



TOKIO MARINE
KILN

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Tokio Marine Kiln/
Lawcover
LST

Cyber Risk Policy

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PREAMBLE

Lawcover Insurance Pty Limited (**Lawcover**) is the approved professional indemnity insurance provider to law practices in NSW, the ACT and the Northern Territory. Lawcover also provides professional indemnity insurance to a number of national law practices operating in NSW and other states.

The Law Society of Tasmania (**LST**) provides professional services, resources, support and benefits to its members and the legal profession in general.

The Law Society of Tasmania has two major functions. The first is as a regulator of the legal profession of the State of Tasmania. The second is to provide services to its members to assist in maintaining high standards of practice in the Tasmanian legal profession.

This policy is issued to Lawcover and LST.

Lawcover, as the primary policyholder, enters into the policy for and on behalf of the law practices to which it has issued the approved professional indemnity insurance policy and on behalf of LST. For the purposes of the Schedule, the description of the **Insured** will be the same as the "law practice" described in the valid and enforceable professional indemnity insurance policy issued by Lawcover to each such law practice.

The premium in respect of the cover provided by this policy is paid by Lawcover for and on behalf of the **Insureds**.

This Policy operates on a claims made and notified basis. This means that the Policy provides cover for **Claims** first made and **Notified** during the **Policy Period**, subject to the terms and conditions of the Policy.

The Policy does not provide cover in relation to Known Facts (as set out in the relevant exclusion) nor in relation to any actual or alleged act, error, omission or **Cyber Event** occurring before the retroactive date (if any) specified in the Schedule (as set out in the relevant exclusion).

Where the **Insured** gives notice in writing to **Underwriters** of any facts that might give rise to a **Claim** as soon as reasonably practicable after you become aware of those facts but before the expiry of the **Policy Period**, the **Insured** may have rights under Section 40(3) of the *Insurance Contracts Act 1984* to be indemnified in respect of any **Claim** subsequently made against you arising from those facts notwithstanding that the **Claim** is made after the expiry of the **Policy Period**. Those rights are in addition to any rights that you may have under the Policy.

SCHEDULE

CERTIFICATE NUMBER:	Confidential																														
INSURED:	Lawcover Insurance Pty Limited and The Law Society of Tasmania (ABN 79 607 763 856) for and behalf of the law practices to which it has issued an approved professional indemnity insurance policy. (The description of the Insured will be the same as the "law practice" described in the valid and enforceable professional indemnity insurance issued by Lawcover to each such law Practice.) and as more fully defined in the contract wording and Subsidiary Companies																														
POLICY PERIOD:	1 July 2023 to 30 June 2024 both days inclusive																														
PREMIUM:	Confidential																														
UNDERWRITERS:	Tokio Marine Kiln Syndicates Limited.																														
RISK:	Cyber Liability.																														
PRINCIPAL BUSINESS ADDRESS:	The address specified for the law practice in the professional indemnity insurance policy issued by Lawcover Insurance Pty Limited or the Law Society of Tasmania.																														
LIMIT OF INDEMNITY	AUD 50,000 any One Claim basis and in the aggregate, per Law Practice																														
EXCESS	<p>The applicable Excess to be applied shall be according to the table below based on the last complete year fee income as declared in the latest proposal form completed by the Insured in respect of the current professional indemnity insurance policy issued by Lawcover Insurance Pty Limited or the Law Society of Tasmania to the Insured.</p> <table border="1"> <thead> <tr> <th colspan="2">Last Complete Year Fee Income</th> <th>Excess</th> </tr> <tr> <th>Minimum</th> <th>Maximum</th> <th></th> </tr> </thead> <tbody> <tr> <td>\$0</td> <td>\$300,000</td> <td>Nil</td> </tr> <tr> <td>\$300,001</td> <td>\$1,500,000</td> <td>\$1,500</td> </tr> <tr> <td>\$1,500,001</td> <td>\$4,000,000</td> <td>\$2,500</td> </tr> <tr> <td>\$4,000,001</td> <td>\$7,500,000</td> <td>\$5,000</td> </tr> <tr> <td>\$7,500,001</td> <td>\$20,000,000</td> <td>\$7,500</td> </tr> <tr> <td>\$20,000,001</td> <td>\$40,000,000</td> <td>\$10,000</td> </tr> <tr> <td>\$40,000,001</td> <td>\$60,000,000</td> <td>\$17,500</td> </tr> <tr> <td>\$60,000,001</td> <td>Unlimited</td> <td>\$25,000</td> </tr> </tbody> </table>	Last Complete Year Fee Income		Excess	Minimum	Maximum		\$0	\$300,000	Nil	\$300,001	\$1,500,000	\$1,500	\$1,500,001	\$4,000,000	\$2,500	\$4,000,001	\$7,500,000	\$5,000	\$7,500,001	\$20,000,000	\$7,500	\$20,000,001	\$40,000,000	\$10,000	\$40,000,001	\$60,000,000	\$17,500	\$60,000,001	Unlimited	\$25,000
Last Complete Year Fee Income		Excess																													
Minimum	Maximum																														
\$0	\$300,000	Nil																													
\$300,001	\$1,500,000	\$1,500																													
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\$20,000,001	\$40,000,000	\$10,000																													
\$40,000,001	\$60,000,000	\$17,500																													
\$60,000,001	Unlimited	\$25,000																													
WAITING PERIOD	10 Hours																														
RETROACTIVE DATE	None, Excluding known circumstances.																														

