

DIGIT ENTERPRISE PLUS CYBER INSURANCE POLICY**UIN: IRDAN158CPLB0002V01202425****Prospectus****Go Digit General Insurance Ltd.**

Go Digit General Insurance Ltd. ('Digit') is a new-age general insurance company that is backed by the Fairfax Group – one of the world's largest financial holding companies which is engaged in General Insurance, Reinsurance and Investment management across more than 30 countries.

Digit's singular mission is to make insurance simple for all. With that mission in mind, we are reimagining products and redesigning processes. Our products are designed keeping the consumer in mind, our processes are simple, fast and transparent & our documents are easy to understand. With the help of cutting-edge technology and people who bring in years of experience in both the insurance and technology domain, we want to be the new-age insurance company that's revolutionising the insurance industry. And by doing so, we want to be part of our consumers' lives by enabling them to live life, without worrying about an uncertain future.

Product Introduction

This product is designed to provide protection to customers in the event of cyber risk.

Covers
Section 1 - Incident Response
Section 2 – Restoration
Section 3 – Extortion
Section 4 - Business Interruption
Section 5 - Liability
Section 6 – Regulatory
Section 7 – Media
Section 8 – PCI
Section 9 - Loss Of Funds

Who Can buy this Product?

This Product will be sold to Entities/Companies /Organizations against risks occurring out of cyber exposures such as financial losses caused by cyber incidents, including data breaches and theft, system hacking, extortion payments etc.

What are the Coverages available under this Policy?

Following coverages are available under this Policy.

Section 1 - Incident Response

We will pay on your behalf incident response expenses that exceed the applicable retention incurred by you with our prior written consent, as a result of a confidentiality event, privacy event or security breach first occurring on or after the retroactive date that is first discovered by you and notified to us in writing during the policy period or the extended reporting period.

Section 2 – Restoration

If You have opted this section, We will indemnify you for data restoration expenses that exceed the applicable retention, incurred by you with our prior written consent, as a result of a security breach first occurring on or after the retroactive date that is first discovered by you and reported to us in writing during the policy period or the extended reporting period.

Section 3 – Extortion

If **You** have opted this section, **We** will reimburse **you** to the extent insurable by law, for **extortion loss** that exceeds the applicable **retention** and that **you** incur as a direct result of an **extortion threat** first made against **you** and reported to **us** in writing during the **policy period** or the **extended reporting period**:

- 1) as a direct consequence of a **privacy event** or **confidentiality event**,
- 2) as a consequence of a **security breach** or **denial of service attack** that enables:
 - (i) the unauthorised destruction, corruption, erasure or encryption of **your data assets**,

- (ii) the unauthorised introduction of **malware** to **your computer systems**; or
- (iii) an unauthorised **third party** to impair the availability of **your computer system** in whole or in part; first occurring on or after the **retroactive date**.

Section 4 - Business Interruption

If **You** have opted this section, **We** will indemnify **you** for **loss of business income** that exceeds the applicable **retention** and is incurred during the **period of restoration** due to:

- (i) your inability to use **your data assets** that have been corrupted or encrypted and therefore cannot be utilised for their intended function for a period that exceeds the **waiting period**,
- (ii) The availability of **your computer systems** or **your data assets** being impaired for a period that exceeds the **waiting period**,

as a direct result of a **security breach** first occurring on or after the **retroactive date** that is first discovered by **you** and reported to **us** in writing during the **policy period** or the **extended reporting period**.

Section 5 – Liability

If **You** have opted this section, **We** will pay on **your** behalf **damages you** are legally liable to pay and related **claim costs** that exceed the applicable **retention** as a result of a **claim** first made against **you** and reported to **us** in writing during the **policy period** or the **extended reporting period**:

- (i) Arising from a **privacy event** or **confidentiality event** first occurring on or after the **retroactive date**,
- (ii) Arising from **your** failure to prevent a **security breach** first occurring on or after the **retroactive date** that results in:
 - a) The transmission of **malware** from **your computer system** to a **third party**,
 - b) The unauthorised destruction, corruption, erasure or encryption of **third-party data assets** stored on **your computer systems**,
 - c) The unauthorised use of **your computer systems** for the purpose of participating in a **denial of service attack** directed against a **third party**; or
 - d) The prevention of authorised access to **your computer systems** by an authorised **third party**.

