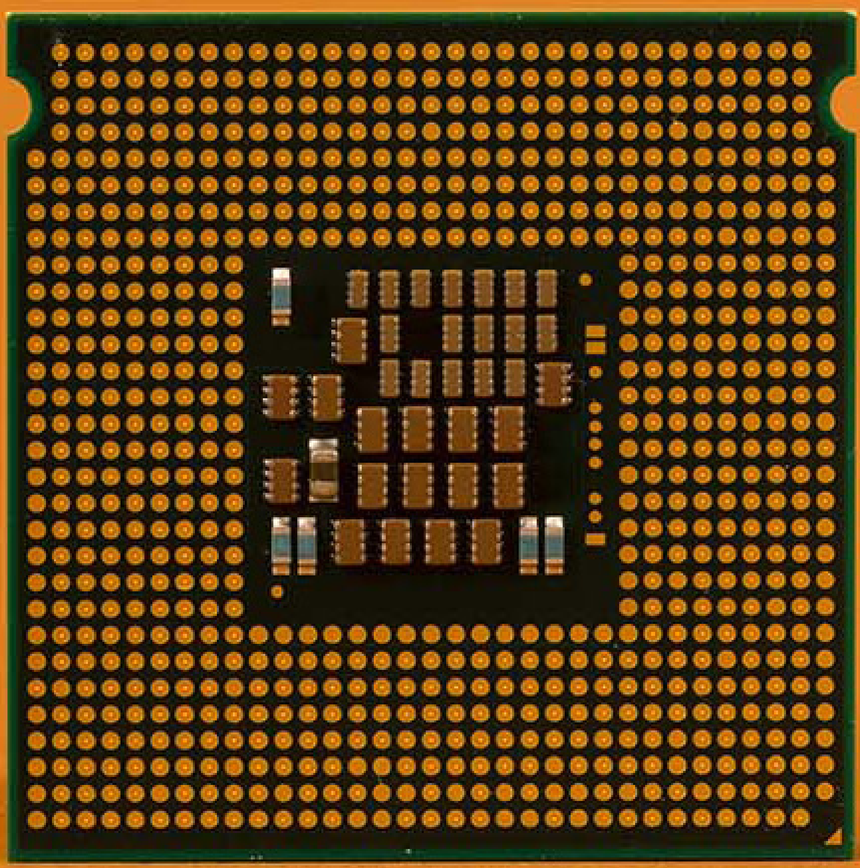
Professional covers

Policy documents



superscript

superscript

The schedule for your professional covers

Produced on 12 February 2022

Below are the particulars of your cover. Conditions are detailed in the policy wording. If any of this information is incorrect or incomplete, or if the insurance does not meet your requirements, please tell us as soon as possible.

Policy Details

Policy Number	DBE109008534
Named Insured	MILOSH MEDIA LIMITED
Business activities	Software and IT Services, Management Consultancy (IT consultancy, IT project management, Managed services, Telecoms/ISP/VoIP, Internet services)
Geographical limit	Worldwide
Jurisdictional limit	Worldwide excluding USA and Canada
Excess	£500 each and every loss (including claims expenses)
Start Date	Saturday, 12 February 2022
Anniversary Date	Tuesday, 11 October 2022
Retroactive date	Unlimited
Premium Monthly	£8.11 plus £0.97 Insurance Premium Tax
Policy Wording	As attached
UMR	B17921SPR2000004A

superscript

Limits of Liability

A.1	Professional indemnity	£500,000 each claim, claims expenses in addition
A.2	Breach of contract	£500,000 each claim, claims expenses in addition
A.3	Media content liability	£500,000 each claim, claims expenses in addition
A.4	Cyber and privacy liability	£500,000 each claim, claims expenses in addition
A.5	Payment of your fees	£500,000
A.6	Employee dishonesty	Sub-limited to £100,000
A.7	Loss of documents	Sub-limited to £100,000
A.8	Reputation and brand protection costs	Sub-limited to £25,000
A.9	Appeal costs	Sub-limited to £25,000
A.10	Court attendance costs	Sub-limited to £100,000
A.11	Regulatory defence and penalties	Sub-limited to £500,000
A.12	Payment card liabilities and costs	Sub-limited to £10,000
A.13	Website recovery services	Sub-limited to £100,000
A.14	Breach response services	No cover is given
A.15	Cyber business interruption loss	No cover is given
A.16	Data recovery costs	No cover is given
A.17	Cyber extortion loss	No cover is given
A.18	Cybercrime	No cover is given
A.19	Criminal reward funds	No cover is given

Endorsements

The following endorsements modify this policy and shall be read as if incorporated within it.

All other terms and conditions remain unchanged.

Intellectual property pursuit costs extension

We will indemnify **you** up to the sum of GBP 10,000 for reasonable legal expenses in respect of any dispute arising during the **policy period** and reported to **us** during the **policy period**:

1. to restrain the use of **your** intellectual property rights by;
2. to secure **your** right to use those intellectual property rights from

any partner, director or other senior employee previously within **your management** following their departure from **your organisation**.

A. What we cover

In consideration of payment of, or agreement to pay, the premium and subject to all the terms and conditions of this policy, it is agreed that:

A.1 Professional indemnity

We will pay all **damages** and **claims expenses** which **you** become legally obliged to pay because of any **claim** first made against **you** during the **policy period** for any error or omission or other civil liability arising out of the performance of **professional services** by **you** or anyone on **your** behalf.

A.2 Breach of contract

We will pay all **damages** and **claims expenses** which **you** become legally obliged to pay because of any **claim** first made against **you** during the **policy period** for **breach of contract**.

A.3 Media content liability

We will pay all **damages** and **claims expenses** which **you** become legally obliged to pay because of any **claim** first made against **you** during the **policy period** for one or more of the following acts committed by or on behalf of **your organisation** in the course of creating, displaying, broadcasting, disseminating or releasing **media content** to the public:

a. Defamation, libel, slander, product disparagement, trade libel, infliction of emotional distress, outrage, outrageous conduct, or other tort related to disparagement or harm to the reputation or character of any person or organisation;

b. Violation of the rights of privacy of an individual, including false light, intrusion upon seclusion and public disclosure of private facts;

c. Invasion or interference with an individual's right of publicity, including the commercial appropriation of name, persona, voice or likeness;

d. Plagiarism, piracy, or misappropriation of ideas under an implied contract;

e. Infringement of copyright;

f. Infringement of domain name, trademark, trade name, trade dress, logo, title, metatag, or slogan, service mark or service name;

g. Improper deep-linking or framing;

h. False arrest, detention or imprisonment;

i. Invasion of or interference with any right to private occupancy, including trespass, wrongful entry or eviction;

j. Unfair competition, if alleged in conjunction with any of the acts listed in e. or f. above.

A.4 Cyber and privacy liability

We will pay all **damages** and **claims expenses** which **you** become legally obliged to pay because of any **claim** first made against **you** during the **policy period** for:

a. a **data breach**;

b. a **security breach**;

c. **your organisation's** failure to timely disclose a **data breach** or **security breach**;

d. **your** failure to comply with that part of a **privacy policy** that specifically:

   i. prohibits or restricts **your organisation's** disclosure, sharing or selling of **personally identifiable information**;

   ii. requires **your organisation** to provide an individual with access to **personally identifiable information** or to correct incomplete or inaccurate **personally identifiable information** following request;

   iii. mandates procedures and requirements to prevent the loss of **personally identifiable information**;

   Provided that **your organisation** has in force, at the time of such failure, a **privacy policy** that addresses those subsections above which are relevant to such **claim**.

A.5 Payment of your fees

We will pay the amount of fees owed to **you** by **your** client if:

a. the client is dissatisfied with **your professional services**, refuses to pay for any or all of **your** fees and threatens to bring a **claim** against **you**; and

b. it is possible to settle the dispute with the client by **you** agreeing not to press the client for the disputed amount; and

c. **we** believe this will avoid a **claim** covered under insuring clause A.1 (professional indemnity) or A.2 (breach of contract) for a greater amount; and

d. **we** have agreed in writing to settle in this way and for this amount.

