

## הנדון: מסמך הבהרות מכרז פומבי 027/2022 למתן שירותי ביטוח עבור עיריית נהריה – סבב 2

בהמשך לפרסומו של המכרז שבנדון ולשאלות הבהרה שפורסמו בגינו, להלן התייחסות העירייה לשאלות נוספות אשר הגיעו אליה ממשתתפים פוטנציאליים במכרז שבכותרת וכן הבהרות יזומות מטעם העירייה.

האמור במסמך זה גובר על האמור במסמכי המכרז. אין ברישום השאלות משום הסכמה של העירייה להנחות היסוד של השואל או לאמור בשאלה ורק תשובות העירייה הן אלו שתחייבנה.

על המציעים להגיש מסמך זה כשהוא חתום בכל עמוד ועמוד יחד עם הצעתם במכרז.

מס"ד	מסמך/נספח	סעיף	נוסח השאלה	תשובת העירייה
1.	מסמך א' – ההזמנה להציע הצעות	2.13.3	מבוקש שוב לקבוע כי ביטוח הסייבר ייקבע כביטוח אופציונאלי, לנוכח הקשיים המהותיים במתן הצעה לביטוח מסוג זה לעירייה, כמפורט במכתב ב"כ שמצורף לפנייה זו.  השארית דרישת מתן הצעה לביטוח סייבר במסגרת המכרז הזה, כתנאי מנדטורי ולא אופציונאלי, עלולה להביא למצב בו יימנע ממציעים מלהגיש הצעה.  נוכח, שבביטוח הקיים, מזה מספר שנים, לא נדרש ביטוח סייבר ובכל מקרה לא נערכה כל בדיקת היתכנות לעריכת ביטוח כזה בעירייה, כולל כל בדיקת מערכות המחשוב של העירייה - כל הצעה לביטוח סייבר בתנאי המכרז הינה "מכשול לעיור".	1.הבקשה מקובלת. 2.על אף האמור במסמכי המכרז ובמסמך ההבהרות הקודם הגשת הצעה לביטוח סייבר תהא <b>אופציונאלית</b> ואין חובה להגיש הצעה לביטוח זה. 3.מובהר כי גם העירייה אינה חייבת לרכוש את הביטוח כאמור (גם אם תוגש הצעה ביחס אליו). 4.ההצעה לביטוח סייבר לא תילקח בחשבון בבחינת הצעות למכרז. 5.מובהר כי אי הגשת הצעה לביטוח סייבר לא תביא לפסילת הצעה והיא לא תשמש כאמת מידה לבחינת הצעות. 6.עצם הגשת הצעה לביטוח סייבר לא תעניק עדיפות כלשהי במכרז למגיש ההצעה.
7.	מסמך א' – ההזמנה להציע הצעות	2.13.3	נבקש למחוק את המילים "ו/או טענה לביטוח חסר". לצערנו הרב, לא נוכל להגיש הצעה הכוללת ויתור על סעיף ביטוח חסר. נוכל להסיר טענה לביטוח אחר לאחר שיבוצע מטעמנו ועל חשבוננו	הבקשה מקובלת.

