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The Insurers

Effected with certain subscribing insurance companies (hereinafter called “the Insurers”) through BOXX Insurance Services Inc. as shown in the Declarations.

Insurer’s promise to the Insured

In consideration of the **Insured Organization’s** payment of the premium and in reliance upon the **Insured Organization’s** presentation of the risk, including the **Application**, and subject to the aggregate limit of indemnity, applicable sub-limits and **Retention**, together with the exclusions, conditions, and terms of this **Policy**, the **Insurer** agrees to insure the **Insured** in accordance with this **Policy**.



Jonathan Weekes

President, BOXX Insurance Services Inc.

Conditions

THIS POLICY IS WRITTEN ON A CLAIMS-MADE AND REPORTED BASIS. EXCEPT AS OTHERWISE PROVIDED, THIS POLICY COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSURED AND INCIDENTS OR LOSSES FIRST DISCOVERED BY THE INSURED DURING THE POLICY PERIOD, OR ANY APPLICABLE EXTENDED REPORTING PERIOD, AND NOTIFIED TO THE INSURER PURSUANT TO THE INSURED’S OBLIGATIONS.

Please read this **Policy**, together with any endorsements and the Declarations, very carefully. If anything is not correct, please notify the **Insurer** immediately.

In return for the premium the **Named Insured** has paid, the **Insurer** agrees to insure the **Insured** in accordance with the terms and conditions of the **Policy**.

The liability Insuring Agreements of this **Policy** provide claims-made coverage which applies only to **Claims** first made during the **Policy Period**, or any applicable Extended Reporting Period.

The titles of the various sections, paragraphs, and clauses of this **Policy** and any endorsements attached to this **Policy** are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provisions to which they relate.

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I. INSURING AGREEMENTS

COVERAGE UNDER THIS POLICY IS PROVIDED ONLY FOR THOSE INSURING AGREEMENTS FOR WHICH A LIMIT APPEARS IN THE DECLARATIONS. IF NO LIMIT IS SHOWN FOR AN INSURING AGREEMENT, SUCH INSURING AGREEMENT IS NOT PROVIDED BY THIS POLICY.

A. THIRD PARTY INSURING AGREEMENTS

A.1 PROFESSIONAL ERRORS AND OMISSIONS LIABILITY

If during the **Policy Period**, any party brings a **Claim** against an **Insured** for a **Professional Wrongful Act**, the **Insurer** will pay **Claim Expenses** on behalf of the **Insured Organization**.

A.2 TECHNOLOGY ERRORS AND OMISSIONS LIABILITY

If during the **Policy Period**, any party brings a **Claim** against an **Insured** for a **Technology Wrongful Act**, the **Insurer** will pay **Claim Expenses** on behalf of the **Insured Organization**.

A.3 TECHNOLOGY PRODUCTS LIABILITY

If during the **Policy Period**, any party brings a **Claim** against an **Insured** for a **Technology Products Wrongful Act**, the **Insurer** will pay **Claim Expenses** on behalf of the **Insured Organization**.

A.4 TECHNOLOGY DISCRIMINATION LIABILITY

If during the **Policy Period**, any party brings a **Claim** against an **Insured** for a **Technology Discrimination Wrongful Act**, the **Insurer** will pay **Claim Expenses** on behalf of the **Insured Organization**.

A.5 MEDIA LIABILITY

If during the **Policy Period**, any party brings a **Claim** against an **Insured** for a **Media Wrongful Act**, the **Insurer** will pay **Claim Expenses** on behalf of the **Insured Organization**.

A.6 INFORMATION PRIVACY LIABILITY

If during the **Policy Period**, any party brings a **Claim** against an **Insured**, the **Insurer** will pay **Claim Expenses** on behalf of the **Insured Organization** for any actual or alleged:

- (a) breach, violation, or infringement of any right to privacy, consumer data protection law, or other legal protection for **Personal Data**;

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- (b) breach of duty to maintain the security or confidentiality of **Personal Data**;
- (c) breach of any duty of confidence, including with respect to any commercial information; or
- (d) breach of any contractual duty to maintain the security or confidentiality of **Personal Data**, including:
 - i. under a payment card processing agreement with any bank or payment processor; or
 - ii. under the **Insured Organization's Privacy Policy** that was in force at the time the **Claim** was made against the **Insured**.

A.7 REGULATORY DEFENCE AND AWARDS

If during the **Policy Period**, any party brings a **Regulatory Claim** against an **Insured**, the **Insurer** will pay **Claim Expenses** on behalf of the **Insured Organization**, including **Regulatory Awards** and **Privacy Investigation Costs**.

A.8 PCI DSS LIABILITY

If during the **Policy Period**, any party brings a **Claim** against an **Insured** for any actual or alleged breach of **PCI DSS**, the **Insurer** will pay **Claim Expenses** on behalf of the **Insured Organization**.

A.9 NETWORK SECURITY LIABILITY

If during the **Policy Period**, any party brings a **Claim** against an **Insured**, the **Insurer** will pay **Claim Expenses** on behalf of the **Insured Organization** for any actual or alleged:

- (a) transmission of **Malicious Code**;
- (b) denial of service attack against a third party emanating from the **Insured's Computer System**;
- (c) unauthorized acquisition, access, use, or disclosure of **Personal Data** or **Corporate Information** that is held or transmitted by an **Insured** in any form;
- (d) failure to prevent unauthorized electronic access to the **Insured's Computer System**; or
- (e) denial of authorized access to the **Insured's Computer System**.

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B. FIRST PARTY INSURING AGREEMENTS

B.1 INCIDENT RESPONSE

The limit for Insuring Agreements in B.1. INCIDENT RESPONSE is in addition to the aggregate limit of indemnity for this **Policy** shown in the Declarations.

B.1.1 Legal Privacy Breach Costs

If during the **Policy Period**, the **Insured** discovers or reasonably suspects any **Privacy Breach**, the **Insurer** will pay on the **Insured's** behalf the reasonable and necessary costs incurred by the **Insured Organization** to:

- (a) provide legal advice to the **Insured** in connection with the **Insured Organization's** investigation of a **Privacy Breach**;
- (b) assist with the preparation of legally required notifications to any regulator and **Data Subjects** affected by a **Privacy Breach** that is covered under this **Policy**; and
- (c) determine and pursue any indemnity owed by a third party to the **Insured Organization** under a written agreement.

B.1.2 Incident Forensic Costs

If during the **Policy Period**, the **Insured** discovers or reasonably suspects any **Privacy Breach**, **Security Failure**, **Cyber Extortion Threat**, or **Cyber Attack** against the **Insured Organization**, the **Insurer** will pay on the **Insured Organization's** behalf the reasonable and necessary costs incurred by the **Insured** for:

- (a) computer forensic analysis conducted by third party forensic experts to:
 - confirm whether or not a **Privacy Breach**, **Security Failure**, **Cyber Extortion Threat**, or **Cyber Attack** against the **Insured** has occurred, or is occurring;
 - identify any **Data Subjects** affected by a **Privacy Breach** that is covered under this **Policy**; and
 - stop or contain the **Privacy Breach**, **Security Failure**, **Cyber Extortion Threat**, or **Cyber Attack** against the **Insured Organization**; and
- (b) legal fees necessary for the preservation of the attorney-client privilege afforded to forensic reports and findings due to a **Privacy Breach**.

B.1.3 Notification Costs

The **Insurer** will pay on the **Insured Organization's** behalf the reasonable and necessary costs incurred by the **Insured Organization** to notify each **Data Subject** affected by a **Privacy Breach** that is covered under this **Policy**; and any regulatory

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body, of the **Privacy Breach** where the **Insured Organization** is required by any applicable law or regulation to do so, and for up to 24 months.

B.1.4 Call Centre Costs

The **Insurer** will pay on the **Insured Organization's** behalf the reasonable and necessary costs incurred by the **Insured Organization** to retain a third party to provide the service of call centre to answer inquiries from **Data Subjects** following notification of the **Privacy Breach** to **Data Subjects**, including those affected in compliance with the Health Information Technology for Economic and Clinical Health Act (HITECH) (U.S.) requirements, and for up to 24 months.

Any costs included within this Insuring Agreement related to a voluntary notification require the **Insurer's** prior written consent, such consent not to be unreasonably withheld.

B.1.5 Credit Monitoring Costs

The **Insurer** will pay on the **Insured Organization's** behalf the reasonable and necessary costs incurred by the **Insured Organization** to provide credit monitoring services or other credit protection services to each **Data Subject** affected by a **Privacy Breach** that is covered under this **Policy**, and for up to 24 months.

Any costs included within this Insuring Agreement related to a voluntary notification require the **Insurer's** prior written consent, such consent not to be unreasonably withheld.

B.1.6 Identity Monitoring

The **Insurer** will pay on the **Insured Organization's** behalf the reasonable and necessary costs incurred by the **Insured Organization** to monitor the Dark Web for the appearance of any **Personal Data** or **Corporate Information** accessed during a **Privacy Breach**, but not including any overhead costs, general business expenses, salaries, or wages incurred by the **Insured Organization** or any other person or entity entitled to coverage under this **Policy**, and for up to 24 months.

Any costs included within this Insuring Agreement related to a voluntary notification require the **Insurer's** prior written consent, such consent not to be unreasonably withheld.

B.1.7 Public Relations Costs

The **Insurer** will pay on the **Insured Organization's** behalf **Public Relations Costs** incurred by the **Insured Organization** as a direct result of a **Privacy Breach** that is covered under this **Policy**.

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Any costs included within this Insuring Agreement related to a voluntary notification require the **Insurer's** prior written consent, such consent not to be unreasonably withheld.

B.2 CYBER EXTORTION LOSSES

If during the **Policy Period** the **Insured** discovers a **Cyber Extortion Threat**, the **Insurer** will pay on the **Insured Organization's** behalf for:

- (a) a **Cyber Extortion Negotiator**;
- (b) **Extortion Expenses**; or
- (c) **Extortion Payment**.