If it is not possible to reach an agreement with **your** client as above, **we** will still pay the amount owed to **you** if **we** believe that by making this payment **we** can avoid a **claim** covered under this policy for a greater amount. If a **claim** is still made against **you**, **we** will have the right to defend the **claim**. However, **our** total payment for this **claim** will include those amounts already paid to **you**.

If **you** recover all or any part of the amount funded by **us** under this clause, **we** will have the right to recover from **you** those amounts recovered.

A.6 Employee dishonesty

We will reimburse all financial loss sustained by **your organisation** as a direct result of **employee dishonesty** first discovered by **you** during the **policy period**.

A.7 Loss of documents

If **you** discover that any **documents** have been lost or damaged during the **policy period** and, after a reasonable search, cannot be found, then **we** will pay those expenses that **your organisation** incurs with **our** prior written consent in replacing or restoring them.

You must give **us** written notice as soon as practicable and during the **policy period** of such lost or damaged **documents**, including identification of the **documents** involved.

A.8 Reputation and brand protection costs

We will pay **reputation and brand protection costs** that **your organisation** incurs resulting from the publication or imminent publication online or on TV or radio, or in any newspaper of a **claim** covered by this policy.

A.9 Appeal costs

If **you** want to bring an appeal against a finding issued by a court or other judicial tribunal in relation to a **claim** covered by this policy, **we** will pay reasonable legal costs and expenses incurred with **our** prior written consent in relation to that appeal (such consent will not be unreasonably withheld).

Provided that **we** are satisfied, on the basis of an opinion obtained from a lawyer appointed by **us**, that there are good prospects of success on appeal.

A.10 Court attendance costs

If **you** have to attend court as witness in connection with a **claim** covered by this policy, **we** will pay **your organisation** for each day, or part of a day, that **we** require **your** attendance as stated below:

a. **your management** GBP 500 per day;

b. **your** employees GBP 250 per day.

A.11 Regulatory defence and penalties

We will pay **penalties** and **claims expenses**, which **you** are legally obligated to pay because of a **regulatory proceeding** first made against **you** during the **policy period** for a **data breach** or a **security breach**.

A.12 Payment card liabilities and costs

We will pay **PCI fines, expenses and costs** which **your organisation** becomes legally obliged to pay because of any **claim** first made against **you** during the **policy period**.

A.13 Website recovery services

We will pay **website recovery service provider's** costs to remedy a slow down or failure of **your** websites as a result of a denial of service attack occurring during the **policy period**.

A.14 Breach response services

We will provide **breach response services** to **your organisation** because of an actual or reasonably suspected **data breach** or **security breach** first discovered by **you** during the **policy period**.

Breach response services are the following fees and costs in response to an actual or reasonably suspected **data breach** or **security breach**:

a. For a lawyer to provide necessary legal advice to **your organisation** to evaluate its obligations pursuant to **breach notice laws** or a **merchant services agreement** and in connection with providing the **breach response services** described below;

b. For a computer security expert to determine the existence, cause and scope of an actual or reasonably suspected **data breach**, and if such **data breach** is actively in progress on **your organisation's computer systems**, to assist in containing it;

c. For a PCI forensic investigator to investigate the existence and extent of an actual or reasonably suspected **data breach** involving payment card data and for a qualified security assessor to certify and assist in attesting to **your organisation's** PCI compliance, as required by a **merchant services agreement**;

d. To notify those individuals whose **personally identifiable information** was potentially impacted by a **data breach** exceeding 50 individual persons;

e. To provide a call centre to respond to inquiries about a **data breach** exceeding 50 individual persons;

f. To provide a credit monitoring, identity monitoring or other solution described in the Online Information Packet to individuals whose **personally identifiable information** was potentially impacted by a **data breach** exceeding 50 individual persons; and

g. Public relations and crisis management costs directly related to mitigating harm to **your organisation** which are approved in advance by **us** at **our** discretion.

A.15 Cyber business interruption loss

We will reimburse:

a. **business interruption loss** sustained by **your organisation** as a result of a **security breach** or **system failure**;

b. **dependent business interruption loss** sustained by **your organisation** as a result of a **dependent security breach** or **dependent system failure**;

first discovered by **you** during the **policy period**.

A.16 Data recovery costs

We will pay **data recovery costs** that **your organisation** incurs as a direct result of a **security breach** first discovered by **you** during the **policy period**.

A.17 Cyber extortion loss

We will pay **cyber extortion loss** that **your organisation** incurs as a result of an **extortion threat** first made against **your organisation** during the **policy period**.

A.18 Cybercrime

We will reimburse all financial loss sustained by **your organisation** as a direct result of:

a. **fraudulent instruction**;

b. **funds transfer fraud**;

c. **telephone hacking**;

d. **botnet attack**;

e. **cryptojacking**;

first discovered by **you** during the **policy period**.

A.19 Criminal reward funds

We will pay **criminal reward funds** on behalf of **your organisation**.

B. What we don't cover

We will not be liable to make any payment under this policy for that part of any **loss** arising out of:

B.1 Third-party telecoms or technology defect

With respect to insuring clauses A.1 (professional indemnity) and A.2 (breach of contract):

Any defect in any telecoms or technology hardware or software which is the sole responsibility of a third-party. This exclusion does not apply to any amount **you** can recover under a written contract with a third-party.

B.2 Chargeback liability

Any liability incurred by **you** or **your** client under a **merchant services agreement** including any credit card company or bank wholly or partially reversing or preventing a payment transaction. This exclusion does not apply to **PCI fines, expenses and costs**.

B.3 Gathering or distribution of information

a. The intentional unlawful collection or retention of **personally identifiable information** or other personal information by or on behalf of **your organisation**; but this exclusion will not apply to **claims expenses** incurred in defending **you** against allegations of unlawful collection or retention of **personally identifiable information**;

b. The intentional distribution of unsolicited email, text messages, direct mail, facsimiles or other communications, wiretapping, audio or video recording, or telemarketing, if such distribution, wiretapping, recording or telemarketing is done by or on behalf of **your organisation**; but this exclusion will not apply to **claims expenses** incurred in defending **you** against allegations of unlawful audio or video recording;

B.4 Trade practices and antitrust

Any actual or alleged false, deceptive or unfair trade practices, antitrust violation, restraint of trade, unfair competition (except as provided in insuring clause A.3 (media content liability)), or false or deceptive or misleading advertising, but this exclusion will not apply to coverage for a **data breach** or **security breach**, provided no member of **your management** participated or colluded in such **data breach** or **security breach**. This exclusion will not apply to **breach response services**.

B.5 Digital currencies

The sale, transfer, distribution, airdrop, storage or use of **digital currency**. This exclusion will not apply to insuring clause A.17 (cyber extortion loss) or **cryptojacking**.

B.6 Over redemption

Any over redemption or under redemption of coupons, discounts, awards or prizes from advertisements, promotions, contests or other games of chance.

B.7 Contractual liability

Any contractual liability except to the extent:

a. **you** are liable in the absence of a contract or agreement; or

b. it is covered under insuring clause A.2 (breach of contract); or

c. it is covered under insuring clause A.3 d. (misappropriation of ideas under an implied contract).

B.8 Excluded jurisdictions

Any liability which is established by the judgment of a court or tribunal outside the jurisdictional limits listed in the schedule or by a court applying to the adjudication of a **claim** the law of a jurisdiction outside the jurisdictional limits listed in the schedule; nor will **we** pay **claim expenses** related to any **claim** brought before such a court.

B.9 Bodily injury or property damage

a. Physical injury, sickness, disease or death of any person, including any mental anguish or emotional distress resulting from such physical injury, sickness, disease or death;

b. Physical injury to or destruction of any tangible property, including the loss of use thereof; but electronic data will not be considered tangible property;

This exclusion does not apply to any **claim** for, arising out of, or resulting from **your** design, advice or consultancy as part of **your professional services**.

B.10 Tangible products

a. The supply, manufacture or maintenance of any tangible product designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered, processed, cleaned, renovated or repaired by **you** or on **your** behalf;

b. The withdrawal or recall of tangible products.