Section 6 – Regulatory

If **You** have opted this section, **We** will pay on your behalf **regulatory penalties** that **you** are legally obligated to pay and related **regulatory costs** that exceed the applicable retention as a result of a **regulatory action** arising from a privacy event first occurring on or after the **retroactive date** that is first notified to **you** and reported to us in writing during the **policy period** or **extended reporting period**.

Section 7 – Media

If **You** have opted this section, **We** will pay on **your** behalf **damages you** are legally liable to pay and related **claim costs** that exceed the applicable **retention** as a result of a **claim** first made against **you** and reported to **us** in writing during the **policy period** or the **extended reporting period** arising from a **media event** first occurring on or after the **retroactive date**.

Section 8 – PCI

If **You** have opted this section, **We** will pay on your behalf **PCI fines**, **PCI assessments** and related **PCI claim costs** that exceed the applicable **retention** as a result of a **PCI claim** first made against **you** and reported to **us** in writing during the **policy period** or the **extended reporting period** arising from a **payment card breach** that first occurred on or after the **retroactive date**.

Section 9 - Loss Of Funds

If **You** have opted this section, **We** will indemnify **you** for direct financial loss first discovered by **you** and notified to **us** in writing during the **policy period** or the **extended reporting period** that exceeds the applicable **retention** and that **you** incur as a direct result of you having transferred funds or property due to **your** reliance on the criminal or fraudulent input of any **verified** instructions to **your computer systems** or **your data assets** where access to **your computer systems** or **your data assets** has been gained as a result of a **security breach** occurring on or after the **retroactive date**.

What are the Exclusions available under this Policy?

GENERAL EXCLUSIONS (APPLICABLE TO ALL SECTIONS)

This policy does not respond to, and we will have no liability for, any claim, claims costs, loss, PCI claim or regulatory action, or for the payment of any amounts resulting from, in connection with or indirectly arising from

1. Biometric Data

- a. any actual or alleged collection, use, processing, sharing, sale, possession, retention, security or destruction of, or profit from, biometric identifiers or biometric information or disclosure of genetic information, including but not limited to fingerprints, faceprints, hand scans, vein patterns, voiceprints, iris or retina scans, keystroke, gait or other physical patterns, sleep/health/exercise data, deoxyribonucleic acid (DNA) or genetic test results;
- b. any actual or alleged violation of any federal, state, local or foreign law in connection with an activity described in 1 a above, including but not limited to a private right of action under the Illinois Biometric Information Privacy Act, 740 ILCS 14/1-14/25 (BIPA) or Genetic Information Privacy Act, 410 ILCS 513/1-513/50 (GIPA) or any other similar act as amended from time to time.

2. Bodily injury

any actual or alleged bodily injury, sickness, diseases, shock, mental anguish, emotional distress or death sustained by any person. However, this exclusion will not apply to any actual, alleged or unintentional infliction of emotional distress or mental anguish arising out of a privacy event.

3. Business economic losses

- 1) any trading losses, trading commissions or unauthorised trading in securities, commodities, derivatives, foreign or federal funds, currencies, foreign exchange, and the like;
- 2) the value of coupons, price discounts, prizes, awards or other consideration given in excess of the total contracted or expected amount.

4. Contractual liability

any actual or alleged breach of a written or oral contract, warranty, guarantee, promise or agreement, whether express or implied, or the liability of others assumed under any written or oral contract, warranty, guarantee, promise or agreement, whether express or implied. However this exclusion does not apply to:

- a) liability that you would have in the absence of such contract, warranty, guarantee, promise or agreement;
- b) any obligation that you have to maintain the confidentiality and security of personal information, third party confidential information and payment card information.

5. Director's duties

any actual or alleged breach of duty by a past, present or future director or an officer in the discharge of their duty if the claim is made by or on behalf of named insured, the insured organisation, senior management, employee or stockholders.

6. Discrimination

any actual or alleged discrimination or harassment of any kind including but not limited to, race, creed, national origin, age, gender, pregnancy, marital status, sexual preferences or disability.

