

**DIGIT COMMERCIAL CYBER INSURANCE POLICY (COMMERCIAL)****Prospectus****UIN: IRDAN158CP0011V01202122****Go Digit General Insurance Ltd.**

Go Digit General Insurance Ltd. ('Digit') is a new-age general insurance company that is backed by the Fairfax Group – one of the world's largest financial holding companies which is engaged in General Insurance, Reinsurance and Investment management across more than 30 countries.

Digit's singular mission is to make insurance simple for all. With that mission in mind, we are reimagining products and redesigning processes. Our products are designed keeping the consumer in mind, our processes are simple, fast and transparent & our documents are easy to understand. With the help of cutting-edge technology and people who bring in years of experience in both the insurance and technology domain, we want to be the new-age insurance company that's revolutionising the insurance industry. And by doing so, we want to be part of our consumers' lives by enabling them to live life, without worrying about an uncertain future.

**Product Introduction**

This product is designed to provide protection to customers in the event of cyber risk.

	Covers
A. THIRD PARTY LIABILITY	1. Privacy and Data Breach Cover
	2. Network Security Claims Cover
	3. Media Liability Cover
	4. Regulatory Cost and Fine Cover
	5. E- payment/ Contractual Penalties
B. FIRST PARTY BUSINESS INTERRUPTION AND CRIME	6. Business Interruption Loss and Restoration Costs Cover
	7. Hackers Theft Cover
	8. Cyber Extortion Cover
C. SERVICES	9. Crisis Communication Cover
	10. Consultant Services Cover

	In-Built Cover
1.	Extended Discovery Period
2.	Emergency Costs

**Who Can buy this Product?**

This Product will be sold to Entities/Companies /Organizations against risks occurring out of cyber exposures such as financial losses caused by cyber incidents, including data breaches and theft, system hacking, extortion payments etc. with minimum Policy Aggregate Limit of Rs. 5 Crores.

**What are the Coverages available under this Policy?**

Following coverages are available under this Policy.

**A. THIRD PARTY LIABILITY****1. Privacy and Data Breach Cover**

- a. We will pay to or on behalf of You for all Damages and Defence Costs arising from a Claim first made against You, or an Outsourced Service Provider for which You are legally liable, during the Policy Period or the Discovery Period, if applicable, by:
  - (i) an Affected Person for a Privacy Breach; or
  - (ii) a Client for a Data Breach.
- b. We will pay to or on behalf of You for all Response Costs incurred by You in responding to any Privacy Breach or Data Breach first Discovered during the Policy Period or the Discovery Period, if applicable.

**2. Network Security Claims Cover**

We will pay to or on behalf of You for all Damages and Defence Costs arising from a Claim first made against You during the Policy Period or the Discovery Period, if applicable, for a Security Wrongful Act.

**3. Media Liability Claims Cover**

We will pay to or on behalf of You for all Damages and Defence Costs arising from a Claim first made against You during the Policy Period or the Discovery Period, if applicable, for a Media Wrongful Act.

**4. Regulatory Costs and Fines Cover**

We will pay to or on behalf of You for all Fines and Penalties and Defence Costs arising from a Claim by a Regulator first made against You during the Policy Period or the Discovery Period, if applicable, which arises out of a Data Breach or Privacy Breach.

**5. E-Payment / Contractual Penalties**

We will pay to or on behalf of You for all Damages, Contractual Penalties and Defence Costs arising from a Claim first made against You during the Policy Period or the Discovery Period, if applicable, by a E-Payment Service Provider alleging a negligent breach of any published Payment Card Industry Data Security Standards that You are required to comply with.

**B. FIRST PARTY BUSINESS INTERRUPTION AND CRIME****6. Business Interruption Loss and Restoration Costs Cover**

We will pay to You for:

- a. Business Interruption Loss incurred by You due to a Business Interruption within the Indemnity Period as a direct result of the total or partial unavailability of the Company's Computer System first Discovered during the Policy Period which is caused by a Business Interruption Event and which exceeds the Waiting Period; and
- b. Restoration Costs incurred as a direct result of a Business Interruption Event first Discovered during the Policy Period.

**7. Hacker Theft Cover**

We will indemnify You for its own IT Theft Loss sustained as a direct result of IT-Theft first Discovered during the Period of Insurance.

**8. Cyber Extortion Cover**

We will pay to or on behalf of You for the Cyber Extortion Loss that You incur solely and directly as a result of a Cyber Extortion Threat first Discovered during the Policy period.

As a condition for payment under this cover You shall:

- a. keep the terms and conditions of this Cyber Extortion Cover confidential, unless disclosure to law enforcement authorities is required; and
- b. take all reasonable steps to notify and cooperate with the appropriate law enforcement authorities; and
- c. take all reasonable steps including the involvement of a security consultant with Our prior written consent, to effectively mitigate the Cyber Extortion Loss.

**C. SERVICES****9. Crisis Communication Cover**

We will pay to or on behalf of You for an Insured Public Relation Expenses to prevent or reduce the effects of negative publicity which You reasonably believes to arise from an event covered under this Policy.