B.11 Abuse and molestation

a. Sexual abuse or injury, molestation, sexual assault, sexual exploitation, child abuse or child neglect;

b. Wrongful hiring, supervision, investigation or failure to report to the proper authorities in connection with subparagraph a. above.

B.12 Pollution, asbestos, toxic mould, nuclear and electromagnetism

a. Whether suddenly or over a long period of time seepage, pollution or contamination of any kind;

b. Asbestos, or any materials containing asbestos in whatever form or quantity;

c. The actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, moulds, spores or mycotoxins of any kind;

d. Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;

e. The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;

f. Any electromagnetic field, electromagnetic radiation or electromagnetism.

B.13 Land, buildings, aircraft, motor vehicles or watercrafts

The ownership, possession, use, maintenance of or entrustment to others of any land, building, aircraft, motor vehicle or watercraft.

B.14 Natural events

Fire, flood, earthquake, volcanic eruption, explosion, lightning, wind, hail, tidal wave, landslide, an act of nature or another physical event.

B.15 War and terrorism

With respect to insuring clauses A.1 (professional indemnity) and A.2 (breach of contract):

Directly or indirectly, happening through or in consequence of, war, invasion, acts of foreign or terrorist enemies (including but not limited to political and religious), hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

B.16 Governmental actions

A **claim** brought by or on behalf of any national, local or foreign governmental entity, in such entity's regulatory or official capacity. This exclusion will not apply to insuring clause A.11 (regulatory defence and penalties).

B.17 Trading losses, loss of money and discounts

a. Any trading losses, trading liabilities or change in the value of accounts;

b. Any loss, transfer or theft of monies, securities or tangible property of **yours** or others in the care, custody or control of **your organisation**;

c. The monetary value of any transactions or electronic fund transfers by or on behalf of **you** which are lost, diminished, or damaged during the transfer from, into or between accounts;

d. The value of coupons, price discounts, prizes, awards, or any other valuable consideration given greater than the total contracted or expected amount;

This exclusion will not apply to insuring clause A.18 (cybercrime).

B.18 Insolvency

Your insolvency or bankruptcy, or the insolvency or bankruptcy of **your** subcontractors or suppliers.

However, **your** insolvency or bankruptcy will not relieve **us** of **our** obligations nor deprive **us** of **our** rights or defences under this policy.

B.19 Securities

a. The ownership, sale or purchase of, or the offer to sell or purchase stock or other securities;

b. An actual or alleged violation of a securities law or regulation.

B.20 Directors and officers liability

Any liability or breach of duty or obligation owed by any director, officer, trustee or board member while acting for **you** in that capacity.

B.21 Other insureds and related entities

A **claim** made by or on behalf of:

a. **you**; but this exclusion will not apply to a **claim** made by an individual that is not a member of **your management** under insuring clause A.4 (cyber and privacy liability) or a **claim** made by an **additional insured**;

b. any business enterprise in which **you** have greater than 15% ownership interest or made by any parent company or other entity which owns more than 15% of the **named insured**.

B.22 Employment practices, benefit plans and racketeering

a. Any employer-employee relations, policies, practices, acts or omissions, or any actual or alleged refusal to employ any person, or misconduct with respect to employees;

b. Any actual or alleged acts, errors or omissions related to any of **your organisation's** pension, healthcare, welfare, profit sharing, mutual or investment plans, funds or trusts, including any violations of the Pensions Act 2014;

c. Any actual or alleged violation of any racketeering, fraud, organized crime or conspiracy law including but not limited to the Criminal Law Act 1977 and Proceeds of Crime Act 2002 (commonly known as "POCA").

This exclusion will not apply to parts a. b. or c. of insuring clause A.4 (cyber and privacy liability) that results from a **data breach** provided no member of **your management** participated or colluded in such **data breach**. This exclusion will not apply to **breach response services** that result from a **data breach** provided no member of **your management** participated or colluded in such **data breach**.

B.23 Criminal, intentional or fraudulent acts

a. Any criminal, dishonest, fraudulent, or malicious act or omission, or intentional or knowing violation of the law, if committed by **you**, or by others if **you** colluded or participated in any such conduct or activity;

b. Any statement **you** knew, or ought reasonably to have known, was defamatory at the time of publication.

This exclusion will not apply to:

a. **claims expenses** incurred in defending any **claim** alleging the foregoing until there is a final non-appealable adjudication establishing such conduct; or

b. with respect to a natural person within the definition of **you**, if such person did not personally commit, participate in or know about any act, error, omission, incident or event giving rise to such **claim** or **loss**;

For purposes of this exclusion, only acts, errors, omissions or knowledge of a member of **your management** will be imputed to **your organisation**.

B.24 Retroactive date

The performance by **you** or on **your** behalf of **professional services** which took place or are alleged to have taken place prior to the retroactive date if a retroactive date is listed in the schedule.

B.25 Prior known claims and circumstances

a. Any **claim** first made against **you** or any **loss** suffered by **you**;

b. Any **circumstances** which **your management** was aware of or ought reasonably to have been aware of;

c. Any common or originating source or cause which **you** were aware of;

before the start date of the **policy period**.

B.26 First-party cyber limitations

With respect to insuring clauses A.15 (cyber business interruption loss), A.16 (data recovery costs) and A.17 (cyber extortion loss):

a. Seizure, nationalization, confiscation, or destruction of property or data by order of any governmental or public authority;

b. Costs or expenses incurred by **you** to identify or remediate software program errors or vulnerabilities or update, replace, restore, assemble, reproduce, recollect or enhance data or **computer systems** to a level beyond that which existed prior to a **security breach**, **system failure**, **dependent security breach**, **dependent system failure** or **extortion threat**;

c. Failure or malfunction of satellites or of power, utility, mechanical or telecommunications (including internet) infrastructure or services that are not under **your organisation's** direct operational control.

B.27 Intellectual property limitations

a. Infringement of copyright arising from or related to software code or software products other than infringement resulting from a theft or **unauthorised access or use** of software code by a person who is not a past, present or future employee, director, officer, partner or independent contractor of **your organisation.** This exclusion will not apply to insuring clause A.1 (professional indemnity);

b. Infringement, misuse or abuse of patent or patent rights;

c. Use or misappropriation of any ideas, trade secrets or **third-party information**:

   i. by, or on behalf of, **your organisation**;

   ii. by any other person or entity if such use or misappropriation is done with the knowledge, consent or acquiescence of a member of **your management**;

d. The actual or alleged obligation to make licensing fee or royalty payments;

e. Any **claim** brought by or on behalf of any intellectual property licensing bodies or organisations.

B.28 Media content limitations

With respect to insuring clause A.3 (media content liability):

a. Any costs or expenses incurred or to be incurred by **you** or others for the reprinting, reposting, recall, removal or disposal of any **media content** or any other information, content or media, including any media or products containing such **media content**, information, content or media;

b. The actual or alleged inaccurate, inadequate or incomplete description of the price of goods, products or services, cost guarantees, cost representations, contract price estimates, or the failure of any goods or services to conform with any represented quality or performance;

c. Any **claim** made by or on behalf of any independent contractor, joint venture or venture partner arising out of or resulting from disputes over ownership of rights in **media content** or services provided by such independent contractor, joint venture or venture partner.

For the avoidance of doubt, this exclusion does not apply to insuring clause A1 (professional indemnity).

C. Conditions

C.1 Limits of liability

We will pay up to the limits of liability listed in the schedule. Where cover for any **claim** or **loss** is provided under multiple insuring clauses (other than A.14 (breach response services)) only one limit of liability will be payable in respect of all covered **loss**, and this will be the highest limit of liability listed in the schedule of the insuring clauses under which cover is provided.

Where any sub-limit is specified in this policy or in the schedule, **we** will have no liability in excess of that sub-limit in the aggregate during the **policy period**.

We will not be obligated to pay any **damages**, **penalties**, **PCI fines, expenses and costs** or **claims expenses**, or to defend any **claim**, after the limit of liability described above has been exhausted, or after the deposit of such limit of liability in a court of competent jurisdiction.

