

Cyber Insurance.

Policy wording.



About your policy



We've designed this document to help you clearly understand the terms of your policy, but if you're unsure about anything, please call us on **0800 100 200** and we'll be happy to explain.

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Cover at a glance

Policy Cover options

We offer two different levels of cover under this **policy**. The table below shows each cover level we offer. The extent of insurance provided under this **policy** depends on the cover level selected. The cover level selected is shown on the **schedule**.

This table summarises the cover and does not form part of the **policy**. The **policy** sets out full details about the cover available, and the limits, exclusions and conditions that apply.

Cover	What We Cover
CyberGo	<p>First Party Covers</p> <ul style="list-style-type: none">• System damage• Cyber extortion• Privacy breach notification and loss mitigation• Rewards expense• Business interruption <p>Third Party Covers</p> <ul style="list-style-type: none">• Privacy breach• Computer virus transmission and hacking• Breach of statutory duties relating to e-commerce• Multimedia liability• Privacy fines and investigations
CyberPlus	<p>All cover available under CyberGo with an increased policy limit available, plus:</p> <ul style="list-style-type: none">• Brand protection cover• Personal reputation cover <p>The following optional extensions are also available, unless the schedule says 'Not Covered':</p> <ul style="list-style-type: none">• Social engineering & fraud• Computer crime



Introduction

Welcome

Welcome to AMI. Thank you for selecting **us** as your insurer.

About this policy

The **Insured's** policy consists of:

- (a) this policy document, and
- (b) the **schedule**, and
- (c) any endorsements or warranties that **we** apply.

Duty of disclosure

When the **Insured** applies for insurance, they have a legal duty of disclosure. This means the **Insured** or anyone acting on the **Insured's** behalf must tell **us** everything they know (or could be reasonably expected to know) that a prudent insurer would want to take into account in deciding:

- (a) to accept or decline the insurance, and/or
- (b) the cost or terms of the insurance, including the **excess**.

The **Insured** also has this duty every time their insurance renews and when they make any changes to it.

If the **Insured** or anyone acting on the **Insured's** behalf breaches this duty, **we** may treat this **policy** as being of no effect and to have never existed. Please ask **us** if you are not sure whether you need to tell **us** about something.

Defined words

If a word is shown in **bold**, it has a specific meaning. There is a list of these words and what they mean in Section 9 – 'Definitions'.

Examples

We have used examples and comments to make parts of this policy document easier to understand. These examples and comments, which appear in *italics*, do not affect or limit the meaning of the section they refer to.

Headings

The headings in this policy document are for reference only and do not form part of it. They must not be used when interpreting the policy document.



Section 1 – Insurance agreement

1.1 Our agreement

The **Insured** agrees to pay **us** the premium and comply with this **policy**. In exchange, and in reliance on the information provided on the **application, we** agree to provide cover to the **Insured** as set out in this **policy**. If full payment of the premium as stated in the **schedule** is not made, there is no cover.

Section 2 – The cover we provide

The provisions of Section 2 apply to all Sections of this **policy** unless stated to the contrary.

2.1 Privacy breach

Notwithstanding Exclusion 6.5, **we** will pay, on behalf of the **Insured**, all sums which the **Insured** becomes legally obliged to pay (including liability for claimants' costs and expenses) and **defence costs** resulting from any **claim** first made against the **Insured** and notified to **us** in writing as soon as reasonably possible during the **period of insurance** as a direct result of:

- (a) Personal Information

the breach, by or on behalf of the **policyholder**, in respect of any natural person, of any **privacy obligations**.
- (b) Commercially Confidential Information

any actual or alleged unauthorised disclosure, loss or theft of **commercially confidential information**, by or on behalf of the **policyholder**.
- (c) Employee Information

the breach, by or on behalf of the **policyholder**, of any **privacy obligations** relating to any **employee** as a direct result of the **Insured's** failure to maintain the confidentiality and/or security of any:

 - (i) **computer records** pertaining to such **employee**; and/or
 - (ii) data or information pertaining to such **employee** stored on the **policyholder's computer systems**.

Exclusion 6.12(a) will not apply to this Section 2.1(c) only.

- (d) Information Outsourced by the Policyholder

any actual or alleged unauthorised disclosure, loss or theft of:

 - (i) **personal information**; or
 - (ii) **commercially confidential information**,
 in the care, custody or control of any **service provider** where such information is authorised to be in the care, custody or control of the **service provider** by the **policyholder** pursuant to a written contract.

The **excess** applicable to this Section 2.1 is specified in the **schedule**.

2.2 System damage

- (a) **We** will pay **rectification costs** incurred:
 - (i) in retrieving, repairing, restoring or replacing any of the **policyholder's computer records** (or any other **computer records** for which the **policyholder** is responsible) that have been destroyed, damaged, lost, altered, distorted, erased or mislaid (and which after diligent search cannot be found);
 - (ii) in repairing, restoring or replacing any of the **policyholder's computer systems** that have been destroyed, damaged, altered, distorted, erased or mislaid (and which after diligent search cannot be found),

as a direct result of any **cyber event** first discovered by an **Insured** and notified to **us** in writing as soon as reasonably possible during the **period of insurance**.

We will not pay **rectification costs** related to updating, upgrading, enhancing or replacing a **policyholder's computer system** to a standard beyond that which existed prior to the occurrence of a **cyber event**.

The **Insured** is required to seek **our** agreement before incurring any **rectification costs** to ensure the **Insured** will be able to claim those costs back on this **policy**. If the **Insured** does not obtain **our** agreement first, **we** will only pay reasonable costs up to the amount **we** would have agreed to pay had the **Insured** obtained **our** prior agreement.

- (b) The **specific cover limit** with respect to the cover provided in (a) above is specified in the **schedule**.
- (c) The **excess** applicable to this Section 2.2 is specified in the **schedule**.



