

# Cyber Liability – 3rd Layer

Lloyd's Syndicate - Tarian



# Broker Insurance Document

Insured: County of San Bernardino And All Board  
Governed Special Districts

Period of  
Insurance: 1<sup>st</sup> July 2021 to 1<sup>st</sup> July 2022

Dated: 23<sup>rd</sup> July 2021



Insurance | Risk Management | Consulting

[www.ajg.com/uk](http://www.ajg.com/uk)

Risk Placement Services, Inc. - Cambridge  
(Technology & Cyber)  
204 Cedar Street  
CAMBRIDGE  
21613  
Maryland  
United States

Date: 23<sup>rd</sup> July 2021

## **BROKER INSURANCE DOCUMENT FI1892421**

We thank you for your instructions and confirm that we have placed this Insurance on your behalf as detailed below. Please check the details and advise us immediately should they not conform to your request.

<b>SCHEDULE</b>
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### **CALIFORNIA SURPLUS LINES NOTICE 1 (POST BIND)**

#### **IMPORTANT NOTICE**

- 1. THE INSURANCE POLICY THAT YOU HAVE PURCHASED IS BEING ISSUED BY AN INSURER THAT IS NOT LICENSED BY THE STATE OF CALIFORNIA. THESE COMPANIES ARE CALLED “NONADMITTED” OR “SURPLUS LINE” INSURERS.**
- 2. THE INSURER IS NOT SUBJECT TO THE FINANCIAL SOLVENCY REGULATION AND ENFORCEMENT THAT APPLY TO CALIFORNIA LICENSED INSURERS.**
- 3. THE INSURER DOES NOT PARTICIPATE IN ANY OF THE INSURANCE GUARANTEE FUNDS CREATED BY CALIFORNIA LAW. THEREFORE, THESE FUNDS WILL NOT PAY YOUR CLAIMS OR PROTECT YOUR ASSETS IF THE INSURER BECOMES INSOLVENT AND IS UNABLE TO MAKE PAYMENTS AS PROMISED.**
- 4. THE INSURER SHOULD BE LICENSED EITHER AS A FOREIGN INSURER IN ANOTHER STATE IN THE UNITED STATES OR AS A NON-UNITED STATES (ALIEN) INSURER. YOU SHOULD ASK QUESTIONS OF YOUR INSURANCE AGENT, BROKER, OR “SURPLUS LINE” BROKER OR CONTACT THE CALIFORNIA DEPARTMENT OF INSURANCE AT THE TOLL-FREE NUMBER 1-800-927-4357 OR INTERNET WEBSITE [WWW.INSURANCE.CA.GOV](http://WWW.INSURANCE.CA.GOV). ASK WHETHER OR NOT THE INSURER IS LICENSED AS A FOREIGN OR NON-UNITED STATES (ALIEN) INSURER AND FOR ADDITIONAL INFORMATION ABOUT THE INSURER. YOU MAY ALSO VISIT THE NAIC’S INTERNET WEBSITE AT [WWW.NAIC.ORG](http://WWW.NAIC.ORG). THE NAIC – THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS – IS THE REGULATORY SUPPORT ORGANIZATION CREATED AND GOVERNED BY THE CHIEF INSURANCE REGULATORS IN THE UNITED STATES.**
- 5. FOREIGN INSURERS SHOULD BE LICENSED BY A STATE IN THE UNITED STATES AND YOU MAY CONTACT THAT STATE’S DEPARTMENT OF INSURANCE TO OBTAIN MORE INFORMATION ABOUT THAT INSURER. YOU CAN FIND A LINK TO EACH STATE FROM THE NAIC INTERNET WEBSITE: [HTTPS://NAIC.ORG/STATE\\_WEB\\_MAP.HTM](https://naic.org/state_web_map.htm).**
- 6. FOR NON-UNITED STATES (ALIEN) INSURERS, THE INSURER SHOULD BE LICENSED BY A COUNTRY OUTSIDE OF THE UNITED STATES AND SHOULD BE ON THE NAIC’S INTERNATIONAL INSURERS DEPARTMENT (IID) LISTING OF APPROVED NONADMITTED NON-UNITED STATES INSURERS. ASK YOUR AGENT, BROKER, OR “SURPLUS LINE” BROKER TO OBTAIN MORE INFORMATION ABOUT THAT INSURER.**

