ONEINFINITY CYBER INSURANCE

Policy Wording

(Hereinafter referred to as the "**Policy**")

PRIVATE AND CONFIDENTIAL

NOTICE TO THE INSURED

Various provisions in this Policy restrict coverage and the Insured should read the entire Policy carefully to determine the rights and duties of the parties hereto.

COVER

1. COVERAGE

1.1. INSURING CLAUSE

The Insurer shall indemnify the Insured, subject to the **Policy Limit**, **Sub-Limit,** and **Per Event Deductible** (as stipulated in the Policy Schedule), against first-party loss or third-party liability as defined in the Coverage section below, that the Insured may incur. For **Third-Party Liability Coverage**, this coverage is provided on a claims-made and reported basis and applies only to **Claims** first made against the Insured during the **Policy Period** and reported to the Insurer by the terms and conditions of this Policy. For **First-Party Loss Coverage**, this coverage applies only to **Loss** arising from an incident, event or circumstance first discovered by the Insured during the Policy Period and reported to the Insurer by the terms and conditions of this Policy.

1.2. COVERAGE

The Insurer shall indemnify the Insured for:

A. **First-Party Loss Coverage**

1. Incident Response

   Incident Response Costs incurred by the Insured because of an actual or reasonably suspected **Data Breach** or **Security Breach** that the Insured first discovers during the **Policy Period.**

2. Business Interruption

   Business Interruption Loss that the Insured sustains as a result of a **Security Breach** or **System Failure** that the Insured first discovers during the **Policy Period**.

3. Data Recovery

   Data Recovery Costs that the Insured incurs as a direct result of a **Security Breach** that the Insured first discovers during the **Policy Period**.

4. Cyber Extortion Expense

   Cyber Extortion Loss that the Insured incurs as a result of an **Extortion Threat** first made against the Insured during the **Policy Period**.

5. Extortion Payment

   Payment made by the Insured to prevent or terminate an **Extortion Threat** that was first made against the Insured during the **Policy Period**.

6. Betterment Cost

   Costs to replace or restore software or applications in a **Covered Computer System** with improved versions of such software or applications that are deemed necessary by the Insurer to rectify the underlying cause of the covered incidents. Such actions are subject to the Insurer's sole discretion and require prior written consent. The amount of cost shall be pre-approved by the Insurer.

B. **Third Party Liability Coverage**

1. Network Security and Privacy Liability

Damages, **Penalties** and/or **Claims Expenses**, which the Insured is legally obligated to pay because of any **Claim** and/or regulatory proceeding first made against any Insured during the **Policy Period** for:

- a **Data Breach**;
- a **Security Breach**;
- failure by the Insured to comply with that part of a **Privacy Policy** that specifically:

(a) prohibits or restricts the Insured's disclosure, sharing or selling of **Personally Identifiable Information**;
(b) requires the Insured to provide an individual access to **Personally Identifiable Information** or to correct incomplete or inaccurate **Personally Identifiable Information** after a request is made; or
(c) mandates procedures and requirements to prevent the loss of **Personally Identifiable Information**;

provided the Insured has at the time of such failure an in-force **Privacy Policy** that addresses those subsections above that are relevant to such **Claim**.

2. Payment Card Liabilities & Costs

PCI Fines, Expenses, and Costs which it is legally obligated to pay because of a **Claim** first made against any Insured during the **Policy Period**.

3. Criminal Rewards

Criminal Reward Payments.

C. **Artificial Intelligence Technology Extension**

1. Loss and Liability as a result of the use of **Artificial Intelligence Technology**

This extension provides additional coverage for First-Party Loss and Third-Party Liabilities incurred as a result of the use of **Artificial Intelligence Technology** in key operational processes or critical business functions by the Insured, which includes:

- Incident Response
- Business Interruption
- Data Recovery
- Network Security and Privacy Liability

To activate this coverage extension, the Insured must provide to the Insurer in writing a detailed description of all **Artificial Intelligence Technology**, including the purpose, scope, and any known vulnerabilities after the Policy inception date.

The Insurer shall confirm the coverage extension by issuing an endorsement to the Policy, listing explicitly the **Artificial Intelligence Technology** that is covered, along with specific terms, conditions, or exclusions related to each **Artificial Intelligence Technology**.

The Insured shall inform the Insurer of any new **Artificial Intelligence Technology** in use or any material change to the existing confirmed **Artificial Intelligence Technology**.

This coverage extends to both proprietary and third-party **Artificial Intelligence Technology**.