- 2.3 Business interruption**
- (a) **We** agree to reimburse the **policyholder** for **business interruption loss** incurred as the direct result of any **cyber event** first discovered and notified to **us** in writing as soon as reasonably possible during the **period of insurance**.
 - (b) The **specific cover limit** with respect to the cover provided in (a) above is specified in the **schedule**.
 - (c) The **time excess** applicable to this Section 2.3 is specified in the **schedule**.
- 2.4 Computer virus transmission and hacking**
- We** will pay, on behalf of the **Insured**, all sums which the **Insured** becomes legally obliged to pay (including liability for claimants' costs and expenses) and **defence costs** resulting from any **claim** first made against the **Insured** and notified to **us** in writing as soon as reasonably possible during the **period of insurance** as a direct result of any **third party's** financial losses arising directly from:
- (a) a **hacking attack** or **virus** that has emanated from or passed through the **policyholder's computer systems**; or
 - (b) a **hacking attack** or **virus** that restricts or prevents access to the **policyholder's computer systems** by **third parties** authorised by the **Insured** to gain such access; or
 - (c) the loss or theft of the **policyholder's** data or data for which the **policyholder** is responsible or alleged to be responsible for, arising directly from a **hacking attack** or **virus**.
- The **specific cover limit** with respect to the cover provided in this Section 2.4 is specified in the **schedule**.
- The **excess** applicable to this Section 2.4 is specified in the **schedule**.
- 2.5 Multimedia liability**
- We** will pay, on behalf of the **Insured**, all sums which the **Insured** becomes legally obliged to pay (including liability for claimants' costs and expenses) and **defence costs** resulting from any **claim** first made against the **Insured** and notified to **us** in writing as soon as reasonably possible during the **period of insurance** as a direct result of:
- (a) libel, slander or defamation;
 - (b) invasion of or interference with the right to privacy, including those of **employees**, or commercial appropriation of names or likeness;
 - (c) plagiarism, piracy or misappropriation of ideas;
 - (d) infringement of copyright, domain name, commercial title or slogan, the dilution or infringement of trademark, service mark, service name or trade name;
- arising directly from:
- (i) the **policyholder's internet and email content**; or
 - (ii) the **policyholder's promotional material**; or
 - (iii) third party digital content downloaded, shared or distributed from the **policyholder's computer systems**.
- The **excess** applicable to this Section 2.5 is specified in the **schedule**.
- Exclusion 6.5 will not apply to loss from any **claim** arising under this Section 2.5 alleging emotional distress, mental injury, mental tension or mental anguish.
- 2.6 Breach of statutory duties relating to e-commerce**
- (a) **We** will pay, on behalf of the **Insured**, all sums which the **Insured** becomes legally obliged to pay (including liability for claimants' costs and expenses) and **defence costs** resulting from any **claim** first made against the **Insured** and notified to **us** in writing as soon as reasonably possible during the **period of insurance** as a direct result of a breach, by or on behalf of the **policyholder**, of any statutory duty relating to the security or management of information collected or created in the course of **electronic commerce**.
 - (b) The **specific cover limit** with respect to the cover provided in (a) above is specified in the **schedule**.
 - (c) The **excess** applicable to this Section 2.6 is specified in the **schedule**.
- 2.7 Cyber extortion cover**
- (a) Notwithstanding Exclusion 6.16(f) and 6.16(g) of the **policy**, **we** agree to pay **cyber extortion costs** arising solely from a **security threat** first made against the **Insured** and notified to **us** in writing as soon as reasonably possible during the **period of insurance**.
 - (b) The **specific cover limit** with respect to the cover provided in (a) above is specified in the **schedule**.
 - (c) The **excess** applicable to this Section 2.7 is specified in the **schedule**.



Any **cyber extortion costs** covered under this Section 2.7 will only be paid in accordance with applicable laws, subject to **our** reasonable satisfaction that appropriate due diligence has been conducted on behalf of the **Insured** in relation to any payment and will be paid under the direction of, and be subject to, the notification of any relevant criminal enforcement or other **authority**.

Section 3 – Policy extensions

Subject to all of the terms, conditions and exclusions of the **policy**, **we** agree to extend cover by the following extensions, unless the **schedule** states that the extension is 'Not Covered'. These extensions will not increase the **policy limit** or **specific cover limit** as applicable unless expressly stated otherwise.

- 3.1 Brand protection cover**
- (a) **We** will pay **public relations costs** incurred to avert or mitigate damage to the **policyholder's** reputation or its commercial brands caused by a **claim, cyber event** or **loss** that is covered under this **policy**.
 - (b) The **specific cover limit** with respect to the cover provided in (a) above is specified in the **schedule**.
 - (c) The **excess** applicable to this Extension is specified in the **schedule**.
 - (d) This extension is not available under the CyberGo cover level.
- 3.2 Personal reputation cover**
- (a) **We** will pay **public relations costs** incurred to avert or mitigate damage to the reputation of any past or present director, company secretary, chief executive officer, chief operating officer, chief financial officer, chief risk or compliance officer, chief information security officer, chief information officer, chief technology officer or general counsel of the **policyholder** caused by a **claim, cyber event** or **loss** that is covered under this **policy**.
 - (b) The **specific cover limit** with respect to the cover provided in (a) above is specified in the **schedule**.
 - (c) The excess applicable to this Extension is specified in the **schedule**.
 - (d) This extension is not available under the CyberGo cover level.
- 3.3 Privacy fines and investigations**
- (a) Notwithstanding Section 6.14(a), **we** will also pay, to the extent **we** are permitted to by law, any:
 - (i) **fine or penalty** payable by the **policyholder** as a direct result of a breach by the **Insured** of its **privacy obligations**; and/or
 - (ii) **regulatory investigation costs** into such breach, provided that notice of the **regulatory investigation** into the breach specified in (i) above is first received by the **Insured** and is notified to **us** in writing as soon as reasonably possible during the **period of insurance**.
 - (b) The **specific cover limit** with respect to the cover provided in (a) above is specified in the **schedule**.
 - (c) The **excess** applicable to this Extension is specified in the **schedule**
- 3.4 Privacy breach notification and loss mitigation**
- (a) **We** agree to pay or reimburse **privacy breach costs** incurred as a direct result of a **claim, cyber event** or **loss** covered by the **policy**, provided that the:
 - (i) **Insured** is legally obliged to incur the **privacy breach costs**; or
 - (ii) **privacy breach costs** will effectively mitigate or avoid a **claim, cyber event** or **loss** which the **Insured** would be entitled to cover against under the **policy** were such steps the subject of the **privacy breach costs** not taken.
 - (b) The **specific cover limit** with respect to the cover provided in (a) above is specified in the **schedule**.
 - (c) The **excess** applicable to this Extension is specified in the **schedule**.
- 3.5 Advancement of defence costs**
- (a) If **we** elect not to take over and conduct the defence or settlement of any **claim**, then **we** will pay all **defence costs** provided that:
 - (i) **we** have not denied cover under the **policy** and where cover is denied, only up to the point of any denial of cover; and
 - (ii) **our** written consent is obtained prior to the **policyholder** incurring such **defence costs** (such consent shall not be unreasonably delayed or withheld).
 - (b) The **Insured** on whose behalf or for whose benefit **defence costs** were paid, shall repay to **us**, and **we** reserve the right to recover all such **defence costs**, in the event and to the extent that:
 - (i) an express admission is made by the **Insured** or any person authorised to make such an admission on behalf of the **Insured**, of any of the conduct as set out in Section 6.11; or



- (ii) it is subsequently established, directly or indirectly, by judgment or other final adjudication, that conduct of the type as set out in Section 6.11 occurred.

3.6 Continuous cover

- (a) **We** cover the **Insured** for any **claim** otherwise covered by this **policy**, arising from a **known circumstance** (notwithstanding Section 6.1 of this **policy**) if:
 - (i) there has been no fraudulent non-disclosure or fraudulent misrepresentation in respect of such **known circumstance**;
 - (ii) **we** were the cyber liability insurer of the **Insured** when the **Insured** first knew of such **known circumstance**;
 - (iii) **we** continued without interruption to be the **Insured's** cyber liability insurer up until this **policy** came into effect;
 - (iv) had **we** been notified of the **known circumstance** when the **Insured** first knew of it, the **Insured** would have been covered under the policy in force at that time but is not now entitled to be covered by that policy, and the **Insured** would (but for Section 6.1 of this **policy**) otherwise be covered under this **policy**; and
 - (v) the **known circumstance** has not previously been notified to **us** or to any other insurer.
- (b) If the **Insured** was entitled to have given notice of the **known circumstance** under any other policy of insurance with any other insurer, then this Extension does not apply to provide cover under this **policy** to the extent that indemnity is provided to the **Insured** under that other policy of insurance.
- (c) **Our** liability under this extension is reduced to the extent of any prejudice **we** suffer as a result of any delayed notification of the **known circumstance** to **us**.
- (d) The **policy limit** or **specific cover limit** as applicable of the cover **we** provide under this extension is the lesser available under the terms of the **policy** in force at the earlier time referred to in paragraph (a) (ii) above, or under this **policy**. The terms of this **policy** otherwise apply.