The terms that appear in bold type are defined in Section 7 of this policy.

Underwriters agree to indemnify the **Insured** subject to the terms, conditions, limitations and exclusions in this policy.

1. **INSURING CLAUSES**

1.1 ***Electronic Business Interruption and Increased Cost of Working***

Underwriters shall indemnify the **Insured** for:

- (a) **Cyber Costs and Expenses**; and
- (b) for **Loss of Business Income** after expiration of the applicable **Waiting Period** directly arising from a **Cyber Event** or a suspected **Cyber Event** which occurs on the **Insured's Computer Network** after the retroactive date (if any) specified the Schedule and **Notified** during the **Policy Period**.

1.2 ***Cyber Liability***

Underwriters shall indemnify the **Insured** for its legal liability to third parties for any **Claims Notified** during the **Policy Period** directly arising from a **Cyber Event** which occurs on the **Insured's Computer Network** on or after the retroactive date (if any) specified the Schedule and for **Defence Costs** and **Expenses** incurred in the defence, investigation and/or settlement of such **Claims**.

1.3 ***Privacy Regulatory Defence and Penalties***

Underwriters shall indemnify the **Insured** for amounts which the **Insured** becomes legally obligated to pay, including **Defence Costs and Expenses**, as a direct result of a civil regulatory action, including a civil penalty, or fines to the extent insurable by law, imposed by an Australian Commonwealth, State or Territory governmental regulatory body against the **Insured** directly arising from a **Breach of Security** or **Breach of Privacy** or breach of **Privacy Regulations**, that occurred on or after the retroactive date (if any) specified the Schedule and **Notified** during the **Policy Period**.

1.4 ***Crisis Management Costs, Customer Notification Expenses***

Underwriters shall indemnify the **Insured** for **Crisis Management Costs** and **Customer Notification Expenses** when such costs and expenses are incurred as a direct result of a **Breach of Security**, **Breach of Privacy** or breach of **Privacy Regulations** that occurred on or after the retroactive date (if any) specified the Schedule and **Notified** during the **Policy Period**.

1.5 ***Cyber Extortion***

Underwriters shall indemnify the **Insured**, to the extent insurable by law, for **Cyber Extortion Monies** exceeding the **Excess** that are paid by the **Insured** as a direct result of a **Cyber Extortion Threat** occurring on or after the date on which this Policy incepted and **Notified** during the **Policy Period**.

2. LIMIT OF INDEMNITY AND EXCESS

2.1 *Limit of Indemnity*

2.1.1 In respect of all Insuring Clauses and all Automatic Extensions the **annual Limit of Indemnity** shall be AUD50,000 for all coverage under this policy

2.1.2 The total liability of **Underwriters** during the **Policy Period** shall not exceed in the aggregate the **Limit of Indemnity** specified in the Schedule.

2.2 *Excess*

2.2.1 In respect of all Insuring Clauses and all Automatic Extensions the **Excess** shall be the amount specified in the Schedule.

2.2.2 If **Underwriters** at their election make any payment which is the responsibility of the **Insured** under this Clause 2.2, then the **Insured** shall forthwith repay such sum to **Underwriters** and, if the **Insured** fails to repay such sum, **Underwriters** shall have the right to set off such sum against any other monies due from **Underwriters** to the **Insured** under this policy.

2.2.3 A separate **Excess** shall apply to each and every **Claim** and to each and every **Cyber Event**. However, where there is more than one **Claim** and/or **Cyber Event** arising out of or attributable to the same originating cause or source or the same act, error or omission, event or transaction or in any way related to such cause or source, act, error or omission, event or transaction, the **Excess** shall only be applied once.

