Cyber Liability Insurance

Prospectus

Introduction

Cyber liability Insurance provides cover for an insured's liability, costs and losses connected with

1. Accidental or unauthorized or negligent disclosure of private data or corporate data
2. Breach of any regulation which requires the Insured to protect the confidentiality and/or security of information
3. Change, damage or destruction of data stored on Insureds systems
4. A denial of service attack,
5. Unauthorized intrusion into computer systems
6. Unauthorized use or access to data or systems
7. Theft of passwords or access codes or hardware by electronic or non-electronic means
8. Transmission of malicious code
9. Accidental destruction or damage to data or computer assets
10. Infrastructure failure, if such infrastructure is under your direct control
11. Multimedia activities

Coverage

The following insurance covers under the policy are applicable for Claims which are first made against the Insured, during the Policy Period (or the Extended Reporting Period, if applicable) The various insuring Clauses are

Individual Security & Privacy Liability - Defense cost and damages arising out of the unauthorized, negligent or accidental disclosure of Personal Information.

Corporate Security Liability - Defense cost and damages arising out of the unauthorized, negligent or accidental disclosure of Corporate Information.

Multimedia Liability - Defense cost and damages for defamation, invasion of privacy, infringement of copyright etc arising out of release of any media content or any other multimedia activities by the insured.

Extensions

Business Interruption Loss – In case of a business interruption caused by a cyber attack, this extension indemnifies the insured with the net profit (before taxes) which would have been earned had no interruption occurred. In case the organization is operating in loss, the extension can overhead costs for the Interruption period. A separate deductible and/or time deductible may be applicable to this extension.

Credit Monitoring Costs - costs of provide credit monitoring services to individuals affected by the breach. Such services may include, file monitoring, protection against identity theft, identity theft insurance, cost of customer credits etc.

Crisis Management Costs – costs of a crisis management consultant or public relations consultant or legal advisors, incurred by the Insured to avert or mitigate damage to the company's reputation or goodwill after a cyber attack.

Cyber Extortion Costs - costs of a security expert incurred by the Insured and/or cash, marketable goods or services paid by the Insured to prevent or end a cyber threat to the Insured's computer system

Data Restoration Costs - costs incurred by the Insured to determine if the data held by the Insured on behalf of a third party can be restored, recollected or recreated and if so, then the costs to restore, recollect or recreate the same.

Forensic Costs – costs incurred by the Insured to hire a computer security expert to determine the existence and/or the extent of a cyber attack.

Privacy Notification Costs – costs incurred by the Insured in notifying a cyber attack to the affected parties(ie. parties whose data might have been made public).

Legal Representation Costs - costs incurred by the Insured to obtain legal advice and representation associated with a Regulatory Investigation which involves a privacy breach

Regulatory Fines and Penalties –cover for insurable fines and penalties imposed on the insured by a regulatory body because of disclosure of private data.

The Insurer may also issue additional endorsements based on the Insured's request. These additional endorsements may cost additional premium on the basis of risk exposure.

Important Definitions

Breach Notice Law means the laws and regulations for data protection and privacy in any country that requires notice to be given for an actual or potential breach of laws and regulation relating to Personal Information.

Claim means any written demand for monetary or non-monetary relief; or any civil, administrative or regulatory proceeding;

Company means the Policyholder and/ or any Subsidiary

Computer System means computer hardware, software, firmware, its related components operated by the Company or a Consultant. Computer systems may include cloud services, internet of things, bring your own device etc

Consultant means any natural person or entity who has a written contract with the Company to perform Professional Services.

Control Group means the natural persons holding the following positions in the Company – President, members of the Board of Directors, Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer; General Counsel, Chief Information Officer; Chief Security Officer; Chief Privacy Officer and

any individual in a substantially similar position as those referenced above, or with substantially similar responsibilities as those referenced above, irrespective of the exact title of such natural person

Corporate Information means:

a) Confidential information owned by a Client which is in the care, control or custody of a Company in the ordinary course of business; or

b) Information provided by a Client to the Company which is in the Company agrees in writing to treat as confidential.

Cyber Extortion Threat means a credible threat or series of related threats directed at the Insured to corrupt, damage, destruction, or introduce a Malicious Code, or a denial of service attack to Computer System etc

Cyber Terrorism means disruptive activities against any Computer System, with the explicit threat of causing harm, furthering social, ideological, religious, political, or similar objectives, or intimidating any person(s) in furtherance of such objectives.

Damages means

(a) Any monetary compensation the Insured is legally obligated to pay pursuant to an award or judgment entered against the Insured;or

(b) Settlements negotiated by Insured and consented to by the Insurer

Data means any software or electronic data that exists in Computer System including computer programs, applications, account information, customer information, private or personal information, marketing information, financial information and any other information.

Insured means

(a) Company

(b) Any natural person who was, is, or becomes during the Policy Period director, partner, or employee of any Company

Insured shall also include spouse , estate, heirs, executors or legal representatives of the parties mentioned in (b) above in the event of their death, incapacity, insolvency or bankruptcy, but only to the extent (b) would have been covered.

Insured shall also include Consultants.

Malicious Code means any software used to erase, corrupt or damage data or network system or gain access to Computer Systems or harmful software code, including but not limited to computer viruses, Trojan horses, keystroke loggers, spyware, adware, worms and logic bombs

Material Interruption means any interruption in, or suspension of, the service provided by the Computer System

Multimedia Activities means the publication or broadcast of any digital media content , other than computer software or the actual goods, products or services described, illustrated or displayed.

Personal Information means any private information concerning a natural person which is in the care, custody and control of the Company.

