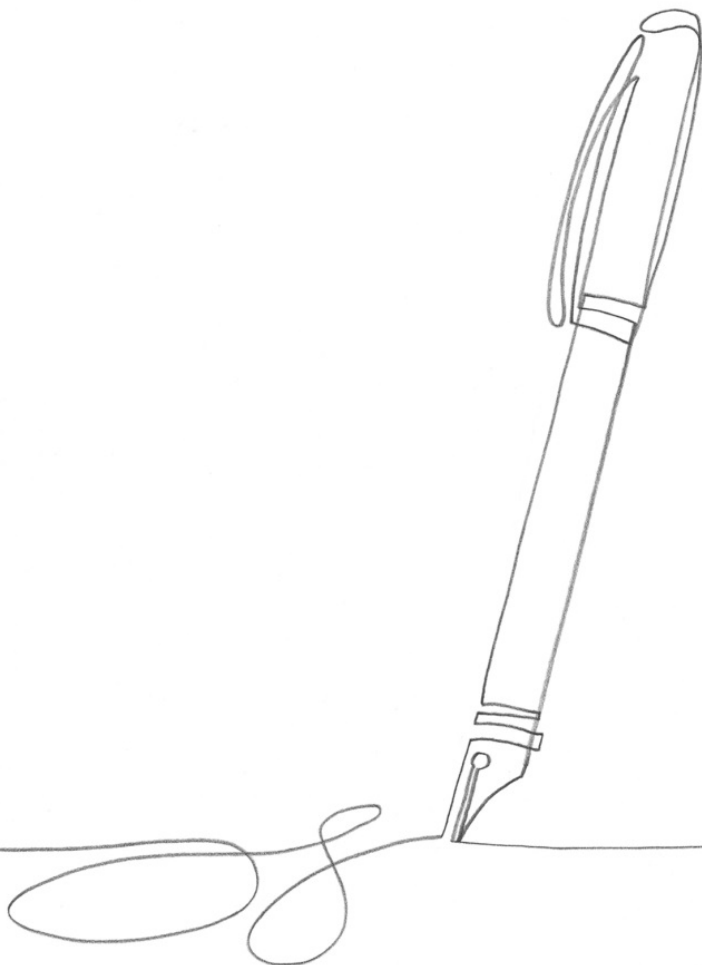


your
policy



NOTICE: INSURING AGREEMENTS A., C., D. AND E. OF THIS POLICY PROVIDE COVERAGE ON A CLAIMS MADE AND REPORTED BASIS AND APPLY ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR THE OPTIONAL EXTENSION PERIOD (IF APPLICABLE) AND REPORTED TO THE UNDERWRITERS DURING THE POLICY PERIOD OR AS OTHERWISE PROVIDED IN CLAUSE VIII. OF THIS POLICY. AMOUNTS INCURRED AS CLAIMS EXPENSES UNDER THIS POLICY SHALL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO RETENTIONS.

INSURING AGREEMENTS B., F. AND G. OF THIS POLICY PROVIDE FIRST PARTY COVERAGE ON AN INCIDENT DISCOVERED AND REPORTED BASIS AND APPLY ONLY TO INCIDENTS FIRST DISCOVERED BY THE INSURED AND REPORTED TO THE UNDERWRITERS DURING THE POLICY PERIOD.

Please review the coverage afforded under this Insurance Policy carefully and discuss the coverage hereunder with your insurance agent or broker.

The Underwriters agree with the **Parent Company**, as stated in the Schedule, made a part hereof, in consideration of the payment of the premium and reliance upon the statements in the **Application** to this Insurance Policy (hereinafter referred to as the "Policy" or "Insurance") and subject to all the provisions, terms and conditions of this Policy:

I. Insuring Agreements

A. Information Security & Privacy Liability

To pay on behalf of the **Insured**:

Damages and Claims Expenses, in excess of the **Retention**, which the **Insured** shall become legally obligated to pay because of any **Claim**, including a **Claim** for violation of a **Privacy Law**, first made against any **Insured** during the **Policy Period** or Optional Extension Period (if applicable) and reported in writing to the Underwriters during the **Policy Period** or as otherwise provided in Clause VIII. of this Policy for:

1. theft, loss, or **Unauthorised Disclosure** of **Personal Data** or **Third Party Data** that are in the care, custody or control of the **Insured Organisation**, or a third party for whose theft, loss or **Unauthorised Disclosure** of **Personal Data** or **Third Party Data** the **Insured Organisation** is legally liable, provided such theft, loss or **Unauthorised Disclosure** first takes place on or after the **Retroactive Date** and before the end of the **Policy Period**;
2. one or more of the following acts or incidents that directly result from a failure of **Computer Security** to prevent a **Security Breach**, provided that such act or incident first takes place on or after the **Retroactive Date** and before the end of the **Policy Period**:
 - (a) the alteration, corruption, destruction, deletion, or damage to data stored on **Computer Systems**;
 - (b) the failure to prevent transmission of malicious code from **Computer Systems** to computer or network systems that are not owned, operated or controlled by an **Insured**; or

- (c) the participation by the **Insured Organisation's Computer Systems** in a denial-of-service attack directed against computer or network systems that are not owned, operated or controlled by an **Insured**;
3. the **Insured Organisation's** failure to timely disclose an incident described in Insuring Agreement A.1. or A.2. in violation of any **Breach Notice Law**; provided such incident giving rise to the **Insured Organisation's** obligation under a **Breach Notice Law** must first take place on or after the **Retroactive Date** and before the end of the **Policy Period**; or
 4. failure by the **Insured** to comply with that part of a **Privacy Policy** that specifically:
 - (a) prohibits or restricts the **Insured Organisation's** disclosure, sharing or selling of a person's **Personal Data**;
 - (b) requires the **Insured Organisation** to provide access to **Personal Data** or to correct incomplete or inaccurate **Personal Data** after a request is made by a person; or
 - (c) mandates procedures and requirements to prevent the loss of **Personal Data**;

provided the acts, errors or omissions that constitute such failure to comply with a **Privacy Policy** must first take place on or after the **Retroactive Date** and before the end of the **Policy Period**, and the **Insured Organisation** must, at the time of such acts, errors or omissions have in force a **Privacy Policy** that addresses those subsections above that are relevant to such **Claim**.

B. Privacy Breach Response Services

To provide **Privacy Breach Response Services** to the **Insured Organisation** in excess of the **Retention** because of an incident (or reasonably suspected incident) described in Insuring Agreement A.1. or A.2. that first takes place on or after the **Retroactive Date** and before the end of the **Policy Period**, is discovered by the **Insured** during the **Policy Period**, and is reported to the Underwriters during the **Policy Period** or as otherwise provided in Clause VIII. of this Policy.

Privacy Breach Response Services means the following:

1. **Computer Expert Services**;
2. **Legal Services**;

3. **Notification Services** to provide notification to:
 - (a) individuals who are required to be notified by the **Insured Organisation** under the applicable **Breach Notice Law**; or
 - (b) in the Underwriters' discretion, individuals affected by an incident in which their **Personal Data** has been subject to theft, loss or **Unauthorised Disclosure** in a manner which compromises the security or privacy of such individual by posing a significant risk of financial, reputational or other harm to the individual;
4. **Call Centre Services**;
5. **Breach Resolution and Mitigation Services**; and
6. **Public Relations and Crisis Management Expenses**.

Privacy Breach Response Services also includes assistance from the BBR Services Team.

Privacy Breach Response Services will be provided subject to the terms and conditions of this Policy and the **Information Packet**, will be subject to the applicable retentions and limitations stated in the Schedule, and shall not include any internal salary or overhead expenses of the **Insured Organisation**.

Unless otherwise specified in this Policy, **Privacy Breach Response Services** will be provided by the service providers listed in the **Information Packet**. In the event a service provider is unable to or does not provide the services set forth above, the Underwriters will procure similar services from other sources to the extent reasonably practicable. If there is a change of law, regulation or enforcement that prevents the Underwriters or their service providers from providing all or part of the **Privacy Breach Response Services**, the Underwriters will make reasonable efforts to substitute other services but, if this is not possible, the Underwriters shall not be obligated to provide such services.

C. *Regulatory Defence and Penalties*

To pay on behalf of the **Insured**:

Claims Expenses and **Penalties** in excess of the **Retention**, which the **Insured** shall become legally obligated to pay because of any **Claim** in the form of a **Regulatory Proceeding**, first made against any **Insured** during the **Policy Period** or Optional Extension Period (if applicable) and reported in writing to the Underwriters during the **Policy Period** or as otherwise provided in Clause VIII. of this Policy, for a violation of a **Privacy Law** and caused by an incident described in Insuring Agreements A.1., A.2. or A.3. that first takes place on or after the **Retroactive Date** and before the end of the **Policy Period**.

D. Website Media Content Liability

To pay on behalf of the **Insured**:

Damages and Claims Expenses, in excess of the **Retention**, which the **Insured** shall become legally obligated to pay resulting from any **Claim** first made against any **Insured** during the **Policy Period** or Optional Extension Period (if applicable) and reported in writing to the Underwriters during the **Policy Period** or as otherwise provided in Clause VIII. of this Policy for one or more of the following acts first committed on or after the **Retroactive Date** and before the end of the **Policy Period** in the course of the **Insured Organisation's** display of **Media Material** on its web site or on social media web pages created and maintained by or on behalf of the **Insured Organisation**:

1. defamation, libel, slander, trade libel, infliction of emotional distress, outrage, outrageous conduct, or other tort related to disparagement or harm to the reputation or character of any person or organisation;
2. a violation of the rights of privacy of an individual, including false light, intrusion upon an individual's seclusion and public disclosure of private facts;
3. invasion or interference with an individual's right of publicity, including commercial appropriation of name, persona, voice or likeness;
4. plagiarism, piracy, misappropriation of ideas under implied contract;
5. infringement of copyright;
6. infringement of domain name, trademark, trade name, trade dress, logo, title, metatag, or slogan, service mark, or service name; or
7. improper deep-linking or framing within electronic content.

