

# cyber event protection

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CEP-005.1 NZ

General Information & Policy Wording

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# General Information

## About Emergence NZ Limited

Emergence NZ Limited (Emergence) acts under a binding authority given to it by Certain Underwriters at Lloyd's lead by Market Syndicate Management – Syndicate 3000 (the underwriters) to administer and issue policies, alterations and renewals. In all aspects of arranging this **policy**, Emergence acts as an agent of the underwriters and not the **policyholder**.

Contact details are:

**Email:** info@emergenceins.co.nz  
**Telephone:** 0800 129 237 or 0800 1 CYBER  
**Postal address:** Level 11, Shortland Centre  
55 Shortland Street  
Auckland 1010

## About the Insurer

This insurance is underwritten by certain underwriters at Lloyd's. If **you** require further information about this insurance or wish to confirm a transaction, please contact Emergence.

## About Our Services

Emergence provides a range of services to **our policyholders** when they purchase a **policy** from Emergence. These services are at no cost to the **policyholder** and are optional to the **policyholder** to use or take up.

When the **policy** is issued by Emergence it will be accompanied by a letter which sets out all the services and how **you** can access the services. The services include tips for better cyber security, an hour free consultation to discuss **your** cyber security, ongoing scanning of **your** internet-facing infrastructure to determine vulnerabilities and dark web scanning to determine if **your** data is vulnerable.

All of the services are designed to enhance **your** cyber security while **you** remain a **policyholder** with Emergence.

**We** will also provide advice to **you** after a claim on how best to secure **your** IT.

## Emergence Incident Response Service

If there is or **you** reasonably suspect there is a **cyber event** in **your business**, which is first discovered by **you** and notified to **us** during the **policy period**, then a member of the Emergence Incident Response (**IR**) team will investigate and manage the **cyber event**.

Incident response services provided solely by the Emergence IR team do not form part of **cyber event response costs**, do not erode the **limit** for any one **incident** and no **excess** applies to the services provided by the Emergence IR team.

See: How to notify **us** if a **cyber event** happens, below.

## HOW TO NOTIFY US IF A CYBER EVENT HAPPENS OR A CLAIM IS MADE AGAINST YOU

1. **You** must immediately ring the Emergence cyber event reporting line on 0800 129 237 (that's 0800 1 CYBER) or notify Emergence in writing at [claims@emergenceins.co.nz](mailto:claims@emergenceins.co.nz) and provide details and circumstances of the event, including any **claims**, demands or notices received by **you** or proceedings against **you**.
  2. **You** must report **cyber theft, socially engineered theft, identity-based theft, push payment theft, telephone phreaking or cryptojacking** to, respectively, the National Cyber Security Centre, **your** financial institution, and **your** telephone service provider, within 24 hours of it first being discovered by **you**.
  3. **We** will assess whether cover applies under **your policy**.
  4. **You** must do everything reasonably possible to preserve evidence to enable **us** to properly assess and investigate the **incident**.
  5. If the **incident** is not covered under **your policy**, **we** will advise **you** to engage **your** own service resources.
- This is a quick reference provided for **your** convenience. Please refer to Section G of the **policy** for a full listing of Claims Conditions.

## How this Policy Works

Your **policy** is a contract of insurance between **you** and **us** and consists of the **policy** wording together with the **schedule**, and any endorsement(s) stated in **your schedule**.

It is important to understand the type of cover **you** have purchased and how the **limits** apply. Not every financial loss caused by a **cyber event** is covered under the **policy**. The type of losses covered are set out in Sections A, B and C. Section D sets out **our** Optional Covers that **we** may agree to.

### Section A – Losses to Your Business

### Section B – Loss to Others

### Section C – Cyber Event Response Costs

### Section D – Optional Covers

Optional Covers may be available. There is an additional premium payable by **you** to **us** for each Optional Cover. **Your schedule** will list the Optional Covers chosen by **you** that **we** have agreed to provide. The **limit**, or sublimit, and **excess** for each Optional Cover will be stated in **your schedule**.

### Section E – What Certain Words Mean

Explains the meaning of defined words used in the **policy**. These words may be used in one or more sections of the **policy**. The meaning of “**cyber event**” is also explained.

### Section F – Exclusions

Sets out what the **policy** does not cover. These are the **policy’s** exclusions.

Note: **You** should read these exclusions carefully and speak to **your** insurance broker about what this **policy** covers and what other insurance covers **you** need.

### Section G – Claims Conditions

Explains what **you** must do if there is a **cyber event**.

### Section H – General Conditions

Which **you** have to comply with under the **policy**.

## Fair Insurance Code

**We** are committed to complying with the Fair Insurance Code as published by the Insurance Council of New Zealand. This means **we** will:

- provide insurance contracts which are understandable and show the legal rights and obligations of both us and the **policyholder**;
- explain the meaning of legal or technical words or phrases;
- explain the special meanings of particular words or phrases as they apply in the **policy**;
- manage claims quickly, fairly and transparently;
- clearly explain the reason(s) why a claim has been declined;
- provide **policyholders** with a written summary of our complaints procedure as soon as disputes arise and advise them how to lodge a complaint and tell them about the Insurance and Financial Services Ombudsman Scheme.

If the claim is not covered under **your policy**, **we** will advise **you** to engage **your** own service resources. **We** will clearly explain the reasons why a claim is denied.

Any word in bold in General Information has the same meaning as given to it in the **policy**.



# Policy Wording

This **policy** wording and **your schedule**, which includes any endorsements, determine the cover **we** provide **you** under this **policy**. It is important that **you** read and understand the **policy** in its entirety.

**We** will pay up to the **limit** stated in the **schedule** for each of Sections A, B and C and for any Optional Cover.

The most **we** will pay for any one **incident** is the **limit** stated on **your schedule**.

The **limit** stated on **your schedule** is exclusive of GST.

## Section A – Losses to Your Business

### 1. cyber event in your business

If a **cyber event** or **system failure** happens at or within **your business** which is first discovered by **you** and notified to **us** during the **policy period**, then **we** will pay **you** the **impact on business costs**.

### 2. cyber event in your IT contractor's business

If a **cyber event** or **system failure** happens at or within **your IT contractor's business**, which is first discovered by **you** and notified to **us** during the **policy period**, then **we** will pay **you** the **impact on business costs**.

### 3. preventative shutdown

If a **preventative shutdown** happens during the **policy period** which is first discovered by **you** and notified to **us** during the **policy period**, then **we** will pay **you** a **preventative shutdown allowance**.

The maximum **preventative shutdown allowance** **we** will pay for any one **preventative shutdown** is stated in **your schedule**.