3. AUTOMATIC EXTENSIONS

Each extension hereunder will apply automatically and is subject to the terms, conditions, limitations and exclusions in this policy. None of the extensions shall increase the **Limit of Indemnity**.

3.1 ***Continuity of Cover - A Renewal Benefit [APPLICABLE TO SUBSEQUENT POLICY PERIODS ONLY]***

Notwithstanding Exclusion 4.4 (Known Facts), if the **Insured** was aware of any facts that might give rise to a **Claim** prior to the **Policy Period**, and **Underwriters** have not been **Notified** by the **Insured** of such facts prior to the commencement of the **Policy Period**, then Exclusion 4.4 will not apply to a **Claim** resulting from the notification of such facts, provided that:

- (a) the failure to notify such facts by the **Insured** was not a result of fraudulent misrepresentation or fraudulent non-disclosure; and
- (b) such facts had not previously been notified to any other cyber risk insurer; and
- (c) **Underwriters** were the cyber risk insurers of the **Insured** at the time the **Insured** became aware of such facts and have continued without interruption to be the **Insured's** Cyber insurer; but
- (d) the **Limit of Indemnity**, sub-limits of indemnity and **Excesses** under the policy in force when the **Insured** first became aware of such facts shall apply; and
- (e) no indemnity shall be available for any **Claim** that is **Notified** after the **Policy Period**; and
- (f) **Underwriters** will reduce their liability to the extent of any prejudice suffered as a result of the **Insured's** failure to notify such facts giving rise to a **Claim** prior to the **Policy Period**.

3.2 ***Run-Off Cover***

Underwriters agree that in the event that the **Insured** entity ceases to exist or is merged into or acquired by another entity then the coverage provided under Insuring Clauses 1.2 and 1.3 shall continue until the expiry of the **Policy Period**, provided that this cover will only apply to any actual or alleged act, error, omission, and/or event committed or occurring prior to the date that the **Insured** entity ceased to exist or was merged into or acquired by another entity.

4. EXCLUSIONS

Underwriters shall not have any liability under this policy for, or directly or indirectly arising out of, or in any way involving:

4.1 ***Bodily Injury & Property Damage***

Any **Bodily Injury** or **Property Damage**, except that this exclusion shall not apply to wrongful infliction of emotional distress or mental anguish arising out of actual or alleged, **Breach of Privacy**, **Breach of Security**, or breach of **Privacy Regulations**.

4.2 ***Dishonesty***

Any **Claim**, **Cyber Event**, **Cyber Extortion Threat**, **Breach of Security**, **Breach of Privacy** or breach of **Privacy Regulations** which arises:

- (a) from **Dishonesty** attributable to that **Insured**; and/or
- (b) from **Dishonesty** of another **Insured** and the first **Insured** was knowingly connected with that **Dishonesty**.

In establishing whether an incorporated legal practice has engaged in **Dishonesty** for the purpose of this exclusion, each director of the incorporated legal practice must have the requisite state of mind.

In the event of a **Claim** as a result of any **Dishonesty**, the indemnity under this policy shall be reduced by an amount equal to the sum of:

- (c) any monies owed by the **Insured** to any person committing, condoning or contributing to the **Dishonesty**;
- (d) any monies held by the **Insured** and belonging to such person; and
- (e) any monies recovered in accordance with condition 5.3 of this policy.

4.3 ***Infrastructure***

- (a) The failure of, impairment to, or interruption in supply from any utility including gas, water, electricity;
- (b) The failure of, impairment to or interruption in service from any telecommunication provider or satellite;
- (c) Electrical or mechanical failure, impairment or interruption, including electrical disturbance, spike, brownout or blackout.

4.4 ***Jurisdiction and Territorial Limits***

Any:

- (a) legal proceedings brought under the laws of the USA and/or Canada or brought elsewhere to enforce a judgment or order made under the laws of the USA and/or Canada and/or;
- (b) coronial inquests, disciplinary hearings, or occupational health and safety proceedings brought outside Australia or New Zealand.

4.5 ***Known Facts***

Any:

- (a) facts which could give rise to a **Claim** against the **Insured** and which facts were known or ought reasonably to have been known by the **Insured** at any time prior to the **Policy Period** and/or;
- (b) facts notified to a previous Professional Indemnity and/or Professional Liability insurance policy.