7. **CALIFORNIA MAINTAINS A “LIST OF APPROVED SURPLUS LINE INSURERS (LASLI).” ASK YOUR AGENT OR BROKER IF THE INSURER IS ON THAT LIST, OR VIEW THAT LIST AT THE INTERNET WEBSITE OF THE CALIFORNIA DEPARTMENT OF INSURANCE: [WWW.INSURANCE.CA.GOV/01-CONSUMERS/120-COMPANY/07-LASLI/LASLI.CFM](http://WWW.INSURANCE.CA.GOV/01-CONSUMERS/120-COMPANY/07-LASLI/LASLI.CFM).**
8. **IF YOU, AS THE APPLICANT, REQUIRED THAT THE INSURANCE POLICY YOU HAVE PURCHASED BE EFFECTIVE IMMEDIATELY, EITHER BECAUSE EXISTING COVERAGE WAS GOING TO LAPSE WITHIN TWO BUSINESS DAYS OR BECAUSE YOU WERE REQUIRED TO HAVE COVERAGE WITHIN TWO BUSINESS DAYS, AND YOU DID NOT RECEIVE THIS DISCLOSURE FORM AND A REQUEST FOR YOUR SIGNATURE UNTIL AFTER COVERAGE BECAME EFFECTIVE, YOU HAVE THE RIGHT TO CANCEL THIS POLICY WITHIN FIVE DAYS OF RECEIVING THIS DISCLOSURE. IF YOU CANCEL COVERAGE, THE PREMIUM WILL BE PRORATED AND ANY BROKER’S FEE CHARGED FOR THIS INSURANCE WILL BE RETURNED TO YOU.**

LMA9098B  
10<sup>th</sup> DECEMBER 2019

**CALIFORNIA SURPLUS LINES NOTICE 2**

**This insurance is issued pursuant to the California Insurance Code, Sections 1760 through 1780, and is placed in an insurer or insurers not holding a Certificate of Authority from or regulated by the California Insurance Commissioner.**

LMA9030  
1<sup>st</sup> September 2013

**TYPE:** 3<sup>rd</sup> Excess Cyber Liability

**NAMED INSURED:** County of San Bernardino And All Board Governed Special Districts, Flood Control Districts and County Service Areas.

**ADDRESS:** 222 West Hospitality Lane, 3rd Floor San Bernardino, CA 92415, USA

**PERIOD:** From: 1<sup>st</sup> July 2021  
To: 1<sup>st</sup> July 2022

Both days at 12:01 am Local Standard Time at the Principal Address of the Insured.

**INTEREST:** This Policy will indemnify/cover the Insured for Cyber Liability Insurance and as more fully disclosed within the Policy Wording.

**LIMIT OF LIABILITY:** USD 2,000,000 in the Aggregate (including costs and expenses)

**IN EXCESS OF THE UNDERLYING POLICIES:**

Primary Policy  
Insurer: Indian Harbour Insurance Company  
Policy Number: MTP9031601 07  
Limit of Liability: USD 5,000,000  
Retention: USD 500,000

First Excess  
Insurer: Starr Surplus Lines Insurance Company  
Policy Number: 1000634720211  
Limit of Liability: USD 5,000,000

Second Excess  
Insurer: Brit Syndicate 2987  
Policy Number: FI0725421  
Limit of Liability: USD 8,000,000

**TERRITORIAL LIMITS:** Worldwide

**RETROACTIVE DATE:** 18<sup>th</sup> November 2014 for County of San Bernardino  
1<sup>st</sup> July 2016 for Arrowhead Regional Medical Center

**CONTINUITY DATE:** 1<sup>st</sup> July 2021

**PREMIUM:** USD 72,078 100% for the Policy Period.

**CONDITIONS:** As per Policy Wording:  
Macro Excess Wording 1.1 as attached.  
LMA 3100 Sanctions & Exclusions Clause as attached.  
NMA2975 (Amended) Special Cancellation Clause, as attached  
U.S. TERRORISM RISK INSURANCE ACT OF 2002 as amended not purchased clause as attached  
NMA45 Short Rate Cancellation Table Endorsement as attached  
Endorsement 1 – Third Party Coverage Modules as attached  
Endorsement 2 - Non Follow but Recognize Erosion as attached

Jurisdiction Limits: Worldwide

**NOTICES:** Complaints Procedure Notice (as attached)  
AJG Short Form Privacy Notice, as attached  
LMA9098B California Surplus Lines Notice 1 as attached  
LMA9030 California Surplus Lines Notice 2 as attached

**NOTICE OF CLAIM TO:** macroclaims@atherialaw.com  
Atheria Law  
33 Bush Street, Suite 2020,  
San Francisco, CA  
United States of America

VIA.