7. Dishonest acts

any dishonest, fraudulent, criminal, malicious act or omission, intentional breach of any duty, contract or law by senior management, or by you with the knowledge of senior management. However, in respect of "Section 6 – Regulatory and Section 7 - Media", this exclusion will not apply to our right to defend any such claim and associated claims costs until there is a final court decision, arbitration tribunal, or a written admission that establishes such conduct. After the establishment of such conduct you shall reimburse us all claims costs incurred in defending any claim.

8. Electromagnetic

any electromagnetic field, electromagnetic radiation or electromagnetism that actually or allegedly affects the health, safety or condition of any person or the environment, or that affects the value, marketability, condition or use of any property.

9. Employment practices

any actual or alleged employer-employee policies, practices, acts or omissions, any actual or alleged refusal to employ any person, or any misconduct with respect to employees, including any work compensation or similar

laws. This exclusion does not apply to any covered claim made under “Section 5- Liability” arising out of a privacy event.

10. Government order

Any:

- 1) governmental or regulatory investigation or enforcement of any local or foreign regulation; except as otherwise covered under “Section 6 - Regulatory”,
- 2) non-monetary relief or costs to comply with court orders, governmental action, request from regulators, or law enforcement action including but not limited to, requirements to disclose sensitive information including personal information, improve data or computer system security, or a requirement to undertake assessments or testing.

11. Infrastructure:

Any planned or unplanned disruption to the availability, integrity or performance of:

- 1) any utility services including but not limited to gas, water, electricity, and power stations;
- 2) technology infrastructure including but not limited to: certificate authorities, content delivery network providers, domain name system service providers, internet exchange point providers, satellite network providers, timing services, and any transmission systems or services which support transfer of information between network termination points; unless under the insured organisation’s direct operational control;
- 3) financial market services involved in the clearing, settlement and recording of financial transactions; including but not limited to securities exchanges, central counterparty clearing houses, and central securities depositories.
- 4) electrical or mechanical failure, impairment or interruption including electrical disturbance, spike, brownout or blackout.

12. Insolvency

Any insolvency, bankruptcy or financial default by the insured organisation or any third party.

13. Radioactivity: any:

- 1) any ionizing radiations or contamination by radioactivity from any nuclear fuel, any nuclear waste from the combustion of nuclear fuel, or any other radioactive matter,
- 2) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

14. Patent

any actual or alleged infringements or misappropriation of any patent, patent rights, trade secret, source code, computer program, formula, compilation, composition, device, method, process, or technique.

15. Physical hazard - any:

- 1) natural, physical, meteorological, solar or seismic event including but not limited to fire, smoke, explosion, wind, flood, earthquake, volcanic activity, or solar storm;
- 2) discharge, release, seepage, or disposal of any pollutants; or any request, demand, order, or regulatory requirement to monitor, clean-up, test, remove, remediate, detoxify, assess or neutralise the effect of any pollutants;
- 3) environmental hazard, microorganisms, biological organisms, bioaerosols, fungi, spores or organic contaminants including, but not limited to, mould, mildew, yeast or other toxins, mycotoxins, allergens, infectious agents, wet or dry rot or rust, carcinogens, noise or contaminants in the structure, soil, water, air, mould, mildew, or any materials containing them at any time, regardless of the cause of growth, proliferation or secretion.
- 4) virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

16. Prior acts

any:

- 1) claim or regulatory action notified to you or brought against you prior to inception of the first policy period or any act, error, omission, fact, incident, circumstance or loss event first committed or occurring prior to

inception of the first policy period that senior management knew, or should have reasonably known, could result in a claim, a regulatory action or loss.

- 2) act, error, omission, fact, incident, circumstance, loss event or other matter that has been notified to any insurer of any other insurance policy in force prior to the inception date of this policy period.
- 3) actual or alleged act, error, omission, fact, incident, circumstance or loss event or continuing actual or alleged acts, errors, omissions, facts, incidents, circumstances or loss events first committed or occurring prior to the retroactive date.

17. Property damage

Any physical injury to, destruction of, or loss of use of any tangible property.

