



Management liability

Policy document

Republic of Ireland

PREAMBLE

IMPORTANT: COVERAGE TRIGGERS. It is important for **you** to review this Policy in its entirety carefully, including **CONDITION 1**, as the trigger for coverage, including when **you** must notify **us** of a claim, under each Section and Insuring Clause may differ.

Where **cyber events** or **technology errors** are not specifically excluded from a Section or Insuring Clause of this Policy, then a claim arising out of a **cyber event** or **technology error** which is otherwise covered under that Section or Insuring Clause will be payable, subject to all other terms, conditions and exclusions of this Policy.

This Policy is a contract of insurance between **you** and **us**. **Your** Policy contains all the details of the cover that **we** provide. This Policy consists of and must be read together with the Schedule and any Endorsements. This Policy is not complete unless it is signed and a Schedule is attached.

The sections of this Policy are identified by the blue lines across the page with white upper case print, these are for information purposes only and do not form part of the cover given by this Policy. Terms in bold upper case print are references to specific Insuring Clauses, Sections or Conditions. Other terms in bold lower case print are defined terms and have a special meaning as set forth in the Definitions section and elsewhere. Words stated in the singular will include the plural and vice versa.

In consideration of the **premium** and in reliance upon the information that **you** have provided to **us** prior to the commencement of this insurance, **we** agree to provide the cover as set out below:

INSURING CLAUSES

INSURING CLAUSE 1: DIRECTORS AND OFFICERS LIABILITY

SECTION A: INDIVIDUAL COVER

We agree to pay on behalf of an **insured person** all sums they become legally obliged to pay as a result of any **claim** first made against them during the **period of the policy** or any applicable optional extended reporting period arising out of any **wrongful act** committed or alleged to have been committed by an **insured person** acting in their capacity as an **insured person** for the **company** or any matter claimed against them solely by reason of them acting in this capacity, but only to the extent that the **company** has not indemnified the **insured person** for the **claim**.

We will also pay **costs and expenses** on behalf of the **insured person**.

SECTION B: COMPANY REIMBURSEMENT COVER

We agree to pay on behalf of the **company** all sums it becomes legally obliged to pay as a result of any **claim** first made against an **insured person** during the **period of the policy** or any

applicable optional extended reporting period arising out of any **wrongful act** committed or alleged to have been committed by an **insured person** acting in their capacity as an **insured person** for the **company** or any matter claimed against them solely by reason of them acting in this capacity, but only to the extent that the **company** has indemnified the **insured person** for the **claim**.

We will also pay **costs and expenses** on behalf of the **company**.

SECTION C: ENTITY SECURITIES COVER

We agree to pay on behalf of the **company** all sums it becomes legally obliged to pay as a result of any **claim** first made against it during the **period of the policy** or any applicable optional extended reporting period arising out of any **wrongful act** in relation to the violation of any laws regulating the purchase, sale, offer or solicitation of an offer to purchase or sell securities of the **company** where the **claim** is brought:

- a. by any person or entity in relation to, in whole or in part, the purchase, sale, offer or solicitation of an offer to purchase or sell any securities of the **company**;
- b. by a shareholder of the **company** in respect of their interest in the **company**; or
- c. derivatively on behalf of the **company** by a shareholder of the **company**.

We will also pay **costs and expenses** on behalf of the **company**.

SECTION D: REGULATORY INVESTIGATION COSTS

We agree to pay on behalf of an **insured person** all **costs and expenses** they incur as a result of any **regulatory investigation** first initiated against them in writing during the **period of the policy** or any applicable optional extended reporting period.

However, **we** will not pay any **costs and expenses** incurred in respect of any **regulatory investigation** affecting the wider environment or industry in which **you** conduct **your** normal business activities, as opposed to any **regulatory investigation** solely affecting the **company**.

SECTION E: OUTSIDE DIRECTORSHIP LIABILITY

We agree to pay on behalf of an **insured person** acting in an **outside directorship position** all sums they become legally obliged to pay as a result of any **claim** first made against them during the **period of the policy** or any applicable optional extended reporting period arising out of any **wrongful act** committed or alleged to have been committed by the **insured person** acting in an **outside directorship position** or any matter claimed against them solely by reason of them acting in this capacity, provided that cover will:

- a. not extend to the benefit of the **outside entity** or any other director, officer, trustee, council or committee member of the **outside entity**;
- b. be in excess of any other insurance policy protecting the **insured person** while acting in this capacity; and

- c. be in excess of any indemnification which the **outside entity** has agreed, or is bound by law, to provide to the **insured person**.

We will also pay **costs and expenses** on behalf of the **insured person**.

SECTION F: ADDITIONAL COVER FOR NON-EXECUTIVE DIRECTORS

We agree, upon exhaustion of the **limit of liability** of INSURING CLAUSE 1 (SECTION A only), to pay on behalf of the non-executive directors of the **company** all sums they become legally obliged to pay as a result of any **claim** first made against them during the **period of the policy** or any applicable optional extended reporting period arising out of any **wrongful act** committed or alleged to have been committed by the non-executive directors of the **company** acting in their capacity as non-executive directors of the **company** or any matter claimed against them solely by reason of them acting in this capacity, but only to the extent that the **company** has not indemnified the non-executive directors of the **company** for the **claim**.

We will also pay **costs and expenses** on behalf of the non-executive directors of the **company**.

However, **we** will not make any payment under this Section for which the non-executive directors of the **company** are entitled to under any other insurance, except for any additional sum which is payable over and above the other insurance.

SECTION G: EXTRADITION, ASSETS AND APPEAL COSTS

We agree to pay on behalf of an **insured person**, where permitted by law, any **costs and expenses** incurred by an **insured person** as a direct result of any legal proceeding commenced during the **period of the policy** or any applicable optional extended reporting period relating directly to:

- a. the extradition of the **insured person**;
- b. the deportation of the **insured person** following revocation of the otherwise proper, current and valid immigration status for a reason other than the **insured person's** criminal conviction;
- c. the confiscation, assumption of ownership and control or freezing of any asset of the **insured person**;
- d. a charge over an asset of the **insured person**;
- e. a prohibition imposed on the **insured person** from holding the office of or performing the function of an **insured person**; or
- f. a restriction of the **insured person's** liberty to a specified domestic residence or confinement in custodial premises.

We will also pay **costs and expenses** to appeal the decision of a. to f. above, including any judicial review application.

SECTION H: FAMILY COSTS

We agree to reimburse any reasonable travel costs and associated expenses incurred by an **insured person** to enable their family members to attend court or a tribunal, arbitration,

adjudication, mediation or other hearing where an **insured person** is appearing as a witness in connection with a **claim** covered under **INSURING CLAUSE 1**.

INSURING CLAUSE 2: ENTITY COVER

We agree to pay on behalf of the **company** all sums it becomes legally obliged to pay as a result of any **claim** first made against it during the **period of the policy** or any applicable optional extended reporting period arising out of any **wrongful act** committed or alleged to have been committed by **you** or on **your** behalf in the normal course of **your** business activities.

We will also pay **costs and expenses** on behalf of the **company**.

INSURING CLAUSE 3: EMPLOYMENT PRACTICES LIABILITY

We agree to pay on **your** behalf all sums **you** become legally obliged to pay as a result of any **claim** first made against **you** during the **period of the policy** or any applicable optional extended reporting period by an **employee** arising out of any **wrongful act** committed or alleged to have been committed by **you**.

We will also pay **costs and expenses** on **your** behalf.

INSURING CLAUSE 4: BENEFIT PLAN LIABILITY

SECTION A: INDIVIDUAL COVER

We agree to pay on behalf of any trustee of a **benefit plan** all sums they become legally obliged to pay as a result of any **claim** first made against them during the **period of the policy** or any applicable optional extended reporting period arising out of:

- a. any **wrongful act**; or
- b. maladministration, breach of statutory provisions or breach of warranty of authority;

committed or alleged to have been committed by any trustee of a **benefit plan** acting in their capacity as trustee of a **benefit plan** or any matter claimed against them solely by reason of them acting in this capacity.

We will also pay **costs and expenses** on behalf of the trustees of a **benefit plan**.

SECTION B: COMPANY COVER

We agree to pay on behalf of the **company** all sums it becomes legally obliged to pay as a result of any **claim** first made against it during the **period of the policy** or any applicable optional extended reporting period arising out of any:

- a. **wrongful act**; or
- b. maladministration, breach of statutory provisions or breach of warranty of authority;

committed or alleged to have been committed by the **company** in the establishment or maintenance of a **benefit plan**.

We will also pay **costs and expenses** on behalf of the **company**.

SECTION C: REGULATORY INVESTIGATION COSTS

We agree to pay on behalf of any trustee of a **benefit plan** all **costs and expenses** they incur as a result of any **regulatory investigation** first initiated against them in writing during the **period of the policy** or any applicable optional extended reporting period.

However, **we** will not pay any **costs and expenses** incurred in respect of any **regulatory investigation** affecting the wider environment in which **you** conduct **your** normal business activities, as opposed to any **regulatory investigation** solely affecting the **company**

SECTION D: OVERPAYMENTS AND EXONERATION COVER

We agree to reimburse the **company** for all **overpayments** as a direct result of any:

- a. **wrongful act**; or
- b. maladministration, breach of statutory provisions or breach of warranty of authority;

first discovered during the **period of the policy**.