Arthur J. Gallagher  
Gallagher Claims Division  
67 Lombard Street  
London  
EC3V 9LJ  
Tel: 020 7204 6000  
Email: GallagherClaimsUK@ajg.com

**NOTICE OF ELECTION:** Risk Placement Services Technology & Cyber  
204 Cedar Street  
Cambridge, MD 21613  
USA

**OUR REPRESENTATIVE FOR SERVICE OF SUIT:**

Eileen Ridley  
FLWA Service Corp.  
c/o Foley & Lardner LLP  
555 California Street, Suite 1700  
San Francisco,  
CA 94104-1520  
USA

**CHOICE OF LAW AND JURISDICTION:** In case of any dispute arising out of this Insurance, the same shall be governed by the laws of New York and subject to the exclusive jurisdiction of the courts of USA , in accordance with the attached.

**BUSINESS ACTIVITIES:** As more fully described in the Application Form

**PREMIUM PAYMENT TERMS:** Premium to be paid to Underwriters via Brokers by 30<sup>th</sup> August 2021.

LSW3001 (amended) Premium Payment Clause 60 days from inception

Notwithstanding any provision within this contract or any endorsement hereto, in respect of non payment of premium only the following clause will apply.

**PREMIUM  
PAYMENT TERMS  
(CONTINUED):**

The (Re)Insured undertakes that premium will be paid in full to (Re)Insurers within the number of days specified in the Premium Payment Terms (or, in respect of instalment premiums, when due).

If the premium due under this contract has not been so paid to (Re)Insurers within the agreed timescale (and, in respect of instalment premiums, by the date they are due) (Re)Insurers shall have the right to cancel this contract by notifying the (Re)Insured via the broker in writing. In the event of cancellation, premium is due to (Re)Insurers on a pro rata basis for the period that (Re)Insurers are on risk but the full contract premium shall be payable to (Re)Insurers in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this contract.

It is agreed that (Re)Insurers shall give not less than 15 days prior notice of cancellation to the (Re)Insured via the broker (as outlined in the Notice of Cancellation Provisions). If premium due is paid in full to (Re)Insurers before the notice period expires, notice of cancellation shall automatically be revoked. If not, the contract shall automatically terminate at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

30/09/08  
LSW3001 (amended)

**TAXES PAYABLE BY  
INSURED AND  
ADMINISTERED BY  
UNDERWRITERS:**

No taxes applicable

**RECORDING,  
TRANSMITTING  
AND STORING  
INFORMATION:**

Where the Broker maintains risk and claim data / information / documents the Broker may hold data / information / documents electronically.

**INSURER  
CONTRACT  
DOCUMENTATION:**

This document details the contract terms entered into by the insurer(s) and constitutes the contract document.

Any further documentation changing this contract, agreed in accordance with the contract change provisions set out in this contract, shall form the evidence of such change.

Insureds are advised that if any terms, clauses or conditions are unclear they should contact Arthur J. Gallagher (UK) Limited immediately.

Wherever there is reference to 'Insurer' and/or 'Underwriter' in this document, they shall be deemed to have the same meaning.



**INSURER  
CONTRACT  
DOCUMENTATION  
(CONTINUED):**

Wherever there is reference to 'Insured' and/or 'Assured' in this document, they shall be deemed to have the same meaning.

Wherever there is reference to 'Policy' and/or 'Contract' in this document, they shall be deemed to have the same meaning.

**US Surplus Lines Notice**

This contract is subject to US state surplus lines requirements. It is the responsibility of the surplus lines broker to affix a surplus lines notice to the contract document before it is provided to the insured. In the event that the surplus lines notice is not affixed to the contract document the insured should contact the surplus lines broker.