**10. Consultant Services Cover**

We will pay to or on behalf of You for the Consultant Costs incurred by You:

- a. In order to prove the amount and the extent of a covered Loss and to investigate the source of such Loss and adequate steps to mitigate it.
- b. In case You are on the ground of facts reasonably suspects a Privacy Breach, Cyber Attack or Business

Interruption Event, to investigate if and to what extent such Privacy Breach, Cyber Attack or Business Interruption Event has taken place, the causes of such event and how it can be mitigated.

### **IN-BUILT COVERS**

The inbuilt cover and the Limit of Liability for inbuilt cover under Coverage is mentioned in Your **Policy Schedule**, wherever applicable. These limits are within the Limit of Liability opted under Coverage. The terms and conditions for the inbuilt cover is as mentioned below.

#### **1. DISCOVERY PERIOD**

The Policyholder shall be entitled to extend the Discovery Period up to number of days as specified in Policy Schedule, subject always to the Limit of Liability mentioned in the Policy Schedule against this cover, terms, conditions, warranties, exclusions and Deductible of this Policy.

Specific Conditions applicable to this cover:

- i. In the event this Policy is neither renewed, for reasons other than for non-payment of the premium, nor replaced with another similar insurance Policy, You will automatically be entitled to a discovery period as specified in policy schedule, without payment of additional premium.
- ii. Policyholder has to request Us for extended discovery period in writing not later than discovery period as specified in Policy Schedule after the expiry of the Policy Period.

#### **2. EMERGENCY COSTS**

Where it is not possible to obtain Our prior written consent, We will retroactively approve the reasonable and necessary Defence Costs, Response Costs, Restoration Costs or Consultant Costs, subject always to the Limit of Liability mentioned in the Policy Schedule against this cover, terms, conditions, warranties, exclusions and Deductible of this Policy.

### **What are the Exclusions available under this Policy?**

#### **A. General Exclusions**

We will not be liable under this Policy in respect of:

##### **1. Dishonest or Improper Conduct**

Any:

- A. deliberate, criminal, fraudulent, dishonest or malicious act or omission; or
- B. intentional or knowing violation of any duty, obligation, contract, law or regulation; or
- C. intentional causing of a Business Interruption Loss

by the Company's Chief Executive Officer, Chief Financial Officer, Chief Risk Officer, General Counsel, Head of IT department, Head of HR department, Data Protection Officer and Chief Compliance Officer or any Insured Person in a functionally equivalent position.

Provided, however, the Insurer shall advance Defence Costs until there is

- a. a final decision of a court, arbitration panel or Regulator, or
  - b. a written admission
- which establishes such behaviour. Following such finding the Insurer shall be entitled to repayment of any amount paid to or on behalf of the Insured under this Policy.

##### **2. Bodily Injury/ Property Damage**

Any actual or alleged bodily injury, sickness, mental anguish or emotional distress or disturbance, disease or death of any person howsoever caused or damage to or destruction of any tangible property, including loss of use thereof. Data and Computer Programmes are not considered tangible property.

However, this exclusion shall not apply to Claims to the extent that they:

- a. are in respect of mental anguish or emotional distress or disturbance of an Affected Person resulting from a Privacy Breach or Media Wrongful Act; or
- b. result from a loss or theft of elements of the Company's Computer Systems.

**3. Contractual Liability**

any liability under any contract, agreement, guarantee or warranty assumed or accepted by an Insured except to the extent that:

- a. such liability would have attached to an Insured in the absence of such contract, agreement, guarantee or warranty; or
- b. coverage is afforded under E-payments/ Contractual penalties.

**4. Trade Secrets and Intellectual Property**

Any actual or alleged plagiarism or infringement of any Trade Secrets, patents, trademarks, tradenames, copyrights, licenses or any other form of intellectual property. However, this exclusion shall not apply to coverage afforded under Media Liability Claim Cover.

**5. Trading**

any losses or liabilities connected with any types of purchase or sale transactions or other dealing in securities, commodities, derivatives, foreign or Federal funds, currencies, foreign exchange, cryptocurrencies/ digital currency/ virtual currency and the like.

**6. War, Terrorism, looting and Government Acts**

Any liability of whatsoever nature directly or indirectly caused by, in connection with or contributed to by or arising from any consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, insurrection, rebellion, revolution, mutiny, military or usurped power, riot, strike, lockout, military or popular uprising, civil commotion, martial law, Terrorism or loot, sack or pillage in connection therewith, or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or government act or looting or public or local authority.

**7. Pollution**

- a. This insurance does not apply to any damages, Loss, cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of Pollutants.
- b. This insurance does not apply to any damages, Loss, cost or expense arising out of any:
  - i. demand, order, request or regulatory or statutory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of Pollutants; or
  - ii. Claim or proceeding by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of Pollutants.

Points a. and b. above apply regardless of whether or not the Pollution was expected, gradual, intended or preventable.

