THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE

Introduction

Welcome to the **Cyber Ctrl Insurance Policy.**

This **Policy** is intended to provide the protection that has been requested by the **Insured**. As a legal contract between the **Insurer** and the **Insured** it is important that this **Policy** document is checked to ensure that all the details stated in any Quotation issued prior to the production of this document and the **Schedule** (which is attached and forms an integral part of this **Policy**) are correct, and that it reflects the **Insured's** understanding of the cover, meets its requirements and is adequate for its needs. If any aspect is unclear, the **Insured** should discuss this **Policy** with its Broker or with the **Insurer**.

The **Insured** or the **Insured's** Broker must notify the **Insurer** as soon as is reasonably practicable if there is a discrepancy, omission, if the **Insured's** insurance requirements change or of any significant changes which may affect the insurance provided by this **Policy**.

Notice

Understanding this Policy

Coverage under this **Policy** is provided on a claims made and reported basis. This **Policy** applies only to **Claims** first made against the **Insured** during the **Policy Period** and reported to the **Insurer** during the **Policy Period** or Extended Reporting Period, if applicable, and to **Loss** first discovered by the **Insured** and notified to the **Insurer** during the **Policy Period** or Extended Reporting Period, if applicable.

This **Policy** must be read in its entirety as Conditions, Exclusions and other limitations apply. The **Insured** must comply with the terms of this **Policy**. Failure to do so may result in refusal or reduction of a claim where that claim has been affected by any failure to comply.

This **Policy** contains different types of insurance coverage. This **Policy** only affords coverage under those insured coverages below that are indicated as purchased in Item 3 of the **Schedule** and as limited therein. **Defence Expenses** shall reduce the applicable Limits of Liability, subject to any applicable **Retention**, and may completely exhaust the Limit of Liability.

The singular includes the plural and vice versa, the masculine includes the feminine and neutral, and "entity" includes natural persons. "Including" and "include(s)" mean without limitation.

The descriptions in the headings and subheadings of this **Policy** are solely for convenience and reference and are not intended to limit or extend the scope of the provisions.

Terms that appear in bold face type are defined in the Definitions section of this **Policy**. Terms with capitalised first letters are defined in more detail in the Schedule to this **Policy** or as the context requires. Please read this **Policy** carefully. Any obligation or payment owed by **Insurer** shall in every case be subject to the **Limits of Liability** specified in Item 3 of the **Schedule**.

Choice of Law and Jurisdiction

This policy will be governed by and interpreted pursuant to the laws of the Province or Territory where the **Insured** is registered and the laws of Canada applicable therein, and any dispute arising from hereunder shall be submitted to the exclusive jurisdiction of the courts of the Province or Territory where the Insured is registered.

Trading Sanctions or Restrictions

The **Insurer** shall not provide cover and or be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the **Insurer** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Canada, United States of America, United Kingdom, and the European Union.

Insuring Agreements

In consideration of the payment of the premium and in reliance upon the **Application**, the **Insurer** agrees to indemnify the **Insured** in excess of the **Retention** or after the expiration of the **Waiting Period**, as indicated in Item 3 of the Schedule, for:

1 **Loss** first discovered by the **Control Group** during the **Policy Period** and reported to the **Insurer** during the **Policy Period** or Extended Reporting Period, if applicable, for:

A Business Interruption
Gross Earnings and **Extra Expense** incurred during the **Interruption Period** directly as a result of the total, or partial, or intermittent interruption or degradation in service of the **Insured's Computer System** caused directly by a **Privacy Breach**, **Security Breach**, **Administrative Error** or **Power Failure**.

B Contingent Business Interruption

Gross Earnings and **Extra Expense** incurred during the **Interruption Period** directly as a result of the total, partial, or intermittent interruption or degradation in service of the **Computer System** of an **Outsource Service Provider** caused directly by a **Privacy Breach**, **Security Breach**, or **Administrative Error** at that **Outsource Service Provider**.

C Digital Asset Destruction
Digital Asset Loss incurred as a direct and necessary result of a **Privacy Breach**, **Security Breach** or **Administrative Error**.

D Reputational Harm
Gross Earnings and **Crisis Communications Expenses** incurred during the **Interruption Period** directly as a result of an **Adverse Media Event** arising from a **Privacy Breach** or **Security Breach**.

E Cyber Extortion
Extortion Expenses and **Extortion Payment** incurred directly as a result of a **Cyber Extortion Threat**.

F Incident Response Expenses
Breach Response Expenses incurred as a result of a **Privacy Breach** or **Security Breach**.

2 Amounts which the **Insured** is legally obliged to pay as a result of a **Claim** first made against the **Insured** during the **Policy Period**, and reported to the **Insurer** during the **Policy Period** or Extended Reporting Period, if applicable, for:

A Security and Privacy Liability
Damages and **Defence Expenses** which the **Insured** is legally obliged to pay as a result of a **Claim** arising from a **Security Breach** or **Privacy Breach**.

B Regulatory Defence and Penalties
Regulatory Fines and Penalties and **Defence Expenses** which the **Insured** is legally obliged to pay as a result of a **Claim** arising from a **Security Breach** or **Privacy Breach**.

C Multimedia Liability
Damages and **Defence Expenses** which the **Insured** is legally obliged to pay as a result of a **Claim** arising from **Multimedia Activities**.

D Payment Card Industry Fines, Assessments and Expenses
Payment Card Industry Fines and Expenses and **Defence Expenses** which the **Insured** is legally obliged to pay as a result of a Claim arising from a **Security Breach** or **Privacy Breach**.