We also agree to waive subrogation rights against any trustee of a **benefit plan** in relation to **overpayments**.

INSURING CLAUSE 5: CYBER AND PRIVACY

SECTION A: INCIDENT RESPONSE COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred by **you**, or on **your** behalf, as a direct result of a **cyber event** first discovered by **you** during the **period of the policy** to:

- a. gain access to **our 24/7 cyber incident response hotline**;
- b. engage with **our cyber incident response team** who will coordinate the initial response;
- c. obtain initial advice and consultancy from **our cyber incident response team**, including threat intelligence in relation to the **cyber event**; and
- d. obtain initial remote support and assistance from **our cyber incident response team** to respond to the **cyber event**.

SECTION B: NETWORK SECURITY AND PRIVACY LIABILITY

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including the establishment of any consumer redress fund and associated expenses) as a result of any **claim** arising out of a **cyber event** first discovered by **you** during the **period of the policy** that results in:

- a. the transmission of malware to a **third party's computer systems**;
- b. **your computer systems** being used to carry out a denial of service attack;
- c. **your** failure to prevent unauthorized access to information stored or applications hosted on **your computer systems** or a **third party's computer systems**; and
- d. identity theft, experienced by **your employees** or any **third party**.

We also agree to pay on **your** behalf any fines, penalties and card brand assessments including fraud recoveries, operational reimbursements, non-cooperation costs and case management fees which **you** become legally obliged to pay as a direct result of a **payment card breach** first discovered by **you** during the **period of the policy**.

We will also pay **costs and expenses** on **your** behalf.

SECTION C: LEGAL, FORENSIC AND BREACH MANAGEMENT COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred by **you**, or on **your** behalf, as a direct result of a **cyber event** which is first discovered by **you** during the **period of the policy** to:

- a. obtain legal advice and draft **privacy breach** notices;
- b. notify any appropriate regulatory body, respond to and defend any **regulatory investigation** and pay any fines and penalties imposed on **you** as a direct result of the **regulatory investigation**;
- c. engage with an external IT security consultant to identify the source and scope of the **cyber event**, contain and remove any malware discovered on **your computer systems** and conduct a forensic investigation of **your computer systems** where reasonable and necessary or as required by law or a regulatory body (including a requirement for a PCI Forensic Investigator);
- d. engage with a crisis communications consultant to obtain specific advice in direct relation to the **cyber event**;
- e. print and post appropriate notices for any individual affected by the actual or suspected **cyber event** or to send e-mail notices or issue substitute notices; and
- f. provide credit monitoring services, identity monitoring services, identity restoration services or identity theft insurance as appropriate to affected individuals including setting up a call centre to manage inbound and outbound calls in direct relation to the **cyber event**.

SECTION D: EXTORTION

We agree to reimburse **you** for any ransom paid by **you**, or on **your** behalf, in response to an extortion demand first discovered by **you** during the **period of the policy** as a direct result of any threat to:

- a. introduce malware, or the actual introduction of malware, including ransomware, into **your computer systems**;
- b. prevent access to **your computer systems** or data or any **third party** systems hosting **your** applications or data;
- c. reveal **your** confidential information or confidential information entrusted to **you**; or
- d. damage **your** brand or reputation by posting false or misleading comments about **you** on social media sites.

SECTION E: SYSTEM DAMAGE AND RECTIFICATION COSTS

We agree to reimburse **you** for the additional cost of employing:

- a. contract staff or overtime costs for **employees** to rebuild **your** data, including the cost of data re-entry or data re-creation;
- b. specialist consultants, including IT forensic consultants, to recover **your** data or applications; and
- c. specialist consultants or overtime costs for **employees** working within **your** IT department to reconstitute **your computer systems** to the position they were in immediately prior to the **cyber event**;

reasonably and necessarily incurred as a direct result of a **cyber event** first discovered by **you** during the **period of the policy**.

SECTION F: SYSTEM BUSINESS INTERRUPTION AND REPUTATIONAL HARM

We agree to reimburse **you** for **your actual loss sustained** and **additional expenditure** reasonably and necessarily incurred during the **indemnity period**:

- a. to source **your** products or services from alternative sources in order to meet contractual obligations to supply **your** customers;
- b. to employ contract staff or overtime costs for **employees** in order to continue providing **your** business activities;
- c. to employ specialist consultants, including IT forensic consultants to diagnose the source of the **system outage**; and
- d. for **employees** working overtime within **your** IT department to diagnose and fix the source of the **system outage**;

as a direct result of a **cyber event** first discovered by **you** during the **period of the policy**, provided that the **system outage** lasts longer than the **waiting period**.

We also agree to reimburse **you** for **your actual loss sustained** during the **reputational harm period** as a direct result of the loss of current or future customers caused by damage to **your** reputation as a result of a **cyber event** first discovered by **you** during the **period of the policy**.

SECTION G: LOSS ASSESSMENT COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred to determine the amount of **your** financial loss following an interruption to **your** business activities covered under **INSURING CLAUSE 5 (SECTION F only)**. We will only pay these costs where they are incurred with an independent expert agreed by the **claims managers**.

INSURING CLAUSE 6: CRIME

SECTION A: EMPLOYEE CRIME

We agree to reimburse **you** for **your** direct financial loss first discovered by **you** during the **period of the policy** arising out of the unauthorised taking of property, money, cheques, bankers drafts or share or bond certificates by an **employee** acting alone or in collusion with others, other than through the use of or manipulation of any **computer systems**.

SECTION B: CYBER CRIME

We agree to reimburse **you** for **your** direct financial loss first discovered by **you** during the **period of the policy** arising out of:

- a. the unauthorised taking of money, cheques, bankers drafts or share or bond certificates by an **employee** acting alone or in collusion with others; or
- b. the fraudulent instruction issued to a financial institution directing the transfer, payment or delivery of a. above from an account of **yours** without **your** knowledge or consent;

through the use of or manipulation of any **computer systems**.

INSURING CLAUSE 7: KIDNAP AND RANSOM

SECTION A: RANSOM REIMBURSEMENT

We agree to reimburse the **company** for any ransom paid as a direct result of a **kidnap event** or **extortion event**.

SECTION B: RANSOM IN TRANSIT

We agree to reimburse the **company** for any ransom that is intended to be paid as a direct result of a **kidnap event** or **extortion event** but which has been lost, damaged, destroyed, disappeared or been confiscated whilst the ransom is in the custody of a person authorised by **you** to convey the ransom to those responsible for the **kidnap event** or **extortion event**.

SECTION C: RESPONSE CONSULTANT COSTS

We agree to pay any reasonable sums necessarily incurred by the **company** to engage the **kidnap event response team** for the sole purpose of managing any **kidnap event**, **disappearance investigation**, **extortion event** or **emergency political repatriation**.

SECTION D: ADDITIONAL EXPENSES

We agree to reimburse the **company** for any reasonable sums necessarily incurred as a direct result of a **kidnap event** or **extortion event** for:

- a. the cost of hiring an independent security consultant to assess the credibility of any threat or an independent negotiator;
- b. an independent public relations consultant;
- c. **your** travel and accommodation costs, including repatriation of a **kidnap victim**;

- d. medical care, dental care, psychiatric treatment or psychiatric care for a **kidnap victim** up to a maximum period of 36 months following their release;
- e. cosmetic or plastic surgery required to correct any permanent disfigurement sustained by a **kidnap victim** up to a maximum period of 36 months following their release;
- f. any legal costs and expenses;
- g. the cost of offering a reward in order to identify the perpetrators of the threat or the reward paid to an informant who provides information not otherwise obtainable which directly assists in the negotiations for the safe release of a **kidnap victim** or which leads to the arrest and conviction of those responsible for the **kidnap event**;
- h. the personal financial loss incurred by an **insured person** solely as a result of the physical inability of the **kidnap victim** to attend to their personal financial affairs during a **kidnap event**;
- i. the additional or wasted employment costs during a **kidnap event** and up to 120 days following the release of the **kidnap victim**, up to a maximum of 150% of the salary of any of the following:
 - i. a **kidnap victim**;
 - ii. any relative who left their employment to assist in the negotiations for the release of a **kidnap victim**;
 - iii. the cost for a temporary replacement of a **kidnap victim**; and
 - iv. any **employee** seconded to assist in the negotiations during a **kidnap event**;
- j. the interest for a loan from a financial institution made to **you** for the purposes of paying a ransom, provided that the loan is repaid within 30 days of **you** receiving the ransom reimbursement from **us**;
- k. security guard services for the period of time recommended by the **kidnap event response team** solely for the purpose of protecting an **insured person** located in the country of the **kidnap event** or **extortion event**, regardless of whether the **kidnap event** or **extortion event** involved the **insured person** or their property;
- l. the release of a **wrongful detention** victim where those sums are necessary to avoid endangering the **wrongful detention** victim or any other **insured person**;
- m. the hire of any communication or recording equipment or any advertising costs incurred solely to obtain the release of a **kidnapped** or detained **insured person** or to locate an **insured person** who has disappeared;
- n. any independent forensic analyst costs;
- o. the reasonable rest and rehabilitation expenses, including meals and recreation, incurred by a **kidnap victim**, including their spouse and children for a maximum period of 36 months following their release;
- p. any occupational retraining costs for a **kidnap victim**, including but not limited to the victim's salary whilst they are retrained;
- q. the repatriation of the remains of and the burial or cremation of an **insured person**;

- r. child care expenses incurred by a **kidnap victim**, including their spouse, as a result of a **kidnap event**; and
- s. all other reasonable costs necessarily incurred by **you** with **our** prior written agreement as a direct result of a **kidnap event** or **extortion event**.

