

INSURING CLAUSE/SECTION Summary

PREAMBLE	General statement added, stating to review the Policy carefully as the trigger for coverage under each Section and Insuring Clause may differ.
INSURING CLAUSE 1: CYBER INCIDENT RESPONSE	<p>SECTION A: INCIDENT RESPONSE COSTS The words 'by you, or on your behalf' have been added to the first paragraph of this section. 'Cyber incident response hotline' has been amended to 'cyber incident response line'.</p> <p>SECTION B: LEGAL AND REGULATORY COSTS The words 'by you, or on your behalf' have been added to the first paragraph of this section.</p> <p>SECTION C: IT SECURITY AND FORENSIC COSTS The words 'by you, or on your behalf' have been added to the first paragraph of this section.</p> <p>SECTION D: CRISIS COMMUNICATION COSTS The words 'by you, or on your behalf' have been added to the first paragraph of this section.</p> <p>SECTION E: PRIVACY BREACH MANAGEMENT COSTS The words 'by you, or on your behalf' have been added to the first paragraph of this section.</p> <p>SECTION F: THIRD PARTY PRIVACY BREACH MANAGEMENT COSTS The words 'by you' have been added to the first paragraph of this section.</p> <p>SECTION G: POST BREACH REMEDIATION COSTS The words 'by you, or on your behalf' have been added to the first paragraph of this section.</p>
INSURING CLAUSE 2: CYBER CRIME	<p>SECTION A: FUNDS TRANSFER FRAUD Part a. of this section has been amended to clarify intent, amending "any unauthorized electronic funds transfer" to "any unauthorized electronic transfer of funds from your bank". Part d, which refers to "any fraudulent manipulation of electronic documentation whilst stored on your computer systems.", has been removed from this section, with an amended version being placed under SECTION G: PUSH PAYMENT FRAUD, part b to clarify intent.</p> <p>SECTION D: EXTORTION The words 'by you, or on your behalf' have been added to the first paragraph of this section.</p> <p>SECTION G: PHISHING This section has been renamed as: 'SECTION G: PUSH PAYMENT FRAUD'. Part b has been amended to include the phrase: "including fraudulent invoices manipulated to impersonate you".</p> <p>SECTION H: UNAUTHORIZED USE OF COMPUTER RESOURCES Brand new section, providing cover for losses arising from cryptojacking and botnetting</p>
INSURING CLAUSE 3: SYSTEM DAMAGE AND BUSINESS INTERRUPTION	<p>SECTION A: SYSTEM DAMAGE AND RECTIFICATION COSTS Section restructured. No material change to cover.</p> <p>SECTION B: SYSTEM BUSINESS INTERRUPTION This section has been renamed as: 'SECTION B: INCOME LOSS AND EXTRA EXPENSE'. Language has been reworded and cover expanded to include system failure trigger.</p> <p>SECTION C: ADDITIONAL EXTRA EXPENSE Brand new section, providing cover for extra expenses without applying an economic test.</p> <p>SECTION D: DEPENDENT BUSINESS INTERRUPTION Brand new section, providing cover for losses as a result of outages at tech and non-tech supply chain partners. Includes system failure trigger.</p> <p>SECTION E: CONSEQUENTIAL REPUTATIONAL HARM Language reworded. No material change to cover.</p> <p>SECTION F: LOSS ADJUSTMENT COSTS This section has been renamed as: 'SECTION F: CLAIM PREPARATION COSTS'. Language has been reworded. No material change to cover.</p> <p>SECTION G: HARDWARE REPLACEMENT COSTS Brand new section, providing cover for computer hardware or tangible equipment damaged as a result of a cyber event.</p>

INSURING CLAUSE 4: NETWORK SECURITY & PRIVACY LIABILITY

SECTION B: PRIVACY LIABILITY

The first letter in each word pertaining to the following terms has been capitalised: 'personally identifiable information' and 'protected healthcare information'.

YOUR DEDUCTIBLE

The language in the paragraph relating to **INSURING CLAUSE 3 (SECTION B and D only)** has been amended. No material change to cover.

AMENDED DEFINITIONS

"Additional expenditure"

This definition has been replaced by the defined term **"extra expense"**. No material change to cover.

"Computer systems"

This definition has been amended by adding the words "used directly by **you**" after the words "all electronic computers" to clarify intent.

"Continuity date"

Language reworded. No material change to cover.

"Cyber event"

This definition has been amended by clarifying that **cyber event** does not mean **system failure**.

Direct loss of profits"

This definition has been replaced by the defined term **"income loss"**. No material change to cover.

