, however, that such additional charges or fees for the utilities services are:

- (i) incurred pursuant to a written contract between the [Insured](#) and the respective utility provider, which was executed before the [Crypto-Jacking Event](#) or [Telecommunications Fraud Event](#) first occurred;
- (ii) charged to the [Insured](#) in a periodic billing statement issued by the respective utility provider, which includes usage or consumption information; and
- (iii) not charged at a flat fee to the [Insured](#) that does not scale with the rate or use of the respective utilities service our resource.

**5.86 Vendor**

means any person(s) or entity(s) with whom the [Insured](#) has entered into a written contract to provide services to the [Insured](#) and is not owned, operated, or controlled by an [Insured](#).

**5.87 Waiting Period**

means the number of hours stated under Item 14. of the Schedule that must elapse before the start of the [Period of Restoration](#).

**5.88 War**

means any conflict involving the use of physical force, regardless of the duration, intensity or scope, between two or more sovereign states, a sovereign state(s) and non-state organised armed group(s), or two or more non-state organised armed groups, or as part of a civil war, rebellion, revolution, insurrection or military or usurped power, whether war be declared or not.

## 6. Exclusions

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This [Policy](#) does not apply to any [Claim](#) or [First Party Incident](#) arising out of, based upon, or attributable to:

### 6.1 Antitrust and Unfair Competition

antitrust violations, restraint of trade, price fixing, or unfair competition, including, but not limited to violations of The Competition Act 1998, The Enterprise Act 2002, The Regulatory Reform Act 2013 or any comparable statute, regulation or rule of law; provided, however, this exclusion will not apply to an otherwise covered [Claim](#) under Insuring Clause 2.1(d) Privacy and Cyber Security Wrongful Act or Insuring Clause 2.1(e) Privacy Regulatory Defence, Awards and Fines, or a [Claim](#) arising from a [Media Wrongful Act](#).

### 6.2 Bodily Injury and Property Damage

bodily injury, sickness, disease, emotional distress, mental injury, mental tension, mental anguish, pain and suffering, humiliation or shock sustained by any person, including death that results from any of these, or damage to or destruction of any tangible property, including loss of use thereof whether or not damaged or destroyed.

Provided, however:

- (a) this exclusion will not apply to any otherwise covered [Claim](#) for emotional distress, mental injury, mental tension or mental anguish, pain and suffering, humiliation or shock that directly results from a [Third Party Wrongful Act](#); and
- (b) solely with respect to Insuring Clause 2.2(d) Bricking, damage to or destruction of any tangible property does not include the loss of use of computer hardware resulting from a [Bricking Incident](#).

For the purposes of this exclusion, “tangible property” will not include electronic data.

### 6.3 Consumer Protection and Deceptive Business Practices

- (a) unfair, deceptive or fraudulent business practices, including, but not limited to, violations of consumer protection statutes and consumer fraud statutes; provided, however, this exclusion will not apply to an otherwise covered [Claim](#) under Insuring Clause 2.1(d) Privacy and Cyber Security Wrongful Act or Insuring Clause 2.1(e) Privacy Regulatory Defence, Awards and Fines; and
- (b) any action relating to consumer protection and deceptive business practices brought under any law or regulation.

### 6.4 Contractual

any obligation the [Insured](#) has under a written contract, provided, however, this exclusion will not apply to liability the [Insured](#) would have in the absence of a contract or the [Insured's](#):

- (a) breach of a confidentiality provision contained in a written agreement;
- (b) violation of an intellectual property right except a violation of a patent right;
- (c) breach of the [Insured's](#) privacy policy and/or privacy notice; or
- (d) obligation to indemnify, reimburse or compensate pursuant to a [Merchant Services Agreement](#).