B.3 DATA RECOVERY COSTS

If during the **Policy Period**, the **Insured** discovers or reasonably suspects any **Privacy Breach**, **Security Failure**, **Cyber Extortion Threat**, **Cyber Attack**, or **System Failure** against the **Insured Organization**, the **Insurer** will pay **Data Recovery Costs** on the **Insured Organization's** behalf.

Data Recovery Costs do not include:

- (a) costs incurred after it has been established that the **Insured's Data Asset** cannot be replaced, restored, or repaired, or access to it cannot be regained;
- (b) the economic value of the **Insured's Data Asset**, including the value of any trade secrets;
- (c) costs to restore, update, or replace the **Insured's Data Asset** to a level beyond that which existed prior to the event, unless the **Insured's Data Asset** can only be replaced, restored or repaired by purchasing a newer equivalent; or
- (d) costs to research or develop the **Insured's Data Asset** or to recreate, gather or assemble facts, concepts, or information needed to reproduce the **Insured's Data Asset**.

B.4 BRICKING COSTS

The **Insurer** will pay on the **Insured Organization's** behalf the reasonable and necessary costs incurred by the **Insured Organization** rectifying or replacing any part of the **Insured Organization's Computer System** that is rendered nonfunctional or useless for its intended purpose, without being physically damaged, as a direct result of a **Security Failure** or a **Cyber Attack**.

Bricking Costs shall only be incurred by the **Insured Organization** with the **Insurer's** prior written consent, such consent not to be unreasonably withheld.

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B.5 BUSINESS INTERRUPTION

The **Insurer** agrees to pay the **Insured Organization's** loss of **Income, Increased Costs of Working**, and the reasonable costs to retain a third party forensic accounting firm to determine the **Loss** described in this Insuring Agreement that the **Insured Organization** incurs during the **Indemnity Period** and that results solely and directly from a partial or total interruption to the **Insured Organization's Business** or from a **Voluntary Shutdown** commencing during the **Policy Period** and lasting longer than the **Waiting Period**, as a direct result of a **Privacy Breach, Security Failure, Cyber Extortion Threat, or Cyber Attack** against the **Insured Organization**.

For the purposes of this Insuring Agreement, **Waiting Period** shall be the period shown in the Declarations with respect to Insuring Agreement B.5 BUSINESS INTERRUPTION.

B.6 CONTINGENT BUSINESS INTERRUPTION

The **Insurer** agrees to pay the **Insured Organization's** loss of **Income, Increased Costs of Working**, and the reasonable costs to retain a third party forensic accounting firm to determine the **Loss** described in this Insuring Agreement that the **Insured Organization** incurs during the **Indemnity Period** and that results solely and directly from a partial or total interruption to the **Insured's Business** commencing during the **Policy Period** and lasting longer than the **Waiting Period**, and which is directly caused by a **Security Failure** or a **Cyber Attack** on the **Outsourced Provider's Computer System**.

The **Insurer** agrees to pay the **Insured Organization** the reasonable and necessary **Data Recovery Costs**, which are caused directly by a **Security Failure** or a **Cyber Attack** on the **Outsourced Provider's Computer System**, to regain access to the **Outsourced Provider's Computer System**.

For the purposes of this Insuring Agreement:

- (a) **Waiting Period** shall be the period shown in the Declarations with respect to Insuring Agreement B.6 CONTINGENT BUSINESS INTERRUPTION; and
- (b) **Outsourced Provider** shall be treated as an **Insured Organization** for the purposes of the definition of **Security Failure**.

B.7 SYSTEM FAILURE BUSINESS INTERRUPTION

The **Insurer** agrees to pay the **Insured Organization's** loss of **Income, Increased Costs of Working, Data Recovery Costs**, and the reasonable costs to retain a third party forensic accounting firm to determine the **Loss** described in this Insuring Agreement that the **Insured Organization** incurs during the **Indemnity Period** and that results solely and directly from a partial or total interruption to the **Insured's Business** commencing during the **Policy Period** and lasting longer than the **Waiting Period**, and which is directly caused by a **System Failure** to the **Insured's**

Computer System.

For the purposes of this Insuring Agreement, **Waiting Period** shall be the period shown in the Declarations with respect to Insuring Agreement B.7 SYSTEM FAILURE BUSINESS INTERRUPTION.

B.8 SYSTEM FAILURE CONTINGENT BUSINESS INTERRUPTION

The **Insurer** agrees to pay the **Insured Organization's** loss of **Income, Increased Costs of Working**, and the reasonable costs to retain a third party forensic accounting firm to determine the **Loss** described in this Insuring Agreement that the **Insured Organization** incurs during the **Indemnity Period** and that results solely and directly from a partial or total interruption to the **Insured's Business** commencing during the **Policy Period** and lasting longer than the **Waiting Period**, and which is directly caused by a **System Failure** to the **Outsourced Provider's Computer System**.

The **Insurer** agrees to pay the **Insured Organization** the reasonable and necessary **Data Recovery Costs**, which are caused directly by a **System Failure** to the **Outsourced Provider's Computer System**, to regain access to the **Outsourced Provider's Computer System**.

For the purposes of this Insuring Agreement, **Waiting Period** shall be the period shown in the Declarations with respect to Insuring Agreement B.8 SYSTEM FAILURE CONTINGENT BUSINESS INTERRUPTION.

B.9 REPUTATION PROTECTION

The **Insurer** will pay on the **Insured Organization's** behalf:

- (a) **Public Relations Costs**;
- (b) the damage to the **Insured Organization's Reputation**; and
- (c) the reasonable costs to retain a third-party forensic accounting firm to determine the **Loss** described in this Insuring Agreement,

that the **Insured Organization** incurs during the **Indemnity Period**, and are resulting solely and directly from an **Adverse Publication** first published during the **Policy Period** and lasting longer than the **Waiting Period**, as a direct result of an **Incident**.

For the purposes of this Insuring Agreement, **Waiting Period** shall be the period shown in the Declarations with respect to Insuring Agreement B.9 REPUTATION PROTECTION.

B.10 KEY PERSON COVER

The **Insurer** will pay on the **Insured Organization's** behalf the reasonable and necessary costs incurred by the **Insured Organization** to engage a consultant to:

- (a) undertake the day-to-day work of a **Senior Executive** to the extent that such individual is unable to fulfill his or her usual responsibilities as a direct result of their time being diverted to the management of a covered **Incident**; or
- (b) manage the **Insured's** response to a covered **Incident**, to enable a **Senior Executive** to fulfill his or her usual responsibilities.

C. FINANCIAL CRIME AND FRAUD INSURING AGREEMENTS

The most that the **Insurer** will pay for all Insuring Agreements in this section combined is the amount shown in the Declarations as FINANCIAL CRIME AND FRAUD AGGREGATE LIMIT.

C.1 ELECTRONIC THEFT

If during the **Policy Period**, the **Insured** discovers a **Loss** directly from the taking or misappropriation of **Money, Securities, Cryptocurrency**, or tangible property belonging to the **Insured Organization** as a consequence of a **Security Failure**, the **Insurer** will pay the **Insured's Cyber Crime Loss**.

C.2 THEFT OF FUNDS HELD IN ESCROW & PROPERTY HELD IN TRUST

If during the **Policy Period**, the **Insured** discovers a **Loss** as a direct result of the **Insured** having to reimburse any third party for theft, committed by another third party by electronic means, including a **Social Engineering Attack**, of: (1) **Money** or **Securities** from a bank account held by, or under the care, custody, or control of the **Insured Organization** on its behalf; or (2) tangible property held by, or under the care, custody, or control of the **Insured Organization** on its behalf.

C.3 TELECOMMUNICATION FRAUD

If during the **Policy Period**, the **Insured** discovers a **Security Failure** that causes telecommunication charges to be incurred in an unauthorized way by the **Insured Organization** from its telecommunications provider, the **Insurer** will pay the **Insured's Cyber Crime Loss**.

C.4 SOCIAL ENGINEERING

If during the **Policy Period**, the **Insured** discovers the transfer of the **Insured Organization's Money, Securities, Cryptocurrency**, or tangible property as a direct result of a **Social Engineering Attack**, the **Insurer** will pay the **Insured's Cyber Crime Loss**.

C.5 INVOICE MANIPULATION

If during the **Policy Period**, the **Insured** experiences **Invoice Manipulation** that leads directly to the **Insured's** inability to collect **Money** or **Cryptocurrency** for any goods, products, or services after such goods, products, or services have been

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transferred to a third party, the **Insurer** will pay **Invoice Manipulation Loss**.

For the purposes of this coverage, the **Client** shall be treated as the **Insured Organization** for the purposes of the definition of **Social Engineering Attack**.

C.6 FRAUDULENT USE OF INSURED ORGANIZATION'S ELECTRONIC IDENTITY

If during the **Policy Period**, and as a direct result of a **Security Failure**, the **Insured Organization** discovers the fraudulent or dishonest use of the electronic identity of the **Insured Organization's Business** to:

- (a) obtain credit in the **Insured Organization's** name;
- (b) electronically sign any contract;
- (c) create or use of a website designed to copy or imitate that of the **Insured Organization's Business**; or
- (d) allow a third party to use the **Insured Organization's** digital or electronic identity;

the **Insurer** will pay the **Insured Organization's Cyber Crime Loss**.

C.7 UTILITY AND MARKETING FRAUD

If during the **Policy Period**, and as a direct result of a **Cyber Attack** against the **Insured's Computer System**, the **Insured** discovers any of the following:

- (a) the increased cost of power;
- (b) the increased cost of internet usage;
- (c) the costs to restore the **Insured's** search engine rating; or
- (d) the cost of any malicious pay-per-click clicks;

the **Insurer** will pay the reasonable and necessary associated costs suffered or incurred by the **Insured**; provided, however, that the **Insurer** shall not pay for any normal overhead costs, general business expenses, salaries, or wages incurred by the **Insured**, or any other person or entity entitled to coverage under this **Policy**.

C.8 SOCIAL ENGINEERING OF KEY PERSONNEL

If during the **Policy Period**, a **Senior Executive** discovers the transfer by that same **Senior Executive** of that same **Senior Executive's Money, Securities**, or tangible property in direct response to a **Social Engineering Attack**, the **Insurer** will pay the **Senior Executive's Cyber Crime Loss**.