SECTION E: LEGAL LIABILITY

We agree to pay on **your** behalf all sums **you** become legally obliged to pay arising out of any **claim** made against the **company** or a **senior executive officer** by or on behalf of an **insured person** solely as a direct result of a **kidnap event** or **extortion event**, provided the **claim** is made within 12 months of the **kidnap event** or **extortion event**.

We will also pay the **costs and expenses** on behalf of the **company** or a **senior executive officer**.

SECTION F: PERSONAL ACCIDENT

We agree to pay the defined benefits stated in the Schedule to an **insured person** or a bodyguard or driver working for or on behalf of the **company** or an **insured person** in the event of **bodily injury** occurring and notified to **us** during the **period of the policy** as a direct result of an actual or attempted **kidnap event**.

SECTION G: EMERGENCY EVACUATION EXPENSES

We agree to reimburse the **company** for any reasonable sums necessarily incurred as a direct result of the **emergency political repatriation** and **relocation** of an **insured person** including:

- a. travel, accommodation and other additional costs and expenses;
- b. the gross salary of each repatriated **insured person** for a period of the earlier of 60 days after the **emergency political repatriation** or until the date of **relocation**; and
- c. the replacement of personal effects irrecoverably lost by any repatriated **insured person**.

INSURING CLAUSE 8: COURT ATTENDANCE COSTS

We agree to reimburse **you** for any reasonable sums necessarily incurred by **you** with **our** prior written agreement (which will not be unreasonably withheld) to attend court or any tribunal, arbitration, adjudication, mediation or other hearing in connection with any claim for which **you** are entitled to indemnity under this Policy.

INSURING CLAUSE 9: LOSS MITIGATION

In respect of **INSURING CLAUSES 1, 2, 3 and 4**, we agree to reimburse **you** for any reasonable costs necessarily incurred by **you** with **our** prior written agreement (which will not be unreasonably withheld) in respect of measures taken by **you** for the sole purpose of mitigating a **claim** for which **you** would be entitled to indemnity under this Policy had these measures not been taken, provided that:

- a. the costs in respect of measures taken by **you** to mitigate the **claim** are less than the expected value of the **claim**; and

- b. the costs do not include any provision for salaries or other remuneration of **employees**, any provision for **your** loss of profit or any provision for **your** normal operating expenses.

INSURING CLAUSE 10: REPUTATION AND BRAND PROTECTION

We agree to reimburse **you** for any reasonable sums necessarily incurred with **our** prior written agreement (which will not be unreasonably withheld) for the services of a public relations consultancy to avert or mitigate damage to **your** reputation or brand as a direct result of any media report that names **you** and publicises an act or event that is the subject of a claim for which **you** are entitled to indemnity under this Policy.

HOW MUCH WE WILL PAY

The maximum amount payable by **us** in respect of each Section and each Insuring Clause will not exceed the **limit of liability**.

Where cover is provided under multiple Sections of one or more Insuring Clauses, only one **limit of liability** will apply to that claim and this will be the highest **limit of liability** of the Sections under which cover is provided.

Where more than one claim under this Policy arises from the same original cause or single source or event, all of those claims will be deemed to be one claim and only one **limit of liability** will be payable.

We may at any time pay to **you** in connection with any **claim** the amount of the **limit of liability** (after deduction of any amounts already paid). Upon that payment being made **we** will relinquish the conduct and control of the **claim** and be under no further liability in connection with that **claim** except for the payment of **costs and expenses** incurred prior to the date of such payment (unless the **limit of liability** is stated to be inclusive of **costs and expenses**).

If **costs and expenses** are stated in the Schedule to be in addition to the **limit of liability**, or if the operation of local laws require **costs and expenses** to be paid in addition to the **limit of liability**, and if a damages payment in excess of the **limit of liability** has to be made to dispose of any **claim**, **our** liability for **costs and expenses** will be in the same proportion as the **limit of liability** bears to the total amount of the damages payment.

Notwithstanding the **limit of liability**, for any **claim** made against **you** within the United States of America or its territories, the **limit of liability** will be inclusive of **costs and expenses**.

YOUR DEDUCTIBLE

We will only be liable for that part of each and every claim which exceeds the amount of the **deductible**. If any expenditure is incurred by **us** which falls within the amount of the **deductible**, then **you** will reimburse that amount to **us** upon **our** request.

Where more than one claim under this Policy arises from the same original cause or single source or event all of those claims will be deemed to be one claim and only one **deductible** will apply.

Where cover is provided under multiple Sections or multiple Insuring Clauses only one **deductible** will apply to that claim and this will be the highest **deductible** of the Sections under which cover is provided.

In respect of **INSURING CLAUSE 1 (SECTION B only)**, where **we** agree to indemnify the **insured person** for the **claim**, the **company** will reimburse the amount of the **deductible** to **us** upon **our** request.

DEFINITIONS

1. "**Actual loss sustained**" means

your income that, had the incident which gave rise to the claim not occurred, would have been generated directly from **your** business activities (less sales tax) during the **indemnity period**, less:

- a. actual income (less sales tax) generated directly from **your** business activities during the **indemnity period**; and
- b. any cost savings achieved as a direct result of the reduction in income.

2. "**Additional expenditure**" means

costs incurred by **you** as a direct result of the complete or partial failure of **your** business activities over and above **your** normal operating expenses where these costs are designed to minimise **your actual loss sustained** and maintain continuity of **your** business activities, subject to the costs incurred being less than the potential **actual loss sustained** during the **indemnity period** had the costs not been incurred.

3. "**Approved claims panel providers**" means

the approved claims panel providers stated in the Schedule.

4. **"Benefit plan"** means
any plan, trust, scheme which has been, now is or will become established or maintained by the **company** to provide benefits to **you** for pensions, superannuation, profit-sharing, educational, training or medical purposes.
5. **"Bodily injury"** means
- a. in respect of **INSURING CLAUSE 7**:
 - i. death or permanent total disablement;
 - ii. loss of limb, sight, hearing, smell or taste; or
 - iii. any injury requiring hospitalisation for at least 3 nights, other than i. or ii. above;and
 - b. in respect of all other **INSURING CLAUSES**, bodily injury, sickness, disease, death, mental anguish, humiliation or emotional distress.
6. **"Claim"** means
- a. a demand for money or services, including the service of suit or initiation of arbitration or mediation proceedings;
 - b. a threat or initiation of a suit seeking injunctive relief (meaning a temporary restraining order or a preliminary or permanent injunction) or declaratory relief;
 - c. a civil, criminal or disqualification proceeding;
 - d. in respect of **INSURING CLAUSES 1 (SECTION D only), 4 (SECTION C only) and 5, a regulatory investigation**; or
 - e. in respect of **INSURING CLAUSE 1 (SECTION G only)**, an extradition proceeding.
7. **"Claims managers"** means
the claims managers stated in the Schedule.
8. **"Company"** means
the company named as the Insured in the Schedule or any **subsidiary**.
9. **"Computer systems"** means
all electronic computers including operating systems, software, hardware, microcontrollers and all communication and open system networks and any data or websites wheresoever hosted, off-line media libraries and data back-ups and mobile devices including but not limited to smartphones, iPhones, tablets or personal digital assistants.
10. **"Corporate takeover"** means
- a. the acquisition by any person or entity of more than 50% of the voting rights or outstanding shares of the **company**; or
 - b. the merger of the **company** into another entity resulting in the **company** not being the surviving entity.

11. "Costs and expenses" means
- a. **third party** legal and professional expenses (including disbursements) reasonably incurred in the defence of **claims** or circumstances which could reasonably be expected to give rise to a **claim** or in quashing or challenging the scope of any injunction, subpoena or witness summons; and
 - b. the cost of appeal, attachment and similar bonds including bail and penal bonds.

Subject to all **costs and expenses** being incurred with the **claims managers'** prior written agreement (which will not be unreasonably withheld).

12. "Cyber event" means
any actual or suspected:
- a. unauthorised access to or electronic attack designed to damage, destroy, corrupt, overload, circumvent or otherwise impair the functionality of:
 - i. in respect of **INSURING CLAUSE 5, computer systems** used directly by **you**; and
 - ii. in respect of all other **INSURING CLAUSES, any computer systems**;including a denial of service attack, cyber terrorism, hacking attack, Trojan horse, phishing attack, man-in-the-middle attack, application-layer attack, compromised key attack, malware infection (including spyware or ransomware) or computer virus; or
 - b. **privacy breach**.

"Cyber event" does not mean **technology error**.