### 6.5 Deliberate Acts / Personal Profit

- (a) dishonest, intentional or knowing wrongful, fraudulent, criminal, or malicious acts, errors, or omissions or wilful violations of law, including privacy laws or regulations, by the [Insured](#), other than a [Rogue Employee](#);
- (b) the gaining of any profit, remuneration, or financial or non-financial advantage to which the [Insured](#) is not entitled,

provided, however:

- (i) the [Insurer](#) will provide the [Insured](#) with a defence of any otherwise covered [Claim](#) and pay any otherwise covered [Defence Costs](#) until there is a final, non-appealable judgment or adjudication in the underlying action or proceeding or a related declaratory judgment, as to such conduct, at which time the [Insured](#) will reimburse the [Insurer](#) for all [Defence Costs](#);
- (ii) notwithstanding the foregoing, criminal proceedings are not covered under this [Policy](#) regardless of the allegations made against the [Insured](#);
- (iii) for the purposes of determining the applicability of this exclusion, the knowledge or conduct of:
  - (1) a natural person insured will not be imputed to any other natural person insured; and



(2) an [Executive Officer](#) will be imputed to the [Insured](#).

#### 6.6 **Employment Practices**

any actual or alleged violation of employment laws (including discrimination, harassment, wrongful dismissal, discharge or termination), provided, however, this exclusion will not apply to an otherwise covered [Claim](#) under insuring Clause 2.1(d) Privacy and Cyber Security Wrongful Act.

#### 6.7 **Force Majeure (unexpected / uncontrollable events)**

fire, smoke, explosion, lightning, wind, water, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, or act of God, however caused.

#### 6.8 **Governmental Orders**

any court order or demand requiring the [Insured](#) to provide law enforcement, any administrative, regulatory or judicial body or any other governmental authority access to [Personally Identifiable Information](#), [Protected Health Information](#), or [Confidential Business Information](#).

#### 6.9 **Infrastructure Failure**

electrical, mechanical, Internet, telecommunication, cable or satellite failure, fluctuation or outage not under the operational control of the [Insured](#), however caused, including any electrical power interruption, short-circuit, surge, brownout or blackout, provided, however, this exclusion will not apply to a [Telecommunications Fraud Event](#).

#### 6.10 **Insured v. Insured**

[Claims](#) made against the [Insured](#) and brought by, or on behalf of the [Insured](#) or [Parent Company](#), successor or assignee of the [Insured](#); provided, however this exclusion will not apply to:

- (a) the [Insured](#) under definition 5.36(d); and
- (b) an otherwise covered [Claim](#) made by any past or present officer, director, member, principal, partner, trustee, employee or leased worker or temporary employee of the [Insured](#):
  - (i) when the [Claim](#) is made outside of their capacity and pursuant to their authority as such; or
  - (ii) against the [Insured](#) alleging a [Privacy and Cyber Security Wrongful Act](#).

#### 6.11 **Management Liability**

an act of the [Insured](#) as a director or officer of a company or as a member of the supervisory board of an employee plan, in relation to the performance of their management functions; and any personal liability incurred by a director or officer of the Insured:

- (a) while acting in such a capacity or performing acts of management of the Insured; or
- (b) for the failure by such director or officer of any duty inherent in the exercise of the position, other than that inherent in the performance of a professional activity for a client; or
- (c) resulting from any statement, representation, or information regarding the Insured and the Professional Services contained in any accounts, reports, or financial statements.

#### 6.12 **Nuclear**

- (a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- (b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- (c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- (d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;



(e) any chemical, biological, bio-chemical, or electromagnetic weapon.

**6.13 Over-Redemption**

actual or alleged inadequate, inaccurate or incomplete description of the price of goods, products, services and cost guarantees, cost representations, cost estimates and the authenticity of any goods, products or services or the failure of any goods, products or services to conform with any representation regarding their quality or performance; actual or alleged errors in financial data or information disseminated or publicised by the [Insured](#).

**6.14 Owned Entity**

[Claims](#) made against the [Insured](#) if, at the time the [Third Party Wrongful Act](#) giving rise to such [Claim](#) was committed:

- (a) the [Insured](#) controlled, owned, operated or managed the claimant; or
- (b) the [Insured](#) was an owner, partner, director or officer of the claimant;

For the purpose of this exclusion, a ten percent (10%) or more owner of the voting stock of a publicly held corporation, or a forty percent (40%) or more owner of the voting stock of a privately held corporation will be deemed to control, own, operate or manage any such corporation making such [Claim](#).