D. ADDITIONAL INSURING AGREEMENTS

D.1 REPEAT EVENT MITIGATION

Following any payment under Insuring Agreements in Sections A., B., or C. above, the **Insurer** will pay on the **Insured Organization's** behalf the reasonable and

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necessary costs and expenses incurred by the **Insured Organization** to:

- (a) purchase a software license, of up to 12 months, to upgrade existing hardware or software forming part of the **Insured's Computer System**; and
- (b) obtain risk management advice,

which is necessary to prevent or minimize the chance of a reoccurrence of the same event that gave rise to the payment under this **Policy**.

D.2 COURT ATTENDANCE COMPENSATION

If any individual within the definition of the **Insured** attends court as a witness in connection with a **Claim** against the **Insured Organization** or **Senior Executive** that is covered under this **Policy**, the **Insurer** will pay the **Insured** the amount stated in the Declarations as compensation for each day, or part of a day, that their attendance is required by the **Insurer**.

Cover for court attendance compensation is in addition to the aggregate limit of indemnity for this **Policy** shown in the Declarations.

D.3 CRIMINAL REWARD

The **Insurer** agrees to pay the **Criminal Reward Funds** incurred by the **Insured Organization** during the Policy Period.

II. EXCLUSIONS

A. EXCLUSIONS APPLICABLE TO A. THIRD PARTY INSURING AGREEMENTS

This **Policy** does not apply to, and the **Insurer** shall not make any payment for, any **Claim, Incident, Loss**, or any other liability under this **Policy**:

A.1 CONTRACTUAL LIABILITY

based upon, resulting from, arising directly or indirectly out of any contractual liability, whether oral or written. However, this exclusion shall not apply to:

- (a) the **Insured Organization's** contractual obligation to maintain the security of **Personal Data** or **Corporate Information**, or to the extent the **Insured** would have been liable in the absence of a contract or agreement;
- (b) the **Insured Organization's** obligation to comply with **PCI DSS** under a merchant services agreement or similar contract;
- (c) the **Insured Organization's** unintentional violation of the **Insured Organization's Privacy Policy**;
- (d) **Breach of Contract**;
- (e) **Contractual Indemnity**; or

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- (f) to the extent the **Insured** would have been liable in the absence of such contract or agreement.

A.2 LICENSING FEES AND BODIES

based upon, resulting from, arising directly or indirectly out of:

- (a) the actual or alleged obligation to pay licensing fees or royalty payments; or
- (b) any **Claim** made by or on behalf of a music licensing entity or organization, including, but not limited to, ASCAP, SECAC, BMI, or the RIAA, on their behalf or for others.

A.3 OVER-REDEMPTION

based upon, resulting from, arising directly or indirectly out of:

- (a) any actual or alleged gambling, contest, game of chance or skill, lottery, or promotional game, including tickets or coupons or over-redemption related thereto; or
- (b) the value of coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount.

A.4 DECEPTIVE BUSINESS PRACTICES, ANTITRUST, AND CONSUMER PROTECTION

based upon, resulting from, arising directly or indirectly out of any actual or alleged deceptive or unfair trade practices, antitrust violation, restraint of trade, unfair competition (except as provided under Insuring Agreement A.5 MEDIA LIABILITY), violation of consumer protection law, false, deceptive or misleading advertising, inaccurate cost estimates or failure of goods or services to conform with any represented quality or performance, or violation of the Competition Act, the Sherman Antitrust Act, the Clayton Act, or the Robinson-Patman Act. However, this exclusion shall not apply to:

- (a) the Insuring Agreement B.1 INCIDENT RESPONSE; or
- (b) coverage for a **Privacy Breach** or **Security Failure**, provided no member of the **Control Group** participated or colluded in such **Privacy Breach** or **Cyber Attack**.

A.5 INSURED VS. INSURED

based upon, resulting from, arising directly or indirectly out of any **Claim** made by or on behalf of:

- (a) any **Insured**. However, this exclusion shall not apply to a **Claim** made by an individual who is not a member of the **Control Group** arising from a **Privacy Breach** or **Security Failure**, or a **Claim** made by an **Additional Insured**; or
- (b) any business enterprise in which any Insured has greater than 15% ownership interest or made by any parent company or other entity which owns more than 15% of the **Named Insured**.

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A.6 EMPLOYMENT PRACTICES

based upon, resulting from, arising directly or indirectly out of employment practices. However, this exclusion shall not apply to **Claims** related to the **Privacy Breach** of an **Employee's Personal Data** that the **Insured Organization** is responsible for safeguarding.

A.7 BIOMETRIC DATA

based upon, resulting from, arising directly or indirectly out of the 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.

A.8 DISCRIMINATION

based upon, resulting from, arising directly or indirectly out of any actual or alleged discrimination of any kind. However, this exclusion shall not apply to:

- (a) **Claims** related to the **Privacy Breach** of an **Employee's Personal Data** that the **Insured Organization** is responsible for safeguarding; or
- (b) a **Technology Discrimination Wrongful Act**.

A.9 SECURITIES

based upon, resulting from, arising directly or indirectly out of any actual or alleged ownership, purchase, sale, or offer, or solicitation of an offer, to purchase or sell **Securities**, or the violation of any federal, provincial, state or local securities law, and any amendments thereto.

A.10 RETROACTIVE DATE

based upon, resulting from, arising directly or indirectly out of any related or continuing act, error, omission, **Incident**, misstatement, misleading statement, misrepresentation, breach of a contractual obligation, **Breach of Contract**, incident or event where the first such act, error, omission, misstatement, misleading statement, misrepresentation or unintentional breach of a contractual obligation, incident or event was committed or occurred prior to the **Retroactive Date**.

A.12 SERVICES-BASED REGULATORY ACTIONS

based upon, resulting from, arising directly or indirectly out of any **Claim** for a **Technology Wrongful Act**, **Technology Product Wrongful Act**, **Professional Wrongful Act**, or **Media Wrongful Act** brought by any federal, provincial, state, local or foreign governmental or regulatory agency, including but not limited to the Competition Bureau, the Innovation, Science and Economic Development Canada (ISED), the Federal Trade Commission or Federal Communications Commission. However, this exclusion does not apply to an action brought by a governmental or regulatory agency as a client of the **Insured**.

B. EXCLUSIONS APPLICABLE TO ALL INSURING AGREEMENTS

This **Policy** does not apply to, and the **Insurer** shall not make any payment for, any **Claim, Incident, Loss**, or any other liability under this **Policy**:

B.1 INFRASTRUCTURE FAILURE

based upon, resulting from, arising directly or indirectly out of any failure, interruption, disturbance or outage of service provided by an internet service provider, telecommunications provider, utilities supplier, or other infrastructure provider (which includes but is not limited to satellite, financial exchange, securities exchange, or clearing house services). However, this exclusion does not apply where the **Insured Organization** provides such services to a third party as part of the **Insured Organization's Business**.

B.2 PATENT

based upon, resulting from, arising directly or indirectly out of any actual or alleged infringement, use or misappropriation of any patent or patent rights.

B.3 PROPERTY DAMAGE

based upon, resulting from, arising directly or indirectly out of any theft, damage, corruption, destruction, or loss of use of any property. However, this does not apply to:

- (a) loss, damage, or destruction of data;
- (b) any **Privacy Breach** the **Insured** experiences that involves the loss or theft of **Personal Data** or **Corporate Information** that is maintained in tangible form and is readable without the use of any electronic device; or
- (c) otherwise covered **Bricking Costs** under Insuring Agreement B.4 BRICKING COSTS.

B.4 BODILY INJURY

based upon, resulting from, arising directly or indirectly out of any death, bodily injury, sickness, mental anguish, emotional distress, or disease suffered or alleged to be suffered by anyone.

However, this exclusion shall not apply to:

- (a) solely with respect to Insuring Agreement A.5 MEDIA LIABILITY, emotional distress, mental anguish, humiliation, or loss of reputation resulting from a **Media Wrongful Act**; or
- (b) solely with respect to Insuring Agreement A.6 INFORMATION PRIVACY LIABILITY, emotional distress, mental anguish, or mental injury resulting from a

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Privacy Breach.

B.5 NUCLEAR RISKS

based upon, resulting from, arising directly or indirectly out of:

- (a) any sort of nuclear material, nuclear reaction, nuclear radiation, or radioactive contamination;
- (b) any products or services which include, involve, or relate in any way to anything in (a) above, or the storage, handling, or disposal of anything in (a) above; or
- (c) all operations carried out on any site or premises on which anything in (a) or (b) above is located.

B.6 POLLUTION RISKS

based upon, resulting from, arising directly or indirectly out of any actual, alleged, or threatened discharge, dispersal, release, or escape of a **pollutant**, including any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize a **pollutant**. For the purpose of this exclusion, **pollutant** means any solid, liquid, gaseous, biological, radiological, or thermal irritant or contaminant, including smoke, vapor, asbestos, silica, dust, nanoparticles, fibers, soot, fumes, acids, alkalis, chemicals, germs, and waste, including but not limited to materials to be recycled, reconditioned, or reclaimed.

B.7 PRIOR KNOWLEDGE, PRIOR PROCEEDINGS, AND PRIOR NOTICE

based upon, resulting from, arising directly or indirectly out of:

- (a) anything likely to lead to a **Claim, Loss**, or other liability under this **Policy**, which any member of the **Control Group** knew or should have reasonably known about before the **Insurer** agreed to insure the **Insured**;
- (b) any demand, suit, or other pending proceeding, or order, decree, or judgment entered against the **Insured** on or prior to the **Pending or Prior Litigation Date**, or the same or substantially the same facts underlying or alleged therein; or
- (c) any circumstance which has been the subject of any written notice given and accepted under any policy of which this **Policy** is a renewal or replacement.

B.8 DISHONEST AND CRIMINAL ACTS

based upon, resulting from, arising directly or indirectly out of any fraudulent, dishonest, malicious, or criminal act or omission intended to cause harm to another person or entity, or any knowing or willful violation of a law, whether committed by the **Insured** or committed by another whose conduct or violation of the law the **Insured** has ratified or actively condoned.