18. Related party

Any claim made by you or on your behalf against you. This exclusion will not apply to any claim made by an employee.

19. Sanctions

Any provision of cover, payment of any claim, claims costs, loss, PCI claim or regulatory action claim or provision of benefit that would expose us to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States.

20. Statutory violations

any actual or alleged violation of or failure to comply with any of the following:

- 1) anti-bribery, money-laundering, racketeering law, regulation or similar legislation,
- 2) local or foreign law, rule or regulation relating to unsolicited communications or any other anti-spam or do-not-call statutes, rules, regulation or legislation,
- 3) securities law, regulation or similar legislation,
- 4) pension or retirement benefit laws, regulation or similar legislation, including any amendment thereto or any similar provisions of any federal, state, local or foreign statute, regulation, common law or rule or regulation promulgated under any of the foregoing.

21. Terrorism and Political Violence

Any act of terrorism, strike or similar labour action, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, or any action taken to hinder or defend against these actions; including all amounts, directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing, or in any way relating to the above. However, this exclusion shall not apply to cyberterrorism.

22. Third party funds

any actual or alleged loss, transfer or theft of funds, monies, securities or tangible property of a third party by you.

23. Unfair and deceptive practices

any actual or alleged unfair, deceptive, or unlawful trade practices, inaccurate, deceptive or misleading advertising, consumer fraud, inadequate, or incomplete description of goods or services, cost guarantees, unfair competition, restraint of trade or antitrust violation.

24. Unauthorised tracking

any use of any tracking code including, but not limited to, conversion pixels, re-targeting pixels, time-delay pixels, Postback URLs and tracking tags.

25. War

- a. war; or
- b. a cyber operation.

We shall have the burden of proving that this exclusion applies. Attribution cyber operation to a state:

- i. The primary but not exclusive factor in determining attribution of a cyber operation shall be whether the government of the state (including its intelligence and security services) in which the computer system affected by the cyber operation is physically located attributes the cyber operation to another state or those acting on its behalf.

- ii. Pending attribution by the government of the state (including its intelligence and security services) in which the computer system affected by the cyber operation is physically located, we may rely upon an inference which is objectively reasonable as to attribution of the cyber operation to another state or those acting on its behalf. It is agreed that during this period no loss shall be paid.
- iii. In the event that the government of the state (including its intelligence and security services) in which the computer system affected by the cyber operation is physically located either:
 - a) takes an unreasonable length of time to, or
 - b) does not, or
 - c) declares it is unable to
 attribute the cyber operation to another state or those acting on its behalf, it shall be for us to prove attribution by reference to such other evidence as is available.

26. Wear and tear

Ordinary wear and tear, slow-down or gradual deterioration of your computer systems or your data assets.

Do I need to pay any amount from my pocket at the time of claim?

Retention is the part of the claim that is to be first paid by you and we are liable to pay the remaining part of the claim.

How do I get the premium amount for this Insurance Cover?

Based on filled proposal form and information furnished, we will provide you with the premium amount.

What are the options for Policy Period this Insurance Cover?

The Policy can be taken upto 1 year

What will happen in an event of loss under this insurance coverage?

Claim Conditions

A. Assistance - You must:

- (i) provide us with full assistance and all information deemed reasonably necessary to investigate any claim, loss event, PCI Claim, regulatory action,
- (ii) provide us with full assistance and cooperation in the defence, settlement and payment of claim, loss event, PCI claim, or regulatory action,
- (iii) not take any action that in any way increases our exposure under this policy;
- (iv) not admit liability, make any payment, assume any obligation, incur any expense, enter into any settlement, stipulate to any judgment or award or dispose of any claim or regulatory action without our prior written consent. However, the prompt public admission of a privacy event as required by legislation will not be considered as an admission of liability requiring our prior consent; and
- (v) assist in enforcing any right of contribution or indemnity against any person or organisation who may be liable to you with respect to which insurance is afforded under this policy.

B. Defence, settlement and selection of legal representation and external experts

We have the right, but not the duty to defend any claim or regulatory action brought against you. The selection of legal representation and all external experts shall be made by mutual consent between you and us, but in the absence of agreement between you and us, our decision will be final. The applicable insuring clause limit of liability mentioned in Policy Schedule available to pay damages, regulatory penalties, or any other covered amounts will be reduced and may be completely exhausted by the payment of claim costs, or regulatory costs and any other amounts payable under this policy.