3.7 Extended reporting period

- (a) In the event that this **policy** is not renewed or is cancelled for any reason other than non-payment of premium then the **policyholder** has until such time that the **policyholder** effects another insurance **policy** which covers substantially the same risk as this **policy**, either with **us** or any other insurer(s), or a period of thirty (30) days commencing on the day immediately following expiry/cancellation of this **policy**, whichever is sooner, to notify **us** in writing of any **claims** made against or **losses** discovered by, the **Insured** during the **period of insurance**.
- (b) Cover under this extension:
 - (i) does not reinstate or increase the **policy limit** or extend the **period of insurance**; and
 - (ii) will only apply to acts, errors or omissions committed or alleged to have been committed before the end of the **period of insurance** or the cancellation date of this **policy** where this **policy** has been cancelled; and
 - (iii) is limited to **claims** and **losses** arising from an act, error or omission which occurred on or after the 'Retroactive Date' specified in the **schedule**.

3.8 Former subsidiaries run-off cover

- We** cover any subsidiary of the **policyholder**, that ceases to be a **subsidiary** during the **period of insurance**, for **claims**, liabilities, losses or costs of the type and on the basis specified in Sections 2 and 3 of this **policy**, provided that such cover shall only apply in respect of:
- (a) the conduct of the **Insured business**; and
 - (b) acts, errors or omissions which occurred after the 'Retroactive Date' specified in the **schedule** and prior to the date on which such **subsidiary** ceased to be a **subsidiary** of the **policyholder**.

3.9 Merged and/or newly acquired subsidiaries

- We** cover entities which are merged with or acquired by the **policyholder** while this **policy** is in force for **claims**, liabilities, **losses** or costs of the type and on the basis specified in Sections 2 and 3 of this **policy**, provided that:
- (a) such cover shall only apply in respect of the conduct of substantially the same type of **Insured business** as covered by this **policy**.
 - (b) this cover is only for a maximum of thirty days from the date of the merger or acquisition (or until the **policy** expires if that is sooner).
 - (c) **we** may agree to extend this period (subject to additional premium) after receipt of a satisfactory underwriting submission in respect of the merged or acquired entity.
 - (d) the 'Retroactive Date' for such cover is deemed to be the date of the merger with or acquisition by the **policyholder** unless **we** otherwise agree in writing.



- 3.10 Reward expenses Cover**
- (a) **We** agree to pay reward expenses incurred by the **policyholder** as a direct result of a **cyber event** first discovered and notified to **us** in writing as soon as reasonably possible during the **period of insurance**.
 - (b) The **specific cover limit** with respect to the cover provided in (a) above is specified in the **schedule**.
 - (c) The **excess** applicable to this Extension is specified in the **schedule**.

Section 4 – Optional policy extensions

An Optional extension only applies if it is shown in the **schedule**. It is subject to the terms and conditions of the **policy**. Cover under an Optional extension is included within the **policy limit** and not additional to it.

- 4.1 Computer Crime**
- (a) **We** will cover the **policyholder** for **loss** first discovered and notified to **us** in writing as soon as reasonably possible during the **period of insurance** by reason of the transferring, paying or delivering any funds or property, establishing any credit, debiting any account, or giving any value directly caused by the fraudulent input, fraudulent destruction or fraudulent modification of electronic data:
 - (i) in the **policyholder's computer system**; or
 - (ii) in the **computer system** of any **service provider**; or
 - (iii) during electronic transmission between, stored within or being run within any of the **computer systems** in (i) or (ii) above, committed by any **third party** or any **employee** with the clear intention of causing the **policyholder loss**, damage or destruction.
 - (b) The **specific cover limit** with respect to the cover provided in (a) above is specified in the **schedule**.
 - (c) The **excess** applicable to this Section 4.1 is specified in the **schedule**.
 - (d) This optional extension is not available under the CyberGo cover level.
- 4.2 Social engineering fraud**
- (a) **We** will cover the **policyholder** against **loss** first discovered and notified to **us** in writing as soon as reasonably possible during the **period of insurance** as a direct result of **social engineering fraud, phishing or phreaking** subject to the conditions contained in the remainder of this Extension 4.2.
 - (b) The **specific cover limit** with respect to the cover provided in (a) above is specified in the **schedule**.
 - (c) The **excess** applicable to this Section 4.2 is specified in the **schedule**.
 - (d) **We** will only cover the **policyholder** under this Extension if the **policyholder** can reasonably demonstrate that at the beginning of the **period of insurance** and at all relevant times during the **period of insurance**, they:
 - (i) have procedures for verifying destination bank accounts and/or changes to destination bank account details, before funds are transferred; and
 - (ii) hold an approved list of vendors and suppliers, including authorised contact people and contact details, which is checked when payments are made.

The course of action **we** take if the **policyholder** fails to meet the responsibilities in Section 4.2(d) above will be considered in each circumstance based on the impact or effect the **policyholder's** failure to meet their responsibilities caused or contributed to the **claim** or **our** decision to issue or maintain the **policy**.

This optional extension is not available under the CyberGo cover level.

Section 5 – Limits to the Amount of Cover

- 5.1 Policy limit**
- (a) The **policy limit** applies to any one **claim** or matter the subject of cover under the **policy** and, subject to this Section 5, applies in the aggregate to the total of all **claims** or matters covered by this **policy**, that occur and are notified within the **period of insurance**.
 - (b) **Defence costs** covered by the policy are payable within the **policy limit**.

5.2 Limit if multiple persons and/or entities are covered

The **policy limit** and **specific cover limits** do not increase if there is more than one **Insured** covered under this **policy**, or if more than one **Insured** causes or contributes to any matter the subject of cover under the **policy**.



- 5.3 Specific cover limits** If the **policy** indicates any **specific cover limits** for specific types of cover under this **policy**, then the applicable **specific cover limits** and not the **policy limit** applies. The **specific cover limits** are included within, and not in addition to, the **policy limit**.
- 5.4 The excess**
- We** only provide cover (up to the **policy limit** or **specific cover limit** as applicable) for that part of the **claim, loss, liability** or cost which exceeds the **excess**.
 - There are different **excesses** that may be applicable, depending on the matter the subject of cover under the **policy**, which the **Insured** will be required to pay.
 - The **Insured** will also be required to pay the relevant **excess** for any costs and expenses incurred with respect to such matter.
- 5.5 Related claims or losses** Individual **claims, losses, liabilities** or costs arising out of and occasioned by or attributable to:
- one original source or cause; and/or
 - one act, error or omission; and/or
 - a series of related acts, errors or omissions,
- shall be deemed to arise out of one event and only one **policy limit** or specific **cover limit** as applicable and one **excess** will apply.
- ## Section 6 – Exclusions
- There is no cover under this **policy** for any **claim, loss, cyber event, business interruption loss, liability, cost** or matter otherwise the subject of cover under this **policy**:
- 6.1 Known claims and circumstances**
- known by the **Insured** at the inception of this **policy**; or
 - based upon, directly or indirectly arising from, or attributable to any **known circumstance**; or
 - disclosed in the **application** or arising from facts or circumstances which may give rise to a **claim, loss, liability, loss** or cost disclosed in the **application**; or
 - if this **policy** is endorsed or amended midterm, for any **claim, loss, liability, loss** or cost that arose from a **known circumstance** (as at the effective date of the amendment/endorsement) to the extent that the **claim, loss, liability, loss** or cost would not have been covered by the **policy** before such amendment/endorsement.
- 6.2 Foreign jurisdictions** subject to the ‘Jurisdictional Limits’ specified in the **schedule**:
- first brought in or determined pursuant to the laws of, the United States of America or Canada, or their territories or protectorates; or
 - arising out of the enforcement of judgments, orders or awards obtained in or determined pursuant to the laws of the United States of America or Canada, or their territories or protectorates; or
 - where the proper law of the United States of America or Canada, or their territories or protectorates is applied to any of the issues in any matter the subject of cover under this **policy**.
- 6.3 Assumed duty or obligation** based upon, directly or indirectly arising from, or attributable to:
- a liability under a contractual warranty, guarantee or undertaking (unless such liability would have existed regardless of the contractual warranty, guarantee or undertaking); or
 - circumstances where a right of contribution or indemnity has been given up by an **Insured**, but only to the extent of the prejudice suffered by **us** in those circumstances; or
 - circumstances where someone has done work or provided services under an arrangement or agreement with an **Insured** which limits any potential right for an **Insured** to receive contribution or indemnity, but only to the extent that **we** are prejudiced in those circumstances; or
 - any liability which an **Insured** agrees to accept in connection with the **Insured business** conducted for or on behalf of the **policyholder** firm or incorporated body which is more onerous than that which the **Insured** would otherwise have at common law, but only to the extent of the prejudice **we** suffer because of that agreement; or
 - any business not conducted for or on behalf of the **policyholder** firm or incorporated body.
- 6.4 Intellectual property rights infringement** arising out of the actual or alleged infringement of any **intellectual property right** except as specifically covered under Section 2.6 of this **policy**.