C.2 Website recovery limits

Website recovery service provider's costs will be paid by **us** for a period of either:

a. up to 12 months for one IP address; or

b. up to 6 months for two IP addresses,

immediately following the denial of service attack.

Our liability will not include any further requests for **website recovery services** during the **policy period**.

C.3 Breach response limits

The maximum total number of individuals to whom notification, call centre and credit or identity monitoring services will be provided (or attempted) for all incidents or series of related incidents giving rise to an obligation to provide **breach response services** is the number of notified individuals listed in the schedule in the aggregate during the **policy period**.

Except as provided in condition C.4 (additional breach response limits), **we** will not be obligated to provide any **breach response services** after the total number of individuals to whom services are provided as detailed above have been exhausted.

If the total number of individuals to be notified exceeds the total number of individuals as detailed above, you will be responsible for notifying and providing call centre services and credit or identity monitoring services to such additional individuals in accordance with the processes described in the Online Information Packet.

C.4 Additional breach response limits

Notwithstanding the foregoing, if the total number of individuals to be notified exceeds the total number of individuals listed in condition C.3 (breach response limits), this policy will continue to cover the costs, fees and expenses incurred to provide **breach response services** up to an amount equal to the limit of liability listed in the schedule for insuring clause A.4 (cyber and privacy liability) (the "Additional Breach Response Sub-Limit").

The Additional Breach Response Sub-Limit applies in the aggregate during the **policy period** is part of and not in addition to the limit of liability listed in the schedule for insuring clause A.4 (cyber and privacy liability) and will be reduced and may be exhausted by payments under either limit. Upon exhaustion of the Additional Breach Response Limit, there will be no further coverage under this policy for any **breach response services** thereafter.

C.5 USA and Canada

If the jurisdictional limits listed in the schedule include USA and Canada, the following applies in respect of all **claims** made within the United States of America and/or Canada and/or territories which come under the jurisdiction of the United States of America and/or Canada including the enforcement by courts of any other country of any judgement originally obtained in any court of the United States of America and/or Canada and/or territories which come under the jurisdiction of the United States of America and/or Canada:

a. The highest individual limit of liability listed in the schedule is **our** combined total limit of liability for all **damages** and **claims expenses** during the **policy period**;

b. The excess listed in the schedule will be increased by 200%;

c. **We** will not make any payment for or in respect of any **damages** and **claims expenses**, for, arising out of, or resulting from:

   i. physical injury, sickness, disease or death of any person;

   ii. physical injury to or destruction of any tangible property;

   iii. any punitive and/or exemplary damages awarded against **you**.

C.6 Excess

You must pay the excess listed in the schedule which applies separately to each incident, event or related incidents or events giving rise to a **claim** or **loss**. The excess will be satisfied by monetary payments by the **named insured** of the covered **loss**.

C.7 Notice of claims or losses

You must notify **us** of any **claim** as soon as practicable, but in no event later than:

a. 30 days after the end of the **policy period**; or

b. the end of the Optional Extension Period (if applicable).

With respect to **cyber extortion loss**, **you** must notify **us** as soon as practicable after discovery of an **extortion threat** but no later than 30 days after the end of the **policy period**. **You** must obtain **our** consent prior to incurring **cyber extortion loss**.

With respect to **data recovery costs**, **business interruption loss** and **dependent business interruption loss**, **you** must notify **us** as soon as practicable after discovery of the incident or event giving rise to such **loss**. **You** must provide **us** with proof of **data recovery costs**, **business interruption loss** and **dependent business interruption loss**, and **we** will reimburse the reasonable and necessary costs, sub-limited to GBP 50,000, that **you** incur to contract with a third-party to prepare such proof. All **loss** described in this paragraph must be reported, and all proofs of loss must be provided, to **us** no later than 6 months after the end of the **policy period**.

You must notify **us** of any **loss** covered under insuring clause A.18 (cybercrime) as soon as practicable but in no event later than 30 days after the end of the **policy period**.

Any **claim** arising out of a **loss** that is covered under insuring clause A.15 (cyber business interruption loss), A.16 (data recovery costs), A.17 (cyber extortion loss) or A.18 (cybercrime) that has been notified to **us** in conformance with the conditions set out in this policy will be considered to have been made during the **policy period**.

If **you** do not give **us** notice of any **claim** or **loss** in conformance with this condition, then **we** will have no liability under this policy in respect of that **claim** or **loss**.

C.8 Notice of circumstances

You may notify **us** of any **circumstance** as soon as practicable after becoming aware of such **circumstance** during the **policy period**. Such notice must include:

a. the specific details of the **circumstance**;

b. the injury or damage which may result or has resulted from the **circumstance**; and

c. the facts by which **you** first became aware of the **circumstance**.

Any subsequent **claim** made against **you** arising out of any **circumstance** reported to **us** in conformance with this condition will be considered to have been made at the time notice complying with the above requirements was first given to **us** during the **policy period**.

C.9 Notification of a denial of service attack

You must notify **us** as soon as possible and during the **policy period** of any denial of service attack occurring during the **policy period**.

Upon notification to **us**, **you** must:

a. firstly, obtain a new IP address from **your** internet service provider and request this IP address be installed (or in the event that **you** are the host of the webserver, install the IP address for the A record to the new IP address); and

b. secondly, contact the **website recovery service provider** by completing the form located at the following web address:

http://www.dosarrest.com/ddos-emergency-contact

The **website recovery service provider** will contact **you** directly and request the policy number and start date of this policy listed in the schedule.

You will be required to enter into a service level agreement with the **website recovery service provider** for the provision of **website recovery services**.

C.10 Contact details for notices

Notice of **claims**, **losses** and **circumstances** must be sent either by email to:

bukproclaims@gosuperscript.com

or by phone on 0800 772 3059

or by post to the address below:

Professional Liability Claims Beazley Plc
Plantation Place South,
60 Great Tower Street,
London, EC3R 5AD

C.11 Notification of a data breach

You must notify **us** of any actual or reasonably suspected **data breach** or **security breach** as soon as practicable after discovery but in no event later than 30 days after the end of the **policy period**.

The notice must be provided to the **breach response services team** either by email to:

BBRuk@gosuperscript.com

Or by phone on 020 3514 2434

Notice of an actual or reasonably suspected **data breach** or **security breach** in conformance with this condition will also constitute notice of a **circumstance** in conformance with condition C.8 (notice of circumstances).

If **you** do not give **us** notice of a **data breach** or **security breach** in conformance with this condition, then **we** will have no liability under this policy in respect of that **data breach** or **security breach.**

C.12 Optional extension period

Upon non-renewal or cancellation of this policy for any reason except the non-payment of premium, the **named insured** will have the right to purchase a 365-day Optional Extension Period for an additional premium payable of 100% of the annual premium plus applicable taxes, provided that written notice is given to **us** by the **named insured** within 30 days after the end of the **policy period**, and the additional premium is paid to **us** within 45 days of the end of the **policy period**. Coverage provided by such Optional Extension Period will only apply subject to condition C.21 (changes in circumstances) for **claims** first made against **you** during the Optional Extension Period and reported to **us** during the Optional Extension Period, and arising out of any act, error or omission committed before the end of the **policy period**.

The purchase of the Optional Extension Period will in no way increase any limit or sub-limit of liability. At the commencement of the Optional Extension Period, the entire premium will be deemed earned, and in the event the **named insured** terminates the Optional Extension Period for any reason prior to its natural expiration, **we** will not be liable to return any premium paid for the Optional Extension Period.

C.13 Breach response service providers

Breach response services will be provided by **our** panel of service providers subject to the terms and conditions of this policy and the Online Information Packet. To access the current panel of service providers or learn more details regarding **breach response services** and assistance from the BBR Services team, visit www.beazley.com/cyberservices, the "Online Information Packet".

Breach response services also include assistance from the BBR Services team and access to education and loss prevention tools detailed in the Online Information Packet.

Breach response services will not include any internal salary or overhead expenses of **your organisation** or any costs, fees or expenses incurred without **our** prior written consent.