**6.15 Patent**

actual, alleged or threatened infringement, misappropriation, dilution, misuse or inducement to infringe, misappropriate, dilute or misuse any patent or patent right.

**6.16 Pollution**

actual, alleged or threatened emission, discharge, dispersal, seepage, release or escape of [Pollutants](#) or testing for, monitoring, removal, containment, treatment, detoxification, neutralisation or clean-up of any [Pollutants](#).

**6.17 Securities**

any losses or liabilities connected with any types of purchase or sale transactions or other dealing in securities, commodities, derivatives, foreign or Federal funds, currencies, foreign exchange.

**6.18 Terrorism**

arising out of an act, including the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, racial, religious, or other ideological reasons or similar purposes including the intention to influence any government and/or any international governmental organisation and/or to put the public, or any section of the public, in fear. Provided that this exclusion will not apply to any [Cyber Security Breach](#) or [Data Breach](#).

**6.19 Trade Secrets**

any actual or alleged plagiarism of, or infringement of any rights with respect to, information including a formula, compilation, pattern, programme, device, method, process or technique that derives independent economic value, actual or potential, from not being generally known and not readily ascertainable through proper means by another person who can obtain economic advantage from its disclosure or use, patents, trademarks, trade names, copyrights, licenses or any other form of intellectual property. However, this exclusion will not apply to coverage afforded under Insuring Clause 2.1(d) Privacy and Cyber Security Wrongful Act.

**6.20 Unauthorised Collection and Use**

the unauthorised or unlawful collection, acquisition or use of [Personally Identifiable Information](#) or [Protected Health Information](#) by the [Insured](#); provided, however, this exclusion will not apply to a [Claim](#) directly resulting from the acts of a [Rogue Employee](#).

**6.21 Unsolicited Communications**

unsolicited communications by or on behalf of the [Insured](#) to actual or prospective customers of the [Insured](#) or any other third party, including actions brought under the Electronic Commerce (EC Directive) Regulations 2002, the Privacy and Electronic Communications (EC Directive) Regulations 2003 and subsequent amendments, other law, regulation or common law; provided, however, this exclusion will not apply to an otherwise covered [Claim](#) directly resulting from a [Cyber Security Breach](#) under Insuring Clause 2.1(d) Privacy and Cyber Security Wrongful



Act or any [Loss of Business Income](#) otherwise covered under Insuring Clause 2.2(a) Business Interruption and Extra Expenses.

#### 6.22 War

- (a) [War](#); or
- (b) any [Cyber Act](#) by a [Party to the War](#), or by those acting at the direction or under the control of a [Party to the War](#), that is conducted in the course of [War](#); or
- (c) a [Cyber Act](#), by or on behalf of a sovereign state or a non-state organised armed group, that results in, or is the basis for, a response by a sovereign state that includes the use of force.

However, this exclusion does not apply to [Cyber Terrorism](#).



## 7. Notification and Insured's Obligations

### 7.1 Notice of Circumstance

Solely with respect to Insuring Clause 2.1 Third Party Liability Coverages, if during the [Policy Period](#) or Extended Reporting Period (if applicable) as defined in Section 8 Extended Reporting Period, the [Insured](#) first becomes aware of any circumstance that may reasonably be expected to be the basis of a [Claim](#) being made against the [Insured](#), and if during the [Policy Period](#), the [Insured](#) elects to provide the [Insurer](#) with written notice of such circumstance along with any [Third Party Wrongful Act](#), and the reasons for anticipating such [Claim](#), with full particulars as to the dates, persons and entities involved, then any resulting [Claim](#) which is subsequently made against the [Insured](#) and reported to the [Insurer](#) that arises out of such circumstance or [Related Matter](#) will be considered made at the time such notice of circumstance was provided. Notice of such circumstance should be reported to the [Insurer](#) as stated under Item 15. of the Schedule.

