

A large, abstract geometric pattern composed of numerous overlapping triangles in various shades of blue, centered on the page.

Cyber and Data Security Insurance

Policy Terms

QCyberPrepare

Confidence before, during and after a cyber incident



During a cyber incident, there may be uncertainty that an organisation's files, documents and communication channels are available or clear of threat actors. QCyberPrepare (powered by CYGNVS) enables an organisation to securely store key documents (plans, policies, key contacts etc.) and effectively communicate outside the corporate network.

QCyberPrepare can be an organisation's cyber safe room, ensuring an efficient and coordinated approach when a cyber incident occurs.

QCyberPrepare, in partnership with CYGNVS, is built to empower organisations to be connected, confident, and in control before, during and after a cyber crisis.

Key benefits include:

- User friendly cyber response platform to help organisations proactively prepare for cyber incidents.
- Confidential and secure storage for critical documents and contact information, ensuring accessibility even if an organisational network becomes compromised during a cyber incident.
- An out-of-band solution with access controlled by your organisation.
- Invite and collaborate with your incident response team, including external advisors, to prepare for a cyber incident.
- 24/7 secure access to incident response documents and messaging capabilities so your business can launch incident response processes as soon as an incident occurs.
- Secure messaging and video call capabilities.



Opportunity

QCyberPrepare is available to all QBE Primary Cyber insurance customers.



Next steps

Schedule an onboarding call to receive immediate access and discover how the complimentary QCyberPrepare service enables your organisation to manage critical information and effectively respond to a cyber incident.

[Click here to schedule your QCyberPrepare consultation](#) or scan below



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* As a QBE cyber customer, you may have the opportunity to utilise QCyberPrepare, a cyber safe room powered by CYGNVS. If you choose not to receive further information on our complimentary cyber risk management service, please advise that you would prefer to opt out of this offer. This service may not be available in your region.

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SECTION 1: HOW YOUR POLICY WORKS

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| PARTIES TO THIS AGREEMENT | 1.1 | <p>This policy is between you (the insured shown in the schedule) and us (the insurer). This document, together with its schedule (including any schedules issued in substitution), and any attached endorsements is the policy which sets out this insurance. It is a legal contract so please read all of it carefully.</p> |
| WORDS IN BOLD | 1.2 | <p>Other than in the headings, words in bold carry specific meanings which are set out in the Definitions section.</p> |
| POLICY STRUCTURE | 1.3 | <p>Each section sets out the extent of cover, how our liability to you may be limited or excluded and other relevant terms and conditions applicable to that section.</p> <p>The cover provided by each insured section is only operative if stated as 'insured' in the schedule. Where any schedule heading or sub-heading states 'n/a', 'not applicable' or 'not insured' then no cover applies for that section.</p> <p>Certain terms apply to the whole policy and they are set out in:</p> <p>Section 3: Exclusions</p> <p>Section 4: Notification and Claims</p> <p>Section 5: General Conditions</p> <p>Section 6: How to Complain</p> <p>Section 7: Privacy; and</p> <p>Section 8: Definitions.</p> <p>Limits of indemnity and sub-limits operate in accordance with the general terms and conditions.</p> |
| YOUR DUTY OF FAIR PRESENTATION | 1.4 | <p>You must make a fair presentation of your risk in proposing for, or proposing to vary, this policy, having conducted a reasonable search of information available to you, including information held by third parties. You should obtain advice from your broker or other suitably qualified persons as to the requirements of a fair presentation.</p> <p>It is important that your disclosure is substantially correct and presented to us in a clear and accessible manner. Incomplete, incorrect or false information may result in any claim being rejected, the amount you receive being reduced or the whole policy being avoided.</p> |
| MATERIAL CHANGES DURING THE PERIOD OF INSURANCE | 1.5 | <p>You must notify us within thirty (30) days of any material change to you, your business services or the risks insured if indemnity under this policy is sought in relation to any such change. Any acquisitions or creations falling under clauses 5.1 and 5.2 shall not be considered a material change for the purposes of this clause.</p> <p>We shall not indemnify you for any liability arising out of a material change for which indemnity would otherwise have been available under this insurance unless we have provided valid confirmation of cover, whether by an express term of this policy, endorsement, written confirmation or otherwise.</p> |

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| PREMIUM PAYMENT | 1.6 | <p>We will, in consideration of the payment of the premium and for the period of insurance, provide insurance in accordance with the sections of the policy shown as 'operative' in the schedule, subject to the conditions, exclusions and endorsements of the policy.</p> <p>If any instalment of premium is not paid and accepted by us on or before its payment date shown in the schedule, we can give written notice to you at the address shown on the schedule cancelling the policy in accordance with clause 5.4(ii).</p> |
| HOW TO CLAIM | 1.7 | You must follow the provisions set out in section 4 - 'Notification and Claims' which explain the process and your responsibilities. |
| HOW TO COMPLAIN | 1.8 | Please refer to section 6 – 'How to Complain'. |

SECTION 2: INSURING AGREEMENTS

Subject to the provisions of the **policy**, including any applicable **excess** or **waiting period** and any applicable **limit of liability/sub-limit**, **we** will:

CYBER, DATA SECURITY AND MULTIMEDIA COVER

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| CYBER AND DATA SECURITY INSURING CLAUSE | 2.1 | indemnify you for any claim and defence costs first made against you during the period of insurance which arises out of any actual or alleged cyber risk of which you first become aware during the period of insurance . |
| MULTIMEDIA INSURING CLAUSE | 2.2 | indemnify you for any media claim and defence costs first made against you during the period of insurance of which you first become aware during the period of insurance . |
| | 2.2.1 | <p>Limit of Liability</p> <p>Our liability under clauses 2.1 and 2.2 shall not exceed the limit of liability for Cyber, Data Security and Multimedia for any single claim.</p> |

CYBER, DATA SECURITY AND MULTIMEDIA COVER - EXTENSIONS

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| FINANCIAL TRANSFER INDEMNIFICATION | 2.3 | <p>indemnify you for any theft of your money or property of which you first become aware during the period of insurance caused by a breach of network security.</p> <p>Our liability under this clause 2.3 shall not exceed GBP 100,000 or the sub-limit for Financial Transfer Indemnification, whichever is the lower, for any single claim.</p> |
|------------------------------------|-----|--|

LOSS OF OR DAMAGE TO DOCUMENTS

- 2.4 indemnify **you** for costs and expenses reasonably incurred in replacing or restoring **documents you** discover during the **period of insurance** to be lost, damaged or destroyed and which, after diligent search, cannot be found provided that:
- (i) the loss, damage or destruction was a result of a **breach of privacy**;
 - (ii) **we** will only indemnify **you** for costs, charges and expenses of whatsoever nature incurred by **you** in replacing and/or restoring such **documents** which are supported by bills and/or accounts and which shall be subject to prior written approval by a competent person nominated by **us** with **your** consent; and
 - (iii) **we** will only indemnify **you** for the loss of any **documents** which were in **your** custody or control or that of any other person to whom **you** entrusted, lodged or deposited such **documents** in the ordinary course of your **business services**.

Our liability under this clause 2.4 shall not exceed GBP 100,000 or the **sub-limit** for Loss of or Damage to Documents, whichever is the lower, for any **single claim**.

WITHDRAWAL OF CONTENT

- 2.5 indemnify **you** against all costs and expenses, which **you** shall become legally liable to pay for and as a result of the withdrawal or alteration of any **media content** during the **period of insurance** by order of a court as a result of or in mitigation of a **media claim** covered by this **section** including as a result of a complaint made to the Advertising Standards Authority (ASA), the Office of Communications (Ofcom), Trading Standards Officers or any other official regulatory or self-regulatory body within the **territorial limit**, but only to the extent that such costs and expenses cannot be avoided or curtailed and providing that in the first instance **you**:
- (i) obtain **our** approval before incurring any costs or expenses; and
 - (ii) satisfy **us** that such **media content** would, if not rectified, result in damages equal to or in excess of the proposed indemnified costs and expenses; and
 - (iii) satisfy **us** that that the costs and expenses incurred are necessary to successfully avoid (or reduce the loss in respect of) a **media claim**.