**8. Prior Acts**

Any liability arising from or attributable to any Claim, Data Breach, Privacy Breach, Cyber Extortion Threat or Wrongful Act first occurring prior to the Policy Period as specified in Your Policy Schedule. If retroactive date is mentioned in policy schedule then any Claim, Data Breach, Privacy Breach, Cyber Extortion Threat or Wrongful Act first occurring prior retroactive date will not be covered.

**9. Prior Claims/ Circumstances**

any Claim, Data Breach, Privacy Breach, Cyber Extortion Threat or Wrongful Act or any fact, event or circumstance which is likely to give rise to a Claim, Data Breach, Privacy Breach, Cyber Extortion Threat or Wrongful Act

- a. notified to any prior insurance policy; or
- b. which the Insured was aware of prior to the Policy Period.

**10. Natural perils**

Any loss arising out of below natural peril:

- a. electromagnetic fields or radiations
- b. earthquake

**11. Unauthorized Collection of Data**

Any unlawful or unauthorized collection of personal data or Client Information. Provided, however, that such

exclusion shall not apply where such personal data or Client Information is collected by any of the Company's employees without the knowledge or approval of any of the Company's directors or officers.

#### **12. Unsolicited Communication**

Any distribution of unsolicited correspondence or communications (whether in physical or electronic form), wire tapping, audio or video recordings or telephone marketing.

#### **13. Licensing Fees**

Any actual or alleged licensing fee or royalty payment including, but not limited to, any obligation to pay such fees or royalty payments.

#### **14. Antitrust**

Any actual or alleged antitrust violation, restraints of trade or unfair competition. However, this exclusion shall not apply to cover afforded under Media Liability claim cover.

#### **15. Wear and Tear, Design Failure and Untested Programmes**

- ordinary wear and tear or gradual deterioration of the Company's Computer System;
- failure in design, architecture or configuration of the Company's Computer System including failures in capacity design;
- changes of IT systems, including the testing thereof. Any incident that occurs within 24 hours of this change, shall be assumed to be attributable to this; or
- Computer Programmes that are not ready for operation or have not been successfully tested or which You are not authorised to use.

#### **16. Sanctions and Limitations**

We shall not 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 or such benefit would expose Us to any sanction, prohibition or restriction under United Nations resolutions or trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

#### **17. Inadequate Description and Financial Communications**

This is a specific Exclusions Applicable to Media Liability Claims Cover

We will not be liable under this Policy in respect of:

- i. actual or alleged inadequate, inaccurate or incomplete description of the price of goods, products, services and cost guarantees, cost representations, cost estimates and the authenticity of any goods, products or services or the failure of any goods, products or services to confirm with any representation regarding their quality or performance;
- ii. actual or alleged errors in financial data or information disseminated or publicized by the Company;
- iii. gambling, lottery, contest, promotional game or other games of chance; or
- iv. any pornographic content.

#### **B. Specific Exclusions Applicable to Business Interruption Loss and Restoration Costs Cover**

We will not be liable under this Policy in respect of loss arises out of, upon or attributable to the following:

- a. Network Interruption: any interruption or disturbance of electricity, internet, cable, satellite, telecommunication or other infrastructure, including disturbance of services provided by the service provider that hosts the Insured's website, blackouts and brownouts. Providing, however, that this exclusion shall only apply to such interruptions and disturbances that are outside of Your control.
- b. Scheduled interruption, maintenance: any scheduled interruption or any maintenance of the Company's Computer System.
- c. Insufficient Capital: any increase in Business Interruption Loss as a result of Your inability to provide sufficient capital to restore the Company's Computer System or to recover Data.

**Do I need to pay any amount from my pocket at the time of claim?**

Deductible is the part of the claim that is to be first paid by you and we are liable to pay the remaining part of the claim.

**How do I get the premium amount for this Insurance Cover?**

Based on filled proposal form and information furnished, we will provide you with the premium amount.

**What are the options for Policy Period this Insurance Cover?**

The Policy can be taken for 1 year

**What are the Duties of the Insured available under this Policy?****1. Reasonable Precaution-**

It is a condition precedent to coverage hereunder that the Insured shall take all reasonable measures (taking into account the size and complexity of the Insured and resources available) to safeguard the Company's Computer System and prevent the occurrence and to minimize the impact of any Cyber Attack or Business Interruption Event.

**What will happen in an event of loss under this insurance coverage?****1. Notification**

It is a condition precedent to coverage hereunder that:

- (a) upon Discovery, the Insured shall give written notice thereof to the Insurer as soon as reasonably practicable, but in any event not later than days as mentioned in the policy schedule after the end of the policy period;
- (b) upon receipt of any Claim, the Insured shall give written notice thereof to the Insurer as soon as reasonably practicable, but in any event not later than days as mentioned in the policy schedule after the end of the Policy Period or Discovery Period, if applicable; and
- (c) if, during the Policy Period, the Insured becomes aware of any fact, event or circumstance which is likely to give rise to a Claim then the Insured shall give written notice thereof to the Insurer as soon as reasonably practicable and, in any event, during the Policy Period.

All notifications and all communications under this Policy must be in writing to the address set forth mentioned in the Policy Schedule.