E. PCI Fines, Expenses and Costs

To reimburse the **Insured** for **PCI Fines, Expenses and Costs**, in excess of the **Retention**, which the **Insured** shall become legally obligated to pay because of a **Claim** first made against any **Insured** during the **Policy Period** or Optional Extension Period (if applicable) and reported in writing to the Underwriters during the **Policy Period** or as otherwise provided in Clause VIII. of this Policy. Coverage under this Insuring Agreement is sublimited to the amount stated in the Schedule under the Beazley Breach Response Module, and the Underwriters shall have no duty to defend any **Claim** or pay **Claims Expenses** with respect to any **Claim** under this Insuring Agreement.

F. First Party Data Protection Loss

To reimburse the **Parent Company** for:

Data Protection Loss, in excess of the **Retention**, incurred by the **Insured Organisation** as a direct result of:

1. alteration, corruption, destruction, deletion or damage to a **Data Asset**;
or

2. inability to access a **Data Asset**;

that first takes place during the **Policy Period** and is directly caused by a failure of **Computer Security** to prevent a **Security Breach**; provided that such **Security Breach** must take place on or after the **Retroactive Date** and before the end of the **Policy Period**.

G. Cyber Extortion Loss

To reimburse the **Parent Company** for:

Cyber Extortion Loss, in excess of the **Retention**, incurred by the **Insured Organisation** as a direct result of an **Extortion Threat** first made against the **Insured Organisation** during the **Policy Period** by a person, other than the **Insured Organisation's** employees, directors, officers, principals, trustees, governors, members, management committee members, members of the management board, partners, contractors, outsourcers, or any person in collusion with any of the foregoing. Coverage under this Insuring Agreement is subject to the applicable conditions and reporting requirements.

II. Definitions

- A. **Application** means all applications, including any attachments thereto, and all other information and materials submitted by or on behalf of the **Insured** to the Underwriters in connection with the underwriting of this Policy, or prior policies of which this Policy is a renewal thereof.
- B. **Breach Notice Law** means any statute or regulation of any country, province, state, territory or jurisdiction that requires notice to persons whose **Personal Data** were accessed or reasonably may have been accessed by an unauthorised person.
- C. **Breach Resolution and Mitigation Services** means a credit monitoring, identity monitoring or other solution selected from the products listed in the **Information Packet** and offered to **Notified Individuals**. The product offered to **Notified Individuals** will be selected by the Underwriters in consultation with the **Insured Organisation** and in accordance with the guidance provided in the Breach Resolution and Mitigation section of the **Information Packet**.
- The product offer will be included in the communication provided pursuant to Insuring Agreement B.3.
- D. **Call Centre Services** means the provision of a call centre to answer calls during standard business hours for a period of ninety (90) days following notification (or longer if required by applicable law or regulation) of an incident for which notice is provided pursuant to Insuring Agreement B.3. (Notification Services). Such notification shall include a toll free telephone number that connects to the call centre during standard business hours. Call centre employees will answer questions about the incident from **Notified Individuals** and will provide information required by applicable law or regulation.

Call Centre Services will include up to 10,000 calls per day and will be provided in accordance with the terms and conditions set out in the **Information Packet**. **Call Centre Services** will be provided by a service provider selected by the Underwriters in consultation with the **Insured Organisation** from the list of service providers in the **Information Packet**.

E. Claim means:

1. a written demand received by any **Insured** for money or services, including the service of a suit or institution of regulatory or arbitration proceedings;
2. with respect to coverage provided under Insuring Agreement C. only, institution of a **Regulatory Proceeding** against any **Insured**;
3. a written request or agreement to toll or waive a statute of limitations relating to a potential **Claim** described in paragraph 1. above; and
4. with respect to coverage provided under Insuring Agreement A.1. only, a demand received by any **Insured** to fulfill the **Insured Organisation's** contractual obligation to provide notice of an incident (or reasonably suspected incident) described in Insuring Agreement A.1. pursuant to a **Breach Notice Law**;

Multiple **Claims** arising from the same or a series of related or repeated acts, errors, or omissions, or from any continuing acts, errors, omissions, or from multiple **Security Breaches** arising from a failure of **Computer Security**, shall be considered a single **Claim** for the purposes of this Policy, irrespective of the number of claimants or **Insureds** involved in the **Claim**. All such **Claims** shall be deemed to have been made at the time of the first such **Claim**.

F. Claims Expenses means:

1. reasonable and necessary fees charged by an attorney designated pursuant to Clause III., Defence and Settlement of Claims, paragraph A.;
2. all other legal costs and expenses resulting from the investigation, adjustment, defence and appeal of a **Claim**, suit, or proceeding arising in connection therewith, or circumstance which might lead to a **Claim**, if incurred by the Underwriters, or by the **Insured** with the prior written consent of the Underwriters; and
3. the premium cost for appeal bonds for covered judgements or bonds to release property used to secure a legal obligation, if required in any **Claim** against an **Insured**; provided the Underwriters shall have no obligation to appeal or to obtain bonds.

Claims Expenses do not include any salary, overhead, or other charges by the **Insured** for any time spent in cooperating in the defence and investigation of any **Claim** or circumstance that might lead to a **Claim** notified under this Policy, or costs to comply with any regulatory orders, settlements or judgements.

G. **Computer Expert Services** means costs for:

1. a computer security expert to:
 - (a) determine the existence and cause of an actual or suspected electronic data breach which:
 - (i) may require the **Insured Organisation** to comply with a **Breach Notice Law**; or
 - (ii) may have compromised the security or privacy of an individual by posing a significant risk of financial, reputational or other harm to the individual; and
 - (b) determine the extent to which such information was accessed by an unauthorised person or persons;
2. a PCI Forensic Investigator that is approved by the PCI Security Standards Council and is retained by the **Insured Organisation** in order to comply with the terms of a **Merchant Services Agreement** to investigate the existence and extent of an actual or suspected compromise of credit card data; and in the Underwriters' discretion, where a computer security expert described in 1. above has not been retained, for a computer security expert to provide advice and oversight in connection with the investigation conducted by the PCI Forensic Investigator; and
3. a computer security expert, up to GBP 50,000 (which amount is part of and not in addition to the sublimit of coverage stated in the Schedule for the Beazley Breach Response Module), to demonstrate the **Insured's** ability to prevent a future electronic data breach as required by a **Merchant Services Agreement**.

Computer Expert Services will be provided in accordance with the terms and conditions set forth in the **Information Packet** and will be provided by a service provider selected by the **Insured Organisation** in consultation with the Underwriters from the list of service providers in the **Information Packet**.

- H. **Computer Security** means software, computer or network hardware devices, as well as the **Insured Organisation's** written information security policies and procedures, the function or purpose of which is to prevent **Unauthorised Access or Use**, a denial-of-service attack against **Computer Systems**, infection of **Computer Systems** by malicious code or transmission of malicious code from **Computer Systems**. **Computer Security** includes anti-virus and intrusion detection software, firewalls and electronic systems that provide access control to **Computer Systems** through the use of passwords, biometric or similar identification of authorised users.

- I.* **Computer Systems** means computers and associated input and output devices, data storage devices, networking equipment, and back up facilities:
1. operated by and either owned by or leased to the **Insured Organisation**; or
 2. systems operated by a third party service provider and used for the purpose of providing hosted computer application services to the **Insured Organisation** or for processing, maintaining, hosting or storing the **Insured Organisation's** electronic data, pursuant to written contract with the **Insured Organisation** for such services.
- J.* **Continuity Date** means (i) the date stated in the Schedule with respect to the **Parent Company** and any **Subsidiaries** acquired before the date stated in the Schedule; or (ii) with respect to any **Subsidiaries** acquired after the date stated in the Schedule, the date the **Parent Company** acquired such **Subsidiary**.
- K.* **Control Group** means any principal, partner, corporate officer, director, **Member**, general counsel (or most senior legal counsel) or risk manager of the **Insured Organisation**; and any individual in a substantially similar position.
- L.* **Cyber Extortion Loss** means:
1. any **Extortion Payment** that has been made under duress by or on behalf of the **Insured Organisation** with Underwriters' prior written consent, but solely to prevent or terminate an **Extortion Threat**;
 2. an otherwise covered **Extortion Payment** that is lost in transit by actual destruction, disappearance or wrongful abstraction while being conveyed by any person authorised by or on behalf of the **Insured Organisation** to make such conveyance; and
 3. fees and expenses paid by or on behalf of the **Insured Organisation** for security consultants retained with Underwriter's prior written approval, but solely to prevent or terminate an **Extortion Threat**;
- provided, that **Cyber Extortion Loss** shall not exceed the covered **Loss** that the **Insured Organisation** would have incurred had the **Extortion Payment** not been paid.
- M.* **Damages** means a monetary judgement, award, settlement or any other civil liability, provided that the term **Damages** shall not include or mean:
1. future profits, restitution, disgorgement of unjust enrichment or profits by an **Insured**, or the costs of complying with orders granting injunctive or equitable relief;
 2. return or offset of fees, charges, or commissions for goods or services already provided or contracted to be provided;
 3. taxes or loss of tax benefits;
 4. fines, sanctions or penalties;

5. punitive or exemplary damages, or any damages which are a multiple of compensatory damages, unless insurable by law in any applicable venue that most favors coverage for such punitive, exemplary or multiple damages;
6. discounts, coupons, prizes, awards or other incentives offered to the **Insured's** customers or clients;
7. liquidated damages, but only to the extent that such damages exceed the amount for which the **Insured** would have been liable in the absence of such liquidated damages agreement; or
8. any amounts for which the **Insured** is not liable or for which there is no legal recourse against the **Insured**.

