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 alleginga 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 extend 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 anyfact, 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 iscollected 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 orelectronic 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 obligationto 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 successfullytested 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?

Deducible 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 assoon 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, duringthe Policy Period.

All notifications and all communications under this Policy must be in writing to the address setforth 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 inconnection 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 theconsolidated net turnover of the Policyholder at the time of inception of the Policy;
ii. the Subsidiary is not a Financial Institution, telecommunication company, IT serviceprovider or derives more than 50% of its turnover from online sales; and
iii. the Subsidiary is not domiciled in the United Statesof America or its territories or possessions and derives not more than 50% of its turnover from activities in the United States of America orits 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 aspracticable 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 occurredprior 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
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. 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.
Email: grievance@godigit.com
For further information, please refer the below link,
https://www.godigit.com/claim/grievance-redressal-procedure
The policyholder or the claimant also has the option to register the complaint on-line at IRDAI's Bima Bharosa by visiting https://bimabharosa.irdai.gov.in/

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.