13. "Cyber incident response hotline" means
the cyber incident response hotline stated in the Schedule.
14. "Cyber incident response team" means
the cyber incident response team accessible on the **cyber incident response hotline**.
15. "Deductible" means
the amount stated as the deductible in the Schedule.
16. "Director or officer" means
- a. any past, present or prospective director, officer, board members, C-level executives, in-house lawyers, trustee, general manager, or manager of the **company** (or equivalent position in any jurisdiction) including de facto directors;
 - b. any **employee**:
 - i. acting in a managerial or supervisory capacity; or
 - ii. when named as co-defendant;

- c. any person, who, as a consequence of being a director, officer or **employee** of the **company** is deemed a shadow director as defined in Section 251 of the Companies Act 2006 (or equivalent in any jurisdiction);
- d. a Member of a Limited Liability Partnership (LLP) as formed under the Limited Liability Partnership Act 2000;
- e. the estates, heirs, legal representatives or assigns of a **director or officer** described in a. to d. above in the event of their death, incapacity, insolvency or bankruptcy but only in respect of any **wrongful act** committed or alleged to have been committed by a **director or officer** while acting in their capacity as a **director or officer**; or
- f. a parent, spouse, domestic partner, civil partner or child of a **director or officer** described in a. to d. above, but only in respect of any **claim** brought against them by reason of:
 - i. their status as a parent, spouse, domestic partner, civil partner or child of a **director or officer**; or
 - ii. their ownership or interest in property which the claimant seeks as recovery for a **wrongful act** committed or alleged to have been committed by a **director or officer** while acting in their capacity as a **director or officer**.

17. "**Disappearance investigation**" means

an investigation into the complete and unexpected loss of contact with an **insured person** for a period of more than 36 consecutive hours commencing from the last confirmed contact with the **insured person**.

18. "**Emergency political repatriation**" means

the removal of an **insured person**, or their remains, from the country where the **insured person** is employed or visiting, but is not a citizen, to the nearest country of safety or their **resident country** as a result of:

- a. **evacuation advice**;
- b. an **insured person** being expelled or declared persona non-grata by the legal governmental authorities of the country where the **insured person** is employed or visiting; or
- c. the seizure, confiscation, nationalisation, expropriation or deprivation of **your** property by the legal governmental authorities of the country where an **insured person** is employed or visiting.

19. "**Employee**" means

any past, present or prospective employee of the **company**, any volunteer working for the **company** and any individual working for the **company** as an independent contractor.

"**Employee**" does not mean sub-contractors engaged by any independent contractor.

20. "Evacuation advice" means
a formal recommendation issued by a **government authority** or the **kidnap event response team** that other than for medical reasons the **insured persons** should leave the country that they are in.
21. "Expiry date" means
the expiry date stated in the Schedule.
22. "Extortion event" means
a. **property extortion**;
b. **products extortion**; or
c. **kidnap extortion**.
23. "Government authority" means
any government agency, department or ministry of the **resident country** of an **insured person** with the authority to issue travel advice.
24. "Hijack" means
the illegal detention, other than **kidnap**, of an **insured person** while travelling on any form of public or private transportation.
25. "Inception date" means
the inception date stated in the Schedule.
26. "Indemnity period" means
the period starting from the first occurrence of a **system outage** and lasting for the period stated as the indemnity period in the Schedule.
27. "Insured person" means
a. in respect of **INSURING CLAUSES 1 and 3**, any **director or officer** while acting in their capacity as **director or officer**; and
b. in respect of **INSURING CLAUSE 7**:
i. any **employee**;
ii. the spouse, domestic partner, fiancé or fiancée of an **employee**;
iii. any relative, lineal descendant or living ancestor of an **employee** or the spouse of an **employee**, including but not limited to step-parents, step-children, step-siblings, foster children, adopted children, adopted parents and their spouse;
iv. persons residing in the household of or employed by an **employee**;
v. a guest or customer of an **employee** whilst at the home of the **employee**;
vi. a guest or customer of the **company** whilst on **company** premises;
vii. a guest or customer on board any vehicle, aircraft or waterborne vessel owned or leased by the **company** or an **employee**;

- viii. any person who is in the care, custody or control of the **company** or for whom the **company** has accepted responsibility; and
- ix. a person who is temporarily employed for the sole purpose of negotiating the release of a person specified above as a direct result of a **kidnap event** or delivering a ransom.

28. "**Kidnap**" means

the actual, attempted or alleged illegal taking and detention of any **insured person** by an individual or group demanding that a ransom is paid by **you** before they will release the **insured person**.

29. "**Kidnap event**" means

- a. **kidnap**;
- b. **wrongful detention**; or
- c. **hijack**;

first occurring and notified to **us** during the **period of the policy**.

30. "**Kidnap event response team**" means

- a. the response consultants stated in the Schedule; or
- b. any other crisis management consultants retained by **you** with **our** prior written agreement.

31. "**Kidnap extortion**" means

a ransom demand first made and notified to **us** during the **period of the policy** by an individual or group made directly against the **company** or an **insured person** who threaten to do any of the following against an **insured person** if a ransom is not paid:

- a. commit **kidnap**;
- b. injure an **insured person**;
- c. commit **wrongful detention**; or
- d. commit abduction.

32. "**Kidnap victim**" means

an **insured person** who is a victim of a **kidnap event**.

33. "**Limit of liability**" means

if expressed in the Schedule as:

- a. "limit of liability", the maximum amount payable by **us** in respect of each claim; or
- b. "aggregate limit of liability", the maximum amount payable by **us** in respect of all claims under this Policy.

34. "**Outside directorship position**" means

the position held by a director, officer or **employee** acting in the capacity of director, officer, trustee, council member or committee member of an **outside entity**:

- a. at the specific request of the **company**; or
- b. with the knowledge and consent of the **company**.

35. "**Outside entity**" means

any entity, non-profit organisation, tax-exempt trade association, registered charity and any other company, organisation, institute or society, other than:

- a. the **company**;
- b. any entity that has any of its securities publicly traded in the United States of America, its territories, possessions or protectorates; or
- c. any entity that is a bank, clearing house, credit institution, investment firm or advisor, private equity or venture capital company, stock broker, insurance company or provides similar services.

36. "**Overpayments**" means

means the amount that a **benefit plan** has paid or becomes liable to pay in benefits or mistaken benefits less the amount which the **benefit plan** would have been liable to pay in benefits under the trust deed and rules of the **benefit plan** if an act, error or omission had not occurred.

37. "**Payment card breach**" means

an actual or suspected unauthorised disclosure of payment card data stored or processed by **you** arising out of an electronic attack, accidental disclosure or the deliberate actions of a rogue **employee**.

"**Payment card breach**" does not mean a situation where payment card data is deliberately shared with or sold to a **third party** with the knowledge and consent of a **senior executive officer**.

38. "**Period of the policy**" means

the period between the **inception date** and the **expiry date** or until the Policy is cancelled in accordance with **CONDITION 5**.

39. "**Pollutants**" means

any solid, liquid, gaseous, radiological or thermal irritant, toxic or hazardous substance, or contaminant including, but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste materials, including recycled, reconditioned or reclaimed materials.

40. "**Pollution**" means

the discharge, dispersal, release, migration, seepage or escape of **pollutants**.

41. **"Premium"** means
the amount stated as the premium in the Schedule and any subsequent adjustments.
42. **"Prior and pending litigation date"** means
the prior and pending litigation date stated in the Schedule.
43. **"Privacy breach"** means
an actual or suspected unauthorised disclosure of information arising out of an electronic attack, accidental disclosure, theft or the deliberate actions of a rogue **employee** or **third party**, including Personally Identifiable Information (PII), Protected Health Information (PHI) and payment card information.
- "Privacy breach"** does not mean a situation where information is deliberately shared with or sold to a **third party** with the knowledge and consent of a **senior executive officer**.
44. **"Products extortion"** means
a ransom demand first made and notified to **us** during the **period of the policy** by an individual or group made directly against the **company** or an **insured person** who threaten to do any of the following if a ransom is not paid:
- a. alter, contaminate or render substandard the products manufactured or handled by the **company**; or
 - b. publicise that the products manufactured or handled by the **company** have been or will be altered, contaminated or rendered substandard.
45. **"Property damage"** means
direct physical damage to, destruction of, loss of possession or loss of use of tangible property.
46. **"Property extortion"** means
a ransom demand first made and notified to **us** during the **period of the policy** by an individual or group made directly against the **company** or an **insured person** who threaten to damage or destroy tangible property owned or leased by the **company** if a ransom is not paid.
47. **"Regulatory investigation"** means
a formal hearing, official investigation, examination, enquiry or any other similar proceeding initiated by a governmental, regulatory, law enforcement, professional or statutory body.
48. **"Relocation"** means
the return of an **insured person** to the country from which they had been evacuated.

49. "**Reputational harm period**" means

the period starting from when the **cyber event** is first discovered and lasting for the period stated as the reputational harm period in the Schedule.

50. "**Resident country**" means

the country of which an **insured person** is a national.

51. "**Retaliation**" means

any adverse action taken against an **employee** by **you** as a direct result of:

- a. any **claim** made by the **employee** against **you**;
- b. any refusal by the **employee** to breach any law;
- c. any actual or attempted exercise by the **employee** of their rights in law;
- d. the **employee** being a whistleblower in respect of any wrongdoing committed or alleged to have been committed by **you**; or
- e. any actual or attempted assistance or cooperation by the **employee** in any investigation relating to any unlawful practice or violation of any law committed or alleged to have been committed by **you**.

52. "**Retired director or officer**" means

any **insured person** who voluntarily retired from the **company** before the **expiry date** provided the **insured person** was not the subject of any disqualification proceeding.