## Section B – Loss to Others

**We** will pay a **loss** that **you** are legally liable for arising out of a **claim** that is first made against **you** and notified to **us** during the **policy period** because of:

1. a **cyber event**, or
2. **multimedia injury**, or
3. **Payment Card Industry liability**

at or within **your business**.

## Section C – Cyber Event Response Costs

### 1. cyber event in your business

If there is a **cyber event** at or within **your business**, or **you** reasonably suspect there is a **cyber event** at or within **your business**, which is first discovered by **you** and notified to **us** during the **policy period**, then **we** will pay **your cyber event response costs**.

### 2. cyber event in your IT contractor's business

If there is a **cyber event** at or within **your IT contractor's business** which is first discovered by **you** and notified to **us** during the **policy period**, then **we** will pay **your IT contractor response costs**.

### 3. cyber event in your data processor's business

If there is a **cyber event** at or within **your data processor's business** which is first discovered by **you** and notified to **us** during the **policy period**, then **we** will pay **your data processor response costs**.

## Section D – Optional Covers

Optional Cover is only provided if indicated on **your schedule**. Each Optional Cover is subject to all other terms and conditions of the **policy** unless otherwise stated in the Optional Cover.

The **limit** or sublimit and **excess** for each Optional Cover, if applicable, will be stated in **your schedule** exclusive of GST and is the maximum **we** will pay for any one **incident** under an Optional Cover. Optional Cover sublimits form part of and are included in the **limit** for any one **incident**.

### Optional Cover – Non-IT Contingent Business Interruption and System Failure Cover

**We** will pay **you** **impact on business costs** caused by:

- a. **supplier outage**, or
- b. **supplier system failure**.

For the purpose of this Optional Cover – Non-IT Contingent Business Interruption and System Failure Cover only the words listed below have been given a specific meaning and the specific meanings apply:

**cyber event** is extended to be a **cyber event** at or within the business of a **supplier**. For the purposes of this cover only, it shall not include a **cyber event** which happens at or within **your business**, or at or within an **IT contractor's business**.

**impact on business costs** means:

- a. the amount that the **revenue** **you** earn during the **indemnity period** falls short of the **revenue** **you** ordinarily earn directly as a result of a **supplier outage** or a **supplier system failure**, less any consequent savings, and less any **delayed revenue**, plus

- b. the net increased costs incurred during the **indemnity period** to avoid a reduction in **revenue** directly as a result of a **supplier outage** or a **supplier system failure** provided the amount of increased costs paid is less than **we** would have paid for a reduction in standard **revenue** in a. above. Net increased costs do not include **your** ongoing normal operating expenses, salaries or overhead expenses.

**Impact on business costs** does not include **cyber event response costs**.

The amount is calculated by reference to the **records of your business** and any other documents that **we** reasonably request.

**We** will not pay any **impact on business costs** incurred under this Optional Cover – Non-IT Contingent Business Interruption and System Failure Cover during the waiting period of three days (72 hours) after the first interruption to **your business**, unless otherwise stated in **your schedule**.

**indemnity period** is amended and means the continuous period starting from the first interruption to **your business** until supply from **your supplier** resumes, or until **you** have a substitute supply, plus reasonable additional time to allow **your business** to normalise. The **indemnity period** shall not exceed a total length of 35 days unless stated otherwise in **your schedule**.

**supplier** means a direct external supplier of goods or services to **your business** other than a **utility provider** or an **IT contractor**.

**supplier IT** means information technology used at or within **your supplier's** business.

**supplier outage** means an interruption to **your business** directly arising from an outage at **your supplier** where, in **our** reasonable opinion, the outage has been caused by a **cyber event** at or within the business of such **supplier**.

**supplier system failure** means an interruption to **your business** directly arising from an unintentional, unexpected and unplanned outage of **your supplier's IT** but does not include outage:

- caused by a **cyber event**;
- caused by using untested, disapproved or illegal software, or software that is past its end-of-life and no longer supported;
- caused by use of a non-operational part of the **supplier IT**;
- falling within parameters of a service level agreement;
- arising out of commercial dispute, failure to pay for services or refusal to deliver services paid for;
- arising out of **your IT** or **IT** under the direct operational control of **your IT contractor**.

The maximum **we** will pay for any one **supplier outage** or **supplier system failure** is stated in **your schedule**.

## Optional Cover – Criminal Financial Loss Cover

**We** will pay a **direct financial loss** to **you** or a **direct financial loss** to others directly arising out of:

- cyber theft**;
- socially engineered theft**;
- identity-based theft**;
- push payment theft**;
- physical goods theft**;
- telephone phreaking**; or
- cryptojacking**

that is first discovered by **you** and notified to **us** in the **policy period**.

Section F – Exclusion 15 of the **policy** is varied to the extent of this Optional Cover – Criminal Financial Loss Cover.

For the purposes of this Optional Cover – Criminal Financial Loss Cover only, **we** will pay **pursuit costs** of up to a maximum of \$50,000 paid with **our** agreement and consent to a third party (other than a law enforcement officer or your current or former employee or **IT contractor**), as reward for assistance leading to the arrest and conviction of the perpetrator of a **cyber theft, socially engineered theft, identity-based theft, push payment theft, physical goods theft, telephone phreaking** or **cryptojacking**.

For the purposes of this Optional Cover – Criminal Financial Loss Cover only, the words listed below have been given a specific meaning and these specific meanings apply:

**direct financial loss** means:

- your** funds, accounts receivable or securities, or the funds, accounts receivable or securities in **your** control belonging to others, that are lost due to **cyber theft, identity-based theft** or **socially engineered theft** and remain unrecoverable, or
- your** customers funds that are lost due to **push payment theft** and remain unrecoverable, or
- unintended or unauthorised call charges or bandwidth charges in excess of normal and usual amounts that **you** must pay caused by **telephone phreaking**, or
- unintended or unauthorised bandwidth charges, electricity costs, or cloud usage charges in excess of normal and usual amounts that **you** must pay caused by **cryptojacking**.
- In respect of **physical goods theft** only, **direct financial loss** means the measurable financial costs **you** incur to replace the lost goods with goods of like kind and quality following a covered **physical goods theft** and does not cover credit card refunds, returns or chargebacks, or bad debt because a legitimate customer did not pay for goods delivered by **you** to them.

**Direct financial loss** does not include digital currencies, gift cards, vouchers, coupons or reward points.

**investigation costs** means costs **you** incur with **our** prior consent, not unreasonably withheld, to investigate and substantiate the circumstances and amount of a **socially engineered theft** or **physical goods theft** covered under this Optional Cover – Criminal Financial Loss Cover. **Investigation costs** are included in the sublimit for an **incident** for Optional Cover – Criminal Financial Loss.