N. **Data Asset** means any software or electronic data that exists in **Computer Systems** and that is subject to regular back up procedures, including computer programs, applications, account information, customer information, private or personal information, marketing information, financial information and any other information maintained by the **Insured Organisation** in its ordinary course of business.

O. **Data Protection Legislation** means the EU General Data Protection Regulation (or legislation in the relevant EU jurisdiction implementing this Regulation) and any similar or equivalent laws, regulations or rules relating to information or data about individuals.

P. **Data Protection Loss** means:

1. with respect to any **Data Asset** that is altered, corrupted, destroyed, deleted or damaged, the actual, reasonable and necessary costs and expenses incurred by the **Insured Organisation** to restore a **Data Asset** from back-ups or from originals or to gather, assemble and recreate such **Data Asset** from other sources to the level or condition in which it existed immediately prior to its alteration, corruption, destruction, deletion or damage; or
2. with respect to any **Data Asset** that the **Insured Organisation** is unable to access, the lesser of the actual, reasonable and necessary costs and expenses incurred by the **Insured Organisation** to
 - (i) regain access to such **Data Asset**; or
 - (ii) restore or recreate such **Data Asset** to the level or condition in which it existed immediately prior to the **Insured Organisation's** inability to access it;

Provided that if such **Data Asset** cannot reasonably be accessed, restored or reproduced, then **Data Protection Loss** means the actual, reasonable and necessary costs and expenses incurred by the **Insured Organisation** to reach this determination.

A **Data Protection Loss** will be deemed to occur at the time such alteration, corruption, destruction, deletion or damage to or inability to access a **Data Asset** is first discovered by the **Insured**. All **Data Protection Loss** that arises out of the same or a continuing **Security Breach**, from related or repeated **Security Breaches**, or from multiple **Security Breaches** resulting from a failure of **Computer** shall be deemed to be a single **Data Protection Loss**. Any alteration, corruption, destruction, deletion or damage to any **Data Asset** that arises out of, is the same as, is a continuation of, or is related to, any alteration, corruption, destruction, deletion or damage to any **Data Asset** that occurred prior to the **Policy Period**, shall be deemed to have first occurred prior to the **Policy Period**.

Data Protection Loss shall not mean, and there shall be no coverage under Insuring Agreement F. for: (1) costs or expenses incurred by the **Insured Organisation** to identify or remediate software program errors or vulnerabilities or update, replace, restore, gather, assemble, reproduce, recreate or enhance a **Data Asset** or **Computer Systems** to a level beyond that which existed prior to the alteration, corruption, destruction, deletion or damage of such **Data Asset**; (2) costs or expenses to research or develop any **Data Asset**, including but not limited to trade secrets or other proprietary information; (3) the monetary value of profits, royalties, or lost market share related to a **Data Asset**, including but not limited to trade secrets or other proprietary information or any other amount pertaining to the value of the **Data Asset**; (4) loss arising out of any liability to third-parties for whatever reason; or (5) legal costs or legal expenses of any type.

- Q. **Extortion Payment** means cash, marketable goods or services demanded to prevent or terminate an **Extortion Threat**.
- R. **Extortion Threat** means a threat to breach **Computer Security** in order to:
1. alter, destroy, damage, delete or corrupt any **Data Asset**;
 2. prevent access to **Computer Systems** or a **Data Asset**, including a denial of service attack or encrypting a **Data Asset** and withholding the decryption key for such **Data Asset**;
 3. perpetrate theft of a **Data Asset** through external access;
 4. introduce malicious code into **Computer Systems** or from **Computer Systems** to computer or network systems that are not owned, operated or controlled by an **Insured**; or
 5. interrupt or suspend **Computer Systems**;

unless an **Extortion Payment** is received from or on behalf of the **Insured Organisation**.

Extortion Threat also means a threat to disclose a **Data Asset**, **Personal Data** or **Third Party Data** unless an **Extortion Payment** is received from or on behalf of the **Insured Organisation**.

Extortion Threat does not mean nor shall there be coverage for any loss or payment for, arising out of or resulting from (i) any threat to physically harm or kidnap any person; or (ii) any threat to harm, take, or transfer property or information other than a **Data Asset**, **Personal Data** or **Third Party Data**.

Any **Extortion Threat** that arises out of, is the same as, is a continuation of, or is related to, any **Extortion Threat** that occurred prior to the **Policy Period**, shall be deemed to have first occurred prior to the **Policy Period**.

- S. **Information Packet** means the Information Packet provided with this Policy. The **Information Packet** is incorporated into and forms part of this Policy and may be updated by the Underwriters from time to time.
- T. **Insured** means:
1. The **Insured Organisation**;
 2. A director, officer or **Member** of the **Insured Organisation**, but only with respect to the performance of his or her duties as such on behalf of the **Insured Organisation**;
 3. An employee (including a part time, temporary, leased or seasonal employee) of the **Insured Organisation**, but only for work done while acting within the scope of his or her employment and related to the conduct of the **Insured Organisation's** business;
 4. A principal if the **Parent Company** is a sole proprietorship, or a partner if the **Parent Company** is a partnership, but only with respect to the performance of his or her duties as such on behalf of the **Insured Organisation**;
 5. Any person who previously qualified as an **Insured** under III.B., III.C. or III.D. above prior to the termination of the required relationship with the **Insured Organisation**, but only with respect to the performance of his or her duties as such on behalf of the **Insured Organisation**;
 6. The estate, heirs, executors, administrators, assigns and legal representatives of any **Insured** in the event of such **Insured's** death, incapacity, insolvency or bankruptcy, but only to the extent that such **Insured** would otherwise be provided coverage under this Insurance; and
 7. The lawful spouse, including any natural person qualifying as a domestic partner of any **Insured** under the provisions of any applicable national, federal, state, provincial, local or other law of the United Kingdom or European Union, but solely by reason of any act, error or omission of an **Insured** other than such spouse or domestic partner.
- U. **Insured Organisation** means the **Parent Company** and any **Subsidiaries** of the **Parent Company**.

- V. **Legal Services** means fees charged by a lawyer:
1. to determine the applicability of and actions necessary for the **Insured Organisation** to comply with **Breach Notice Laws** due to an actual or reasonably suspected theft, loss or **Unauthorised Disclosure of Personal Data**;
 2. to provide necessary legal advice to the **Insured Organisation** in responding to actual or suspected theft, loss or **Unauthorised Disclosure of Personal Data**; and
 3. to advise the **Insured Organisation** in responding to credit card system operating regulation requirements for any actual or suspected compromise of credit card data that is required to be reported to the **Insured Organisation's** merchant bank under the terms of a **Merchant Services Agreement**, but **Legal Services** does not include fees incurred in any actual or threatened legal proceeding, arbitration or mediation, or any advice in responding to credit card system operating regulations in connection with an assessment of **PCI Fines, Expenses and Costs**.

Legal Services will be provided in accordance with the terms and conditions set forth in the **Information Packet** and will be provided by a legal representative selected by the **Insured Organisation** in consultation with the Underwriters from the list of legal representatives in the **Information Packet**.

W. **Loss** means **Damages, Claims Expenses, Privacy Breach Response Services, Penalties, PCI Fines, Expenses and Costs, Data Protection Loss and Cyber Extortion Loss**.

X. **Management Control** means:

1. owning, directly or indirectly, more than fifty per cent (50%) of the outstanding securities representing the present right to vote for the election of an entity's directors (in the case of a corporation), members of the board (in the case of a limited liability partnership), management committee members (in the case of a joint venture or partnership) or persons serving in a functionally equivalent role for such an entity operating or organised under the laws of any country; or
2. having the right, pursuant to a written contract or the bylaws, charter, operating agreement or similar documents of an entity to elect, appoint or designate a majority of: the board of directors of a corporation; the management committee of a joint venture or partnership; the management board of a limited liability company; or persons serving in a functionally equivalent role for such an entity operating or organised under the laws of any country.

Y. **Media Material** means any information in electronic form, including words, sounds, numbers, images, or graphics and shall include advertising, video, streaming content, web-casting, online forum, bulletin board and chat room content, but does not mean computer software or the actual goods, products or services described, illustrated or displayed in such **Media Material**.

- Z.* **Member** means a member of a Limited Liability Partnership, as determined by the Limited Liability Partnerships Act 2000, as may be amended.
- AA.* **Merchant Services Agreement** means any agreement between an **Insured** and a financial institution, credit/debit card company, credit/debit card processor or independent service operator enabling an **Insured** to accept credit card, debit card, prepaid card, or other payment cards for payments or donations.
- BB.* **Notification Services** means:
1. notification by first class mail or e-mail to residents of the United Kingdom; and
 2. notification by first class mail or e-mail to individuals residing outside the United Kingdom, but only to the extent reasonably practicable.