53. "**Senior executive officer**" means

board members, C-level executives, in-house lawyers and risk managers of the **company**.

54. "**Subsidiary**" means

any entity which the **company** controls directly or indirectly on or before the **inception date**, through:

- a. holding more than 50% of the voting rights;
- b. having the right to appoint or remove more than 50% of its board of directors; or
- c. controlling alone, pursuant to a written agreement with other shareholders or members, more than 50% of the voting rights therein.

55. "**System outage**" means

a material degradation in the performance of **your** computer systems which renders them incapable of supporting their normal business function.

56. "**Technology error**" means

any:

- a. unintentional human error in entering, processing or amending electronic data within any **computer systems** or in the upgrading, maintenance or configuration of any **computer systems**; or
- b. application bug, internal network failure, external network failure or hardware failure directly impacting any **computer systems** which renders them incapable of supporting their normal business function;

that does not arise directly or indirectly out of any **cyber event**.

57. **"Third party"** means

any person who is not an **employee** or **insured person**, or any legal entity that is not the **company**.

58. **"Wage and hour duty"** means

any local, state, provincial, federal, foreign or other law or duty, including the Fair Labour Standards Act of 1938 and any subsequent amendments to this Act, relating to wage and hour, including:

- a. the calculation, amount, timeliness or manner of payment of wages, including tips, commissions, minimum wages, overtime pay, on-call time or rest and meal periods;
- b. the calculation, amount, timeliness or manner of payment of, or reimbursement of, work-related expenses;
- c. the classification of persons as employees or independent contractors;
- d. the classification of **employees** for wage or hours of work;
- e. withholding or other deductions from wages;
- f. rights to leave or absence from work or rights to pay during the absence;
- g. child labour; or
- h. pay equity or comparable worth.

59. **"Waiting period"** means

the number of hours stated as the waiting period in the Schedule.

60. **"We/our/us"** means

the Underwriters stated in the Schedule.

61. **"Wrongful act"** means

- a. in respect of **INSURING CLAUSE 3**, any:
 - i. wrongful dismissal, discharge or termination of employment whether actual or constructive, including breach of an express or implied contract;
 - ii. employment related misrepresentations;
 - iii. sexual or other harassment in the workplace (including the creation of a hostile working environment);

- iv. wrongful deprivation of a career opportunity, employment or promotion or failure to grant tenure;
 - v. wrongful demotion, evaluation or failure to adopt adequate employment or workplace policies and procedures;
 - vi. breach of, violation of or non-compliance with data protection laws relating to **employee** data;
 - vii. **retaliation**;
 - viii. infliction of emotional distress;
 - ix. employment related libel, slander, humiliation or defamation;
 - x. wrongful or negligent disciplinary action;
 - xi. negligent evaluation;
 - xii. discrimination;
 - xiii. invasion of privacy; or
 - xiv. violation of any law concerning employment or discrimination in employment; or
- b. in respect of all **INSURING CLAUSES** other than **INSURING CLAUSE 3**, any:
- i. negligent act, error, omission, advice, misstatement or misrepresentation; or
 - ii. breach of trust, neglect or breach of duty, including statutory duty.

62. **"Wrongful detention"** means

the holding under duress for more than 6 consecutive hours by an individual or group, other than a **kidnap, hijack** or **disappearance investigation** of an **insured person**.

63. **"You/Your"** means

the **company** and:

- a. in respect of **INSURING CLAUSES 1** and **7**, the **insured persons**;
- b. in respect of **INSURING CLAUSE 3**, the **insured persons** and the **employees**;
- c. in respect of **INSURING CLAUSE 4**, the trustees of a **benefit plan**; and
- d. in respect of **INSURING CLAUSE 5**, the **employees**.

EXCLUSIONS

We will not make any payment under this Policy:

EXCLUSIONS RELATING TO DIRECTORS AND OFFICERS LIABILITY

In respect of **INSURING CLAUSE 1** only:

1. Publicly Traded Securities

arising directly or indirectly out of any public offering of securities undertaken or consummated by or on behalf of the **company**, or the solicitation, sale, purchase, distribution or issuance of those **company** securities.

EXCLUSIONS RELATING TO ENTITY COVER

In respect of **INSURING CLAUSE 2** only:

2. **Antitrust**

for or arising out of any actual or alleged antitrust violation, restraint of trade, unfair competition, false, deceptive or unfair trade practices, violation of consumer protection laws or false or deceptive advertising.

3. **Breach of contract**

arising directly or indirectly out of any breach of contract.

However, this Exclusion will not apply if liability would have attached in the absence of that contract.

4. **Product defect**

arising directly or indirectly out of any actual or alleged product defect, product deficiency, product inadequacy or the non-performance of any product which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered, processed, cleaned, renovated or repaired by **you** or on **your** behalf.

EXCLUSIONS RELATING TO EMPLOYMENT PRACTICES LIABILITY

In respect of **INSURING CLAUSE 3** only:

5. **Breach of minimum wage legislation**

arising directly or indirectly out of any actual or alleged breach of any:

- a. minimum wage legislation;
- b. obligation or regulation relating to the provision of any paid or unpaid leave; or
- c. **wage and hour duty** where the **claim** is brought in the United States of America, its territories, possessions or protectorates.

However, part a. of this Exclusion will not apply to any **claim** arising out of **retaliation**.

6. **Costs of compliance and modification**

for modifying any premises or the providing of equipment to facilitate the needs of an **employee** with a disability or other protected status by law in any jurisdiction or the costs of compliance with any order to provide non-pecuniary relief.

7. Employment contract, employment related benefits and unpaid wages

for or arising directly or indirectly out of any amount contractually due to an **employee**, including any payment for any:

- a. contractual or statutory notice periods;
- b. unpaid wages;
- c. perquisites or fringe benefits;
- d. amounts due under any employee benefit or pension scheme;
- e. stock or share options, or any other right to purchase, acquire or sell stock or shares of the **company**;
- f. incentive or deferred compensation; or
- g. other payment for services performed by an **employee**.

8. Labour or grievance arbitrations

arising out of any labour or grievance arbitration or proceeding which is the result of a collective bargaining agreement.

9. Labour relations

arising out of:

- a. any actual or alleged breach of any law or duty relating to the rights of **employees** to engage in, or abstain from engaging in, union activities;
- b. the duty to notify, meet, discuss, consult or bargain with any **employee** or representative, including collective bargaining agreements; or
- c. strikes, work stoppages, boycotts, picketing, lockouts or other industrial action.

10. Mandatory payments

arising out of any actual or alleged breach of any legal requirement to obtain and maintain insurance for sickness, healthcare, disability, pensions, benefits, social security or national insurance.

However, this Exclusion will not apply to any **claim** arising out of **retaliation**.

11. Redundancy

for any **claim** made:

- a. within the United States of America, its territories, possessions or protectorates for any actual or alleged breach of any law, including the Worker Adjustment and Retraining Notification Act 1988, which requires an employer to notify, discuss or bargain with its employees or others in advance of any mass lay-off or any other similar requirement in respect of the closure of a branch, plant or facility; or
- b. outside the United States of America, its territories, possessions or protectorates, for any actual or alleged deliberate or reckless breach of any law or duty relating to:
 - i. collective redundancy procedures; or

- ii. a non-collective redundancy.

However, this Exclusion will not apply to any **claim** arising out of **retaliation**.

EXCLUSIONS RELATING TO BENEFIT PLAN LIABILITY

In respect of **INSURING CLAUSE 4** only:

12. Failure to fund or collect

arising directly or indirectly out of any:

- a. failure to fund a **benefit plan** in compliance with a **benefit plan's** trust document or other similar provisions; or
- b. the failure to collect contributions from the **company** which are owed to a **benefit plan**

However, this Exclusion will not apply if the failure to fund the **benefit plan** or the failure to collect contributions is the result of **your** negligence while acting in the capacity of trustee of the **benefit plan**.

EXCLUSIONS RELATING TO CYBER AND PRIVACY

In respect of **INSURING CLAUSE 5** only:

13. Betterment

which results in **you** being in a better financial position or **you** benefiting from upgraded versions of **your computer systems** as a direct result of the event which gave rise to the claim under this policy.

However, in the event of a hacking attack, malware infection or computer virus, when rebuilding **your computer systems** we will pay the additional costs and expenses incurred to install a more secure and efficient version of the affected **computer system**, provided that the maximum amount we will pay is 25% more than the cost that would have been incurred to repair or replace the original model or license. Under no circumstances will we pay the cost of acquiring or installing **computer systems** which did not form a part of **your computer systems** immediately prior to the incident which gave rise to the claim.

14. Chargebacks

for any credit card company or bank, wholly or partially, reversing or preventing a payment transaction.

However, this Exclusion will not apply to **INSURING CLAUSE 5 (SECTION B)** only).

15. Collection of private data without consent

arising directly or indirectly from **your** actual or alleged failure to obtain agreement from any private individual before collecting, storing or processing any of their personal information, including but not limited to internet search history and internet browsing habits.

16. **Core internet infrastructure failure**

arising directly from a failure, material degradation or termination of any core element of the internet, telecommunications or GPS infrastructure that results in a regional, countrywide or global outage of the internet or core telecommunications network, including a failure of the core DNS root servers, satellite network or the IP addressing system or an individual state or non-state actor turning off all or part of the internet.