Not indemnify **you** for any:

- a) payment recovered from others; or
- b) element of profit or savings for **you** in any payment or fees; or
- c) salaries, wages, overhead or any expenses of or associated with **you** incurred for the withdrawal of the content.

Our liability under this clause 2.5 shall not exceed GBP 500,000 or the **sub-limit** for Withdrawal of Content, whichever is the lower, for any **single claim**.

VOICE / TELEPHONY

- 2.6 indemnify **you** during the **period of insurance** against **your** financial loss as a result of **you** or any **service provider** failing to protect against a **breach of network security** which results in **your** telephone systems incurring unintended or unauthorised call charges or bandwidth charges during the **period of insurance**.

Our liability under this clause 2.6 shall not exceed the **sub-limit** for Voice/Telephony for any **single claim**.

DATA BREACH NOTIFICATION COSTS COVER

DATA BREACH NOTIFICATION COSTS

- 2.7 subject to **you** obtaining **our** prior consent, pay on **your** behalf for an actual or suspected **cyber risk** of which **you** first become aware during the **period of insurance**:
- (i) legal expenses incurred by the **cyber and data security representative** to assess whether **you** are in breach of **data protection law**; and
 - (ii) **data breach notification costs**.

Our liability under this clause 2.7 shall not exceed the **limit of liability** for Data Breach Notification Costs for any **single claim**.

INFORMATION AND COMMUNICATION ASSET RECTIFICATION COSTS COVER

INFORMATION AND COMMUNICATION ASSET RECTIFICATION COSTS

- 2.8 subject to **you** obtaining **our** prior consent, pay on **your** behalf all costs and expenses, incurred in:
- repairing, replacing or restoring **computer systems** discovered by **you** to be lost, damaged or destroyed when:
- (i) the loss, damage or destruction was a result of a **breach of network security**; and
 - (ii) the discovery of such loss, damage or destruction occurred during the **period of insurance**.

Such indemnity shall be limited to the costs and expenses of whatsoever nature incurred by **you** with **our** prior consent in relation to the replacement and/or restoration of such electronic data. Any claim for such costs and expenses shall be supported by invoices.

Our liability under this clause 2.8 shall not exceed the **limit of liability** for Information and Communication Asset Rectification Costs for any **single claim**.

REGULATORY DEFENCE AND PENALTY COSTS

REGULATORY DEFENCE AND PENALTY COSTS

- 2.9 subject to **you** obtaining **our** prior consent, and to the extent insurable by law, pay on **your** behalf those amounts which **you** are legally obliged to pay as a result of a **breach of data protection law** directly arising from a **cyber risk** of which **you** first become aware during the **period of insurance** and for any legal and investigation costs, as a result of a civil, regulatory or legal action, investigation, inquiry, **regulatory compensatory award**, civil penalty or fines imposed by a **data protection regulator** or law enforcement body against **you**.

Our liability under this clause 2.9 shall not exceed the **limit of liability** for Regulatory Defence and Penalty Costs for any **single claim**.

PUBLIC RELATIONS COSTS COVER

PUBLIC RELATIONS COSTS

- 2.10 subject to **you** obtaining **our** prior consent, pay reasonable costs **you** incur for the **cyber and data security representative** to avert or mitigate any significant damage to any of **your** brands and business operations resulting from a **cyber risk** of which **you** first become aware during the **period of insurance**.

Our liability under this clause 2.10 shall not exceed the **limit of liability** for Public Relations Costs for any **single claim**.

FORENSICS COSTS COVER

FORENSIC COSTS

- 2.11 subject to **you** obtaining **our** prior consent, pay forensic costs incurred by the **cyber and data security representative** as a result of a **cyber risk** or **cyber extortion threat** of which **you** first become aware during the **period of insurance** to:
- (i) establish the cause and extent of the **cyber risk** or **cyber extortion threat**;
 - (ii) assess **your** network security and recommend security improvements; and
 - (iii) temporarily store **your** electronic data at a third-party host location when **your computer systems** remain vulnerable to damage,

destruction, alteration, corruption, copying, stealing or misuse.

Our liability under this clause 2.11 shall not exceed the **limit of liability** for Forensic Costs for any **single claim**.

CREDIT MONITORING COSTS COVER

CREDIT MONITORING COSTS 2.12 subject to **you** obtaining **our** prior consent, pay the costs of offering credit monitoring or identify theft services **you** incur for a maximum period of twelve (12) months to those affected by a **breach of privacy** of which **you** first become aware during the **period of insurance**.

Our liability under this clause 2.12 shall not exceed the **limit of liability** for Credit Monitoring Costs for any **single claim**.

CYBER EXTORTION COVER

CYBER EXTORTION 2.13 indemnify **you** to the extent insurable by law for **cyber extortion expenses** arising from a **cyber extortion threat** during the **period of insurance**.

Our liability under this clause 2.13 shall not exceed the **limit of liability** for Cyber Extortion for any **single claim**.

CYBER BUSINESS INTERRUPTION COVER

CYBER BUSINESS INTERRUPTION 2.14 indemnify **you** for loss of **business income** incurred by **you**, including where caused by damage to **your** reputation, during the **period of reinstatement** directly as a result of a failure by **you** or the **service provider** to protect against a **breach of network security**.

We will not provide an indemnity for any losses incurred during the **waiting period** commencing when the total or partial interruption, material degradation in service, or failure of **computer systems** began.

Our liability under this clause will not exceed the lesser of:

- a) the amount of **business income you** would have earned during the **period of reinstatement** but for the total or partial interruption, material degradation in service, or failure of **computer systems**; or
- b) the **limit of liability** specified in the **schedule**.

SOCIAL ENGINEERING FRAUD COVER

SOCIAL ENGINEERING FRAUD 2.15 indemnify **you** during the **period of insurance** against the theft of **your money**, property, products, goods, services or other financial benefit, where such theft is as a direct result of a **social engineering fraud communication** during the **period of insurance** designed to impersonate **your** partners and/or **directors**, officers or **employees**, or those of any of **your** suppliers, **service providers** or any other third parties.

Our liability under this clause 2.15 shall not exceed the **limit of liability** for Social Engineering Fraud Cover for any **single claim**.

2.15.1 Sub-limit

Our liability under clauses 2.16 (Funds Transfer Fraud), 2.17 (Invoice Manipulation) and 2.18 (Cryptojacking) for any **single claim** shall:

- (i) not exceed the lesser of GBP 250,000 or the **limit of liability** for Social Engineering Fraud; and
- (ii) be part of, and not in addition to, the **limit of liability** for Social Engineering Fraud.

SOCIAL ENGINEERING FRAUD COVER - EXTENSIONS

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| FUNDS FRAUD | TRANSFER | 2.16 | indemnify you against all funds transfer fraud loss incurred by you resulting from a funds transfer fraud event . However, this cover only applies to funds transfer fraud events that are first discovered by you during the period of insurance . |
| INVOICE MANIPULATION | | 2.17 | indemnify you against all invoice manipulation loss incurred by you resulting from an invoice manipulation event . However, this cover only applies to invoice manipulation events that are first discovered by you during the period of insurance . |
| CRYPTOJACKING | | 2.18 | indemnify you against cryptojacking fraud loss incurred by you with our prior written consent resulting from a cryptojacking event . However, this cover only applies to cryptojacking events that are first discovered by you during the period of insurance . |

PCI DSS COSTS COVER

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| PCI DSS COSTS | | 2.19 | <p>subject to you obtaining our prior consent, and to the extent insurable by law, pay costs you incur for any claim and defence costs first made against you by a Payment Card Entity, or a party to whom you are liable for a claim arising from a breach of privacy during the period of insurance for:</p> <ul style="list-style-type: none"> (i) a PCI forensic consultant to investigate any suspected or actual non-compliance with the PCI DSS if required by a Payment Card Entity; (ii) the costs of PCI DSS recertification; (iii) any liability to a Payment Card Entity for its costs of re-issuing credit, debit or pre-funded cards due to your breach of PCI DSS; (iv) any costs or penalties imposed by the Payment Card Entity on you. |
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Our liability under this clause 2.19 shall not exceed GBP 50,000 for any **single claim**.