However, this exclusion shall not apply to **Defence Costs** incurred in defending any **Claim** alleging the foregoing until there is a final non-appealable judgment, adjudication, binding arbitration decision, or finding of fact against such **Insured** or

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an adverse admission under oath or plea of *nolo contendere* or no contest by such **Insured** that establishes such conduct or violation.

For purposes of determining the applicability of this exclusion, the knowledge or conduct of a natural person who is an **Insured** shall not be imputed to any other natural person who is an **Insured**, but the knowledge or conduct of any member of the **Control Group** will be imputed to the **Insured Organization**.

B.9 UNSOLICITED COMMUNICATIONS

based upon, resulting from, arising directly or indirectly out of any unsolicited communications arising directly or indirectly from any actual or alleged violation of:

- (a) the Controlling the Assault of Non-Solicited Pornography and Marketing (CAN-SPAM) Act of 2003 or any subsequent amendments to that Act or foreign equivalent; or
- (b) the Telephone Consumer Protection Act (TCPA) of 1991 or any subsequent amendments to that Act or foreign equivalent;

However, this exclusion does not apply to a **Claim** or **Loss** arising solely from an **Incident**.

B.10 WIRETAPPING

based upon, resulting from, arising directly or indirectly out of any actual or alleged violation of any law, regulation, or statute relating to unsolicited communication, distribution, wiretapping, surreptitious recording, failure to obtain consent to record, sending, or transmitting of any communication via telephone or any other electronic or telecommunications device including, but not limited to, tracking technologies such as Google Analytics, Google DoubleClick, Meta (f/k/a Facebook), and Pixel. However, this exclusion shall not apply to **Defence Costs** incurred in defending any **Claim** alleging unlawful audio or video recording.

B.11 RECALL AND DISPOSAL

based upon, resulting from, arising directly or indirectly out of any **Loss**, cost, or expense incurred by the **Insured** or others for the withdrawal, recall, reprinting, reposting, recompletion, replacement, inspection, adjustment, removal, or disposal of any **Technology Products, Media Content**, or work product, including when resulting from or incorporating the results of **Technology Services** or **Professional Services**. However, this exclusion shall not apply to the resulting loss of use of such **Technology Products, Media Content**, or work product, including when resulting from or incorporating the results of **Technology Services** or **Professional Services**.

B.12 LOSS OF FUNDS

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- based upon, resulting from, arising directly or indirectly out of any actual or alleged:
- (a) loss, transfer, or theft of **Money, Securities, or Cryptocurrency** of the **Insured**;
 - (b) damage, destruction or decrease in value, of **Money, Securities**, digital currency, **Cryptocurrency**, or non-fungible token (NFT) of the **Insured**;
 - (c) the monetary value of any transactions or electronic fund transfers by on behalf of the **Insured** which is lost, diminished, or damaged during the transfer from, into, or between accounts; or
 - (d) trading losses, liabilities, or changes in trading account value;

However, part (a) of this exclusion does not apply to any Insuring Agreement within C. FINANCIAL CRIME AND FRAUD INSURING AGREEMENTS.

B.13 SPECIFIC LEGISLATION

based upon, resulting from, arising directly or indirectly out of the actual or alleged violation of Sections 467.1-467.13 of the Criminal Code of Canada or the Organized Crime Control Act of 1970, including any actual or alleged violation of the Racketeer Influenced and Corrupt Organization Act 18 USC Section 1961 et seq and any amendments thereto or any Rule or Regulation promulgated thereunder, or foreign equivalent of such Acts.

C. EXCLUSIONS APPLICABLE TO B. FIRST PARTY INSURING AGREEMENTS AND C. FINANCIAL CRIME AND FRAUD INSURING AGREEMENTS

This **Policy** does not apply to, and the **Insurer** shall not make any payment for, any **Claim, Incident, Loss**, or any other liability under this **Policy**:

C.1 NATURAL PERILS

based upon, resulting from, arising directly or indirectly out of fire, smoke, wind, hurricane, sinkhole, earthquake, volcanic eruption, wave, landslide, geomagnetic storm, flood, storm, lightning, frost, explosion, or extremes of weather or temperature or any other natural peril however caused. However, this exclusion does not apply to any **Claim, Loss**, or any other liability arising directly from a **Privacy Breach** that the **Insured** suffers, which is itself caused by such natural peril.

C.2 SEIZURE AND CONFISCATION

based upon, resulting from, arising directly or indirectly out of any confiscation, requisition, expropriation, nationalization, appropriation, seizure, or destruction of property by or under the order of any government or public or local authority, or any order by such authority to take down, deactivate or block access to the **Insured Organization's Computer System**.

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III. DEFINITIONS

When used in this **Policy**, the terms below, whether in the singular or plural, are defined as follows:

1. **Additional Insured:** Any entity that the **Insured Organization** has expressly agreed in writing to add as an **Additional Insured** under this **Policy** prior to the commission or occurrence of any act, error, or omission for which such entity would be provided coverage under this **Policy**, but only to the extent that the **Insured Organization** would have been liable and coverage would have been afforded under the terms and conditions of this **Policy** had such **Claim** been made against the **Insured Organization**. This **Policy** does not provide coverage for any act, error, or omission committed in whole or in part by any **Additional Insured**.
2. **Advanced Technology:** cutting edge technology that includes, but is not limited to, blockchain technology, the Internet of Things (IoT), artificial intelligence (AI) systems, and large language models (LLMs).
3. **Adverse Publication:** Any report or communication to the public through any media channel including, but not limited to, television, print media, radio, the internet, or electronic mail, of information that was previously unavailable to the public, specifically concerning an actual or alleged **Security Failure**, **Cyber Attack** against the **Insured**, **Privacy Breach**, or **Cyber Extortion Threat** that affects any of the **Insured's** customers or **Clients**.
4. **Application:** All applications, including any attachment thereto, and supplemental information, submitted by or on behalf of the **Named Insured** to the **Insured** in connection with the request for or underwriting of this **Policy**, or any prior insurance policy issued by the **Insurer** of which this **Policy** is a renewal.
5. **Associated Entity:** Any entity that has been identified in the presentation of the risk, or **Application**, for this **Policy**, provided that:
 - a. the entity's revenues have been provided to the **Insurer** in the **Application**;
 - b. the entity has at least the same level of security standards as those of the **Named Insured** shown in the presentation of the risk; and
 - c. the entity is listed on the Scheduled Associated Entity Endorsement attached to this **Policy**.
6. **Breach of Contract:** The unintentional breach of a written contract by an **Insured**; provided that such written contract:
 - a. is entered into between an **Insured Organization** and a customer; and
 - b. expressly sets forth an **Insured's** agreement to provide **Professional Services**, **Technology Services**, and/or **Technology Products**.
7. **Bricking Costs:** The costs, different than **Data Recovery Costs**, of rectifying or replacing any part of the **Insured's Computer System** that is rendered nonfunctional or useless for its intended purpose, without being physically damaged, as a direct result of a **Security**

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Failure or a Cyber Attack.

8. **Business:** The commercial and/or professional activities or services undertaken by the **Insured** as stated in the **Application**.
9. **Claim:** Any:
- written demand seeking monetary damages or non-monetary or injunctive relief;
 - civil proceeding, investigation, or suit commenced by service of a complaint, notice, request for information, or similar proceeding seeking monetary damages or non-monetary or injunctive relief;
 - demand for arbitration, mediation, or other alternative dispute resolution proceeding seeking monetary damages or non-monetary or injunctive relief;
 - written request to toll or waive a statute of limitations; or
 - institution of a **Regulatory Claim** against an **Insured**, solely with respect to Insuring Agreement A.2. REGULATORY DEFENCE AND AWARDS.

All **Claims** with a common nexus of fact, circumstance, situation, transaction, or cause, or a series of related facts, circumstances, situations, transactions, or causes will be considered to be a single **Claim**.

10. **Claim Expenses:** Any of the following:
- Damages;**
 - any **Regulatory Award;**
 - PCI Charges;**
 - costs covered under Insuring Agreement B.1 INCIDENT RESPONSE;
 - Privacy Investigation Costs;** or
 - Defence Costs;**

provided, however, that the **Insurer** shall not pay costs for any part of a **Claim** or **Privacy Investigation** not covered by this **Policy**.

11. **Client:** Any third party with whom the **Insured Organization** has a contract in place for the supply of the **Insured Organization's** services or products in return for a fee, or where a fee would normally be expected to be paid.
12. **Computer System:** A connected system of computing hardware, software, firmware, and associated electronic components and mobile devices, including industrial control systems and SCADA (supervisory control and data acquisition) systems.
13. **Contractual Indemnity:** the obligation to indemnify owed by an **Insured Organization** to a customer under a written contract to provide **Professional Services, Technology Services, and/or Technology Products**, but only to the extent that:
- the obligation to indemnify arises out of an actual or alleged act, error, or omission committed by or on behalf of an **Insured**; and
 - the obligation to indemnify does not arise solely out of any act, error, or omission by the customer whom the **Insured Organization** is obligated to indemnify.

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14. **Control Group:** The **Insured Organization's** Chief Executive Officer, General Counsel, Chief Financial Officer, Risk Manager, Insurance Manager, Chief Information Officer, Chief Information Security Officer, and Chief Security Officer; or any individual holding a functionally equivalent position, regardless of title.
15. **Corporate Information:** Any confidential or proprietary information of an entity, other than an **Insured Organization**, which:
 - a. an **Insured Organization** is contractually or legally required to hold or maintain in confidence; and
 - b. is not known or accessible by the general public.

Corporate Information does not include **Personal Data**.

