

PROSPECTUS CYBER SECURITY INSURANCE

With recent data breaches hitting the headlines everywhere, loss of personal and corporate data has far-reaching ramifications that could potentially change the way business is carried out all over the world. Most high-profile stories in the media today address the type of data loss that impacts people on a personal level; credit card numbers, medical records, birth dates, ID/passport numbers and other private personal information. We should also be mindful of the impact from the loss of corporate data and information such as intellectual property and proprietary information, which in the hands of a competitor or even an extortionist can severely disadvantage business.

Universal Sompo's Cyber Security Insurance is a specially designed solution which addresses the liability of companies arising from data protection laws, the management of personal data and the consequences of losing corporate information.

1. Who should take this Policy?

From small to multinational companies exposed to Cyber Security risks. The following list of Companies would be especially benefited upon taking this Policy

- ✓ Medical/Healthcare
- ✓ Retail/Wholesale
- ✓ Manufacturing/Industrial
- ✓ Construction/Real Estate
- ✓ Telecommunications/Media/Technology/Internet Services
- ✓ Transportation/Airlines/Travel Sector/Logistics
- ✓ Education (Schools, Colleges and Universities)
- ✓ Entertainment
- ✓ Professionals (Solicitors, Law Firms, Accountants, Insurance Brokers)
- ✓ Telemarketing/ Call Centre/Internet Services/Data Processing (Outsourcer)
- ✓ Government and Municipalities
- ✓ Any company with offices/operations in EU, Japan, Australia, Korea, Hong Kong, Taiwan, Malaysia and USA where data protection legislation is onerous
- ✓ Any other commercial entity that hold personal information and data

2. What is covered under the Policy?

The Policy broadly covers three sections

- Data Liability
- Administrative Obligations
- Reputation and Response Costs

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Data Liability: The following costs are covered under this extension

- **Loss of Personal Information:** We shall pay You all damage and defence costs which arise out of a claim due to loss of personal information of any client.
- **Loss of Corporate Information:** We shall pay You all damage and defence costs which arise out of a claim due to loss of corporate information of any Corporate held with You.
- **Outsourcer:** We shall pay You for all damage and defence costs arising out of a claim by a Third Party against an Outsourcer (where the Company is bound to indemnify)
- **Network Security:** We shall pay on Your behalf all damages and defence costs arising out of a claim by a Third Party against You caused by an act, omission or error resulting in
 - a. The introduction of any unauthorized software, computer code or virus to Third Party Data on the Company's Computer System which is specifically designed to disrupt the operation of or corrupt or damage any software or data recorded on the Company's Computer System;
 - b. The denial of access to an authorised Third Party to its Data; the wrongful appropriation of a network access code from the Company;
 - c. The destruction, modification, corruption, damage or deletion of Third Party Data stored on any Computer System;
 - d. The physical theft of the Company's Assets by a Third Party, or its physical Loss; or
 - e. The disclosure of Third Party Data by an employee of the Company.

Administrative Obligations: the following costs are covered under this section

- **Data Administrative Investigation:** Provides costs and expenses for legal advice and representation in connection with a formal investigation by a competent authorised authority.
- **Data Administrative Fines:** Insurable fines and penalties imposed by a government authority, regulator or data protection authority for a breach of data protection laws or regulation.
- **Reputation and Response Costs:** the following costs are covered under this section
- **Notification & Monitoring Costs:** Provides costs and expenses of the data user for the legally required disclosure to Data Subjects.
- **Repair of the Company's and Individual's Reputation :** Reimbursement of costs incurred in relation to Reputational Damage due to a claim covered by this policy.
- **Proactive Forensic Services:** We will pay to or on Your behalf all Professional Fees of forensic cyber risk specialists for the purpose of substantiating whether a data security breach has occurred/is occurring and identifying the cause of the breach and for making recommendations as to how this may be prevented or mitigated.
- **Electronic Data Restoring, recreating, or recollecting Electronic Data:** We will pay You or on Your behalf for restoring, recreating, or recollecting Electronic Data

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Extensions under the Policy

- **Multimedia Liability:** This extension shall cover You for risks against the collection, creation, release, printing, broadcasting or distribution of media content, advertising and written, printed, video, electronic, digital or digitised content that results in an infringement; plagiarism, piracy or misappropriation or theft of ideas; libel or slander committed without malice; or an intrusion, invasion.
- **Cyber Extortion:** Any Extortion incurred as a result of a Security Threat.
- **Network Interruption Insurance:** This extension if opted shall cover Net Income (Net Profit or Loss before income taxes) that would have been earned; and continuing normal operating expenses incurred, including payroll as a result of a security failure.