Exclusions

Insurer shall not be liable for any **Claim**, **Damages**, **Defence Expenses** or **Loss** based upon, arising out of, or in any way attributable to:

1 Betterment
The financial cost of improvements in respect of the **Computer System** following a **Privacy Breach**, **Security Breach**, **Administrative Error**, **Power Failure**, or **Cyber Extortion Threat** which results in better than like kind or quality of the **Computer System** than that existing at the date of such **Privacy Breach**, **Security Breach**, **Administrative Error**, **Power Failure**, or **Cyber Extortion Threat**; however, this exclusion is inapplicable if an upgraded system is the only available option, such determination subject to the agreement and written consent of the **Insurer**.

2 Bodily Injury
Physical injury, sickness, disease, or death sustained by any individual and, where resulting from such physical injury only, mental anguish, mental injury, shock or emotional distress.

3 Breach of Contract, Warranty, Guarantee or Promise and Assumed Liability
Any breach of any express contract, warranty, guarantee or promise, or any liability assumed by the **Insured** under a contract or agreement, unless:
A the **Insured** would have been liable in the absence of such contract, agreement, warranty, guarantee or promise;
B a **privacy breach** involves the **Insured's** privacy policy; or
C unless otherwise covered under Insured Coverage 2.D. Payment Card Industry Fines and Expenses.

4 Description of Price of Goods
Actual or alleged inaccurate, inadequate, or incomplete description of the price of goods, products, or services, including cost guarantees, cost representations, contract price, or cost estimates being exceeded.

5 Discrimination
Any actual or alleged discrimination of any kind, including age, colour, race, gender, religion, creed, national origin, marital status, sexual orientation, sexual preference, disability, marital status, financial condition or pregnancy, including violations of civil rights or discriminatory or retaliatory conduct of any kind.

6 Employer-Employee Relations
Any employer-employee relations, policies, practices, acts or omissions, any actual or alleged refusal to employ any person, or any misconduct, including physical or sexual, with respect to **Employees**, including negligent employment, investigation, supervision, hiring, training or retention of any **Employee**, **Insured** or person for whom the **Insured** is legally responsible. However, this exclusion does not apply to a **Privacy Breach**.

7 Government Intervention
Non-discriminatory measures of a government taken in the public interest for the purposes of ensuring public safety, raising revenues, protecting the environment or regulating economic activities.

8 Infringement of Patents or Theft of Trade Secrets
The actual or alleged:
A Infringement of any patent or patent rights or misuse or abuse of a patent; or
B The misappropriation, theft, copying, display or publication of any trade secret, unless arising out of a **Privacy Breach** or **Security Breach**.

9 Insolvency or Bankruptcy
The insolvency, liquidation or bankruptcy of any person or entity, including any **Insured** to the extent permitted by law, or the failure, inability, or unwillingness of any person or entity or **Insured** to make payments or perform obligations or conduct business because of insolvency, liquidation, or bankruptcy.

10 Insured Misconduct
4 The **Insured's** wilful, deliberate, malicious, fraudulent, dishonest, or criminal act or violation of law with the knowledge, connivance or acquiescence of any member of the **Control Group**; however, this exclusion shall not apply to **Defence Expenses** incurred in defending any such **Claim** until such time that there is a final admission or final adjudication establishing such conduct, at which time the **Insured** shall reimburse the **Insurer** for all **Defence Expenses** incurred. Facts or knowledge possessed by the **Control Group** regarding the foregoing conduct shall be imputed to other **Insureds**.

11 Insured versus Insured

Any **Claim** made by or on behalf of an **Insured** against another **Insured**. This exclusion shall not apply to any **Claim** brought by an **Employee** outside the **Control Group** as a result of a **Privacy Breach** or **Security Breach**.

12 Loss of Funds

A Loss, decrease in value or theft of securities or currency;
B Trading losses, liabilities or changes in trading account value; or
C The value of electronic funds, money, securities or wire transfer;

13 Natural Disasters

Any loss incurred as a result of a natural disaster, including fire, smoke, explosion, lightning, wind, water, flood, earthquake, volcanic eruption, tidal wave, landslide, hail or any other natural physical event however caused.

14 Payment Card Industry Fines and Expenses

Payment Card Industry Fines and Expenses unless Insured under Coverage 2.D as indicated within the Schedule.

15 Prior Knowledge or Notification

Any act, fact, error, omission, event, incident, occurrence, claim or circumstance likely to give rise to a claim notified to a previous insurer, or which occurred or commenced prior to the inception date of this **Policy** if at the inception date the **Control Group** knew or should reasonably have foreseen the act, fact, error, omission, event, incident, occurrence, claim or circumstance as likely to form the basis for a **Claim** or **Loss** under this **Policy**.

16 Property Damage

Physical damage, or impairment, destruction or corruption of, any tangible property, including personal property in the care, custody or control of the **Insured**. **Data** and **Digital Assets** are not tangible property.

17 Pollutants

Any actual or alleged or threatened presence, discharge, dispersal, release, escape or failure to detect pollutants or solid, liquid, gaseous or thermal irritant or contaminant of any kind, including smoke, vapour, soot, fumes, other air emission, acids, toxic chemicals, alkalis, mold, spores, fungi germs, odour, waste water, oil or oil product, infectious or medical waste, asbestos or asbestos product, lead or lead product, noise, and electric, magnetic or electromagnetic field chemicals, or waste (including waste material to be recycled, reconditioned or reclaimed), whether or not such presence, discharge, dispersal, release, escape or failure to detect results from the **Insured's** activities or the activities of others, or whether such presence happened suddenly, gradually, accidentally, or intentionally.

18 Satellite, Electrical or Mechanical Failures

Satellite failures; electrical or mechanical failures including spike, brownout or blackout; failures of overhead or subterranean transmission and distribution lines; or outage to utility infrastructure, including gas, water, telecommunications, telephone, internet or cable, unless such infrastructure is under the Insured's direct operational control.

19 Securities Claims

Any actual or alleged violation of any statutory or common laws, or rules or regulations regulating securities, the purchase or sale or offer or solicitation of an offer to purchase or sell securities, issuance or any registration relation to securities.