### 7.2 Notice of Claim and First Party Incident

The [Insured](#) must provide written notice to the [Insurer](#) as soon as reasonably practicable, but in no event, later than the end of the [Policy Period](#) or any applicable Extended Reporting Period of a:

- (a) [Claim](#) first made against the [Insured](#) after an [Executive Officer](#) becomes aware of such [Claim](#); and
- (b) [First Party Incident](#) after an [Executive Officer](#) first discovers and/or becomes aware of such [First Party Incident](#).

### 7.3 Notice to Whom

- (a) Notice of a [Claim](#) and/or [First Party Incident](#) must be provided to the [Insurer](#) as stated under Item 15. of the Schedule;
- (b) In addition to the notice requirement above, notice of a [First Party Incident](#) may also be provided to the [Insurer](#) via the AXA XL Cyber Response Hotline as stated under Item 15. of the Schedule. Notice to the AXA XL Cyber Response Hotline alone will not serve as proper notice under this [Policy](#); and
- (c) The email/certified post mail will be deemed effective when received by the [Insurer](#).

### 7.4 When a Claim is Deemed Made

A [Claim](#) will be deemed made pursuant to the definition of [Claim](#) paragraph 5.6(a) and 5.6(c), on the earliest date an [Executive Officer](#) receives the first written demand; the definition of [Claim](#) paragraph 5.6(b), on the date of service; and the definition of [Claim](#) paragraph 5.6(d), on the date an [Executive Officer](#) receives written notice of such action.

### 7.5 Insured's Claim and First Party Incident Obligations

- (a) In connection with a:
  - (i) [Claim](#), the [Insured](#) must provide the [Insurer](#) with all information that the [Insurer](#) reasonably requires, including full particulars as to the dates, persons and entities involved in the [Claim](#) and the manner in which the [Insured](#) first became aware of the [Claim](#);
  - (ii) [First Party Incident](#), the [Insured](#) must provide the [Insurer](#) with all information that the [Insurer](#) reasonably requires, including full particulars as to the dates, persons and entities involved in the [First Party Incident](#) and the manner in which the [Insured](#) first became aware of the [First Party Incident](#).

Additionally, the [Insured](#) must provide the [Insurer](#) proof of loss with full particulars within three (3) months: after the first discovery by an [Executive Officer](#) of the [First Party Incident](#) (other than a [Cyber-Extortion Threat](#)), or first occurrence of the [Cyber-Extortion Threat](#).

### 7.6 Assistance and Cooperation

- (a) For the purposes of Insuring Clause 2.1 Third Party Liability Coverages, it will be the duty of the [Insured](#) to defend [Claims](#) and arrange for representation at any hearing or investigation. The [Insurer](#) will have the right to effectively associate with the [Insured](#) in respect of the conduct and management of any [Claim](#) to which this [Policy](#) may apply.
- (b) The [Insured](#) will reasonably cooperate with the [Insurer](#) and upon request of the [Insurer](#):
  - (i) assist the [Insurer](#) in the investigation of any [Third Party Wrongful Act](#) and [First Party Incident](#);
  - (ii) attend hearings, depositions and trials;

- (iii) assist the [Insurer](#) in defending and effecting settlements of [Claims](#).
  - (iv) secure and provide evidence which includes, but is not limited to, obtaining the attendance of witnesses;
  - (v) allow the [Insurer](#) to participate in the handling and management of any suit or proceeding;
  - (vi) assist the [Insurer](#) in enforcing any right, contribution or indemnity against a third party which may be liable to the [Insured](#); and
  - (vii) allow a computer forensics expert access to systems, files and information.
- (c) The [Insured](#) will take all reasonable steps to limit and mitigate any [Loss](#) arising from any [Third Party Wrongful Act](#) or [First Party Incident](#) for which coverage may be or is sought under this [Policy](#). The [Insured](#) will do nothing which in any way increases the [Insurer's](#) exposure under this [Policy](#) or in any way prejudices the [Insurer's](#) potential or actual rights of recovery. The [Insured](#) will not, except at the [Insured's](#) own cost, voluntarily make any payment, assume or admit any liability or incur any expense without the prior written consent of the [Insurer](#).
- (d) No conduct, act or omission of one [Insured](#) will be imputed to any other [Insured](#). Notwithstanding the above, the knowledge possessed by and any conduct, act or omission of any past, present or future [Executive Officer](#) will be imputed to all [Insureds](#).

