

CLIENT NEWS

NOTIFICATION OF CHANGES TO YOUR POLICY

At Allianz Insurance plc we constantly review our products. Following our latest review, with effect from the renewal of your Policy, we are updating your policy wording to include amendments in order to clarify our intent in relation to cover for losses arising out of Communicable diseases and non-damage related Business Interruption covers.

With effect from renewal we will also affirmatively clarify the scope of cyber coverage afforded under this policy. This change has been implemented following guidance provided to Insurers by the Prudential Regulation Authority and we would urge you to review the below clause(s) for detail.

The guidance provided below does not represent the complete terms and conditions of the policy wording. Please read this guidance in conjunction with your policy wording and Schedule. If you have any questions about the policy, please refer these to your insurance adviser.

A SUMMARY OF KEY CHANGES IS SHOWN BELOW

CYBER CLARIFICATION

For the following cover sections (where provided) we will implement a Cyber Event exclusion clause to replace the existing e-risks exclusion.

It is important to note that the scope of cover is unaltered from that previously provided and intended by us:

- Specified All Risks
- Money

Cyber Event E-risks exclusion 4

4 Cyber Event (Not applicable to Terrorism, Employers' Liability, Public Liability, Products Liability, Civil Liability, Directors and Officers, Personal Accident or Commercial Legal Expenses Sections)

- a** Damage to, loss, destruction, distortion, erasure, corruption, alteration, theft or other dishonest, criminal, fraudulent or unauthorised manipulation of Electronic and digital data from any cause whatsoever (including, but not limited, to Computer attack) or loss of use, reduction in functionality, loss, cost, expense and/or fee of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss or damage.

- b** However, in the event that an insured event excluding riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or civil commotion or malicious persons results from any of the matters described in a. above, this Policy, subject to all its terms, provisions, conditions, exclusions and limitations, will cover a direct physical damage and/or a consequential loss therefrom occurring during the Policy period to property insured by this Policy directly caused by such insured event to the extent covered and not otherwise excluded under this Policy.



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For the purposes of this Exclusion

Electronic and digital data means data of any kind including, but not limited to, facts, concepts, or other information in a form useable by computers or other electronic or electromagnetic data processing equipment. Electronic and digital data shall also include computer software and all other coded instructions for the processing or manipulation of data on any equipment.

Computer attack means any malicious direction of network traffic, introduction of malicious computer code, or other malicious attack directed at, occurring within, or utilizing the computer system or network of whatsoever nature.

For the following cover sections (where provided) we will implement a Cyber exclusion clause

Public and Products Liability
Civil Liability

Cyber Event exclusion (applicable to Public and Products Liability section)

18 (Public and Products Liability) – Cyber Event

This Section does not cover any loss, damage, expense or liability howsoever arising out of a Cyber Event.

Definitions

Cyber Event means

- a** any unauthorised **Processing of Data** by the **Insured**
- b** any breach of laws and infringement of regulations pertaining to the maintenance or protection of **Data**
- c** any **Network Security Failure** in the **Insured's Sphere**

Data includes but is not limited to Personal Data, facts, concepts and information, software or other coded instructions in a formalized manner useable for communications, interpretation or processing.

Personal Data means any information relating to an identified or **Identifiable Natural Person**.

An **Identifiable Natural Person** is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

Processing means any operation or set of operations which is performed on **Data** or on sets of **Data**, whether or not by automated means, such as collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.

Damage to Data means any loss, destruction or corruption of **Data**. Any **Damage to Data** of a Third Party by the Insured is not deemed to be a **Cyber Event** if there is not any **Network Security Failure** involved.

Insured's Sphere means any system or device leased, owned, operated, or lost by or which is made available or accessible to the Insured for the purpose of **Processing Data**.

Network Security failure means any non-physical and technological failure of computer system security or other technological security measures leading to unauthorized access and/or theft of **Data**, loss of operational control of **Data**, transmission of virus or malicious code and/or denial of service.

Write-back

This exclusion does not apply to

- 1** Bodily injury, death or disease to any person
- 2** Loss of or damage to material property including any consequential financial losses caused by the operation of the **Insured's Business**
- 3** Nuisance, trespass, obstruction or interference with any right of way, light, air or water
- 4** **Pollution or Contamination** occurring other than in the United States of America or Canada, and caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the **Period of Insurance**

Subject otherwise to the terms, conditions and exclusion of this **Policy**.

Cyber Event exclusion (applicable to Civil Liability section)

20 (Civil Liability) Exclusions – Cyber Event

This **Section** does not cover any loss, damage, expense or liability howsoever arising out of a **Cyber Event**.

Definitions

- d** any unauthorised **Processing of Data** by the **Insured**
- e** any breach of laws and infringement of regulations pertaining to the maintenance or protection of **Data**
- f** any **Network Security Failure** in the **Insured's Sphere**

Data includes but is not limited to **Personal Data**, facts, concepts and information, software or other coded instructions in a formalized manner useable for communications, interpretation or processing.

Personal Data means any information relating to an identified or **Identifiable Natural Person**.

An Identifiable Natural Person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

Processing means any operation or set of operations which is performed on **Data** or on sets of **Data**, whether or not by automated means, such as collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.

Damage to Data means any loss, destruction or corruption of **Data**. Any Damage to **Data** of a Third Party by the Insured is not deemed to be a **Cyber Event** if there is not any **Network Security Failure** involved.