20 Specific Legislation

A The actual or alleged purchase, sale, offer of, or solicitation of an offer to purchase or sell securities, or violation of any securities law including 'Blue Sky' laws;
B The actual or alleged government enforcement of any state or federal law or regulation; however this exclusion does not apply to Insured Coverage 2.B. Regulatory Defence and Penalties;
C Any breach or alleged breach of any workers' compensation, unemployment compensation, disability benefits or similar laws, including the Occupational Safety and Health Act of 1970;
D Any violation of any pension, healthcare, welfare, profit sharing, mutual or investment plans, funds, or trusts; or any violation of any provision of the Pension Protection Act of 2006;

E The violation of, or exposure of the **Insured** or **Insurer** to, any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom, Canada or the United States of America;

F Any state, provincial or federal statute, law, regulation or rule with regard to unsolicited distribution of email, text messages, direct mail, facsimiles, spam, actual or alleged wiretapping, audio or video recording, or telemarketing.

21 Terrorism

Any act of terrorism, except for a terrorist event perpetrated by electronic or internet-based applications or means.

22 Unauthorized Trading

Any and all trading by an **Insured**, including trade that at the time of the trade is:

A In excess of permitted financial limits; or

B Outside of permitted product lines.

23 Unlawful Collection and Anti-Spam

The actual or alleged unlawful collection or acquisition of personally identifiable information or the distribution of unsolicited email, direct mail, or facsimiles, wiretapping, eavesdropping, audio or video recording, or telemarketing, by or on behalf of the **Insured.**

24 Unlawful Collection Biometric Data

The **Insurer** shall not be liable for any **Claim, Damages, Defence Expenses** or **Loss** based upon, arising out of, or in any way attributable to any actual or alleged failure to comply with any statute, law, decree, regulation or rule with respect to the unlawful collection, use, handling, storage, retention, processing or destruction of biometric data, biometric information and/or biometric identifiers. However, this exclusion shall not apply to a **Privacy Breach** that directly results from a **Security Breach**.

25 Anti-Trust Laws and Unfair Competition

Any actual or alleged violation of any anti-trust statute, legislation or regulation including any provisions of any federal, state or local statutory law or common law; or unfair competition, price fixing, deceptive trade practices.

26 Use of Illegal or Unlicensed Programs

Knowing use of illegal or unlicensed programs or software.

27 War or Uprising

Confiscation, nationalization, requisition, strikes, labour strikes or similar labour actions; war, invasion, or warlike operations, civil war, mutiny, rebellion, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military coup or usurped power.

28 Radioactive contamination, chemical, biological, biochemical and electromagnetic

A In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:

- i ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste;
- ii the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- iii any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- iv the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter;
- v any chemical, biological, bio-chemical, or electromagnetic weapon.

Definitions

Administrative Error

An error or omission by an **Employee** or member of the **Control Group** in the operation, maintenance, input, processing, programming or output of the **Insured's Digital Assets** or the **Insured's Computer System**. With respect to Insured Coverage 1.B Contingent Business Interruption, **Administrative Error** includes error or omission by an employee of an **Outsource Service Provider** in the input, processing or

output of the **Insured's Digital Assets** or the **Outsource Service Provider's Computer System** operation or maintenance.

Adverse Media Event
A report in the media of a **Privacy Breach** or **Security Breach** including via newspapers, radio, television, internet, blogging, vlogging and social media, that has an adverse impact on the **Insured's** business or reputation.

Application
All information provided by or on behalf of the **Insured** to the **Insurer** as part of any request for this **Policy** (or any renewal or variation) including any application submitted in prior policy periods, and any supplemental material submitted therewith, including all particulars and details of the methodology on the basis of which any estimates within such information were calculated or derived and information and materials contained on any Internet websites maintained by or on behalf of any **Insured** which are actually provided by the **Insured** to the **Insurer** prior to formation or renewal or variation of this contract of insurance. All of the above are deemed attached to and incorporated into this **Policy**.

Breach Response Expenses
A Costs of an external IT security expert to determine the cause, scope and extent of the **Privacy Breach** or **Security Breach** or any immediate actions necessary to mitigate ongoing harm to the **Insured's Computer System**;
B Costs and expenses of a legal firm to determine any actions necessary to comply with **Privacy Regulations**;
C Notification costs and related expenses to notify:
  i Individuals who are required to be notified in compliance with **Privacy Regulations** mandating notification; or
  ii at the **Insurer's** discretion and pursuant to written consent, individuals residing in states, provinces or countries that do not have mandatory notification laws or regulations;
D Costs of setting up a telephone call centre in order to support notified individuals and to provide credit file monitoring services and/or identity theft assistance; or
E **Crisis Communication Expenses**.

Claim
A A written notice received by any **Insured** during the **Policy Period** of an intention to hold the **Insured** responsible for **Damages**, including the service of legal proceedings, the institution of arbitration or mediation, or a written request to toll or waive a statute of limitations against any of the **Insureds**;
B A request for information, civil investigative demand, formal civil administrative proceeding or formal regulatory action only to the extent covered by Insured Coverage 2.B. Regulatory Defence and Penalties;
C A written demand for **Payment Card Industry Fines and Expenses** received by an **Insured** only to the extent covered by Insured Coverage 2.D. Payment Card Industry Fines and Expenses.

Computer System
A system of interconnected hardware and peripherals, and associated software, operated by the **Insured** or an **Outsource Service Provider**, except only where operated by the **Insured** with respect to Coverage 1.A.

Control Group
Any of the Chief Executive Officer, Chief Financial Officer, Chief Information Officer, Chief Operating Officer, Chief Information Security Officer, Risk Manager or functional equivalent.

