

OUTSOURCE SERVICE PROVIDER

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 Legal Services

The **Insurer** will pay to or on behalf of the **Company** (not to exceed the sublimit stated at Item 7 of the Schedule) the reasonable and necessary fees and expenses of the **Response Advisor** in providing the **Legal Services** in connection with an **OSP Failure**. Such **Legal Services** shall include:

- (i) taking instruction on the factual background of the **OSP Failure** and coordinating the **Public Relations Consultant**;
- (ii) advising on the requirement to notify, notifying and corresponding with any relevant **Regulator**;
- (iii) advising on **Data Subject** notifications;
- (iv) monitoring complaints raised by **Data Subjects** and advising the **Insured** on responding to questions raised by **Data Subjects**;
- (v) subject to the consent of the **Insurer**, advising the **Company** on the **Company’s** response to the **OSP Failure**.

The **Retention** specified in Item 7 of the Schedule shall only apply to **Legal Services** performed after the first 72 hours from when the **Responsible Officer** of the **Policyholder** first notifies the **Response Advisor** of the **OSP Failure**.

Such fees and expenses will only be paid by the **Insurer** to the extent they are incurred within one year after the date of notification to the **Insurer** in accordance with Section 4.1 (Notice and Reporting).

1.2 OSP Data Restoration Costs

The **Insurer** will pay to or on behalf of the **Company** (not to exceed the sublimit stated at Item 7 of the Schedule) all reasonable and necessary costs and expenses incurred by the **Insured**, with the **Insurer’s** prior written consent, as a result of an **OSP Failure** in order to:

- (i) determine whether **Data** held by the **Company**, including **Data** held on behalf of a **Third Party**, can or cannot be restored, recollected or recreated;
- (ii) restore, recollect or recreate **Data** held by the **Company**, including **Data** held on behalf of a **Third Party**,

where such **Data** is not machine readable or is corrupted.

1.3 OSP Network Interruption Loss

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

- (i) after the **OSP Failure Waiting Hours Period** has expired and during the **Material Interruption** (but subject to a maximum period of 120 days commencing from the expiry of the **OSP Failure Waiting Hours Period**); and
- (ii) for a maximum period of 90 days commencing from the resolution of the **Material Interruption**.

1.4 OSP Interruption and Mitigation Costs

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

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

2 DEFINITIONS

2.1 Material Interruption

- (i) the suspension or degradation of the service provided by the **Outsource Service Provider** solely caused by an **OSP 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 an **OSP Failure**.

2.2 Network Interruption Costs

The reasonable and necessary costs and expenses that the **Company** incurs to minimise the **Network Loss** and/or reduce the impact of a **Material Interruption** of the service provided by the **Outsource Service Provider** to the **Company**, 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 earned caused by a **Material Interruption**; and
- (ii) expenses incurred by the **Company**, including payroll, in order to ensure continuation of the **Company's** normal operating procedures.

Network Loss shall be reduced by any amounts recovered by an **Insured** (including the value of any service credits provided to an **Insured**) from any **Third Party** (including any **Outsource Service Provider**) in connection with or as a result of an **OSP Failure**.

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 OSP's Computer System

any computer hardware, software or any components thereof that are linked together through a network of two or more devices accessible through the Internet or internal network or that are connected through data storage or other peripheral devices which are owned, operated, controlled or leased by an **Outsource Service Provider**.

2.5 OSP Failure

Any:

- (i) **OSP System Failure**;
- (i) **OSP Security Failure**.

2.6 OSP Security Failure

- (i) Any intrusion of, unauthorised access (including any unauthorised person using authorised credentials) to, or unauthorised use of (including by a person with authorised access) the **Outsource Service Provider Computer System**, including that which results in or fails to mitigate any:
 - (ii) denial of service attack or denial of access; or
 - (iii) receipt or transmission of a malicious code, malicious software or virus;
 - (iv) the loss of **Data** arising from the physical theft or loss of hardware controlled by the **Outsource Service Provider** on behalf of the **Company**.

2.7 OSP System Failure

Any unintentional and unplanned failure of an **OSP's Computer System** such that the **Outsource Service Provider** is unable to provide to the **Company** the services described in a **Vendor Agreement**.

- 2.8 OSP Failure Waiting Hours Period** the number of hours set forth in Item 7 of the Schedule, commencing at the beginning of a **Material Interruption**.
- 2.9 Vendor Agreement** A contract between a **Company** and an **Outsource Service Provider** pursuant to which an **Outsource Service Provider** provides services to the **Company** for a fee.

3 EXCLUSIONS

This **Additional Coverage Section** shall not cover any **OSP 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 **OSP'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**.

4 CONDITIONS

- 4.1 Public Relations** Cover will be available under Insurance Cover A.3 (Public Relations Services) in respect of an **OSP Security Failure** only if, following consultation with the **Company**, appointment of **Public Relations Consultants** is considered necessary by the **Response Advisor** or the **Insurer** in respect of any actual or suspected **Extortion Threat** which the **Responsible Officer** of the **Policyholder** anticipates will:
- (i) damage the **Company's** reputation or **Data**; or
 - (ii) cause the **Company** to incur a liability to customers or other **Third Parties**.

All other terms, conditions and exclusions remain unchanged.