**You** must report the **cyber theft, socially engineered theft, identity-based theft, push payment theft, physical goods theft, telephone phreaking** or **cryptojacking** to, respectively, the National Cyber Security Centre, **your** financial institution and **your** telephone service provider, within 24 hours of it first being discovered by **you**.

The maximum **we** will pay for any one **incident** for all covers under Optional Cover – Criminal Financial Loss is the **limit** stated in your **schedule**. This includes all claims for **socially engineered theft** and **physical goods theft**. The sublimit for any claim or series of related claims for **socially engineered theft** and **physical goods theft** is stated in your **schedule**.

The **excess** for this optional cover is set out in your **schedule**.

### Optional Cover – D&O Liability Cover

**We** will pay a **loss** that any of **your** directors or officers is legally liable for arising out of a **claim** that is first made against **your** directors or officers and notified to **us** during the **policy period** because of a **cyber wrongful act** in your **business**.

For the purpose of this Optional Cover – D&O Liability Cover only the words listed below have been given a specific meaning and the specific meanings apply:

**claim** means any written demand, notice of pending action or civil, criminal, administrative, regulatory or arbitral proceedings against **your** directors or officers seeking compensation or other legal remedy caused by or in connection with a **cyber wrongful act**.

**cyber wrongful act** means an act, error, omission, breach of duty, or neglect directly arising out of a covered **cyber event** that leads to the personal liability of any of **your** directors or officers that is not otherwise insured and that **you** do not otherwise indemnify.

Section F – Exclusion 23 a. of the **policy** is varied to the extent that cover is provided under this Optional Cover – D&O Liability Cover.

The following additional exclusion applies to this Optional Cover – D&O Liability Cover only:

**We** will not pay a **loss** that **you** are legally liable for arising out of, attributable to, or as a consequence of a **claim** under this Optional Cover – D&O Liability Cover:

- a. if **you** are listed on the New Zealand Stock Exchange, if **your** shares are traded on any other exchange, or pursuant to any actual or proposed initial or subsequent public offering.
- b. arising out of a **claim** made in the United States of America, its territories or possessions, or by, or on behalf of, **you** or any director or officer.

If any **claim** arises under this Optional Cover and there is any other insurance that has been effected by **you**, or on behalf of **you**, or of which **you** are a beneficiary, which covers the same **loss** in full or in part, then subject only to the terms and conditions of this **policy**, cover under this Optional Cover shall apply in excess of such other insurance. **You** are required to provide **us** details of the other insurance.

The maximum sublimit **we** will pay in any one **policy period** for all **claims** under this Optional Cover – D&O Liability Cover is stated in your **schedule**. The sublimit for this Optional Cover – D&O Liability Cover forms part of, and is not in addition to, the **limit** for Section B – Loss to Others.

The **excess** for this optional cover is set out in your **schedule**.

### Optional Cover – Tangible Property Cover

**We** will pay the cost of the replacement or repair of **your** IT hardware at or within **your** **business** that is physically damaged or no longer suitable for use solely and directly because of a **cyber event** covered under this policy or the incurring of related **cyber event response costs**. The sublimit for Tangible Property Cover forms part of, and is not in addition to, the **limit** for Section C – Cyber Event Response Costs.

Section F – Exclusion 1 of the **policy** is varied to the extent of this Optional Cover – Tangible Property Cover.

### Optional Cover – Joint Venture and Consortium Cover

The cover provided under Section B – Loss to Others section of this **policy** is extended to **your** participation in a joint venture or consortium **you** have declared to **us**.

This Optional Cover – Joint Venture and Consortium Cover applies only if **you** have declared to **us** the estimated total revenue to be received from the joint venture or consortium for the coming 12 month period and the joint venture or consortium is named in your **schedule**.

This Optional Cover covers **you** only. No other participant in such joint venture or consortium, and no other third party, has any rights under this **policy**, nor shall **we** be liable to pay a contribution to any insurer of any other participant in such joint venture or consortium.

Section F – Exclusion 16 of the **policy** is varied to the extent of this Optional Cover – Joint Venture and Consortium Cover

## Section E – What Certain Words Mean

The words listed below have been given a specific meaning in this **policy** and these specific meanings apply when the words appear in bold font.

**act(s) of terrorism** includes any act which may or may not involve the use of, or threat of, force or violence where the purpose of the act is to further a political, religious, ideological aim or to intimidate or influence a government (whether lawfully constituted or not) or any section of the public.

**business** means the **policyholder's business** set out in **your schedule**. The **policyholder** must be domiciled in or operate from New Zealand.

**business activity** means the activity carried on by **your business** set out in **your schedule**.

**claim** means any written demand, notice of pending action or civil, criminal, administrative, regulatory or arbitral proceedings against **you** seeking compensation or other legal remedy caused by or in connection with a **cyber event, multimedia injury** or **Payment Card Industry liability**.

**computer system**, for the purposes of **exclusion 10**, 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.

**cryptojacking** means the unauthorised use of **your IT** to mine digital currency that causes **you direct financial loss**.

**cyber event** means any of the following:

- **crimeware** which is any malware of any type intentionally designed which causes harm to **IT** but does not include **cyber espionage** or **point of sale intrusion**.
- **cyber espionage** which is unauthorised access to an item of **IT** linked to a state affiliated or criminal source exhibiting the motive of espionage.
- **cyber extortion** which is a crime involving ransomware or an attack or threat of attack against **IT**, or data in **IT**, coupled with a demand for money or other valuable consideration (including digital currency) to avert or stop the attack.
- **denial of service** which is uniquely intended to compromise the availability of **IT**. This includes a distributed denial of service.
- **hacking** which is malicious or unauthorised access to **IT**.
- **insider and privilege misuse** which is unapproved or malicious use of **IT** by **your** employees, outsiders in collusion with **your** employees, or business partners who are granted privileged access to **IT** but does not include theft, **socially engineered theft, identity-based theft, push payment theft** or **cyber theft**.
- **miscellaneous errors** where unintentional actions directly compromise a security attribute of an item of **IT** but does not include theft, **socially engineered theft** or **cyber theft**.

- **payment card skimming** involving a skimming device being physically implanted through tampering into an item of **IT** that reads data from a payment card.
- **physical theft and loss** where an item of **IT** is missing or falls into the hands of a third party or the public whether through misplacement or malice.
- **point of sale intrusion** being a remote attack against **IT** where retail transactions are conducted, specifically where purchases are made by a payment card.
- **privacy error** where acts or omissions by **your** employees lead to unauthorised access to, unauthorised disclosure of or loss of data (including non-electronic data) which necessitates incurring **cyber event response costs**.
- **web app attacks** where a web application was the target of attack against **IT**, including exploits of code level vulnerabilities in the application.