E-mail notification will be provided in lieu of first class mail to the extent reasonable, practicable and where permitted under the applicable **Breach Notice Law**. **Notification Services** will be provided by a service provider selected by the Underwriters in consultation with the **Insured Organisation** from the list of service providers in the **Information Packet** and will be provided in accordance with the terms and conditions set forth in the **Information Packet**.

- CC.* **Notified Individual** means an individual person to whom notice is given or attempted to be given under Insuring Agreement B.3. pursuant to a **Breach Notice Law**.
- DD.* **Parent Company** means the Named Insured listed in the Schedule.
- EE.* **PCI Fines, Expenses and Costs** means the direct monetary fines, penalties, reimbursements, fraud recoveries or assessments owed by the **Insured Organisation** under the terms of a **Merchant Services Agreement**, but only where such fines, penalties, reimbursements, fraud recoveries or assessments result both from the **Insured Organisation's** actual or alleged noncompliance with published PCI Data Security Standards and from a data breach caused by an incident (or reasonably suspected incident) described in Insuring Agreement A.1. or A.2.; provided, that the term **PCI Fines, Expenses and Costs** shall not include or mean any charge backs, interchange fees, discount fees or prospective service fees.

FF. **Penalties** means:

1. any civil fine or money penalty payable to a governmental entity that was imposed in a **Regulatory Proceeding** by any national, local or other governmental entity of any country (including an institution, agency or other body of the European Union), in such entity's regulatory or official capacity; the insurability of **Penalties** shall be in accordance with the law in the applicable venue that most favours coverage for such **Penalties**; and
2. amounts which the **Insured** is legally obligated to deposit in a fund as equitable relief for the payment of consumer claims due to an adverse judgement or settlement of a **Regulatory Proceeding**; but shall not include payments to charitable organisations or disposition of such funds other than for payment of consumer claims for losses caused by an event covered pursuant to Insuring Agreements A.1., A.2. or A.3.;

but shall not mean (a) costs to remediate or improve **Computer Systems**, (b) costs to establish, implement, maintain, improve or remediate security or privacy practices, procedures, programmes or policies, (c) audit, assessment, compliance or reporting costs, or (d) costs to protect the confidentiality, integrity and/or security of **Personal Data** from theft, loss or disclosure, even if it is in response to a regulatory proceeding or investigation.

GG. **Personal Data** shall have the meaning given to it in **Data Protection Legislation**.

HH. **Policy Period** means the period of time between the inception date shown in the Schedule and the effective date of termination, expiration or cancellation of this Insurance and specifically excludes any Optional Extension Period or any prior policy period or renewal period.

II. **Privacy Law** means a statute or regulation of any national, local or other governmental entity of any country (including an institution, agency or other body of the European Union) requiring the **Insured Organisation** to protect the confidentiality and/or security of **Personal Data**.

JJ. **Privacy Policy** means the **Insured Organisation's** public declaration of its policy for collection, use, disclosure, sharing, dissemination and correction or supplementation of, and access to **Personal Data**.

KK. **Public Relations and Crisis Management Expenses** shall mean the following costs approved in advance by the Underwriters in their discretion, and which are directly related to mitigating harm to the **Insured Organisation's** reputation or potential **Loss** covered by the Policy resulting from an incident described in Insuring Agreement A.1. or A.2. or from a **Public Relations Event**:

1. costs incurred by a public relations or crisis management consultant;
2. costs for media purchasing or for printing or mailing materials intended to inform the general public about the incident, such costs to be limited to GBP 100,000;
3. for incidents or events in which notification services are not otherwise provided pursuant to Insuring Agreement I.A. or I.B., costs to provide notifications and notices via e-mail or first class mail to customers where such notifications are not required by law ("voluntary notifications"), including to non-affected customers of the **Insured Organisation**;
4. costs to provide government mandated public notices related to breach events; and
5. other costs approved in advance by the Underwriters.

Public Relations and Crisis Management Expenses must be incurred no later than twelve (12) months following the reporting of such **Claim** or breach event to the Underwriters and, with respect to clauses 1. and 2. above, within ninety (90) days following the first publication of such **Claim** or incident. If voluntary notifications are provided, e-mail notification will be provided in lieu of first class mail to the extent practicable.

- LL.* **Public Relations Event** means the publication or imminent publication in a newspaper (or other general circulation print publication) or on radio, television or a publicly accessible website of a covered **Claim** under this Policy.
- MM.* **Regulatory Proceeding** means a request for information, civil investigative demand, or civil proceeding commenced by service of a complaint or similar proceeding brought by or on behalf of any national, local or other governmental entity of any country (including an institution, agency or other body of the European Union), in such entity's regulatory or official capacity in connection with such proceeding.
- NN.* **Related Party** means the **Insured Organisation** and any past, present or future employees, directors, officers, **Members**, partners or natural person independent contractors of the **Insured Organisation**.
- OO.* **Retention** means the applicable retention for each **Claim** or incident as specified in the Schedule.
- PP.* **Retroactive Date** means the applicable date stated in the Schedule. There is no coverage for claims as a result of wrongful acts that took place prior to the specified Retroactive date stated in the schedule. Even is the claim is against the Parent Company during the policy period.

QQ. **Security Breach** means:

1. **Unauthorised Access or Use of Computer Systems**, including **Unauthorised Access or Use** resulting from the theft of a password from a **Computer System** or from any **Insured**;
2. a denial-of-service attack against **Computer Systems** or computer systems that are not owned, operated or controlled by an **Insured**; or
3. infection of **Computer Systems** by malicious code or transmission of malicious code from **Computer Systems**,

whether any of the foregoing is a specifically targeted attack or a generally distributed attack.

A series of continuing **Security Breaches**, related or repeated **Security Breaches**, or multiple **Security Breaches** resulting from a continuing failure of **Computer Security** shall be considered a single **Security Breach** and be deemed to have occurred at the time of the first such **Security Breach**.

RR. **Subsidiary** means any corporation, limited liability company, joint venture or partnership while the **Parent Company** has **Management Control** over such entity, if the **Parent Company**:

1. had **Management Control** over such entity on the inception date of this Policy or such entity was an insured under a policy issued by the Underwriters of which this Policy is a renewal;
2. acquires **Management Control** after the inception date of this Policy, provided the revenues of the entity do not exceed fifteen per cent (15%) of the **Parent Company's** annual revenues for the four quarterly periods directly preceding inception of the **Policy Period**; or
3. acquires **Management Control** after the inception date of this Policy, provided that if the revenues of the entity exceed fifteen per cent (15%) of the **Parent Company's** annual revenues for the four quarterly periods directly preceding inception of the **Policy Period**, the provisions of Clause XV., Mergers and Acquisitions, must be fulfilled;

provided, that this Policy only provides coverage for acts, errors, omissions, incidents or events that take place while the **Parent Company** has **Management Control** over such entity.

SS. **Third Party Data** means any trade secret, data, design, interpretation, forecast, formula, method, practice, credit or debit card magnetic strip information, process, record, report or other item of information of a third party not insured under this Policy which is not available to the general public and is provided to the **Insured** subject to a fully executed written confidentiality agreement or which the **Insured Organisation** is legally required to maintain in confidence; however, **Third Party Data** shall not include **Personal Data**.

TT. **Unauthorised Access or Use** means the gaining of access to or use of **Computer Systems** by an unauthorised person or persons or the use of **Computer Systems** in an unauthorised manner.

UU. **Unauthorised Disclosure** means the disclosure of (including disclosure resulting from phishing) or access to information in a manner that is not authorised by the **Insured Organisation** and is without knowledge of, consent, or acquiescence of any member of the **Control Group**.

III. Defence And Settlement Of Claims

- A. The Underwriters shall have the right and duty to defend, subject to all the provisions, terms and conditions of this Policy:
1. any **Claim** against the **Insured** seeking **Damages** which are payable under the terms of this Policy, even if any of the allegations of the **Claim** are groundless, false or fraudulent; or
 2. under Insuring Agreement C., any **Claim** in the form of a **Regulatory Proceeding**.

Legal representatives to defend any Claim shall be mutually agreed upon between the **Parent Company** and the Underwriters, but in the absence of such agreement, the Underwriters' decision shall be final.

- B. With respect to any **Claim** against the **Insured** seeking **Damages** or **Penalties** which are payable under the terms of this Policy, the Underwriters will pay **Claims Expenses** incurred with their prior written consent. The Limit of Liability available to pay **Damages** and **Penalties** shall be reduced and may be completely exhausted by payment of **Claims Expenses**. **Damages**, **Penalties**, and **Claims Expenses** shall be applied against the **Retention** payable by the **Insured**.
- C. If the **Insured** shall refuse to consent to any settlement or compromise recommended by the Underwriters and acceptable to the claimant and elects to contest the **Claim**, the Underwriters' liability for any **Damages**, **Penalties** and **Claims Expenses** shall not exceed
1. the amount for which the **Claim** could have been settled, less the remaining **Retention**, plus the **Claims Expenses** incurred up to the time of such refusal; plus
 2. fifty per cent (50%) of any **Claims Expenses** incurred after the date such settlement or compromise was recommended to the **Insured** plus fifty per cent (50%) of any **Damages** above the amount for which the **Claim** could have been settled. The remaining fifty per cent (50%) of such **Claims Expenses** and **Damages** must be borne by the **Insured** at their own risk and uninsured;

or the applicable Limit of Liability, whichever is less, and the Underwriters shall have the right to withdraw from the further defence thereof by tendering control of said defence to the **Insured**. The portion of any proposed settlement or compromise that requires the **Insured** to cease, limit or refrain from actual or alleged infringing or otherwise injurious activity or is attributable to future royalties or other amounts that are not **Damages** (or **Penalties** for **Claims** covered under Insuring Agreement C.) shall not be considered in determining the amount for which a **Claim** could have been settled.