16. **Criminal Reward Funds:** The amount lawfully offered and lawfully paid by the **Insured Organization** with the **Insurer's** prior written consent, such consent not to be unreasonably withheld, for information that leads to the arrest and conviction of any individual(s) committing or trying to commit any illegal act related to any coverage under this **Policy**. **Criminal Reward Costs** do not include any amount offered and paid for information provided by an **Insured**, the **Insured Organization's** auditor(s), or any individual or entity retained to investigate the aforementioned illegal acts
17. **Cryptocurrency:** A digital currency that uses cryptography for security and operates on a decentralized ledger, that also serves as a medium of exchange, a method of payment, and a representation of value.
18. **Cyber Attack:** Any digital attack designed to disrupt access to or the operation of a **Computer System**, including a denial of service attack or distributed denial of service attack.
19. **Cyber Crime Loss:** Any of the following **Losses**:
 - a. the value or amount of any taken or misappropriated **Money, Securities, Cryptocurrency**, or tangible property, except that this does not include **Cryptocurrency** in the case of Insuring Agreement C.8 SOCIAL ENGINEERING OF KEY PERSONNEL;
 - b. in the case of Insuring Agreement C.3 TELECOMMUNICATION FRAUD, the cost to the **Insured** of the fraudulent calls or Internet service; and
 - c. the reasonable and necessary costs incurred to extricate the **Insured's Business** from any contract or arrangement entered into through such fraudulent or dishonest use of the electronic identity of the **Insured's Business**.
20. **Cyber Extortion Negotiator:** A consultant approved by the **Insurer** who will investigate the **Cyber Extortion Threat** and, where agreed by the **Insurer**, pay on the **Insured Organization's** behalf an **Extortion Payment** to a third party following a **Cyber Extortion Threat**.
21. **Cyber Extortion Threat:** Any credible threat or connected series of threats from a third party to:
 - a. introduce **Malicious Code** into the **Insured's Computer System**;
 - b. commence a **Cyber Attack** upon the **Insured's Computer System**;

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- c. disseminate, divulge, or improperly utilize any of the **Insured's Data Assets** taken as a result of the unauthorized use of or the unauthorized access of the **Insured's Computer System** or **Outsourced Provider's Computer System**;
- d. encrypt or otherwise make unavailable the **Insured's Data Assets**; or
- e. compromise the integrity of the **Insured's Data Assets**;

unless an **Extortion Payment** is received from the **Insured Organization** in return for the elimination, mitigation, or removal of such threat.

22. Damages: Any of the following:

- a. compensatory damages, settlements, and judgments;
- b. prejudgment interest, post judgment interest, judgments or settlements;
- c. punitive, exemplary, or multiplied damages, but only to the extent such damages are insurable under the laws of any applicable jurisdiction most favorable to the **Insured** and which has a substantial relationship to the **Insured, Insurer, this Policy, or the Claim or Incident** giving rise to such damages; or
- d. **Money** to be deposited into a consumer compensation fund as a form of equitable relief to pay for consumer **Claim** arising from an adverse judgment or settlement.

Damages does not include:

- e. future profits, restitution, disgorgement of unjust enrichment of profits by an **Insured**, or the costs of complying with orders granting injunctive or equitable relief;
- f. return or offset of fees, charges or commissions charge by or owed to an **Insured** for goods or services already provided or contracted to be provided;
- g. taxes or loss of tax benefits;
- h. fines, sanctions or penalties against any **Insured**;
- i. discounts, coupons, prizes, awards or other incentives offered to the **Insured's** customers or clients; or
- j. liquidated damages, but only to the extent that such damages exceed the amount for which the **Insured** would have been liable in the absence of such liquidated damages agreement.

23. Data Asset: Any information represented, transmitted, or stored electronically or digitally, including code, **Programs**, software, and firmware, on the **Insured's Computer System**.

24. Data Recovery Costs: The reasonable and necessary costs and expenses incurred to regain access to the **Insured's Data Assets**, or to replace, restore, or repair the **Insured's Data Assets** from back-ups, originals, or other sources.

25. Data Subject: Any natural person who is the subject of **Personal Data**.

26. Defence Costs: The reasonable and necessary lawyers' and experts' fees and legal costs incurred in investigating, settling, defending, appealing, or defending an appeal against a covered **Claim**.

27. Employee: Any individual (including a part time, temporary, leased, or volunteer worker) employed by the **Insured Organization**, but only while acting on behalf of the **Insured**

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Organization and in the scope of the **Insured Organization's Business**. **Employee** does not include any individual performing work for the **Insured Organization** as an independent contractor.

28. **Extortion Expenses:** the reasonable and necessary expenses incurred by the **Insured Organization** with the **Insurer's** consent to assist the **Insured** in responding to or investigating a **Cyber Extortion Threat**.
29. **Extortion Payment:** the payment made to terminate a **Cyber Extortion Threat**.
30. **Incident: Adverse Publication, Privacy Breach, Security Failure, Cyber Extortion Threat, Cyber Attack, a Social Engineering Attack, Invoice Manipulation, or a System Failure.**

All **Incidents** with a common nexus of fact, circumstance, situation, transaction, or cause, or a series of related facts, circumstances, situations, transactions, or causes will be considered as a single **Incident** and will be deemed to have occurred at the time the first **Incident** occurred.
31. **Income:**
 - a. the total net income (net profit or loss before income taxes) of the **Insured Organization's Business**, less any savings resulting from the reduced costs and expenses; and
 - b. the continuing normal operating expenses incurred, including payroll.
32. **Increased Costs of Working:** The reasonable and necessary costs and expenses incurred by the **Insured** for the sole purpose of minimizing the reduction in **Income** during the **Indemnity Period**, but not exceeding the reduction in **Income**.
33. **Indemnity Period:** The period, in days, beginning on the date of the first **Adverse Publication**, the date of the first interruption to the **Insured's Business**, or the date a **Voluntary Shutdown** commences, and lasting for the period during which the **Insured's Income** is affected as a result of such **Adverse Publication**, interruption, or **Voluntary Shutdown**, but for no longer than the number of days shown in the Declarations.
34. **Insured:**
 - a. the **Insured Organization**;
 - b. any **Senior Executive** or **Employee**, but only when acting on the **Insured Organization's** behalf;
 - c. any independent contractor when performing work for the **Insured Organization** under the **Insured Organization's** direction and supervision, based on a written contract; or
 - d. an **Additional Insured**, but only with respect to **Claims** made against such **Additional Insured** solely for the acts, errors, or omissions of the **Insured Organization**.
35. **Insured's Computer System:** A **Computer System** leased, owned, or operated by an **Insured** or operated solely for the benefit of an **Insured** by a third party under written

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contract with an **Insured**. **Insured's Computer System** does not include any **Outsourced Provider's Computer System**.

36. **Insured Organization:** The **Named Insured**, any **Associated Entity**, and any **Subsidiary**.

37. **Insured Organization's Computer System:** A **Computer System** leased, owned, or operated by an **Insured Organization** or operated solely for the benefit of an **Insured Organization** by a third party under written contract with an **Insured Organization**. **Insured Organization's Computer System** does not include any **Outsourced Provider's Computer System**.

38. **Insurer:** The entities named in the Declarations.

39. **Intellectual Property Injury:** Any of the following:

- a. infringement or dilution of copyright, trademark, trade name, trade dress, domain name, title, slogan, logo, metatag, service mark, or service name, and/or the dilution of trademark or service mark; or
- b. plagiarism, piracy, or misappropriation of ideas under an implied contract.

40. **Invoice Manipulation:** the release or distribution of any fraudulent invoice or payment instruction to a third party as a direct result of a **Security Failure**.

41. **Invoice Manipulation Loss:** the **Insured Organization's** loss of actual costs arising from a fraudulent invoice or payment instruction to a third party to whom goods, products, or services have been provided by the **Insured**. **Invoice Manipulation Loss** does not include the **Insured's** profits relating to such goods, products, or services.

42. **Loss:** Any financial harm caused to the **Insured Organization's Business**.

43. **Malicious Code: Programs** that are secretly introduced without the **Insured Organization's** permission or knowledge including, but not limited to, malware, worms, trojans, rootkits, spyware, dishonest adware, crimeware, and other malicious unwanted software.

44. **Media Activity:** The display, broadcast, publication, dissemination, distribution or release of **Media Content** by the **Insured** and/or the gathering, creation, collection or recording of such **Media Content** for inclusion in any display, broadcast, dissemination, distribution or release by the **Insured**. It shall also include the dissemination of **Media Content** by any party with whom the **Insured** has entered into a written, oral, or implied-in-fact hold harmless or indemnity agreement regarding such **Media Content**.

45. **Media Content:** any information, including words, sounds, numbers, images or graphics, but will not include computer software or the actual goods, products or services described, illustrated or displayed in such **Media Content**.

46. **Media Wrongful Act:** Any actual or alleged:

- a. **Intellectual Property Injury;**
- b. **Personal Injury;**

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- c. misappropriation of a trade secret;
 - d. negligence regarding **Media Content**. This includes harm caused through any reliance or failure to rely upon such content; or
 - e. unfair competition or trade practices, including misrepresentation in advertising, but solely when alleged in conjunction with items a. through d. above; arising from the **Insured's Media Activity**.
47. **Money:** Cash, coin, bank and currency notes, bullion, funds, checks, registered checks, travelers' checks, postal orders, bank drafts, or money orders.
48. **Named Insured:** The legal entity stated in Item 1. of the Declarations.
49. **Outsourced Provider:** An entity not owned, operated or control by the **Insured Organization**, but that the **Insured Organization** hires for a fee pursuant to a written contract to perform services or provide products related to the conduct of the **Insured Organization's Business**, including, but not limited to:
- a. maintaining, managing, or controlling the **Insured Organization's Computer System**;
 - b. hosting or facilitating the **Insured Organization's** Internet website, or
 - c. providing administrative functions, human relations, marketing, or other outsourced services to the **Insured Organization**.
50. **PCI Charges:** Any charges, fines, penalties, levies, costs, recertification costs, expenses, assessments, contractual damages, or imposition of liabilities of any nature arising as a direct result of the **Insured's** failure to comply with **PCI DSS** due to a **Privacy Breach**, including any sums in relation to card reissuance or fraudulent transactions.
51. **PCI DSS:** Payment Card Industry Data Security Standard or any equivalent or successor standard or regime.
52. **Pending or Prior Litigation Date:** The date stated as the pending and prior litigation date in the Declarations.
53. **Personal Data:** Any private, non-public information of any kind from which a person or group of people may be uniquely and reliably identified or contacted, including, but not limited to, an individual's name, telephone number, email address, social insurance number, social security number, medical or healthcare data or other protected health information, or driver's license number. **Personal Data** shall also include all personal information as defined in any local, provincial, state, or federal identity theft or privacy protection laws. **Personal Data** does not include **Corporate Information**.
54. **Personal Injury:** Any of the following:
- a. defamation, libel, slander or other tort related to disparagement of the goods, products, services, character or reputation of a third party;
 - b. trade libel, product disparagement, or malicious falsehood;
 - c. improper deep linking or framing;
 - d. infliction of emotional distress;