Crisis Communications Expenses
Expenses reasonably incurred by the **Insured** and approved in writing in advance by the **Insurer** for the employment of a public relations consultant if the **Insured** reasonably considers that action is needed in order to avert or mitigate a **Gross Earnings** or **Adverse Media Event**.

Cyber Extortion Threat
A credible threat or series of credible threats that includes a demand for **Extortion Payment** to:
A Release, disseminate, destroy or corrupt the **Insured's Digital Assets**;

B Introduce **Malicious Code** into the **Insured's Computer System**;
C Corrupt, damage or destroy the **Insured's Computer System**;
D Electronically communicate with the **Insured's** customers and falsely claim to be the **Insured** or to be acting under the **Insured's** direction in order to falsely obtain personal confidential information of the **Named Insured's** customers (also known as "pharming," "phishing," or other types of false communications); or
E Restrict or hinder access to the **Insured's Computer System**, including the threat of a criminal or malicious **Denial of Service**.

Damages
The amount an **Insured** is legally obliged to pay in respect of:

a **Claim**, including a monetary judgment, award, or settlement, interest and a claimant's legal costs; punitive and exemplary damages, to the extent such damages are insurable under the law pursuant to which this **Policy** is construed; **Regulatory Fines and Penalties** only to the extent covered by Insured Coverage 2.B. Regulatory Defence and Penalties; and **Payment Card Industry Fines and Expenses** only the extent covered by Insured Coverage 2.D.

Damages shall not include:
A Future profits or royalties, restitution, or disgorgement of the **Insured's** profits;
B The cost of complying with orders granting injunctive or non-monetary relief, including specific performance, or any agreement to provide such relief;
C Loss of the **Insured's** fees or profits, return or offset of the **Insured's** fees or charges (invoiced or not), or the **Insured's** commissions or royalties provided or contracted to be provided;
D Fines, taxes or loss of tax benefits, sanctions unless covered under Insured Coverage 2.B. Regulatory Defence and Penalties and unless covered under Insured Coverage 2.D Payment Card Industry Fines, Assessments and Expenses;
E Liquidated/pre-agreed damages 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, unless covered under Insured Coverage 2.D Payment Card Industry Fines, Assessments and Expenses;
F Any amount which the **Insured** is not legally obliged to pay; and
G Amounts which are uninsurable under the law pursuant to which this **Policy** is construed.

Data
Information represented, transmitted or stored electronically or digitally including code, or a series of instructions, operating systems programs, software and firmware;

Defence Expenses
Fees charged by a lawyer to defend a **Claim** and costs and expenses resulting from the investigation, adjustment, defence and appeal of a **Claim** incurred with the **Insurer's** prior written consent, or such fees and costs incurred by an attorney approved in advance by **Insurer**.

Denial of Service
Unauthorized interference or malicious attack that restricts or prevents access to the **Insured's Computer System** for entities authorized to gain access.

Digital Asset Loss
Expenses incurred to restore or recreate **Digital Assets**. If it is determined that **Digital Assets** cannot be restored or recreated, the **Insurer** will only reimburse the **Insured's** losses or expenses incurred up to the date of such determination.

Digital Assets
The **Insured's** digital files including data, computer programs, electronic documents and audio content stored on the **Insured's Computer System**.

Employee
Any person hired for a wage, salary, fee or payment to perform work for the **Insured** under a contract of service, whether oral or written, express or implied and whose employment status can be verified by documentation existing at the time of the event giving rise to **Loss** or a **Claim**, including any intern or volunteer, but only while such persons are acting solely within the scope of their duties to the **Insured**.

Extortion Expenses
Reasonable and necessary expenses incurred to avoid a **Privacy Breach**, **Security Breach** or the disruption or failure of the **Insured's Computer System**, resulting directly from a **Cyber Extortion Threat**.

Extortion Payment
The payment of a ransom demand to avoid a **Privacy Breach**, **Security Breach** or the disruption or failure of the **Insured's Computer System**, resulting directly from a **Cyber Extortion Threat**. The **Insured** must report any payments to local or federal law enforcement authorities as soon as practicable.

Extra Expense
Reasonable and necessary extra costs incurred by the **Insured** to temporarily continue as nearly normal as practicable in the conduct of the **Insured's** business during the **Interruption Period**, less any value remaining at the end of the **Interruption Period** for property or services obtained in connection with such costs. 'Normal' shall mean the condition that would have existed had no **Privacy Breach**, **Security Breach**, **Administrative Error** or **Power Failure** occurred.

Gross Earnings
A The loss of Gross Earnings; less all charges and expenses that do not necessarily continue during the interruption of production or suspension of business operations or services; plus the loss of all other earnings derived from the operation of the business; and
B Such expenses as are necessarily incurred for the purpose of reducing loss of **Gross Earnings**, but in no event shall the aggregate of such expenses exceed the amount by which the loss under the **Policy** is thereby reduced.
C Provided, however, there is recovery of **Gross Earnings** only to the extent that the **Insured** is:
    i Wholly or partially prevented from producing goods or continuing business operations or services;
    ii Unable to make up lost production within a reasonable period of time, not limited to the **Interruption Period**;
    iii Unable to continue such operations or services during the **Interruption Period**; and
    iv Able to demonstrate a loss of sales for the operations, services or production prevented.

'**Gross Earnings**' as used in item A above. shall mean:
A For manufacturing operations: the net sales value of production less the cost of all raw stock, materials and supplies used in such production; or
B For mercantile or non-manufacturing operations: the total net sales less cost of merchandise sold, materials and supplies consumed in the operations or services rendered by the **Insured**.

Hack
An intrusion of, unauthorised access to or unauthorised use of the **Computer System** conducted by a person external to the **Insured's** organisation (i.e. a non-**Employee**).

Insurance Policy or Insurance or Policy
This contract of insurance including the **Application**, any Declarations and Schedules, and any endorsements or variations, all forming part hereof.