**We** agree that any loss under this **policy** in respect of a **cyber event** that results from or is enabled by the use of artificial intelligence (AI), is covered provided the loss otherwise falls within the terms and conditions of this **policy**.

**cyber event response costs** means the reasonable and necessary costs and expenses **you** incur with **our** agreement and consent, which will not be unreasonably withheld, being:

- **credit and identity monitoring costs** incurred in engaging monitoring services by a third party for persons affected by a **cyber event** for a period of up to 12 months.
- **cyber extortion costs** paid with **our** agreement and consent to respond to a **cyber event** where a third party is seeking to obtain pecuniary gain from **you** through **cyber extortion**.
- **data restoration costs** incurred in restoring or replacing **your** data, data **you** hold or process on behalf of others or programs in **IT** that have been lost, damaged or destroyed and the cost to mitigate or prevent further damage, and includes the cost of **you** purchasing replacement licenses, to an upgraded or better version if necessary, but does not include any costs relating to redesign, replication or reconstitution of proprietary information, facts, concepts or designs.
- **data securing costs** incurred in securing **IT** to avoid ongoing **impact on business costs, loss** and **cyber event response costs**.
- **external management costs** incurred in responding to a **cyber event** including crisis management and mitigation measures engaged in by **you** and agreed to by **us** when necessary to counter a credible impending threat to stage a **cyber event** against **IT** and to prevent reputational harm to **you**.
- **identity theft response costs** incurred in supporting an individual with reporting of the **identity theft** and re-establishing identity and essential records following the **identity theft**.
- **IT forensic costs** incurred by **you** with **our** prior consent, to investigate a **cyber event** or suspected **cyber event**.
- **legal advice costs** incurred with **our** written consent to advise **you** in the response to a **cyber event**. **Legal advice costs** do not include **defence costs**.
- **notification costs** incurred in notifying any person whose data or information has been accessed or lost including the cost of notifying a privacy breach to the Office of the Privacy Commissioner or other authorities.
- **public relations costs** incurred in responding to a **cyber event**, or adverse media arising from a **cyber event**, including external public relations, media, social media and communications management to prevent reputational harm to **you**.
- **pursuit costs** of up to a maximum of \$50,000 paid with **our** agreement and consent to a third party (other than a law enforcement officer or **your** current or former employee or **IT contractor**), as reward for assistance leading to the arrest and conviction of the perpetrator of a **cyber event** covered under this **policy**.
- **virus extraction costs** incurred to remove a virus from **IT**.

**cyber operation** for the purposes of [exclusion 10](#) means the use of a **computer system** by, at the direction of, or under the control of a **state** to:

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

**cyber theft** means an electronic transfer that results in **direct financial loss**. The **cyber theft** must happen directly because of a **cyber event** that happens to **your IT** and without **your** knowledge. **Cyber theft** does not include **push payment theft, socially engineered theft, physical goods theft** or **identity-based theft**.

**data processor** means a person other than an **IT contractor** who processes **your** data under a contract with **you**.

**data processor response costs** means the reasonable and necessary costs and expenses **you** incur in responding to a **cyber event** at or within **your data processor's** business that impacts **your** data being:

- **credit and identity monitoring costs,**
- **cyber extortion costs,**
- **data restoration costs,**
- **data securing costs,**
- **external management costs,**
- **identity theft response costs,**
- **legal advice costs,**
- **notification costs** and
- **public relations costs.**

**data processor response costs** does not mean the **data processor's** own costs.

**defence costs** means the reasonable costs, charges, fees and expenses incurred with **our** prior written consent to defend, investigate, appeal or settle a **claim**. **Defence costs** do not include **legal advice costs**.

**delayed revenue** means **revenue** earned in the period of 90 days after the end of the **indemnity period** which would have been earned during the **indemnity period** if the **cyber event** or **system failure** did not happen.

**employment wrongful act** means any actual or alleged employment-related act, error, omission or conduct constituting actual, constructive or alleged: wrongful dismissal, discharge or termination of employment; wrongful failure to employ or promote; wrongful deprivation of career opportunity; misleading representation or advertising in respect of employment; wrongful disciplinary action; negligent employee evaluation; wrongful demotion; breach of employment contract; sexual or workplace harassment (including the creation of a workplace environment conducive to such harassment); wrongful discrimination; failure to grant tenure; invasion of privacy or defamation. **Employment wrongful act** does not mean employee data impacted by a **cyber event**.

**essential service**, for the purposes of [exclusion 10](#), 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.

**excess** means the amount of money that **you** are responsible for before **we** make a payment under the **policy**. The **excess**, including the **excess** for any Optional Cover, is set out in **your schedule** and is exclusive of GST. If there is more than one **excess** stated in **your schedule** then **you** will pay the higher **excess** if the **incident** or claim relates to that higher **excess**.

**identity theft** means the unauthorised use of the identity of an individual whose data or information has been accessed because of a **cyber event** that happens to **your IT**. **Identity theft** does not include **identity-based theft**.

**identity-based theft** means an **identity theft** that happens without the individual's knowledge and results in **direct financial loss** to the individual. **Identity-based theft** does not include **cyber theft, push payment theft, physical goods theft** or **socially engineered theft**.

**impact on business costs** means:

- a. the amount that the **revenue you** earn during the **indemnity period** falls short of the **revenue you** ordinarily earn directly as a result of a **cyber event** or **system failure**, less any consequent savings, and less any **delayed revenue**, plus
- b. the net increased costs incurred during the **indemnity period** to avoid a reduction in **revenue** directly as a result of a **cyber event** or **system failure** provided the amount of increased cost paid is less than **we** would have paid for a reduction in standard **revenue** in a. above. Net increased costs do not include **your** ongoing normal operating expenses, salaries or overhead expenses.

**Impact on business costs** do not include **cyber event response costs**.

The amount is calculated by reference to the **records of your business** and any other documents that **we** reasonably request. **We** will not pay **impact on business costs** incurred during the waiting period after **you** discover a **cyber event** or first interruption to **your business** due to a **system failure**.

The waiting periods which commence when **you** first discover a **cyber event** or the first interruption due to a **system failure** are stated on **your schedule** and may be different.

**impacted state**, for the purposes of [exclusion 10](#), means any **state** where a **cyber operation** has had a major detrimental impact on:

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

**incident** means a **cyber event**, a **system failure**, a **preventative shutdown**, a **claim**, **multimedia injury**, a **Payment Card Industry liability**, **supplier system failure**,

**cyber theft, push payment theft, physical goods theft, social engineering theft, telephone phreaking** or **cryptojacking** that arises out of an event or series of events that is attributable to one original source or cause.

**indemnity period** means the period starting from first discovery of the **cyber event** or **system failure** until the **IT** is restored to its usual function, plus reasonable additional time to allow for **your business** to normalise, however in total length not exceeding the number of days set out in **your schedule**.