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- e. invasion, infringement or interference with a third party's right of privacy or publicity including false light and public disclosure of private facts, commercial misappropriation of name, persona, voice or likeness; or
 - f. wrongful entry or eviction, false detention or arrest, harassment, trespass, eavesdropping, or other invasion of private occupancy.
55. **Policy:** This insurance document and the Declarations, including any endorsements and the **Application**.
56. **Policy Period:** The time for which this **Policy** is in force as shown in the Declarations.
57. **Privacy Breach:** The unauthorized acquisition, access, use, or disclosure of, or the loss or theft of, **Personal Data** or **Corporate Information**.
58. **Privacy Investigation:** Any written request for information, official examination, formal inquiry, or formal investigation brought by or on behalf of a governmental or regulatory authority and based on the same circumstances as any **Privacy Breach** or **Claim** covered under Insuring Agreement A.1 INFORMATION PRIVACY LIABILITY (a), (b), or (d).
59. **Privacy Investigation Costs:** The reasonable and necessary legal costs incurred in investigating, settling, defending, or appealing a **Privacy Investigation** or other investigation in connection with any local, provincial, state, or federal identity theft or privacy protection laws.
60. **Privacy Policy:** the **Insured Organization's** public declaration of its policy for use, disclosure, collection, dissemination, sharing, and correction or supplementation of, and access to, **Personal Data**.
61. **Professional Wrongful Act:** Any actual or alleged negligent act, error, omission, misstatement, misleading statement or misrepresentation, or **Breach of Contract** by the **Insured**, or by any person or entity for whom the **Insured** is legally liable, resulting from the rendering or failure to render **Professional Services**.
62. **Professional Services:** Services performed for others by an **Insured. Professional Services** shall not include services by or on behalf of the **Insured Organization** as an accountant, architect, insurance agent or broker, healthcare provider, lawyer, real estate agent or broker, financial planner, securities or investment advisor or broker or dealer, or licensed engineer (but not software or computer engineer).
63. **Program:** A set of instructions written in a computer language that tells a computer how to process data or interact with ancillary equipment.
64. **Public Relations Costs:** The reasonable costs incurred:
 - a. for a public relations or crisis management consultant to assist the **Insured Organization** in re-establishing the **Insured Organization's Reputation** and responding to media reports, including the development and communication of a strategy to repair **Insured's Organization's Reputation**;

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- b. to issue statements via email or the **Insured's** website and social media accounts, including managing and monitoring the **Insured's** social media sites; and
- c. for any other reasonable and proportionate measures taken to protect or re-establish the **Insured Organization's Reputation**.

The **Insurer** shall only reimburse the **Insured Organization** for such costs: (i) where the **Insurer** has provided prior written consent, such consent not to be unreasonably withheld; and (ii) where costs incurred by the **Insured Organization** for services performed by itself are over and above **Insured Organization's** normal operating expenses.

- 65. **Regulatory Award:** Following a **Privacy Investigation**, any civil or regulatory sanctions, fines, penalties, disgorgement of profits, treble damages, or multiple damages, including but not limited to those imposed by any national, federal, provincial, state or local governmental body or any licensing organization, if insurable in the jurisdiction where such award was first ordered, but not including **PCI Charges**.
- 66. **Regulatory Claim:** Any **Claim** brought by, or on behalf of, a federal, provincial, state or foreign governmental entity in such entity's regulatory or official capacity due to a **Privacy Breach**, including violations of regulations including, but not limited to, the Personal Information Protection and Electronic Documents Act (PIPEDA), Gramm-Leach Bliley Act of 1999, Health Insurance Portability and Accountability Act of 1996, General Data Protection Regulation, and the California Consumer Privacy Act.
- 67. **Reputation:**
 - a. the termination of the **Insured Organization's Business** written contract(s) with one or more of the **Insured Organization's Clients**; or
 - b. the reduction in the **Insured's Organization's** book value.
- 68. **Retention:** The amount the **Insured** must bear as the first part of each covered **Claim** or **Loss** as stated in the Declarations with respect to the Insuring Agreement to which each such stated **Retention** applies.
- 69. **Retroactive Date:** The date stated as the Retroactive Date in the Declarations.
- 70. **Securities:** Negotiable and non-negotiable financial instruments or contracts, in physical or electronic form, which represent **Money** or tangible property.
- 71. **Security Failure:** Any failure by the **Insured Organization** or by others on the **Insured's** behalf (including but not limited to the **Insured's** subcontractors and outsourcers) in securing the **Insured's Computer System** against unauthorized electronic access or use.
- 72. **Senior Executive:** Any person who was, is, or during the **Policy Period** becomes the **Insured Organization's** director, officer, trustee, in-house counsel, chief information security officer, risk manager, or chief privacy officer in actual control of the **Insured Organization's** operations.

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73. **Social Engineering Attack:** Any request directed to the **Insured Organization**, or someone acting on the **Insured Organization's** behalf by a person improperly seeking to obtain possession, or the transfer to a third party, of **Money, Cryptocurrency** (but not in the context of Insuring Agreement C.8 SOCIAL ENGINEERING OF KEY PERSONNEL), **Securities**, or tangible property that such person or third party is not entitled to, where such person improperly:
- impersonates or claims to be another person who would be lawfully entitled to possession of or access to, or to authorize transactions with respect to, such **Money, Securities**, or tangible property had they made such a request; or
 - assumes the identity of another person who the **Insured** or someone acting on the **Insured's** behalf reasonably believes exists and would be lawfully entitled to possession of or access to such **Money, Securities**, or tangible property had they existed and made such request.
74. **Subsidiary:**
- Any entity in which the **Insured Organization** owns more than 50% of the book value of the assets or of the outstanding voting rights on the first day of the **Policy Period**; or
 - Any entity that the **Insured Organization** creates or acquires during the **Policy Period**:
 - where its consolidated revenues at the date of creation or acquisition are less than 20% of the **Insured Organization's** existing consolidated revenues;
 - where the acquired entity's business activities are similar to the **Insured Organization's**; and
 - which has not suffered any **Loss** or has been subject to any **Claim** with a value greater than the **Retention** that would have been covered under this **Policy**.
- If the **Insured Organization's** new **Subsidiary** does not qualify for automatic coverage as provided above, the **Insurer** will insure it for 45 days after the acquisition or its creation while the **Insurer** underwrites the new **Subsidiary**. The **Insurer** will only provide coverage beyond the 45-day period by the **Insurer's** written agreement.
75. **System Failure:** Any unintentional, unplanned, or unexpected measurable **Computer System** disruption or failure where the proximate cause is not: a **Security Failure; Privacy Breach**; loss of or damage to any physical equipment or property; or planned or scheduled outage or maintenance of a **Computer System**.
76. **Technology Discrimination Wrongful Act:** An actual or alleged violation of the the Accessible Canada Act (ACA), Americans with Disabilities Act (ADA), the Equality Act 2010, or the European Accessibility Act (EAA) arising solely out of **Technology Services** or **Technology Products** that specifically involve a website(s) or software application(s).
77. **Technology Products:** A computer or telecommunications hardware or software product, or related electronic product that is created, manufactured or developed by the **Insured Organization** for others, or distributed, licensed, leased or sold by the **Insured Organization** to others, for compensation, including software updates, service packs and other maintenance releases provided for such products. This includes, but is not limited to, products involving **Advanced Technology**.

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78. **Technology Services:** Any information technology services performed by an Insured for others including but not limited to computer consulting, systems analysis, installation, programming, data processing, system integration, custom software development and design, disaster recovery, record retrieval, management and repair or maintenance of computer products, networks, or systems, an education and training services related to the above. This includes, but is not limited to, services involving **Advanced Technology**.
79. **Technology Products Wrongful Act:**
- a. Any actual or alleged negligent act, error, omission, misstatement, misleading statement, misrepresentation, or **Breach of Contract** by the **Insured**, or by any person or entity for whom the **Insured** is legally liable, that results in the failure of **Technology Products** to perform the function or purpose intended; or
 - b. Software copyright infringement by the **Insured** with respects to **Technology Products**.
80. **Technology Wrongful Act:** Any actual or alleged negligent act, error, omission, misstatement, misleading statement, misrepresentation, or **Breach of Contract** by the **Insured**, or by any person or entity for whom the **Insured** is legally liable, resulting from the rendering or failure to render **Technology Services**.
81. **Voluntary Shutdown:** The **Insured Organization's** intentional shutdown of all or part of the **Insured Organization's Computer System** to attempt to prevent or mitigate any interruption or degradation of the **Insured Organization's Computer System** resulting from an **Incident**.
82. **Waiting Period:** The period of time set forth in the Declarations for the corresponding coverage.

IV. GENERAL TERMS AND CONDITIONS

1. LIMITS AND RETENTION

1.1 POLICY AGGREGATE LIMIT AND LIMITS/SUBLIMITS

The Aggregate Limit of Liability shown in item 3 of the Declarations is the most the **Insurer** will pay under this **Policy** regardless of the number of Insuring Agreements purchased, or otherwise stated.

The amount the **Insurer** pays for a particular type of **Claim, Incident, or Loss** may be further limited in the Declarations.

1.2 PAYING OUT THE LIMIT OF INDEMNITY

At any stage of a **Claim, Loss, or other liability** under this **Policy**, the **Insurer** can pay the **Insured** the applicable limit of indemnity or what remains after any earlier payment from that limit. The **Insurer** will pay covered costs and expenses already

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incurred at the date of the **Insurer's** payment. The **Insurer** will then have no further liability for that **Claim, Loss**, or liability, including any costs or expenses.