4.5 **Nuclear, War & Terrorism**

Any of the following:

- (a) war (whether declared or not), invasion, acts of a foreign enemy, hostilities, or any similar act, condition or warlike operation, warlike action by a regular or irregular military force or other authority to hinder or defend against an actual or expected attack;
- (b) insurrection, rebellion, revolution, riot, attempt to usurp power, popular uprising, or any action taken by any governmental or martial authority in hindering or defending against any of these;
- (c) discharge, explosion, or use of a weapon of mass destruction, whether or not employing nuclear fission or fusion, or chemical, biological, radioactive or similar agents, by any party at any time for any reason; or
- (d) a terrorist act. For the purposes of this exclusion, a terrorist act means an act or series of acts including the use of force or violence of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s), committed for political, religious, or ideological purposes, including the intention to influence any government and/or to put the public in fear for such purposes.

4.6 **Other Insurance**

Any matter in respect of which the **Insured** is entitled to indemnity under a professional indemnity insurance issued to the **Insured** by Lawcover Insurance Pty Limited and/or policies that operate as Top Up insurance above such policy, including where the Top Up insurance policy provides cover for Differences in Conditions.

4.7 **Wear and Tear**

Any wear and tear, drop in performance, progressive or gradual deterioration or ageing of electronic equipment and other property or **Hardware** used by the **Insured** or the failure of the **Insured** or those acting on the behalf of the **Insured** to adequately maintain any computer, computer software, **Computer Network** or other equipment or **Hardware** associated with such **Computer Network**.

4.8 **Prior Circumstances**

Claim, civil regulatory action, **Cyber Event**, **Breach of Security**, **Breach of Privacy** or **Cyber Extortion Threat** which was intimated, made or first occurred prior to the **Policy Period**.

4.9 **Loss of Funds**

- a) Loss, decrease in value or theft of securities or currency;
- b) Trading losses, liabilities or changes in trading account value; or
- c) The value of electronic funds, money, securities or wire transfer;

4.10 **Professional Services**

The rendering of, or failure to render, professional services (including technology services), or any error or omission, malpractice or mistake of a professional nature committed by or on behalf of an Insured in the conduct of any of the Insured's business activities. However, this exclusion does not apply to a Claim against the Insured alleging a Breach of Privacy.

4.11 **War and Cyber Operation Exclusion No.4**

1. Notwithstanding any provision to the contrary in this Insurance, this insurance does not cover that part of any loss, damage, liability, cost, or expense, of any kind:

- 1.1. directly or indirectly arising from a **war**, and/or
- 1.2. arising from a **cyber operation** that is carried out as part of a **war**. or the immediate preparation for a **war**, and/or
- 1.3. arising from a **cyber operation** that causes a **state** to become an **impacted state**.

Paragraph 1.3 shall not apply to the direct or indirect effect of a **cyber operation** on a **computer system** used by the insured or its third party service providers that is not physically

located in an **impacted state** but is affected by a **cyber operation**.

Attribution of a **cyber operation** to a **state**

2. Notwithstanding the insurer's burden of proof, which shall remain unchanged by this clause, in determining attribution of a **cyber operation** to a **state**, the insured and insurer will consider such objectively reasonable evidence that is available to them. This may include formal or official attribution by the government of the **state** in which the **computer system** affected by the **cyber operation** is physically located to another **state** or those acting at its direction or under its control.

Definitions

3. **Computer system** means any computer, hardware, software, communications system, electronic device (including but not limited to, smart phone, laptop, tablet, wearable device), server, cloud infrastructure or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility. If there is any inconsistency between definitions of **computer system** in this exclusion and the contract of insurance, the definition in the contract of insurance shall apply.

4. **Cyber operation** means the use of a **computer system** by, at the direction of, or under the control of a **state** to:

- 4.1. disrupt, deny access to or, degrade functionality of a **computer system**, and/or
- 4.2. copy, remove, manipulate deny access to or destroy information in a **computer system**.

5. **Essential service** means a service that is essential for the maintenance of vital functions of a **state** including, but not limited to, financial institutions and associated financial market infrastructure, health services or utility services.

6. **Impacted state** means any **state** where a **cyber operation** has had a major detrimental impact on:

- 6.1. the functioning of that **state** due to disruption to the availability, integrity or delivery of an **essential service** in that **state**, and/or
- 6.2. the security or defence of that **state**.

7. **State** means sovereign state.

8. **War** means armed conflict involving physical force:

- 8.1. by a **state** against another **state**, or
- 8.2. as part of a civil war, rebellion, revolution, insurrection, military action or usurpation of power, whether war be declared or not.