**IT** means all of the hardware, servers, systems, firmware, software, networks, platforms, facilities owned by, leased to, rented to or licensed to:

- a. **you**, or
- b. **your IT contractor**

insofar and solely as they are required to develop, test, deliver, monitor, control or support information technology services **you** use in **your business**.

The term **IT** includes all of the information technology, but not the associated people, processes and documentation.

**IT contractor** means a business **you** do not own, operate or control, but that **you** hire under contract to provide, maintain, service or manage information technology services on **your** behalf that are used in **your business**.

**IT contractor response costs** means the reasonable and necessary costs and expenses **you** incur in responding to a **cyber event** at or within **your IT contractor's** business that impacts **your** data being:

- **credit and identity monitoring costs,**
- **cyber extortion costs,**
- **data restoration costs,**
- **data securing costs,**
- **external management costs,**
- **identity theft response costs,**
- **legal advice costs,**
- **notification costs** and
- **public relations costs.**

**IT contractor response costs** does not mean the **IT contractor's** own costs.

**limit** means the amount set out in **your schedule** for each of Section A – Losses to Your Business, Section B – Loss to Others, Section C – Cyber Event Response and Section D – Optional Covers and applies to any one **incident**. Any sublimit is stated in **your schedule** and is included in the **limit** for any one **incident**.

**loss** means any sums payable pursuant to judgements (including orders for costs), settlements, awards and determinations including damages, regulatory and civil fines and penalties in respect of a **claim**, and any costs as consequence of a mandatory notice from a regulatory authority as a consequence of the failure to secure information held by **you**. **Loss** includes **defence costs**.

**multimedia injury** means loss to others because of unintentional:

- a. libel, slander, defamation;
- b. infringement of trademark, service mark, slogan, copyright, domain name or metatags;
- c. improper deep linking, framing, or web harvesting;
- d. non-conformance with any legal requirement relating to web access such as the Disability Discrimination Act 1992; or
- e. inadvertent disclosure of personal information;

solely occasioned through **your** website content, social media presence (including comments made by third parties for which **you** may be held legally responsible) or other online mediums. **Multimedia injury** does not include any actual or alleged infringement of any patent.

**Payment Card Industry liability** means the fines, penalties and monetary assessments that **you** are legally liable to pay as a direct result of **your** non-compliance with a Payment Card Industry Data Security Standard. **Payment Card Industry liability** does not mean any fine or penalty for any continuous non-compliance after the initial monetary fine or assessment.

**physical goods theft** means the **direct financial loss** incurred by **you** as a direct result of the loss of **your** goods through **your** employee supplying goods to an unintended third party in connection with **your business**, and such supply was made:

- in good faith;
- in reliance upon intentionally misleading material facts communicated to the employee through **your IT**; and
- that **your** employee believed such material facts to be genuine and true.

**Physical goods theft** does not include **cyber theft, socially engineered theft, push payment theft** or **identity based theft**.

**policy** means this **policy** wording, the **schedule** and any endorsement(s) stated in **your schedule**.

**policy period** means the period set out in **your schedule**.

**policyholder** means the entity first named in **your schedule** under **policyholder / business** and is authorised to enter into and deal with this **policy** on behalf of all other entities covered under the **policy**.

**preparation costs** means the costs **we** will pay to assist **you** to verify **impact on business costs** incurred by **you**.

**preventative shutdown** means the reasonable, necessary and intentional shut down of **your IT** in response to a **cyber event** at or within **your business**, or a credible threat to **your IT** following:

- a. a **cyber event** at or within **your** direct customer, supplier or business partner's business,
- b. specific instruction from **your** financial institution, law enforcement or the National Cyber Security Centre (NCSC), CERT NZ or a similar agency of the government, or

- c. communication by a third party threatening to carry out **cyber extortion**, a **denial of service** attack or other **cyber event** against **your business**

and where such shutdown will mitigate the threat or avoid otherwise larger claims under this **policy**. **Preventative shutdown** does not include shutdown due to routine maintenance, patching or updating of software, use of software that is past its end-of-life and no longer supported or for any reason other than mitigation of threat to **your IT**.

**preventative shutdown allowance** means:

- a. the amount that the **revenue you** earn during the **preventative shutdown** falls short of the **revenue you** ordinarily earn directly as a result of the **preventative shutdown**, less any consequent savings and less any **delayed revenue**, plus
- b. the net increased costs incurred to avoid a reduction in **revenue** directly as a result of a **preventative shutdown** provided the amount of increased costs paid is less than **we** would have paid for a reduction in standard **revenue** in a. above. Net increased costs do not include **your** ongoing normal operating expenses, salaries or overhead expenses.
- c. Reasonable and necessary costs **we** agree to for an independent security audit to assess the threat to **IT**.

**Preventative shutdown allowance** does not include **cyber event response costs, IT contractor response costs, data processor response costs** or **impact on business costs**.

**Preventative shutdown allowance** does not include the cost for **you** to implement critical security audit recommendations or other measures as required to mitigate the threat.

The amount is calculated by reference to the **records of your business** and any other documents that **we** reasonably request. **We** will not pay **preventative shutdown allowance** during the waiting period of the first 8 hours after **you** initiate a **preventative shutdown** unless a different waiting period has been specified on **your schedule**. The **excess** does not apply to the **preventative shutdown allowance**. **We** will pay a preventative shutdown allowance for up to a maximum of 48 consecutive hours after the waiting period and ending at the earlier of:

- a. first discovery of the **cyber event** affecting **your IT**; or
- b. the safe resumption of operations of **your IT**; or
- c. the expiration of the 48 consecutive hours.

**push payment** theft means the fraudulent issuance of an invoice from **your IT** by an unknown party that causes **your** customer **direct financial loss**. The **push payment theft** must happen directly because of a **cyber event** that happens at or within **your business** and without **your** knowledge. **Push payment theft** does not include **cyber theft, socially engineered theft** or **identity-based theft**.

**records of your business** means all documents that evidence **your revenue**, including **your** bank records, GST records, tax records and usual business records including records that evidence **your** expenditure and outgoings.

**revenue** means the money paid or payable to **you** for goods sold, work done and services rendered in the course of **your business**.

**schedule** means the document **we** provide to **you** which sets out the personalised details of **your policy** with **us**.

**socially engineered theft** means an electronic transfer to an third party that results in **direct financial loss**. The transfer must be made in connection with **your business** by **your** employee in good faith, in reliance upon intentionally misleading material facts including facts communicated through deepfake or the use of any other form of artificial intelligence (AI) communicated through **your IT**, having believed such facts to be genuine and true. **Socially engineered theft** does not include **cyber theft, push payment theft, physical goods theft** or **identity-based theft**.