SECTION 3: EXCLUSIONS

We shall have no liability to make payments under this **policy** directly or indirectly attributable to any:

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| BETTERMENT | | 3.1 | <p>costs and expenses incurred in restoring, replacing, recreating, updating or installing a more secure and efficient version of your computer systems, to a level beyond that which existed prior to any claim or loss.</p> <p>This exclusion shall not apply to amounts incurred by you to update, upgrade, restore or replace your computer systems to a level beyond which existed immediately prior to any claim or loss unless such costs or expenses are necessary based on market availability of comparable products.</p> |
| BODILY INJURY PROPERTY DAMAGE | OR | 3.2 | <ul style="list-style-type: none"> (i) bodily injury unless arising from any claim seeking compensatory damages for mental anguish or distress where such damages arise from claims covered under this policy; (ii) property damage, unless expressly provided to the contrary. |
| BREACH OF LEGISLATION/ANTI-TRUST | | 3.3 | Actual or alleged breach of taxation, competition, restraint of trade, anti-trust or unsolicited communications legislation or regulation including but not limited to: |

- (i) the Employment Retirement Income Security Act 1974 and any amendment thereto, or any rules or regulations promulgated thereunder;
- (ii) any actual or alleged violations of the Racketeer Influenced and Corrupt Organisation Act 18 USC Sections 1961 et seq and any amendments thereto, or any rules or regulations promulgated thereunder;
- (iii) any actual or alleged violation of any of the provisions of the Securities Act of 1933, the Securities Exchange Act 1934 or any similar Federal or State law or any common law relating thereto;
- (iv) the CAN-SPAM Act of 2003 or any subsequent amendments to that Act;
- (v) the Telephone Consumer Protection Act 1991 or any subsequent amendments to that Act;
- (vi) the Electronic Communications 2003, Telephone Consumer Protection Act ("TCPA"); or
- (vii) any law, regulation or statute relating to the wrongful collection, wrongful storage or wrongful use of biometric data.

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| CLAIM BY AN INSURED | 3.4 | <p>claim brought directly or indirectly by or on behalf of any insured or your parent or subsidiary (as defined in the Companies Act 2006) provided that this exclusion shall not apply to:</p> <ul style="list-style-type: none"> (i) such claims by employees for breach of privacy; or (ii) where you are obliged to bring a claim against another insured, where failure to do so would result in you incurring a statutory liability or a subsequent claim by a third party. |
| CONDUCT | 3.5 | dishonest, fraudulent, deliberate or reckless act or omission of you . This exclusion shall not apply in respect of the misconduct of an employee . |
| CONTRACTUAL LIABILITY | 3.6 | liability arising under a contract except to the extent that: <ul style="list-style-type: none"> (i) such liability would have attached in the absence of such contract; (ii) this exclusion shall not apply in respect of PCIDSS; |
| EXISTING CLAIMS OR CIRCUMSTANCES | 3.7 | occurrence: <ul style="list-style-type: none"> (i) prior to the retroactive date; (ii) notified to any other insurer(s) covering the same subject matter as this insurance for a preceding period of insurance unless otherwise agreed; or (iii) known to you prior to the inception of this policy that may reasonably have been expected to result in a loss under this policy. |
| FALSE ADVERTISING | 3.8 | false advertising or deceptive trade practices arising from media content . |
| FINES AND PENALTIES | 3.9 | <ul style="list-style-type: none"> (i) fines, penalties, liquidated damages or contractual penalties other than those that are covered under Regulatory Defence and Penalty Costs, or PCI DSS costs; or (ii) punitive, multiple or exemplary damages awarded by a court or tribunal or reflected in a settlement. |
| FRANCHISEE | 3.10 | franchise or franchisee of the insured unless noted in the schedule . In addition, a claim originating from a franchise or franchisee of the insured shall not be covered under this policy . |
| GAMING, GAMBLING OR LOTTERIES | 3.11 | use or provision of any gaming, gambling or lottery except when such services are identified as business services . |

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| GOVERNMENT INTERVENTION | 3.12 | government, regulatory, licensing or commission action or investigation. However, this exclusion shall not apply to insuring clause 2.9 Regulatory Defence and Penalty Costs. |
| INACCURATE PRICING | 3.13 | inaccurate, inadequate or incomplete description or pricing of goods, products or services. |
| INSOLVENCY OF THE INSURED | 3.14 | insolvency event . However, an insolvency event will not relieve us of our legal obligations under this contract of insurance in respect to any claims made or first party loss occurring before such event. |
| LIABILITY ARISING OUT OF EMPLOYMENT | 3.15 | violation relating to any individual's actual or prospective employment by you . This exclusion will not apply to the extent that you would be liable to such employees other than in their capacity as employees or a breach of privacy or breach of data protection law affecting employees . |
| MANAGEMENT LIABILITY | 3.16 | personal liability incurred by you in the role of the director or officer when: <ul style="list-style-type: none"> (i) acting in that capacity; (ii) in breach of their fiduciary duty, or (iii) making or issuing any statement, representation or information concerning you and the business services contained in any accounts, reports or financial statements. |
| NATURAL PERILS | 3.17 | physical cause or natural peril, including but not limited to fire, storm, wind, water, flood, subsidence, or earthquake, that results in physical damage to property including to computer systems . |
| NORTH AMERICAN JURISDICTION | 3.18 | any North American jurisdiction , unless jurisdiction is stated in the schedule to be worldwide. |
| NUCLEAR RISK AND IONISING RADIATION | 3.19 | <ul style="list-style-type: none"> (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or (ii) the radiation, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof. |
| ORDINARY PAYROLL COSTS | 3.20 | ordinary salary costs incurred within your normal working hours. However, this exclusion shall not apply to insuring clause 2.14 Cyber Business Interruption. |
| PATENTS/TRADE SECRETS | 3.21 | infringement of any patent or unauthorised use of trade secrets. |
| PENSIONS | 3.22 | insured acting as a trustee, fiduciary or administrator of the insured's own pension, profit sharing or employee benefits programme, including any actual or alleged breach or violation of the Employee Retirement Income Security Act of 1974 (ERISA) (USA) the Pensions Acts of 1994 and 1995 (UK) or any successor, amending or subordinate legislation of either, or any similar or equivalent law or regulation in any other jurisdiction. |
| POLLUTION | 3.23 | <ul style="list-style-type: none"> (i) actual or alleged biological, chemical, radioactive or nuclear pollution, reaction, explosion, radiation or contamination; and/or (ii) actual, alleged or threatened discharge, release, escape, or disposal of, or exposure to, pollutants; and/or (iii) request, direction or order that you test for, monitor, clean up, remove, contain, treat, detoxify, nullify, neutralise or in any way respond to or assess the effect of pollutants or biological, chemical, radioactive nuclear pollution, reaction, explosion, radiation or contamination, or any voluntary decision to do so; and/or (iv) electromagnetic fields, electromagnetic radiation or electromagnetism; and/or (v) actual or alleged property damage, or bodily injury, or financial loss to you, your security holders, or your creditors resulting from any of |

the aforementioned matters.

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| PRODUCTS LIABILITY | 3.24 | goods or products (being tangible property or merchandise) sold, supplied, repaired, altered, treated, manufactured, installed or maintained by you or on your behalf. |
| RETURN OF FEES OR COMMISSIONS | 3.25 | return, restitution or offset of fees, commissions, expenses or costs either by service level credits or by any other means. |
| SANCTION LIMITATION | 3.26 | circumstance where the provision of such cover, payment of such claim or provision of such benefit would expose us , our reinsurer or any member of our group to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of any country. |
| TERRORISM | 3.27 | bodily injury , damage, claim , loss, liability, expenses, costs or defence costs of whatsoever nature caused by terrorism . Any unlawful act of a third party resulting in a breach of network security shall not be regarded as act of terrorism . |
| THEFT | 3.28 | claim or loss sustained by you or a third party by the transfer of money or securities (or equivalent thereof) other than where coverage is provided under Section 2.3 Financial Transfer Indemnification of this policy or Section 2.15 Social Engineering Fraud. |
| TRADING LOSS AND LIABILITIES | 3.29 | (i) of your lost profit, mark-up or tax liability or your equivalent; or (ii) of your trading loss including those arising from the loss of any client, account or business |
| | | other than covered under Cyber Business Interruption. |
| UNLICENSED SOFTWARE | 3.30 | use by you of software in breach of any intellectual property rights of another party, beyond the terms permitted by a licence granted to you , or in breach of applicable legislation or regulation. |
| UTILITY SERVICE PROVIDER | 3.31 | failure, disturbance, interruption or outage of: internet access or telecommunications services, including Domain Name System (DNS), Top-Level Domain or DNS Root Zone Service, telecommunications infrastructure or internet infrastructure, electricity, satellite or utilities. This exclusion will not apply if such services are under your direct operational control. |
| WAR AND CYBER OPERATION | 3.32 | actual or alleged: (i) War ; (ii) Cyber operation that is carried out as part of a war by sovereign states that are parties to the war ; or (iii) Cyber operation causing an impacted state . |

Provided, however, paragraph (iii) shall not apply to a **cyber operation** on a **computer system** used by **you** or **your** third-party service providers that are not physically located in an **impacted state**.