6.5 Breach of professional duty	<p>based upon, directly or indirectly arising from, or attributable to:</p> <ul style="list-style-type: none"> (a) the rendering or failure to render professional services and/or professional advice to a third party by an Insured; or (b) a breach or alleged breach of any contract for the provision of professional services and/or professional advice to a third party by an Insured.
6.6 Charge backs	<p>as a result of any request from the Insured's acquiring bank for funds or fines as a result of fraudulent credit or debit card transactions, although this exclusion shall not apply to any claims covered by Section 2.1 of this policy.</p>
6.7 Enforcement order	<p>based upon, directly or indirectly arising from, or attributable to any failure to respond to or comply with an enforcement order.</p>
6.8 Failure or fitness of goods or services	<p>arising out of the failure to supply goods or services or the supply of goods or services of inferior quality in breach of any contractual obligation, whether express or implied by law.</p>
6.9 Internet infrastructure failure	<p>in respect of Sections 2.2 and 2.3 only, based upon, directly or indirectly arising from, or attributable to any failure of external networks, cables, or core internet infrastructure servers not in the policyholder's control.</p>
6.10 Satellite failures, electrical or mechanical failures	<p>based upon, directly or indirectly arising from, or attributable to any satellite failures, electrical or mechanical failures and/or interruption including, but not limited to, electrical disturbance, spike, brownout or blackout, outages to gas, water, telephone, cable, telecommunications, or other infrastructure, unless such infrastructure is under the policyholder's operational control and unless such claim is as a direct result of any cyber event.</p>
6.11 Wilful or dishonest acts of principals	<ul style="list-style-type: none"> (a) based upon, directly or indirectly arising from, or attributable to any dishonest, fraudulent, criminal, malicious or reckless act or omission committed by any: <ul style="list-style-type: none"> (i) principal; or (ii) employees or any third party with the solicitation, enticement, intervention, participation, assistance, cooperation or knowledge or approval of any principal, unless such principal is a former principal at the time of the wilful, malicious, reckless or dishonest act or omission specified in (a) above. (b) for any person committing the wilful, malicious, reckless or dishonest act or omission specified in (a) above.
6.12 Related parties	<p>against an Insured brought by or on behalf of:</p> <ul style="list-style-type: none"> (a) any other Insured; or (b) any company in respect of which any Insured holds (beneficially or otherwise) more than 10% of the voting shares or rights and/or an executive role; or (c) any trust in respect of which any Insured is a trustee and/or beneficiary and/or has a direct or indirect financial interest; or (d) any other person, firm or incorporated body having control of over 10% or more of the voting shares or rights or an executive role in the operation of the policyholder.
6.13 Retroactive limitation	<p>arising out of any act, error or omission occurring before the 'Retroactive Date' specified in the schedule.</p>
6.14 Fines, Penalties, Punitive and Exemplary Damages	<p>based upon, directly or indirectly arising from, or attributable to:</p> <ul style="list-style-type: none"> (a) any fines and penalties, income tax, customs duties, excise duty, stamp duty, sales tax or any other tax or duty assessed, levied or imposed by law; or (b) punitive, aggravated or exemplary damages.
6.15 Insolvency	<p>arising directly or indirectly arising out of or in any way connected with an Insured's insolvency, bankruptcy or liquidation.</p>
6.16 Pollution, nuclear risks, war and terrorism, Natural Perils	<p>based upon, directly or indirectly arising from, or attributable to:</p> <ul style="list-style-type: none"> (a) the Insured or anyone on behalf of or at the direction of the Insured discharging, dispersing, releasing or permitting pollutants to escape into or upon land, the atmosphere, or any water course or body of water; or (b) ionising radiations or contamination by radioactivity from any nuclear material; or the hazardous properties of any nuclear explosive, assembly or component; or



- (c) war, invasion, acts of foreign enemies, civil or military uprisings, hostilities (even if war is not declared), or government power being taken unlawfully; or property being taken, damaged or destroyed by a government or public or local authority; or
- (d) a Cyber Operation carried out as part of the circumstances described in (c), or immediate preparation for circumstances in (c); or
- (e) a Cyber Operation which has a major detrimental impact on the functioning, security or defence of a sovereign state due to disruption to the availability, integrity or delivery of an Essential Service in that state; or
- (f) any **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss, damage, illness, injury, death, cost or expense; or
- (g) any action in controlling, preventing, suppressing, retaliating against, or responding to any **act of terrorism**.
- (h) any natural peril or event including storm, windstorm, wildfire, bushfire, lightning, volcanic activity, hydrothermal activity, hail, tornado, cyclone, hurricane, earthquake, landslip, tsunami, flood, solar storm, freezing, weight of snow or any other force majeure.

For the purposes of this exclusion:

‘Cyber Operation’ means the use of a **computer system** by, or at the direction or under the control of a sovereign state to disrupt, deny, degrade, manipulate, or destroy information in a **computer system** of or in another sovereign state.

‘Essential Service’ means a service that is essential for the maintenance of vital functions of a state including, but not limited to, financial institutions and associated financial market infrastructure, health services or utility services.

6.17 Trade debt	based upon, directly or indirectly arising from, or attributable to a liability to pay trading debts or the repayment of any loan.
6.18 Profit	based upon, directly or indirectly arising from, or attributable to a liability to any loss of the Insured's profit arising from the loss of any client, account or business, except as specifically covered by Sections 2.2 and 2.3 of this policy .
6.19 Asbestos	based upon, directly or indirectly arising from, or attributable to asbestos.
6.20 Bodily injury and/or property damage	based upon, directly or indirectly arising from, or attributable to: <ul style="list-style-type: none"> (a) bodily injury (except emotional distress, mental anguish or humiliation), sickness, disease or death of any person; or (b) destruction of or damage to tangible property (including the loss of use thereof).
6.21 Government confiscation	based upon, directly or indirectly arising from, or attributable to the confiscation, commandeering, requisition, destruction of or damage to, computer systems by order of a government de jure or de facto, or by any public authority for whatever reason.
6.22 Unfair trade practices	based upon, directly or indirectly arising from, or attributable to any actual or alleged anti-trust violation, restraint of trade, unfair competition, false, deceptive or unfair trade practices, violation of consumer protection laws, or false, deceptive or misleading advertising.
6.23 PCI Implementation	based upon, directly or indirectly arising from or attributable to fines or penalties attributable to the Insured's failure to comply with the Payment Card Industry Data Security Standard.
6.24 Discrimination	based upon, directly or indirectly arising from, or attributable to any actual or alleged discrimination of any kind including, but not limited to, discrimination on the basis of race, colour, religion, age, sex, disability, pregnancy, marital status, political affiliations or ideology, sexual orientation or preference.
6.25 Betterment	for rectification costs related to updating, upgrading, enhancing or replacing a policyholder's computer system to a standard beyond that which existed prior to the occurrence of a cyber event .
6.26 Cryptocurrency	based upon, directly or indirectly arising from or attributable to the loss, misplacement, destruction of, unavailability of, inaccessibility of and/or delay in trading cryptocurrencies, consisting of coins, tokens or public and/or private keys being used in conjunction with coins or tokens.
6.27 Financial Markets	based upon, directly or indirectly arising from or attributable to the failure, interruption, degradation, or outage of securities exchanges, central counterparty clearing houses, and central securities depositories which are not under the control and management of the policyholder or of a service provider .



