



**Cyber and Data Security
Insurance
Policy Notice of Change**

Cyber and Data Security Insurance Notice of Change

Your policy wording has been reissued in order to update, modernise and clarify the cover which is provided. This document summarises the key changes from your previous policy.

This document does not set out all the changes from your previous policy. Furthermore, it does not contain the full terms and conditions of the cover provided, which can be found in the policy documentation. It is important that you read your policy in full.

Please note that this summary will not reflect any variations or modifications to the policy which are specific to you – these will be confirmed by the schedule attaching to your policy.

Contents

- > Insuring clauses amended to note the limit of liability/sub-limit applies to any single claim.
- > Removed phrasing about our prior written consent in the insuring clauses to avoid repetition.
- > Added a new general condition to set out the requirements where our prior consent is required.

Insuring Agreements

Cyber, Data Security and Multimedia Cover – Extensions

- > **Withdrawal of Content** – clause amended. Clarified that cover applies to the withdrawal or alteration of media content during the period of insurance.

Information and Communication Asset Rectification Costs Cover

- > **Information and Communication Asset Rectification Costs** – clause amended. We will pay on your behalf, subject to our prior consent, all costs and expenses to repair, replace or restore your computer systems that are discovered to be lost, damaged or destroyed.

Regulatory Defence and Penalty Costs Cover

- > **Regulatory Defence and Penalty Costs** – clause amended. Cover is extended to amounts you are required to pay for legal action, investigations, inquiries and civil penalties or fines imposed by a data protection regulator or law enforcement body which directly arise from a cyber risk.

Cyber Extortion Cover

- > **Cyber Extortion** – clause amended. Removed conditions attached to cover.

Social Engineering Fraud Cover

- > **Social Engineering Fraud** – clause amended. Cover is extended to include social engineering fraud communication designed to impersonate your service providers.

Social Engineering Fraud Cover – Extensions

- > **Funds Transfer Fraud** – new clause.
- > **Invoice Manipulation** – new clause.
- > **Cryptojacking** – new clause.

Exclusions

- > **Betterment** – clause amended. We shall have no liability for 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. This exclusion shall not apply to amounts you incur to update, upgrade, restore or replace your computer systems to a level beyond which existed immediately prior to any claim or loss unless they are necessary based on market availability of comparable products.
- > **Bodily Injury or Property Damage** – clause amended to incorporate a new defined term, “property damage”, for clarity.
- > **Breach of Legislation/Antitrust** – clause amended. Replaced legislation reference in paragraph (vi) to the Electronic Communications 2003, Telephone Consumer Protection Act (“TCPA”).
- > **Claim by an Insured** – clause amended. We shall have no liability for a claim brought by or on behalf of any insured or your parent or subsidiary provided that this exclusion shall not

apply to claims by employees for breach of privacy or 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** – clause amended. This exclusion shall not apply in respect of the misconduct of an employee.
- > **Existing Claims or Circumstances** – clause amended. We shall have no liability for an occurrence notified to any other insurer(s) covering the same subject matter unless otherwise agreed.
- > **Insolvency of the Insured** – clause amended. An insolvency event will not relieve us of our legal obligation in respect to any claims made or first party loss occurring before such event.
- > **Pollution** – clause amended. We shall have no liability to make payments directly or indirectly attributable to electromagnetic fields, electromagnetic radiation, electromagnetism, pollutants or actual or alleged biological, chemical, radioactive or nuclear pollution, reaction, explosion, radiation or contamination, including any alleged property damage or bodily injury or financial loss to you, your security holders, or your creditors.
- > **Professional Services** – clause deleted.
- > **Sanction Limitation** – clause amended for clarity.
- > **Theft** – clause amended. This exclusion shall not apply where there is cover under Section 2.3 Financial Transfer Indemnification or Section 2.15 Social Engineering Fraud.
- > **Trading Loss and Liabilities** – clause amended for clarity.
- > **Unsupported systems** – clause deleted.
- > **War and Cyber Operation** – clause amended. We shall have no liability for actual or alleged war or cyber operation that is carried out as part of a war by sovereign states that are parties to a war, or cyber operation causing an impacted state. The definition of computer system has been amended for the purpose of this clause only.

Notification and Claims

- > **Cyber Risk – Immediate Steps to be Taken** – clause amended for clarity.
- > **Notification of a Claim** – clause amended. It is a condition precedent to our liability that you shall give notice to us of any claim or circumstance which may give rise to a claim as soon as reasonably practicable within the period of insurance.
- > **Defence (Duty to Defend)** – clause amended. 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 where the applicable limit of liability or sub-limit has been exhausted. You shall not incur any defence costs without our prior consent.
- > **Claiming Under More Than One Insuring Clause** – clause deleted. The substance of the clause is incorporated in the “Interrelated Claims” clause.

Interrelated Claims – clause amended. Only one excess and one limit of liability/sub-limit shall apply to all claims under the policy involving the same incident. 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.