17. **Loss of economic value**

for the reduction in economic or market value (including loss of potential future sales) of any of **your** intellectual property assets.

18. **Payment card industry related fines, penalties and assessments**

for fines, penalties and card brand assessments, including fraud recoveries, operational reimbursements, non-cooperation costs and case management fees which **you** become legally obliged to pay **your** acquiring bank or payment processor as a direct result of a **payment card breach**.

However, this Exclusion will not apply to **INSURING CLAUSE 5 (SECTION B only)**.

19. **Power failure**

arising directly or indirectly from any failure in the power supply, including that caused by any surge or spike in voltage, electrical current or transferred energy.

20. **Regular hours staff costs**

for contracted salary and bonus costs paid to **employees** or **senior executive officers**.

21. **Unlawful surveillance**

in respect of any actual or alleged eavesdropping, wiretapping, or unauthorised audio or video recording committed by **you** or by a **third party** on **your** behalf with the knowledge and consent of **your senior executive officers**.

22. **Unsolicited communications**

arising directly or indirectly from any actual or alleged violation of:

- a. the CAN-SPAM Act of 2003 or any subsequent amendments to that Act;
- b. the Telephone Consumer Protection Act (TCPA) of 1991 or any subsequent amendments to that Act; or
- c. any other law, regulation or statute relating to unsolicited communication, distribution, sending or transmitting of any communication via telephone or any other electronic or telecommunications device.

However, this Exclusion will not apply to **INSURING CLAUSE 5 (SECTION B only)**.

In respect of **INSURING CLAUSE 5, SECTIONS E and F**:

23. Business interruption liability

for that part of any **claim** that constitutes actual or alleged liability to a **third party**, or legal costs in the defence of any **claim**, including customer compensation.

EXCLUSIONS RELATING TO CRIME

In respect of **INSURING CLAUSE 6** only:

24. Consequential loss

for any consequential loss which is a direct result of a crime.

25. Cryptoassets

for or arising directly or indirectly out of any cryptoassets, including cryptocurrency, utility tokens, securities tokens, ecosystem tokens or any other type of digital currency.

26. External professional services

arising out of any crime committed by **your** external professional advisers.

However, this Exclusion will not apply to any **third party** to whom **you** outsource **your** normal administrative functions under a written contract or engagement.

27. Loss after date of discovery

for any direct financial loss incurred after the date of discovery of a dishonest act by **your employee**.

28. Loss sustained by one company to the advantage of another company

arising out of direct financial loss sustained by one **company** to the advantage of another **company**.

29. Shareholder crime

arising directly or indirectly out of any direct financial loss sustained by the **company** which involves any **employee** who, at the time of committing the crime which results in the direct financial loss, owns or controls directly or indirectly more than 10% of the **company's** voting share capital.

However, if the direct financial loss would have been covered under this Policy but for this Exclusion, **we** will pay the amount of direct financial loss that exceeds the value of the **employee's** share value at the time the **employee** committed the crime.

30. Trading losses

arising directly or indirectly out of any unauthorised trading of money, securities or property, irrespective of whether or not the trading was in **your** name and irrespective of whether or not the transaction was a genuine.

EXCLUSIONS RELATING TO KIDNAP AND RANSOM

In respect of **INSURING CLAUSE 7** only:

CFC Underwriting Limited is Authorised and Regulated by the Financial Conduct Authority

©1999-2022 CFC Underwriting Ltd, All Rights Reserved

31. **Formal advice to leave**

arising directly or indirectly out of the failure to respond to **evacuation advice**, unless with **our** prior written agreement.

32. **Fraudulent or criminal acts**

arising out of any actual or attempted fraudulent or criminal act by a **senior executive officer** whether the **senior executive officer** is acting alone or in collusion with others.

33. **Government advice not to travel**

arising directly or indirectly out of the failure to follow any advice issued by a **government authority** not to travel to a specified country, unless otherwise agreed with **our** prior written consent.

34. **Immigration status**

arising directly or indirectly out of the failure to obtain or maintain the correct immigration status, work, residence or other visa requirements.

35. **Insured persons' resident country**

for any **insured person** who is a national of the country in which an **emergency political repatriation** takes place.

36. **Natural disasters**

arising directly or indirectly out of any natural disaster, including but not limited to earthquake, flood, fire, famine, pandemic disease, volcanic eruption or windstorm.

37. **Off premises robbery**

if the ransom is surrendered in any face to face encounter, other than where a ransom demand has been received by **you** and the ransom was being conveyed to an agreed location for the sole purpose of paying the ransom.

38. **On premises robbery**

if the ransom is surrendered at the location of the **kidnap event** or at the location where the **extortion event** is first made, other than where the ransom has been brought to either location as a result of a ransom demand being made.

39. **Prolonged disappearance**

for any **disappearance investigation** costs incurred beyond 90 consecutive days from the date the disappearance was first reported to or discovered by **you**.

40. **Violation of laws**

arising directly or indirectly out of any violation by an **insured person** of the law of the country where the **kidnap event**, **disappearance investigation** or **extortion event** takes place.

41. Wrongful detention

in respect of **wrongful detention** only, arising out of any actual act by an **insured person** who is determined by final adjudication to be guilty of an act which would be a criminal offence in the country where the **company** is registered or the **resident country**.

EXCLUSIONS RELATING TO ALL INSURING CLAUSES

42. Bodily injury

for **bodily injury**.

However, this Exclusion will not apply to:

- a. **INSURING CLAUSE 3**;
- b. **INSURING CLAUSE 5 (SECTION B only)**, for any **claim** as a direct result of mental injury or emotional distress; and
- c. **INSURING CLAUSE 7**, provided that the **bodily injury** occurred within 36 consecutive calendar months from the date of the **kidnap event**.

43. Cyber perils

in respect of **INSURING CLAUSES 1 (SECTION C only), 2, 6 (SECTION A only) and 7**, arising directly or indirectly out of any **cyber event** or **technology error**.

44. Intellectual property rights infringement

in respect of **INSURING CLAUSES 2 and 5**, arising directly or indirectly out of the actual or alleged infringement of any patent, copyright, trademark or service mark, design right, domain name, trade secret or any other intellectual property right.

45. Known claims and circumstances

arising directly or indirectly out of any actual, alleged or suspected act, error, omission, **cyber event**, direct financial loss, fact, circumstance, situation, event, transaction or other matter which might give rise to a claim under this Policy which a **senior executive officer** was aware of, or ought reasonably to have been aware of, prior to the **inception date**, or which is the subject of or alleged in any claim or circumstance notified to any other insurer.

46. Legal action

where any legal action is brought outside the legal action territories stated in the Schedule, or where an action is brought within those territories to enforce a judgment outside of those territories whether by way of reciprocal agreement or otherwise.

47. Nuclear

arising directly or indirectly from or contributed to by:

- a. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or

- b. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component.

48. Opioids

arising directly or indirectly out of any opioids, including the manufacturing, distribution or advertising of any opioid substance or medication, including fentanyl, oxycodone, hydrocodone, tramadol, methadone, codeine and morphine.

49. Other insurance

for which **you** are entitled to indemnity under any other insurance except for:

- a. any additional sum which is payable over and above the other insurance where that insurance has been declared to **us**; or
- b. any contribution that **we** are obliged to make by law and that contribution will be in proportion to the indemnity available under the policies.

50. Personal profit and deliberate acts

arising out of:

- a. the gaining of any personal profit or financial advantage to which **you** were not legally entitled as determined by final adjudication, arbitral tribunal or written admission; or
- b. the committing of any dishonest or fraudulent act or omission by **you** as determined by final adjudication, arbitral tribunal or written admission.

However, this Exclusion will not apply to **INSURING CLAUSE 6 (SECTION A only)** in respect of any dishonest or fraudulent act committed by an **employee**.

51. Pollution

arising directly or indirectly out of **pollution**.

However, this Exclusion will not apply to:

- a. any **claim** made against **you** by any shareholder or bondholder of the **company** acting in their capacity as a shareholder or bondholder of the **company**, including any **insured person** acting in this capacity; or
- b. **costs and expenses** incurred in the defence of any **claim** which is brought or maintained within the country of incorporation of the **company**.

52. Prior and pending litigation

arising directly or indirectly out of:

- a. any litigation, **regulatory investigation** or other proceeding that commenced or is pending on or before the **prior and pending litigation date**; or

- b. the same, or substantially the same, act, error, omission, fact, circumstance, situation, event, transaction or any other matter which is the subject of or alleged in the litigation, **regulatory investigation** or other proceeding in a. above.

53. **Professional services**

arising directly or indirectly out of carrying out, or failing to carry out, professional services for a fee or any act, error or omission relating to a professional service.

54. **Property damage**

for **property damage**.

55. **RICO**

for any actual or alleged violations of the Racketeer Influenced and Corrupt Organisation Act or any similar local or foreign law and any subsequent amendments.

However, this Exclusion will not apply to any **claim** arising out of **retaliation**.

56. **Sanctions**

or will be deemed to provide any cover, to the extent that the provision of such payment or cover will expose **us** to any sanction, prohibition or restriction under the United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, Canada, the European Union, United Kingdom or United States of America.

57. **Territorial scope**

arising directly or indirectly out of any act, error or omission committed or alleged to have been committed outside the territorial scope stated in the Schedule.