Privacy Breach means

a) an accidental or negligent disclosure of Personal Information; or
b) Breach of any federal, state or foreign statute or regulation requiring the Insured to protect the confidentiality and/or security of Personal Information.

Security Breach means

a) The negligent or inadvertent transmission of Malicious Code
b) a failure to secure Computer System which results in Unauthorized access to or Unauthorized use

which causes the destruction, modification, corruption, damage or deletion of Data stored on Company's Computer System

Security Breach includes

i. any such failure or intrusion resulting from the theft of a password or network access code from Company's premises, Computer System, or director or officer, or employee of a Company by non-electronic means in direct violation of a Company's specific written security policies or procedures.

ii. The disclosure of data due to the physical theft or loss of hardware owned or controlled by the Company iii. The disclosure of data by an Employee.

Other Important Terms and Conditions

Claim Series
All Claims and/or circumstance or series of Claims and/ or circumstances based upon, arising out of, or in any manner involving the same act, error, omission, Security Breach, Privacy Breach whether or not committed by more than one Insured, shall be deemed to be one Claim for the purposes of this Policy, and such Claim shall be deemed to be first made on the date the earliest of such Claims/circumstance is first made against an Insured.

Maintenance of Security

The Insured will take all reasonable steps to maintain data and information security procedures to no lesser standard than disclosed in the proposal form.
The Insured will ensure that back-up systems and processes are maintained to no lesser standard than disclosed in the proposal form and that the ability to restore such data is regularly tested.

Claim Conditions

The Insured shall give written notice to the Insurer of any circumstances that may reasonably be expected to give rise to a Claim or any Claim made against the Insured, as soon as practicable and in any case during the Policy Period.

Such notice shall include (but is not limited to):

(i) the reasons for anticipating a Claim (or circumstances);
(ii) the Insurer's Claim form duly completed;
(iii) All other information or documentation relevant to the Claim/circumstance.
(iv) the nature and circumstances of the facts relating to an alleged, supposed or potential breach;
(v) date, time and place of the alleged, supposed or potential breach;
(vi) the identity of the potential claimants and all other potentially involved persons and/or entities;
(vii) estimate of possible loss;
(viii) the potential media or regulatory consequences.

Insured's duties in case of a Claim

Inform the Insurer as soon as practicable and in any case during the policy period

No admission or settlement should be made or offer of settlement extended or consent to any judgment without prior written consent of the Insurer.

Policyholder should do nothing to prejudice the Insurer's rights of recovery, by way of subrogation or otherwise.

If there is any other insurance which does or may provide an indemnity then the Insurer must be informed of the same without delay.

The Insured must take the insurers prior consent, before appointment of any external expert or legal counsel

The Insured shall do everything necessary for the purpose of enforcing any rights, remedies, obtaining relief or indemnity from other parties to which the Insurer is become entitled upon the Insurer paying for any Loss under this Policy, whether before or after indemnification.

As a condition precedent to liability under the Policy, the Insured at its own costs hall provide the Insurer with all documents, information, assistance and cooperation that the Insurer may request and require towards investigation, defence, settlement or appeal of a Claim or circumstance. Each Insured shall also take reasonable steps to mitigate the Loss.

Insurer's Rights in case of a Claim

The Insurer is entitled to all information, assistance and cooperation which the Insurer requests and for this to be provided to it in a timely manner.

The Insurer will not be responsible for any defence costs unless their express prior consent has been obtained.

The Insurer shall be entitled to fully participate in the defence and at the negotiation stage of any settlement that is reasonably likely to involve or appears to involve the Insurer.

Premium

The premium shall depend on various factors such as the business activities of the insured, the kind of data collected or stored or handled by the insured, total turnover, data and network security processes, sub-contracting details, volume of online business, business continuity practices etc

Note: The above is a summary of some of the important terms, conditions and exclusions. For complete details on coverage, terms, conditions and exclusions, please contact the Insurer's office and refer to the Policy document carefully and understand the same before concluding the sale.

CANCELLATION/ TERMINATION

The Insured can cancel the policy at any time during the policy period by Informing the company.

The Company cancel the policy only on the grounds of established fraud, by giving minimum notice of 7 days to the policyholder.

The Company shall –

i) refund proportion premium for unexpired policy period, if the term of the policy is upto one year and there is no claim(s) made during the policy period.
ii) refund premium for the unexpired policy period, in respect of policy with the term more than one year and the risk coverage for such policy years has not commenced.

GRIEVANCES

For resolution of any query or grievance, Insured may contact the respective branch office of the Company or may call toll free no.1800-2666 or may approach us at the sub section "Grievance Redressal" on our website www.icicilombard.com (Customer Support section). However, if the resolution provided by us is not satisfactory you may approach Insurance Regulatory and Development Authority of India (IRDAI) through the Bima Bharosa Portal - https://bimabharosa.irdai.gov.in/ or IRDAI Grievance Call Centre (IGCC) at their toll free no. 1800 4254 732 / 155255.

You may also approach Insurance Ombudsman, subject to vested jurisdiction, for the redressal of grievance. Details of Insurance Ombudsman offices are available at IRDAI website: www.irdai.gov.in, or on the Company's website at www.icicilombard.com.

STATUTORY WARNING

PROHIBITION OF REBATES

(Under Section 41 of Insurance Act 1938)

(1)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 [or continuing] a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer:

[Provided that acceptance by an insurance agent of commission in connection with a policy of any class of insurance business taken out by himself in relation to risks associated with his own life, health or property shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer.]

(2) Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.