**INFORMATION:**

The following information was provided to Insurer(s) to support the assessment of the risk at the time of the underwriting:

- Email Submission from Archie Ghinn to Matt Waller on 3<sup>rd</sup> June as seen and agreed by underwriters
- Underlying quotes as seen and agreed by underwriters

**(RE)INSURERS  
LIABILITY**

**In respect of the Lloyd's Brussels Security.**

**LSW1001 – SEVERAL LIABILITY NOTICE**

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

**In respect of the non - Lloyd's Brussels Security**

**LMA 3333 (RE)INSURER'S LIABILITY CLAUSE**

**(Re)Insurer's Liability Several Not Joint**

The liability of a (re)insurer under this contract is several and not joint with other (re)insurers party to this contract. A (re)insurer is liable only for the proportion of liability it has underwritten. A (re)insurer is not jointly liable for the proportion of liability underwritten by any other (re)insurer. Nor is a (re)insurer otherwise responsible for any liability of any other (re)insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by a (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning "signing" below.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is a (re)insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other (re)insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

**Proportion of liability**

Unless there is "signing" (see below), the proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp and is referred to as its "written line".

**(RE)INSURERS  
LIABILITY  
(CONTINUED):**

Where this contract permits, written lines, or certain written lines, may be adjusted ("signed"). In that case a schedule is to be appended to this contract to show the definitive proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together). A definitive proportion (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of a Lloyd's syndicate taken together) is referred to as a "signed line". The signed lines shown in the schedule will prevail over the written lines unless a proven error in calculation has occurred.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

**ORDER HEREON:** 100% of 100%

<b>COVERAGE HAS BEEN EFFECTED WITH</b>
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**Signed Line: Security:**

100.0000% Tarian Cyber Consortium as per LPSO Registered Consortium No. 4741  
YOA 2021 *for and on behalf of:*

40.0000% Lloyd's Syndicate 4242 BEA

40.0000% Lloyd's Syndicate 2121 ARG

20.0000% Lloyd's Syndicate 1084 CSL

100.0000%	Total placed hereon, in respect of the above order.
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This Broker Insurance Document is our confirmation to you that a contract of Insurance has been effected with the Insurers listed hereon, using the information which you have provided and/or agreed. Please examine this Broker Insurance Document carefully to confirm that cover has been arranged in accordance with your requirements and that the Insurers are acceptable: please advise us immediately if this is not the case. This document is not your contract of Insurance, but is evidence of the terms and conditions of the contract.

### **DUTY OF FAIR PRESENTATION**

If your policy is subject to English law you are required to make a fair presentation of the risk to Insurers which discloses every material circumstance which you know or ought to know relating to the risk to be insured. This includes information known by your senior management and those responsible for arranging your insurance as well as information which would reasonably have been revealed by a reasonable search of information available to you. A circumstance is material if it would influence the judgment of a prudent insurer in determining whether to provide insurance for the risk and, if so, on what terms.

Disclosure must be reasonably clear and accessible to a prudent insurer. Material representations of fact must be substantially correct and material representations of expectation/belief must be made in good faith.

Failure to comply with the duty of fair presentation could mean that the policy is void or that Insurers are not liable to pay all or part of your claim(s). If you are in any doubt as to what may constitute a fair presentation, please feel free to contact us and we will endeavour to assist you.

If your policy is not subject to English law you are expected to disclose risk information in accordance with the requirements of the applicable law. In such circumstances we expect you will disclose risk information at least equal to the standard required under English law and where the applicable law requires you to disclose information over and above the level required under English law you will provide such information in accordance with that law.

For and on behalf of  
Arthur J. Gallagher (UK) Limited



Authorised Signatory

**MACRO**  
**EXCESS**  
**WORDING 1.1**

### EXCESS LIABILITY INSURANCE POLICY

**NOTICE: This coverage is provided on a Claims Made and Reported Basis.**

The Underwriters agree with the **Named Assured**, in consideration of the payment of the premium and in reliance upon the statements in the application which is made a part of and attached to this Insurance Policy (hereinafter referred to as the "Policy" or "Insurance") and subject to the Limit of Liability, conditions and other terms of this Insurance:

#### **I. INSURING AGREEMENT**

To pay on behalf of the **Assured** claim or claims first made against the **Assured** during the **Period of Insurance** and reported to Underwriters in accordance with Clause IX. of this Policy.