**2. Defence and Settlements**

We shall be entitled to fully participate in the defence and at the negotiation stage of any settlement that is reasonably likely to involve or appear to involve. However, the right and duty to defend and contest the Claim shall lie solely on You. As condition precedent to liability under the policy, You shall provide Us, at Your own cost with all documentation, information, assistance, co-operation that may be requested and required towards, investigation, defence, settlement or appeal of a Claim or circumstances. You shall take all reasonable steps to mitigate the loss in Your capacity immediately within reasonable period of time.

**3. Cooperation**

It is a condition precedent to coverage hereunder that the Insured:

- i. takes all reasonable steps to reduce or minimise Loss;
- ii. in connection with the coverage afforded under Covers – 6. Business Interruption Loss and Restoration, cost cover, 7. Hacker Theft Cover and 8. Cyber Extortion Cover submits to Us (at its own cost) a written, detailed proof of Loss which provides an explanation of the circumstances and a detailed calculation of such Loss;
- iii. provides to Us all such cooperation and assistance as We may request in connection with such Loss; and
- iv. shall not admit liability, make any payments, assume any obligations, enter into any settlement accept any judgement or award without the Insurers prior written consent.

**4. Calculation of Business Interruption Cost**

Business Interruption Loss shall comprise of:



- a. The amount that the Company's net operating profit (excluding profits out of capital and investment gains and before tax) during the Indemnity Period falls back behind the projected Company's net operating profit for that period as a direct result of the total or partial unavailability of the Company's Computer System. For the purpose of projecting the net operating profit during the Indemnity Period which would have been earned if the Business Interruption had not occurred, the Company's revenues during the 36 months prior to the unavailability will be taken into consideration as well as all relevant trends and business developments that would have affected the Company's net operating profit without the unavailability of the Company's Computer System; and Fixed charges and other operating expenses but only to the extent that such expenses must continue during the Policy Period and to the extent that these expenses are not covered by the Company's revenues as a direct result of the total or partial unavailability of the Company's Computer System.
- b. In calculating the Business Interruption Loss and to come to a result that shall represent as nearly as may be reasonable practicable the results which but for the unavailability of the Company's Computer System would have been obtained during the Indemnity Period, any related benefits shall be calculated against the Business Interruption Loss including but not limited to:
  - i. Any alternative methods used by the Company to maintain its revenue stream,
  - ii. any additional profits at another location of the Company or at a later time, but not later than 6 months after the unavailability of the Company's Computer System that are caused by the same impairment (shift of profits) shall be calculated against the Business Interruption Loss or
  - iii. any sums saved during the Indemnity Period in respect of any variable charges and expenses of the Company which may cease or be reduced as a consequence of the unavailability of the Company's Computer System

Business Interruption Loss shall not include:

- i. loss resulting from suspension, cancellation or lapse of any lease, contract, license or orders by the Company,
- ii. fines and damages for breach of contract or for late or noncompletion of orders,
- iii. penalties of any nature.

## 5. **Other Currency**

In the event that a Loss is suffered in a currency other than the currency stated in the Schedule, the rate of exchange applicable thereto for the purposes of determining the valuation of Loss shall be the closing average rate on Discovery

(or if Discovered during a weekend or national holiday, on the next business day thereafter)

## 6. **Transfer of Rights of Recovery against Others (Subrogation)**

You shall take all steps necessary or such steps as are required by Us before or after any payment by Us under this Policy to preserve the rights and remedies which You may have to recover the Loss. If any payment is to be made under this Policy in respect of a Claim, We shall be subrogated to all Your rights of recovery whether or not payment has in fact been made and whether or not You have been fully compensated for its actual Loss. We shall be entitled to pursue and enforce such rights in the name of an Insured, who, both before and after payment under this Policy, shall provide Us with all reasonable assistance and co-operation in doing so, including the execution of any necessary instruments and papers. You shall do nothing to prejudice Our rights under this subrogation clause.

We agree not to exercise any such rights of recovery against any insured unless the Claim is brought about or contributed to by the dishonest, fraudulent, intentional criminal or malicious act or omission. In its sole discretion, the Insurer may, in writing, waive any of its rights set forth in this Subrogation Clause.

Any amounts recovered in accordance with this clause shall be applied in the following order:

- (i) to compensate Us and You for the costs incurred in making the recovery (such payment to be allocated between Us and You in the same proportions as they have borne the costs thereof); and
- (ii) to Us up to the amount of the Loss paid by Us; and
- (iii) to You in respect of any uninsured element of the Claim (including the Deductible).

## **What is the Limit of Liability available under this Policy?**

### **1. Limit of Liability**

Our maximum liability to pay or indemnify under this policy for each and every loss and for all loss in total shall not exceed the Limit of Liability as specified in the Policy Schedule for the respective clauses during the Policy Period.

## 2. **Loss Attribution Related Event**

All Related Events shall constitute one single Claim or Loss and shall be all deemed to be first made or Discovered when the earliest of any one of such Claims or Loss was first made or Discovered.