**state**, for the purposes of [exclusion 10](#), means sovereign state.

**subsidiary** means an entity other than the **policyholder** or joint venture or consortium, in which, at the inception of this **policy, you** have majority ownership, control the composition of the board of directors, or control greater than 50% of the voting rights. **Subsidiary** includes entities **you** form or acquire during the **policy period** that also meet the following criteria, but only for **cyber events** that happen after the date of such formation or acquisition:

- a. the **business activity** is the same as or substantially similar to **your business activity**;
- b. the entity's **revenue** does not exceed 25% of the **revenue** declared under this **policy**;
- c. the entity is not domiciled or incorporated or listed in the United States of America, or has or holds or processes data for clients or direct customers located there;
- d. the entity has not had any **incidents** prior to **you** acquiring it;
- e. the entity's **IT** and risk management are equal to or better than **yours**, or **you** will use best endeavours either to bring its **IT** and risk management to an equivalent standard or to ensure its **IT** will be absorbed promptly into **your IT**.

**system failure** means an interruption to **your business** directly arising from an unintentional, unexpected and unplanned outage of **IT**, but does not include outage:

- a. caused by a **cyber event**;
- b. caused by using untested, disapproved or illegal software, or software that is past its end-of-life and no longer supported;
- c. caused by use of a non-operational part of **IT**;
- d. falling within parameters of a service level agreement; or
- e. arising out of commercial dispute, failure to pay for services or refusal to deliver services paid for.

The waiting period for **system failure** is stated in **your schedule**.

**telephone phreaking** means a **hacking** of **your business** telephone systems that causes **you direct financial loss**.

**utility provider** includes providers of gas, electricity, water, sewage, stock exchanges, security exchanges, telecommunications, satellite, cable, internet access, internet backbone, DNS servers or other core infrastructure of the internet.

**war**, for the purposes of [exclusion 10](#), means armed conflict involving physical force:

- a. by a **state** against another **state**, or
- b. as part of a civil war, rebellion, revolution, insurrection, military or usurpation of power,

whether war be declared or not.

**we/our/us** means certain underwriters at Lloyd's lead by Markel Syndicate Management – Syndicate 3000 (the underwriters), as insurers of this **policy** and Emergence acting on behalf of underwriters as the issuer of this **policy**.

Note: **You** can obtain further details of the underwriters from Emergence upon request.

**you/your** means the **policyholder** referred to in **your schedule**. It includes **policyholder's subsidiaries**, any affiliates stated in **your schedule**, and any current, future or former employee for work performed in connection with **your business**, including directors and officers, or partners if **you** are a partnership. In the event of **your** death, incompetence or bankruptcy, if **you** are a natural person it also includes **your** estate, heirs, legal representatives or assigns for **your** legal liabilities.

## Section F – Exclusions

### Exclusions – all policy sections

The following Exclusions apply to all sections of the **policy**.

**We** will not pay any **impact on business costs, loss, cyber event response costs, direct financial loss** or **preventative shutdown allowance**, or be liable for any **loss, damage, expense** or benefit arising from attributable to or as a consequence of:

1. physical damage to or the repair or replacement of tangible property or equipment.
2. death or bodily injury, however, this exclusion shall not apply to mental illness as a result of a **cyber event** and for which **you** are legally liable.
3. any **incident**, fact or circumstance known to **you** or discovered by **you** before the **policy period**.
4. any intentional, criminal or fraudulent acts by **you**. For purposes of applying this exclusion the acts, knowledge or conduct of any person covered under this **policy** will not be imputed to any other person covered under this **policy**.
5. **your** bankruptcy, liquidation or insolvency or the bankruptcy, liquidation or insolvency of any **IT contractors** or external suppliers.
6. or resulting in, or causing an **employment wrongful act**.

7.
  - a. ionising, radiation or contamination by radioactivity from any nuclear fuel, waste or other hazardous properties of any nuclear assembly or component,
  - b. pollution,
  - c. any electromagnetic field, electromagnetic radiation or electromagnetism.
8. physical cause or natural peril, such as fire, wind, water, flood, lightning, electromagnetism, explosion, collision, subsidence, earthquake, solar flares or storms, or any other type of radiation, or act of God howsoever caused.
9. or directly or indirectly involving the infringement of any copyright, service mark, trademark or other intellectual property, however this exclusion shall not apply to **multimedia injury** expressly covered under Section B.
10. or directly or indirectly occasioned by or happening through,
  - a. **war** and/or
  - b. a **cyber operation** that is carried out as part of **war**, or the immediate preparation for **war**, and/or
  - c. a **cyber operation** that causes a **state** to become an **impacted state**.
11. any **act of terrorism**, however, this exclusion does not apply to:
  - a. the following **cyber events**:  
**crimeware, cyber espionage, cyber extortion, denial of service, hacking, payment card skimming, point of sale intrusion or web app attacks**; and
  - b. Optional Cover – Criminal Financial Loss Cover.
12. a liability that was assumed by **you** under any contract unless **you** have a liability independent of the contract. This exclusion does not apply to a **Payment Card Industry liability**.
13. or that is related to damages characterised or described as aggravated, punitive or exemplary damages.
14. or caused by outage, failure or malfunction of a **utility provider**.
15. **cyber theft, socially engineered theft, identity-based theft, push payment theft, physical goods theft, telephone phreaking or cryptojacking**. This exclusion does not apply to **cyber event response costs** incurred solely and directly due to **cyber theft, identity-based theft, push payment theft, physical goods theft, telephone phreaking or cryptojacking**.
16. any joint venture or consortium in which **you** have an interest.
17. or in connection with any **claim** made by one insured against any other insured under this **policy**, or against **you** by **your** parent company or by anyone with effective control over **you**.
18. any **claim, loss**, judgement or award made in the United States of America or which applied the laws of the United States of America.
19. or directly or indirectly involving any actual or alleged infringement of any patent.
20. of the recall, redesign or rectification of any products, hardware, software, software as a service, platform as a service, infrastructure as a service, or related services or **IT you** sell, lease, license or otherwise provide to others for a fee.
21. or related to any warranty for any products, hardware, software, software as a service, platform as a service, infrastructure as a service, or related services or **IT you** sell, lease, license or otherwise provide to others for a fee.
22. any capital gain or loss due to **your** inability to trade, invest, divest, buy or sell any financial security or financial asset of any kind.

Paragraph c. shall not apply to the direct or indirect effect of a **cyber operation** on a **computer system** used by the **policyholder** 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**.

Notwithstanding **our** burden of proof, which will remain unchanged by this clause, in determining attribution of a **cyber operation** to a **state**, the **policyholder** and **us** 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.