Insured
A The entity specified in Item 1 of the Schedule;
B Any **Subsidiary** but only during the time period such qualifies as a **Subsidiary**;
C Any past, present, or future officer, director, trustee, or **Employee** of any of (A) and (B) above, but only while acting solely within the scope of their duties as such;
D Any general or managing partner, principal, stockholder, or owner of any of (A) and (B) above, but only while acting solely within the scope of their duties as such;
E Any legal entity required by contract to be named as an **Insured** under this **Policy** if agreed in advance and in writing by the **Insurer**, but only for the acts of any above parties (A) through (D), as detailed under the relevant Coverage 1. A through F and 2. A through D; and

Any agent or independent contractor, including distributors, licensees, and sub-licensees, but only while acting on behalf of, at the direction of, or under the control of any party of (A) through (E) above; however, not including any **Outsource Service Provider**.

Interruption Period

Under Insured Coverage 1.A. Business Interruption and Insured Coverage 1.B. Contingent Business Interruption, the period of time that commences when the partial or complete interruption, degradation or failure of the **Computer System** begins, and ends on the earlier of:

A the date of full system restoration of the **Computer System** plus up to 30 days thereafter if necessary to allow for restoration of the **Insured's** business; or
B the maximum indemnity period as stated in Item 5 of the Schedule.

Under Insured Coverage 1.D. Reputational Harm, the period of time that commences on the date of the earliest **Adverse Media Event** and ends after the maximum indemnity period as stated in Item 5 of the Schedule.

Loss
Breach Response Expenses, **Crisis Communications Expenses**, **Digital Asset Loss**, **Extortion Expenses**, **Extra Expense**, **Extortion Payment**, and **Loss of Gross Earnings**.

Malicious Code
Software intentionally designed to damage **Digital Assets** or a **Computer System** by a variety of forms including virus, worm, Trojan horses, spyware, dishonest adware, ransomware and crimeware.

Multimedia Activities
The release or display of any electronic media on the **Insured's** website or print media of the **Insured** that is under the direct sole control of the **Insured** and directly results in any of the following:

A Defamation, libel, slander, product disparagement or trade libel;
B Infringement, interference, or invasion of an individual's right of privacy or publicity, including commercial misappropriation of likeness, and public disclosure of private facts;
C Plagiarism, piracy or misappropriation of ideas under an implied contract;
D Infringement of copyright, trademark, trade name, title, slogan, service mark or service name; or
E Domain name infringement or improper deep-linking or framing.

Named Insured
The entity listed in item 1 of the Schedule.

Outsource Service Provider
An independent service provider that provides information technology services or business process outsourcing services, including hosting, security management, co-location, and data storage, for the benefit of the **Insured** under a written contract with the **Insured**.

Payment Card Industry Fines and Expenses

Payment card industry forensic investigation costs, fines or penalties, assessments, including fraud loss recoveries and card replacement costs, and administrative costs that the **Insured** is legally obliged to pay under the terms of a merchant services agreement as a result of the **Insured's** actual or alleged non-compliance with payment card industry data security standards. **Payment Card Industry Fines and Expenses** does not include any ongoing obligation or audit following the imposition of an assessment, fine or penalty.

Policy Period
The period of time between the Inception Date and Time and the Expiration Date and Time specified in Item 2 of the Schedule unless terminated earlier, and specifically excluding any Extended Reporting Period.

Power Failure
Failure in electrical power supply caused by a **Security Breach**, but only where such power is under the direct operational control of the **Insured** or the equipment necessary to supply the power is under the direct operational control of the **Insured**.

Privacy Breach
An actual or suspected breach of confidentiality, or infringement or violation of any right to privacy, or a breach of the **Named Insured's** privacy policy or of **Privacy Regulations**.

Privacy Regulations
Statutes, laws and regulations associated with the confidentiality, access, control, and use of personally identifiable, non-public information including:

A State, provincial and federal statutes and regulations regarding the security and privacy of consumer information;
B Governmental privacy protection regulations, statutes or laws associated with the control and use of personal information, including PIPEDA;
C Privacy provisions of consumer protection laws; or
D The EU Data Protection Act or other similar privacy laws worldwide.

Regulatory Fines and Penalties
Civil fines, monetary penalties payable or a monetary amount which the **Insured** is legally obliged to deposit in a fund as equitable relief imposed by a governmental agency or regulatory authority as a result of a breach of the **Privacy Regulations**.

Retention
The figure specified in Item 3 of the Schedule that is payable by the **Insured** in respect of every **Claim** and **Loss**.

Security Breach
A The use of the **Computer System** by an unauthorized person or persons, or by an authorized person in an unauthorized manner, including social engineering techniques;
B **Denial of Service** attack or Distributed Denial of Service;
C **Malicious Code**;
D The failure to prevent or hinder participation in a **Denial of Service** from a **Computer System**.
A series of continuing **Security Breaches** or related or repeated **Security Breaches** arising from the same sequence of events, shall be considered a single **Security Breach** and be deemed to have occurred at the time of the first such **Security Breach**.

Subsidiary
Any corporation, limited liability company, or partnership while more than 50% of the outstanding voting securities or shares that represent the present right to vote for the election or appointment or designation of such entity's directors, managers or equivalent are directly owned or controlled by the **Insured**; or any joint venture while the **Named Insured** has managerial control, or while it has the right to elect or designate or otherwise appoint or directly control the appointment of more than 50% of such entity's directors, trustees, managers or equivalent.

Waiting Period
Under Insured Coverage 1.A. Business Interruption and Insured Coverage 1.B. Contingent Business Interruption, the period of time that commences when the partial or complete interruption, degradation or failure of the **Computer System** begins, and expires after the number of hours specified in Item 3 of the Schedule.

Under Insured Coverage 1.D. Reputational Harm, the period of time that commences when the **Adverse Media Event** occurs and expires after the number of days specified in Item 3 of the Schedule.