The following definitions apply for the purposes of this exclusion only:

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

Cyber operation means the use of a **computer system** by, at the direction, or under the control of a sovereign state to disrupt, deny access to, degrade,

manipulate or destroy information in a **computer system** of or in another sovereign state.

Essential services means services that are essential for the maintenance of vital functions of a sovereign state including but not limited to financial institutions and associated financial market infrastructure, health services or utility services.

Impacted state means a sovereign state where a **cyber operation** has had a major detrimental impact on:

- a) the functioning of that sovereign state due to critical disruption to the availability, integrity or delivery of **essential services** in that sovereign state; and/or
- b) the security or defence of that sovereign state.

Provided, however, an **impacted state** shall not result from an attack, or related series of attacks, solely impacting **you**.

War means armed conflict involving physical force either:

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

SECTION 4: NOTIFICATION AND CLAIMS

CYBER RISK - IMMEDIATE STEPS TO BE TAKEN

- 4.1 Immediately after discovery of an actual or alleged **cyber risk**, **you** should give notice to the **cyber and data security representative** by telephone on +44 (0)207 523 5333.

The **cyber and data security representative** can provide advice and assist you in the investigation of the actual or alleged **cyber risk**. If the actual or alleged **cyber risk** which you notify to the **cyber and data security representative** is following investigation determined to be covered by any **section** of this **policy**, we shall indemnify you for any reasonable costs you incur instructing the **cyber and data security representative**. If the actual or alleged **cyber risk** which you notify is not covered by any **section** of this **policy**, we shall not indemnify you for the costs you incur instructing the **cyber and data security representative** and you will have to bear those costs.

For the avoidance of doubt, notification to the **cyber and data security representative** does not satisfy your separate obligation under clause 4.2 below to notify **us** of any potential claim under this **policy**.

NOTIFICATION OF A CLAIM

- 4.2 It is a condition precedent to **our** liability that notice shall be given to **us** after discovery by **you** of any **claim** or **circumstance** or occurrence which may give rise to a claim under this **policy** as soon as reasonably practicable within the **period of insurance**. Such notice should be made via email to CoreFSM@uk.qbe.com.

We will be able to deal with **your** claim more effectively and speedily if **you** provide **your policy** number on first contact.

You may also wish to inform **your** insurance broker. For the avoidance of doubt, notification to **your** insurance broker does not satisfy **your** obligation to notify **us**.

In relation to any cover provided by this **policy**, if:

- (i) **you** notify **us** of **circumstances** during the **period of insurance** in

- accordance with the requirements of this **section**; and
- (ii) such notification includes all relevant facts which may give rise to a **claim**, to the extent known or reasonably accessible to **you**; and
- (iii) **we** are satisfied that a claim may arise from the **circumstances** notified;

we will treat any **claim** subsequently arising from such **circumstances** as though the **claim** had been notified during the **period of insurance**.

YOUR DUTIES

4.3

You must before and after any notification under this **policy**:

- (i) not admit responsibility, liability, make an offer or promise, nor offer payment or indemnity without **our** written consent;
- (ii) not incur any expense without **our** written consent except at **your** own cost, unless expressly provided to the contrary;
- (iii) give all such information, co-operation and assistance, and forward all documents and information as requested to enable **us** to investigate, settle or resist any claim, as **we** may reasonably require;
- (iv) not destroy evidence or supporting information or documents without **our** prior written consent; nor destroy property relating to an occurrence, loss or suit that may give rise to a claim under this **policy**.

DEFENCE

4.4

- (i) **We** shall have the right to defend a **claim** even if the **claim** is groundless, false or fraudulent. Our right and duty to defend and pay on **your** behalf ends when the applicable **limit of liability** or **sub-limit of liability** has been exhausted.
- (ii) **You** shall not incur any defence costs without **our** prior consent.

INTERRELATED CLAIMS 4.5

- (i) Only one **excess** and one **limit of liability/sub-limit** shall apply to a **single claim**. Where a **single claim** triggers more than one **excess, limit of liability** or **sub-limit**, the highest applicable **excess, limit of liability** or **sub-limit** shall apply regardless of the number of:
 - a) coverages under which a claim or claims are made;
 - b) **insureds**, entities, or interested parties making the claim(s);
 - c) claimants;
 - d) causes of action; and/or
 - e) premises, locations or territories.
- (ii) All claims under this **policy** involving the same **incident** shall be deemed to have been first made when the first such **claim, circumstance** or occurrence which may give rise to a claim was notified to **us**.

FRAUDULENT CLAIMS 4.6

If **you** or anyone acting on **your** behalf makes a fraudulent claim under this **policy, we**:

- (i) are not liable to pay the claim;
- (ii) may recover any part of the claim already paid from the relevant **insured**; and
- (iii) may by notice to **you** treat this **policy** as having been terminated with effect from the time of the first fraudulent act, in which case **we** are not liable to **you** in respect of a relevant event occurring after that time and may retain any premium.

These remedies shall not be available against any other entity which is an **insured** under this **policy** that was not implicated in the fraud.

SECTION 5: GENERAL CONDITIONS

ACQUISITION OF THE PARENT COMPANY 5.1

In the event of a **change in control** of the **parent company**:

- (i) this **policy** shall remain in force until the expiration of the **period of insurance**, but only for **cyber risks, cyber extortion threats** and loss of **business income** discovered prior to the effective date of such **change in control**;
- (ii) the entire premium for this **policy** shall be deemed fully earned as of the effective date of such **change in control**; and
- (iii) the **parent company** shall be entitled to receive a quote for up to a 6 year extension of coverage (“run-off coverage”) solely for **cyber risks, cyber extortion threats** and loss of **business income** discovered prior to the effective date of such **change in control**. Coverage offered pursuant to such quote shall be subject to an additional or different terms and conditions and payment of an additional premium.

The cover provided under this clause is subject to the following:

- a) **You** must notify **us** of any **change in control** no later than fourteen (14) days before the effective date of such **change in control**;
- b) The **parent company’s business services** after the **change in control** shall be the same as its **business services** before the effective date of such **change in control**; and
- c) The **parent company’s computer system** shall not be part of the **computer system** of the entity acquiring control of the **parent company**.

ACQUISITIONS OF A SUBSIDIARY 5.2

- (i) Except as shown in the paragraph 5.2(ii), if before or during the **period of insurance** any entity qualifies as a **subsidiary**, then such **subsidiary** shall be an **insured**, but only for **cyber risks, cyber extortion threats** and loss of **business income** discovered prior to the effective date of such transaction.
- (ii) If the total revenues of any **subsidiary** acquired during the **period of insurance** exceed 20% of **your** total revenues (as reflected in **your** most recent audited consolidated financial statements as of the date of such acquisition), **you** shall have 90 days from the date of the acquisition to notify **us** of such acquisition.

Following such notice to **us**, **you** shall be required to provide **us** with any additional information **we** may reasonably request regarding the acquisition, and any coverage for an **insured** of such newly acquired **subsidiary** may be subject to additional or different terms or conditions under this **policy** and the payment of additional premium.