6.28 Sanctions

and, **we** will not be liable to provide any cover, and no payment will be made or benefit provided, to the extent that the provision of such cover, payment or benefit may breach or risk exposure to any sanction, prohibition or restriction under United Nations resolutions or any trade or economic sanction, law or regulation of New Zealand, Australia, the European Union, United Kingdom or United States of America.

Section 7 – General conditions

How we administer this policy

7.1 Assignment

The **Insured** may not assign this **policy** or any interest under this **policy** without **our** prior written consent.

7.2 Cancellation

By you

The **Insured** may cancel this **policy** at any time by notifying **us**. If the **Insured** does, **we** will refund any premium that is due to the **Insured** based on the unused portion of the **period of insurance**. The **Insured** must pay any outstanding premium due for the expired portion of the **period of insurance**.

By us

We may cancel this **policy** by giving the **Insured** notice in writing or by electronic means, at the **Insured's** last known address. The **policy** will be cancelled from 4pm on the 30th day after the date of the notice. **We** will refund the **Insured** any premium that is due to the **Insured** based on the unused portion of the **period of insurance**.

7.3 Change of terms

We may change the terms of this **policy** (including the **excess**) by giving the **Insured** notice in writing or by electronic means, at the **Insured's** last known address. Unless otherwise specified in the notice the change in terms will take effect from 4pm on the 30th day after the date of the notice.

7.4 Currency

Any amounts shown in this **policy** or in the **schedule** are in New Zealand dollars, unless otherwise specified in the **schedule**.

7.5 GST

Where GST is recoverable by **us** under the Goods and Services Tax Act 1985:

- (a) all **policy limits** exclude GST, and
- (b) all **specific cover limits** exclude GST, and
- (c) all **excesses** include GST, and
- (d) GST will be added, where applicable, to **claim** payments.

7.6 Other insurance

The **Insured** must notify **us** as soon as they know of any other insurance policy that may cover or partially cover them for any of the risks covered under this **policy**.

If the **Insured** holds other insurance cover with any other insurer in respect of any **claim** covered under this **policy**, then **we** will only pay under this **policy** once cover under any other policy has been exhausted.

7.7 Schedule must be included

This **policy** is only legally enforceable if it includes a **schedule**.

Laws and Acts that govern this policy

7.8 Disputes about this policy

The law of New Zealand applies to disputes about this **policy** and the New Zealand Courts have exclusive jurisdiction.

7.9 Legislation changes

Any reference to any Act of Parliament or subordinate rules referred to in this **policy** includes any amendments made or substitutions to that law.

Your obligations

7.10 Comply with the policy

The **Insured** (and any other person or entity **we** cover) must comply with the conditions of this **policy** at all times.

7.11 Breach of Any Condition

If:

- (a) the **Insured**, or
- (b) any other person or entity covered under this **policy**, or
- (c) anyone acting on the **Insured's** behalf,



- (d) breaches any of the terms and/or conditions of this **policy**, **we** may:
 - (i) decline the **claim** either in whole or in part, and/or
 - (ii) declare either this **policy** or all insurance the **Insured** has with **us** to be of no effect and to no longer exist.

7.12 True statements and answers True statements and answers must be given, whether by the **Insured** or any other person, when:

- (a) applying for this insurance, and/or
- (b) notifying **us** regarding any change in circumstances, and/or
- (c) making any **claim** under this **policy**, and communicating with **us** or providing any further information regarding the **claim**.

7.13 Reasonable care

The **Insured** must take reasonable care at all times to avoid circumstances that could result in a **claim**. The **Insured's claim** will not be covered if the **Insured** is reckless or grossly irresponsible.

7.14 Change in circumstances

The **Insured** must tell **us** immediately if there is a material:

- (a) increase in the risk insured, or
- (b) alteration of the risk insured.

Once the **Insured** has told **us** of the change, **we** may then cancel or alter the premium and/or the terms of this **policy**.

If the **Insured** fails to notify **us** about a change in the risk insured, **we** may:

- (i) declare this **policy** unenforceable, and/or
- (ii) decline any subsequent **claim** either in whole or in part.

These actions will be taken from the date the **Insured** knew, or ought to have known, of the increase or alteration in the risk insured.

For the avoidance of any doubt, information is 'material' where we would have made different decisions about either:

- (i) accepting your insurance, or
- (ii) setting the terms of your insurance,

if we had known that information. If in any doubt, notify us anyway.

General Conditions

7.15 Severability and non-imputation

For the sake of determining indemnity under this **policy**:

- (a) the **application** shall be construed to be a separate **application** for cover by the **policyholder** and by each natural person covered by the **policy**, and no statement or representation in or with respect to the **application** by such person shall be imputed to any other natural person covered by the **policy**; and
- (b) knowledge possessed by and/or conduct of one natural person covered by the **policy** shall not be imputed to any other natural person who is an **Insured**; and
- (c) any knowledge possessed by and/or conduct of any past or present director, company secretary, chief executive officer, chief operating officer, chief financial officer, chief risk officer, in-house general counsel, or any person who signed the declaration or **application** form in connection with this **policy** or any **policy** of which this **policy** is a renewal or replacement, shall be imputed to the **policyholder**.

7.16 Authority to accept notices and to give instructions

The **policyholders** listed in the **schedule** are appointed individually and jointly as agent of each **Insured** in all matters relating to this **policy**, and to cover provided by the **policy**.

In particular (but without limitation) the **policyholders** are agents for the following purposes to:

- (a) give and receive notice of **policy** cancellation, to pay premiums and to receive any return premiums that may become due under this **policy**; and
- (b) accept endorsements or other notices provided for in this **policy**; and
- (c) give instructions to solicitors or counsel that **we** appoint or agree to, and to receive advice from them and to act on that advice; and
- (d) consent to any settlement **we** recommend; and
- (e) do anything **we** or **our** legal advisers think might help with the procedures set out in this **policy** for investigating, settling and defending **claims**, liabilities, **losses** or costs paid for under the **policy**; and
- (f) give **us** information relevant to this **policy**, which **we** can rely on when **we** decide whether to accept the risk, and set the **policy** terms or the premium.



- 7.17 Territory covered by this policy** The cover provided by this **policy** extends to acts, errors or omissions occurring anywhere in the world.
- 7.18 The insured's duty to comply with additional conditions** If **we** attach any additional conditions to the **Insured's policy** regarding any risk survey or risk management timetable or any other conditions then it is a condition of this **policy** that these conditions are complied with by the deadlines shown.