1.3 RETENTION AND WAITING PERIOD

The **Insured Organization** must:

- (a) pay the applicable **Retention** shown in the Declarations; and
- (b) bear any **Loss** or expense suffered during the **Waiting Period** with respect to each covered:
 - i. partial or total interruption to the **Insured's Business** or **Voluntary Shutdown**; or
 - ii. **Loss** under Insuring Agreements B.5 BUSINESS INTERRUPTION, B.6 CONTINGENT BUSINESS INTERRUPTION, B.7 SYSTEM FAILURE BUSINESS INTERRUPTION, B.8 SYSTEM FAILURE CONTINGENT BUSINESS INTERRUPTION, or B.9 REPUTATION PROTECTION.

The **Retention** shown in the Declarations is not required with respect to:

- (a) any **Loss** under Insuring Agreements B.5 BUSINESS INTERRUPTION, B.6 CONTINGENT BUSINESS INTERRUPTION, B.7 SYSTEM FAILURE BUSINESS INTERRUPTION, B.8 SYSTEM FAILURE CONTINGENT BUSINESS INTERRUPTION, or B.9 REPUTATION PROTECTION where the **Insured** has borne a **Waiting Period**; or
- (b) Insuring Agreement D.2 COURT ATTENDANCE COMPENSATION.

Any **Loss** or expense the **Insured Organization** incurs during the **Waiting Period** shall not be applied to satisfy any applicable **Retention** shown in the Declarations.

If more than one Insuring Agreement applies, only the single highest **Retention** will apply to any **Loss** or expense.

1.4 RETENTION WAIVER

If the **Insured** notifies the **Insurer** within 24 hours of the **Control Group's** first awareness of any actual or reasonably suspected **Incident**, the **Insurer** will waive a portion of the **Retention**, as shown in the Declarations as the Retention Waiver Amount, for any **Losses** suffered. The **Insurer** will only waive such portion of the **Retention** up to a total of the amount shown in the Declarations as the Retention Waiver Amount for all **Claims** and **Losses** combined. This limited waiver does not apply to any **Waiting Period** or to any Insuring Agreement within C. FINANCIAL CRIME AND FRAUD INSURING AGREEMENTS.

2. INSURED'S OBLIGATIONS

2.1 NOTICE TO INSURER & ADMISSIONS

If a **Claim** or **Incident** arises, the **Insurer** shall not make any payment under this

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Policy unless the Insured:

- (a) notifies the **Insurer** as soon as practicable after a member of the **Control Group** first discovers an **Incident** or becomes aware of a **Claim**, and in no event later than 90 days after the **Policy Period** or during the Extended Reporting Period (if applicable); and
- (b) provides the **Insurer**, at the **Insured Organization's** expense, any information which the **Insurer** may reasonably require and further cooperates fully in the investigation of any **Claim** under this **Policy**.

The **Insured** shall not admit or assume any liability or obligation, nor make any offer, deal, or payment, unless the **Insured** has the **Insurer's** prior written consent, such consent not to be unreasonably withheld.

2.2 NOTICE OF CIRCUMSTANCE

If, during the **Policy Period**, a member of the **Control Group** first becomes aware of any fact, matter, or circumstance that may reasonably be expected to be the basis of a **Claim** against an **Insured** under this **Policy**, then any **Claim** that arises out of such circumstances shall be deemed to have been first made at the time such written notice was received by the **Insurer**, but only to the extent that such written notice includes the following details and is received by the **Insurer** during the **Policy Period**:

- (a) details on why the **Insured** believes a **Claim** may be forthcoming;
- (b) all pertinent facts, particulars, and dates, including the nature of such circumstances and the potential consequences and **Loss**; and
- (c) the identities of those persons allegedly involved or affected.

The **Insured** must not incur any costs or expenses in relation to any such circumstance without the **Insurer's** prior written consent, such consent not to be unreasonably withheld.

2.3 CLAIM PROCESS

- (a) The **Insurer** has the duty to defend any covered **Claim**.
- (b) The **Insurer** has the right to take control of and conduct in the **Insured's** name any investigation they deem necessary, and the **Insured** will cooperate with the **Insurer** in all investigations, including investigations regarding coverage under this **Policy** and the information and materials provided to the **Insurer** in connection with the underwriting and issuance of this **Policy**. The **Insured** will execute all papers and render all assistance as is requested by the **Insurer**. Expenses incurred by the **Insured** in assisting and cooperating with the **Insurer** do not constitute **Claim Expenses** under the **Policy**. If the **Insurer** deems it necessary, the **Insurer** will appoint an adjuster, attorney, or any other appropriate person to handle the **Claim**, **Privacy Investigation**, investigation, or **Loss**.

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- (c) If the **Insurer** recommends a settlement of any **Claim** acceptable to the claimant and the **Insured** refuses to consent to such settlement, then the **Insurer's** liability for such **Claim** shall not exceed:
 - i. the amount for which such **Claim** could have been settled by the **Insurer** plus **Defence Costs** up to the date the **Insured** refused to settle such **Claim**; and
 - ii. 80% of any **Loss** and **Defence Costs** in excess of Subparagraph 2.3(c)i. above incurred in such **Claim**.The remaining **Loss** and **Defence Costs** shall be borne by, or on behalf of, the **Insured** at its own risk.
- (d) The **Insurer** shall not pay any costs or expenses for any part of any **Claim**, **Loss**, or any other liability not covered by this **Policy**.
- (e) For an **Incident**, the **Insured** has the right to select defence counsel and incident response vendors from the **Insurer's** vendor panel list, which can be found at <http://www.bboxinsurance.com/vendor-panel/>.
- (f) If a dispute arises between the **Insured** and the **Insurer** in connection with this **Policy** that cannot be resolved through informal negotiation, the parties will attempt to resolve the dispute through mediation before a mutually agreeable mediator. The mediator's expenses and fees will be split equally between the **Insured** and the **Insurer**. If the **Insurer's** dispute has not been resolved upon conclusion of the mediation process, then either party may file suit in any court having jurisdiction over the parties and the subject matter of the dispute or disagreement.

2.4 LOSS MINIMIZATION

The **Insured Organization** must make every reasonable effort to minimize any **Loss** or liability and take appropriate emergency measures immediately if they are required to reduce or mitigate the severity of any **Claim** or **Incident**. The **Insured** must give the **Insurer** all assistance which the **Insurer** may reasonably require to pursue recovery of amounts the **Insurer** may become legally liable to pay under this **Policy**, in the **Insured Organization's** name but at the **Insurer's** expense. The **Insured Organization** must make every effort not to disclose the existence of this **Policy**, without first seeking the **Insurer's** prior consent.

2.5 POTENTIAL LOSSES AND CLAIMS

- (a) The **Insured** may notify the **Insurer** of facts, matters, or circumstances which the **Insured** first become aware of within the **Policy Period**, or Extended Reporting Period if applicable, and which the **Insured** believes are reasonably likely to give rise to a **Privacy Breach**, **Security Failure**, **Cyber Extortion Threat**, **Cyber Attack**, **System Failure**, **Claim**, **Privacy Investigation**, **Loss**, business interruption, contingent business interruption, **Voluntary Shutdown**, or any other liability under this **Policy**.
- (b) If the **Insurer** accepts the **Insured's** notification, the **Insurer** will regard any subsequent **Privacy Breach**, **Security Failure**, **Cyber Extortion Threat**, **Cyber Attack**, **System Failure**, **Claim**, **Privacy Investigation**, **Loss**, business interruption, contingent business interruption, or any other liability as notified to this **Policy**.

2.6 PROOF OF LOSS

- (a) With respect to requests for payment or reimbursement of **Losses, Claim Expenses** or any other costs or expenses covered incurred by the **Insured Organization** will be accompanied by a proof of such **Losses**, costs or expenses. Such proof of **Loss** must include, in detail, how the costs were calculated, what assumptions have been made and will include any applicable reports, books of accounts, bills, invoices and other vouchers or proofs of payment made by the Insured in relation to such **Losses** or **Claim Expenses**. Furthermore, the **Insured Organization** will cooperate with, and provide any additional information reasonably requested by, the **Insurer**.
- (b) Solely with respect to verification of Insuring Agreements B.5 BUSINESS INTERRUPTION, B.6 CONTINGENT BUSINESS INTERRUPTION, B.7 SYSTEM FAILURE BUSINESS INTERRUPTION, B.8 SYSTEM FAILURE CONTINGENT BUSINESS INTERRUPTION, or B.9 REPUTATION PROTECTION (b), the **Insured Organization** agrees to allow the **Insurer** to examine and audit the **Insured Organization's** books and records that relate to this **Policy** at any time during the **Policy Period** and up to 12 months following the **Insurer's** receipt of any proof of **Loss** in accordance with this section.
- (c) Any requests for payment or reimbursement of **Losses** or **Claim Expenses** shall not include or be calculated based on any of the **Insured Organization's** overhead expenses, the **Insured's** liability for debt, taxes, lost costs or profits, salaries or wages ordinarily incurred in the performance of the **Insured Organization's Business**, or any future cost of doing business, including but not limited to the cost of any future license or royalty, or costs of improving the **Insured Organization's** security or performing audits.
- (d) Following a covered interruption or **Voluntary Shutdown**, or a covered **Loss** under Insuring Agreements B.5 BUSINESS INTERRUPTION, B.6 CONTINGENT BUSINESS INTERRUPTION, B.7 SYSTEM FAILURE BUSINESS INTERRUPTION, B.8 SYSTEM FAILURE CONTINGENT BUSINESS INTERRUPTION, or B.9 REPUTATION PROTECTION (b), the **Insurer** will determine the **Losses** taking full account and due consideration of an **Insured's** proof of loss, and by considering the difference between the **Insured Organization's** actual **Income** during the **Indemnity Period** and the **Income** it is estimated the **Insured** would have earned during that period or, if this is the **Insured Organization's** first year of business, the difference between the **Insured's Income** during the **Indemnity Period** and during the period immediately prior to the interruption, **Voluntary Shutdown** or **Loss**, less any savings resulting from the reduced costs and expenses the **Insured** paid out of the **Insured's Income** during the **Indemnity Period**. The **Insurer** will also pay for **Increased Costs of Working**.