"Employee"

The definition has been updated to include independent contractors.

"Indemnity period"

This definition has been amended by removing the term **"system outage"** and replacing it with the phrase "a. the **computer systems** downtime; or b. the downtime of computer systems used directly by a **supply chain partner**."

"Privacy breach"

The definition has been updated to include theft and the deliberate actions of a **third party**.

"Subsidiary"

The words 'stated as the insured in the Declarations page' have been deleted.

"Time retention"

This definition has been replaced by the defined term **"waiting period"**.

"You/your"

The word **'your'** has been replaced by 'the **company's**'.

NEW DEFINITIONS ADDED

"Botnetting"

This definition is added in connection with the new cover provided under **INSURING CLAUSE 2: SECTION H: UNAUTHORIZED USE OF COMPUTER RESOURCES**.

"Cryptojacking"

This definition is added in connection with the new cover provided under **INSURING CLAUSE 2: SECTION H: UNAUTHORIZED USE OF COMPUTER RESOURCES**.

"Supply chain partner"

This definition clarifies what a tech and non-tech supply chain partner is.

"System failure"

This definition clarifies the system failure trigger under **INSURING CLAUSE 3 (SECTIONS B and D only)**.

OLD DEFINITIONS REMOVED

"Cloud computing provider"

This definition has been removed and is now included in an amended format under the definition of **"supply chain partner"**.

"System outage"

This definition has been replaced by the term **"computer systems"** downtime (not defined).

AMENDED EXCLUSIONS**Betterment**

This exclusion has been amended so that it does not apply to **INSURING CLAUSE 3 (SECTION G only)**.

Bodily injury and property damage

This exclusion no longer applies to **INSURING CLAUSES 4 (SECTIONS A, B and C only)** and **5** for any **claim** as a direct result of mental injury or emotional distress.

Core internet infrastructure failure

The words "or core telecommunications network" have been added after the word "internet".

Power and utility failure

This exclusion replaces the **power failure** exclusion and has been expanded to include any failure, disruption or reduction in the supply of utilities.

Product IP infringement

The words 'theft or misappropriation of any trade secret by an **employee** from a former employer or theirs' have been added.

Property and hardware costs

The language in this exclusion has been reduced and simplified and does not apply to **INSURING CLAUSE 3 (SECTION G only)**.

Regular hours staff costs

The words 'normal' and 'working their regular, contracted hours' have been deleted.

Sanctions

This has been updated to match the Lloyd's clause: LMA3100.

Theft of funds held in escrow

This exclusion amends the 'Theft of funds in escrow' exclusion by adding the words: 'from a bank account held by **you** on their behalf'.

Unsolicited communications

The exclusion no longer applies to **INSURING CLAUSE 4 (SECTION A only)**.

War and terrorism

This exclusion has been split into two exclusions: 'War' and 'Terrorism'. The Terrorism exclusion contains a carve back in respect of "a **cyber event** affecting **your computer systems** or a **supply chain partner's** computer systems." There is no longer a carve back for a **cyber event** under the War exclusion.

AMENDED CONDITIONS**What you must do if an incident takes place**

Added clarification that an incident under **INSURING CLAUSE 2 (SECTIONS A, B and C only)** must also be reported to appropriate law enforcement authorities.

Additional insureds

The words 'or a **cyber event** discovered by **you**' in paragraph 1 and point a. of the second paragraph have been deleted.

Cancellation

Cancellation by **you** is no longer subject to a minimum retained amount of 30% of the **premium**.

Extended reporting period

Language updated to clarify intent.

Optional extended reporting period

Language updated to clarify intent.

Fraudulent claims

The words 'If **you** notify' at the start of this condition have been replaced by: 'If it is determined by final adjudication, arbitral tribunal or written admission by **you**, that **you** notified'.

Mergers and acquisitions

This condition has been reworded to include the requirement that automatic coverage will only be provided for entities acquired during the **period of the policy** whose annual revenue does not exceed 20% of the **company's** annual revenue.

Our duty to defend

This condition has been replaced by the 'Agreement to pay claims (duty to defend)' condition. Language updated to include the process in place if an insured requests to appoint their own lawyer.

Process for adjustment of business interruption losses

This condition has been amended slightly to reflect the changes to the business interruption sections. No material change to cover.

NEW CONDITIONS ADDED

Supply chain interruption events

This condition has been added in conjunction with **INSURING CLAUSE 3 (SECTION D only)**, requiring that in the event of a dependent business interruption loss, the insured must provide a written report from the supply chain partner confirming the root cause and length of the outage.