58. **Terrorism**

arising directly or indirectly out of:

- a. any act or threat of force or violence by an individual or group, whether acting alone or on behalf of or in connection with any organisation or government, committed for political, religious, ideological or similar purposes including the intention to influence any government or to put the public, or any section of the public, in fear; or
- b. any action taken in controlling, preventing, suppressing or in any way relating to a. above.

However, this Exclusion does not apply to:

- a. a **cyber event** affecting **your computer systems**; or
- b. **INSURING CLAUSE 7**.

59. Uninsurable fines

for fines, penalties, civil or criminal sanctions or multiple, punitive or exemplary damages, unless insurable by law.

60. Unjust enrichment

for that part of any **claim** that results in **you** being in a better financial position as a direct result of **your** act, error or omission than **you** would have been if **you** had not committed the act, error or omission.

61. USA Insured vs Insured

where the **claim** is brought in the United States of America, its territories, possessions or protectorates by **you** or on **your** behalf.

However, this Exclusion will not apply to:

- a. **costs and expenses** in respect of an **insured person**;
- b. **INSURING CLAUSE 3**;
- c. any **claim** made against **you** for contribution or indemnity, but only where the **claim** directly results from another **claim** covered by this Policy;
- d. any **claim** made against **you** by any past **insured person**;
- e. any **claim** made against **you** by an insolvency administrator, receiver, liquidator or other insolvency officer of the **company** or **outside entity**;
- f. any **claim** made against **you** by an **outside entity** in which an **insured person** acts in an **outside directorship position**; or
- g. any **claim** made against **you** by the **company**, or by a shareholder of the **company** acting solely in their capacity as shareholder and solely independent and not at the instigation of the **company** or any **insured person**.

62. War

arising directly or indirectly out of:

- a. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war is declared or not), civil war, rebellion, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- b. any action taken in controlling, preventing, suppressing or in any way relating to a. above.

CONDITIONS

1. What you must do in the event of a claim or any incident which may give rise to a claim under this Policy

If any **senior executive officer** becomes aware of any incident which may reasonably be expected to give rise to a claim under this Policy **you** must:

- a. notify the **claims managers**, or the **kidnap event response team** in respect of **INSURING CLAUSE 7**, as soon as is reasonably practicable, provide them with full details of the incident and follow their directions (in respect of cyber incidents, a telephone call to **our cyber incident response hotline** will constitute notification). However, in respect of **INSURING CLAUSES 1, 2, 3 and 4**, this notification must be made no later than the end of any applicable extended reporting period;
- b. in respect of **INSURING CLAUSES 6 and 7**, report the incident as soon as is reasonably practicable to the appropriate law enforcement authorities and provide **us** with a copy of this report on **our** request; and
- c. not admit liability for or settle or make or promise any payment or incur any **costs and expenses** without **our** prior written agreement (which will not be unreasonably withheld).

Due to the nature of the coverage offered by this Policy, any unreasonable delay by **you** in notifying the **claims managers** or the **kidnap event response team** of the above could lead to the size of the claim increasing, **our** rights being restricted or the personal safety of an **insured person** being compromised. **We** will not be liable for any costs or that portion of any claim that is due to any unreasonable delay in **you** notifying the **claims managers** or **kidnap event response team**.

We require **you** to provide full details of the incident, including but not limited to:

- a. the time, place and nature of the incident;
- b. the manner in which **you** first became aware of this incident;
- c. the reasons why **you** believe that this incident could give rise to a claim under this Policy;
- d. in respect of **INSURING CLAUSES 1, 2, 3 and 4**, the identity of the potential claimant; and
- e. an indication as to the size of the claim that could result from this incident.

If **you** notify an incident that **we** agree is reasonably expected to give rise to a **claim**, **we** will accept any **claim** that arises out of the incident as being notified under this Policy.

In respect of **INSURING CLAUSES 1, 2, 3 and 4**, if due to an emergency, **our** written consent cannot reasonably be obtained prior to **costs and expenses** being incurred with respect to any

claim, we will give retrospective approval for those **costs and expenses** during the period of 14 days immediately following the date on which the **claim** was first made or instituted.

In respect of **INSURING CLAUSE 5**, if **you** discover a **cyber event** **you** may only incur costs without **our** prior written consent within the first 72 hours following the discovery and any **third party** costs incurred must be with a company forming part of the **approved claims panel providers**. All other costs may only be incurred with the prior written consent of the **claims managers** (which will not be unreasonably withheld).

2. Agreement to pay claims (duty to defend)

We have the right and duty to take control of and conduct in **your** name the investigation, settlement or defence of any **claim**. **We** will not have any duty to pay **costs and expenses** for any part of a **claim** that is not covered by this Policy.

You may ask the **claims managers** to consider appointing **your** own lawyer to defend the **claim** on **your** behalf and the **claims managers** may grant **your** request if they consider **your** lawyer is suitably qualified by experience, taking into account the subject matter of the **claim**, and the cost to provide a defence.

We will endeavour to settle any **claim** through negotiation, mediation or some other form of alternative dispute resolution and will pay on **your** behalf the amount **we** agree with the claimant. If **we** cannot settle using these means, **we** will pay the amount which **you** are found liable to pay either in court or through arbitration proceedings, subject to the **limit of liability**.

We will not settle any **claim** without **your** consent. If **you** refuse to provide **your** consent to a settlement recommended by **us** and elect to continue legal proceedings in connection with the **claim**, any further **costs and expenses** incurred will be paid by **you** and **us** on a proportional basis, with 80% payable by **us** and 20% payable by **you**. As a consequence of **your** refusal, **our** liability for the **claim**, excluding **costs and expenses**, will not be more than the amount for which the **claim** could have been settled.

3. Allocation

In the event a **claim** includes both allegations or parties that are covered under this Policy and allegations or parties that are not covered then **you** and **we** will need to agree a fair and proper allocation of any **claim** settlement amount and all incurred **costs and expenses**.

If **you** and **we** cannot agree upon a fair and proper allocation of the **claim** settlement amount and all incurred **costs and expenses** then final allocation will be determined by a Queen's Counsel (or an equivalent like person to be agreed upon). The determination will be based upon written submissions only and will be final and binding. Pending that determination **we** may at **our** sole discretion meet the **claim** on an interim basis. After the determination the **insured persons** or the **company** (whichever is appropriate) will refund **us** any amount which **we** have paid that exceeds the entitlement under this Policy.

The costs of any reference to a Queen's Counsel (or an equivalent like person to be agreed upon) will be borne by **us**.

4. Calculation of business interruption losses

In respect of **INSURING CLAUSE 5 (SECTION F only)**, in the event of a claim for any financial loss sustained by **you**, **you** must provide the **claims managers** with **your** calculation of the financial loss including.

- a. how the loss has been calculated and what assumptions have been made; and
- b. supporting documents including account statements, sales projections and invoices.

If **we** are unable to agree with **your** calculation of the financial loss, **we** will appoint an independent expert agreed between **you** and **us** which will be paid for by **us**. If an independent expert cannot be agreed upon, one will be appointed by an arbitrator mutually agreed between **you** and **us** whose decision will be final and binding.

Once an independent expert has been appointed, their calculation of any financial loss sustained by **you** will be final and binding.

5. Cancellation

This Policy may be cancelled with 30 days written notice by either **you** or **us**.

If **you** give **us** notice of cancellation, the return **premium** will be in proportion to the number of days that the Policy is in effect. However, if **you** have made a claim under this Policy there will be no return **premium**.

If **we** give **you** notice of cancellation, the return **premium** will be in proportion to the number of days that the Policy is in effect.

We also reserve the right of cancellation in the event that any amount due to **us** by **you** remains unpaid more than 60 days beyond the **inception date**. If **we** exercise this right of cancellation it will take effect from 14 days after the date the written notice of cancellation is issued.

The Policy Administration Fee will be deemed fully earned upon inception of the Policy.

6. Automatic extended reporting period for retired directors and officers

In respect of **INSURING CLAUSES 1 and 4**, if the **company** does not renew this Policy with **us** or with any other insurer, an extended reporting period of 6 years following the **expiry date** will be automatically granted at no additional premium to any **retired director or officer**.

This extended reporting period will cover **claims** first made against the **retired director or officer** and reported to **us** during this 6 year extended reporting period but only in respect of any **wrongful act** committed or alleged to have been committed prior to the **expiry date**, and subject to all other terms, conditions and exclusions of the Policy.

7. Extended reporting period

An extended reporting period of 60 days following the **expiry date** will be automatically granted at no additional premium. This extended reporting period will cover, subject to all other terms, conditions and exclusions of this Policy:

- a. in respect of **INSURING CLAUSES 1, 2, 3 and 4**, any **claim** first made against **you** during the **period of the policy** and reported to **us** during this extended reporting period;
- b. **INSURING CLAUSE 5**, any **cyber event** first discovered by **you** during the **period of the policy** and reported to **us** during this extended reporting period; and
- c. any circumstance that a **senior executive officer** became aware of during the **period of the policy** and reports to **us** during this extended reporting period.

No claim will be accepted by **us** in this 60 day extended reporting period if **you** are entitled to indemnity under any other insurance, or would be entitled to indemnity under such insurance if its limit of liability was not exhausted.