- D. The Underwriters agree that the **Insured** may settle any **Claim** where the **Damages** and **Claims Expenses** do not exceed the **Retention**, provided that the entire **Claim** is resolved and the **Insured** obtains a full release on behalf of all the **Insureds** from all claimants.
- E. Upon request of the Underwriters, the **Insured** shall attend mediation meetings, arbitration proceedings, hearings, depositions, and trials relative to the defense of any **Claim**. The Underwriters shall reimburse the **Insured**, upon written request, for the actual loss of earnings and reasonable expenses due to such attendance. Under no circumstances shall this reimbursement exceed GBP 600 per day for all **Insureds**, regardless of how many mediation meetings, arbitration proceedings, hearings, depositions and trials relative to the defense of **Claims** the **Insured** attends, subject to a maximum of GBP 25,000, which amount shall be part of and not in addition to the **Policy Aggregate Limit of Liability**.

IV. Territory

This Insurance applies to **Claims** made, acts committed, or **Loss** occurring anywhere in the world.

V. Exclusions

The coverage under this Insurance does not apply to any **Claim** or **Loss**;

A. Bodily Injury and Property Damage

For, arising out of or resulting from:

1. physical injury, sickness, disease or death of any person, including any mental anguish or emotional distress that results from such physical injury, sickness, disease or death; or
2. physical injury to or destruction of any tangible property, including the loss of use thereof; provided that electronic data shall not be considered tangible property for purposes of this exclusion;

B. Employment

For, arising out of or resulting from any employment or labor relations, policies, practices, acts or omissions, or any actual or alleged refusal to employ any person, or misconduct with respect to employees, whether such **Claim** is brought by an employee, former employee, applicant for employment, or relative or domestic partner of such person.

This exclusion shall not apply to:

1. a **Claim** under Insuring Agreements A.1., A.2. or A.3. by a current or former employee of the **Insured Organisation**; or
2. **Privacy Breach Response Services** involving current or former employees of the **Insured Organisation**;

C. Directors' and Officers' Liability

For, arising out of or resulting from any actual or alleged act, error or omission or breach of duty by any director, officer or **Member** in the discharge of their duty if the **Claim** is brought by or on behalf of the **Parent Company**, a **Subsidiary**, or any principals, directors, officers, **Members**, stockholders, members or employees of the **Parent Company** or a **Subsidiary** in his or her capacity as such;

D. Contractual Liability

For, arising out of or resulting from obligation under or breach of any contract or agreement, except:

1. with respect to Insuring Agreement A.1., to an obligation to maintain the confidentiality or security of **Personal Data** or of **Third Party Data** (provided this exception D.1. does not apply to any obligation under a **Merchant Services Agreement**);
2. to **Computer Expert Services** or **Legal Services** covered under Insuring Agreement B.;
3. with respect to Insuring Agreement D. to:
 - (1) liability **Assumed under Contract**; or
 - (2) misappropriation of ideas under an implied contract;
4. to **PCI Fines, Expenses and Costs** covered under Insuring Agreement E.; or
5. to the extent the **Insured** would have been liable in the absence of such contract or agreement;

E. Competition and Restraint of Trade

For, arising out of or resulting from any actual or alleged violation of applicable antitrust laws, restraint of trade, unfair competition, or false, deceptive or misleading advertising;

F. Unfair Trade Practices and Consumer Protection

For, arising out of or resulting from any actual or alleged false, deceptive or unfair trade practices; however this exclusion does not apply to:

1. any **Claim** covered under Insuring Agreements A.1., A.2., A.3. or C. that results from a theft, loss or **Unauthorised Disclosure of Personal Data**; or
2. the providing of **Privacy Breach Response Services** covered under Insuring Agreement B.,

provided that no member of the **Control Group** participated or is alleged to have participated or colluded in such theft, loss or **Unauthorised Disclosure**;

G. Unlawful Collection of Information Unlawful Communications

For, arising out of or resulting from any actual or alleged:

1. unlawful collection, acquisition or retention of **Personal Data** or other personal information by, on behalf of, or with the consent or cooperation of the **Insured Organisation**; failure to comply with a legal requirement to provide individuals with the ability to assent to or withhold assent (e.g. opt-in or opt-out) from the collection, disclosure or use of **Personal Data**; provided, that this exclusion shall not apply to the actual or alleged unlawful collection, acquisition or retention of **Personal Data** by a person or entity that is not a **Related Party** and without the knowledge of the **Insured Organisation**; or
2. (a) **unlawful** distribution of email, direct mail, text messages or facsimiles;

(b) **unlawful** telemarketing; or

(c) eavesdropping, wiretapping or audio or video recording;

if any of the above is done by or on behalf of the **Insured Organisation**;

H. Prior Acts, Errors, Omissions or Incidents

For, arising out of or resulting from any act, error, omission, incident, failure of **Computer Security**, or **Security Breach** committed or occurring prior to the inception date of this Policy:

1. if any member of the **Control Group** on or before the **Continuity Date** knew or could have reasonably foreseen that such act, error, omission, or incident, failure of **Computer Security**, or **Security Breach** might be expected to be the basis of a **Claim** or **Loss**; or
2. in respect of which any **Insured** has given notice of a circumstance, which might lead to a **Claim** or **Loss**, to the insurer of any other policy in force prior to the earlier of:
 - (a) the inception date of this Policy; or
 - (b) if this Policy is a renewal, the inception date of the first consecutive policy issued by the Underwriters for which this Policy is a renewal or replacement;

I. Retroactive Date

For, arising out of or resulting from any related or continuing acts, errors, omissions, incidents or events, where the first such act, error, omission, incident or event was committed or occurred prior to the **Retroactive Date**;

J. Racketeering, Securities, Pensions and Discrimination

For, arising out of or resulting from any of the following:

1. any actual or alleged violation of any racketeering, fraud, organised crime or conspiracy law including but not limited to the Criminal Law Act 1977 or the Proceeds of Crime Act 2002 (commonly known as "POCA");
2. any actual or alleged violation of any securities law, regulation or legislation, including but not limited to the Companies Act 2006, the Financial Services Act 2012;
3. any actual or alleged acts, errors, or omissions related to any of the **Insured Organisation's** pension, healthcare, welfare, profit sharing, mutual or investment plans, funds or trusts, including any violation of any provision of the Pensions Act 2014;
4. any actual or alleged discrimination of any kind including but not limited to age, colour, race, sex, creed, national origin, marital status, sexual preference, disability or pregnancy;

however, this exclusion does not apply to any otherwise covered **Claim** under Insuring Agreements A.1., A.2., or A.3., or to providing Privacy Breach Response Services under Insuring Agreement B., that results from a theft, loss or **Unauthorised Disclosure of Personal Data**, provided that no member of the **Control Group** participated or colluded in, or is alleged to have participated or colluded in such theft, loss or **Unauthorised Disclosure**;

K. Criminal, Malicious or Intentional Acts

Arising out of or resulting from any criminal, dishonest, fraudulent, or malicious act, error or omission, any intentional **Security Breach**, intentional violation of a **Privacy Policy**, or intentional or knowing violation of the law, if committed by any **Insured**, or by others if such **Insured** colluded or participated in any such conduct or activity;

this exclusion shall not apply to:

1. **Claims Expenses** incurred in defending any **Claim** alleging the foregoing until such time as there is a final adjudication, judgement, binding arbitration decision or conviction against the **Insured**, or written admission by the **Insured**, establishing such conduct, or a plea of *nolo contendere* or no contest regarding such conduct, at which time the **Parent Company** shall reimburse the Underwriters for all **Claims Expenses** incurred defending the **Claim** and the Underwriters shall have no further liability for **Claims Expenses**; or
2. a **Claim** or **Loss** against a natural person **Insured** if such **Insured** did not personally commit, participate

For purposes of this exclusion, only acts, errors, omissions or knowledge of a member of the **Control Group** will be imputed to the **Insured Organisation**;

L. Intellectual Property

For, arising out of or resulting from any actual or alleged:

1. infringement of patent or patent rights or misuse or abuse of patent;
2. infringement of copyright arising from or related to software code or software products other than infringement resulting from a theft or **Unauthorised Access or Use** of software code by a person who is not a **Related Party**;
3. use or misappropriation of any ideas, trade secrets or **Third Party Data** (i) by, or on behalf of, the **Insured Organisation**, or (ii) by any other person or entity if such use or misappropriation is done with the knowledge, consent or acquiescence of a member of the **Control Group**; or
4. disclosure, misuse or misappropriation of any ideas, trade secrets or confidential information that came into the possession of any person or entity prior to the date he or she became an employee, officer, director, **Member**, principal, partner or **Subsidiary** of the **Insured Organisation**; or
5. under Insuring Agreement A.2., theft of or **Unauthorised Disclosure** of data;