LMA5567A

18 January 2023

5. CLAIMS CONDITIONS

5.1 *Duty to Co-operate*

The **Insured** must (at the **Insured's** own expense):

- (a) promptly provide to **Underwriters** full details concerning any **Claim** and/or any matter(s) relating to cover under any of the Insuring Clauses;
- (b) promptly provide such co-operation and assistance as **Underwriters** and their representatives, legal advisers and/or agents may reasonably require;
- (c) exercise due diligence and do all things reasonably practicable to reduce or mitigate any loss actually or potentially covered under any of the Insuring Clauses.

5.2 **Notification**

The **Insured** must ensure that **Underwriters** are notified as soon as practicable and during the **Policy Period** in the manner set out below:

- (a) of any **Claim** or **Cyber Event**;
- (b) of any **Cyber Extortion Threat**;
- (c) of any **Breach of Security, Breach of Privacy**, or breach of **Privacy Regulations**

Such notification shall include full details of the act, error or omission, transaction or event giving rise to any **Claim, Cyber Event, Cyber Extortion Threat, Breach of Security, Breach of Privacy** or breach of **Privacy Regulations** and/or loss including the date of such act, error or omission, transaction or event; the name(s) of the person(s) responsible for such act, error or omission, transaction or event; the name(s) of the likely Claimant(s) or instigating party and the amount of the likely cost and/or loss.

Underwriters have engaged Colin Biggers & Paisley Pty Ltd to manage any **Claim, Cyber Event, Cyber Extortion Threat, Breach of Security, Breach of Privacy** or breach of **Privacy Regulations**.

Notice shall be given by contacting Colin Biggers & Paisley Pty Ltd, Level 42, 2 Park Street Sydney NSW 2000 Australia:

- 24/7 Direct Dial Emergency Hotline: **1800 BREACH**
- E-mail: **lawcyber@cbp.com.au**

Colin Biggers & Paisley will respond immediately and request the following details to assist with management of the data breach or incident:

- Policy Number
- Law Practice Name
- Contact Name (**Insured's** name, details of the contact person at the **Insured** who is leading the initial assessment of the data breach).
- Email Address
- Phone Number
- Description of Event

5.3 **Subrogation**

Underwriters shall be subrogated to all the rights of recovery of the **Insured** against any third party before or after any indemnity is given under this policy. The **Insured** shall, promptly and without charge, provide such assistance as **Underwriters** may reasonably require in any subrogation.

5.4 **Underwriters Entitled to Defend & No Admission of Liability**

- (a) **Underwriters** shall be entitled, but not obliged, to take over the investigation, defence and settlement of any **Claim** and any matter(s) where the **Insured** has requested to be indemnified under this policy. If the **Insured** does not agree with any proposals by **Underwriters** to settle any **Claim**, then **Underwriters'** liability for such **Claim** shall be limited (subject always to the **Limit of Indemnity**) to the amount for which in **Underwriters'** reasonable opinion the **Claim** could have been settled at the date at which **Underwriters** proposed it should be settled, and **Underwriters'** liability for Defence Costs and Expenses shall be limited to Defence Costs and Expenses incurred up to that date.

- (b) The **Insured** (or any person, firm or company acting for or on behalf of the **Insured**) shall not, without the prior written approval of **Underwriters**, admit liability for, compromise, settle, or make any offer or payment in respect of any **Claim**.
- (c) The **Insured** shall not be obliged to defend any legal proceedings unless a Queen's Counsel or Counsel of not less than 15 years' standing (to be mutually decided upon by **Underwriters** and the **Insured**) shall advise that such proceedings can be contested with a reasonable prospect of success.

5.5 **Allocation**

Where any **Claim**, or any indemnity under this Policy as a result of a **Cyber Event**, includes both matters indemnified and matters that are not indemnified under this Policy, **Underwriters** shall at their sole discretion (to be reasonably exercised) allocate amounts incurred or payable by or to an **Insured**:

- (a) based upon the relative legal, regulatory and commercial exposures of the **Insured** to matters indemnified and matters that are not indemnified under this Policy; and
- (b) in the case of a settlement of any **Claim**, based also on the relative benefits of such settlement to the **Insured**

6. **GENERAL CONDITIONS**

6.1 **Governing Law and Disputes**

This Policy shall be governed by and construed in accordance with the laws of Australia. The courts of Australia will have the jurisdiction in any dispute about or under this Policy.

6.2 **GST**

Any payment made by **Underwriters** under this Policy will be reduced by the amount of any Input Tax Credit to which the **Insured** is entitled for the GST in accordance with the provisions of *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

6.3 **Interpretation**

In this policy:

- (a) reference to any Act, statute or statutory provision shall include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of the inception of this Policy;
- (b) if any term, condition, exclusion or endorsement or part thereof is found to be invalid or unenforceable the remainder shall be in full force and effect;
- (c) the headings herein are for reference only and shall not be considered when determining the meaning of this Policy.