General Conditions

- > **Acquisition of the Parent Company** – new clause.
- > **Acquisition of a Subsidiary (Acquisitions and Creations)** – clause amended. Unless otherwise stated, 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. However, if the total revenues of any subsidiary acquired during the period of insurance exceed 20% of your total revenues, you shall be required to provide us with any additional information we may reasonably request, and any coverage for such newly acquired subsidiary may be subject to additional or different terms or conditions and the payment of additional premium.

- > **Cancellation** – clause amended. The ways the policy can be cancelled have been amended. There will be an additional charge to cover the administrative cost of providing this insurance if you cancel this policy after fourteen (14) days from inception.
- > **Confidentiality** – clause amended. You are exempt from the duty of confidentiality to the extent you are required to do so by law, or if such disclosure is reasonably necessary for your professional advisers to perform their duties provided the advisers are bound by obligations of confidentiality no less stringent than those set out in this clause.
- > **Disputed Defence or Appeal** – clause amended. 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, King's Counsel or solicitor with at least 20 years' experience in the field of insurance law whose decision will be final.
- > **Inspection and Audit** – clause deleted.
- > **Limit of Liability and Excess** – clause amended. Removed the aggregate policy limit of liability for all insuring clauses combined. Any limit of liability or sub-limit is the maximum amount for which we will indemnify you in respect of one or more claims under this policy involving the same incident.
- > **Other Insurance** – clause amended. The cover provided by this policy shall be primary insurance. If there are other valid and collectible insurance providing primary cover, we shall only pay out the rateable proportion.
- > **Subrogation** – clause amended. You shall take all reasonable actions to secure and preserve our rights to effectively bring suit in your name. If we waive any and all right of subrogation against an entity you are required by contract to add as an insured, the waiver applies only with respect to the specific contract between you and such entity.
- > **Insurer's Consent** – new clause. Where this policy requires our prior consent, our consent shall be written and not unreasonably withheld, delayed or denied.

Definitions

- > **Change in control** – new definition.
- > **Claim** – definition amended. It now includes the receipt by you or any written notice for non-monetary demands made against you.
- > **Computer systems** – definition amended. Computer systems mean your computer and telecommunication system software and hardware used by you, including where provided or operated by a service provider.
- > **Cryptojacking event** – new definition.
- > **Cryptojacking fraud loss** – new definition.
- > **Cyber extortion expenses** – definition amended. Cyber extortion expenses mean the reasonable and necessary expenses incurred by you that result directly from a cyber extortion threat, including 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.
- > **Cyber operation** – definition amended. Cyber operation means the use of a computer system by, at the direction of, or under the control of a state to disrupt, deny access to, or degrade functionality of a computer system and/or copy, remove, manipulate, deny access to or destroy information in a computer system.
- > **Data breach notification costs** – definition amended. Data breach notification costs means 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.
- > **Data protection law** – definition amended to reflect that the UK has left the European Union.
- > **Director or officer** – definition amended for clarity.
- > **Defence costs** – definition amended for clarity.
- > **Essential service** – definition amended for clarity.
- > **Funds transfer fraud event** – new definition.
- > **Funds transfer fraud loss** – new definition.
- > **Hacker** – definition amended for clarity.

- > **Impacted state** – definition amended for clarity.
- > **Incident** – new definition.
- > **Insolvency event** – definition amended. Paragraph (ii) amended for clarity.
- > **Insured/You/Your** – definition amended to incorporate a new defined term, “parent company”, for clarity.
- > **Invoice manipulation event** – new definition.
- > **Invoice manipulation loss** – new definition.
- > **Limit of Liability/Sub-limit** – definition amended for clarity.
- > **Maximum indemnity period** – new definition.
- > **Money** – new definition.
- > **Parent company** – new definition.
- > **Payment card entity** – definition amended. Payment card entity includes acquiring banks and merchants.
- > **Period of reinstatement** – definition amended. Period of reinstatement means the period of time that begins from the date and time after the waiting period until your operations are restored (or should have been restored) to the condition that existed immediately prior to the total or partial interruption or degradation in service, or failure of computer systems provided that such period is not longer than the maximum indemnity period.
- > **Personally identifiable information** – definition amended. Personally identifiable information means any information owned, licensed or maintained by you or any third party who you have entrusted such information, any information about an individual that is considered “personal data” within the meaning of the Data Protection Act 2018, and any personally identifiable information as defined and amended in any data protection law.
- > **Pollutant** – definition amended. Pollutant means any substance exhibiting hazardous characteristics as defined by statute, rule, regulation or law, and, 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.
- > **Professional services** – definition deleted.
- > **Property damage** – new definition.
- > **Rogue employee** – new definition.
- > **Securities** – new definition.
- > **Single claim** – new definition.
- > **State** – new definition.
- > **War** – definition amended for clarity.



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