If **you** fail to provide the foregoing notice and additional information, coverage under this **policy** for any **insured** of such newly acquired **subsidiary** shall terminate with respect to any **cyber risk** or **media claim** taking place, discovered or first made more than 90 days after the date of the acquisition.

ASSIGNMENT 5.3

We shall not be bound by any assignment of interest under this **policy** unless **we** have given **our** prior consent.

CANCELLATION 5.4

This **policy** shall terminate at the earliest of the following times:

- (i) the effective date of termination specified in a prior written notice by **you** to **us**;
- (ii) twenty (20) days after receipt by **you** of a written notice of termination from **us** for failure to pay a premium when due, unless premium is paid within such twenty (20) day period;
- (iii) upon expiration of the **period of insurance**;

- (iv) at such other time as may be agreed upon by **you** and **us**;
- (v) by **you** giving written notice to **your** broker or to **us** quoting **your** policy number:
 - a) within fourteen (14) days from the inception date of this **policy** provided that there are no notifiable matters under SECTION 4: NOTIFICATION AND CLAIMS. **You** have the right to cancel the **policy** free of charge and to receive a full refund of premium under this **policy**. If **we** pay any claim, in whole or in part, then no refund of premium will be allowed; or
 - b) after fourteen (14) days from the inception date of the **policy**. **We** may refund any unearned premium calculated pro-rata to the annual premium provided no claim has been submitted, and there is no incident likely to give rise to a claim, during the current **period of insurance** in which case no refund of premium shall be due.

If **you** cancel this **policy** after fourteen (14) days from the inception day of the **policy**, there will be an additional charge of forty pounds (£40) to cover the administrative cost of providing this insurance. This termination will be without prejudice to **your** or **our** rights or claims incurred prior to the expiration of such notice.

The terms of this SECTION 5: GENERAL CONDITIONS clause 5.4 (CANCELLATION) shall prevail over any conflicting state amendatory or policy language, to the extent allowed by applicable insurance laws and regulations.

CONFIDENTIALITY 5.5

We shall treat as confidential all information provided to **us** by **you** in connection with this **policy** and will not, without **your** prior consent, disclose any such information to any third party but **we** shall, without **your** consent, be entitled to disclose any confidential information to:

- (i) any director, officer, employee, agent, reinsurer or adviser of **QBE** or its group companies in connection with this **policy**;
- (ii) any person in order to comply with any legal or regulatory requirement; and
- (iii) as required by any court, mediator or arbitrator.

We will not be required to treat as confidential any information provided to **us** by **you** if that information:

- f) is in the public domain, other than by means of **us** having disclosed it; or
- g) was in **our** possession prior to it being provided by **you**.

You will not disclose the terms, conditions, exclusions, or the **limit of liability** of this **policy** or the amount of the premium paid to any third party except:

- i. to the extent that **you** are required to do so by law; or
- ii. you can disclose such information to your professional advisers if such disclosure is reasonably necessary for **your** professional advisers to perform their duties and that the advisers are bound by obligations of confidentiality no less stringent than those set out in this clause.

CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

5.6

A person who is not a party to this contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this contract, but this does not affect any right or remedy of a third party which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.

DISPUTED DEFENCE OR APPEAL 5.7

Any dispute between **you** and **us** as to whether a **claim** should be defended or an appeal made will be referred to a senior counsel or King's Counsel (or solicitor with at least 20 years' experience in the field of insurance law) to be mutually agreed between the parties (or in default of agreement to be nominated by the President of the Law Society) whose decision will be final. In the event of conflict between any parties insured under this **policy** separate representation will be arranged for each party.

DUTY OF FAIR PRESENTATION 5.8

You must make a fair presentation of the risk (as set out in the Insurance Act 2015 or successor or amending legislation) in proposing for, or proposing to vary, this **policy**.

GOVERNING LAW AND ARBITRATION 5.9

This **policy** shall be governed by and construed in accordance with the laws of England and Wales.

All matters in difference between the parties arising under, out of or in connection with this **policy**, including formation and validity, and whether arising during or after the **period of insurance**, shall be referred to an arbitration tribunal. The seat and place of arbitration shall be London. The arbitration shall be conducted in accordance with the latest UK ARIAS Rules published at the time that arbitration is commenced.

Unless the parties agree to appoint a sole arbitrator within fourteen (14) days of one receiving a written request from the other for arbitration, the claimant shall appoint his arbitrator and give written notice to the respondent. Within fourteen (14) days of receiving such notice the respondent shall appoint his arbitrator and give written notice to the claimant.

If the respondent refuses to, or fails to, appoint an arbitrator within fourteen (14) days of receiving written notice of the appointment of the claimant's arbitrator, the claimant may give notice in writing to the respondent that he proposes to appoint his arbitrator to act as the sole arbitrator. If the respondent does not within seven (7) clear days of that notice being given make the required appointment and notify the claimant that he has done so, the claimant may appoint his arbitrator as sole arbitrator whose award shall be binding on both parties as if he had been so appointed by agreement.

Where two arbitrators have been appointed by the claimant and the respondent, those arbitrators shall appoint a third arbitrator. Should they fail to appoint such a third arbitrator within twenty-eight (28) days of the appointment of the respondent's arbitrator, either of them or either of the parties may apply to the appointor for the appointment of the third arbitrator. The appointor shall be the Chairman for the time being of ARIAS (UK) or if he is unavailable or it is inappropriate for him 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 shall be the Judge of the appropriate Courts having jurisdiction at the place of arbitration.

The three arbitrators shall decide by majority. If no majority can be reached the verdict of the third arbitrator shall prevail. The third arbitrator shall also act as chairman of the tribunal.

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

LATE PAYMENT OF CLAIMS 5.10

We shall, pursuant to section 13A of the Insurance Act 2015, pay any sum due in respect of a valid claim within a reasonable time (which includes a reasonable time to investigate and assess the claim).

LIMIT OF LIABILITY AND EXCESS

5.11

- (i) There is no aggregate policy **limit of liability** for all insuring clauses combined (being the maximum amount of **insurer's** liability under any one and all insured sections for any one **period of insurance**). This clause 5.11(i) overrides any provision in the **schedule** to the contrary.
- (ii) Any **limit of liability** or **sub-limit** is the maximum amount for which **we** will indemnify **you** in respect of each **single claim** during the **period of insurance**.
- (iii) Any and all of **our** liability under this **policy** associated with a loss or **claim**, whether **defence costs**, costs and expenses or any other sums whatsoever shall be treated as part of the loss or **claim**.
- (iv) Unless stated otherwise, **defence costs** are part of and not in addition to the **limit of liability** or **sub-limit**.
- (v) Any **sub-limit** for a specified cover identified in the **schedule** applies as the **limit of liability** for that cover and is deemed to be part of and not in addition to the applicable **limit of liability** unless expressly stated otherwise.
- (vi) Any additional cover, extension or endorsement is deemed to be part of and not in addition to the applicable **limit of liability** unless expressly stated otherwise.
- (vii) **You** shall pay the **excess** or reimburse **us** to the extent that **we** have paid up to a maximum of the **excess**.
- (viii) The **limit of liability** and any **sub-limit**, as applicable, is additional to any applicable **excess**.
- (ix) Where provided, a **limit of liability** or **sub-limit** will always be in the aggregate in respect of any **North American jurisdiction** inclusive of **defence costs** and any other sums whatsoever.

OTHER INSURANCE

5.12

The following apply when **you** have other insurance covering the same risk:

- (i) The cover provided by this **policy** shall be primary insurance.
- (ii) If there are other valid and collectible insurance providing primary cover, **we** shall only pay **our** rateable proportion to the sum of the limits of liability of all applicable primary insurance.

REMEDIES FOR BREACH OF THE DUTY OF FAIR PRESENTATION – PROPOSING FOR THIS INSURANCE

5.13

If **you** or anyone acting on **your** behalf breaches **your** duty of fair presentation then **our** remedies shall be as follows:

- (i) if such breach is deliberate or reckless, then **we** may:
 - a) treat this **policy** as having been terminated from its inception; and
 - b) retain the premium;
- (ii) if such breach is not deliberate or reckless and **we** would not have entered into this **policy** but for the breach, **we** may by notice to **you** treat this **policy** as having been terminated from its inception in which case **we** shall return the premium; and
- (iii) in all other cases if, but for the said breach, **we** would have entered into this **policy** but:
 - a) on different terms (other than terms relating to the premium), **we** may require that this **policy** is treated as if it had been entered into on those different terms from the outset; or
 - b) would have charged a higher premium, **we** may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims). In those circumstances, **we** shall pay X% of what it would otherwise have been required to pay, where X = (premium actually charge/higher premium) x 100.