Gross Earnings incurred during the **Waiting Period** are uninsured.

Claims Conditions

1 Subrogation – recovery from third parties by the Insurer
If any payment is made under this **Policy**, the **Insured** shall maintain all rights of recovery against any third party. The **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights and shall do nothing to prejudice such rights. Any recoveries shall be applied first in payment of the **Insurer'** subrogation expenses, secondly to **Loss**, **Damages**, **Defence Expenses**, or any other amounts paid by the **Insurer**, thirdly to any uninsured amount, and lastly to the **Retention**. Any additional amounts recovered shall be paid to the **Insured**.

2 Notice of Claim, Loss, or Circumstance

A If, during the **Policy Period**, the **Control Group** becomes aware of a **Claim** or **Loss**, after calling CyberClan 24/7 hotline, the **Insured** must forward details to the **Insurer** as soon as practicable during the **Policy Period** or the Extended Reporting Period, if applicable, through the persons named in the Schedule. The **Insured** must report a **Claim** or **Loss** regardless of whether the **Claim** or **Loss** arises

out of any previously reported incidents, circumstances, acts, errors or omissions, or related **Claim** or **Loss**.

In the event of any **Extortion Payment**, the **Insured** must report any such payment to local or federal law enforcement authorities as soon as practicable.

B If during the **Policy Period**, the **Control Group** becomes aware of any incidents, circumstances, acts, errors or omissions that could reasonably result in a **Claim** or **Loss**, after calling CyberClan 24/7 hotline the **Insured** must forward details to the **Insurer** as soon as practicable during the **Policy Period** through the persons named in the Schedule. Any **Claim** or **Loss** arising out of such reported incidents, circumstances, acts, errors or omissions will be deemed to have been made or incurred when the **Insurer** first received notice complying with this paragraph.

C Any **Loss**, **Claim** or incidents, circumstances, acts, errors or omissions that could reasonably result in **Loss** or a **Claim** shall be considered properly reported to the **Insurer** when notice is first given to the persons named in the Schedule.

3 Dispute Resolution

A All disputes or differences between the **Insured** and the **Insurer** arising under this **Policy**, including the management or resolution of a **Claim** or determination of the amount of any **Loss,** shall be resolved according to an alternative dispute resolution ("ADR") process as provided in this Clause.

B Mediation: any dispute between the **Insured** and **Insurer** shall be first referred, at the request of either party, to a qualified mediator in a good faith effort to negotiate a resolution of the dispute.

C Arbitration: In the event mediation is unsuccessful in resolving the dispute between the **Insured** and the **Insurer**, the parties agree that such dispute shall be determined by final and binding arbitration before a single arbitrator under the provisions of the provincial Arbitration Act currently in force in the jurisdiction of the **Insured's** address noted in Schedule.

D ADR Rules: In considering the construction or interpretation of the provisions of this **Policy**, the mediator or arbitrator shall give due consideration to the general principles of law of the jurisdiction of the **Insured's** address noted in Schedule. Each party shall share equally the expenses of the ADR. The ADR process shall be conducted in the jurisdiction of the **Insured**'s address noted in the Schedule, or in such other jurisdiction as the parties mutually agree. In all other respects the **Insurer** and the **Insured** shall mutually agree to the procedural rules for the ADR process. In the absence of such an agreement, the arbitrator or mediator shall specify commercially reasonable rules.

4 Defence, Settlement and Investigation of Claims

A The **Insurer** shall have the right and duty to defend any **Claim** against the **Insured**, even if any of the allegations of the **Claim** are groundless, false, or fraudulent, subject to the Limit of Liability, Exclusions, and other terms and conditions of this **Policy**.

B Defence counsel or breach counsel shall be appointed with the **Insurer** prior written consent. Such consent shall not be unreasonably withheld. However in the absence of agreement the **Insurer** decision shall be final.

C The **Insurer** shall have the right to make any investigation they deem necessary including with respect to the **Application** or to coverage.

D If the **Insured** refuses to consent to a settlement that the **Insurer** recommend and that the claimant will accept, the **Insured** must then defend, investigate or settle the **Claim** at the **Insured's** own expense. As a consequence of the refusal to settle as per **Insurer's** recommendation, **Insurer's** liability for any **Claim** shall not be more than the amount of the recommended settlement plus up to 50% of any additional costs incurred by the **Insured** above this amount in order to settle this matter, subject always to the limit of the **Policy**.

E No **Insured** may incur any **Defence Expenses**, **Payment Card Industry Fines and Expenses**, or admit liability for, or settle, or offer to settle, any **Claim**, without the **Insurer**' written consent, which shall not be unreasonably withheld. Provided that, if a proposed settlement amount, when combined with any **Defence Expenses or Payment Card Industry Fines and Expenses** incurred, does not exceed 50% of the applicable **Retention** set forth in the Schedule, the **Insured** may settle a **Claim**,

or accept an offer of settlement without the prior written consent of the **Insurer**. Such settlement must fully resolve the **Claim** with respect to the **Insured** and the **Insurer**.

General Conditions

The **Insurer** has no duty to provide coverage under this **Policy** unless there has been full compliance with the conditions contained in this **Policy**. Any clause designated as a condition shall require the entity to which it applies to comply specifically and completely with it and any breach or failure to do so shall entitle the **Insurer** to reject all or part of the **Claim**, **Damages**, **Defence Expenses** or **Loss** or any related claim or loss whether or not such breach or failure causes loss, prejudice or damage.

1 Policy Limits

The Aggregate Limit specified in Item 3 of the Schedule shall be the maximum liability of the **Insurer** under this **Policy**. The sub limits for each **Insured Coverage** specified in Item 3 of the Schedule form part of, and are not in addition to, such Aggregate Limit.