2.7 REPRESENTATIONS

The **Named Insured** warrants that the content of the materials provided to the **Insurer** are true, accurate, and complete and are material to the **Insurer's** reliance upon same and acceptance of the risk to which the **Policy** applies. Any material misrepresentation, concealment, or misstatement by the **Named Insured** (or on the **Named Insured's**

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behalf), whether in the **Application** or in any supplemental materials submitted to the **Insurer**, will render the **Policy** null and void with respect to any natural person **Insured** who knew of such material misrepresentation, concealment, or misstatement, and with respect to the **Insured Organization** if any member of the **Control Group** knew of such material misrepresentation, concealment, or misstatement, and will relieve the **Insurer** from all obligations and liability under the **Policy** with respect to those **Insureds**.

2.8 CANCELLATION AND EXTENDED REPORTING PERIOD

(a) Automatic Extended Reporting Period

If this **Policy** does not renew or is otherwise terminated (other than for non-payment of premium), then the **Named Insured** will have an Automatic Extended Reporting Period for a period of sixty (60 days) following such event in which to provide the **Insurer** with written notice of any **Claims** first made against any **Insured** during such sixty (60) day period, but only with respect to any act, error or omission committed prior to such **Policy** termination or the end of the **Policy Period**, whichever is applicable.

(b) Optional Extended Reporting Period

- i. If this **Policy** does not renew or is otherwise terminated (other than for non-payment of premium), then the **Named Insured** has the right to purchase an Optional Extended Reporting Period within sixty (60 days) after such **Policy** termination or the end of the **Policy Period**, whichever is applicable.
- ii. Such Optional Extended Reporting Period applies only to a **Claim** first made against any **Insured** during the Optional Extended Reporting Period, but only with respect to any act, error or omission committed prior to such **Policy** termination or the end of the **Policy Period**, whichever is applicable.
- iii. The **Named Insured** will have the right to purchase an Optional Extended Reporting Period, subject to all terms, conditions, and limitations of this **Policy**, for a period of:
 1. one (1) year for an additional premium of 100% of the total annual premium;
 2. two (2) years for an additional premium of 150% of the total annual premium; or
 3. three (3) years for an additional premium of 200% of the total annual premium.
- iv. This Optional Extended Reporting Period is only available if the **Insurer** receives within 60 days following any **Policy** termination or the end of the **Policy Period**, whichever is applicable:
 1. written notice from the **Named Insured** of the election to purchase the Optional Extended Reporting Period; and

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- 2. payment of premium for the applicable Optional Extended Reporting Period.
 - v. The Optional Extended Reporting Period shall be non-cancellable and the entire additional premium is considered fully earned at the beginning of the Optional Extended Reporting Period.
 - vi. The election of this Optional Extended Reporting Period shall not increase the aggregate limit of indemnity provided by this **Policy** or any sub-limits.
- (c) Cancellation and Non-Renewal
- i. The **Named Insured** may cancel this **Policy** by giving a written notice at the address shown in the Declarations.
 - ii. The **Insurer** will refund to the **Named Insured** the unearned pro-rata proportion of the premium for the remaining portion of the **Policy Period** after the effective date of cancellation for which the **Insured** has already paid.
 - iii. The **Insurer** shall not cancel this **Policy** except for failure to pay premium when due, in which event, the **Insurer** will provide the **Insured** with written notice of cancellation at the address stated in the Declarations. The **Insurer's** notice will be mailed to the **Insured** at least 20 days prior to the effective cancellation date with a copy sent to the **Insured's** agent of record.

2.9 CHANGE OF OWNERSHIP

If during this **Policy**, the **Insured Organization** is purchased, acquired, or merged into another entity such that the **Insured Organization** no longer holds or controls the voting rights of the **Insured Organization**, the **Policy** will continue in full force and effect until the expiration date of the current **Policy Period** with respect to **Claims** made or **Incidents** discovered before such acquisition or merger.

3. OTHER PROVISIONS

3.1 MULTIPLE INSURED

- (a) The most the **Insurer** will pay is the relevant amount shown in the Declarations.
- (b) If more than one **Insured** is named in the Declarations, the total amount the **Insurer** will pay shall not exceed the amount the **Insurer** would be liable to pay to any one of the **Insured**.
- (c) The **Insured** agrees that the **Named Insured**, or if there is more than one **Insured** named in the Declarations the first of them, is authorized to receive all notices and agrees any amendments to the **Policy**.

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3.2 CHOICE OF LAW AND JURISDICTION

The **Policy** and any dispute or claim arising under it will be governed by and construed in accordance with the law as stated in the Declarations. It is understood and agreed that in the event of a dispute concerning the payment of any amount claimed by the **Insured** to be due hereunder, the **Insurer**, at the **Insured's** request, will submit to the jurisdiction of a court of competent jurisdiction within Canada. The foregoing shall not constitute a waiver of the right by the **Insurer** to remove, remand, or transfer such suit to any other court of competent jurisdiction in accordance with the applicable statutes of the province of Canada pertinent hereto.

3.3 NO CHANGES OR ASSIGNMENT

No change in, modification of, or assignment of interest under this **Policy** shall be effective except when made by endorsement signed by the **Insurer**.

3.4 SUBROGATION

If any payment is made under this **Policy** and there is the ability to recover against any third party, it is agreed that the **Insured** tenders all rights of recovery to the **Insurer**. The **Insured** further agrees to assist the **Insurer** in exercising the **Insurer's** subrogation rights, including executing all required documents and doing everything reasonably necessary, to secure and preserve such rights and to enable the **Insurer** effectively to bring an action or suit in the name of the **Insured**. Any recovery from the **Insurer's** subrogation efforts will first be paid to the **Insurer** for any incurred subrogation expenses, then to the payment the **Insurer** made that gave rise to the **Insurer's** subrogation rights, then to reimburse the **Insured** for the **Retention** paid, with any remainder to the **Insured**. This obligation does not apply to the extent that the right to subrogate is waived by the **Insured Organization** under a written contract with a third party prior to the discovery of an event or **Incident** that gives rise to a **Claim**, **Loss**, or any other coverage provided.

3.5 SEVERABILITY OF INSUREDS

The **Insurer** shall not impute any conduct or knowledge of any of those included in the definition of the **Insured** to any individual **Insured** under this **Policy**. However, the **Insurer** will impute the conduct or knowledge of any member of the **Control Group** to the **Insured Organization**.

3.6 OTHER INSURANCE

Any payment due under this **Policy** with respect to B. FIRST PARTY INSURING AGREEMENTS shall be applied as primary insurance. Any other payment due under this **Policy** shall be specifically excess of, and shall not contribute to or with, any other valid and collectible insurance available to the **Insured**, unless such other insurance is written as excess insurance over the limit of liability of this **Policy**.

3.7 ALLOCATION OF COSTS

If a **Claim** is only partially covered by the **Insurer**, either because of uncovered matters or because it includes uncovered parties, the **Insurer** will use the **Insurer's** best efforts to agree to a fair and proper allocation based upon the relative legal exposure to such covered and uncovered parties and/or matters. The allocation will ultimately be the **Insurer's** decision.

3.8 TERRITORY

The coverage provided under this **Policy** applies worldwide.

3.9 ENTIRE AGREEMENT

The **Insured** agrees that this **Policy** constitutes the entire agreement between the **Insured** and the **Insurer** relating to this insurance.

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Endorsement: WAR & CYBER OPERATION ENDORSEMENT**Policy No:****Insured:****Effective:**

Notwithstanding any other provision in the **Policy**, it is hereby agreed to by the **Insured** and the **Insurer** that the **Policy** is hereby amended, as follows:

The following is added to **II. EXCLUSIONS**

War and cyber
operation

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

- (a) directly or indirectly arising from a **war**; and/or
- (b) arising from a **cyber operation** that is carried out as part of a **war**, or the immediate preparation for a **war**; and/or
- (c) arising from a **cyber operation** that causes a **state** to become an **impacted state**.

Paragraph c) shall not apply to the direct or indirect effect of a **cyber operation** on a **computer system** used by the insured or its third party service providers that is not physically located in an **impacted state** but is affected by a **cyber operation**.

Attribution of a Cyber Operation to a State

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 applicable only to this exclusion:

1. **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

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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.

2. **Cyber operation** means the use of a **computer system** by, at the direction of, or under the control of a **state** to:
 - 2.1 disrupt, deny access to or, degrade functionality of a **computer system**; and/or
 - 2.2 copy, remove, manipulate deny access to or destroy information in a **computer system**.
3. **Cyber Operation** means the use of a **Computer System** by or on behalf of a **State** to disrupt, deny, degrade, manipulate or destroy information in a **Computer System** of or in another **State**.
4. **Essential Service** means a service that is essential for the maintenance of vital functions of a **State** including, but not limited to, financial institutions and associated financial market infrastructure, health services or utility services.
5. **Impacted State** means any **State** where a **Cyber Operation** has had a major detrimental impact on:
 - i. the functioning of that **State** due to disruption to the availability, integrity or delivery of an **Essential Service** in that **State**; and/or
 - ii. the security or defence of that **State**.
6. **State** means sovereign state.
7. **War** means armed conflict involving physical force:
 - i. by a **State** against another **State**, or
 - ii. as part of a civil war, rebellion, revolution, insurrection, military action or usurpation of power, whether war be declared or not.

All other terms and conditions of this **Policy** remain unchanged.

This endorsement forms a part of the **Policy** to which attached, effective on the inception date of the **Policy** unless otherwise stated herein.

Signed for and on behalf of Certain Lloyd's Underwriters under the Authority of Unique Market Reference Number B2429BW2501141 and other insurers as shown in the Schedule.



Jonathan Weekes
President, BOXX Insurance Services Inc.
Dated: