



Cyber Risk Insurance

Policy Summary

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Cyber Risk insurance is an annually renewable Policy, underwritten by Royal & Sun Alliance Ltd (referred to as the ‘Company’, ‘We’ or ‘Us’). The information below provides a summary of the cover provided. For full terms and conditions of the cover, please refer to the policy document a copy of which is available on request.

The Policy provides protection to the Insured (also referred to as You/Your) in respect of legal liability to a third party (Third Party Cover is insurance for protection against the actions of another party) for a Loss (in respect of any Claim first made against the Insured) in connection with a Data Liability or Network Security Event.

Protection is also provided to You (insurance under which You as an insured (the first party) have cover for incidents whether caused by yourself or someone else (a third party) for Remediation Costs incurred, Business Interruption (Gross Profit or Gross Revenue) that arises from a Cyber Business Interruption Event.

The Cyber Risk insurance covers non-physical (intangible) data whereas traditional products are usually aimed at the tangible parts of the business. The Policy does not provide cover to You for any direct financial loss (other than Remediation Costs, Business interruption or where applicable cover provided under the Cyber Extensions) for example, the value of the data.

The following tables provide a summary of the main policy features & benefits and any significant exclusions & limitations.

Claims Panel

Our Cyber Notification line is provided by Our Incident managers. RSA is involved in all Claims from start to finish. RSA have carefully chosen our partners for their expertise in this complex field.

Our Cyber Claims panel consists of experienced experts who have both a global and local presence. They are available to support You as soon as an event is recognised by Us.

Incident Managers Loss Adjusters	Devise and project manage the action plan to get Your business back on track as soon as possible.
IT Forensics	Provide IT expertise to trace, identify and resolve the source of the issue. They also assist with repairing the damage by recovering any lost data.
Forensic Accountants	Provide an accurate assessment of the financial impairment.
Legal & Defence	Provide data protection and privacy advice in the immediate aftermath of an incident to address legal liabilities on a local, regional and global scale, including the identification and content of any legal notification requirements. RSA partner Legal experts who can provide pragmatic and cost effective claim solutions in partnership with the You.
Public relations advice	Ensures that the business can respond fast to minimise the damage to their reputation, by assessing the gravity of the situation and putting in place the required response plan. This supports the continued success and growth of a brand in the aftermath of a destructive cyber event.

And will be appointed and managed, where required, by our Incident Managers with You.

Standard Features & Benefits

Features & Benefits	Significant Exclusions or Limitations
<p>Standard Cover</p> <p>“Claims made” policy wording for claims made against the Insured (including liability for claimants costs & expenses) which arises from an insured event.</p> <p>Two key characteristics of a claims-made policy.</p> <ol style="list-style-type: none"> 1) As well as a Period From Date there is also a Retroactive date; this is the earliest date on which a Cyber incident may occur and still be covered under the policy. 2) A claim is typically “made” on the date that you (or your insurer) first receive or record it. <p>When the Insured notify RSA during the Period of Insurance of a Circumstances that might reasonably be expected to produce a claim RSA cover the subsequent claim arising from such a circumstances as though it were made in the Period of Insurance.</p> <p>The insurance provided is on a costs inclusive basis whereby the costs and expenses of the Insured and the costs and expenses of the Company are included within the limit of indemnity.</p> <p>The Policy limit is on an annual Aggregate basis. An aggregate limit is the maximum amount RSA will pay to settle your claims. This is the total amount RSA will pay in a single year.</p> <p>Cover applies to any current, future or former employee (including Directors, officers, principals or partners), any subsidiary and someone performing employment duties for whom the Insured or any subsidiary is legally responsible.</p>	<p>A minimum Excess of a £1000 applies and this varies upon the size of the Insured's declared Turnover. The Excess (applicable to Data Liability, Network Security or Remediation Costs applies to Defence Costs, fees and expenses) or Waiting Period (applicable to Cyber Business Interruption) applies before RSA shall be liable to make any payment.</p> <p>Any subsidiary created or acquired subsequent to inception must be notified to and approved by RSA.</p>
<p>Data Liability Event (Third Party Cover)</p> <p>Loss in respect of any Claim first made against the Insured.</p> <p>Data Liability Event includes;</p> <ul style="list-style-type: none"> • loss of non public data (non-physical assets), • breach of Privacy Legislation, <p>Privacy legislation means the Data Protection Act 1998, the Privacy and Electronic Communications (EC Directive) Regulations 2003, all published guidance by the Information Commissioners office and EU Data Protection Act or other similar laws protecting privacy elsewhere in the world.</p>	
<p>Network Security Event (Third Party Cover)</p> <p>Loss in respect of any Claim first made against the Insured.</p> <p>Network Security Event includes;</p> <ul style="list-style-type: none"> • The negligent or inadvertent transmission of Malware (any code to erase, deny access to, corrupt, damage, disrupt any network or system or circumvent network security) to a third party, • Unauthorised Access (Unauthorised access means access to and use of the insureds computer system or network infrastructure by any person not authorised to do so including employees), • A Denial of Service attack (means an explicit attempt by attackers to prevent legitimate users of the Computer System from using that Computer System by Unauthorised Access). 	