#### **II. CONFORMANCE WITH PRIMARY POLICY**

This Policy is subject to the same terms, exclusions, conditions and definitions as the **Primary Policy**, except:

- A. any 'non-renewal' or 'conditional renewal' provision (or any other similar provision) as may be contained in the **Primary Policy**, regardless of whether or not such provision forms part of a State Amendatory Endorsement;
- B. any 'liberalization' provision (or any other similar provision) as may be contained in the **Primary Policy**;
- C. any coverage provision which provides a sub-limit of liability; and
- D. as otherwise provided herein.

No amendment to the **Primary Policy** shall be effective in amending any terms, exclusions, conditions or definitions of this Policy or extending the scope of this Policy until agreed in writing or by endorsement by the Underwriters.

#### **III. DEFINITIONS**

Wherever used in this Policy in bold face type, the following definitions shall apply.

- A. "**Assured**" shall mean all persons and entities insured under the **Primary Policy**.
- B. "**Named Assured**" shall mean the person or entity set forth in the Policy.
- C. "**Period of Insurance**" shall mean the period set forth in the Policy.
- D. "**Primary Policy**" shall mean the policy identified in the Policy.
- E. "**Underlying Policies**" shall mean the policies identified in the Policy
- F. "**Underlying Policy Limits**" shall mean the combined limits of liability of the **Underlying Policies**, including costs and expenses incurred in the defense or settlement of any claim.

#### IV. LIMIT OF LIABILITY

- A. The Underwriters shall be liable to pay claims and costs and expenses incurred in the defense or settlement of such claims which are in excess of:
1. the **Underlying Policy Limits**, plus
  2. the applicable retention or deductible under the **Primary Policy**
- up to the Limit of Liability shown in the Policy resulting from each claim first made against the **Assured**.
- B. The amount shown in the Policy shall be the maximum aggregate Limit of Liability of the Underwriters under this Policy.

#### V. ATTACHMENT PROVISION

Liability to pay under this Policy shall not attach unless and until the insurers of the **Underlying Policies** or the **Assured** shall have paid or have admitted liability or have been held liable to pay, the full amount of the **Underlying Policy Limits**. If the **Assured** shall pay, in the applicable legal currency, any such covered loss, then the Underwriters shall recognize such payment for the depletion of the respective limits of liability of the **Underlying Policy Limits**. In no way shall such payment by the **Assured** constitute a waiver of any terms, conditions or exclusions of the **Underlying Policies** or this Policy.

#### VI. MAINTENANCE OF UNDERLYING POLICIES

All **Underlying Policies** shall be maintained in full effect during the **Period of Insurance** and shall afford the same coverage provided by all **Underlying Policies** in effect upon inception of this **Period of Insurance**, except for any depletion or exhaustion of the **Underlying Policy Limit** solely by reason of payment of losses thereunder. In the event the insurer under one or more of the **Underlying Policies** fails to pay any claim or costs and expenses incurred in the defense or settlement of such claim as a result of the insolvency, bankruptcy or liquidation of said insurer, then the **Assured** shall be deemed self-insured for the amount of the limit of liability of said insurer which is not paid as a result of such insolvency, bankruptcy or liquidation.

#### VII. REDUCTION / EXHAUSTION OF THE UNDERLYING POLICIES

If by reason of the payment of any claims or costs and expenses incurred in the defense or settlement of such claims by the insurers of the **Underlying Policies**, the amounts of the **Underlying Policy Limits** are:

- A. partially reduced, then this Policy shall apply in excess of the reduced amounts of the **Underlying Policy Limits**; or
- B. totally exhausted, then this Policy shall continue in force as primary insurance; provided, however that this Policy shall only pay in excess of the retention or deductible applicable to the **Primary Policy**, which shall be applied to any subsequent claim in the same manner as specified in the **Primary Policy**.

If any **Underlying Policy Limit** is subject to a sublimited coverage, this Policy shall not apply to such sublimit, however the **Underlying Policy Limits** shall be recognised hereunder as reduced to the extent of any payment of such claim subject to such sublimit. This provision will not apply in the event an endorsement is attached to this Policy providing sublimit coverage.