After the **Policy** Limit of Liability has been exhausted, the **Insurer** has no obligation to pay any **Damages**, **Defence Expenses**, **Loss** or any other amounts under the **Policy**, and shall have the right to withdraw from the defence.

2 Retention and Waiting Period

The **Retention** amount specified in Item 3 of the Schedule for each Insured Coverage shall apply separately to each and every **Loss** and **Claim** and shall be satisfied in full by the **Insured's** monetary payments of **Loss**, **Damages**, or **Defence Expenses**. The **Insurer** shall only be liable for amounts in excess of the **Retention**, subject to the Limit of Liability.

For Insured Coverages subject to a **Waiting Period**, the **Insurer** will only become liable for any **Loss** upon expiration of the applicable **Waiting Period**.

In the event a **Claim** or **Loss** attaches to more than one Insured Coverage, only the highest **Retention** or the longer **Waiting Period** will apply to that **Claim** or **Loss**.

The **Insured** must pay the applicable **Retention** prior to payment by the **Insurer** of any amounts covered under the **Policy**, and **the Insurer** will not make any payment to the **Insured** until the **Insured** pays such **Retention**. The **Insured** shall make direct payments within the **Retention** to the appropriate parties as designated by the **Insurer**.

3 Related Claims and Loss

All **Claims** and **Loss** arising out of the same related or continuing acts, facts, circumstances or events shall be considered a single **Claim** or **Loss**, without regard to the number of **Insureds**, **Claims** or claimants. All such **Claims** or **Loss** shall be deemed to have been made at the time of the first such **Claim** or **Loss**.

4 Cancellation

This **Policy** may be cancelled:

i by the **Named Insured** on 30 days' written notice;

ii by the **Insurer** for good reason such as breach of a material term (including the non-payment of premium due to the **Insurer** by the date specified in the **Schedule**). Any such cancellation shall take effect from the date of breach, after which the **Insurer** shall have no liability under the **Policy** whatsoever;

in which event the **Insurer** will refund the unearned premium (if paid) in proportion to the number of days that the **Policy** has been in effect, subject to their retention of a minimum amount of 30% of the Premium. No Premium will be refunded where any **Claim**, **Loss** or circumstance has been notified under this **Policy**, whether or not it has been accepted for coverage.

5 Other insurance

This **Policy** shall apply in excess of any other valid and collectible insurance (or other indemnity) available to the **Insured**, including any **retention** or deductible portion thereof, unless such other insurance is specifically written as excess insurance over the Limit of Liability or Aggregate Limit of this **Policy**.

6 Inspection and audit

The **Insurer** shall be permitted, but not obliged, to inspect any of the **Insured's** property, operations, or records and take copies of same at any time at the **Insured's** cost.

7 Mergers and acquisitions

If any **Named Insured** completes the legal acquisition of another entity during the **Policy Period**, then that acquired entity will automatically be included as an **Insured** but only with respect to **Claims** or **Loss** sustained or occurring after the date of the acquisition and otherwise qualifying for coverage under this **Policy**, unless:

A that acquired entity has an annual revenue of more than 20% of the **Named Insured's** annual revenue (evaluated according to the last set of audited accounts formally filed by that entity against the information provided by the **Named Insured** when applying for this **Policy**); or

B unless that acquired entity stores a total number of unique, personally identifiable records that are in excess of 20% of the total unique, personally identifiable records that the **Named Insured** stores (as at the date of completion of such acquisition).

If the above cover is not automatically provided to the newly acquired entity, to obtain cover the **Named Insured** must notify and obtain the written consent of the **Insurer** prior to the acquisition and agree to pay any additional premium required.

8 Assignment

The interest hereunder is not assignable by any qualifying **Insured**.

9 Innocent Insured

A Whenever coverage under this **Policy** would be excluded, suspended, or lost owing to non-compliance with Claims Conditions 2. Notice of Claim, Loss or Circumstance, with respect to which any other **Named Insured** shall be in default solely as a result of such non-compliance, then such insurance as would otherwise be afforded under this **Policy** shall cover and be payable to those **Insureds** who did not personally commit or personally participate in committing or personally acquiesce in such failure to give notice, provided that the **Insured** entitled to the benefit of this provision shall comply with Claims Conditions 2. Notice of Claim, Loss or Circumstance promptly after obtaining knowledge of the failure of any other **Insured** to comply therewith.

Any insurance afforded by this provision shall not cover a **Claim** if a member of the **Control Group** knew or should reasonably have known of a **Claim** or circumstance that could reasonably form the basis of a **Claim** or **Loss** and failed to give notice as required by such Claims Conditions 2.

Notwithstanding the above, the reporting of any such **Claim** or **Loss** must be made during the **Policy Period** or Extended Reporting Period, if applicable.

B Whenever coverage under this **Policy** would be excluded, suspended, or lost because of the Insured Misconduct Exclusion, then such insurance as would otherwise be afforded under this **Policy** shall cover and be payable with respect to those **Insureds** who did not personally commit, personally participate in committing, personally acquiesce, or remain passive after having personal knowledge thereof, provided that the **Insured** entitled to the benefit of this provision shall comply with Claims Conditions 2. Notice of Claim, Loss or Circumstance promptly after obtaining knowledge of the failure of any other insured to comply therewith.

10 Extended Reporting Period

A Automatic Extended Reporting Period

The **Named Insured** shall have a period of sixty (60) days following the Expiry Date, specified in Item 2 of the Schedule, in which to give written notice to the **Insurer** of **Claims** or **Loss**, but only in respect of any **Claim** first made during the **Policy Period** or **Loss** that first occurred during the **Policy Period** and is otherwise covered by this **Policy**.