6.4 **Sanctions**

No **Underwriters** shall be deemed to provide cover and no **Underwriters** shall be liable to indemnify the **Insured** in respect of any **Claim** or provide any benefit to the extent that the provision of such cover, payment of such **Claim** or provision of such benefit would expose **Underwriters** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, Australia, New Zealand, the United Kingdom or the United States of America.

7. DEFINITIONS

- 7.1 **"BODILY INJURY"** means physical injury, sickness, disease, or death sustained by any person and, where resulting from such physical injuries only, mental anguish, mental injury, shock, humiliation, or emotional distress.
- 7.2 **"BREACH OF PRIVACY"** means a breach, infringement, or violation of confidentiality or of any right to privacy including, but not limited to, a breach of the **Insured's** privacy policy, breach of a person's right of publicity, intrusion upon a person's seclusion, public disclosure of **Personal Information**.
- 7.3 **"BREACH OF SECURITY"** means an intentional, malicious or wilful act that results in the misuse of the **Insured's Computer Network** to modify, delete, corrupt, or destroy **Data** or a **Denial of Service**.
- 7.4 **"CLAIM"** means any financial demand, or assertion of a financial right against, the **Insured**, which is communicated in writing to the **Insured**.
- 7.5 **"COMPUTER NETWORK"** means interconnected electronic, wireless, web or similar systems (including all **Hardware** and software) used to process **Data** or information in an analogue, digital, electronic or wireless format including, but not limited to, computer programs, electronic data, operating systems, servers, media libraries, associated input and output devices, mobile devices, networking equipment, websites, extranets, off line storage facilities (to the extent that they hold electronic data), and electronic backup equipment.
- 7.6 **"COMPUTER VIRUS"** means a program that possesses the ability to create replicas of itself (commonly known as 'auto-reproduction' program) within other programs or operating system areas, or which is capable of spreading copies of itself wholly or partly to other computer systems or networks and which were not written or created by the **Insured**.
- 7.7 **"CRISIS MANAGEMENT COSTS"** means any fees reasonably and necessarily incurred by the **Insured** with **Underwriters'** prior approval for the engagement of a public relations consultant, advertising expenses and legal expenses, if the **Insured** reasonably considers (and **Underwriters** agree) that such appointment is needed in order to avert or mitigate any material damage to any of their brands.
- 7.8 **"CUSTOMER NOTIFICATION EXPENSES"** means reasonable and necessary legal expenses, public relations expenses, postage expenses and related advertising expenses directly incurred by the **Insured** for the purpose of alerting an individual, entity or regulatory authority as required by law following a **Breach of Security**, **Breach of Privacy**, or **Breach of Privacy Regulations** that results in the compromise or potential compromise of personal information maintained by the **Insured** or otherwise residing on the **Insured's Computer Network**.
- 7.9 **"CYBER COSTS AND EXPENSES"** means the reasonable and necessary costs incurred by the **Insured** with **Underwriters'** prior written consent, for:
- (a) the **Insured's** own costs to restore, re-collect, or replace the **Insured's** **Data**, including expenses for materials, working time, and overhead cost allocation at the **Insured's** affected business premises associated with restoring or replacing the **Insured's** **Data** owned.
 - (b) the costs and expenses of specialists, investigators, forensic auditors, or loss adjusters retained by the **Insured** for the purpose of conducting a review or audit to substantiate that a **Cyber Event** is occurring or has occurred.
- 7.10 **"CYBER EVENT"** means one of the following:
- (a) a **Breach of Security**;
 - (b) the introduction of a **Computer Virus**;
 - (c) Damage or destruction of **Hardware**, so that the **Data** stored is not machine readable; or
 - (d) **Breach of Privacy**.