Standard Features & Benefits (continued)

Features & Benefits	Significant Exclusions or Limitations
<p>Remediation Costs (First Party Cover)</p> <p>Costs incurred by the Insured, following an actual or threatened Data Liability Event or Network Security Event. Remediation Costs include:</p> <ul style="list-style-type: none"> • Credit Monitoring Costs; • Data Restoration Costs; • Forensic Costs; • Defence Costs; • Notification Costs; and • Public Relations Costs. <p>Business Interruption Loss (First Party Cover)</p> <p>incurred by the Insured resulting from a Cyber Business Interruption Event. Business Interruption Loss includes;</p> <ul style="list-style-type: none"> • Available on a Gross Profit basis • Increased Cost of Working Cover • Mitigation Cover Costs incurred to avoid or mitigate the effects of a system outage or network interruption, discover or minimize such interruption or degradation of the network, preserve evidence or substantiate the Insured's Loss. <p>Civil Fines & Penalties</p> <p>Civil fines & penalties imposed by law are covered unless the penalty or fine is uninsurable by law. A civil penalty is a monetary fine that is designed to compensate for harm. It is distinct from a criminal penalty, since its purpose is not designed to punish the person who the penalty is imposed on. Instead, it is designed to make the other party, who was damaged or injured in some way, whole. Civil penalties, also referred to as civil fines, are exclusively monetary. They are issued by either a judge or a jury, who determines the appropriate amount of the fine that will be accessed.</p> <p>In some cases, a civil penalty may be supplemented by another legal process including administrative sanctions or even criminal charges. After someone is convicted of a crime, the sentencing judge has the discretion to impose a criminal fine on the convicted defendant. It is not possible to insure against liability for a criminal fine or penalty.</p>	<p>Data Restoration Costs do not include expenses to replace hardware or improve software or the value of the data.</p> <p>Business Interruption Loss has a Waiting Period that must elapse (usually 8 hours) before recovery of the Business Interruption Loss.</p> <p>Increased Cost of Working has a Sub Limit of £250,000.</p> <p>Aggravated or punitive damages awarded outside of Great Britain are excluded.</p>

Standard Features & Benefits – Cyber Extensions

Features & Benefits	Significant Exclusions or Limitations
<p>Multimedia Activities</p> <p>Loss made against the Insured which arises from a Multimedia Event</p> <p>Multimedia includes:</p> <p>A) defamation or other tort related to disparagement of trade reputation, or the character of any person or organisation, including libel, slander, product disparagement, trade libel, infliction of emotional distress, malicious falsehood, outrage or outrageous conduct, breach of comparative advertising regulations, failure to attribute authorship or provide credit under any agreement to which the Insured is a party; or</p>	<p>Multimedia Activities has a Sub Limit of £250,000</p> <p>This extension is underwritten and may not be available for certain businesses.</p>

Standard Features & Benefits – Cyber Extensions (continued)