B Extended Reporting Period

In the event of cancellation or non-renewal of this **Policy**, the **Named Insured** shall have the right, upon payment in full and not proportionally or otherwise in part of 100% of the premium specified in Item 4 of the Schedule, to notify the **Insurer** in writing within thirty (30) days of such cancellation or

non-renewal that it requires, and the **Insurer** shall provide, an Extended Reporting Period of twelve (12) months commencing on the date of such cancellation or non-renewal in which to report any **Claim** first made during the **Policy Period** or **Loss** that first occurred during the **Policy Period** and is otherwise covered by this **Policy**. The payment of the additional premium for the Extended Reporting Period must be paid to the **Insurer** within thirty (30) days of the non-renewal or cancellation.

C The Limit of Liability for the Extended Reporting Period shall be part of, and not in addition to, the Limit of Liability for the **Policy Period**.

D The right to the Extended Reporting Period shall not be available to the **Insured** where cancellation or non-renewal by the **Insurer** arises through non-payment of premium or the **Insured's** failure at any time to pay amounts within the applicable **Retention**.

11 Change of Control

In the event of the **Named Insured's** acquisition by or merger into another entity, or the **Named Insured's** liquidation or dissolution, the **Named Insured** may notify the **Insurer** within thirty (30) days of the actual change of control of the **Named Insured's** election for an Extended Reporting Period of twelve (12) months from the date of such change of control. Such Extended Reporting Period shall cover **Claims** reported or **Loss** notified to the **Insurer** following such change of control during the Extended Reporting Period, but only in respect of any **Claim** made during the **Policy Period** or **Loss** incurred during the **Policy Period** which is otherwise covered by this **Policy**.

12 Assistance and cooperation

A The **Insured** shall cooperate with the **Insurer** in all investigations relating to this **Policy**. The **Insured** shall execute or cause to be executed all documents and papers and render all assistance as requested by the **Insurer**, including providing copies of a third party's system security and event logs.

B Upon the **Insurer's** request, the **Insured** shall assist in making settlements, in the conduct of all third party dispute resolution procedures and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the **Insured** with respect to which insurance is afforded under this **Policy**, and the **Insured** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses at the **Insured's** own cost.

C The **Insured** shall not admit liability, make any payment, assume any obligations, incur any expense, enter into any settlement, or dispose of any **Claim** without the **Insurer's** prior written consent. However, the prompt public admission of a **privacy breach** potentially impacting non-public personally identifiable information as required by governmental privacy legislation or credit card association operating requirements will not be considered as an admission of liability requiring the **Insurer's** prior consent

D The **Insurer** shall have the right to make any investigation they reasonably deem necessary with respect to coverage including the **Application**.

E The **Insured** shall submit for examination under oath by the **Insurer's** representative, if requested, in connection with all matters relating to this **Policy**.

13 Authorization and validation of the Named Insured

By acceptance of this **Policy**, all **Insureds** agree that the statements in the **Application** are their agreements and representations, and that this **Policy** is issued in reliance upon the truth thereof.

14 Fraud

A If the **Insured** makes a fraudulent claim under this **Policy**, the **Insurer**:

i Are not liable to pay the claim; and

ii May recover from the I**nsured** any sums paid by the **Insurer** to the **Insured** in respect of the claim; and

iii May by notice to the **Insured** treat the contract as having been terminated with effect from the time of the fraudulent act.

B If the **Insurer** exercise their right under clause A iii above:

i The **Insurer** shall not be liable to the **Insured** in respect of a relevant event occurring after the time of the fraudulent act. A relevant event is whatever gives rise to the **Insurer'** liability under the insurance contract (such as the occurrence of a loss, the making of a claim, or the notification of a potential claim); and

ii The **Insurer** need not return any of the premiums paid.

15 Construction and Interpretation

A Any reference to legislation, statute, regulation, or law includes any similar or related law, statute, ordinance, or regulation, any amendments, and any rules or regulations or executive orders issued

B thereunder, or by federal, state, local or other agencies or similar bodies thereof. Any reference to a regulatory or investigative or other state or local governmental body includes any similar, subsidiary or related agency or body.

C All or part of any provision of this **Policy** which is or becomes void or illegal, invalid or unenforceable by a court or other competent body under the law of any applicable jurisdiction shall be deleted. The parties shall use their best efforts to agree a replacement for the provision deleted which achieves as far as possible the same effect as would have been achieved by the deleted provision had it remained enforceable.

TOKIO MARINE CANADA

War and Cyber Operation Exclusion

Policy Number: As per Individual Certificate
Named Insured: As per Individual Certificate

---

1. Notwithstanding any provision to the contrary in this insurance, this insurance does not cover any loss, damage, liability, cost or expense of any kind:

1.1. directly or indirectly arising from a **war**, and/or

1.2. arising from a **cyber operation**.

Attribution of a **cyber operation** to a **state**

2. Notwithstanding the insurer's burden of proof, which shall remain unchanged by this clause, in determining attribution of a **cyber operation** to a **state**, the insured and insurer will consider such objectively reasonable evidence that is available to them. This may include formal or official attribution by the government of the **state** in which the **computer system** affected by the **cyber operation** is physically located to another **state** or those acting at its direction or under its control.

Definitions

3. **Computer system** means any computer, hardware, software, communications system, electronic device (including but not limited to, smart phone, laptop, tablet, wearable device), server, cloud infrastructure or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility. If there is any inconsistency between definitions of **computer system** in this exclusion and the contract of insurance, the definition in the contract of insurance shall apply.

4. **Cyber operation** means the use of a **computer system** by or on behalf of a **state** to:

4.1. disrupt, deny access to or, degrade functionality of a **computer system**, and/or

4.2. copy, remove, manipulate, deny access to or destroy information in a **computer system**.

5. **State** means sovereign state.

6. **War** means armed conflict involving physical force:

6.1. by a **state** against another **state**, or

6.2. as part of a civil war, rebellion, revolution, insurrection, military action or usurpation of power, whether war be declared or not.