2. Malicious Attack by **Artificial Intelligence Technology**

   This extension provides additional coverage on First-Party Loss and Third-Party Liabilities incurred as a result of the use of **Artificial Intelligence Technology** by a malicious actor to compromise the Insured's **Computer System** resulting in a **Data Breach** or **Security Breach,** which includes:

   - Incident Response
   - Business Interruption
   - Data Recovery
   - Network Security and Privacy Liability

2. GENERAL DEFINITIONS

2.1. **"Affected Persons"** means any natural person whose **Personally Identifiable Information** was accessed by or disclosed to, or reasonably may have been accessed by or disclosed to, an unauthorized person as a result of a **Data Breach** or **Security Breach**.

2.2. **"Artificial Intelligence Technology"** refers to computer-based platforms, software, or technologies that utilize artificial intelligence to perform or enhance tasks traditionally requiring human intelligence. This definition includes machine learning models, natural language processing applications, robotic process automation, predictive analytics, computer vision systems, and Large Language Models (LLMs).

2.3. **"Incident Response Costs"** means the following fees and costs incurred by the Insured with the Insurer's prior written consent in response to an actual or reasonably suspected **Data Breach** or **Security Breach**:

- for a computer security expert to determine the existence, cause, and scope of an actual or reasonably suspected **Data Breach**, and if such **Data Breach** is actively in progress on the Insured's **Computer Systems**, to assist in containing it;
- to notify **Affected Persons** whose **Personally Identifiable Information** was potentially impacted by a **Data Breach**;
- public relations and crisis management costs directly related to mitigating harm to the Insured which are pre-approved by the Insurer in their discretion.
- to provide a call center to handle inquiries about a **Data Breach**;
- to provide a credit monitoring, identity monitoring, or other personal fraud or loss prevention solution, to be approved by the Insurer, to individuals whose **Personally Identifiable Information** was potentially impacted by a **Data Breach**;
- for a forensic investigator to investigate the existence and extent of an actual or reasonably suspected **Data Breach** involving payment card data and for a qualified assessor to certify and assist in attestation of the Insured's PCI compliance, as required by a **Payment Services Agreement**; and
- for a lawyer to provide necessary legal advice to the Insured to evaluate its obligations under relevant regulations.

Incident Response Costs shall not include any Insured's internal salary or overhead expenses.

2.4. **"Privacy Breach Notice Regulation"** means any law that requires an entity to provide notice to any **Affected Person**, third party, or regulator when **Personally Identifiable Information** or confidential and proprietary business information is accessed by or disclosed to, or reasonably may have been accessed by or disclosed to, an unauthorized person.

2.5. **"Business Interruption Loss" means:**

- **Income Loss**;
- **Forensic Expenses**; and
- **Extra Expense**;
    - sustained by the Insured during the **Period of Restoration** as a result of the actual interruption of the Insured's business operations caused by a **Security Breach** or **System Failure**. Coverage for **Business Interruption Loss** shall apply only after the **Waiting Period** has elapsed.

Business Interruption Loss shall not include:

- loss incurred as a result of unfavorable business conditions or loss of market;
- loss arising out of any third-party liability;
- legal costs or legal expenses;
- any other consequential loss; or
- **Data Recovery Costs**.

2.6. **"Claim" means:**

- a written demand received by any Insured for money or services, including the service of a suit or institution of regulatory or arbitration proceedings;
- for coverage provided under Network Security and Privacy Liability:
  - an institution of a regulatory proceeding against any Insured; and
  - a demand received by any Insured to fulfill the Insured's contractual obligation to provide notice of a **Data Breach** under a **Privacy Breach Notice Regulation**;

2.7. **"Claims Expenses" means:**

- All legal costs needed for investigating, defending, and appealing a claim, paid by the insurer or approved in writing by the insurer if paid by the insured.
- The cost of bonds for appealing judgments or releasing property held as security, involved in a claim against the insured. However, the insurer is not required to appeal or secure such bonds.

Claims Expenses shall not include any salary, overhead, or other charges by the Insured for any time spent in cooperating in the defense and investigation of any **Claim**, or costs to comply with any regulatory orders, settlements or judgments.

2.8. **"Computer Systems"** means computers, any software residing on such computers, and any associated devices or equipment:

- operated by and either owned by or leased to the Insured**;** or
- for coverage under the Third Party Liability coverage, operated by a third party under written contract with the Insured and used to provide hosted computer application services to the Insured or for processing, maintaining, hosting, or storing the Insured's electronic data.

2.9. **"Management"** means any principal, partner, corporate officer, director, general counsel (or most senior legal counsel), risk manager or cybersecurity manager of the Insured and any individual in a substantially similar position.

2.10. **"Criminal Reward Payments"** means any amount paid by the Insured with the Insurer's prior written consent for information that leads to the arrest and conviction of any individual(s) committing or trying to commit any illegal act related to any coverage under this Policy.

Criminal Reward Payments shall not include any amount based upon information provided by the Insured, the Insured's auditors or any individual hired or retained to investigate the illegal acts. All Criminal Reward Payments offered under this Policy must expire no later than 90 days following the end of the **Policy Period**.