M. Regulatory

For, in connection with or resulting from a **Claim** brought by or on behalf of any national, federal, state, provincial, local or other governmental entity (including an institution, agency or other governmental body of the European Union), in such entity's regulatory or official capacity; provided, this exclusion shall not apply to an otherwise covered **Claim** under Insuring Agreement C. or to the providing of **Privacy Breach Response Services** under Insuring Agreement B. to the extent such services are legally required to comply with a **Breach Notice Law**;

N. Insured v. Insured

For, arising out of or resulting from a **Claim** by or on behalf of one or more **Insureds** under this Insurance against any other **Insured** or **Insureds** under this Insurance; provided this exclusion shall not apply to an otherwise covered **Claim** under Insuring Agreement A.1., A.2., or A.3. made by a current or former employee of the **Insured Organisation**;

O. Related Entities

For, arising out of or resulting from:

1. any **Claim** made by any business enterprise in which any **Insured** has greater than a fifteen per cent (15%) ownership interest or made by any parent company or other entity which owns more than fifteen per cent (15%) of the **Parent Company**; or
2. any **Insured's** activities as a trustee, partner, **Member**, officer, director or employee of any employee trust, charitable organisation, corporation, company or business other than that of the **Insured Organisation**;

P. Trading Losses and Monetary Transactions

For, arising out of or resulting from any of the following:

1. trading losses, trading liabilities or change in value of accounts;
2. any loss, transfer or theft of monies, securities or tangible property of others in the care, custody or control of the **Insured Organisation**;
3. the monetary value of any transactions or electronic fund transfers by or on behalf of the **Insured** which is lost, diminished, or damaged during transfer from, into or between accounts; or
4. the value of coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount;

Q. Product Descriptions; Pricing; Contests

For, arising out of or resulting from:

1. the actual or alleged inaccurate, inadequate or incomplete description of the price of goods, products or services;
2. cost guarantees, cost representations, or contract price estimates,
3. the authenticity of any goods, products or services, or the failure of any goods or services to conform with any represented quality or performance;
4. any actual or alleged gambling, contest, lottery, promotional game or other game of chance; or

R. Recall and Replacement

For, arising out of or resulting from any costs or expenses incurred or to be incurred by the **Insured** or others for the reprinting, reposting, recall, removal or disposal of any **Media Material** or any other information, content or media, including any media or products containing such **Media Material**, information, content or media;

S. Licencing Bodies and Joint Ventures

For, arising out of or resulting from:

1. the actual or alleged obligation to make licensing fee or royalty payments, including but limited to the amount or timeliness of such payments;
2. any **Claim** brought by or on behalf of any intellectual property licensing bodies or organisations, including but not limited to the Society of European Stage Authors and Composers, the American Society of Composers, Authors and Publishers or Broadcast Music, Inc.;
3. any **Claim** made by or on behalf of any independent contractor, joint venturer or venture partner arising out of or resulting from disputes over ownership of rights in **Media Material** or services provided by such independent contractor, joint venturer or venture partner;

T. War

Arising out of or resulting from, directly or indirectly occasioned by, happening through or in consequence of: war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority;

U. USA and Canada

For, arising out of or resulting from any claim, loss, expense, liability or cost brought in accordance with or subject to any law of the United States of America or Canada, including without limitation the laws of any state, province, territory, locality or other jurisdiction located therein.

V. Asbestos, Pollution and Contamination

Either in whole or in part, directly or indirectly, arising out of or resulting from or in consequence of, or in any way involving:

1. asbestos, or any materials containing asbestos in whatever form or quantity;
2. the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind; any action taken by any party in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins; and any governmental or regulatory order, requirement, directive, mandate or decree that any party take action in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins;

The Underwriters will have no duty or obligation to defend any **Insured** with respect to any **Claim** or governmental or regulatory order, requirement, directive, mandate or decree which either in whole or in part, directly or indirectly, arises out of or results from or in consequence of, or in any way involves the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind;

3. the existence, emission or discharge of any electromagnetic field, electromagnetic radiation or electromagnetism that actually or allegedly affects the health, safety or condition of any person or the environment, or that affects the value, marketability, condition or use of any property; or
4. the actual, alleged or threatened discharge, dispersal, release or escape of Pollutants; or any governmental, judicial or regulatory directive or request that the Insured or anyone acting under the direction or control of the Insured test for, monitor, clean up, remove, contain, treat, detoxify or neutralise Pollutants. Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant including gas, acids, alkalis, chemicals, heat, smoke, vapor, soot, fumes or waste. Waste includes but is not limited to materials to be recycled, reconditioned or reclaimed.

VI. Limit Of Liability And Coverage

- A. The limit of liability stated in the Schedule for the Beazley Breach Response Module (the "**Policy Aggregate Limit of Liability**") is the Underwriters' combined total limit of liability for all **Damages, Claims Expenses, Penalties, Cyber Extortion Loss, Data Protection Loss and PCI Fines, Expenses and Costs** payable under this Policy.

The sublimit of liability stated in the Schedule for the Beazley Breach Response Module is the aggregate sublimit of liability payable under Insuring Agreement C. of this Policy and is part of, and not in addition to, the **Policy Aggregate Limit of Liability**.

The sublimit of liability stated in in the Schedule for the Beazley Breach Response Module is the aggregate sublimit of liability payable under Insuring Agreement E. of this Policy and is part of, and not in addition to, the **Policy Aggregate Limit of Liability**.

Neither the inclusion of more than one **Insured** under this Policy, nor the making of **Claims** by more than one person or entity shall increase the Limit of Liability.

- B. The Limit of Liability for the Optional Extension Period shall be part of and not in addition to the **Policy Aggregate Limit of Liability**.

- C. The Underwriters shall not be obligated to pay any **Loss**, provide any **Privacy Breach Response Services**, or undertake or continue defence of any suit or proceeding, after the **Policy Aggregate Limit of Liability** has been exhausted by payment of **Loss** or by provision of **Privacy Breach Response Services**, or after deposit of the **Policy Aggregate Limit of Liability** or any other applicable limit of liability in a court of competent jurisdiction. Upon such payment, the Underwriters shall have the right to withdraw from (i) the further provision of **Privacy Breach Response Services**, and (ii) the further defence of any **Claim** under this Policy by tendering control of said defence to the **Insured**.
- D. The amount stated in the Schedule for the Beazley Breach Response Module is the maximum total number of **Notified Individuals** to whom notification will be provided or attempted for all incidents or series of related incidents giving rise to an obligation to provide **Notification Services**, **Call Center Services** or **Breach Resolution and Mitigation Services**.
The aggregate limit of coverage stated in the Schedule for the Beazley Breach Response Module is the aggregate limit of coverage for all **Computer Expert Services**, **Legal Services** and **Public Relations and Crisis Management Services** combined.
- E. The Underwriters shall not be obligated to provide any **Notification Services**, **Call Center Services** or **Breach Resolution and Mitigation Services** after the number of **Notified Individuals** under Insuring Agreement B.3. reaches an aggregate of the number of **Notified Individuals** stated in the Schedule for the Beazley Breach Response Module. If the total number of individuals to be notified under the Policy exceeds the number of **Notified Individuals** stated in the Schedule for the Beazley Breach Response Module, the **Insured** shall be responsible for providing notification, credit monitoring services or identity monitoring services to such additional individuals in accordance with Clause VI.F. below.
- F. If the total number of notifications made pursuant to Insuring Agreement B.3. aggregates to more than the number of notifications stated in the Schedule for the Beazley Breach Response Module, the **Insured Organisation** will be responsible for paying for **Privacy Breach Response Services** with respect to any excess notifications, and such costs will not be covered by the Policy. If an incident involves notifications made pursuant to Insuring Agreement B.3. both within the notification limit stated in the Schedule for the Beazley Breach Response Module and in excess of such limit, all excess notifications will be provided by the same service provider that provides **Notification Services** covered under the Policy, and the costs will be allocated between the Underwriters and the **Insured Organization** pro rata based on the number of covered and non-covered notifications.
- G. To the extent that costs to provide **Privacy Breach Response Services** are covered pursuant to a **Claim** described in Clause II.E.4., such costs shall be covered solely under Insuring Agreement A. and not under Insuring Agreement B. or any other Insuring Agreement in this Policy.

VII. Retention

- A. The **Retention** amount stated in the Schedule for the Beazley Breach Response Module applies separately to each incident, event or related incidents or events, giving rise to a **Claim**. The **Retention** shall be satisfied by monetary payments by the **Parent Company** of **Damages**, **Claims Expenses**, **Penalties** or **PCI Fines, Expenses and Costs**.

- B. **Notification Services, Call Center Services, and Breach Resolution and Mitigation Services** will only be provided for each incident, event or related incidents or events, requiring notification to at least the number of individuals set forth in the Schedule for the Beazley Breach Response Module. For incidents involving notification to fewer individuals there shall be no coverage for any such services under Insuring Agreement B.

For all **Computer Expert Services, Legal Services and Public Relations and Crisis Management Services**, the **Retention** amounts set forth in the Schedule for the Beazley Breach Response Module apply separately to each incident, event or related incidents or events, giving rise to an obligation to provide such services; and the Each Incident **Retention** shall be satisfied by monetary payments by the **Parent Company** for such services.