## VIII. RETROACTIVE LIMITATION

The coverage under this Policy does not apply to any claim arising out of or resulting from any negligent act, error or omission (or arising out of conduct covered in the **Primary Policy**) committed prior to the retroactive date of this Policy as shown in the Policy:

- A. if any **Assured** on or before the retroactive date knew or could have reasonably foreseen that such negligent act, error or omission (or conduct covered in the **Primary Policy**) might be expected to be the basis of a claim; or
- B. in respect of which any **Assured** has given notice of a circumstance which might lead to a claim to the insurer of any other policy in force prior to the inception date of this Policy.

## IX. NOTICE OF CLAIM, OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM

All claims and circumstances that might lead to a claim reported under the **Primary Policy** must be reported to the Underwriters in writing via the entity identified in the **Policy** before the end of the **Period of Insurance** or any additional claims reporting period granted by the **Primary Policy** provided such additional claims reporting period is no greater than 90 days.

## X. CONDITIONS

- A. In the event of a claim arising to which the Underwriters hereon may be liable to contribute, no costs or expenses shall be incurred on their behalf without their written consent being first obtained (such consent not to be unreasonably withheld). No settlement of a claim shall be effected by the **Assured** for such a sum as will involve this Policy without the written consent of the Underwriters hereon.
- B. All recoveries or payments recovered or received subsequent to a loss settlement under this Policy shall be applied first to subrogation expenses, second to claims or costs and expenses incurred in the defense or settlement of such claims by the Underwriters hereon, third to claims or costs and expenses incurred in the defense or settlement of such claims by the insurers of the **Underlying Policies**, and fourth to the applicable retention or deductible under the **Primary Policy**. Provided always that nothing in this Policy shall be construed to mean that loss settlements under this Policy are not payable until the **Assured's** ultimate net loss has been finally ascertained.
- C. If the **Assured** shall profer any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Policy shall become void and all claims hereunder shall be forfeited.
- D. By acceptance of this Policy, the **Assured** agrees the Underwriters may at their own discretion and expense retain counsel to associate in the defense or settlement of any claim and to cooperate with such counsel.

## XI. CANCELLATION

This Policy may be cancelled by the **Named Assured** or Underwriters as per the cancellation language (and potential amendatory endorsements) of the **Primary Policy**. Any calculation of return or additional premium due will be using these provisions.

## II. EXTENDED REPORTING PERIOD

With regards to any 'extended reporting period', 'optional extended reporting period' or 'automatic extended reporting period' (or any other similar provision), this Policy will follow the terms and conditions of the **Primary Policy**.

### **XIII. SINGULAR FORM OF A WORD**

Whenever the singular form of a word is used herein, the same shall include the plural when required by context.

### **XIV. TITLES OF PARAGRAPHS**

The titles of paragraphs, sections, provisions or endorsements of or to this Policy are intended solely for convenience and reference. Such titles are not deemed in any way to limit, expand or define the provisions to which they relate and are not part of this Policy.

### **XVI. SERVICE OF SUIT**

It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due under this Insurance, the Underwriters hereon, at the request of the **Assured**, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of the Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon the persons named in the Policy, and that in any suit instituted against any one of them upon this contract, the Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The persons named in the Policy is authorized and directed to accept service of process on behalf of the Underwriters in any such suit and/or upon the request of the **Assured** to give a written undertaking to the **Assured** that they will enter a general appearance upon the Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, the Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the **Assured** or any beneficiary hereunder arising out of this Policy, and hereby designate the persons named in this Policy, as the person to whom the said officer is authorized to mail such process or a true copy thereof.

### **XVII. CHOICE OF LAW**

Any dispute concerning the interpretation of this Policy shall be governed by the laws of the state/country designated in the **Primary Policy**.

**SANCTION LIMITATION AND EXCLUSION CLAUSE**

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer 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 of America.

15/09/10  
LMA3100

### NEW SHORT RATE CANCELLATION TABLE ENDORSEMENT

Notwithstanding anything to the contrary contained herein and in consideration of the premium for which this Insurance is written it is agreed that in the event of cancellation thereof by the Assured the Earned Premium shall be computed as follows:-

#### SHORT RATE CANCELLATION TABLE

A. For insurances written for one year:-

Days Insurance in Force		Per cent. of One Year Premium		Days Insurance in Force		Per cent. of One Year Premium
1-73	.....	30		201 – 205	.....	65
74 - 76	.....	31		206 – 209	.....	66
77 - 80	.....	32		210 – 214	(7 months) ..	67
81 - 83	.....	33		215 – 218	.....	68
84 - 87	.....	34		219 – 223	.....	69
88 - 91	(3 months) ..	35		224 - 228	.....	70
92 - 94	.....	36		229 - 232	.....	71
95 - 98	.....	37		233 - 237	.....	72
99 - 102	.....	38		238 - 241	.....	73
103 - 105	.....	39		242 - 246	(8 months) ..	74
106 - 109	.....	40		247 - 250	.....	75
110 - 113	.....	41		251 - 255	.....	76
114 - 116	.....	42		256 - 260	.....	77
117 - 120	.....	43		261 - 264	.....	78
121 - 124	(4 months) ..	44		265 - 269	.....	79
125 - 127	.....	45		270 - 273	(9 months) ..	80
128 - 131	.....	46		274 - 278	.....	81
132 - 135	.....	47		279 - 282	.....	82
136 - 138	.....	48		283 - 287	.....	83
139 - 142	.....	49		288 - 291	.....	84
143 - 146	.....	50		292 - 296	.....	85
147 - 149	.....	51		297 - 301	.....	86
150 - 153	(5 months) ..	52		302 - 305	(10 months) ..	87
154 - 156	.....	53		306 - 310	.....	88
157 - 160	.....	54		311 - 314	.....	89
161 - 164	.....	55		315 - 319	.....	90
165 - 167	.....	56		320 - 323	.....	91
168 - 171	.....	57		324 - 328	.....	92
172 - 175	.....	58		329 - 332	.....	93
176 – 178	.....	59		333 - 337	(11 months) ..	94
179 – 182	(6 months) ..	60		338 - 342	.....	95
183 – 187	.....	61		343 - 346	.....	96
188 – 191	.....	62		347 - 351	.....	97

192 – 196	.....	63		352 - 355	.....	98
197 – 200	.....	64		356 - 360	.....	99
				361 - 365	(12 months)..	100

B. For Insurances written for more or less than one year:-

1. If insurance has been in force for 12 months or less, apply the standard short rate table for annual insurances to the full annual premium determined as for an insurance written for a term of one year.
2. If insurance has been in force for more than 12 months:
  - (a) Determine full annual premium as for an insurance written for a term of one year.
  - (b) Deduct such premium from the full insurance premium, and on the remainder calculate the pro rata Earned Premium on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the insurance was originally written.
  - (c) Add premium produced in accordance with items (a) and (b) to obtain Earned Premium during full period insurance has been in force.

**NMA45**

**ENDORSEMENT 1 – THIRD PARTY COVERAGE MODULES**

In consideration of the premium charged for the Policy, it is hereby understood and agreed that this excess policy is follow form of the below coverage modules only:

PCI Fines and Penalties

Limit of Liability: USD 5,000,000 per claim / aggregate

Media

Limit of Liability: USD 5,000,000 per claim / aggregate

Privacy and Cyber Security

Limit of Liability: USD 5,000,000 per claim / aggregate

Privacy Regulatory Defence, Awards and Fines

Limit of Liability: USD 5,000,000 per claim / aggregate

All other terms and conditions remain unchanged.

**ENDORSEMENT 2– NON FOLLOW BUT RECOGNIZE EROSION**

It is hereby understood and agreed that this Policy shall not provide cover over the following sublimited covers of the **Underlying Policies** but will recognize erosion of the **Underlying Policies**:

Cyber Crime

Limit of Liability: USD 250,000 in the Aggregate

Dependent Business Interruption System Failure

Limit of Liability: USD 5,000,000 in the Aggregate

Utility Fraud

Limit of Liability: USD 250,000 in the Aggregate

Invoice Manipulation

Limit of Liability: USD 250,000 in the Aggregate

Business Interruption & Extra Expense

Limit of Liability: USD 5,000,000 per claim / aggregate

Data Recovery

Limit of Liability: USD 5,000,000 per claim / aggregate

Cyber Extortion

Limit of Liability: USD 5,000,000 per claim / aggregate

Data Breach Response and Crisis Management Coverage

Limit of Liability: USD 5,000,000 per claim / aggregate

System Failure

Limit of Liability: USD 5,000,000 per claim / aggregate

Dependent Business Interruption

Limit of Liability: USD 5,000,000 per claim / aggregate

Consequential Reputational Loss

Limit of Liability: USD 5,000,000 per claim / aggregate

Bricking Coverage

Limit of Liability: USD 5,000,000 per claim / aggregate

**U.S. TERRORISM RISK INSURANCE ACT OF 2002 AS AMENDED**  
**NOT PURCHASED CLAUSE**

*This Clause is issued in accordance with the terms and conditions of the "U.S. Terrorism Risk Insurance Act of 2002" as amended as summarized in the disclosure notice.*

It is hereby noted that the Underwriters have made available coverage for "insured losses" directly resulting from an "act of terrorism" as defined in the "U.S. Terrorism Risk Insurance Act of 2002", as amended ("TRIA") and the Insured has declined or not confirmed to purchase this coverage.

This Insurance therefore affords no coverage for losses directly resulting from any "act of terrorism" as defined in TRIA except to the extent, if any, otherwise provided by this policy.

All other terms, conditions, insured coverage and exclusions of this Insurance including applicable limits and deductibles remain unchanged and apply in full force and effect to the coverage provided by this Insurance.

LMA5390  
9<sup>th</sup> January 2020



**COMPLAINTS PROCEDURE NOTICE (COMMERCIAL)**

Whilst we make every effort to maintain the highest standards, we recognise that there may be occasions when we fail to satisfy the particular requirements of our customers. We therefore, have in place, procedures to investigate and remedy any areas of concern.

If you wish to register a complaint, in first instance you should contact your Account Executive.

Alternatively you can contact the complaints team direct on:

E-mail: [UK.Gallagher.LondonComplaints@ajg.com](mailto:UK.Gallagher.LondonComplaints@ajg.com)

Tel: 0141 285 3539 or

Complaints Team  
Glasgow Office  
7<sup>th</sup> Floor Spectrum Building  
55 Blythswood Street  
Glasgow  
G2 7AT

Once we receive your complaint, we undertake to:

- Try and resolve the complaint within 3 working days and write to you confirming if we have done so;
- Acknowledge any formal complaints promptly;
- Respond fully to your concern or complaint within four weeks or less. If for any reason this is not possible, we will write to you to explain why we have been unable to conclude the matter quickly. If we have been unable to resolve your complaint in eight weeks, we will write to you explaining the reason as to why this has not been possible.

**SPECIAL CANCELLATION CLAUSE**

In the event that an Insurer:

- (a) ceases underwriting (wholly) or formally announces its intention to do so, or
- (b) is the subject of an order or resolution for winding up or formally proposes a scheme of arrangement, or
- (c) has its authority to carry on Insurance business withdrawn, or
- (d) rating falls below "A-" Standard and Poors or "A-" AM Best

the Insured may terminate that Insurer's participation on this risk forthwith by giving notice and the premium payable to that Insurer shall be pro rata to the time on risk unless there is a claim or circumstance, in which event the premium is fully earned.

NMA 2975 (Amended)

### **AJG SHORT FORM PRIVACY NOTICE**

Arthur J. Gallagher (UK) Limited is the data controller of any personal information you provide to us or personal information that has been provided to us by a third party. We collect and process information about you in order to arrange insurance policies and to process claims. Your information is also used for business purposes such as fraud prevention and detection and financial management. This may involve sharing your information with third parties such as insurers, reinsurers, other brokers, claims handlers, loss adjusters, credit reference agencies, service providers, professional advisors, our regulators, police and government agencies or fraud prevention agencies.

We may record telephone calls to help us monitor and improve the service we provide. For further information on how your information is used and your rights in relation to your information please see our privacy notice at <https://www.ajginternational.com/Privacy-Policy/>. If you are providing personal data of another individual to us, you must tell them you are providing their information to us and show them a copy of this notice.



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