## 7.7 Automatic Acquisitions

This [Policy](#) will provide cover for any newly acquired or newly formed subsidiary company within the Territorial Limits in which the [Insured](#) acquires, either directly or indirectly, [Management Control](#) during the [Policy Period](#), provided that:

- (a) The gross revenue of the new subsidiary company does not exceed fifteen percent (15%) of the gross revenue of the [Insured](#); and
- (b) the activities carried on by the new subsidiary company are of similar nature to the [Professional Services](#) stated under Item 4. of the Schedule.
- (c) any entity of which the [Insured](#) acquires [Management Control](#) during the [Policy Period](#), either directly or indirectly, whose gross revenue exceeds fifteen percent (15%) of the gross revenue of the [Insured](#) will be covered:
  - (i) only for a period of sixty (60) days following the [Insured's](#) direct or indirect ability to exert [Management Control](#); and
  - (ii) after such sixty (60) day period if the [Insured](#):
    - (1) provides the [Insurer](#) with full particulars of such entity;
    - (2) pays any additional premium;
    - (3) agrees to any amendments to the [Policy](#) relating to such entity and;
    - (4) the [Insurer](#) agrees to add such entity as a subsidiary company by a written agreement and/or [Endorsement](#) to the [Policy](#).

For purposes of this definition, revenue is measured by the most recent financial year prior to the commencement date of the [Policy Period](#).

Coverage afforded by this [Policy](#) will apply only to a [Third Party Wrongful Act](#) and a [First Party Incident](#) occurring on or after the effective date that the [Insured](#) has obtained [Management Control](#) of such newly acquired or newly formed subsidiary company and before the time that the [Insured](#) ceased to have [Management Control](#) of such newly acquired or newly formed subsidiary company unless:

- (1) the [Insurer](#) is notified in writing of such change in circumstances before the effective date thereof and agrees in writing to provide coverage for [Third Party Wrongful Acts](#) and [First Party Incidents](#) occurring on or after such effective date; and
- (2) the [Insured](#) accepts any special terms, conditions and exclusions and pays any additional premium charge required by the [Insurer](#).

## 8. Extended Reporting Period

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### 8.1 Automatic Extended Reporting Period

The Automatic Extended Reporting Period applies solely to Insuring Clause 2.1 Third Party Liability Coverages. Effective upon the date of termination of the [Policy](#), the [Parent Company](#) will automatically be provided a period of sixty (60) days in which to give written notice to the [Insurer](#) of [Claims](#) first made against the [Insured](#) during the [Policy Period](#) or the Automatic Extended Reporting Period for [Third Party Wrongful Acts](#) committed by the [Insured](#) after the [Retroactive Date](#) and before the end of the [Policy Period](#).

The Automatic Extended Reporting Period is conditional upon this [Policy](#) not being renewed or replaced by a similar Cyber insurance. If renewal or replacement occurs after the start of the Automatic Extended Reporting Period, the Automatic Extended Reporting Period shall lapse automatically upon the effective date of such renewal or replacement.