- C. The **Retention** stated in the Schedule for the Beazley Breach Response Module applies separately to each **Data Protection Loss** covered under Insuring Agreement F. The **Retention** applicable to each incident or event giving rise to coverage for **Data Protection Loss** shall be satisfied by monetary payments by the **Parent Company** of covered **Data Protection Loss**.
- D. The **Retention** stated in the Schedule for the Beazley Breach Response Module applies separately to each **Extortion Threat** covered under Insuring Agreement G. The **Retention** applicable to each **Extortion Threat** shall be satisfied by monetary payments by the **Parent Company** of covered **Cyber Extortion Loss**.
- E. In the event that **Damages, Claims Expenses, Penalties or PCI Fines, Expenses and Costs** arising out of a **Claim** are subject to more than one **Retention**, the applicable **Retention** amounts shall apply to such **Damages, Claims Expenses, Penalties or PCI Fines, Expenses and Costs**, provided that the sum of such **Retention** amounts shall not exceed the largest applicable **Retention** amount.
- F. Satisfaction of the applicable **Retention** is a condition precedent to the payment by the Underwriters of any amounts or providing of any services hereunder, and the Underwriters shall be liable only for the amounts in excess of such **Retention** subject to the Underwriters' total liability not exceeding the **Policy Aggregate Limit of Liability**, the applicable sublimits of liability, or the Limits of Coverage for **Privacy Breach Response Services** stated in the Schedule for the Beazley Breach Response Module. The **Parent Company** shall make direct payments within the **Retention** to appropriate other parties designated by the Underwriters.

VIII. Notice Of Claim, Loss Or Circumstance That Might Lead To A Claim

- A. If any **Claim** is made against the **Insured**, the **Insured** shall forward as soon as practicable to the Underwriters written notice of such **Claim** in the form of email or express or certified mail together with every demand, notice, summons or other process received by the **Insured** or the **Insured's** representative. In no event shall the Underwriters be given notice of a **Claim** later than the end of the **Policy Period**, the end of the Optional Extension Period (if applicable), or thirty (30) days after the expiration date of the **Policy Period** in the case of **Claims** first made against the **Insured** during the last thirty (30) days of the **Policy Period**. Notice to be sent to Underwriters as follows:

MyBeazley Claims – TMB
Beazley plc
Plantation Place South
60 Great Tower Street
London
EC3R 5AD

E -mail: mybeazleyclaims@beazley.com

- B. With respect to Insuring Agreement B., for a legal obligation to comply with a **Breach Notice Law** because of an incident (or reasonably suspected incident) described in Insuring Agreement A.1. or A.2., such incident or reasonably suspected incident must be reported as soon as practicable during the **Policy Period** after discovery by the **Insured** via the email address or telephone number stated below; provided, that unless the **Insured** cancels the Policy, or the Underwriters cancel for non-payment of premium, incidents discovered by the **Insured** within sixty (60) days prior to expiration of the Policy shall be reported as soon as practicable, but in no event later than sixty (60) days after the end the **Policy Period**; provided further, that if this Policy is renewed by the Underwriters and **Privacy Breach Response Services** are provided because of such incident or suspected incident that was discovered by the Insured within sixty (60) days prior to the expiration of the Policy, and first reported during the sixty (60) day post **Policy Period** reporting period, then any subsequent **Claim** arising out of such incident or suspected incident is deemed to have been made during the **Policy Period**. Contact details for notification under this clause are as follows:

Beazley plc
Hotline: +44 (0)20 3514 2434
Email: BBRuk@beazley.com

However, if the **Parent Company** reasonably believes that the **Privacy Breach Response Services** provided as a result of such incident or suspected incident are not likely to meet or exceed the **Retention**, then reporting of such incident or suspected incident under this Clause VIII.B. is at the **Parent Company's** option, but unless such incident or suspected incident is reported in accordance with the first paragraph of this Clause VIII.B., there shall be no coverage for **Privacy Breach Response Services** in connection with such incident or suspected incident.

- C. If during the **Policy Period**, the **Insured** becomes aware of any circumstance that could reasonably be the basis for a **Claim** it may give written notice to the Underwriters in the form of email or express or certified mail as set out in clause VIII(A) above as soon as practicable during the **Policy Period**. Such a notice must include:
1. the specific details of the act, error, omission, or **Security Breach** that could reasonably be the basis for a **Claim**;
 2. the injury or damage which may result or has resulted from the circumstance; and
 3. the facts by which the **Insured** first became aware of the act, error, omission or **Security Breach**.

Any subsequent **Claim** made against the **Insured** arising out of such circumstance which is the subject of the written notice will be deemed to have been made at the time written notice complying with the above requirements was first given to the Underwriters.

An incident or reasonably suspected incident reported to Underwriters during the **Policy Period** and in conformance with Clause VIII.B. shall also constitute notice of a circumstance under this Clause VIII.C.

- D.* A **Claim** or legal obligation under paragraph A. or B. above shall be considered to be reported to the Underwriters when written notice is first received by the Underwriters in the form of email or express or certified mail or email as set out in clause VIII(A) above of the **Claim** or legal obligation, or of an act, error, or omission, which could reasonably be expected to give rise to a **Claim** if provided in compliance with paragraph C. above.
- E.* For **Data Protection Loss** to be covered under this Policy, the **Insured Organisation** must:
1. forward written notice of a **Data Protection Loss** by express mail, email or telecopy to Underwriters as set out in clause VIII(A) above immediately upon discovery of alteration, corruption, destruction, deletion or damage to or inability to access a **Data Asset**; provided that all covered **Data Protection Loss** must be discovered and reported to Underwriters no later than six (6) months after the end of the **Policy Period**;
 2. complete and sign a written, detailed and sworn proof of loss within ninety (90) days (unless such period has been extended by Underwriter's written consent) after the **Insured Organisation** sustains a **Data Protection Loss**. Such proof of loss shall include a full description of such **Data Protection Loss** and the circumstances surrounding such **Data Protection Loss**. Proof of loss shall also include the underlying documents and materials of whatever media that reasonably relates to or forms a part of the basis of the claim for such **Data Protection Loss**;
- F.* For **Cyber Extortion Loss** to be covered under this Policy, the **Insured Organisation** must notify Underwriters as set out in clause VIII(A) above by telephone immediately upon receipt of any **Extortion Threat**, and shall thereafter also provide written notice by telecopy, email or express mail within five (5) days following the **Extortion Threat**.
- G.* The costs and expenses of establishing or proving **Data Protection Loss** or **Cyber Extortion Loss** for this Policy, including without limitation those connected with preparing a proof of loss, shall be the **Insured's** obligation, and are not covered under this Policy.

IX. Optional Extension Period

- A. In the event of the termination of this Insurance for any reason except the non-payment of premium, the **Parent Company** shall have the right to have issued an endorsement providing an Optional Extension Period. This will be for the time stated in the Schedule for the Beazley Breach Response Module for **Claims** first made against any **Insured** and reported to the Underwriters during the Optional Extension Period arising out of any act, error or omission committed on or after the **Retroactive Date** and before the end of the **Policy Period**, subject to the conditions stated herein. This right is dependent upon payment in full and not proportionally or otherwise in part of the percentage shown in the Schedule for the Beazley Breach Response Module of the full premium stated in the Schedule. The payment of the additional premium for the Optional Extension Period must be paid to the Underwriters within thirty (30) days of the termination of this Insurance. If notice of election of the Optional Extension Period and full premium payment is not given to the Underwriters within such thirty (30) day period, there shall be no right to purchase the Optional Extension Period.
- B. The Limit of Liability for the Optional Extension Period shall be part of, and not in addition to, the **Policy Aggregate Limit of Liability** and the exercise of the Optional Extension Period shall not in any way increase the **Policy Aggregate Limit of Liability** or any sublimit of liability. The Optional Extension Period does not apply to Insuring Agreement B.
- C. The right to the Optional Extension Period shall not be available to the **Parent Company** where the Policy premium has not been paid in full, or where cancellation or non-renewal by the Underwriters is due to non-payment of premium or failure of an **Insured** to pay such amounts in excess of the applicable limit of liability or within the amount of the applicable **Retention**.
- D. All notices and premium payments with respect to the Optional Extension Period option shall be directed to the Underwriters as follows:
- Beazley plc
Plantation Place South
60 Great Tower Street
London
EC3R 5AD
- E. Once the Optional Extension Period begins, the entire premium shall be deemed earned. If the **Parent Company** terminates the Optional Extension Period for any reason prior to its natural expiration, the Underwriters will not be liable to return any premium paid for the Optional Extension Period.

X. Assistance And Cooperation

- A. The Underwriters shall have the right to make any investigation they deem necessary, and the **Insured** shall cooperate with the Underwriters in all investigations, including investigations regarding the **Application** for and coverage under this Policy. The **Insured** shall give all information and assistance to the Underwriters as it may reasonably require. The **Insured** agrees not to take any action which in any way increases the Underwriters' exposure under this Policy.

- B. The **Insured** shall not admit liability, make any payment, assume any obligations, incur any expense, enter into any settlement, stipulate to any judgement or award or dispose of any **Claim** without the written consent of the Underwriters, except as specifically provided in Clause III., Defence and Settlement of Claims, paragraph D.

Compliance with a **Breach Notice Law** will not be considered an admission of liability for purposes of this Clause X.B.

- C. Expenses incurred by the **Insured** in assisting and cooperating with the Underwriters do not constitute **Claims Expenses** under the Policy.

XI. Subrogation

If any payment is made under this Policy and there is available to the Underwriters any of the **Insured's** rights of recovery against any other party, then the Underwriters shall maintain all such rights of recovery. The **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing after an incident or event giving rise to a **Claim** or **Loss** to prejudice such rights. Any recoveries shall be applied first to subrogation expenses, second to **Loss** paid by the Underwriters, and lastly to the **Retention**. Any additional amounts recovered shall be paid to the **Parent Company**.