### What will happen in change in risk under this Policy?

#### 1. **Change in Risk**

##### a. New Subsidiaries

If during the Policy Period any Company creates or acquires a new Subsidiary, it shall automatically be covered under this Policy provided that:

- i. the Subsidiary created or acquired does not have a turnover exceeding 10% of the consolidated net turnover of the Policyholder at the time of inception of the Policy;
- ii. the Subsidiary is not a Financial Institution, telecommunication company, IT service provider or derives more than 50% of its turnover from online sales; and
- iii. the Subsidiary is not domiciled in the United States of America or its territories or possessions and derives not more than 50% of its turnover from activities in the United States of America or its territories or possessions.

##### b. Past Subsidiaries

If an entity ceases to be a Subsidiary under this Policy during the Period of Insurance, then no coverage shall be afforded under this Policy for any Loss of or Claim made against such Subsidiary after the date it ceased to be a Subsidiary.

##### c. Merger or Acquisition

If during the Policy Period a Merger or Acquisition occurs, the Insurer shall only be liable to make any payment under this Policy in relation to any Loss or Claim, based upon or attributable to any Data Breach, Privacy Breach, Cyber Extortion Threat or Wrongful Act covered hereunder which occurred prior to the date on which the Merger or Acquisition is legally effective in the jurisdiction in which it occurs.

The Policyholder shall give the Insurer written notice of the Merger or Acquisition as soon as practicable after the Policyholder first becomes aware of the Merger or Acquisition.

##### d. Receivership, liquidation

If a receiver, liquidator, administrator or equivalent under the laws of any jurisdiction is appointed to any Insured during the Period of Insurance, the Insurer shall only be liable to make any payment under this Policy in relation to any Loss based upon or attributable to any Data Breach, Privacy Breach, Cyber Extortion Threat or Wrongful Act covered hereunder which occurred prior to the effective date of such appointment.

### What are the Conditions available under this Policy?

#### I. **Cancellation**

##### a. **Cancellation by Insured**

Policy may be cancelled at the option of the insured with Fifteen (15) days' notice of cancellation and We will be entitled to retain premium on short period scale of rates for the period for which the cover has been in existence prior to the cancellation of the Policy. The balance premium, if any, will be refundable to the insured.

In case of cancellation of Policy by the insured, premium would be refunded as per below table subject to there being no Claim under the Policy:

Period on Risk	% of Premium to be Refunded
Not Exceeding 1 Week	90% of the Annual Premium
Not Exceeding 1 Month	75% of the Annual Premium



Not Exceeding 2 Months	65% of the Annual Premium
Not Exceeding 3 Months	50% of the Annual Premium
Not Exceeding 4 Months	40% of the Annual Premium
Not Exceeding 6 Months	25% of the Annual Premium
Not Exceeding 8 Months	15% of the Annual Premium
Exceeding 8 Months	0% of the Annual Premium

b. Cancellation by Insurer:

This insurance may also at any time be terminated at the option of the Insurer, on Fifteen (15) days' notice to that effect being given to the Insured on ground of mis-representation, fraud, non-disclosure of material facts and non-co-operation by the insured and there would be no refund of premium.

- c. Your Policy will automatically be cancelled from the time Your Business becomes insolvent or is wound up or is permanently discontinued or a liquidator, administrator, receiver, manager and / or Trustee in bankruptcy is appointed to You or any of Your assets.
- d. No refund of premium shall be due if the Insured has made a Claim under this Policy.

**What do I do in case of a claim?**

In case of a claim, we request you to register a claim by contacting our Customer Service No. 1800 258 5956: You can, alternatively, also register a claim by email on: [hello@godigit.com](mailto:hello@godigit.com)

Please keep below details handy at the time of registering claims as this information will help us serve you faster: Policy Number, Location of Loss, Date and Time of Loss & Contact Number of the Insured/Caller.

**What do I do in case of grievance?**

**We** are committed to extend the best possible services to its customers. However, if **You** are not satisfied with **Our** services and wish to lodge a complaint, please feel free to call **Our** 24X7 Toll free number 1800-258-5956 or **You** may email to the customer service desk at [hello@godigit.com](mailto:hello@godigit.com). After investigating the matter internally and subsequent closure, **We** will send **Our** response.

Senior Citizens can now contact **Us** on 1800-258-5956 or write to **Us** at [seniors@godigit.com](mailto:seniors@godigit.com).

Email: [grievance@godigit.com](mailto:grievance@godigit.com)

For further information, please refer the below link,

<https://www.godigit.com/claim/grievance-redressal-procedure>

You can also make use of IRDAI's online portal - Integrated Grievance Management System (IGMS) by registering Your complaint at <https://irdai.gov.in/igms1>

**IMPORTANT NOTE:** Above is a summary of Coverage and Exclusions, please refer to detailed Policy Terms & Conditions and Policy Schedule for full description which shall prevail in the event of any claim/complaint/dispute.