Our right to defend and our obligation to pay damages, regulatory penalties, claims costs, regulatory costs or any other amounts under this policy will terminate upon the exhaustion of the applicable insuring clause limit of liability mentioned in Policy Schedule.

We will seek your consent for any settlement that is acceptable to us and to the claimant, but if your consent is withheld and you elect to contest the claim or regulatory action, then our liability for such claim or regulatory action will not exceed the lesser of:

- (i) costs incurred up to the first date on which your consent to settle was withheld; plus 50% of any claims costs, or regulatory costs incurred after this date plus 50% of any damages or regulatory penalties above the amount for which the claim or regulatory action could have been settled. The remaining 50% of any claim costs, regulatory costs, damages, and regulatory penalties is uninsured under this policy; or

(ii) the remaining portion of the applicable insuring clause limit of liability mentioned in Policy Schedule.

C. Notice of claims and loss events

- (i) The named insured shall give written notice to us as soon as practicable of a claim, loss event, PCI claim or regulatory action.
- (ii) Notifications under this policy may be provided to us via our representatives mentioned in Policy Schedule.
- (iii) A claim, loss event, PCI claim or regulatory action will be considered as reported to us when written notice is first received by our representatives name in your Policy Schedule.
- (iv) All notifications under this policy shall include the following information:
 - a. Specific details of the alleged claim, loss event, PCI claim or regulatory action.
 - b. Details of all parties involved including names and contact information.
 - c. details of potential damages, loss, PCI fines, PCI assessments, regulatory penalties or other amounts covered under this policy.
 - d. Such other information as we may require.
- (v) Requests made under this policy for the indemnification of loss of business income and/or data restoration expenses you must be accompanied by a written, signed and sworn proof of loss for all known loss of business income and/or data restoration expenses. If we have not received such proof within six (6) months after expiry of this policy or expiry of the period of restoration, we will be discharged from all liability hereunder. Such proof of loss must include:
 - a. a full narrative description, timing, relevant location, witness statements, expert reports, system logs, information or documents relevant to the consideration of the loss event,
 - b. the location, description and statement of your interest in the data assets and computer systems affected by the loss event; and
 - c. the amount of any claimed loss of business income and/or data restoration expenses, accompanied by a fully evidenced calculation.
- (vi) If during the Policy Period or extended reporting period senior management first become aware of any circumstance that is likely to give rise to a claim or regulatory action, then the named insured must provide written notice to our representatives mentioned in Policy Schedule as soon as practicable after senior management first become aware of the circumstance in compliance with the requirements set out above. Any subsequent claim or regulatory action made against you arising from the circumstance that is the subject of the written notice will be deemed to have been made at the time when written notice was provided in compliance with the requirements set out above.

What is the Limit of Liability available under this Policy?

Limit of liability

- a) The aggregate limit of liability mentioned in Policy Schedule is the maximum that we will pay under this policy for all loss, damages, claims costs, or any other amounts, regardless of the number of claims, regulatory actions or loss events and regardless of the number of insuring clauses that apply and under which such claims, regulatory actions or loss events attach. We will have no liability in excess of the aggregate limit of liability.
- b) The insuring clause limit of liability as mentioned in Policy Schedule is the maximum that we will pay for all loss, damages, claims costs, or any other amounts under that insuring clause regardless of the number of you, the number of claims, the number of regulatory actions and the number of loss events that attach to that insuring clause. We will have no liability in excess of the insuring clause limit of liability under that insuring clause.
- c) The insuring clause limit of liability for each insuring clause is part of and not in addition to the aggregate limit of liability.
- d) Any payment by us for loss, damages, claims costs or any other amounts will erode the relevant insuring clause limit of liability, and the aggregate limit of liability.
- e) In the event that a loss event results in a coverage request for the same item of loss under more than one insuring clause, then the maximum that we will pay will be the highest single applicable insuring clause limit of liability.
- f) All claims, regulatory actions and losses that arise out of a single loss event will be considered a single claim, single regulatory action or single loss event for coverage under this policy, regardless of the number of you, the number of claims, regulatory actions and losses or the number of claimants or regulators.