C.14 Unavailability of breach response services

If there is a change of law, regulation or enforcement that prevents **our** providers or **us** from providing all or part of the **breach response services**, or if a provider is unable to or does not provide **breach response services**, **we** will make reasonable efforts to procure similar services from other sources. In such event, the maximum **we** will pay for the costs of procuring and providing all **breach response services**, including substitute products and services, will be no more than GBP 10,000,000 in the aggregate for the **policy period**. If it is not reasonably possible for **us** to procure substitute products or services, **we** will not be obligated to provide such services.

C.15 Defence of claims

We have the right and duty to defend any covered **claim** or **regulatory proceeding**. Defence counsel will be mutually agreed by the **named insured** and **us** but, in the absence of such agreement, **our** decision will be final.

However, with respect to **payment card liabilities and costs**, coverage will be provided on an indemnity basis and legal counsel will be mutually agreed by the **named insured** and **us**.

C.16 Settlement of claims

If **you** refuse to consent to any settlement recommended by **us** and acceptable to the claimant, **our** liability for such **claim** will not exceed:

a. the amount for which the **claim** could have been settled, less the excess listed in the schedule, plus **claims expenses** incurred up to the time of such refusal; plus

b. sixty per cent (60%) of any **claims expenses** incurred after the date such settlement or compromise was recommended to **you** plus sixty per cent (60%) of any **damages**, **penalties** and **PCI fines**, **expenses and costs** above the amount for which the **claim** could have been settled;

And **we** will have the right to withdraw from the further defence of such **claim**.

You may settle any **claim** where the **damages**, **penalties**, **PCI fines**, **expenses and costs** and **claims expenses** do not exceed the excess listed in the schedule, provided that the entire **claim** is resolved and **you** obtain a full release from all claimants.

C.17 Assistance and cooperation

We will have the right to make any investigation **we** deem necessary, and **you** will cooperate with **us** in all investigations, including investigations regarding coverage under this policy and the information and materials provided to **us** in connection with the underwriting and issuance of this policy. **You** will execute or cause to be executed all papers and render all assistance as is requested by **us**. **You** agree not to take any action which in any way increases **our** exposure under this policy. Expenses incurred by **you** in assisting and cooperating with **us** do not constitute **claims expenses** under the policy.

You will not admit liability, make any payment, assume any obligations, incur any expense, enter into any settlement, stipulate to any judgment or award or dispose of any **claim** without **our** written consent, except as specifically provided in condition C.16 (settlement of claims). Compliance with a **breach notice law** will not be considered an admission of liability.

C.18 Subrogation

If any payment is made under this policy and there is available to **us** any of **your** rights of recovery against any other party, then **we** will maintain all such rights of recovery. **You** will do whatever is reasonably necessary to secure such rights and will not do anything after an incident or event giving rise to a **claim** or **loss** to prejudice such rights. If **you** have waived **your** right to subrogate against a third-party through a written agreement made before an incident or event giving rise to a **claim** or **loss** has occurred, then **we** waive **our** rights to subrogation against such third-party. Any recoveries will be applied first to subrogation expenses, second to **loss** paid by **us**, and lastly to reimburse the excess. Any additional amounts recovered will be paid to the **named insured**.

C.19 Automatic renewal

This policy will automatically renew for a period of one year on expiring terms unless:

a. the policy has been cancelled in accordance with condition C.20 (cancellation);

b. **we** have given the **named insured** 30 days written notice that the policy will not automatically renew;

c. **we** have given the **named insured** not less than 45 days written notice that the policy will automatically renew on different terms; or

d. the **named insured** has given **us** 30 days written notice that the policy should not automatically renew.

C.20 Cancellation

The **named insured** may cancel this policy by giving **us** 30 days written notice. After expiry of the 30-day notice period, provided that **you** have not notified **us** of any **claim** or **circumstance**, the **named insured** will be entitled to a pro-rata refund of any premium paid in advance for the remaining portion of the **policy period**.

If the premium due under this policy has not been paid to **us** within 30 days of the start date of the **policy period** or, where the premium is due to be paid monthly, by the first day of the period to which the premium relates (the “premium due date”), **we** will have the right to cancel this policy with effect from the premium due date by notifying the **named insured** in writing. **We** will give not less than 14 days prior notice of such cancellation, and if the unpaid premium is paid to **us** within the notice period, the notice of cancellation will automatically be revoked.

If any additional premium due under the terms of this policy or in respect of any amendment to the terms of this policy is not paid within 30 days of the date on which it is due to be paid, **we** will not have any liability in respect of the additional rights which were to have been purchased by **you** by payment of the additional premium.

C.21 Changes in circumstances

Your management must tell **us** as soon as reasonably possible of any material change or changes in circumstances during the **policy period** that increases the risk covered and/or any material change in the matters declared to **us**. We will not provide any indemnity in respect of liability arising from such material change in the matters declared to **us** unless **we** have agreed in writing to accept the altered risk.

C.22 Mergers or consolidations

If during the **policy period** the **named insured** consolidates or merges with or is acquired by another entity, or sells more than 50% of its assets to another entity, then this policy will continue to remain in effect through the end of the **policy period**, but only with respect to events, acts or incidents that occur prior to such consolidation, merger or acquisition. There will be no coverage provided by this policy for any other **claim** or **loss** unless the **named insured** provides written notice to **us** prior to such consolidation, merger or acquisition, the **named insured** has agreed to any additional premium and terms of coverage required by **us** and **we** have issued an endorsement extending coverage under this policy.

C.23 Entire agreement

By acceptance of the policy, **you** agree that this policy (including the schedule and endorsements) forms the entire agreement between you and us.

C.24 Other insurance

The insurance under this policy will apply in excess of any other valid and collectable insurance available to **you** unless such other insurance is written as specific excess insurance over this policy.

C.25 Assignment

Your interest hereunder is not assignable. If **you** die or are adjudged incompetent, such insurance will cover **your** legal representative as if such representative were **you**, in accordance with the terms and conditions of this policy.

C.26 Choice of law and jurisdiction

This policy, including any non-contractual disputes arising in respect of it, shall be governed by and construed in accordance with the laws of England and Wales. **You** and **we** have agreed that any legal proceedings between us in connection with this policy will only take place in the courts of England and Wales.

C.27 The singular form of a word

Whenever the singular form of a word is used herein, the same will include the plural when required by the context.

C.28 Headings

The titles of paragraphs, clauses, provisions or endorsements of or to this policy are intended solely for convenience and reference and are not deemed in any way to limit or expand the provisions to which they relate and are not part of the policy.

C.29 Communication with you

Your management will be considered **your** agent and will act on **your** behalf with respect to the giving of or receipt of all notices relating to this policy, and the acceptance of any endorsements to this policy. **Your management** is responsible for the payment of all premiums and the excess.

C.30 Financial interest coverage

We will not provide cover for any **claim** or **loss** of an **uncovered company**. We will instead reimburse the **named insured** for its financial interest in such **uncovered company** by way of an agreed valuation calculated as the amount of **loss** or **damages** which would have been payable to the **uncovered company** under this policy had the **uncovered company** been insured under this policy. For the purpose of this provision, the **named insured** will be deemed to have suffered a loss to its financial interest simultaneously with the **uncovered company** which suffered the **claim** or **loss** for which it would have been entitled to receive coverage under this policy.

C.31 Compensation

We are covered by the Financial Services Compensation Scheme.

You may be entitled to compensation from the Scheme if **we** are unable to meet **our** obligations to **you** under this contract. If **you** are entitled to compensation under the Scheme, the level and extent of the compensation would depend on the nature of this contract.

