

Cyber Cover

Important Notice to Policyholder

(applicable from the Effective Date shown on your Renewal Schedule)

NIG continually reviews its product offerings in our aim to ensure the cover provided is competitive in an ever-changing market. We are reissuing your NIG Cyber Cover policy onto our updated product wording with effect from the renewal date of your Policy.

The following part of this notice advises you of the main updates and changes compared to your previous policy. This Notice to Policyholder does not contain the full terms and conditions of your insurance, please therefore read all Policy documentation carefully as this will confirm the cover provided.

Please note that:

- these amendments may apply to aspects of this Policy for which cover has not been provided.
- the amounts and percentages stated are those which apply as standard to this Policy. Please refer to the Schedule for the actual amounts and percentages applicable.

Please contact your broker, intermediary or agent, should you have any questions.

Your policy wording changes are summarised as follows:

The Section headed **Helpline Services** has been updated.

General Definitions

The following Definitions have been updated:

- **Business**
- **Damage** (and the previous General definition of Damage now appears in Section 1 of this Policy for the purposes of that Section).
- **Period of Insurance**
- **Sum Insured**

The following Definitions have been added:

- **Business Hours**
- **Company**
- **Insured**
- **Policy**
- **Premises**
- **Schedule**

All other Definitions have been moved to the relevant Sections of the Policy.

General Conditions

The following General Conditions have been updated:

- **Change of Risk or Interest** (this replaces the Change in risk General condition) – now changed to become a condition precedent to the Company's liability. The Policy shall cease to be in force if the Insured's interest in the Business ceases (other than by death) or the Business is to be wound up or carried on by a liquidator or receiver or permanently discontinued, unless otherwise agreed by the Company.

- **Cancellation** (this replaces Your rights to cancel your policy and Our rights to cancel your policy, General conditions) – this now clarifies what happens in the event of cancellation where the premium is being paid by instalments.
- **Contracts (Rights of Third Parties) Act 1999** – now states that any right or remedy of a third party which exists or is available apart from that Act is not affected.
- **Survey and Risk Improvement** (this replaces the Right to survey General condition) – now changed to become conditions precedent to liability and expands on the Company's requirements of the Insured if a survey is requested by the Company.

The following General Conditions have been added:

- **Reasonable Precautions** – stating the Company's requirements for:
 - preventing or minimising loss, destruction, damage, accident or injury;
 - maintaining property;
 - selecting and supervising Employees; and
 - complying with regulatory requirements, manufacturer's recommendations and other regulations relating to the use, inspection and safety of property and the safety of persons.
- **Instalments** – stating the procedures for dealing with instalment defaults.
- **Fire Extinguishment Appliances** – stating the Company's requirements in respect of such appliances.

The following General Conditions have been removed:

- **Abandonment** – this is now incorporated within the Rights of the Company under Claims Conditions.
- **Caring for your hardware** – this is now incorporated within the Caring for Hardware Condition applicable to Section 1 of this Policy, the Reasonable Precautions General Condition and the Action by the Insured Claims Condition.
- **Paying the Premium** – see the Period of Insurance General Definition.

Claims Conditions

The following Claims Conditions have been updated:

- **Action by the Insured** (this replaces the Reporting a claim Claim condition) – the Company's requirements for reporting a claim have been amended. It is now a condition precedent to the liability of the Company that the Insured shall:
 - immediately notify the Company on the happening of any incident which could result in a claim under this Policy and immediately send to the Company every relevant document relating to any impending prosecution, inquest or fatal accident enquiry or civil proceedings;

- immediately notify the Company of, and deliver to the Company at the Insured's own expense, a claim with such detailed particulars and proofs as may reasonably be required by the Company and (if demanded by the Company) a statutory declaration of the truth of the claim and any matters connected therewith, within:

- i 7 days of the event giving rise to the claim, in the case of loss, destruction or damage, caused by riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons;
- ii 30 days of the event giving rise to the claim in the case of any other claim, or such further time as the Company may allow; and

notwithstanding items i and ii above, the Insured shall immediately forward any claim by a third party or notice of any proceedings or any other correspondence and information received by the Insured relating to such claim on receipt and in respect of any claim or circumstance, relating to a claim being made against them under Sub-Section 2 (Cyber Liability) of Section 1: Computer and Cyber, of this Policy, the Insured shall record all information relating to such claim;

- give immediate notification to the police in respect of:

- i vandalism;
- ii theft or any attempt thereat; or
- iii loss of money by any cause whatsoever,

in relation to this Policy; or

- iv any other incident or circumstance relating to criminal activity that may result in a claim being made under Section 1: Computer and Cyber, of this Policy;

- make no admission of liability or offer, promise or payment or provide any services on behalf of the Company without the written consent of the Company (or HSB Engineering Insurance Limited for a claim under Section 1: Computer and Cyber of this Policy);
- take all reasonable action to minimise any interruption or interference with the Business and to prevent further damage or other loss covered by this Policy;
- fully co-operate and produce to the Company such books of account or other business books or documents or such other proofs, as may reasonably be required by the Company for investigating or verifying the claim; and
- in respect of Damage to the property insured under Section 1: Computer and Cyber, of this Policy, discontinue use of any damaged property unless the Company authorises otherwise until such property has been repaired to the satisfaction of the Company. Any damaged items including parts that are replaced and any other evidence relating to the claim, shall be kept for inspection by the Company.