### 8.2 Optional Extended Reporting Period

The Optional Extended Reporting Period applies solely to Insuring Clause 2.1 Third Party Liability Coverages. Effective upon the date of termination of the [Policy](#), the [Parent Company](#) will have the right to purchase an Optional Extended Reporting Period of one (1), two (2), three (3), or six (6) years. Such right must be exercised by the [Parent Company](#) within sixty (60) days of the date of termination or cancellation of the [Policy](#) by providing written notice to the [Insurer](#) and paying the additional premium described below. Upon satisfying the provisions of this clause the [Parent Company](#) may provide written notice to the [Insurer](#) of a [Claim](#) first made against the [Insured](#) during the Optional Extended Reporting Period for a [Third Party Wrongful Act](#) committed by the [Insured](#) after the [Retroactive Date](#) and before the end of the [Policy Period](#) which shall be covered by the [Insurer](#) subject to the terms and conditions of this [Policy](#).

The additional premium for the Optional Extended Reporting Period will be for:

- (a) One (1) year, one hundred percent (100%) of the [Policy](#) annual premium;
- (b) Two (2) years, one hundred fifty percent (150%) of the [Policy](#) annual premium;
- (c) Three (3) years, one hundred seventy-five percent (175%) of the [Policy](#) annual premium; or
- (d) Six (6) years, two hundred fifty percent (250%) of the [Policy](#) annual premium.

### 8.3 Application of Extended Reporting Period

- (a) The Automatic Extended Reporting Period and the Optional Extended Reporting Period cannot be cancelled by the [Insured](#) and any additional premium charged for the Optional Extended Reporting Period will be fully earned at inception;
- (b) the first sixty (60) days of the Optional Extended Reporting Period, if purchased, will run concurrently with the Automatic Extended Reporting Period; and
- (c) the limits of liability of the [Insurer](#) under the Automatic Extended Reporting Period and the Optional Extended Reporting Period will be part of and not in addition to the limits of liability for the [Policy](#).

## 9. Conditions

The following conditions apply to the [Policy](#) as a whole. If the(se) condition(s) are not complied with, the [Insurer](#) will have no liability under the [Policy](#), unless the [Insured](#) shows that non-compliance with the condition(s) could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

### 9.1 Allocation

Where the handling, investigation, defence, settlement, payment, or reimbursement of a [Claim](#) or event under Section 2 Insuring Clauses involves both matters or parties covered by this [Policy](#) and matters or parties not covered by this [Policy](#), the total sums incurred as a result of the [Claim](#) or event under Section 2 Insuring Clauses shall be borne by the [Insurer](#) and the [Insured](#) in the same proportion that the covered matters or parties bear to the uninsured elements of the [Claim](#) or event under Section 2 Insuring Clauses.

Where there is no express allocation of the total sums incurred as a result of the [Claim](#) or event under Section 2 Insuring Clauses between matters or parties covered and matters or parties not covered by this policy, a fair and proper allocation will be made between the [Insured](#) and the [Insurer](#).

### 9.2 Change in Control

If, during the [Policy Period](#), the [Parent Company](#) consolidates with, merges into, or sells all or substantially all of its assets to another entity, or if any entity acquires [Management Control](#) of the [Parent Company](#), then the [Policy](#) will remain in full force but only with respect to a [Third Party Wrongful Act](#) and [First Party Incident](#) (other than a [Cyber-Extortion Threat](#)) involving the [Parent Company](#) that occurred before the date of the consolidation, merger, sale or acquisition of [Management Control](#).

Provided, however, coverage will remain in force for a [Third Party Wrongful Act](#) and [First Party Incident](#) (other than a [Cyber-Extortion Threat](#)) first discovered and for a [Cyber-Extortion Threat](#) first occurring subsequent to the date of the consolidation, merger, sale or acquisition of [Management Control](#), if within thirty (30) days of the takeover effective date (1) the [Insurer](#) receives written notice containing full details of the transaction, (2) the [Parent Company](#) accepts all [Policy](#) amendments required by the [Insurer](#), including the addition of special terms, conditions and exclusions, and (3) the [Parent Company](#) pays any additional premium charge.

The above provision may be waived in writing by the [Insurer](#).