Further information about the Scheme is available from:

The Financial Services Compensation Scheme

PO Box 300, Mitcheldean, GL17 1DY

Telephone: 0800 678 1100 or 020 7741 4100

Or on their website: www.fscs.org.uk

C.32 Complaints

Every effort is made to ensure that a high standard of service is provided. However, if **you** are not satisfied with the service **you** have received, or **you** have any questions or concerns about this policy, **you** should, in the first instance, contact:

Beazley Group

Plantation Place South, 60 Great Tower Street, London, EC3R 5AD

All correspondence should be addressed to Beazley Complaints

Or by telephone: 020 7667 0623

Or by email: beazley.complaints@beazley.com

In the event that **you** remain dissatisfied, the complaint can be escalated to:

Complaints Lloyd’s

One Lime Street, London, EC3M 7HA

Email: complaints@lloyds.com

Telephone: 020 7327 5693

Fax: 020 7327 5225

Website: www.lloyds.com/complaints

Ultimately, if **you** are dissatisfied with Lloyd's final response, **you** may, if eligible, refer the complaint to the Financial Ombudsman Service (FOS). The Financial Ombudsman Service is an independent service in the UK for settling disputes between consumers and businesses providing financial services.

The FOS’s contact details are as follows:

Financial Ombudsman

Service Exchange Tower, London, E14 9SR

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

Telephone: 0300 123 9 123

Website: www.financial-ombudsman.org.uk

C.33 Personal information notice

The basics

We collect and use relevant information about **you** to provide **you** with your insurance cover or the insurance cover that benefits **you** and to meet **our** legal obligations.

This information includes details such as **your** name, address and contact details and any other information that **we** collect about **you** in connection with the insurance cover from which **you** benefit. This information may include more sensitive details such as information about **your** health and any criminal convictions **you** may have.

In certain circumstances, **we** may need **your** consent to process certain categories of information about **you** (including sensitive details such as information about **your** health and any criminal convictions **you** may have). Where **we** need **your** consent, **we** will ask **you** for it separately. **You** do not have to give **your** consent, and **you** may withdraw **your** consent at any time. However, if **you** do not give **your** consent, or **you** withdraw **your** consent, this may affect **our** ability to provide the insurance cover from which **you** benefit and may prevent **us** from providing cover for **you** or handling **your** claims.

The way insurance works mean that **your** information may be shared with, and used by, a number of third parties in the insurance sector, for example, insurers, agents or brokers, reinsurers, loss adjusters, sub-contractors, regulators, law enforcement agencies, fraud and crime prevention and detection agencies and compulsory insurance databases. **We** will only disclose **your** personal information in connection with the insurance cover that **we** provide and to the extent required or permitted by law.

Other people's details you provide to us

Where **you** provide **us** or **your** agent or broker with details about other people, **you** must provide this notice to them.

Want more details?

For more information about how **we** use **your** personal information, please see **our** full privacy notice(s), which is/are available online on **our** website(s) or in other formats on request.

Contacting us and your rights

You have rights in relation to the information **we** hold about **you**, including the right to access **your** information. If **you** wish to exercise **your** rights, discuss how **we** use **your** information or request a copy of our full privacy notice(s), please contact **us** on DPO@beazley.com or the agent or broker that arranged this insurance.

D. Definitions

Account information services

means account information services as defined by the Payment Services Regulations 2017 or any subsequent amendments to these regulations.

Additional insured

means any person or entity that **your organisation** has agreed in writing to add as an **additional insured** under this policy prior to the commission of any act for which such person or entity would be provided coverage under this policy, but only to the extent **your organisation** would have been liable, and coverage would have been afforded under the terms and conditions of this policy had such **claim** been made against **your organisation**.

Botnet attack

means the **unauthorised access or use** of **computer systems** for the sole purpose of launching a denial of service attack or hacking attack against a third-party.

Breach notice law

means any statute or regulation that requires notice to persons whose personal information was accessed or reasonably may have been accessed by an unauthorised person.

Breach notice law also includes any statute or regulation requiring notice of a **data breach** to be provided to governmental or regulatory authorities.

Breach of contract

means an unintentional breach of contract or breach of a hold harmless or indemnity agreement between **your organisation** and any person or entity with whom **your organisation** has contracted to provide **professional services**.

Breach response services

means those fees and costs described in insuring clause A.14 (breach response services).

Business interruption loss

means:

a. **income loss**;

b. **forensic expenses**; and

c. **extra expense**;

actually sustained during the **period of restoration** as a result of the actual interruption of **your organisation's** business operations caused by a **security breach** or **system failure**. Coverage for **business interruption loss** will apply only after the **waiting period** has elapsed.

Business interruption loss will not include:

a. loss arising out of any liability to any third-party;

b. legal costs or legal expenses;

c. loss incurred as a result of unfavourable business conditions;

d. loss of market or any other consequential loss;

e. **dependent business interruption loss**;

f. **data recovery costs**.

Circumstance

means any complaint, criticism, situation, problem, event incident, act, error or omission which is likely to give rise to **loss** covered under this policy.

Claim

means:

a. a written demand received by **you** for money or services;

b. institution of a **regulatory proceeding** against **you** in connection with a **data breach** or a **security breach**; and

c. a demand received by **you** to fulfil **your organisation's** contractual obligation to provide notice of a **data breach** pursuant to a **breach notice law**;

Multiple **claims** arising from the same or a series of related, repeated or continuing acts, errors, omissions or events will be considered a single **claim** for the purposes of this policy. All such **claims** will be deemed to have been made at the time of the first such **claim**.

Claims expenses

means:

a. all reasonable and necessary legal costs and expenses resulting from the investigation, defence and appeal of a **claim**, if incurred by **us**, or by **you** with **our** prior written consent;

b. the premium cost for appeal bonds for covered judgments or bonds to release property used to secure a legal obligation, if required in any **claim** against **you**; provided **we** will have no obligation to appeal or to obtain bonds;

Claims expenses will not include any salary, overhead, or other charges by **you** for any time spent in cooperating in the defence and investigation of any **claim** or **circumstance** notified under this policy, or costs to comply with any regulatory orders, settlements or judgments.

Computer systems

means computers, any software residing on such computers and any associated devices or equipment:

a. operated by and either owned by or leased to **your organisation**; or

b. with respect to **breach response services**, **PCI fines, expenses and costs** and coverage under insuring clauses A.4 (cyber and privacy liability) and A.11 (regulatory defence and penalties), operated by a third-party pursuant to written contract with **your organisation** and used for the purpose of providing hosted computer application services to **your organisation** or for processing, maintaining, hosting or storing **your organisation's** electronic data.

Criminal reward funds

means any amount offered and paid by **your organisation** with **our** prior written consent for information that leads to the arrest and conviction of any individual(s) committing or trying to commit any illegal act related to any coverage under this policy; but will not include any amount based upon information provided by **you**, **your** auditors or any individual hired or retained to investigate the illegal acts.

All **criminal reward funds** offered pursuant to this policy must expire no later than 6 months following the end of the **policy period**.

Cryptojacking

means the **unauthorised access or use** of **computer systems** for the sole purpose of **digital currency** mining activities.

Cyber extortion loss

means:

a. any **extortion payment** that has been made by or on behalf of **your organisation** with **our** prior written consent to prevent or terminate an **extortion threat**; and

b. reasonable and necessary expenses incurred by **your organisation** with **our** prior written consent to prevent or respond to an **extortion threat**.

Damages

means a monetary judgment, award or settlement, including any award of prejudgment or post-judgment interest; but **damages** will not include:

a. future profits, restitution, disgorgement of unjust enrichment or profits by **you**, or the costs of complying with orders granting injunctive or equitable relief;

b. return or offset of fees, charges or commissions charged by or owed to **you** for goods or services already provided or contracted to be provided;

c. taxes or loss of tax benefits;

d. fines, sanctions or penalties;

e. punitive or exemplary damages or any damages which are a multiple of compensatory damages, unless insurable by law in any applicable venue that most favours coverage for such punitive, exemplary or multiple damages;

f. discounts, coupons, prizes, awards or other incentives offered to **your** customers or clients;

g. liquidated damages, but only to the extent that such damages exceed the amount for which **you** would have been liable in the absence of such liquidated damages agreement;

h. fines, costs or other amounts **you** are responsible for paying under a **merchant services agreement**; or

i. any amounts for which **you** are not liable, or for which there is no legal recourse against **you**.

Data

means any software or electronic data that exists in **computer systems** and that is subject to regular back-up procedures.

Data breach

means the theft, loss, or **unauthorised disclosure** of **personally identifiable information** or **third-party information** that is in the care, custody or control of **your organisation** or a third-party for whose theft, loss or **unauthorised disclosure** of **personally identifiable information** or **third-party information your organisation** is liable.