Section 8 – Investigation, defence, and settlement of claims

Insured's obligations

- 8.1 Do not admit liability** The **Insured** must not:
- admit liability for, or settle any matter notified under this **policy**, or
 - do or say anything that may prejudice **our** ability to defend the **claim** against the **Insured** or take recovery action in the **Insured's** name.
- 8.2 Advise us** If the **Insured** becomes aware of any event that is likely to give rise to a **claim** under this **policy** regardless of the anticipated quantum, they must contact **us** as soon as possible.
- 8.3 Minimise the loss** The **Insured** must take all reasonable steps to minimise the **claim** and avoid any further loss or liability arising.
- 8.4 Provide full information** When making a **claim**, the **Insured** consents to their **personal information** in connection with the **claim** being:
- disclosed to **us**, and
 - transferred to the Insurance Claims Register Limited.
- The **Insured** must:
- give **us** free access to examine and assess the **claim**, and
 - send any relevant correspondence or documents to **us**, and
 - complete a **claim** form and/or statutory declaration to confirm the **claim** if **we** request it, and
 - provide any other information, proof of ownership or assistance that **we** may require at any time.
- 8.5 Dishonesty** If the **Insured's claim** is dishonest or fraudulent in any way, **we** may:
- decline the **claim** either in whole or in part, and/or
 - declare either this **policy** or all insurance the **Insured** has with **us** to be of no effect and to no longer exist from the date of the dishonest or fraudulent act.
- This is at **our** sole discretion.
- 8.6 Do not dispose of property** The **Insured** must not destroy or dispose of anything that is or could be part of a **claim** until **we** have given the **Insured** permission to do this.
- 8.7 What the Insured must obtain our agreement to do** The **Insured** must obtain **our** agreement before:
- incurring any expenses in connection with any **claim** under this **policy**, or
 - negotiating, paying, settling, admitting or denying any **claim** against them, or
 - doing anything that may prejudice **our** rights of recovery.

Managing your claim

- 8.8 Allocation of defence costs** If a **claim** is covered only partly by this **policy**, then **we** will attempt to ensure fair and proper allocation of the **defence costs** for insured and uninsured portions.
- If all parties are unable to agree upon the allocation of the **defence costs** then that allocation shall be decided by a lawyer that **we** and the **Insured** agree to instruct, whose determination shall be binding upon all parties. The cost of the lawyer's determination is to be taken as part of the **defence costs** covered under this **policy**.
- If the parties cannot agree on a lawyer, then a lawyer will be appointed by the President of the New Zealand Law Society.
- 8.9 Apportionment** If **we** pay costs and/or expenses in excess of the maximum amount payable under the **policy**, then:
- the **Insured** must refund to **us** all amounts in excess of the maximum amount payable, or
 - we** can offset that payment against what **we** must pay the **Insured** under this **policy**.



8.10 Your defence

If the lawyer appointed to defend the **Insured** advises that the **claim** should not be defended, then **we** are not required to defend a **claim** against the **Insured** unless a second lawyer that **we** and the **Insured** agree to instruct, advises that the **claim** should be defended.

If the parties cannot agree on a lawyer, then a lawyer will be appointed by the President of the New Zealand Law Society. In formulating his or her advice, the lawyer must be instructed to consider the:

- (a) economics of the matter, and
- (b) damages and costs likely to be recovered, and
- (c) likely costs of defence, and
- (d) prospects of successfully defending the **claim**.

The cost of the second lawyer's opinion is to be taken as part of the **defence costs** covered under this **policy**.

If the second lawyer advises that the **claim** should be settled and if the terms of settlement that **we** recommend are within limits that are reasonable (in the second lawyer's opinion, and in the light of the matters he/she is required to consider), then:

- (i) the **Insured** cannot object to the settlement, and
- (ii) the **Insured** must immediately pay the **excess** shown in the **schedule**.

8.11 Subrogation and Recoveries

- (a) Once **we** have accepted any part of the **Insured's claim** under this **policy**, **we** may assume the **Insured's** legal right of recovery.

The **Insured** must fully co-operate with any recovery process, including by executing all documents reasonably required in connection with the conduct of proceedings and do everything that may be reasonably necessary to enable **us** to effectively bring proceedings in the name of the **Insured**. **We** will act reasonably in exercising **our** discretion in the conduct of any legal proceedings and in the settlement of any **claim** while **we** conduct any recovery action. **We** will keep the **Insured** reasonably informed and updated with the progress of proceedings.

- (b) **We** shall not exercise these rights against any natural person who is an **Insured** unless:
 - (i) the recovery is in respect of any applicable **excess**; or
 - (ii) such payment specified in (a) above arose from the dishonest, fraudulent, criminal or malicious acts or omissions of such natural person.
- (c) Recoveries with respect to any matter notified under the **policy** (which **we** have covered) shall be distributed as follows:
 - (i) first, to **us** for the amount of the liability, **loss** or cost covered by the **policy**, paid to or on behalf of the **Insured**;
 - (ii) second, to the **Insured** for any applicable **excess**; and
 - (iii) third, to the **Insured** for the amount otherwise covered by the **policy**, but which is in **excess** of the **policy limit**.

8.12 Defence of liability claims

After the **Insured** has made a **claim** under this **policy**, subject to Section 8.10 – 'Your defence', **we** have the sole right (which shall be a precedent to the **Insured's** right to be covered) to:

- (a) act in the **Insured's** name and on the **Insured's** behalf to defend, negotiate or settle the **claim** as **we** see fit (this will be done at **our** expense), and
- (b) defend or legally represent the **Insured**, and
- (c) publish a retraction or apology (in the case of defamation proceedings).

We may appoint **our** own lawyers to represent the **Insured**. They will report directly to **us**.

8.13 Discharge of liability claims

We may elect at any time to pay the **Insured**:

- (a) the maximum amount payable under the **policy**, or
- (b) any lesser sum that the **claim** against the **Insured** can be settled for.

Once **we** have paid this (including any **defence costs** already incurred up to **our** date of election), **our** responsibility to the **Insured** under the **policy** is met in full.

8.14 Waiver of professional privilege

The solicitors **we** instruct to act on behalf of the **Insured** are at liberty to disclose to **us** any information they receive in that capacity, including information they receive from the **Insured**. The **Insured** authorises the solicitors to disclose this information to **us**.



8.15 Costs and Expenses

- (a) Any fees, costs or expenses incurred by **us** (other than to determine **our** liability under this **policy**) in investigating, defending and settling any matter notified under the **policy** (in respect of which **we** ultimately confirm cover) will form part of the fees, costs and expenses as otherwise covered by this **policy**.
- (b) Any amount paid by **us** in settlement of a dispute the subject of a matter notified under the **policy**, shall be deemed for all purposes of the **policy** to be a payment made under the **policy**.

