emergence

summary of key changes

This document provides a summary of changes to the Emergence Cyber Event Protection policy. It follows the sectional layout of the policy. It is not an exhaustive summary, nor does it form part of the policy wording. Emergence policies are available on the Emergence website.

Please read the policy wording in its entirety for full details of cover and to ensure it meets your requirements.

Important Information

Policy Reference	Description
About the Insurer	*Lead underwriter is specified:* This insurance is underwritten by certain underwriters at Lloyd's lead by Markel Syndicate Management - Syndicate 3000.
About our Services	*Emergence Smarter Services are now provided directly by Emergence.*
Emergence Incident Response Service	*Emergence Cyber Breach Coach Service has been renamed to Emergence Incident Response Service. This service is provided by the Emergence Incident Response (IR) Team.*

Policy Wording

Policy Reference	Description
Introduction	*We have removed the Aggregate throughout Sections A, B, C and D (excluding D&O Liability Cover)* Aggregate has been replaced with an Each Incident Limit as stated in the **Schedule**. The most **we** will pay for any one **incident**, for all Sections and sublimits combined, is the **limit** per incident stated on **your schedule**.

Section A – Losses to Your Business

Policy Reference	Description
Section A - Losses to Your Business	*We have increased the Section A System Failure limit from $250,000 to the full limit for Section A as stated in your schedule.*

summary of key changes

Section D – Optional Covers

Policy Reference	Description
Optional Cover – Non-IT Contingent Business Interruption and System Failure	*We have increased the Optional Cover Non-IT Contingent Business Interruption and System Failure limit from $100,000 to the full limit under the policy as stated in your schedule.*
Optional Cover – Criminal Financial Loss	*Expanded cover to include physical goods theft.* **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**. 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.

summary of key changes

Section E – What Certain Words Mean

Policy Reference	Description
Cyber Event - Privacy Error	*Definition expanded to include all Cyber Event Response costs.* **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.**
Cyber Event	*Clarified that a cyber event that results from artificial intelligence is covered.* **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**.
Impact on Business Costs	*Clarified when waiting periods commence.* 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**.**
Incident	*New definition of incident.* **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.
Limit	*Modified definition to apply to any one incident.* **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**.
Socially Engineered Theft	*Modified definition to remove 'unintended' and include facts communicated through deepfake or the use of artificial intelligence.* **socially engineered theft** means an electronic transfer to a 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.**
We/our/us	*Expanded to include lead underwriter.* **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**.

summary of key changes

Section H – General Conditions

Policy Reference	Description
General Condition 13	*General Condition 13 has been modified to incorporate the additional covers provided under CEP-005.1 and also replaces General Condition 14 under CEP-005.0.* 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.

Emergence Insurance Pty Ltd (ABN 46 133 037 153, AFSL 329634) ('Emergence') acts under a binding authority given to it by certain Underwriters at Lloyd's.

More information on Emergence can be found on our website: www.emergenceinsurance.com

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