### 9.3 Cyber-Extortion Event

- (i) The [Insurer's](#) obligation to pay [Cyber-Extortion Expenses](#) will not exceed the Cyber-Extortion Event limit of liability set forth under Item 13. of the Schedule. The Cyber-Extortion Event limit of liability will be the [Insurer's](#) maximum liability for all [Cyber-Extortion Expenses](#) for which this [Policy](#) affords coverage under any Insuring Clause and is part of, and not in addition to, the limit(s) of liability applicable under any other of the [Policy's](#) Insuring Clauses or applicable aggregate limit(s). The Cyber-Extortion Event limit of liability will apply regardless of the number of [Cyber-Extortion Threats](#). No amount constituting [Cyber-Extortion Expenses](#) will be afforded coverage under any other Insuring Clause or provision of this [Policy](#), including, but not limited to, [Extra Expenses](#) or [Data Recovery Expenses](#). Coverage for all loss included within the definition of [Cyber-Extortion Expenses](#) set forth above will be available solely and exclusively under Insuring Clause 2.2(c) and will be subject to the Cyber-Extortion Event limit of liability set forth under Item 13. of the Schedule.
- (ii) The [Insurer](#) will be liable only for that portion of [Cyber-Extortion Expenses](#) in excess of the [Excess](#) set forth under Item 14. in the Schedule. The Cyber-Extortion Event [Excess](#) will remain uninsured and borne solely by the [Insured](#) at its own risk.
- (iii) Should the [Insurer](#) determine, in its sole discretion, that payment of any [Cyber-Extortion Expenses](#) might conflict with applicable laws or regulations (including but not limited to any trade or economic sanctions laws or regulations), the [Insurer](#) has the right, but not the obligation, to seek relief or guidance from an appropriate regulatory authority or court of competent jurisdiction before it will pay any such [Cyber-Extortion Expenses](#). If the [Insurer](#) exercises such right, payment for any [Cyber-Extortion Expenses](#) will not become due until thirty (30) days after payment of such [Cyber-Extortion Expenses](#) has been authorised by such regulatory authority or court or such additional time that the [Insurer](#) may reasonably require.

- (iv) To determine if amounts surrendered as payment are reasonable, necessary, and compliant under the definition of [Cyber-Extortion Expenses](#), the [Insurer](#) must: (a) provide the Insurer with information regarding the cyber-extortion threat, including any cyber-extortion questionnaire along with supplemental information; and (b) provide the [Insurer](#) with information for the [Insurer](#) to confirm that payment of such amounts complies with the Insurer's legal compliance protocols.
- (v) The [Insurer](#) has the right to request reasonable documentation for the purposes of assessing the [Cyber-Extortion Threat](#) from the [Insured](#) before payment of any claim for any part of a [Cyber-Extortion Expenses](#).

#### 9.4 Other Insurance

- (a) This [Policy](#) is excess over any other valid and collectible insurance, whether prior or existing at the same time, unless such other insurance is expressly written to be excess of this [Policy](#); and
- (b) Solely with respect to Insuring Clauses 2.2(f) Social Engineering Fraud, 2.2(g) Funds Transfer Fraud, 2.2(h) Invoice Manipulation, 2.2(j) Crypto-Jacking and 2.2(k) Telecommunications Fraud, coverage provided under this [Policy](#) is excess to the coverage provided by any crime insurance policy if such payments are for [Social Engineering Financial Fraud Loss](#), [Funds Transfer Fraud Loss](#), [Invoice Manipulation Loss](#) or [Utility Fraud Loss](#) that would otherwise be covered under this [Policy](#).

#### 9.5 Subrogation

In the event of payment of [Loss](#) by the [Insurer](#) under the [Policy](#), the [Insurer](#) is subrogated to all of the [Insured's](#) rights of recovery against any person or entity to the extent of such payment. The [Insured](#) shall cooperate with the [Insurer](#) and take steps required by the [Insurer](#) to make a recovery. The [Insured](#) will not take any steps to prevent the [Insurer](#) making a recovery.

If, before a [Claim](#) is made, the [Insured](#) has waived its rights to recovery against a person or entity in any written contract or agreement, then the [Insurer](#) will waive its rights to subrogation against such person or entity to the same extent as the [Insured's](#) waiver.