Section 9 – Definitions

The definitions apply to the plural and any derivatives of the bolded words.

act of terrorism	means any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which: <ul style="list-style-type: none"> (a) involves violence against one or more persons; or (b) involves damage to property; or (c) endangers life other than that of the person committing the action; or (d) creates a risk to health or safety of the public or a section of the public; or (e) is designed to interfere with or to disrupt an electronic system.
application	means the information provided by the Insured or on the Insured's behalf to us when the Insured purchased this insurance or requested a quotation for this insurance from us . It also includes any subsequent information the Insured provides us with.
authority	means any official regulator, government body or government agency having legal authority to conduct a regulatory investigation.
business interruption loss	means: <ul style="list-style-type: none"> (a) the difference between the: <ul style="list-style-type: none"> (i) revenue, including advertising revenue, that the policyholder reasonably projects has been lost solely and directly as a result of a failure in the Insured's capability to use the policyholder's computer systems or access the policyholder's computer records; and (ii) costs that the policyholder would have incurred to generate such revenue (including the cost of raw materials, and other saved costs). <p>This amount shall be determined by us based on an analysis of the revenue generated and costs generating such revenue during each month of the 12 months prior to the cyber event and taking into account reasonable projection of future revenue and costs and all material changes occurring in market conditions which would affect the future revenue and costs generated, less any savings, had no cyber event occurred.</p> <p>Where the policyholder has not completed the first year's trading, the amount shall be determined by us based on an analysis of the revenue generated and costs during each month from the commencement of the Insured's business prior to the cyber event and taking into account reasonable projection of future revenue and costs and all material changes in market condition which would affect the future revenue and costs generated, less any savings, had no cyber event occurred.</p>
claim	means: <ul style="list-style-type: none"> (a) the receipt by an Insured of any written demand for money or damages, or non-pecuniary relief; or (b) any writ, summons, application or other originating legal (criminal, civil or otherwise) or arbitral proceedings, cross claim or counter-claim which is served upon an Insured; or (c) a circumstance that a reasonable person in the position of the Insured would have considered is likely to lead to either (a) or (b) above.
commercially confidential information	means any information other than personal information : <ul style="list-style-type: none"> (a) which is not in the public domain or publicly available; and (b) where disclosure may undermine the economic interest or competitive position of the owner of the information.



computer records	means electronically stored data including magnetic tape, software or computer programs for or in respect of a computer system used in the course of the conduct of the Insured business .
computer system	means all electronic computers including operating systems, software, hardware, componentry, firmware and all communication and open system networks, websites wheresoever hosted, off-line media libraries and data backups used in the course of the conduct of the Insured business .
cyber event	means any: <ul style="list-style-type: none"> (a) hacking attack or virus; (b) malicious damage to the policyholder's computer systems by an employee; (c) failure of a service provider hosting the policyholder's computer systems as a direct result of (a) to (b) above; (d) failure of a direct or back-up power supply or under/over voltage but only if such power supply is owned, managed or controlled by the policyholder or by a service provider; (e) electrostatic build-ups or electromagnetic disturbances.
cyber extortion costs	means: <ul style="list-style-type: none"> (a) any monies (including crypto or virtual currencies) paid by or on behalf of the policyholder in accordance with applicable laws and with our prior written consent (which shall not be unreasonably delayed or withheld); (b) reasonable and necessary fees, costs and expenses that we incur or the policyholder incurs with our prior written consent (which shall not be unreasonably delayed or withheld): <ul style="list-style-type: none"> (i) in negotiating, mediating and crisis managing to terminate or end a security threat that might otherwise result in harm to the Insured; or (ii) to conduct an investigation to determine the cause of a security threat, or (iii) to conduct any due diligence required in relation to any payment (including jointly with us).
defence costs	means all reasonable and necessary legal fees, costs and expenses (including any expert costs where the choice of expert has been approved by us) that we incur or the policyholder incurs with our prior written consent (which shall not be unreasonably delayed or withheld) in the investigation, defence or settlement of any claim made against the Insured .
electronic commerce	means the transacting, disseminating or enabling the marketing, buying, selling or distribution of goods, services or information through the internet, the world wide web, private networks, intranets, extranets, wireless application protocol, email or instant messaging systems.
employee	means a natural person who is not a principal , but who is or was, at the time the relevant act, error or omission occurred, a person who: <ul style="list-style-type: none"> (a) had entered into a contract of service with the policyholder firm or incorporated body and is or was remunerated by the policyholder for that service; or (b) is neither a party to a contract of service with the policyholder, nor an independent contractor, but a party to a contract for service with the policyholder for the provision of services to or on behalf of the policyholder for reward; or (c) a volunteer worker or student, and in respect of (a), (b) and (c) above is under the policyholder's direction, control and supervision in the conduct of the Insured business .
enforcement order	means notice or order from any data protection authority, government authority, regulator, court, tribunal or other public body authorised to investigate, prosecute or otherwise enforce applicable laws or regulations relating to the collection, storage or processing of computer records , requiring the Insured to: <ul style="list-style-type: none"> (a) confirm compliance with any data protection and/or privacy law or regulation; (b) take specific measures to comply with any data protection and/or privacy law or regulation; or (c) refrain from processing any specified computer records or using any specified computer system.
excess	means the amount the Insured may be required to contribute towards each claim . It is described in more detail in Section 5.4.



fine or penalty	<p>means a monetary fine or penalty payable by an Insured to an authority;</p> <p>‘Fine or penalty’ does not include any amounts payable or calculated by reference to:</p> <ul style="list-style-type: none"> (a) compensation; (b) compliance, remedial, reparation or restitution costs; (c) exemplary or punitive damages; (d) any consequential economic loss, meaning we will not pay for any direct or indirect financial or economic loss including, but not limited to, loss of reputation, loss of use or enjoyment, loss of profits or depreciation, except if specifically covered by this policy; (e) requirement to pay taxes, rates, duties, levies, charges, fees or any other revenue charge or impost; and (f) any fine or penalty the insurance of which is prohibited at law.
former principal	<p>means person who has been, but is no longer:</p> <ul style="list-style-type: none"> (a) principal of a policyholder; or (b) the principal of any corporate entities through which the policyholder previously traded, in the course of the conduct of the Insured business.
hacking attack	<p>means any malicious or unauthorised electronic attack including, but not limited to, any brute force attack, phishing, denial of service attack, initiated by any third party or by any employee and that is designed to damage, destroy, corrupt, overload, circumvent or impair the functionality of the policyholder’s computer systems or policyholder’s computer records.</p>
insured	<p>means:</p> <ul style="list-style-type: none"> (a) the policyholder; and (b) any subsidiary of the policyholder; (c) any person who is or becomes, during the period of insurance, a principal or employee of the policyholder; and (d) any principal, former principal or employee of the policyholder. <p>We may also use the word ‘you’ to describe the Insured.</p>
insured business	<p>the ‘Business’ specified in the schedule conducted by or on behalf of the policyholder.</p>
intellectual property right	<p>means any intellectual property right including but not limited to trademarks, trade secrets, broadcasting rights, domain names, commercial title or slogan, commercial extortion, metatags and copyrights.</p> <p>‘Intellectual property right’ does not include any patent, trade secret or confidential information that came into the possession of any person prior to the date such person became an employee or principal of the policyholder.</p>
internet and email content	<p>means any text, images, video, interactive content or advertising material:</p> <ul style="list-style-type: none"> (a) published on the policyholder’s website, social media or mobile applications or published on behalf of the policyholder; or (b) published on a third party’s website, social media or mobile applications; or (c) contained within an email sent by an Insured.
IT services	<p>means any of the following: operation, processing, maintenance, protection or storage of the Insured’s hardware, infrastructure, computer records or computer systems, including IT cloud services, (such as IaaS, PaaS and SaaS).</p> <p>‘IT Services’ does not include any of the following services provided by Third Parties:</p> <ul style="list-style-type: none"> (a) telecommunication services; (b) internet services; (c) satellite services; (d) cable services; or (e) electricity, gas or water services
known circumstance	<p>means any fact, situation or circumstance which:</p> <ul style="list-style-type: none"> (a) an Insured was aware of at any time before the period of insurance or any relevant amendment or endorsement of the policy; or



(b) a reasonable person in the **Insured's** position would have thought, at any time before the **period of insurance** or before any relevant amendment or endorsement of the **policy**, might result in someone making an allegation against an **Insured** in respect of a liability, loss or costs, that might be covered by this **policy** or by any amendment or endorsement to this **policy**.