Extended reporting provision and retention under this Policy?

Extended reporting provision

In the event that we or you cancel or non-renew this policy, for any other reason other than non-payment of premium, then the named insured will have the right, upon payment in full and not proportionately of an additional amount

equalling 100% of the annual policy premium in addition to the annualised amount of any premium paid during the policy period, to have an extended reporting period of 12 months provided that the extended reporting period only applies:

1. to those insuring clauses shown as purchased in the Policy Schedule; and
2. to any claim, or regulatory action first made against you or loss event first discovered during the extended reporting period and arising from any loss events first occurring on or after the retroactive date and before the end of the policy period; and
3. the aggregate limit of liability for the extended reporting period will be part of and not in addition to the aggregate limit of liability for the policy period and the purchase of the extended reporting period will not increase the aggregate limit of liability, any insuring clause limit of liability, nor reinstate any used portion of the same.

The entire premium for the extended reporting period will be deemed earned at the commencement of the extended reporting period, and we will not be liable to return any premium paid for the extended reporting period in the event that the named insured elects to terminate the extended report period prior to its natural expiration.

Retention

- a) Your satisfaction of the retention, by your actual payment of damages, claims costs, loss or any other amount covered by this policy, is a condition precedent to our payment of any amounts covered under this policy. The applicable retention for each insuring clause as mentioned in Policy Schedule applies separately to each claim, each regulatory action or to each loss event. We shall only be liable for covered amounts in excess of the applicable retention, but subject to the limitations mentioned in "General Conditions – Limit of Liability"
- b) If a claim or a loss event attaches to more than one insuring clause then the maximum amount that you will be required to pay will not exceed the highest applicable retention.

We have the right, but not the obligation, at our option to pay any part or all of the retention amounts to effect settlement of a claim or regulatory action and you shall promptly reimburse us for such part of the retention amount which we have paid.

What are the Conditions available under this Policy?

I. Cancellation

a) Cancellation by Insured

Policy may be cancelled at the option of the insured with Fifteen (15) days' notice of cancellation. In such case 30% of the premium shall be deemed earned upon inception and we will return pro rata the remaining unearned premium computed on a daily pro rata basis.

If there is a claim or a loss event has been notified to us under this policy before the date of cancellation, then the entire premium is deemed fully earned and so no premium will be returned to the named insured.

b) Cancellation by Insurer:

This insurance may also at any time be terminated at the option of the Insurer, on Fifteen (15) days' notice to that effect being given to the Insured in which case we shall return a pro rata premium amount for the unexpired term from the date of the cancellation. It is however, further stated that such cancellation by the Insurer should only be exercised on ground of mis-representation, fraud, non-disclosure of material facts and non-co-operation by the insured. In case of cancellation due to fraud, mis-representation or non-disclosure of material facts, there would be no refund of premium.

- c) **Your Policy** will automatically be cancelled from the time **Your Business** becomes insolvent or is wound up or is permanently discontinued or a liquidator, administrator, receiver, manager and / or **Trustee** in bankruptcy is appointed to **You** or any of **Your** assets.

- d) No refund of premium shall be due if the **Insured** has made a **Claim** under this **Policy**.

What do I do in case of a claim?

We are committed to extend the best possible services to its customers. However, if You are not satisfied with Our services and wish to lodge a complaint, please feel free to call Our 24X7 Toll free number 1800-258-5956 or You may email to the customer service desk at hello@godigit.com. After investigating the matter internally and subsequent closure, We will send Our response.

Email: grievance@godigit.com

For further information, please refer the below link,

<https://www.godigit.com/claim/grievance-redressal-procedure>

You can also make use of IRDAI's online portal - Integrated Grievance Management System (IGMS) by registering Your complaint at <https://irdai.gov.in/igms1>

If You do not get a satisfactory response from Us and You wish to pursue other avenues for redressal of grievances, You may approach Insurance Ombudsman appointed by IRDAI under the Insurance Ombudsman Scheme.