The requirement to provide HSB Engineering Insurance Limited with details of other insurances is now a Condition within Section 1 (Computer and Cyber) to notify the Company.

- **Other Insurances** – Unless otherwise stated in this Policy, if any other such insurance is subject to any provision whereby it is excluded from ranking concurrently with this Policy or from contributing rateably, the liability of the Company will be limited to any excess beyond the amount which would have been payable under such other insurance had this Policy not been effected.
- **Arbitration** – now subject to liability being otherwise admitted and the making of an award will now be a condition precedent to any right of action against the Company.

The following Claims Conditions have been added:

- **Conditions Precedent** – every condition precedent shall continue to apply throughout the currency of the Policy and non-compliance shall be a bar to any claim where the subject matter of the claim was caused by the non-compliance or to the extent that it was increased by the non-compliance.
- **The Rights of the Company** – stating the Company's rights for the handling of any claim.
- **Subrogation** – states that the Company shall be subrogated to the Insured's rights of recovery against any third party and the obligations of the Insured.

The following Claim conditions have been moved to Section 1 of this Policy:

- **Enforcing Your Rights**
- **Controlling Defence**
- **Salvage and Recoveries**
- **One excess (now appears as a Clause)**

General Exclusions

The following General Exclusion has been updated:

- **Radioactive Contamination** (this replaces the Nuclear risks General exclusion).

The following General Exclusions have been added:

- **War, Government Action and Terrorism**
- **Sonic Bangs**
- **Pollution or Contamination**
- **Date Recognition**

The following General exclusion has been removed:

- **Terrorism – see War, Government Action and Terrorism General Exclusion.**

Section 1 – Computer and Cyber

Each of the Sections are now a Sub-Section of Section 1 of this Policy.

Claims under this Section of the Policy are administered and managed on NIG's behalf by HSB Engineering Insurance Limited. The Section now includes the instructions for **Making a Claim** previously contained in the Introduction to the Policy.

The following Definitions have been updated:

- **Computer Equipment**
- **Hardware**
- **Insured Location**

Sub-Section 1: Cyber Crime

No change.

Sub-Section 2: Cyber Liability

No change.

Sub-Section 3: Data Breach Expense

No change.

Sub-Section 4: Cyber Event – Loss of Business Income

No change.

Sub-Section 5: Hardware

Where there is more than one Premises insured, the Sums Insured stated in the Schedule shall apply in the aggregate to the property collectively described under this Sub-Section.

The following Extension has been updated:

- **Extra Hire or Lease Cost** – cover now up to £25,000 in the aggregate any one per Occurrence.

The following Conditions are added:

- **Minimum Standards of Protection** (where stated as Operative in the Schedule) – requirements regarding protections fitted to openings at the Premises and being in operation outside Business Hours
- **Intruder Alarm Protection** (where stated as Operative in the Schedule) – requirements for the operation and maintenance of the alarm system and alarm signalling arrangements.

Sub-Section 6: Data Corruption and Extra Cost

No change.

All Sub-Sections:

The following Clauses have been updated:

- **Seventy Two Hours Clause** (this replaces the 72 hours clause General condition).
- **War** (this replaces the War General Exclusion).
- **One Excess** (this replaces the One excess Claims condition).
- **Value Added Tax** (this replaces the Tax General condition) – and now only applicable to Sub-Sections 4 – Cyber Event – Loss of Business Income and 6 Data Corruption and Extra Cost.

The following Clause has been added:

- **Payments on Account (applicable to Sub-Section 4 – Cyber Event – Loss of Business Income)**

The following Conditions have been updated:

- **Caring for Hardware** (this replaces the Caring for your hardware General condition) – it is now a condition precedent to the Company's liability.
- **Cyber Attack Limit** (this replaces the Cyber attack limit General condition).
- **Data Backup** (this replaces the Data backup General condition).
- **Defence Software** (this replaces the Defence software General condition) – it is now a condition precedent to the Company's liability.

- **Enforcement of the Insured's Rights** (this replaces the Enforcing your rights Claim condition).
- **Controlling Defence** (previously a Claim condition).
- **Other Insurances** (this replaces the Other insurances Claim condition) – this is notwithstanding the Other Insurances Claim Condition. It also states the requirements for providing the Company with details of other insurances.
- **Salvage and Recoveries** (this replaces the Salvage and recoveries Claim condition).

The Excess and Time Excess now form part of this Section – these replace both the Excess and Time excess General definitions and the Excess General exclusion.

The following Exclusions have been updated (these replace the relevant General exclusions):

- **Circumstances before your policy started**
- **Confiscation**
- **Extortion or ransom**
- **Fines and penalties**
- **Indirect loss**
- **Intentional acts**
- **Normal upkeep**
- **Telecommunications systems**
- **Trading risk**
- **Wear and tear**
- **Your insolvency or bankruptcy**

Section 2: Terrorism

This is a new Section of the Policy, incorporating Non-Damage Business Interruption Head of Cover.

Endorsements

Please note that any endorsements that apply to your Policy may also have been amended in light of the changes notified to you in this Notice. Where any endorsements, whether arising as a result of the changes notified to you in this Notice or otherwise, have been amended, replaced or added, they will appear in your Schedule. If removed, then they may have been catered for in the Policy wording. Please ensure that you read any endorsements to your policy carefully.