XII. Other Insurance

The insurance under this Policy shall apply in excess of any other valid and collectible insurance available to any **Insured**, including any self-insured retention or deductible portion thereof unless such other insurance is written only as specific excess insurance over the **Policy Aggregate Limit of Liability** or any other applicable Limit of Liability of this Policy.

XIII. Action Against The Underwriters

No action shall lie against the Underwriters or the Underwriters' representatives unless and until, the **Insured** shall have fully complied with all provisions, terms and conditions of this Insurance and the amount of the **Insured's** obligation to pay shall have been finally determined either by judgement or award against the **Insured** after trial, regulatory proceeding, arbitration or by written agreement of the **Insured**, the claimant, and the Underwriters.

No person or organisation shall have the right under this Policy to join the Underwriters as a party to an action or other proceeding against the **Insured** to determine the **Insured's** liability, nor shall the Underwriters be impleaded by the **Insured** or the **Insured's** legal representative.

The **Insured's** bankruptcy or insolvency or of the **Insured's** estate shall not relieve the Underwriters of their obligations hereunder.

XIV. Obligations In The Event Of An Extortion Threat

- A. Prior to the payment of any **Extortion Payment**, the **Insured Organisation** shall make every reasonable effort to determine that the underlying **Extortion Threat** is not a hoax, or otherwise not credible. The **Insured Organisation** shall take all steps reasonable and practical to avoid or limit the payment of an **Extortion Payment**.

- B. As a condition to payment of any **Extortion Payment** under the terms of this Policy, the **Insured Organisation** must be able to demonstrate that such **Extortion Payment** was surrendered under duress.
- C. The **Insured Organisation** shall allow the Underwriters or their representative to notify the police or other responsible law enforcement authorities of any **Extortion Threat**.
- D. All costs and expenses associated with the foregoing obligations shall be the **Insured Organisation's** obligation, and are not covered under this Policy.

XV. Mergers And Acquisitions

A. Newly Acquired Subsidiaries

During the **Policy Period**, if the **Parent Company** or any **Subsidiary** acquires another entity whose annual revenues are more than fifteen per cent (15%) of the **Parent Company's** total annual revenues for the four quarterly periods directly preceding inception of the **Policy Period**, such acquired entity shall not be a **Subsidiary**, and no **Insured** shall have coverage under this Policy for any **Claim** or **Loss** that arises out of any act, error omission, incident or event whether committed before or after such acquisition:

1. by or on behalf of the acquired entity or any person employed by the acquired entity;
2. involving or relating to the assets, liabilities, media activities or policies or procedures of the acquired entity or to data, information, computers, or networks, security systems, of or under the care, custody or control of the acquired entity, a Business Associate of the acquired entity, or a third party on behalf of the acquired entity; or
3. by any person or entity holding, processing, managing or transferring information or operating **Computer Systems** on behalf of the acquired entity;

unless the **Parent Company** gives the Underwriters written notice prior to the acquisition, obtains the Underwriters' written consent to extend coverage to such additional entities, assets, exposures, or **Computer Systems**, and agrees to pay any additional premium required by the Underwriters.

If during the **Policy Period** the **Parent Company** or any **Subsidiary** acquires an entity whose annual revenues are more than fifteen per cent (15%) of the **Parent Company's** total annual revenues for the four quarterly periods directly preceding inception of the **Policy Period**, then, subject to the **Policy Period** and all other terms and conditions of this Policy, coverage under this Policy shall be afforded for a period of sixty (60) days, but only for any **Claim** that arises out of any act, error or omission first committed or incident or event first occurring after the entity becomes so owned. Coverage beyond such sixty (60) day period shall only be available if the **Parent Company** gives the Underwriters written notice of the acquisition, obtains the written consent of the Underwriters to extend coverage beyond such sixty (60) day period to the entity and agrees to pay any additional premium required by the Underwriters.

B. Mergers or Consolidations

If during the **Policy Period** the **Parent Company** consolidates or merges with or is acquired by another entity, or sells substantially all of its assets to any other entity, then this Policy shall remain in full force and effect, but only with respect to a **Security Breach**, or other act or incidents that occur prior to the date of the consolidation, merger or acquisition. There shall be no coverage provided by this Policy for any other **Claim** or **Loss** unless the **Parent Company** provides written notice to the Underwriters prior to such consolidation, merger or acquisition, the **Parent Company** has agreed to any additional premium and terms of coverage required by the Underwriters and the Underwriters have issued an endorsement extending coverage under this Policy.

C. All notices and premium payments made under this Clause XV. shall be directed to the Underwriters as follows:

Beazley plc
Plantation Place South
60 Great Tower Street
London
EC3R 5AD

XVI. Assignment

The interest hereunder of any **Insured** is not assignable. If the **Insured** shall die or be adjudged incompetent, such insurance shall cover the **Insured's** legal representative as the **Insured** as would be permitted under this Policy.

XVII. Cancellation

If the premium due under this policy has not been paid to the insurer within 60 days of the inception of the **Policy Period** or, where premium is due to be paid by instalments, by the date on which an instalment is due, the Underwriters will have the right to cancel this policy with effect from inception by notifying the **Parent Company** in writing direct or via the insurance broker.

The Underwriters will give not less than 30 days prior notice of such cancellation. If the premium due is paid in full to the Underwriters before the notice period expires, notice of cancellation will automatically be revoked.

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

XVIII. Singular Form Of A Word

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

XIX. Headings

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

XX. Parent Company As Agent

The **Parent Company** shall be considered the agent of all **Insureds**, and shall act on behalf of all **Insureds** with respect to the giving of or receipt of all notices pertaining to this Policy, the acceptance of any endorsements to this Policy, and the **Parent Company** shall be responsible for the payment of all premiums and **Retentions**.

XXIII. Arbitration

All disputes and differences between the **Insured** and the Underwriters which arise under or in connection with this policy will be referred to arbitration under ARIAS Arbitration Rules (U.K.).

The arbitration tribunal will consist of three arbitrators, one to be appointed by the **Insured**, one to be appointed by the Underwriters and the third to be appointed by the two appointed arbitrators.

The third member of the tribunal will be appointed as soon as practicable (and no later than 28 days) after the appointment of the two party-appointed arbitrators. The tribunal will be constituted upon the appointment of the third arbitrator. The arbitrators will be persons (including those who have retired) with not less than ten years' experience of insurance or reinsurance within the industry or as lawyers or other professional advisers serving the industry.

Where the **Insured** or the Underwriters fail to appoint an arbitrator within 14 days of being called upon to do so or where the two party-appointed arbitrators fail to appoint a third within 28 days of their appointment, then ARIAS will appoint an arbitrator to fill the vacancy. At any time prior to the appointment by ARIAS the party or arbitrators in default may make such appointment.

The tribunal may in its sole discretion make such orders and directions as it considers to be necessary for the final determination of the matters in dispute. The tribunal will have the widest discretion permitted under the laws of England and Wales when making such orders or directions and the decision of the tribunal will be final. The arbitration will be held in London.

XXIV. Choice Of Law

Unless agreed otherwise, any disputes involving this Policy shall be resolved by applying the laws of England and Wales.

XXI. Valuation And Currency

All premiums, limits, **Retentions**, **Damages** and other amounts under this Policy are expressed and payable in the currency of the United Kingdom. If judgement is rendered, settlement is denominated or another element of **Damages** under this Policy is stated in a currency other than United Kingdom pounds sterling or if **Claims Expenses** are paid in a currency other than United Kingdom pounds sterling, payment under this Policy shall be made in United Kingdom pounds sterling at the rate of exchange published in the *Financial Times* on the date the judgement becomes final or payment of the settlement or other element of **Damages** is due or the date such **Claims Expenses** are paid.

XXII. Authorisation

By acceptance of this Policy, the **Insureds** agree that the **Parent Company** will act on their behalf with respect to the giving and receiving of any notice provided for in this Policy, the payment of premiums and the receipt of any return premiums that may become due under this Policy, and the agreement to and acceptance of endorsements.

XXIII. Complaints

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

Beazley Complaints
Beazley Group
Plantation Place South
60 Great Tower Street
London EC3R 5AD

All correspondence should be addressed to Beazley Complaints

Or by telephone – 020 7667 0623
Or by e-mail – beazley.complaints@beazley.com

In the event that the **Insured** remains dissatisfied the complaint can be escalated to:

Complaints
Lloyd's
One Lime Street
London EC3M 7HA

E-mail: complaints@lloyds.com
Telephone: 020 7327 5693
Fax: 020 7327 5225
Website: www.lloyds.com/complaints

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

The FOS's contact details are as follows:
Financial Ombudsman Service
Exchange Tower
London
E14 9SR

E-mail: complaint.info@financial-ombudsman.org.uk
Telephone: 0300 123 9 123
Website: www.financial-ombudsman.org.uk

XXIV. Compensation

The Insurer is covered by the Financial Services Compensation Scheme.

The **Insured** may be entitled to compensation from the Scheme if the Insurer is unable to meet its obligations to the insured under this contract. If the **Insured** is entitled to compensation under the Scheme, the level and extent of the compensation would depend on the nature of this contract.

Further information about the Scheme is available from the Financial Services Compensation Scheme, 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU, Telephone: 0800 678 1100 or 020 7741 4100 or on their website: www.fscs.org.uk