#### 9.6 Territory

Where permissible by the law of this [Policy](#) and the jurisdiction in which the payment is to be made and subject to all terms and conditions of this [Policy](#), this [Policy](#) will apply to any [Third Party Wrongful Act](#) and [First Party Incident](#) occurring and [Claim](#) made anywhere in the world, unless otherwise stated in the Schedule.

#### 9.7 Parent Company Sole Agent

The [Parent Company](#) will be the sole agent and will act on behalf of any [Insured](#) for the purpose of:

- (a) providing and/or receiving notices or amendments to the [Policy](#);
- (b) making statements and representations;
- (c) remitting premium and receiving the return premium that may become due;
- (d) paying the [Excess](#); and
- (e) exercising or declining to exercise any right under the [Policy](#).

#### 9.8 Assignment

The [Insured](#) may not assign any rights under the [Policy](#) without the [Insurer's](#) written consent.

#### 9.9 Legal Representatives and Domestic Partners

The legal representative in the event of the death of a natural person [Insured](#), and any [Domestic Partner](#) of a natural person [Insured](#), will be considered insured under this [Policy](#); provided, however, coverage is afforded to such legal representative and [Domestic Partner](#) only for a [Claim](#) arising solely out of their status as such and, in the case of a [Domestic Partner](#), where such [Claim](#) seeks damages from marital community property, jointly held property or property transferred from such [Insured](#) to the [Domestic Partner](#).

No coverage is provided for any act, error or omission of a legal representative or [Domestic Partner](#). All terms and conditions of this [Policy](#), including the [Excess](#) applicable to [Damages](#) or [Defence Costs](#) incurred by the [Insured](#), will also apply to [Damages](#) and [Defence Costs](#) incurred by such legal representative, and [Domestic Partner](#).



#### 9.10 Valuation

Adjustment of loss under 2.2 (d) Bricking will be computed as of the date of loss at the place of the loss, and for no more than the interest of the [Insured](#). The adjustment of loss to a [Computer System](#) will be subject to the lesser of the following:

- (a) the cost to repair; and
- (b) the cost to replace a [Computer System](#) with equipment that is the most functionally equivalent even if such equipment:
  - (i) has technological advantages;
  - (ii) represents an improvement in function; or
  - (iii) forms part of a program or system enhancement.

#### 9.11 Law Enforcement Co-operation

An [Insured](#) may receive a request from a law enforcement authority to keep confidential certain information about an actual or possible [First Party Incident](#) or [Third Party Wrongful Act](#). In such circumstances, notice of such [First Party Incident](#), or [Claim](#) relating to or arising out of such [Third Party Wrongful Act](#), will be considered timely under the [Policy](#) if:

- (a) as soon as practicable after receipt of such request, an employee or [Executive Officer](#) of the [Insured](#) requests permission to share such information with the [Insurer](#);
- (b) the [Insured](#) only withholds from the [Insurer](#) that portion of the information that it has been instructed by law enforcement not to disclose to the [Insurer](#); and
- (c) the [Parent Company](#) provides full notice of such [Claim](#) or [First Party Incident](#) to the [Insurer](#) as soon as legally permitted.

In addition, to the extent the procedure above is followed in connection with an authorised law enforcement request, any failure or delay in providing information to the [Insurer](#) will not be the basis for denial of coverage for a [Claim](#) or [First Party Incident](#) under the [Policy](#) on the basis of an [Insured's](#) failure to provide documentation and otherwise cooperate, as required by Section 7. Notification.

Notwithstanding the above, no coverage will be afforded for any [Claim](#) or [First Party Incident](#) if the information withheld relating to such [First Party Incident](#) or [Third-Party Wrongful Act](#) was:

- (i) known to the [Insured](#) before the [Retroactive Date](#) (or any other previous policy providing substantively identical coverage) issued by any other insurer to the [Insured](#); and
- (ii) not disclosed before the Inception date set forth under Item 6. of the Schedule.



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