8. Optional extended reporting period

If **we** or **you** decline to renew or cancel this Policy then **you** will have the right to have issued an endorsement providing an optional extended reporting period for the duration stated in the Schedule which will be effective from the cancellation or non-renewal date.

This optional extended reporting period will cover, subject to all other terms, conditions and exclusions of this Policy:

- a. in respect of **INSURING CLAUSES 1, 2, 3 and 4**, any **claim** first made against **you** and reported to **us** during this optional extended reporting period, provided that the **claim** arises out of any act, error or omission committed or alleged to have been committed prior to the date of cancellation or non-renewal; and
- b. in respect of **INSURING CLAUSE 5**, any **cyber event** first discovered by **you** during this optional extended reporting period, provided that the **cyber event** first occurred during the **period of the policy**.

If **you** would like to purchase the optional extended reporting period **you** must notify **us** and pay **us** the optional extended reporting period premium stated in the Schedule within 30 days of cancellation or non-renewal.

In the event **you** have purchased the optional extended reporting period, **CONDITION 6** will not apply.

The right to the optional extended reporting period will not be available to **you** where cancellation or non-renewal by **us** is due to non-payment of the **premium** or **your** failure to

pay any amounts in excess of the applicable **limit of liability** or within the amount of the applicable **deductible** as is required by this Policy in the payment of claims.

At the renewal of this Policy, **our** quotation of different **premium, deductible**, limits of liability or changes in policy language will not constitute non-renewal by **us**.

9. Fraudulent claims

If **you** notify **us** of any claim knowing it to be false or fraudulent in any way, **we** will have no responsibility to pay that claim and reserve the right to void this Policy from the date of the fraudulent act. If **we** exercise this right **we** will not be liable to return any **premium** to **you**. However, this will not affect any claim under this Policy which has been previously notified to **us**.

10. Mergers and acquisitions

If **you** create or acquire an entity during the **period of the policy** whose total gross assets do not exceed 25% of the **company's** total gross assets, as stated in its most recent annual financial statements, cover is automatically extended under this Policy to include the entity as a **subsidiary** from the date of its creation or acquisition.

If **you** create or acquire an entity during the **period of the policy** whose total gross assets exceed 25% of the **company's** total gross assets, as stated in its most recent annual financial statements, cover is automatically extended under this Policy to include the entity as a **subsidiary** for a period of 30 days from the date of its creation or acquisition.

We will consider providing cover for the created or acquired entity after the period of 30 days if:

- a. **you** give **us** full details of the entity within 30 days of its creation or acquisition; and
- b. **you** accept any amendment to the terms and conditions of this Policy and agree to pay any additional **premium** required by **us**.

In the event **you** do not comply with a. and b. above, cover will automatically terminate for the entity 30 days after the date of its creation or acquisition.

Cover for any created or acquired entity is only provided under this Policy in respect of any act, error or omission committed or alleged to have been committed, or an event first occurring, on or after the date of its creation or acquisition.

No cover will be automatically provided under this Policy for any created or acquired entity:

- a. that has any of its securities listed in the United States of America, its territories, possessions or protectorates;
- b. whose total number of employees is more than 10% of the total number of **your employees** or that has any employees in the United States of America, its territories, possessions or protectorates, if **you** have purchased cover for **INSURING CLAUSE 3**; or

- c. that has experienced a **cyber event** in the 3 years period prior to its acquisition, if **you** have purchased cover for **INSURING CLAUSE 5** and the **cyber event** cost more than the highest **deductible** of this Insuring Clause.

In the event:

- a. of a **corporate takeover**;
- b. the **company** makes a public offering of its securities; or
- c. the **company** is wound up;

during the **period of the policy**, then cover under this Policy will continue to apply but only in respect of any act, error or omission committed or alleged to have been committed, or an event first occurring, prior to the effective date of the event above.

In respect of **INSURING CLAUSE 4**, if the **company** creates or assumes responsibility for a **benefit plan** during the **period of the policy**, then cover under this Policy will apply to the **benefit plan** but only in respect of any act, error or omission committed or alleged to have been committed after the date the **company** creates or assumes responsibility for the **benefit plan**.

11. Order of payments

In respect of **INSURING CLAUSES 1, 2, 3 and 4**, **we** will pay **claims** made under this Policy in the order they are received by **us**. However, in respect of any **claim** covered under **INSURING CLAUSES 1 and 4**, **we** will first pay that part of the **claim** which is covered under **INSURING CLAUSES 1 (SECTION A only) or 4 (SECTION A only)**, followed by that part of the **claim** which covered under **INSURING CLAUSES 1 (SECTION B only)** and thereafter that part of the **claim** which is covered under any other Section or Insuring Clause. In no event will any amount payable by **us** exceed any applicable **limit of liability**.

12. Our rights of recovery

If **we** make any payment under this Policy and **you** have any right of recovery against a **third party** in respect of this payment, then **we** will maintain this right of recovery. **You** will do whatever is reasonably necessary to secure this right and will not do anything after the event which gave rise to the claim to prejudice this right.

We will not exercise any rights of recovery against any **employee** or **insured person**, unless this is in respect of any fraudulent or dishonest acts or omissions as proven by final adjudication, arbitral tribunal or written admission by the **employee** or **insured person**.

Any recoveries will be applied as follows:

- a. towards any recovery expenses incurred by **us**;
- b. then to **us** up to the amount of **our** payment under this Policy, including **costs and expenses**;

c. then to **you** as recovery of **your deductible**.

13. Presumption of indemnification

In respect of **INSURING CLAUSE 1 (SECTION B only)**, in the event the **company** is permitted or required by law to indemnify an **insured person** for a **claim** but fails to do so for any reason, other than insolvency, then **we** agree to indemnify the **insured person** for the **claim** under this Section and no cover will be available to the **insured person** under **INSURING CLAUSE 1 (SECTION A only)**. In this event the **insured person** is not liable for the **deductible** and the **company** is required to reimburse the amount of the **deductible** to **us** upon **our** request.

14. Prior subsidiaries

Should an entity cease to be a **subsidiary** after the **inception date**, cover in respect of the entity will continue as if it was still a **subsidiary** during the **period of the policy**, but only in respect of any act, error or omission committed or alleged to have been committed, or an event first occurring, prior to the date that it ceased to be a **subsidiary**.

15. Process for paying privacy breach notification costs

Any **privacy breach** notification transmitted by **you** or on **your** behalf must be done with **our** prior written consent. **We** will ensure that notification is compliant with any legal or regulatory requirements and contractual obligations. No offer must be made for financial incentives, gifts, coupons, credits or services unless with **our** prior written consent which will only be provided if the offer is commensurate with the risk of harm.

We will not be liable for any portion of the costs **you** incur under **INSURING CLAUSE 5 (SECTION C only)** that exceed the costs that **you** would have incurred had **you** gained **our** prior written consent. In the absence of **our** prior written consent **we** will only be liable to pay **you** the equivalent cost of a notification made using the most cost effective means permissible under the governing law.

16. Severability

The application form for this insurance will be construed as a separate application form by each of the **insured persons**. With respect to the declarations and statements contained in the application form, no declaration, statement or knowledge possessed by any **insured person** will be imputed to any other **insured person** for the purpose of determining the availability of cover for **insured persons** under this Policy.

Only a declaration or statement contained in the application form and knowledge possessed by an **insured person** will be imputed to the **company** for the sole reason of determining the availability of cover for the **company** under this Policy.

No act, error or omission of one or more **insured person** will be imputed to any other **insured person** for the purpose of determining the applicability of any of the Exclusions.

17. Waiver of subrogation

Notwithstanding **CONDITION 12**, **we** agree to waive **our** rights of recovery against any **third party** if, prior to the claim or incident which **you** reasonably expected to give rise to a claim, **you** entered into a contract that contains a provision requiring **you** to do this.

18. Your duty of disclosure

It is **your** duty to provide **us** with all information which may be material to the cover provided to **you** under this Policy. Failing this, **you** must provide sufficient information to put **us** on notice that **we** should make further enquiries in order to reveal material matters. A matter is material if it would influence a prudent insurer as to whether to accept the risk, the terms of cover provided or the amount of the premium charged.

In the event of any non-disclosure or misrepresentation by **you** of the information **you** provided prior to commencement of this Policy, including representations made in any application document or other material submitted during the underwriting process, the following remedies will be available to **us** based upon what **we** would have done had the information been disclosed or not misrepresented:

- a. if **we** would have issued this Policy on different terms, **we** have the right to amend the terms and conditions of this Policy effective from the **inception date**;
- b. if **we** would have issued this Policy on the same terms but charged a higher premium, **we** have the right to reduce proportionately the amount to be paid on any claim under this Policy and if applicable, the amount already paid on prior claims under this Policy. The amount will be reduced by applying a percentage that has been calculated using the following formula: $(\text{premium actually charged} / \text{higher premium}) \times 100$; or
- c. if **we** would not have issued this Policy, treat this Policy as if it had not existed and return any paid premium.

19. Choice of law and jurisdiction

This policy will be interpreted under, governed by and construed in all respects in accordance with the law of the jurisdiction of the place of registration of the company stated as the insured in the Schedule and **we** and **you** agree to submit to the exclusive jurisdiction of the courts within the territorial limits and jurisdiction of the place of registration of the company stated as the insured in the Schedule.