- 7.11 "**CYBER EXTORTION THREAT**" means a credible threat or series of related threats, including a demand for funds, directed at the **Insured and** likely to lead to a **Cyber Event** on the **Insured's Computer Network** at the **Insured's** premises.
- 7.12 "**CYBER EXTORTION MONIES**" **Cyber Extortion Monies** means:
- (a) Monies paid by the **Insured**, with **Underwriters'** prior written consent, to a person(s) or entity(ies) that the **Insured** reasonably believes to present a **Cyber Extortion Threat** for the purpose of terminating such a threat; or
 - (b) Other reasonable and necessary costs and expenses paid by the **Insured**, with **Underwriters'** prior written consent, directly resulting from a **Cyber Extortion Threat**, including the purchase of BitCoin or similar asset used as a means of payment.
- 7.13 "**DATA**" means any machine readable information, including ready for use programs or electronic data, irrespective of the way it is used and rendered including, but not limited to, text or digital media.
- 7.14 "**DEFENCE COSTS AND EXPENSES**" means the reasonable and necessary legal costs and expenses incurred by or on behalf of the **Insured** with the prior written and continuing consent of **Underwriters**. It does not include the **Insured's** own costs and expenses.
- 7.15 "**DENIAL OF SERVICE**" means unauthorized or unexpected interference with or malicious attack on the **Insured's Computer Network** that restricts or prevents access to the **Insured's Computer Network** by persons or entities authorized to gain access to it.
- 7.16 "**DISHONESTY**" means any actual or alleged dishonest or fraudulent act, dishonest or fraudulent error or dishonest or fraudulent omission.
- 7.17 "**EMPLOYEE**" means any natural person, other than a partner or principal of the firm(s) or company/(companies) stated in the **Schedule**, who is under a contract of service or apprenticeship with the firm(s) or company/(companies) stated in the **Schedule**, or under any work experience or similar scheme, whilst such person(s) are employed or engaged by and under the control of the firm(s) or company/(companies) stated in the **Schedule** in connection with the **Insured's Business**.
- 7.18 "**EXCESS**" means the amount payable by the **Insured** (**Underwriters** shall only be liable to the extent that any liability exceeds the **Excess**). In the case of a **Claim** under clause 1.1 of this policy for Loss of Business Income, the "**Excess**" shall be the **Waiting Period**.
- 7.19 "**HARDWARE**" means any and all physical components of a **Computer Network**.
- 7.20 "**INSURED**" means:
- (a) the person, partnership, company or other entity stated in the **Schedule**;
 - (b) **Insured** is extended to mean the following persons in respect of conduct in the course of the **Insured's Business**,
 - i. any person who is a current principal, partner or **Employee** of any person or entity named in the Schedule;
 - ii. any former principal, partner or **Employee** of any person or entity named in the Schedule, but only in respect of work undertaken for and on behalf of the firm(s) or company/(companies) stated in the Schedule; and/or
 - iii. the estate, heirs, legal representatives or assigns of any of 7.20(b)(i) or 7.20(b)(ii) above who is deceased or legally incapacitated but only in respect their status as the estates, heirs, legal representatives or assigns of such assignees.
- 7.21 "**INSURED'S BUSINESS**" means the provision of "legal services" (as that term is defined in the Lawcover Professional Indemnity Policy in force at the time of inception of this Policy) by the **Insured**.

- 7.22 "**LIMIT OF INDEMNITY**" means the maximum amount payable by **Underwriters** in respect of any one claim (or claims) under this Policy arising out of or attributable to the same originating cause or source or the same act, error or omission, event or transaction or in any way related to such cause or source, act, error or omission, event or transaction) and in the aggregate under this policy irrespective of the number of Claimants and/or the number of Insuring Clauses and/or Automatic Extensions applicable.
- 7.23 "**LOSS OF BUSINESS INCOME**" means the net income (net profit or loss before income taxes as determined by a member of the Institute of Chartered Accountants Australia to be appointed by agreement between the **Insured** and **Underwriters** or in default of agreement being reached within 21 days then on the appointment by the President of that Institute) which the **Insured** would have earned in the event that no **Cyber Event** occurred.
- 7.24 "**NOTIFIED**" means that notice is given in the manner described in clause 5.2 above.
- 7.25 "**PERSONAL INFORMATION**" means any information or an opinion about an identified individual or an individual who is reasonably identifiable whether the information is true or not and whether the information is recorded in a material form or not, including but not limited to an individual's name, tax file number, Medicare number, healthcare information, drivers licence number, photographs of that person, bank account number, credit card and debit card numbers, access codes or passwords and any other personal information as defined in the Privacy Act 1988 (Cth) and the Privacy Amendment (Enhancing Protection) Act 2012 (Cth) and other federal, state, territory or local privacy legislation (including health specific privacy legislation) and any rule or regulation promulgated thereunder.
- 7.26 "**POLICY PERIOD**" means the period stated in the **Schedule**.
- 7.27 "**PRIVACY REGULATIONS**" means the following, as well as similar statutes and regulations, as they currently exist and as amended, associated with the confidentiality, access, control, and use of personally identifiable, non-public information including, but not limited to:
- (a) the *Privacy Act* 1988 (Cth) and the *Privacy Amendment (Enhancing Protection) Act* 2012 (Cth) and other federal, state, territory or local privacy legislation (including health specific privacy legislation) and any rule or regulation promulgated thereunder;
 - (b) privacy provisions of consumer protection laws; and
 - (c) similar privacy laws worldwide.
- 7.28 "**PROPERTY DAMAGE**" means physical injury to, impairment, destruction, or corruption of any tangible property, including the loss thereof. **Data** is not tangible property.
- 7.29 "**RANSOMWARE**" means malicious software which restricts the ability of the user of a computer or **Computer Network** to use the computer or **Computer Network**, or to access **Data** stored on either the computer or **Computer Network**, with the intention of extorting money from the owner or user of the computer or Computer Network.
- 7.30 "**SCHEDULE**" means the document entitled **Schedule**" that relates to this policy.
- 7.31 "**UNDERWRITERS**" means Tokio Marine Kiln Syndicates Limited
- 7.32 "**WAITING PERIOD**" means the period stated in the Schedule, beginning at the time that the **Insured's Computer Network** is unavailable or operating at less than full operational capacity as a direct result of a **Cyber Event**. In the event of an intermittent problem causing repeated unavailability of systems as a direct result of the same **Cyber Event** this will be deemed to be one continuous period.