**Annexure 1**  
**ADDITIONAL ENDORSEMENT, ADD-ONS & CLAUSES**

Sr. No.	Name of Add-On/Endorsement/Clause	UIN
1.	Wrongful Act – Definition Extension	IRDAN158CP0011V01202122/A0001V01202526
2.	Insured Persons – Definition Extension	IRDAN158CP0011V01202122/A0002V01202526
3.	Fake President Fraud Cover/ Social Engineering Fraud Cover	IRDAN158CP0011V01202122/A0003V01202526
4.	Advancement of Defence Cost Cover	IRDAN158CP0011V01202122/A0004V01202526
5.	Pro-active (IT Expert/Consultation Costs) Forensic and investigations costs Cover	IRDAN158CP0011V01202122/A0005V01202526
6.	PCI DSS Fines & penalties and assessment costs Cover	IRDAN158CP0011V01202122/A0006V01202526
7.	Psychological Support Expenses Cover	IRDAN158CP0011V01202122/A0007V01202526
8.	Clean Up Cost Cover	IRDAN158CP0011V01202122/A0008V01202526
9.	Reward Coverage Extension Cover	IRDAN158CP0011V01202122/A0009V01202526
10.	Contractual Liability Exclusion	IRDAN158CP0011V01202122/A0010V01202526
11.	Trade Secrets and Intellectual Property Exclusion	IRDAN158CP0011V01202122/A0011V01202526
12.	War, Terrorism, looting and Government Acts Exclusion	IRDAN158CP0011V01202122/A0012V01202526
13.	Unauthorized Collection of Data Exclusion	IRDAN158CP0011V01202122/A0013V01202526

**What will I be covered for under each of the Add-On Covers?**

Below mentioned are the add-on covers/ clauses/ endorsements available under “**Digit Commercial Cyber Insurance Policy (Commercial)**”.

**1. Wrongful Act - Definition Extension**

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or any of its conditions, Point no 68. ‘Wrongful Act’ under ‘Definitions’ will be amended as under:

- **Wrongful Act** means any Security Wrongful Act and/or Media Wrongful Act and/or Disclosure Liability and/or Reputational Liability and/or Content Liability and/or Conduit Liability and/or Impaired Access Liability.

Accordingly following additional definitions of (a) Disclosure Liability (b)Reputational Liability (c) Content Liability (d) Conduit Liability (e) Impaired Access Liability will be included in the policy, which are mentioned as under:

- (a) **Disclosure Liability** means loss sustained or allegedly sustained by a natural person because of the potential or actual unauthorized access to such natural person’s Record by another person when such access: A. occurs on or after the Retroactive Date and before the end of the Policy Period; and B. results directly from: 1. a Cyber-attack into a System owned by an Organization; or 2. a natural person who has gained unauthorized access to, or has exceeded authorized access to a System or System Output owned by: i. an Organization; or ii. an organization that is authorized by an Insured through a written agreement to process, hold or store Records for an Insured.
- (b) **Reputational Liability** means loss sustained or allegedly sustained by a person because of an actual or alleged: A. disparagement of such person’s products or services; B. defamation, libel or slander of such natural person; or C. violation of such person’s rights of privacy or publicity resulting directly from Cyber Activities of an insured, provided that the cyber activities that caused or allegedly caused the Reputational Liability first occurred on or after the Retroactive Date and before the end of the Policy Period.
- (c) **Content Liability** - Content Liability means loss sustained or allegedly sustained by a person because of the actual or alleged infringement of: (A.) a collective mark, service mark, design right or trade mark name, slogan, symbol or title; (B.) a copyright; (C.) the name of a product, service, or organization; or (D.) the title of an artistic or literary work, resulting directly from Cyber Activities of an insured, provided that the cyber activities that caused or allegedly caused the first occurred on or after the Retroactive Date and before the end of the Policy Period.

- (d) **Conduit Liability** - *Conduit Liability means loss sustained or allegedly sustained by a person because a System cannot be used, or is impaired, resulting directly from: A. a Cyber-attack into an Insured's System provided such cyber-attack was then received into a third party's System B. a natural person who has accessed a system without authorization through an Insured's System, Provided such transmission or access occurred on or after the retroactive date and before the end of the Policy Period.*
- (e) **Impaired Access Liability** - *Impaired Access Liability means loss sustained or allegedly sustained by a customer authorized to access an Insured's system because such access has been impaired or denied resulting directly from Fraudulent Access or Transmission, provided such Fraudulent Access or Transmission occurred on or after the Retroactive Date and before the end of the policy period.*

## 2. Insured Persons - Definition Extension

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or any of its conditions, Point no 35. 'Insured Persons' under 'Definitions' will be amended as under:

- *Insured Persons means the Company's employees and any person who was, is, or during the Policy Period, becomes a director or officer of the Company and Subcontractors working on behalf of company, entities the company is required by contract to add as an insured under the policy, but only for wrongful acts of company.*