11. any **act of terrorism**, however, this exclusion does not apply to:
  - a. the following **cyber events**:  
**crimeware, cyber espionage, cyber extortion, denial of service, hacking, payment card skimming, point of sale intrusion or web app attacks**; and
  - b. Optional Cover – Criminal Financial Loss Cover.

This exclusion does however apply to any such activities that are excluded under Exclusion 10 (**war** or a **cyber operation**).

12. a liability that was assumed by **you** under any contract unless **you** have a liability independent of the contract. This exclusion does not apply to a **Payment Card Industry liability**.

### Exclusions – policy Section B only

The following exclusions apply to Section B only.

**We** will not pay a **loss** that **you** are legally liable for arising out attributable to or as a consequence of a **claim** under Section B of the **policy**:

23. for an action:
  - a. brought against **your** directors or officers acting in that capacity, or
  - b. brought against **you** as a result of any failure of information technology services provided, maintained, serviced or managed by **you** for a third party for a fee as part of **your business activities**.
24. in connection with any products, including packaging, labelling or instructions, that **you** design, assemble, manufacture, distribute, service, sell, rent, lease or license to others for a fee.

## Section G – Claims Conditions

The following Claims Conditions apply to all sections of the **policy**.

**You** must comply with the following conditions if **you** discover a **cyber event** or **system failure**, if a **claim** is made against **you** or if **you** believe **you** have a **claim** under this **policy**. If **you** do not comply with the following Claims Conditions, **we** may refuse to pay a **claim** in whole or in part.

1. **You** must immediately ring the Emergence cyber event reporting line on 0800 129 237 (that's 800 1 CYBER) or notify Emergence in writing at [claims@emergenceins.co.nz](mailto:claims@emergenceins.co.nz) and provide details and circumstances of the event, including any **claims**, demands or notices received by **you** or proceedings against **you**.
2. **You** must report **cyber theft, socially engineered theft, identity-based theft, push payment theft, physical goods theft, telephone phreaking** or **cryptojacking** to, respectively, the National Cyber Security Centre, **your** financial institution and **your** telephone service provider, within 24 hours of it first being discovered by **you**.
3. **We** will assess whether cover applies under **your policy**. **We** may at **our** discretion appoint a forensic investigator to assist **us** in determining if there is a **cyber event** or **system failure** and assess whether cover applies under **your policy**. If **we** do not appoint a forensic investigator **you** can with our prior consent and approval appoint a forensic investigator. The costs of the forensic investigator are included in the **limit** that applies to the **cyber event**.
4. **You** must do everything reasonably possible to preserve evidence to enable **us** to properly assess and investigate the claim.
5. If the claim is not covered under **your policy**, **we** will advise **you** to engage **your** own service resources.
6. **You** are required to fully cooperate with any reasonable requests made by **our** technical management, claims management and investigation teams and with any providers **we** appoint.
7. **You** must do everything reasonably possible to assist in the reduction or mitigation of the **impact on business costs, loss, cyber event response costs, or direct financial loss**.
8. **You** must, at **your** own cost, provide all necessary information to **us** to enable **us** to assess the claim and potential payment.
9. **We** may at **our** own discretion appoint an auditor to review and audit any **Payment Card Industry liability**.
10. If **you** do not accept our assessment of **impact on business costs** and **we** agree to **you** incurring **preparation costs**, **we** will pay up to a maximum amount of \$10,000 for **preparation costs**.
11. **We** will not reimburse **you** for any costs incurred by or payments made by **you** unless approved by **us**. **Our** consent will not be unreasonably withheld.
12. **Defence costs** and **legal advice costs** must be approved by **us** in writing before they can be incurred by **you**. **We** will not unreasonably withhold our consent to **you** incurring reasonable and necessary **defence costs** or **legal costs**.
13. **You** will pay the **excess** set out in **your schedule** before **we** pay or incur a payment.
14. If cost is incurred in response to an **incident** and some of that cost is not covered under this **policy** it is **your** responsibility to pay some or all of the cost. **We** will determine a fair and reasonable allocation of cost between what is covered and what is not covered under the **policy**.
15. If **you** suffer a **direct financial loss** and **you** are actively pursuing the recovery of the funds through **your** financial institution **we** will pay the claim within 30 days of the claim being notified to **us**. **You** must cooperate with and assist **us** in **our** attempts to recover **your direct financial loss** and **you** must reimburse **us** for any funds recovered by **you**.

## Section H – General Conditions

The following General Conditions apply to all sections of the **policy**.

1. **You** must comply with the conditions of this **policy** at all times. If **you** or any other person or entity **we** cover under this **policy**, or anyone acting on **your** behalf, breaches any of the terms and/or conditions of this **policy**, **we** may:
  - a. refuse to pay a claim in whole or in part, and/or
  - b. declare this **policy** or all insurance the **policyholder** has with **us** to be of no effect and to no longer exist.
2. True statements and answers must be given, whether by **you** or any other person, when:
  - a. applying for this insurance, and/or
  - b. notifying **us** regarding any change in circumstances, and/or
  - c. making any claim under this **policy** and communicating with **us** or providing any further information regarding the claim.
3. When **you** apply for insurance **you** have a legal duty of disclosure. This means **you** or anyone applying on **your** behalf must tell **us** everything **you** know (or could be reasonably expected to know) that might affect **our** decision when deciding:
  - a. to accept **your** insurance, and/or
  - b. the cost or terms of the insurance, including the **excess**.
  - c. In particular, **you** should tell **us** anything which may increase the chance of a claim under this **policy**, or the amount of a claim under this **policy**.
  - d. **You** also have this duty every time **your** insurance renews and when **you** make any changes to it. If **you** or anyone on **your** behalf breaches this duty of disclosure, **we** may treat this **policy** as being of no effect and to have never existed.

Please ask **us** if **you** are not sure whether **you** need to tell **us** about something..

4. **You** must notify **us** in writing as soon as practicable of any change in **your business activity**.
5. **You** must notify **us** in writing as soon as practicable of any material alteration to the risk during the **policy period** including:
  - a. if **you** go into voluntary bankruptcy, receivership, administration or liquidation;
  - b. **you** become aware of a pending appointment of a receiver or the commencement of bankruptcy or winding up proceedings to **your business**; or
  - c. if **you** form or acquire an entity that does not meet the criteria for automatic inclusion under this **policy** as set forth in the definition of **subsidiary**.

If **you** do notify **us** of a change, **we** may alter the premium, the terms of **your** insurance or cancel the insurance with effect from the date on which the change first occurred.

6. **You** must maintain IT security practices and procedures to a standard equal or better than **you** had in place at the time this **policy** commenced. A failure to adhere to such practices and procedures by an employee or an external supplier shall not constitute a breach of this condition.
7. If during the **policy period** any other entity gains control of management or acquires more than 50 percent of the **policyholder** or any **subsidiary**, this policy shall be restricted in respect of the **policyholder** or that **subsidiary** so as to apply only to **cyber events, system failure, multimedia injury, Payment Card Industry liability, or socially engineered theft** that happened prior to the date of such gaining of control or acquisition, unless **we** agree to extend coverage under the **policy** and **you** agree to the terms of any such extension of coverage.
8. This **policy** and any rights under it cannot be assigned without **our** written consent.
9. Where GST is recoverable by us under the Goods and Services Tax Act 1985:
  - a. all **limits** exclude GST, and
  - b. all sublimits exclude GST, and
  - c. all **excesses** include GST, and
  - d. GST will be added, where applicable, to claim payments.
10. The cancellation procedure is
  - a. By the **policyholder**  
The **policyholder** may cancel this **policy** at any time by notifying **us** in writing. **We** will refund any premium that is due to the **policyholder** based on the unused portion of the **policy period**. The **policyholder** must pay any outstanding premium due for the expired portion of the **policy period**.
  - b. By **us**  
**We** may cancel this **policy** by giving the **policyholder**, or their broker, notice in writing or by electronic means, at the **policyholder's**, or their broker's last known address. The **policy** will be cancelled from 4pm on the 30th day after the date of the notice. **We** will refund the **policyholder** any premium that is due to them based on the unused portion of the **policy period**.
  - c. Any premium owing to **us** under this **policy** must be paid to **us** within 60 days of the commencement of this **policy**. If the premium remains unpaid after the 60 day period. The **policy** will be cancelled from 4pm on the 30th day after the date of the notice.

11. **We** will indemnify **you** for **claims** under Section B – Loss to Others, where the **claim** is brought under the jurisdiction of any country where **you** are located, excluding the United States of America, its territories or possessions, or any judgement or award pursuant to United States law by the courts of any other country.
12. If **we** make a payment under this **policy**, then **we** are entitled to assume **your** rights against any third party to the extent of **our** payment. **You** must, at **your** own cost, assist **us** and provide necessary information to **us** to enable **us** to bring the subrogation or recovery claim.
13. If any claim arises under this **policy** and there is any other insurance that has been effected by **you**, or on behalf of **you**, or of which **you** are a beneficiary, which covers the same loss in full or in part, then you must promptly notify **us** of full details of such other insurance, including the identity of the insurer(s) and the policy number(s), and such further information as **we** may reasonably require. **We** reserve the right to seek a contribution from the other insurer(s).
14. **You** may not disclose the existence and terms of this **policy**. However, **you** may disclose the existence of this **policy** to the extent that **you** are required to do so by law or **you** need to prove **you** have the cover as part of a work tender or contract.
15. All premiums, **limits**, **loss** and other amounts under this **policy** are expressed and payable in New Zealand dollars. Except as otherwise provided, if judgement is rendered, settlement is denominated or another element of loss under this **policy** is stated in other than New Zealand dollars, payment under this **policy** shall be made in New Zealand dollars at the cash rate of exchange for the purchase of New Zealand dollars in accordance with the Reserve Bank of New Zealand on the date final judgement is reached, the amount of the settlement is agreed upon or the other element of loss becomes due.
16. If you report a **cyber event, system failure, preventative shutdown, cyber theft, socially engineered theft, physical good theft** or **claim** to **us** and either, or all, of **impact on business costs, a loss, cyber event response costs, or direct financial loss** are incurred and they arise out of one event or a series of events that is attributable to one original source or course, then we will apply the Each Incident Limit set out in your **schedule** as if one such event happened.
17. The notification to **us** of an incident under one section of this **policy** will be deemed a notification to **us** under each section of the **policy** or any Optional Cover.
18. If during the term of the **policy period** **you** become aware of any circumstance which may subsequently give rise to a **claim** against **you** then **you** shall during the **policy period** give written notice to **us** of the circumstance, then any such **claim** which may subsequently be made against **you** arising out of such circumstances shall be deemed to have been made during the **policy period**.
19. Where **you**:
  - a. prior to the **policy period** first became aware of facts or circumstances that might give rise to a **claim**; and
  - b. did not notify **us** of such facts or circumstances prior to the **policy period**; and
  - c. have been continuously insured under a Cyber Event Protection policy issued by **us**, without interruption since the time **you** first became aware of such facts or circumstances;
 then **we** will accept the notification within the **policy period** subject to the terms, conditions and **limits** of the **policy** in force when **you** first became aware of facts or circumstance that might give rise to the **claim**.
20. If this **policy** is terminated by either **us** or **you** for any reason other than non-payment of premium and no **claim** has been made and no other similar insurance has been arranged, then **you** shall have the right to an extended reporting period for a period of thirty days (30) for no additional premium. In the event of an extended reporting period, coverage otherwise afforded by this **policy** will be extended to apply to **claims** first made against **you** and notified to **us** during the extended reporting period arising out of a **cyber event, multimedia injury** or **Payment Card Industry liability** that happened prior to termination.
21. The underwriters accepting this insurance agree that:
  - a. if a dispute arises under this insurance, this **policy** will be subject to New Zealand law and practice and the underwriters will submit to the jurisdiction of any competent Court in New Zealand;
  - b. any summons notice or process to be served upon the underwriters may be served upon the Lloyd's Underwriters' General Representative in New Zealand,  
  
Lloyd's General Representative in New Zealand  
C/o Hazelton Law  
PO Box 5639 Wellington, New Zealand  
Telephone: +64 4 472 7582  
  
who has authority to accept service and to appear on the underwriters' behalf;
  - c. if a suit is instituted against any of the underwriters, all the underwriters participating in this **policy** will abide by the final decision of such Court or Appellate Court.  
  
In the event of a claim arising under this **policy** NOTICE should be given to Emergence NZ Limited as soon as possible.

22. 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.

23. Any enquiry or complaint relating to this **policy** should be referred to Emergence NZ Limited in the first instance.

If this does not resolve the matter or the **policyholder** is not satisfied with the way the enquiry or complaint has been dealt with, the **policyholder** should write to:

Lloyd's General Representative in New Zealand  
C/O Hazelton Law  
PO Box 5639 Wellington, New Zealand  
Telephone: +64 4 472 7582

24. Sanctions Limitation 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, United States of America or any trade or economic sanctions, laws or regulations of any other jurisdiction.

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# emergence

YOUR AWARD-WINNING UNDERWRITING AGENCY

**0800 129 237**

Level 11, Shortland Centre, 55 Shortland Street, Auckland 1010

**[emergenceins.co.nz](http://emergenceins.co.nz)**

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