Features & Benefits	Significant Exclusions or Limitations
<p>B) infringement of intellectual property rights including but not limited to copyright, registered design, title, slogan, trade secret, trademark, trade name, trade dress, service mark, service name, domain name or metatag, breach of moral rights, passing off, plagiarism, piracy, or misappropriation of non public data; or</p> <p>C) Electronic Data, resulting from Unauthorised Access and arising from the publishing, dissemination, releasing, gathering, transmission, production, webcasting or other distribution of data by the Insured in connection with the Business.</p> <p>Payment Card Industry Data Security Standard (PCI DSS)</p> <p>Payment Card Industry Expenses in respect of any Claim first made against the Insured which results in legal liability from a breach of Payment Card Industry.</p> <p>Data Security Standards (PCI DSS) and which arises from Unauthorised Access.</p> <p>Compensation for Court Attendance</p> <p>Insured Persons attending court as a witness in connection with a covered Claim</p> <p>A) Director £500</p> <p>B) Employee £250</p> <p>Withdrawal of Content</p> <p>Expenses in respect of any Claim first made against the Insured which results in the Insured being legally liable to withdraw or alter content by order of a court, or as the result of a complaint: to the Advertising Standards Authority (ASA), the Officer of Communications (OFCOM), Trading Standard Officers or any other official regulatory or self-regulatory body, or in mitigation of a covered Claim.</p> <p>Cyber Extortion</p> <p>Cyber Extortion Expenses to employ the services of an external public relations consultant, crisis management firm, law firm or an independent advisor for the sole purpose of providing guidance to the Insured to investigate and determine the cause of such Cyber Extortion Event to minimise or limit adverse publicity, terminate or mitigate any actual or credible threat of a Cyber Extortion Event.</p>	<p>Payment Card Industry Data Security Standard (PCI DSS) has a Sub Limit of £250,000</p> <p>This extension is underwritten and may not be available for certain businesses.</p> <p>Withdrawal of Content has a Sub Limit of £250,000.</p> <p>Cover does not include claims arising out of attributable to advertising services performed by the Insured on the Insured's internet or website on behalf of others.</p> <p>Cyber Extortion has a Sub Limit of £250,000.</p> <p>Expenses are reimbursed to the Insured.</p> <p>Conditions apply to this extension.</p>

Standard Features & Benefits - Exclusions

Features & Benefits	Significant Exclusions or Limitations
<p>The acts, knowledge or conduct of any Insured shall not be imputed to any other Insured for the purposes of applying the exclusions.</p> <p>This ensures that the actions, knowledge or conduct of one party will not necessarily apply to any other innocent parties that may otherwise have cover under the policy.</p>	<p>Most of the policy exclusions that apply below are usually more appropriately covered under a more specific insurance policy.</p> <p>The exclusions are in alphabetical order.</p>

Standard Features & Benefits - Exclusions (continued)

Features & Benefits	Significant Exclusions or Limitations
	<p>Asbestos, Nuclear, Pollution & Electromagnetism</p> <p>Benefiting another Insured sustained by any Insured to the advantage of any other Insured. A typical example of this exclusion would be a parent company bringing a claim against a subsidiary company or vice versa.</p> <p>Bodily Injury this exclusion does not apply to mental anguish or mental injury resulting from a Data liability Event or Network Security Event.</p> <p>Contractual agreement arising contractual term, guarantee or where liability has been assumed or accepted under contract or agreement except to the extent that such liability would have attached in the absence of such agreement. This exclusion does not apply to the Payment Card Industry Data Security extension.</p> <p>Directors & Officers performance or non-performance of their duties as a director, officer, trustee or employee.</p> <p>Employment Practices Liability the Company will pay indemnity as a result of any Claim against the Insured when alleged in conjunction with a Claim covered for a Data Liability Event or a Network Security Event.</p> <p>External Services external services are defined as services not under the direct operational control of the Insured.</p> <p>Fraud or Dishonesty arising from, attributable to or based upon any reckless, deliberate, criminal or fraudulent acts by the Insured. This exclusion has a write back for claims made against the Insured when committed by an Employee. This exclusion has a write back for Defence Costs until such Insured Person is established or determined or found guilty by a court, tribunal, arbitrator or Regulator. Following such finding the Company shall be entitled to repayment of any amount paid to the Insured.</p> <p>Financial or Trade Sanctions</p> <p>Intellectual Property rights the loss of, infringement or use of intellectual property rights, patents, trademarks, copyright registered design, trade secrets or confidential manufacturing, processing or servicing methods. This extension has a write back for a covered Cyber Insurance Extension or Loss from a Data Liability Event.</p> <p>Insolvency Bankruptcy. Liquidation or insolvency of any Insured or company or person. Bankruptcy is a legal status of a person or other entity that cannot repay the debts it owes to creditors. Bankruptcy is limited to individuals, and other forms of insolvency proceedings, such as liquidation and administration are applied to companies.</p>

Standard Features & Benefits - Exclusions (continued)

Features & Benefits	Significant Exclusions or Limitations
	<p>Money arising from, attributable to, or based upon loss, transfer or theft of monies or securities of the Insured.</p> <p>Previous Claim or Circumstance A circumstance means any incident, occurrence, fact, matter or act or omission which might reasonably be considered to give rise to a claim.</p> <p>Prior Written Consent Loss and Defence Costs shall have the prior written consent of the Company.</p> <p>Product Supplied, Defects and Recall Loss of or damage in connection with, the cost of recall, removal, repair, alteration, replacement or reinstatement to any product sold, supplied or contract work executed which was caused by a defect or the unsuitability of the product for its intended purpose.</p> <p>Professional Indemnity any error or omission arising out of the provision of negligent professional advice or design.</p> <p>Retroactive Date This is the earliest date on which a Cyber incident may occur and still be covered under the policy. The retroactive date is usually 90 days before the inception date of your first claims-made policy. This date should remain the same each time your claims-made coverage is renewed.</p> <p>Tangible Property all tangible property is excluded.</p> <p>Third party advertising services claims arising out of advertising services performed by the Insured on the Insured's website on behalf of others.</p> <p>War Sale of Critical Data the sale of non public data to a third party without the permission of the data subject.</p>

Other Important Information

Claims

Should You wish to make a claim under Your policy please call the Cyber Incident Number shown on your Policy Document as soon as possible.

You will be asked to please quote Your Policy Number which can be found on Your Schedule.

Please note that the Cyber Incident number is not a helpline and is provided for a Claim Notification upon the Discovery of an actual, alleged or suspected Data Liability Event, Network Security Event or Cyber Business Interruption Event.

You must give Us any information or help that We may reasonably ask for. You must not settle, reject, negotiate or agree to pay any claim without Our written permission. Full details of how to claim are included in the Policy document.

Premiums and payments

Premiums are inclusive of Insurance Premium Tax. You may pay for Your policy annually or, for some policy contracts, by monthly instalments. Monthly instalments can only be paid by direct debit.

Renewing your policy

At least 21 days before each policy renewal date We will tell you the premium and terms and conditions that will apply for the following year. If You wish to change or cancel the cover You need to tell Us before the renewal date.

If You pay by direct debit We will renew the policy automatically and continue collecting premiums unless You notify Us that You wish to cancel the policy. This will also apply for payments by credit / debit card, if You have previously given Us permission. For other payments by cheque or credit / debit card, You must submit a further payment if You wish to renew the policy. You will have 14 days to cancel the policy after the renewal date and receive a refund of any premiums paid, as described in Your right to cancel the policy below.

Your right to Cancel

You may cancel the contract by giving Us 10 days notice in writing. If You cancel the policy You may be entitled to a refund of premium provided that no claim has been made during the current period of insurance.

This policy may not be cancelled by the Us except for non-payment of the premium or upon expiry of a period of notice of not less than 21 days.

This will not affect Your right to make a claim for any event that happened before the cancellation date. If We cancel the policy, We will refund any premiums already paid for the remainder of the current Period of Insurance provided that no claim has been made since inception or renewal.

Complaints

If You believe that We have not delivered the service You expected, We want to hear from You so that We can try to put things right. If You have cause for complaint You should initially contact the person who arranged the policy for You or the manager of RSA at the address shown on Your quotation or schedule, as appropriate. In the unlikely event that they are unable to resolve Your concerns, Your complaint will be referred to our Customer Relations Team who will arrange for an investigation on behalf of our Chief Executive.

RSA
Customer Relations Team
P O Box 255
Wymondham
NR18 8DP

If they cannot resolve the matter to Your satisfaction, they will provide You with our final response, upon which You may be eligible to refer Your case to the Financial Ombudsman Service. This does not affect Your right to take legal action.

Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Compensation

Royal & Sun Alliance Insurance Ltd is a member of the Financial Services Compensation Scheme (FSCS). This provides compensation in case any member goes out of business or into liquidation and is unable to meet any valid claims against its policies. You may be entitled to compensation if We cannot meet our obligations, depending on the circumstances of the claim. Further information about the compensation scheme can be obtained from the FSCS.

Financial or Trade Sanctions

Please note that Royal & Sun Alliance Insurance Ltd is unable to provide insurance in circumstances where to do so would be in breach of any financial sanctions imposed by the United Nations or any government, governmental or judicial body or regulatory agency. Full details will be provided in Your policy documentation.

Law and language applicable to the policy

Both You and We may choose the law which applies to this contract. However, unless You and We agree otherwise, the law which applies is the law applicable in the part of the United Kingdom, Channel Islands or the Isle of Man in which You live. Full details will be provided in Your policy documentation.