## 3. Fake President Fraud Cover/ Social Engineering Fraud Cover

- Notwithstanding anything to the contrary to this policy, it is hereby understood and agreed that to include Financial Loss resulting directly from the Insured having, in good faith; Transferred money from its own accounts arising from amendment of current payments detail of a customer, supplier, or service provider-as a result of a fraudulent instruction (via e-mail, telephone or facsimile), communicated to an Employee of the Insured, by a person purporting to be:
  - a director, officer, partner, member or sole proprietor of the Insured or other Employee of the Insured; or,
  - a customer, supplier, service provider or adviser, or a representative or employee of such person or entity, that has a legitimate written agreement or a pre-existing written arrangement or agreement to provide goods or services to the Insured.
  - cover under this Insuring Clause is subject to the condition that prior to making the transfer or amending the current payment details, the Employee of the Insured receiving the fraudulent instruction has Verified that the instruction is coming from a genuine person described in the policy above who has the authority to initiate the instruction.
- The following Exclusion is added to this Policy: The Insurer shall not be liable to make any payment for Loss sustained by the Insured resulting from a third-party purporting to be:
  - 1. a director, officer, partner, member or sole proprietor the Insured or other Employee; or,
  - 2. customer, supplier, service provider or adviser, or a representative or employee of such person or entity; unless such Loss is covered under the Insuring Clause (Social engineering fraud).
- For the purpose of this endorsement, following definition shall apply:
  - **Verified /Verify** means the genuineness of a person, who communicated the fraudulent instruction, verified independently from the person who communicated the fraudulent instruction and confirmed by the Insured:
    - through a telephone call back procedure consisting of calling the requestor by using the telephone number of such requestor which is (i) held on file by the Insured, or (ii) available in the internal phone directory of the Insured or (iii) verifiable into the public domain; where such instruction is in the form of an e-mail, by verifying and ensuring that the genuine requestors' work e-mail address has been used for such instruction, such verification to be done by sending a fresh e-mail to the work e-mail address of the requestor seeking confirmation of the instruction and obtaining the requestors' confirmation in reply to this mail.

This Extension will be subject to a Sub limit of Liability as mentioned in the schedule. All other terms, conditions and exclusions of this policy remain unaltered.

## 4. Advancement of Defence Cost Cover

The Company shall, prior to the final disposition of any Claim, Advance Defence Costs within thirty (30) days of receipt of invoice for same provided that, with respect to any Claim brought or maintained by or on behalf of any government agency or authority; or licensing or regulatory organization, the Company's obligation to advance Defence Costs.

**5. Pro-active (IT Expert/Consultation Costs) Forensic and investigations costs Cover**  
**(Cover to trigger in case of suspected events)**

The Insurer will pay to or on behalf of any Company all Professional Fees (including in the case of suspected events) of forensic cyber risk specialists includes but not limited to the following –

- substantiating whether a Qualifying Breach of Data Security has occurred/is occurring, identifying the cause, establishing the extent of the breach.
- identify Personal information and Corporate Information that may have been compromised and for making recommendations as to how this may be prevented or mitigated.
- Containing or mitigating Qualifying Breach of Data Security, including but not limited to containing or mitigating a denial-of-service attack.
- resolving a denial-of-service attack and removing any malicious software, computer code or virus from the Company's Computer System and/or identifying any comprised data.
- and examining the Company's Computer System to determine the remediation actions that are required in order to comply with an Enforcement Notice.
- Cost of changes the records of the individuals affected or reasonably believed to be affected by actual or alleged Qualifying Breach of Data Security.
- Such Professional Fees can only be incurred from the date of notification to the Insurer.

**6. PCI DSS Fines & penalties and assessment costs Cover**

PCI-DSS Assessment	means any written demand received by an Insured from a Card Association or Acquiring Bank for a monetary assessment Of a fine or penalty due to an Insured's non-compliance with PCI Data Security Standards resulting from a Qualifying Breach of Data Security
Acquiring Bank	means any bank which processes a merchant's Credit Card transactions and credit those transactions to a merchant's account.
Credit Card	means credit cards, debit cards, stored value cards and pre-funded cards
Card Association	means MasterCard, VISA, Discover, American Express, or JCB.
PCI-Data Security Standards (PCIDSS)	means generally accepted and published Payment Card Industry standards for data security, including but not limited to: <ul style="list-style-type: none"> <li>• Install and maintain a firewall configuration to protect cardholder data;</li> <li>• Do not use vendor-supplied defaults for system passwords and other security parameters;</li> <li>• Protect stored cardholder data;</li> <li>• Encrypt transmission of cardholder data across open public networks.</li> <li>• Use and regularly update anti-virus software;</li> <li>• Develop and maintain secure systems and applications;</li> <li>• Restrict access to cardholder data by business need-to-know;</li> <li>• assign a unique ID to each person with computer access;</li> <li>• Restrict physical access to cardholder data;</li> <li>• Track and monitor all access to network resources and cardholder data;</li> <li>• Regularly test security systems and processes; and</li> <li>• Maintain a policy that addresses information security</li> </ul>

**7. Psychological Support Expenses Cover**

The Insurer shall pay the Psychological Support Expenses Sub limit of Liability as mentioned in the schedule incurred during the Policy Period. This extension of coverage applies excess of any indemnification available to the Insured from any kind of health insurance. The term "Psychological Support Expenses" shall mean any reasonable and necessary fees, costs and expenses incurred by an Insured, with the Insurer's prior written consent, for psychologist services, in connection with a covered Claim.