Data recovery costs

means the reasonable and necessary costs incurred by **your organisation** to regain access to, replace, or restore **data**, or if **data** cannot reasonably be accessed, replaced, or restored, then the reasonable and necessary costs incurred by **your organisation** to reach this determination.

Data recovery costs will not include:

a. the monetary value of profits, royalties, or lost market share related to **data**, including but not limited to trade secrets or other proprietary information or any other amount pertaining to the value of **data**;

b. legal costs or legal expenses;

c. loss arising out of any liability to any third-party; or

d. **cyber extortion loss**.

Dependent business

means any entity that is not a part of **your organisation** but which provides necessary products or services to **your organisation** pursuant to a written contract.

Dependent business interruption loss

means:

a. **income loss**; and

b. **extra expense**;

actually sustained during the **period of restoration** as a result of an actual interruption of **your organisation's** business operations caused by a **dependent security breach** or **dependent system failure**. Coverage for **dependent business interruption loss** will apply only after the **waiting period** has elapsed.

Dependent business interruption loss will not include:

a. loss arising out of any liability to any third-party;

b. legal costs or legal expenses;

c. loss incurred as a result of unfavourable business conditions;

d. loss of market or any other consequential loss;

e. **business interruption loss**;

f. **data recovery costs**.

Dependent security breach

means a failure of computer security to prevent a breach of computer systems operated by a **dependent business**.

Dependent system failure

means an unintentional and unplanned interruption of computer systems operated by a **dependent business**.

Dependent system failure will not include any interruption of computer systems resulting from:

a. a **dependent security breach**, or

b. the interruption of computer systems that are not operated by a **dependent business**.

Digital currency

means a type of digital currency that:

a. requires cryptographic techniques to regulate the generation of units of currency and verify the transfer thereof;

b. is both stored and transferred electronically; and

c. operates independently of a central bank or other central authority.

Documents

means **your** deeds, wills, affidavits, passports, agreements, maps, plans, records, books, letters, certificates, forms, computer programs or information stored, written or punched into card or tape or magnetic discs or tapes or any other data media, and documents of any nature whatsoever, whether written, printed or reproduced by any other method.

Documents do not include bearer bonds, coupons, banknotes, currency notes and negotiable instruments.

Employee dishonesty

means dishonesty of **your** employees during the performance of your **professional services** provided that:

a. there was a clear intention to cause you financial loss and to obtain a personal gain by **your** employee; and

b. no member of **your management** participated or colluded in such dishonesty.

Extortion payment

means **money**, **digital currency**, marketable goods or services demanded to prevent or terminate an **extortion threat**.

Extortion threat

means a threat to:

a. alter, destroy, damage, delete or corrupt **data**;

b. perpetrate the **unauthorised access or use** of **computer systems**;

c. prevent access to **computer systems** or **data**;

d. steal, misuse or publicly disclose **data**, **personally identifiable information** or **third-party information**;

e. introduce malicious code into **computer systems** or to third-party computer systems from **computer systems**; or

f. interrupt or suspend **computer systems**;

Unless an **extortion payment** is received from or on behalf of **your organisation**.

Extra expense

means reasonable and necessary expenses incurred by **your organisation** during the **period of restoration** to minimise, reduce or avoid **income loss**, over and above those expenses **your organisation** would have incurred had no **security breach**, **system failure**, **dependent security breach** or **dependent system failure** occurred.

Financial institution

means a bank, credit union, saving and loan association, trust company or other licensed financial service, securities broker-dealer, mutual fund, or liquid assets fund or similar investment company where **your organisation** maintains a bank account.

Forensic expenses

means reasonable and necessary expenses incurred by **your organisation** to investigate the source or cause of a **business interruption loss**.

Fraudulent instruction

means the transfer, payment or delivery of **money** or **securities** by **you** as a result of fraudulent written, electronic, telegraphic, cable, teletype or telephone instructions provided by a third-party, that is intended to mislead **you** through the misrepresentation of a material fact which is relied upon in good faith by **you**.

Fraudulent instruction will not include loss arising out of:

a. fraudulent instructions received by **you** which are not first authenticated via a method other than the original means of request to verify the authenticity or validity of the request;

b. any actual or alleged use of credit, debit, charge, access, convenience, customer identification or other cards;

c. any transfer involving a third-party who is not a natural person within the definition of **you**, but had authorized access to **your** authentication mechanism;

d. the processing of, or the failure to process credit, check, debit, personal identification number debit, electronic benefit transfers or mobile payments for merchant accounts;

e. accounting or arithmetical errors or omissions, or the failure, malfunction, inadequacy or illegitimacy of any product or service;

f. any liability to any third-party, or any indirect or consequential loss of any kind;

g. any legal costs or legal expenses;

h. proving or establishing the existence of **fraudulent instruction**.

Funds transfer fraud

means the loss of **money** or **securities** contained in a **transfer account** at a **financial institution** resulting from fraudulent written, electronic, telegraphic, cable, teletype or telephone instructions by a third-party issued to a **financial institution** directing such institution to transfer, pay or deliver **money** or **securities** from any account maintained by **your organisation** at such institution, without **your organisation's** knowledge or consent.

Funds transfer fraud will not include any loss arising out of:

a. the type or kind covered by a financial institution bond or commercial crime policy held by **your organisation**;

b. any actual or alleged fraudulent, dishonest or criminal act or omission by, or involving, any natural person within the definition of **you**;

c. any indirect or consequential loss of any kind;

d. punitive, exemplary or multiplied damages of any kind or any fines, penalties or loss of any tax benefit;

e. any liability to any third-party, except for direct compensatory damages arising directly from **funds transfer fraud**;

f. any legal costs or legal expenses; or proving or establishing the existence of **funds transfer fraud**;

g. the theft, disappearance, destruction of, unauthorised access to, or unauthorised use of confidential information, including a PIN or security code;

h. any forged, altered or fraudulent negotiable instruments, securities, documents or instructions; or

i. any actual or alleged use of credit, debit, charge, access, convenience or other cards or the information contained on such cards.

Income loss

means an amount equal to:

a. net profit or loss before interest and tax that **your organisation** would have earned or incurred; and

b. continuing normal operating expenses incurred by **your organisation** (including payroll), but only to the extent that such operating expenses must necessarily continue during the **period of restoration**.

Individual contractor

means any natural person who performs labour or service for **your organisation** pursuant to a written contract or agreement with **your organisation**. The status of an individual as an **individual contractor** will be determined as of the date of an alleged act, error or omission by any such **individual contractor**.

Loss

means **breach response services**, **business interruption loss**, **claims expenses**, **criminal reward funds**, **cyber extortion loss**, **damages**, **data recovery costs**, **dependent business interruption loss**, **PCI fines, expenses and costs**, **penalties**, loss covered under insuring clause A.18 (cybercrime) and any other amounts covered under this policy.

Multiple **losses** arising from the same or a series of related, repeated or continuing acts, errors, omissions or events will be considered a single **loss** for the purposes of this policy.

With respect to **breach response services** and insuring clauses A.15 (cyber business interruption loss), A.16 (data recovery costs) and A.17 (cyber extortion loss), all acts, errors, omissions or events (or series of related, repeated or continuing acts, errors, omissions or events) giving rise to a **loss** or multiple **losses** in connection with such insuring clauses will be deemed to have been discovered at the time the first such act, error, omission or event is discovered.

Media content

means any information, including words, sounds, numbers, images or graphics, but will not include computer software or the actual goods, products or services described, illustrated or displayed in such **media content**.

Merchant services agreement

means any agreement between **you** and a financial institution, credit/debit card company, credit/debit card processor or independent service operator enabling **you** to accept credit card, debit card, prepaid card or other payment cards for payments or donations.

Money

means a medium of exchange in current use authorized or adopted by a domestic or foreign government as a part of its currency.

Named insured

means the named insured listed in the schedule.

Payment initiation services

means payment initiation services as defined by the Payment Services Regulations 2017 or any subsequent amendments to these regulations.

PCI fines, expenses and costs

means the monetary amount owed by **your organisation** under the terms of a **merchant services agreement** as a direct result of a suspected **data breach**.

With **our** prior consent, **PCI fines, expenses and costs** include reasonable and necessary legal costs and expenses incurred by **your organisation** to appeal or negotiate an assessment of such monetary amount. **PCI fines, expenses and costs** will not include any chargebacks, interchange fees, discount fees or other fees unrelated to a **data breach**.

Penalties

means:

a. any monetary civil fine or penalty payable to a governmental entity that was imposed in a **regulatory proceeding**; and

b. amounts which **you** are legally obligated to deposit in a fund as equitable relief for the payment of consumer claims due to an adverse judgment or settlement of a **regulatory proceeding** (including such amounts required to be paid into a “Consumer Redress Fund”);

Penalties will not include:

a. costs to remediate or improve **computer systems**;

b. costs to establish, implement, maintain, improve or remediate security or privacy practices, procedures, programs or policies;

c. audit, assessment, compliance or reporting costs; or

d. costs to protect the confidentiality, integrity and/or security of **personally identifiable information** or other information;

The insurability of **penalties** will be in accordance with the law in the applicable venue that most favours coverage for such **penalties**.

Period of restoration

means the 180-day period of time that begins upon the actual and necessary interruption of **your organisation’s** business operations.

Personally identifiable information

means:

a. any information concerning an individual that is defined as personal information under any **breach notice law**; and

b. an individual’s driver’s license number, unpublished telephone number, and credit, debit or other financial account numbers in combination with associated security codes, access codes, passwords or PINs; if such information allows an individual to be uniquely and reliably identified or contacted or allows access to the individual’s financial account or medical record information.

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

Policy period

means the period of time between the start date listed in the schedule and the effective date of termination, expiration or cancellation of this policy and specifically excludes any Optional Extension Period or any prior policy period or renewal period.

Privacy policy

means **your organisation’s** public declaration of its policy for the collection, use, disclosure, sharing, dissemination and correction or supplementation of, and access to **personally identifiable information**.

Professional services

means the business activities listed in the schedule and/or associated marketing and advertising activities.

Professional services will not include the provision of:

a. financial services;

b. legal advice;

c. medical diagnosis or treatment;

d. accounting or tax advice;

e. estate agency services;

f. architectural or surveying services;

g. civil, structural, mechanical, or electrical engineering;

h. **payment initiation services**;

i. **account information services**.

Regulatory proceeding

means a request for information, civil investigative demand, or civil proceeding brought by or on behalf of any national, local or foreign governmental entity in such entity’s regulatory or official capacity.

Reputation and brand protection costs

means the following costs agreed in advance by **us** in **our** reasonable discretion, and which are directly related to mitigating harm to **your organisation's** reputation or potential **loss** resulting from a **claim** covered by this policy:

a. costs incurred by a public relations or crisis management consultant;

b. costs for media purchasing or for printing or mailing materials intended to inform the general public about the event;

c. other costs approved in advance by **us**.

Reputation and brand protection costs must be incurred within 12 months following notification of such **claim** to **us**.

Securities

means negotiable and non-negotiable instruments or contracts representing either **money** or tangible property that has intrinsic value.

Security breach

means a failure of computer security to prevent:

a. **the unauthorised access or use** of **computer systems**, including **unauthorised access or use** resulting from the theft of a password from a **computer system** or from **you**;

b. a denial of service attack affecting **computer systems**;

c. with respect to **PCI fines, expenses and costs** and coverage under insuring clauses A.4 (cyber and privacy liability) and A.11 (regulatory defence and penalties), a denial of service attack affecting computer systems that are not owned, operated or controlled by **you**; or

d. infection of **computer systems** by malicious code or transmission of malicious code from **computer systems**.

Subsidiary

means any entity:

a. which, on or prior to the start date of the **policy period**, the **named insured** owns, directly or indirectly, more than 50% of the outstanding voting securities ("Management Control");

b. which the **named insured** acquires Management Control after the start date of the **policy period**; provided that:

   i. the revenues of such entity do not exceed £100,000 or 20% of the **named insured's** annual revenues (whichever is greater); or

   ii. if the revenues of such entity exceed those described in subparagraph i. above, then coverage under this policy will be afforded for a period of 30 days, but only for any **claim** that arises out of any act, error, omission, incident or event first occurring after the entity becomes so owned. Beyond such 30-day period will only be available if the **named insured** gives **us** written notice of the acquisition, obtains **our** written consent to extend coverage to the entity beyond such 30-day period and agrees to pay any additional premium required by **us**.

Coverage under this policy only applies subject to condition C.21 (changes in circumstances) for acts, errors, omissions, incidents or events that occur while the **named insured** has Management Control over an entity.

System failure

means an unintentional and unplanned interruption of **computer systems**.

System failure will not include any interruption of computer systems resulting from:

a. a **security breach**, or

b. the interruption of any third-party computer system.

Telephone hacking

means the act of a third-party gaining access to and using **your organisation's** telephone system in an unauthorised manner.

Third-party information

means any trade secret, data, design, interpretation, forecast, formula, method, practice, credit or debit card magnetic strip information, process, record, report or other items of information of a third-party not insured under this policy which is not available to the general public.

Transfer account

means an account maintained by **your organisation** at a **financial institution** from which **your organisation** can initiate the transfer, payment or delivery of **money** or **securities**.

Unauthorised access or use

means the gaining of access to or use of **computer systems** by an unauthorised person(s) or the use of **computer systems** in an unauthorised manner.

Unauthorised disclosure

means the disclosure of (including disclosure resulting from phishing) or access to information in a manner that is not authorised by **your organisation** and is without knowledge of, consent or acquiescence of any member of **your management**.

Uncovered company

means any entity where the applicable law or regulation does not allow **us** to provide cover to that entity or which the **named insured** has elected that this policy will not cover directly but, instead, the policy will cover the **named insured's** own financial interest in such entity.

Waiting period

means a period of 12 hours commencing upon the actual interruption of **your organisation's** business operations caused by a **security breach**, **system failure**, **dependent security breach** or **dependent system failure**.

Website recovery service

means setting up a traffic filtering service, developing filtering rules, and hosting the filtering to re-establish the normal flow of traffic through **your** internet ports 443 (secure public-facing website, associated with HTTPS traffic) and 80 (public-facing website, associated with HTTP traffic), ensuring **your** business traffic is passed on seamlessly and without delay.

Website recovery service will also include if requested by **you** and authorised in writing in advance by **us**, the continuation of hosted filtering services following a **denial of service attack**.

Website recovery service provider

means DOSarrest Internet Security LTD.

We, **our**, **us** and **insurer**

mean Beazley Syndicates 2623/623 at Lloyd's.

You and **your**

mean:

a. **your organisation**;

b. any director or officer of **your organisation**, but only with respect to the performance of their duties as such on behalf of **your organisation**;

c. an employee (including part-time, temporary, leased or seasonal employees or volunteers) or **individual contractor** of **your organisation**, but only for work done while acting within the scope their employment and related to the conduct of **your organisation's** business;

d. a principal if the **named insured** is a sole proprietorship, or a partner if the **named insured** is a partnership, but only with respect to the performance of their duties as such on behalf of **your organisation**;

e. any person who previously fell within the definition of **you** under parts b. - d. above but only with respect to the performance of their duties as such on behalf of **your organisation**;

f. an **additional insured**, but only as respects **claims** against such person or entity for acts, errors or omissions of **your organisation**;

g. **your** estate, heirs, executors, administrators, assigns and legal representatives in the event of **your** death, incapacity, insolvency or bankruptcy, but only to the extent that **you** would otherwise be provided coverage under this policy; and

h. the lawful spouse, including any natural person qualifying as a domestic partner of **yours**, but solely by reason of any act, error or omission of **yours** other than such spouse or domestic partner.

Your management

means any principal, partner, corporate officer, director, general counsel (or most senior legal counsel) or risk manager of **your organisation** and any individual in a substantially similar position.

Your organisation

means the **named insured** and any **subsidiaries**.