loss	means direct loss of money sustained by the policyholder . ‘Loss’ does not include consequential loss. This means ‘loss’ does not include direct or indirect financial or economic loss, for example loss of profits, loss of income or loss of bargain.
money	means any physical or electronic legally acceptable currency (excluding cryptocurrency or virtual currencies), coins or bank notes of a generally accepted value.
period of insurance	means the ‘period of insurance’ stated in the schedule .
personal information	means any information relating to an individual who can be identified, directly or indirectly, in relation to other information (such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that individual), as defined by applicable data protection laws.
phishing	means the fraudulent use of electronic communications or websites to impersonate the policyholder or its products or services for the purpose of soliciting personal information or commercially confidential information about the policyholder's clients.
phreaking	means the unauthorised and malicious use of the telephone system of the policyholder which results in authorised charges or bandwidth costs which the policyholder is legally liable to pay.
policy	means: (a) all the terms, conditions and exclusions contained herein; (b) the schedule ; and (c) any endorsements attaching to and forming part of this policy document, either at inception or during the period of insurance .
policy limit	means the ‘policy limit’ specified in the schedule which shall be our maximum liability, in the aggregate, payable under this policy , subject to the terms, conditions and exclusions of this policy .
policyholder	means each of the following, individually and jointly: (a) each person, firm or incorporated body identified in the schedule as the ‘Policyholder/Insured’, each principal or former principal of any such firm or incorporated body; and (b) any entity which is engaged in the conduct of Insured business and which is created and controlled, during the period of insurance , by anyone identified in the schedule as the ‘Policyholder/Insured’; and (c) anyone who becomes a principal of the ‘Policyholder/Insured’ identified in the schedule , during the period of insurance (but only in respect of the conduct of the Insured business for or on behalf of the ‘Policyholder/Insured’ identified in the schedule).
pollutant	means any solid, liquid, gases or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkali, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.
principal	means a sole practitioner, a partner of a firm, or a director of a company, which practitioner, firm or company is covered by this policy .
privacy breach costs	means reasonable and necessary fees, costs and expenses that we incur or the policyholder incurs with our prior written consent (which shall not be unreasonably delayed or withheld) required to be incurred in respect of any privacy obligations to: (a) fulfil any legal or regulatory obligation the policyholder has to notify third parties of an actual or suspected breach of privacy in relation to any personal information ; or (b) establish a credit monitoring service or identity theft helpline; or (c) provide call centre support services; or (d) conduct an independent audit of the policyholder's computer systems to identify the source of such privacy breach; or (e) provide translation services to manage communications with third parties . However, ‘Privacy Breach Costs’ does not include any sums paid which constitute taxes, fines, penalties, injunctions or sanctions.



privacy obligations	<p>means the Insured's legal obligations arising directly from:</p> <ul style="list-style-type: none"> (a) any privacy statement governing the handling of information on the policyholder's computer systems; or (b) any written contract between the policyholder and a third party governing the processing and storage of credit card information on the policyholder's computer systems; or (c) any implied contractual duty to use reasonable care and skill in the handling of personal information or credit card information (including breaches of the Payment Card Industry Data Security Standard); or (d) any legal obligation to notify individuals of an actual or potential breach of their personal information; or (e) statutory data protection regulations in the country or countries where the policyholder operates, including industry specific data protection and security regulations as they currently exist and as amended.
promotional material	<p>means any marketing materials or tangible goods produced by or on behalf of the policyholder for the purpose of marketing the Insured business.</p>
public relations costs	<p>means reasonable and necessary fees, costs and expenses that we incur or the policyholder incurs with our prior written consent (which shall not be unreasonably delayed or withheld) as a result of the use of external public relations consultants appointed by us.</p> <p>For the avoidance of doubt, 'public relations costs' does not include the basic salaries of employees or the policyholder's office expenses or any payments that the policyholder has paid or agreed to pay as part of any service or maintenance contract.</p>
rectification costs	<p>means reasonable and necessary fees, costs and expenses that we incur or the policyholder incurs with our prior written consent (which shall not be unreasonably delayed or withheld) as a result of the use of external consultants, contractors or advisers including but not limited to forensic or security consultants or any additional costs that the policyholder incurs to pay its employees.</p> <p>For the avoidance of doubt, Rectification Costs does not include the basic salaries of employees or the policyholder's office expenses or any payments that the policyholder has paid or agreed to pay as part of any service or maintenance contract.</p>
regulatory investigation	<p>means any formal or official civil examination, investigation, inquiry, hearing or other civil proceedings ordered or commissioned by any authority into the privacy obligations of the policyholder during the period of insurance:</p> <ul style="list-style-type: none"> (a) requiring attendance before or the production of documents by the policyholder to the authority; or (b) requiring questions to be answered by the policyholder to the authority; or (c) identifying the policyholder in writing as a target of an examination, investigation, inquiry, hearing or other proceeding by an authority. <p>A 'Regulatory Investigation' shall be deemed to be first made when the policyholder is first required to respond and/or attend or is so identified as a target of the regulatory investigation.</p> <p>'Regulatory Investigation' does not include any routine inspection, supervision, compliance or similar reviews or general industry wide violation reviews of the policyholder.</p>
regulatory investigation costs	<p>means reasonable and necessary fees, costs and expenses that we incur or the policyholder incurs with our prior written consent (which shall not be unreasonably delayed or withheld) with respect to a fine or penalty or regulatory investigation.</p>
revenue	<p>means the amount of net profit or loss before income taxes which would have been earned or incurred had no cyber event occurred.</p>
reward expenses	<p>means reasonable and necessary property or other consideration paid by us or by the policyholder with our prior written consent (which shall not be unreasonably delayed or withheld) to a third party (other than a law enforcement professional or authority) for information leading to a conviction of an indictable offence arising out of a hacking attack covered by this policy.</p>
schedule	<p>means the 'schedule' to this policy or any schedule subsequently substituted during the period of insurance.</p>



security threat	<p>means any expressed and documented threat or connected series of threats made to:</p> <p>(a) commit a local, cross border or multi-country attack against the policyholder's computer system; or</p> <p>(b) reveal the policyholder's commercially confidential information or commercially confidential information for which they are responsible,</p> <p>for the purpose of demanding money, securities or other tangible or intangible property of value from the Insured.</p>
service provider	means any third party that provides IT services to the Insured under a written contract.
social engineering fraud	means the impersonation of an employee, principal , client or supplier of the policyholder , by a third party which prompts the policyholder to issue an instruction to a financial institution to debit, pay, deliver or transfer money or securities from an account maintained by the policyholder to that third party or another person or entity. It includes a third party acting in collusion with an employee or principal to create the impersonation provided that the individual or individuals issuing the instruction were not a party to the collusion.
specific cover limit	means the limit of our insurance cover for each of the matters listed in the schedule under 'specific cover limits' or in Section 2 or 3 of this policy .
subsidiary	means any company or other incorporated entity which at the commencement of the period of insurance by virtue of New Zealand law was, or is, either directly or indirectly a subsidiary of any incorporated body identified in the schedule as the 'Policyholder/Insured'.
third party	means any person, partnership, company, corporation, incorporated society or other body corporate or entity who is not an Insured .
time excess	means the number of hours that must elapse, as stated in the schedule , before the recovery of a business interruption loss can be considered.
virus	means any software code including but not limited to any logic bomb, trojan horse or worm that has been introduced by any third parties or by any employees and that is designed to damage, destroy, corrupt, overload, circumvent or impair the functionality of the policyholder's computer systems or policyholder's computer records .
we	means AMI, a business division of IAG New Zealand Limited ("IAG"). We may also use the words 'us', 'our' or 'company' to describe AMI.

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