8. IMPORTANT NOTICES

General Insurance Code of Practice

Underwriters, through Lloyd's, proudly support and agree to comply with the Insurance Council of Australia's General Insurance Code of Practice, except in relation to any claims adjusted outside Australia. The terms of the Code require us to be open, fair and honest in our dealings with you.

Complaints

Please refer any complaint, in writing, to:

Lloyd's Underwriters' General Representative in Australia

Lloyd's Underwriters' General Representative
in Australia Level 9, 1 O'Connell Street,
Sydney, NSW 2000

Phone number: +61 (0)2 8298 0700

Customer Complaint phone number: 02 8298 0783

Lloyd's Underwriters' General Representative in Australia will refer your dispute to the Complaints Department at Lloyd's. Complaints that cannot be resolved by the Complaints Department may be referred to the Financial Ombudsman Service (UK).

Further details will be provided to you at the appropriate stage of the complaints process. Governing Law and Service of Suit **Underwriters** hereon agree that:

- in the event of a dispute arising under this Policy, **Underwriters** at the request of the **Insured** will submit to the jurisdiction of any competent Court in the Commonwealth of Australia. Such dispute shall be determined in accordance with the law and practice applicable in such Court;
- any summons, notice or process to be served upon the **Underwriters** may be served upon the Lloyd's General Representative in Australia, Level 9, 1 O'Connell Street, Sydney NSW 2000, who has authority to accept service and to enter an appearance on the **Underwriters'** behalf, and who is directed at the request of the **Insured** to give a written undertaking to the **Insured** that the Lloyd's General Representative will enter an appearance on the **Underwriters'** behalf; and
- if a suit is instituted against any one of the **Underwriters**, all **Underwriters** hereon will abide by the final decision of any such Court or any competent Appellate Court.

Privacy Notice

Underwriters are committed to compliance with the provisions of the Australian Privacy Principles and the Privacy Act 1988 (Commonwealth). In order for **Underwriters** to assess the risk of and provide you with insurance products and assess and manage any claims under those products, it is necessary to obtain personal information from you. If you do not provide us with this information, this may prevent **Underwriters** from providing you with the products or services sought.

If you provide us with information about someone else, you must obtain their consent to do so.

Underwriters may disclose your information to other insurers, their reinsurers, and insurance reference service or other advisers used by **Underwriters** such as loss adjusters, lawyers or others who may be engaged to assist in claims handling, underwriting or for the purpose of fulfilling compliance and/or regulatory requirements. These third parties will all be contractually required to adhere to **Underwriters'** privacy obligations.

Your information has been, or will be, collected or received by Tokio Marine Kiln. We will manage personal data in accordance with data protection law and data protection principles. We require personal data in order to provide good-quality insurance and ancillary services and will collect the personal data required to do this. This may be personal information such as name, address, contact details, identification details, financial information and risk details. The full Data Privacy Notice can be found on www.tokiomarinekiln.com/privacy. A paper copy of the Data Privacy Notice can be obtained by contacting the Data Protection Officer by email (dpo@tokiomarinekiln.com) or at the below address:

Data Protection Officer
Tokio Marine Kiln
20 Fenchurch Street
London
EC3M 3BY