All other terms, exclusions and conditions of this policy remain unaltered.

#### **8. Clean Up Cost Cover**

Notwithstanding anything contrary to this policy, it is hereby understood and agreed that the cover has been extended under the policy for professional fees of the IT specialist to remove and suppress the harmful publication (whether in the form of videos, photographs or published statements) by any third party on internet through breaching company's official social media webpage.

For the purpose of above endorsement following exclusions be applicable –

- Any non-digital media (e.g. in print, radio or television broadcast).
- Damage caused by a journalist.

All other terms, conditions and exclusions of this policy remain unaltered.

#### **9. Reward Coverage Extension Cover**

In consideration of the premium charged, it is hereby understood and agreed that the policy is amended as follows:

- The terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and do not modify the terms, conditions, exclusions and other limitations contained in the policy unless specifically set forth herein. Unless otherwise set forth herein, the terms, conditions, exclusions and other limitations contained in the policy apply to the coverage provided by this endorsement.
- Reward Insuring Agreement - The Insurer may pay on an Insured's behalf, at the Insurer's sole and absolute discretion, as a Reward Fund. No Retention shall apply to this coverage.
- Solely with respect to the coverage afforded under this endorsement, 'Reward Fund' means any amount offered by the Insurer for information that leads to the arrest and conviction of any individual(s) committing or trying to commit any illegal act related to the coverage afforded by any Coverage Section of this Policy.
- The Insurer shall not pay any Reward Fund for, and this policy shall not cover any amount based upon, any information provided by any Insured, an Insured's auditors, whether internal or external, any individual hired or retained to investigate the aforementioned illegal acts, or any other individuals with responsibilities for the supervision or management of the aforementioned individuals.
- Solely with respect to the coverage afforded under this endorsement, Limit of Liability of the General Terms and Conditions is amended to include the following paragraph at the end thereof –
  - The Insurer's maximum payment as a Criminal Reward Fund arising from any and all events occurring during the Policy Period, in the aggregate, regardless of the number of events, incidents or Claims or amount of Loss reported during the Policy Period.
- There shall be no Retention applicable to the coverage afforded by this endorsement. This endorsement is subject to sublimit mentioned in schedule. All other terms conditions and exclusions remain unchanged.

#### **10. Contractual Liability Exclusion**

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or any of its conditions, Point no 3. 'Contractual Liability' under 'Exclusions- A. General Exclusions' will be amended as under:

- *any liability under any contract, agreement, guarantee or warranty assumed or accepted by an Insured except to the extent that:*
  - a. such liability would have attached to an Insured in the absence of such contract, agreement, guarantee or warranty; or*
  - b. coverage is afforded under E-payments/ Contractual penalties.*

*Assumed Liability for any actual or alleged liability of any Insured under any contract that this exclusion shall not apply to Conduit Liability, Impaired Access Liability or Disclosure Liability or to liability that would have attached to such Insured in the absence of such contract or to the Company's obligation to advance Defence Costs. For Content Liability or Reputational Liability sustained by any person that: creates, designs, develops, or provides an for any Insured; or is an assign or heir of any person described in the policy, provided that this exclusion applies regardless of whether such content, material, or service was jointly created, designed, developed or provide by any Insured.*

#### **11. Trade Secrets and Intellectual Property Exclusion**

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or any of its conditions, Point no 4. 'Trade Secrets and Intellectual Property' under 'Exclusion - A. General Exclusions' will be amended as under:

- *Any actual or alleged plagiarism or infringement of any Trade Secrets, patents, trademarks, tradenames, copyrights, licenses or any other form of intellectual property but Breach of intellectual property except Patents and trade secrets. However, this exclusion shall not apply to coverage afforded under Media Liability Claim Cover.*

## **12. War, Terrorism, looting and Government Acts Exclusion**

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or any of its conditions, Point no 6. 'War, Terrorism, looting and Government Acts' under 'Exclusion - A. General Exclusions' will be amended as under:

- *Terrorism any form of war, riot, looting, government acts; Provided however that this exclusion shall not apply to actual, alleged or threatened Cyber terrorism.*
- *Cyber terrorism means the premediated use of disruptive activities against any Computer System or network, with the explicit threat to use such activities, that results in causing harm, furthering social, ideological, religious, political, or similar objectives, or intimidating any person(s) in furtherance of such objectives.*

## **13. Unauthorized Collection of Data Exclusion**

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or any of its conditions, Point no 11. 'Unauthorized Collection of Data' under 'Exclusion - A. General Exclusions' will be amended as under:

- *Any unlawful or unauthorised collection of personal data or Client Information. Provided, however, that such exclusion shall not apply where such personal data or Client Information is collected by any of the Company's employees including resigned, retired or serving employees without the knowledge or approval of any of the Company's directors or officers.*