Insured's Sphere means any system or device leased, owned, operated, or lost by or which is made available or accessible to the Insured for the purpose of **Processing Data**.

Network Security failure means any non-physical and technological failure of computer system security or other technological security measures leading to unauthorized access and/or theft of **Data**, loss of operational control of **Data**, transmission of virus or malicious code and/or denial of service.

Write-back

This exclusion does not apply to

- 5 Bodily injury, death or disease to any person
- 6 Loss of or damage to material property including any consequential financial losses caused by the operation of the **Insured's Business**
- 7 Nuisance, trespass, obstruction or interference with any right of way, light, air or water
- 8 **Pollution or Contamination** occurring other than in the United States of America or Canada, and caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the **Period of Insurance**

Subject otherwise to the terms, conditions and exclusion of this **Policy**.

For the following cover sections (where provided) we will amend the Data Protection Act extension:

Public and Products Liability
Civil Liability

f Data Protection Act

The **Insurer** will indemnify the **Insured** and if the **Insured** so requests any **Employee** or director or partner of the Insured for damage or distress occurring as a result of an offence under Section 168 of the Data Protection Act 2018 committed during the **Period of Insurance** within the United Kingdom and arising in connection with the **Business** provided that the **Insured** is registered with the Information Commissioner's Office.

The **Insurer** will not pay for

- a any damage or distress caused by any deliberate act or omission by the **Insured** the result of which could reasonably have been expected by the **Insured** having regard to the nature and circumstances of such act or omission
- b the payment of fines or penalties
- c the costs and expenses of replacing reinstating rectifying or erasing blocking or destroying any **Data** or **Personal Data**
- d any damage or distress caused by any act of fraud or dishonesty
- e liability arising from the recording, processing or provision of **Data** or **Personal Data** for reward or to determine the financial status of any person.

For the purposes of this Extension

Data includes but is not limited to **Personal Data**, facts, concepts and information, software or other coded instructions in a formalized manner useable for communications, interpretation or processing.

Personal Data means any information relating to an identified or **Identifiable Natural Person**.

An Identifiable Natural Person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

The liability of the **Insurer** under this **Extension** shall not exceed the Limit of Indemnity shown in the **Schedule** or £2,000,000 (whichever is the lesser) and such Limit of Indemnity shall be inclusive of the amount of all claimants' costs and expenses and all costs and expenses incurred by the **Insurer** or with the written consent of the **Insurer** in connection with the defence of any claim.

Subject otherwise to the terms, conditions and exclusion of this **Policy**.

COMMUNICABLE DISEASE EXCLUSIONS

For the following cover sections (where provided) we will implement a Contagious and Infectious Disease exclusion:

- Specified All Risks
- Money

General Exclusion 5. Contagious and Infectious Disease

5 Contagious and Infectious Disease (Not applicable to Employers Liability, Public / Products and Civil Liability Sections)

Loss, damage, destruction, cost, expense, or any consequential loss, directly or indirectly caused by, arising out of, attributable to, or contributed to by:

- a** a **Contagious or Infectious Disease**;
- b** the fear or threat (whether actual or perceived) of a **Contagious or Infectious Disease**;
- c** the presence or suspected presence of **Pathogens** at, in or on the premises or property of any person or entity; or

- d** any action taken or advice given (whether or not by a competent authority) to prevent, reduce, control or mitigate the occurrence, outbreak, spread or effects of a **Contagious or Infectious Disease** or any **Pathogens**,

irrespective of any other cause, occurrence or event operating concurrently, independently or in any sequence to cause the loss.

But this exclusion will not apply to **Physical Damage** to property insured under the Policy and any business interruption directly resulting from such **Physical Damage**, where such **Physical Damage** itself results from fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood, escape of water from any tank apparatus or pipe, impact by any road vehicle or animal or theft.

For the purposes of this exclusion:

Loss includes, but is not limited to financial and business interruption loss, loss of value, marketability or use of property, fines and penalties. Cost or expense includes, but is not limited to any cost to:

- i** clean-up, detoxify, decontaminate, or remove **Pathogens** from any property where the property is or is feared to have been affected by **Pathogens** or a **Contagious or Infectious Disease**;
- ii** monitor or test for **Pathogens** or a **Contagious or Infectious Disease**; or
- iii** provide medical treatment for persons affected by a **Contagious or Infectious Disease**

Physical Damage means physical loss, damage or destruction. For the avoidance of any doubt, the presence of a **Pathogen** on property or contamination of property by a **Pathogen** does not constitute **Physical Damage**;

Malicious persons do not include persons who maliciously, deliberately or recklessly:

- i** cause **Pathogens** to come into contact with the premises or property of any person or entity; or
- ii** cause or attempt to cause another person or persons to contract a **Contagious or Infectious Disease** and, in or by so doing, cause **Pathogens** to come into contact with the premises or property of any person or entity.

Contagious or Infectious Disease means

Any disease, illness or condition affecting humans or animals which is caused by or can be transmitted by means of any **Pathogen**, where the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms (including from one human to another, one animal to another, from an animal to a human or vice versa, or through contaminated water, faeces or food)

Pathogen means

Any pathogen, including but not limited to a virus, bacterium, parasite, fungus, other organism, micro-organism, any variation or mutation thereof, whether deemed living or not, or any other substance or agent capable of causing a **Contagious or Infectious Disease**