Additional Benefits under the Policy

1. **Tailor Made Product:** The coverages can be designed as per Your needs.
2. **Flexibility to choose Sublimit, Limits and Retention for various coverages under the Policy:** The coverage under the Policy gives the customer to opt for sublimits, limits and retention as per his/ her requirements. The premium will be suitably adjusted for such cost sharing opted by You.

Cancellation

By You

This policy may be cancelled by the Policyholder. If no Claim has been reported then, We shall retain 25% of the original premium plus the pro-rata proportion due for time on risk. Otherwise, the premium shall not be returned and shall be deemed fully earned at the inception date.

By Us

We may at any time, cancel this Policy on grounds of mis-representation, fraud, non-disclosure of material facts, or Your non-cooperation, by giving 15 days notice in writing by registered post/acknowledgement due post to You at Your last known address in which case We shall refund a pro-rata premium for the unexpired Policy Period. Payment or tender of any unearned premium by the Insurer shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable.

5. What is not covered under the Policy?

Major Exclusions in respect of Accidental Claims

- Any actual or alleged antitrust violation, restraint of trade or unfair competition.
- physical injury, sickness, disease or death; and if arising out of the foregoing, nervous shock, emotional distress, mental anguish or mental injury, other than mental anguish or mental injury arising from any breach of Information Technology Act 2000 and its related legislation by the Company; or Loss or destruction of tangible property, other than Third Party Data, or Loss of use thereof, or the physical theft or Loss of the Company's Assets;
- Any criminal act, or an wilful disregard or non-compliance with a ruling, direction or injunction by a court, tribunal, arbitrator or a Regulator

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- Any data which is materially different in quality, sensitivity or value from that which is disclosed in any proposal, information or representation made or provided to Us prior to the inception date
- Any infringement of patents and trade secrets or to Loss of rights to secure registration of patents due to an unauthorised disclosure.
- Any intentional, deliberate or reckless act by any natural person who is or has been a director, principal, partner or officer
- Any actual or alleged obligation to make licensing fee or royalty payments, including but not limited to the amount or timeliness of such payments
- Any circumstance that, as of the inception date of this policy, may reasonably have been expected by You to give rise to a claim, or any claim made or circumstance notified prior to or pending at the inception date of this policy
- Any actual or alleged violation of any law, regulation or rule (whether statutory or common law) relating to the ownership, purchase, sale or offer of, or solicitation of an offer to purchase or sell, securities
- Any form of war, terrorism or riot
- Any kind of trading losses or unauthorised trading, unlawfully collected data, unsolicited material, uninsurable loss

The list is not exhaustive, please read Policy documents for complete list of exclusions under the Policy

6. Claims Procedure

1. Claim Intimation

In the unfortunate event of any loss or damage to the insured property resulting into a claim on this policy, please intimate the mishap IMMEDIATELY to our Call Centre at Toll Free Numbers on 1-800-22-4030 (for MTNL/BSNL users) or 1-800-102-4030 (other users) or on chargeable numbers at +91-22-26748600 / +91-22-41582900 / +91-22-41582999 or email at contactclaims@universalsompo.com.

Please note that no delay should be allowed to occur in notifying a claim on the policy as the same may prejudice liability.

2. Submission of documents

All relevant documents supporting your claim or claim likely to occur should be submitted to the Company with a period of 30 days from date of intimation.

3. Reporting to Authorities

It will be your responsibility to inform of the damage to respective authorities e.g. in case of security breach, please notify the office of Ministry of Information and Technology, Government of India .

4. Steps to mitigate loss

You should take all steps that may be necessary to minimise losses e.g. take professional outside assistance if necessary to prevent/ minimise the security breach

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For all your service requests e-mail us at contactus@universalsompo.com

INSURANCE ACT 1938 SECTION 41- Prohibition of Rebates

No person shall allow or offer to allow either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurer.

ANY PERSON MAKING DEFAULT IN COMPLYING WITH THE PROVISIONS OF THIS SECTION SHALL BE PUNISHABLE WITH FINE WHICH MAY EXTEND TO TEN LAKHS RUPEES.

Please note: The prospectus contains only an indication of cover offered, for complete details on terms, conditions, coverages and exclusions please get in touch with us or our agent and read policy wordings carefully before concluding a sale. Insurance is a subject matter of solicitation.

Universal Sompo General Insurance Co. Ltd.,

Unit No. 601 & 602, 6th Floor, Reliable Tech Park, Cloud City Campus; Gut No-31, Mouje Elthan, Thane-Belapur Road, Airoli, Navi Mumbai- 400708

Toll Free Numbers: 1-800-224030 (For MTNL/BSNL users) or 1-800-1024030.