2.11. **"Cyber Extortion Loss"** means:

- any **Extortion Payment** that has been made by or on behalf of the Insured with the Insurer's prior written consent to prevent or terminate an **Extortion Threat**; and
- reasonable and necessary expenses incurred by the Insured with the Insurer's prior written consent to prevent or respond to an **Extortion Threat**.

2.12. **"Damages"** means a monetary judgment, award or settlement, including any award of prejudgment or post-judgment interest; but **Damages** shall not include:

- taxes or loss of tax benefits;
- fines, sanctions or penalties;
- punitive or exemplary damages or any damages which are a multiple of compensatory damages, unless insurable by law in any applicable venue that most favors coverage for such punitive, exemplary or multiple damages;
- price discounts, coupons, prizes, awards or other incentives offered to the Insured's customers or clients;
- future profits, restitution, disgorgement of unjust enrichment or profits by an Insured, or the costs of complying with orders granting injunctive or equitable relief;
- return or offset of fees, charges or commissions charged by or owed to an Insured for goods or services already provided or contracted to be provided;
- liquidated damages, but only to the extent that such damages exceed the amount for which the Insured would have been liable in the absence of such liquidated damages agreement;
- fines, costs or other amounts an Insured is responsible for paying under a Payment Services Agreement; or
- any amounts for which the Insured is not liable, or for which there is no legal recourse against the Insured.

2.13. **"Data"** means any software or electronic data that exists in **Computer Systems** and that is subject to regular backup procedures.

2.14. **"Data Breach"** means the theft, loss, or **Unauthorized Disclosure** of **Personally Identifiable Information** or **Third-Party Information** that is in the care, custody or control of the Insured or a third party for whose theft, loss, or **Unauthorized Disclosure of Personally Identifiable Information** or **Third-Party Information** the Insured is liable**.**

2.15. **"Data Recovery Costs"** means the reasonable and necessary costs incurred by the Insured to regain access to, replace, or restore **Data**, or if **Data** cannot reasonably be accessed, replaced, or restored, then the reasonable and necessary costs incurred by the Insured to reach this determination.

Data Recovery Costs shall not include:

- the monetary value of profits, royalties, or lost market share related to Data, including but not limited to trade secrets or other proprietary information or any other amount pertaining to the value of Data;
- legal costs or legal expenses;
- loss arising out of any third-party liability; or
- Cyber Extortion Loss.

2.16. **"Digital Currency"** means a type of digital currency that:

- requires cryptographic techniques to regulate the generation of units of currency and verify the transfer thereof;

- is both stored and transferred electronically; and
- operates independently of a central bank or other central authority.

2.17. **"Extortion Payment"** means money, **Digital Currency**, marketable goods or services demanded to prevent or terminate an **Extortion Threat**.

2.18. **"Extortion Threat"** means a threat to:

- alter, destroy, damage, delete or corrupt Data;
- perpetrate the Unauthorized Access or Use of Computer Systems;
- prevent access to Computer Systems or Data;
- steal, misuse or publicly disclose Data, Personally Identifiable Information or Third-Party Information;
- introduce malicious code into Computer Systems or to third party computer systems from Computer Systems; or
- interrupt or suspend Computer Systems; unless an Extortion Payment is received from or on behalf of the Insured.

2.19. **"Extra Expense"** means reasonable and necessary expenses incurred by the Insured during the **Period of Restoration** to minimize, reduce, or avoid **Income Loss**, over and above those expenses the Insured would have incurred had no **Security Breach** and/or **System Failure** occurred.

2.20. **"Forensic Expenses"** means reasonable and necessary expenses incurred by the Insured to investigate the source or cause of a **Business Interruption Loss**.

2.21. **"Grace Period"** refers to a designated interval after the scheduled premium due date, throughout which the insurance policy retains its validity, notwithstanding the non-payment of the premium by the stipulated due date. This interval affords the Insured an extended opportunity to remit the premium, thereby preventing the forfeiture of coverage.

2.22. **"Income Loss" means an amount equal to:**

- net profit or loss before interest and tax that the Insured would have earned or incurred; and
- continuing normal operating expenses incurred by the Insured (including payroll), but only to the extent that such operating expenses must necessarily continue during the Period of Restoration.

2.23. **"Insured"** means the insured organization or company specified in the Policy Schedule.

2.24. **"Loss"** means **Incident Response Costs, Business Interruption Loss, Claims Expenses, Criminal Reward Payments, Cyber Extortion Loss, Damages, Data Recovery Costs, PCI Fines, Expenses and Costs, Penalties**, and any other amounts covered under this Policy.

For the First Party Loss coverage, all acts, errors, omissions or events (or series of related, repeated, or continuing acts, errors, omissions, or events) giving rise to a Loss or multiple Losses in

connection with such coverage shall be deemed to have been discovered at the time the first such act, error, omission or event is discovered.

2.25. **"Payment Services Agreement"** means any agreement between an Insured and a financial institution, payment processor/company, or independent service operator enabling an Insured to accept means of payment (such as credit card, debit card, prepaid card, or other payment cards) for payments or donations.

2.26. **"PCI Fines, Expenses and Costs"** means the monetary amount owed by the Insured under the terms of a **Payment Services Agreement** as a direct result of a suspected **Data Breach**. With the prior consent of the Insurer, **PCI Fines, Expenses, and Costs** include reasonable and necessary legal costs and expenses incurred by the Insured to appeal or negotiate an assessment of such monetary amount. **PCI Fines, Expenses, and Costs** shall not include any chargebacks, interchange fees, discount fees, or other fees unrelated to a **Data Breach**.

2.27. **"Penalties" means:**

- any monetary civil fine or penalty payable to a governmental entity that was imposed in a regulatory proceeding; and
- amounts which the Insured is legally obligated to deposit in a fund as equitable relief for the payment of consumer claims due to an adverse judgment or settlement of a regulatory proceeding;

but shall not include: (a) costs to remediate or improve **Computer Systems**; (b) costs to establish, implement, maintain, improve or remediate security or privacy practices, procedures, programs or policies; (c) audit, assessment, compliance or reporting costs; or (d) costs to protect the confidentiality, integrity and/or security of **Personally Identifiable Information** or other information.

The insurability of **Penalties** shall be in accordance with the law in the applicable venue that most favors coverage for such **Penalties**.

2.28. **"Period of Restoration"** means the 90-day period of time that begins upon the actual and necessary interruption of the Insured's business operations.

2.29. **"Personally Identifiable Information" means:**

- any information concerning an individual that is defined as personal information under any Privacy Breach Notice Regulation; and
- an individual's driver's license number, unpublished telephone number, and credit, debit or other financial account numbers in combination with associated security codes, access codes, passwords or PINs; if such information allows an individual to be uniquely and reliably identified or contacted or allows access to the individual's financial account or medical record information.

but shall not include information that is lawfully made available to the general public.

2.30. **"Policy Period"** means the period of time between the inception date listed in the Policy Schedule and the effective date of termination, expiration, or cancellation of this Policy and specifically excludes any prior policy period or renewal period.

2.31. **"Privacy Policy"** means the **Insured's** public declaration of its policy for collection, use, disclosure, sharing, dissemination, and correction or supplementation of, and access to **Personally Identifiable Information**.

2.32. **"Regulatory Proceeding"** means a request for information, civil investigative demand, or civil proceeding brought by or on behalf of any national, local or foreign governmental entity in such entity's regulatory or official capacity.

2.33. **"Security Breach"** means a failure of computer security to prevent:

- Unauthorized Access or Use of Computer Systems, including Unauthorized Access or Use resulting from the theft of a password from a Computer System or any Insured;
- a denial-of-service attack affecting Computer Systems;
- infection of Computer Systems by malicious code or transmission of malicious code from Computer Systems.

2.34. **"System Failure"** means an unintentional and unplanned interruption of **Computer Systems**.

System Failure shall not include any interruption of computer systems resulting from a **Security Breach** or the interruption of any third-party computer system.

2.35. **"Third-Party Information"** means any trade secret, data, design, interpretation, forecast, formula, method, practice, credit or debit card magnetic strip information, process, record, report, or other item of information of a third party not insured under this Policy which is not available to the public.

2.36. **"Unauthorized Access or Use"** means the gaining of access to or use of **Computer Systems** by an unauthorized person(s) or the use of **Computer Systems** in an unauthorized manner.

2.37. **"Unauthorized Disclosure"** means the disclosure of (including disclosure resulting from phishing) or access to information in a manner that is not authorized by the Insured and is without knowledge of, consent, or acquiescence of any member of the **Management**.

2.38. **"Waiting Period"** means the time that begins upon the actual interruption of the Insured's business operations caused by a **Security Breach** and/or **System Failure** ends after the elapse of the number of days listed as the **Waiting Period** in the **Policy Schedule**.

3. EXCLUSIONS

This Policy does not cover **Claim** or **Loss** based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving, any of the following:

3.1. any bodily injury or property damages:

- physical injury, sickness, disease, or death of any person, including any mental anguish or emotional distress resulting from such physical injury, sickness, disease or death; or
- loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss.

3.2. any fact, circumstance, situation, transaction, or event:

- which, underlying or alleged in any prior and/or pending litigation or administrative or regulatory proceeding of which the Insured had received notice before the Policy Period;
- which, before the Policy Period, was the subject of any notice given by or on behalf of the Insured under any other policy of insurance; or
- which was known to the Insured before the Policy Period.

3.3. any costs or expenses incurred by the Insured to identify or remediate software program errors or vulnerabilities or update, replace, restore, assemble, reproduce, recollect, or enhance data or **Computer Systems** to a level beyond that which existed before a **Security Breach**, **System Failure** or **Extortion Threat**.

3.4. any unlawful collection or retention of **Personally Identifiable Information** or other personal information by or on behalf of the Insured.

3.5. any actual or alleged violation of any law, regulation, or rule (whether statutory or common law) relating to the ownership, purchase, sale, or offer of, or solicitation of an offer to purchase or sell, securities.

3.6. any dishonest, fraudulent, criminal, malicious, or intentional act or omission, or any willful violation of any statute, rule, or law, by the Insured, if an admission, final adjudication, or finding establishes that such act, omission, or violation occurred.

3.7. any infringement, misuse, or abuse of patent or patent rights.

3.8. any infringement of copyright arising from or related to software code or software products other than infringement resulting from theft or **Unauthorized Access or Use** of software code by a person who is not a past, present, or future employee, director, officer, partner or independent contractor of the Insured.

3.9. any use or misappropriation of any ideas, trade secrets, or **Third-Party Information** by or on behalf of the Insured or a member of the **Management**.

3.10. any impact to the air, soil or water resulting from the discharge, dispersal, seepage, release or escape of any solid, liquid, gaseous, biological, radioactive or thermal irritant or contaminant whether occurring naturally or otherwise, including smoke, vapor, soot, fibers, germs, viruses, fumes, acids, alkalis, chemicals, waste, and other toxic or hazardous substances, sound, noise, smell, vibration, waves or changes in temperature.

4.1. any **Claim** brought by or on behalf of any national, local or foreign governmental entity, in such entity's regulatory or official capacity.

This exclusion does not apply to a Regulatory Proceeding as defined, including related Penalties and Claims Expenses, where otherwise covered.

3.11. any **Claim** made by or on behalf of the Insured, or any company or organization in which any Insured has greater than 15% ownership interest or made by any parent company or other entity which owns more than 15% of the Insured.

3.12. any gaining by the Insured of any profit, remuneration, or advantage to which the Insured is not legally entitled, if any admission, final adjudication, or finding establishes that the Insured was not legally entitled to such profit or advantage or that such remuneration was improper or illegal.

3.13. any trading losses, loss of money & price discounts:

- any trading losses, trading liabilities, or change in the value of accounts;
- any loss, transfer, or theft of monies, securities, or tangible property of the Insured or others in the care, custody, or control of the Insured;
- the monetary value of any transactions or electronic fund transfers by or on behalf of the Insured which is lost, diminished, or damaged during the transfer from, into, or between accounts; or
- the value of coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount.
- any trading losses, trading liability, or expenses directly or indirectly arising out of, relating to, or resulting from cryptocurrency trading, buying or lending.

3.14. any seizure, nationalization, confiscation, or destruction of property or data by order of any governmental or public authority.

3.15. any failure or malfunction of satellites or of power, utility, mechanical, or telecommunications (including internet) infrastructure or services that are not under the Insured's direct operational control.

3.16. any fire, flood, earthquake, volcanic eruption, explosion, lightning, wind, hail, tidal wave, landslide, act of God, or other physical event.

3.17. any sanction, prohibition, or restriction under United Nations resolutions or the trade or economic sanctions, laws, or regulations of Hong Kong, Singapore, the People's Republic of China, the European Union, United Kingdom, or United States of America.

3.18. any war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

3.19. any actual or alleged loss of use, theft or destruction of digital assets which use cryptographic keys for transactions, including but not limited to cryptocurrencies, utility coins, security tokens and non-fungible tokens;

3.20. Exclusions specifically applied to Artificial Intelligence Technology Extension – Loss and Liabilities using **Artificial Intelligence Technology**:

- any Losses or Claims that involve **Artificial Intelligence Technology** that is in experimental or research phases without proven operational application or deployment within the policyholder's core business processes.
- any Losses or Claims that involve **Artificial Intelligence Technology** that is not directly contributing to or impacting the policyholder's key operational processes, revenue generation, or critical business functions.
- any Losses or Claims that involve **Artificial Intelligence Technology** that is considered obsolete, unsupported, or no longer maintained by its developers or manufacturers.
- any Losses or Claims that involve **Artificial Intelligence Technology** that is not maintained according to the best practices or the manufacturer's guidelines, including failure to apply recommended updates and/or security patches.any Losses or Claims that involve **Artificial Intelligence Technology** designed, governed, or used by the Insured in a manner that violates applicable laws, regulations, or industry standards, including but not limited to Artificial Intelligence, data protection and privacy regulations.

