NETWORK INTERRUPTION

Optional Coverage Extension
(the “Additional Coverage Section”)

This insurance cover is subject to the Policy terms, conditions and exclusions which are incorporated and are part of and are expressly applicable to this Additional Coverage Section, and is also subject to the additional terms, conditions, definitions and exclusions set out below.

All insurance covers under this Additional Coverage Section are written specifically on a primary basis and are provided solely for Insured Events first discovered during the Policy Period and reported to the Insurer as required by this Policy.

This Additional Coverage Section only applies if shown as purchased on the Schedule.

1. INSURANCE COVER

1.1 Network Interruption Loss

The Insurer will pay to the Company any Network Loss (not to exceed the sublimit stated at Item 7 of the Schedule) incurred by the Company and resulting from a Material Disruption to a Company’s Computer System. Provided that such Network Loss is incurred:

(i) after the Waiting Hours Period has expired and during the Material Disruption (but subject to a maximum period of 120 days commencing from the expiry of the Waiting Hours Period); and/or

(ii) for a period of 90 days commencing from the resolution of the Material Disruption.

1.2 Interruption and Mitigation Costs

The Insurer will pay to or on behalf of the Company any Network Interruption Costs (not to exceed the sublimit stated at Item 7 of the Schedule) incurred after half the Waiting Hours Period has expired in mitigating the duration of a Material Disruption to a Company’s Computer System.

Such Network Interruption Costs can only be incurred during the Material Disruption (but subject to a maximum period of 120 days commencing from the expiry of the Waiting Hours Period).

2. DEFINITIONS

2.1 Material Disruption

(i) the suspension or degradation of the service provided by the Company’s Computer System solely caused by a Network Interruption Security Failure; or

(ii) the inability of the Company to access Data due to such Data being deleted, damaged, corrupted, altered or lost but only where such deletion, damage, corruption, alteration or loss is solely caused by a Network Interruption Security Failure.

2.2 Network Interruption Costs

(i) the reasonable and necessary costs and expenses that the Company incurs to:

(ii) reduce the duration of a Material Disruption of the service provided by a Company’s Computer System, excluding the cost of any forensic or IT consultants.

2.3 Network Loss

(i) the reduction in net profit (whether or not arising from reduction in customers) that would have been earned but for the Material Disruption; and

(ii) expenses incurred, including payroll, in order to ensure continuation of the Company’s normal operating procedures during the Material Disruption.

Network Loss shall not include any financial loss resulting from fluctuations in market conditions or the value of assets or other unfavourable business conditions during the Material Disruption.
2.4 **Waiting Hours Period**

the number of hours set forth in Item 7 of the Schedule, commencing at the beginning of a **Material Disruption**.

2.5 **Network Interruption Security Failure**

(I) any intrusion due to the intentional circumvention of the security of the **Company’s Computer System**, which results in any unauthorised access, unauthorised use, hacking, a denial of service attack, a denial of access, the receipt or transmission of a malicious code, malicious software, malicious email, ransomware, trojan or virus which causes the destruction, modification, corruption, damage or deletion of **Data** or **Third Party Data** stored on any **Company’s Computer System**;

(ii) any disclosure or loss of **Data** due to the physical theft of hardware controlled by the **Company** (or components thereof).

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3. **EXCLUSIONS**

This **Additional Coverage Section** shall not cover any **Network Interruption Costs** or **Network Loss** arising out of, based upon or attributable to:

3.1 **Government Entity or Public Authority**

Any seizure, confiscation, nationalisation, or destruction of any **Company’s Computer System** by order of any government entity or public authority.

3.2 **Third Parties**

Any:

(i) **Claims** made by **Third Parties** or a **Regulator**;

(ii) **Regulatory Investigation**; or

(iii) fines or penalties payable to **Third Parties**.

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4. **CONDITIONS**

4.1 **Proof of Loss**

In addition to the requirements to give notice to the **Insurer** under Section 4.1 (Notice and Reporting) of this **Policy**, and before coverage under this **Additional Coverage Section** shall apply, the **Company** must also:

(i) complete and sign a written, detailed and affirmed proof of loss within one hundred and eighty (180) days after the resolution of the **Material Disruption** (unless this period is otherwise extended in writing by the **Insurer**) which will include:

(a) a full description of the **Network Interruption Costs** or **Network Loss** and the circumstances of such **Network Interruption Costs** or **Network Loss**;

(b) a detailed calculation of any **Network Loss**; and

(c) all underlying documents and materials that reasonably relate to or form a part of the basis of the proof of the **Network Interruption Costs** or **Network Loss**;

(ii) upon the **Insurer’s** request promptly respond to requests for information.

All adjusted claims are due and payable forty five (45) days after:

(i) the presentation of the satisfactory written proof of **Network Loss** and **Network Interruption Costs** as provided for in (a) and (b) above; and

(ii) the subsequent written acceptance thereof by the **Insurer**.

The costs and expenses of establishing or proving **Network Loss** and/or **Network Interruption Costs** under this **Additional Coverage Section**, including those associated with preparing the proof of loss, shall be the obligation of the **Company** and are not covered under this **Policy**. The **Insurer** will, however, meet the reasonable costs of the **Company’s** auditors or external accountants in attending meetings and interviews and in providing such information as the **Insurer** shall request to verify and adjust the claim for **Network Loss** and/or **Network Interruption Costs** (as applicable)

All other Terms, Conditions and Exclusions of the Policy remain unchanged.