REMEDIES FOR BREACH OF THE DUTY OF FAIR PRESENTATION - VARIATION

5.14

If **you** or anyone acting on **your** behalf breaches **your** duty of fair presentation in relation to a variation of this **policy**, **our** remedies shall be as follows:

- (i) if such breach is deliberate or reckless, **we** may:
 - a) by notice to **you** treat this **policy** as having been terminated from the time when the variation was concluded; and
 - b) retain the premium;

- (ii) if such breach is not deliberate or reckless, and **we** would not have entered into the variation but for the breach, **we** may treat this **policy** as if the variation was never made, in which case **we** shall return any additional premium relating to the variation; and
- (iii) in all other cases if, but for the said breach, **we** would have entered into the variation but:
 - a) on different terms (other than terms relating to the premium), **we** may require that the variation is treated as if it had been entered into on those different terms;
 - b) would have increased the premium by more than it did or at all, **we** may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, **we** shall pay only X% of what it would otherwise have been required to pay, where $X = (\text{premium actually charged/higher premium}) \times 100$; or
 - c) would not have reduced the premium by as much as it did or at all, **we** may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, **we** shall pay only X% of what it would otherwise have been required to pay, where $X = (\text{premium actually charged/reduced total premium}) \times 100$.

RISK MINIMISATION

5.15 **You** will take all reasonable steps at **your** own expense to prevent or minimise a loss or **claim** covered by this **policy**.

SUBROGATION

5.16 If **we** make any payment under this **policy**, **we** shall be subrogated to the extent of such payment to all of **your** rights of recovery. **You** shall take all reasonable actions to secure and preserve **our** rights, including the execution of such documents as may be necessary to enable **us** to effectively bring suit in **your** name.

We assume no duty to seek a recovery of any amounts paid under this **policy**.

Provided, however, if **we** waive any and all right of subrogation against any entity that **you** are required by contract to add as an **insured**, this waiver applies only with respect to the specific contract existing between **you** and such entity and shall not be construed to be a waiver with respect to other operations of such entity in which **you** have no written or contractual interest.

SUBSCRIBING INSURER

5.17 **Our** obligations under this **policy** are severable and not joint and are limited solely to the extent of **our** individual subscription. **We** are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

INSURER'S CONSENT

5.18 Where this **policy** requires **our** prior consent, **our** consent shall be written and not unreasonably withheld, delayed or denied.

SECTION 6: HOW TO COMPLAIN

COMPLAINTS TO QBE

6.1

You can complain about this **policy** by contacting your broker or where your **policy** is insured by QBE Europe SA/NV, QBE UK Limited or where your insurer is or includes a Lloyd's syndicate write to:

Customer Relations, QBE European Operations, 30 Fenchurch Street, London EC3M 3BD

Email: CustomerRelations@uk.qbe.com

Telephone: 020 7105 5988

THE UK FINANCIAL OMBUDSMAN SERVICE (UK FOS)

6.2

If **you** feel that your complaint has not been satisfactorily resolved, **you** may be eligible to contact the UK FOS to review the complaint. Information about the eligibility criteria is available on the UK FOS website: <https://www.financial-ombudsman.org.uk/consumers/how-to-complain>

You can contact the UK FOS via its website, or write to Exchange Tower, London E14 9SR, Tel: +44 (0)800 023 4567

FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)

6.3

You may be entitled to compensation from the FSCS if **we** are unable to meet our obligations under the **policy**. Further information is available from www.fscs.org.uk, or **you** can write to the Financial Services Compensation Scheme, PO Box 300, Mitcheldean, GL17 1DY

SECTION 7: PRIVACY

Any personal data provided to **us** will be processed in compliance with all applicable laws and regulations and in accordance with the privacy notice which can be found at <https://qbeurope.com/privacy-policy/>. Alternatively **you** may contact **our** Data Protection Officer to request a copy of the full privacy notice by email: dpo@uk.qbe.com or by writing to the: Data Protection Officer, QBE European Operations, 30 Fenchurch Street, London EC3M 3BD.

SECTION 8: DEFINITIONS

In this **policy** the following words in bold shall have the meanings shown below.

BODILY INJURY

death, disease, illness physical or mental injury of or to an individual.

BREACH OF NETWORK SECURITY

- (i) breach of the security of **computer systems** through:
 - a) failure to protect against or prevent the transmission of a computer virus;
 - b) the unauthorised access of **computer systems**
- (ii) a denial-of-service attack on **computer systems**.
- (iii) the prevention of access to **computer systems** caused by a malicious electronic act.
- (iv) theft, unauthorised use, alteration or deletion of data on **computer systems**.

BREACH OF DATA PROTECTION LAW

failure by **you** or **service provider** to comply with **data protection law**.

BREACH OF PRIVACY

a breach of confidentiality in relation to **personally identifiable information** or a third party's corporate confidential information by **you** in breach of duty owed by **you**.

BUSINESS INCOME

the amount of **your** net profit if any before taxes which would have been earned by **you** adjusted to take account of:

- (i) the trend of the business, reasonable business variations, seasonal influences, prevailing economic conditions and other variations or circumstances that have an influence upon the business;
- (ii) the increased cost of working incurred by **you** for the sole purpose of avoiding or diminishing the loss of net profit; and
- (iii) any costs savings which **you** can reasonably achieve.

The calculation of **your** loss of **business income** shall be based on an analysis of the revenues and costs generated during each of the twelve months prior to the loss occurring (as recorded in **your** accounts) and will also take into account a projection of future profitability as close as practical had no loss occurred.

Requests made by **you** for indemnity by **us** shall be accompanied by a computation of the loss of **business income**. This shall set out in detail how the loss of **business income** has been calculated and what assumptions have been made.

Any payment for loss of **business income** will, where applicable, be reduced by the extent to which **you** could have used or did use:

- a) damaged or undamaged **computer systems**
- b) available stock, merchandise or data; or
- c) substitute facilities, equipment or personnel

BUSINESS SERVICES

your business as specified in the **schedule**.

CHANGE IN CONTROL

- (i) the **parent company's** merger with or acquisition by another entity or the acquisition of all or substantially all of its assets by another entity, such that the **parent company** is not the surviving entity;
- (ii) when a person or entity or group of persons or entities acting in concert, acquires securities or voting rights which result in ownership or voting control by such person(s) or entity(ies) of more than 50% of the outstanding securities or voting rights representing the present right to vote for or appoint directors of the **parent company**; or
- (iii) when there is a change in ownership interests of more than 50% of the securities or voting rights of a **company**.

CIRCUMSTANCE

an incident, occurrence, dispute, fact, matter, act or omission that are likely to give rise to a **claim**.

CLAIM

- (i) the receipt by **you** of any written notice of demand for compensation or non-monetary demands made against the **you**;
- (ii) any notice of intention in writing to commence legal proceedings against **you**.

Where the word claim is used as an undefined term (i.e. not in bold) it refers to a claim by **you** under the **policy**, unless the context otherwise requires.

COMPUTER SYSTEMS

your computer and telecommunication system software and hardware, including but not limited to **your** email system, encrypted electronic signature, encrypted electronic certificate, website, intranet, network, internet- connected telephone system, program or any other data held electronically, interconnecting wiring, fixed disks, telecommunications equipment and all components thereof used by **you**, including where provided or operated by a **service provider**.

CRYPTOJACKING EVENT

means any unauthorised access to, use or misuse of, or modification to a **computer system** by cyberattacks perpetrated by a third party or a **rogue employee** through any electronic means, including:

- (i) malware;
- (ii) viruses;
- (iii) worms;
- (iv) trojan horses;
- (v) spyware and adware;
- (vi) zero-day attacks;
- (vii) hacker attacks;
- (viii) denial of service attacks

for the purpose of mining cryptocurrency, that directly results in **cryptojacking fraud loss** incurred by **you**.

| | |
|--|--|
| CRYPTOJACKING FRAUD LOSS | <p>means an increase in service charges or fees incurred by the company or other organisation shown as insured in the schedule (including any subsidiary) (“the company”) resulting from the unauthorised use of any of the following utilities services:</p> <ul style="list-style-type: none"> (i) electricity; or (ii) internet access, including mobile data; <p>provided, however, that such additional charges or fees for the utilities services are:</p> <ul style="list-style-type: none"> a) incurred pursuant to a written contract between the company and the respective utility provider, which was executed before the cryptojacking event first occurred; b) charged to the company in a periodic billing statement issued by the respective utility provider, which includes usage or consumption information; and c) not charged at a flat fee to the company that does not scale with the rate or use of the respective utilities service or resource. |
| CYBER AND DATA SECURITY REPRESENTATIVE | <p>Clyde & Co, whose contact details are:</p> <p>+44 (0)207 523 5333 / CyberResponseLine.UK@clydeco.com</p> |
| CYBER EXTORTION EXPENSES | <p>reasonable and necessary expenses incurred by you that result directly from a cyber extortion threat, including but not limited to monies or other valuable consideration to be paid in response to the threat for the purpose of terminating the threat and the costs to conduct an investigation to determine the cause of the cyber extortion threat.</p> |
| CYBER EXTORTION THREAT | <p>a threat from a hacker to bring about a breach of network security or breach of privacy against your computer systems.</p> |
| CYBER OPERATION | <p>means the use of a computer system by, at the direction of, or under the control of a state to:</p> <ul style="list-style-type: none"> (i) disrupt, deny access to or, degrade functionality of a computer system, and/or (ii) copy, remove, manipulate, deny access to or destroy information in a computer system. |
| CYBER RISK | <ul style="list-style-type: none"> (i) breach of network security; or (ii) breach of privacy |
| DATA BREACH NOTIFICATION COSTS | <p>reasonable and necessary expenses you incur with our consent to provide notification to individuals or entities whose personally identifiable information or corporate confidential information was or may have been subject to a breach of privacy whether or not required by the applicable data protection law, including but not limited to:</p> <ul style="list-style-type: none"> (i) legal expenses incurred to ensure compliance with data protection law; (ii) the costs to draft, send, advertise and administer notification communications; and (iii) the costs of call centre services to respond to enquiries following a notification communication |
| DATA PROTECTION LAW | <p>all applicable data protection and privacy legislation, regulations and guidance in any country, province, state, territory or jurisdiction which govern the use, confidentiality, security and protection of personally identifiable information and any guidance or codes of practice issued by any applicable data protection regulator or governmental entity from time to time, including Regulation (EU) 2016/679 (the "General Data Protection Regulation" or the "GDPR") and Data Protection Act 2018, all legislation enacted in the UK in respect of the protection of personal data and the Privacy and Electronic Communications (EC Directive) Regulations 2003; and any guidance or codes of practice issued by any data protection regulator from time to time (all as amended, updated or re-enacted from time to time) or any law enforcement body</p> |
| DATA PROTECTION REGULATOR | <p>the Information Commissioner's Office, the Article 29 Working Party and the European Data Protection Board and any other supervisory authority with jurisdiction over you, and in each case any successor body from time to time.</p> |
| DEFENCE COSTS | <ul style="list-style-type: none"> (i) costs incurred with our prior consent in the investigation, adjustment, appraisal, defence or settlement of an insured event, including but not limited to expert, legal, appeal and defence costs; (ii) costs and expenses incurred by you in pre-trial and case reviews; (iii) the cost of attendance in court as a witness, payable at the following |

rates per day on which attendance is required:

- a) **your director or officer**, partner or member –GBP 500;
- b) any **employee** –GBP250;
- c) any other relevant party – GBP200 (subject to **our** prior agreement); or

(iv) claimants costs recoverable from **you** arising out of a **claim** insured by this policy.

Defence costs do not include **your** own internal costs and expenses, the salary or expenses of **your employee, director or officer**, partner or member.

| | |
|----------------------------|--|
| DIRECTOR OR OFFICER | any natural person who is, was or during the period of insurance becomes your director or officer (as determined by the applicable law of the jurisdiction in which you are domiciled) including the functional equivalents such as members of the executive or supervisory board of directors. |
| DOCUMENTS | deeds, wills, written agreements, maps, plans, books, letters, policies, certificates, forms and documents of any nature whatsoever, whether written, printed or reproduced by any method, including electronic data, but shall not include bearer bonds or coupons, stamps, bank or currency notes or any other negotiable instrument. |
| EMPLOYEE | any person including trainees and freelance consultants acting under a contract of service with you in respect of the conduct of business services by you . Employee does not include your principal, shareholder, partner, director or member in their capacity as such. |
| ESSENTIAL SERVICE | means a service that is essential for the maintenance of vital functions of a state including, but not limited to, financial institutions and associated financial market infrastructure, health services or utility services |
| EXCESS | the amount as specified in the schedule . |
| 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 you , directing such financial institution to transfer, pay, debit or deliver money or securities from your account, without your knowledge or consent. |
| FUNDS TRANSFER FRAUD LOSS | means loss of money or securities directly resulting from a funds transfer fraud event . Funds transfer fraud loss does not include any amounts incurred to prove or establish the existence of such loss. |
| HACKER | a third party who gains unauthorised access to, or makes unauthorised use of, computer systems by circumventing electronically or bypassing your security system in place to protect against such unauthorised access for ransom . |
| IMPACTED STATE | means any state where a cyber operation has had a major detrimental impact on: <ul style="list-style-type: none">(i) the functioning of that state due to disruption to the availability, integrity or delivery of an essential service in that state, and/or(ii) the security or defence of that state. |
| INCIDENT | means any: <ul style="list-style-type: none">(i) cyber risk;(ii) claim;(iii) media claim;(iv) cyber extortion threat;(v) social engineering fraud communication;(vi) funds transfer fraud event;(vii) invoice manipulation event; or(viii) cryptojacking fraud event. |

INSOLVENCY EVENT

- (i) an application being made for an administration order or the purported appointment of, or the filing at court or issue of any notice of intention to appoint, an administrator in relation to **you** or any **subsidiary**;
- (ii) a petition, a meeting or an effective resolution passed as part of a solvent reconstruction or amalgamation for the winding up of **you** or any **subsidiary**;
- (iii) possession being taken of, or a receiver, sequestrator or similar officer being appointed in respect of, the whole or any part of the assets or undertaking of **you** or any **subsidiary**;
- (iv) **you** or any **subsidiary** suspending or threatening to suspend payment of its debts as they fall due or being, or unlikely to become, unable to pay its debts, whether within the meaning of Section 123 Insolvency Act 1986 or otherwise;
- (v) **your directors or officers**, partners or members or of any **subsidiary** making a proposal that it enter into a voluntary arrangement (within the meaning of Section 1 Insolvency Act 1986) or taking any steps to obtain a moratorium under Section 1A of that Act or its taking or being subject to any proceedings under the law for the readjustment, rescheduling or deferment of all or any of its debts, or proposing or entering into any general assignment or composition with or for the benefit of its creditors;
- (vi) **you** or any **subsidiary** ceasing or threatening to cease to carry on all or a substantial part of its business or operations, or selling, transferring or otherwise disposing of the whole or a substantial part of its undertaking or assets, either by a single transaction or by a number of transactions; or
- (vii) the occurrence in respect of **you** or any **subsidiary** of any event in any jurisdiction to which it is subject having an effect similar to that of any of the events referred to in paragraphs (i) to (vi) above.

INSURED/YOU/YOUR

- (i) the **parent company**;
- (ii) any **subsidiary** or any company created or acquired by **you** as set out in the Acquisition of a Subsidiary clause of the General Conditions **section** until such time as they may be sold or otherwise disposed of (but not excluding any liabilities incurred prior to the sale or disposal);
- (iii) **your** partners and/or **directors or officers** members or **employees** during the **period of insurance** or thereafter;
- (iv) **your** former partners and/or former directors and/or former members and/or former **employees**; and
- (v) the estate, heirs and executors and/or legal personal representatives of those parties mentioned above in the event of their death, incapacity, insolvency or bankruptcy for legal liabilities incurred due to any act, error or omission of such deceased, incompetent or bankrupt person.

For claims notification purposes **insured** shall mean **your** partners, **directors or officers**, members, and/or **employees**.

INSURER/WE/US/OUR

the insurer as specified in the **schedule**.

INVOICE MANIPULATION EVENT

means the release or distribution of any fraudulent payment instructions to **your** client, customer or vendor as a direct result of unauthorised access to a **computer system**, where such fraudulent payment instructions are given in order to mislead or deceive **your** client, customer, or vendor into transferring payment intended for paying **your** invoice to another person or entity.

INVOICE MANIPULATION LOSS

means the financial loss **you** incur from being unable to collect payment from your client, customer or vendor for any invoice, where the inability to collect payment directly results from an **invoice manipulation event**.

Invoice manipulation loss does not include:

- (i) any amounts incurred to prove or establish the existence of such financial loss; or
- (ii) **your** profit as a result of providing goods, products, or services which is the subject of such **invoice manipulation loss**.

LIMIT OF LIABILITY / SUB-LIMIT

- (i) the limit of liability, limit of indemnity or sub-limit of liability identified in the **schedule** or in this **policy**. For the avoidance of doubt, the terms **limit of liability** and **limit of indemnity** are interchangeable.

| | |
|-------------------------------------|--|
| | (ii) any amount specified in this policy as the maximum amount we will pay for a specific cover. |
| MAXIMUM INDEMNITY PERIOD | the period stated in the schedule |
| MEDIA CLAIM | a claim against you for defamation, breach of copyright, invasion of privacy or misappropriation of ideas which arises from your media content . |
| MEDIA CONTENT | Content on your website, intranet or social media pages. Media content does not include any product packaging or labelling, design or ideas in relation to tangible products or property. |
| MONEY | means your : (i) currency, coins and bank notes in current use and having a face value; and (ii) traveller's checks and money orders held for sale to the public. |
| NORTH AMERICA | The United States of America or its territories or possessions or Canada. |
| NORTH AMERICAN JURISDICTION | Any judgment, award, payment, defence costs or settlement delivered, made or incurred within countries which form part of North America , or which operates under or applies the laws of such countries or any states, provinces or territories forming part of them, including arbitration or regulatory proceedings, and any order made anywhere in the world to enforce such judgment, award, payment, defence costs or settlement either in whole or in part. |
| PARENT COMPANY | The company or other organisation shown as insured in the schedule |
| PAYMENT CARD ENTITY | American Express, Discover, JCB, Mastercard, Visa or any entity that is the subject of a duty to enforce the obligations of the insured in respect of PCI DSS , including acquiring banks, and merchants. |
| PCI DSS | Payment Card Industry Data Security Standard. |
| PCI FORENSIC CONSULTANT | a forensic consultant who is approved by PCI Security Standards Council. |
| PERIOD OF INSURANCE | the period as specified in the schedule . |
| PERIOD OF REINSTATEMENT | (i) the period of time that begins from the date and time after the waiting period commencing on the total or partial interruption or degradation in service, or failure of computer systems , to the date and time your operations are restored (or should have been restored if you had acted in due diligence and dispatch) to the condition that existed immediately prior to the total or partial interruption or degradation in service, or failure of computer systems ; (ii) provided, however, that in no event shall such period be longer than the maximum indemnity period . |
| PERSONALLY IDENTIFIABLE INFORMATION | (i) any of the following information owned, licensed, or maintained by you or by any third party to whom you have entrusted such information: any individual's name, social security number, medical or healthcare data, driver license number, state identification number, credit card number, debit card number, address, telephone number, account number, account history or historical information, password, access codes or personal identification numbers (PIN's) or other non-public information; (ii) any information about an individual that is considered "personal data" within the meaning of the Data Protection Act 2018 (including any 'data protection legislation' defined at section 3(9) thereof), or Title V of the Gramm-Leach Bliley Act of 1999 ("G-L-B"), also known as the Financial Services Modernization Act of 1999 and its implementing regulations, or protected personal information under any similar federal, state, local or foreign law; and |

(iii) as defined and amended in any **data protection law**.

Personally identifiable information shall not include information that is lawfully available to the general public.

POLICY

this document, its **schedule** and any endorsements amending either or both which together set out this insurance.

POLLUTANT

means any substance exhibiting hazardous characteristics as is or may be defined or identified on any list of hazardous substances issued by:

a) the United States Environmental Protection Agency or any similar federal, state, local or foreign statute, rule, regulation or law; or

b) contemplated by California's Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"); or

c) any similar federal, state, local or foreign statute, rule, regulation or law.

Pollutants also means, without limitation, any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste (including materials to be recycled, reconditioned or reclaimed), any bacteria, mildew, mould, fungi, spore or other micro-organisms or mycotoxins and any of their associated toxins, or any virus or other pathogen (whether or not a micro-organism), as well as any air emission, odour, waste water, oil or oil products, infectious or medical waste, asbestos, or asbestos products, or any noise.

PROPERTY DAMAGE

damage to, loss of use of or destruction of any tangible property. Tangible property shall not include **electronic data**.

PROPOSAL

any information or materials submitted to **us** by or on **your** behalf prior to inception, variation or renewal of this **policy**.

RANSOM

your money, products, goods, services or property.

**REGULATORY
COMPENSATORY
AWARD**

a sum of **money** which **you** are legally obliged to pay as an award or fund for the those affected following a **data protection regulator's** investigation of a **breach of data protection law**. This does not include any criminal penalty or fine.

RETROACTIVE DATE

the date (if any) as specified in the **policy** (including the **schedule**).

ROGUE EMPLOYEE

means an **employee** (including leased or temporary employees) of an **insured** who deliberately acts outside the course and scope of employment or whose intentional conduct results in **us** indemnifying **you** under this **policy**.

SCHEDULE

the schedule to this **policy**.

SECTION

a section of this **policy**.

SECURITIES

means **your** negotiable and non-negotiable instruments or contracts representing either **money** or property. This includes tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use. It also includes evidence of debt issued in connection with credit or charge cards, where these cards are not issued by **you**.

SERVICE PROVIDER

a business you do not own, operate, or control, but that you hire for a fee under contract to perform information technology or payment processing services for or on your behalf.

SINGLE CLAIM

one or more claims under this **policy** involving the same **incident**.

**SOCIAL ENGINEERING
FRAUD COMMUNICATION**

A communication designed to mislead an **employee** into transferring **your money**, property, products, goods, services or other financial benefit to an incorrect recipient from which **you** cannot recover such **money**, property, products, goods, services or other financial benefit.

| | |
|-------------------|---|
| STATE | a sovereign state |
| SUBSIDIARY | <p>any entity during any time in which you, directly or through one or more subsidiary(ies):</p> <ul style="list-style-type: none"> (i) owns more than fifty percent (50%) of the issued and outstanding share capital, (ii) controls more than fifty percent (50%) of the voting rights, or (iii) controls the right to vote for the election or removal of such entity's directors. <p>Any such entity shall only be covered by this policy for that part of the period of insurance when it was a subsidiary.</p> |
| TERRITORIAL LIMIT | The territory(ies) specified in the schedule . |
| TERRORISM | <p>an activity that involves a violent act or the unlawful use of force or an unlawful act dangerous to human life, tangible or intangible property or infrastructure or a threat thereof and appears to be intended to:</p> <ul style="list-style-type: none"> (i) intimidate or coerce a civilian population; (ii) disrupt any segment of the economy of a government de jure or de facto, state or country; (iii) overthrow, influence, or affect the conduct or policy of any government de jure or de facto by intimidation or coercion; or (iv) affect the conduct or policy of any government de jure or de facto by mass destruction assassination, kidnapping or hostage-taking. |
| WAITING PERIOD | the period as specified in the schedule. |
| WAR | <p>means armed conflict involving physical force:</p> <ul style="list-style-type: none"> (i) by a state against another state, or (ii) as part of a civil war, rebellion, revolution, insurrection, military action or usurpation of power, whether war be declared or not. |



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