4. CLAIMS CONDITIONS

4.1. NOTICE OF CLAIM OR LOSS

4.1.1. Where an insured event may reasonably be expected to give rise to a **Claim** or **Loss**, the Insured must give notice to the Insurer (and, if any criminal conduct is suspected, to the police) as soon as is reasonably possible, and, in any event, within 60 days of the insured event being discovered. The Insurer shall have no liability in respect of insured events which are notified following such date. Notice of an actual or suspected **Data Breach** or **Security Breach** to the Incident Response Team via the dedicated Incident Response Line or the Crawford centralised email shall qualify such incident as a notified circumstance under this Policy. Below is the means of contact:

- Incident Response Line (24/7): +14049058411
- Non-urgent matters (Crawford centralised email): onedegree@crawco.co.uk (copies to all aligned incident responders, and breach@oneinfinity.global)

4.1.1. In the event of an insured event, the Insured shall give all relevant information and evidence to the Insurer as may reasonably be requested and cooperate fully with the Insurer (and, if relevant, the police) about any investigation or adjustment of a claim. The Insurer retains the right to appoint an independent expert at its own cost to investigate and verify a claim under this Policy. The Insured shall permit the Insurer (including auditors or external professional advisors) upon reasonable notice to examine and photocopy the books and records of the Insured as the Insurer may reasonably require for investigating or verifying the claims, during normal business hours and at reasonable locations.

4.1.2. It is the duty of the Insured in respect of **Loss** recoverable hereunder to take all such measures as may be reasonable for averting or minimizing such **Loss** and to ensure that all rights against third parties are properly preserved and exercised in respect of minimization of such **Loss** and any future potential recovery.

4.1.3. All recoveries (howsoever recovered) for payments made under this Policy shall be applied (after first deducting the reasonable costs and expenses properly incurred in obtaining such recovery) in the following order of priority: (a) the Insurer shall first be reimbursed for the amount of their liability under this Policy; and (b) the balance (if any) of such recoveries shall be for the benefit of the Insured (in respect of any amounts which it has suffered Loss and which would otherwise have been paid by the Insurer under this Policy but only for the fact that it is in excess of the Policy Limits provided by this Policy under this Policy.

4.1.4. Any payment of Loss shall be made net of any withholding or other deduction required by law.

4.1.5. If the Insured becomes subject to or is on the brink of an insolvency event, the Insurer shall not be obligated to pay until it receives assurances from the bankruptcy/insolvency trustee that such payment shall satisfy the Insurer's payment obligations under the Policy.

4.1.6. For any circumstance that could reasonably be the basis for a **Claim** or a **Loss**, the Insured may give written notice of such circumstance to the Insurer as soon as practicable during the **Policy Period**. Such notice must include the specific details of the act, error, omission, or event that could reasonably be the basis for a **Claim** or a **Loss**

4.1.7. The Insured shall not admit liability, make any payment, assume any obligations, incur any expense, enter into any settlement, stipulate to any judgment or award, or dispose of any Claim without the written consent of the Insurer. Compliance with the **Privacy Breach Notice Regulation** shall not be considered an admission of liability.

4.2. DEFENSE OF CLAIM

For the Network Security and Privacy Liability coverage, the insurer has the right to defend any covered **Claim** or **Regulatory Proceeding**. Defense counsel shall be mutually agreed upon by the Insured and the Insurer but, in the absence of such agreement, the insurer's decision shall be final.

For the Payment Card Liabilities & Costs coverage, it shall be provided on an indemnity basis and legal counsel shall be mutually agreed by the Insured and the Insurer.

4.3. CLAIM SETTLEMENT

The insurer shall recommend settlements and if the Insured refuses to consent to any settlements proposed and acceptable to the claimant, the Insurer's liability for such **Claim** shall not exceed:

- the amount for which the **Claim** could have been settled, less the **Per Event Deductible**, plus the **Claims Expenses** incurred up to the time of such refusal; plus
- fifty percent (50%) of any **Claims Expenses** incurred after the date such settlement or compromise was recommended to the Insured plus fifty percent (50%) of any **Damages**, **Penalties** and **PCI Fines**, **Expenses and Costs** above the amount for which the **Claim** could have been settled;

and the Insurer shall have the right to withdraw from the further defense of such **Claim**.

5. GENERAL TERMS AND CONDITIONS

5.1. Limit(s) of Liability & Deductible

5.1.1. The **Policy Limit** for this Policy, as set forth in the Policy Schedule, is the Insurer's maximum liability under all coverage combined.

5.1.2. The **Sub-limit** for each coverage, as set forth in the Policy Schedule, is the Insurer's maximum liability for each corresponding coverage.

5.1.3. Any Sub-limit of this Policy: (a) shall be part of, and not in addition to, the Policy Limit of this Policy; and (b) is the maximum liability of the Insurer for all Loss to which the Sub-limits apply.

5.1.4. If any Sub-limit for a coverage is exhausted by the payment of Loss, all obligations of the Insurer under this Policy concerning the individual coverage shall be completely fulfilled, and the Insurer shall have no further obligations under this Policy of any kind with respect to the individual coverage.

5.1.5. The Per Event Deductible for this Policy, as set forth in the Policy Schedule, applies separately to each incident, event or related incidents or events giving rise to a Claim or Loss. The Per Event Deductible shall be satisfied by monetary payments by the Insured of covered Loss. Satisfaction of the applicable Per Event Deductible is a condition precedent to the payment of any Loss under this Policy, and the Insurer shall be liable only for the amounts in excess of such Per Event Deductible.

5.2. REPRESENTATIONS AND WARRANTIES

By accepting this Policy, the Insured represents and warrants that:

5.2.1. It is purchasing the coverage described in this Policy with full knowledge and acceptance of its terms and conditions without any reliance on any representation, warranty, advice, or other statement by the Insurer or any of its representatives or advisors regarding any legal, tax or accounting implications or requirements of the coverage described in this Policy.

5.2.2. It owes a duty to the Insurer to disclose any information that is materially relevant to the Insurer to enable it to determine whether to provide this Policy.

5.2.3. The information and material disclosed to the Insurer is complete and accurate in any material manner and not misleading to the best of the knowledge and belief of the person disclosing such information and material, and such person reasonably believes that, and no information or material has not been disclosed to the Insurer that, if disclosed to the Insurer, would, individually or taken together, materially affect the issuance of this Policy or the Insurer's liability hereunder in any material manner.

5.3. TERMINATION RIGHTS AND LIABILITY PROVISIONS

5.3.1. The Insured may cancel this Policy by giving a written notice to the Insurer at least 30 days prior to the effective date of cancellation. If there are no Claims under this Policy, the Insurer will allow a refund of unearned premium calculated on a monthly pro-rata basis from the time of cancellation to the natural expiry of the Policy. The Insurer may cancel this Policy with regards to Misrepresentation and Fraud, Grace Period, Breach of Contractual Obligations, a Change in Control, or an Insolvency Event as detailed below.

5.3.2. Misrepresentation and Fraud

The Insurer shall have all remedies available to it at law in the event of any misrepresentation or failure to disclose information relevant to this Policy. In deciding to accept this Policy and in setting

the terms and Premium, the Insurer has relied on the information provided by or on behalf of the Insured and that all such information provided is accurate and complete. Without prejudice to all other rights available to the Insurer and, notwithstanding any statute to the contrary, in the event that the Insured or its representative(s) has deliberately or recklessly provided the Insurer with false or misleading information or failed to disclose such information, or made any claim that is fraudulent or false, the Insurer may refuse all claims, terminate this Policy upon notice with immediate effect and treat this Policy as if it had never existed. In such circumstances, the Insurer shall be entitled to: (a) retain all Premium received; (b) receive any referable to the time on risk under this Policy up to (and including) the date of termination of this Policy; and (c) receive any future premium installments that would have been paid to the Insurer but for termination of this Policy.

5.3.3. Grace Period

This Policy's Grace Period is 30 days, meaning if the premium or the premium installment is not paid on time, the Insurer is entitled to terminate this Policy after 30 days from the premium due date without notice. If there is any premium due but not paid when an insured event occurs, the Insurer is not obliged to pay for any Losses or Claims unless the Insured is not responsible for the non-payment.

5.3.4. Breach of Contractual Obligations

(1) In the event of a breach of a contractual obligation to be fulfilled by the Insured vis-à-vis the Insurer prior to the occurrence of the insured event, the Insurer may terminate this Policy without notice within one month of becoming aware of the breach, unless the breach is not intentional or as a result of gross negligence.

(2) The Insurer shall not be obliged to indemnify if the Insured intentionally breached an obligation of this Policy. In the event of a grossly negligent breach of the obligation, the Insurer is entitled to reduce his indemnification in proportion to the severity of the fault of the Insured; the burden of proof for the absence of gross negligence is borne by the Insured.

(3) Notwithstanding any other provisions in this section, the Insurer shall be obliged to indemnify insofar as the breach of the obligation is not the cause of the insured event or the determination or the scope of the Insurer's obligation to indemnify. Nevertheless, this clause shall not be applicable if the Insured has fraudulently breached the obligation.

5.3.5. Change in Control

In the event of a change in overall control or ownership of the Insured, this Policy shall terminate automatically. For the purposes of this Termination Right, "control" means the power to determine the management or policy of the Insured (or a controlling holding company of the Insured) by any means, including by virtue of voting stock ownership. Where notice of a change of control of the Insured is notified to the Insurer (including all relevant details and particulars concerning the change of control or ownership) not less than 30 days prior to such change of control, the Insurer may elect to continue coverage under this Policy on such terms as may be thereafter agreed. If the Insurer does not affirm coverage under this Policy on such terms as may be agreed, this Policy shall be deemed to have terminated with effect from the date of the change of control.

5.3.6. Insolvency Event

In case of any Insolvency Event, the Insured shall notify the Insurer as soon as possible. Upon receipt of the notification, the Insurer shall have the unilateral option to either (a) terminate the Policy as of the date of the notification of the Insolvency Event; (b) suspend the Policy during the period of restructuring and the Insurer can determine unilaterally whether or not to reinstate the Policy; or (c) continue the Policy in force notwithstanding the Insolvency Event. Such option shall be notified to the Insured in writing as soon as possible after the receipt of the Insolvency Event notification.

5.3.7. Save where expressly stated otherwise, in the event of a termination or deemed termination of this Policy by its terms, the coverage under this Policy and the Policy Period shall be deemed to expire on the date of such termination or deemed termination and: (a) the Insurer shall be entitled to receive any amount by which the portion of the Premium referable to the time on risk under this policy up to (and including) the date of termination of this Policy exceeds the amount of Premium already paid to the Insurer; and (b) the Insured shall be entitled to receive any amount by which the portion of the Premium referable to the time on risk under this Policy up to (and including) the date of termination of this Policy is less than the amount of Premium already paid to the Insurer.

5.4. SUBROGATION

5.4.1. If the Insured is entitled to compensation from a third party, this claim is transferred to the Insurer insofar as the Insurer compensates the Loss.

5.4.2. The Insured shall safeguard his claim for compensation or a right serving to secure this claim in compliance with the applicable formalities and time limits and shall cooperate in its enforcement by the Insurer to the extent necessary.

5.4.3. If the Insured intentionally breaches this obligation, the Insurer is not obliged to indemnify to the extent that he cannot obtain compensation from the third party as a result. In the event of a grossly negligent breach of the obligation, the Insurer is entitled to reduce his indemnification in proportion to the severity of the fault of the Insured; the burden of proof for the absence of gross negligence lies with the Insured.

5.5. OTHER INSURANCE

It is agreed that in the event of Loss, this Policy, insofar as it covers loss also covered by other insurance or indemnity, shall only pay claims (not exceeding the Policy Limit) for the excess of the amount of such other insurance or indemnity. As excess insurance, this Policy shall not apply or contribute to the payment of any loss until the amount of such other insurance or indemnity has been exhausted. Nothing herein shall be construed to make this Policy subject to the terms, conditions, and limitations of this other insurance.

5.6. MATERIAL CHANGE IN RISK

As soon as reasonably practicable, the Insured shall notify the Insurer of any alteration in the Insured's business activities that are within the control of the Insured and that would result in a Material Change in the risk assumed by this insurance. In the event of such Material Change the Insurer and the Insured shall endeavor to agree terms to cover this incremental change in risk. If terms cannot be agreed to cover the business activities which constitute the incremental change in risk the Insurer shall, upon notice to the Insured, have no liability for this incremental risk under this Policy.

For this clause:

"Material Change" means any change in the operation of the Insured which might reasonably be regarded by the Insurer as increasing their risk in probability, degree or frequency of a loss, or reducing possibilities of recovery or subrogation.

5.7. WILLFUL AND NEGLIGENT ACTS

5.7.1. The Insurer is not obliged to indemnify if the Insured intentionally causes an insured event.

5.7.2. If the Insured causes an insured event through gross negligence, the Insurer is entitled to reduce his indemnification in proportion to the severity of the Insured's fault

5.8. **NO DUTY TO DEFEND**

The Insurer shall not be obligated to defend the Insured in any claim made against the Insured for the occurrence of any insured event.

5.9. **MAINTENANCE OF RECORDS**

Until the later of 365 days after

(1) the expiration of the **Policy Period** and

(2) the final resolution of all claims or disputes relating to this Policy,

The insured shall, and to the extent possible, cause its affiliates to maintain all information regarding any insured event and the corresponding **Loss**.

5.10. **ASSIGNABILITY**

This Policy, along with any legal rights or interest in this Policy, may not be assigned or transferred without the Insurer's written consent.

5.11. **AMENDMENT**

The Policy may not be amended unless agreed to in writing by the Insurer and the Insured.

5.12. **LAW AND JURISDICTION**

This Policy is subject to the laws of the Dubai International Financial Centre.

Any dispute arising out of or in connection with this Policy, including any question regarding its existence, validity, or termination, shall be subject to the exclusive jurisdiction of the courts of the Dubai International Financial Centre.

5.13. **SEVERABILITY**

If any provision or provisions of this Policy shall be held to be invalid, illegal, or unenforceable for any reason whatsoever, then the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, all portions of any paragraphs of this Policy containing any such provision held to be invalid, illegal, or unenforceable that are not themselves invalid, illegal, or unenforceable) shall not in any way be affected or impaired.

END//