מס"ד	מסמך/נספח	סעיף	נוסח השאלה	תשובת העירייה
			סקר מבנים ברשות וסכומי הביטוח יותאמו בסיכום עם המבוטחים.	
8.	מסמך א' – ההזמנה להציע הצעות	9.8	לא נוכל להגיש הצעה על כונן usb, אנו מציעים כי מיד לאחר פתיחת המכרז נעביר אליכם, העתק סרוק בדוא"ל.	על אף האמור במסמכי המכרז ובמסמך הבהרות הקודם הדרישה להגשת ההצעה גם על גבי כונן USB מוסרת. מציע שיש באפשרותו להגיש את ההצעה גם על גבי כונן USB יעשה כן.
9.	מסמך ג' – תנאי ביטוח	11.3	נבקש למחוק את המילים "חובה חוזית ו/או" לא נוכל לכלול מבוטחים נוספים שאיננו יודעים עליהם דבר.	הבקשה נדחית.
10.	מסמך ג'(2) – דף רשימה לפוליסת רכוש	4.4 (וכן סעיף 49 במענה לשאלות הבהרה)	נבקש לתקן "טעות סופר" במקום "נזקי טבע הנובעים מנחל הגעתון" נבקש לרשום: "נזקי טבע הנובעים מנחל הגעתון".	הבקשה מאושרת.
11.	ביטוח אש מורחב – נספח הרחבות ושינויים	כ"ז ובכל מקום אחר במכרז שהסעיף מצוין	נבקש להוסיף: "ו/או ראש הרשות ו/או מנכ"ל הרשות ו/או הגזבר ו/או היועץ המשפטי".	הבקשה נדחית.
12.	הפוליסה לביטוח אחריות כלפי שלישי	כ"ז	נבקש למחוק בשורה 3 את המילים "עובדי חברת כוח אדם וכל אדם בשירותו של המבוטח".	הבקשה נדחית.
13.	מסמך ג'(9) – דף רשימה לפוליסה לביטוח סייבר		נבקש אישורכם כי תנאי הביטוח יהיו בהתאם לפוליסת הפניקס לביטוח סייבר העדכנית ובכפוף לדרישות שבמסמך א'(9) ולמסמכי הבהרות.	הבקשה מאושרת ביחס לנוסח הנוסח המצ"ב או נוסח דומה אחר.

### עיריית נהריה

**GENERAL INSURANCE DIVISION**

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**CYBER COVERAGE**

NOTICE: THIS POLICY IS INCLUDES A COMBINED COVERAGE. THE LIABILITY COVERAGES ARE ON A **Claims** MADE AND REPORTED BASIS, AND THE FIRST PARTY COVERAGES ARE ON A DISCOVERY OR OCCURRENCE BASIS. TERMS THAT APPEAR IN BOLD FACE TYPE HAVE SPECIAL MEANINGS. PLEASE READ THIS POLICY CAREFULLY.

In consideration of the payment of the premium and reliance upon the statements made by **You** in the **Application** and subject to the Limit of Liability, exclusions, conditions and other terms of this Policy, it is agreed as follows:

**I. COVERAGES**

<b>A</b> <b>PRIVACY LIABILITY (INCLUDING EMPLOYEE PRIVACY)</b>	<b>We</b> shall pay on <b>Your</b> behalf <b>Damages</b> and <b>Claim Expenses</b> that <b>You</b> become legally obligated to pay in excess of the applicable deductible, resulting from a <b>Claim</b> first made against <b>You</b> , and reported to <b>Us</b> during the <b>Policy Period</b> or <b>Extended Reporting Period</b> arising out of a <b>Privacy Wrongful Act</b> on or after the <b>Retroactive Date</b> and before the end of the <b>Policy Period</b> , harming any third party or <b>Employee</b> .
<b>B</b> <b>SECURITY BREACH RESPONSE COVERAGE</b>	<b>We</b> shall reimburse <b>Your</b> Organization for <b>Crisis Management Costs</b> and <b>Breach Response Costs</b> in excess of the applicable deductible that <b>Your</b> Organization incurs in the event of a <b>Security Breach</b> with respect to personal, non-public information of <b>Your</b> customers, <b>Employees</b> or other parties. <b>We</b> will not make any payment under this Coverage unless the <b>Security Breach</b> first occurs on or after the <b>Retroactive Date</b> and before the end of the <b>Policy Period</b> and <b>You</b> first learn of the <b>Security Breach</b> within the <b>Policy Period</b> and report the <b>Security Breach</b> to <b>Us</b> as soon as practicable within the <b>Policy Period</b> .
<b>C</b> <b>SECURITY LIABILITY</b>	<b>We</b> shall pay on <b>Your</b> behalf <b>Damages</b> and <b>Claim Expenses</b> that <b>You</b> become legally obligated to pay in excess of the applicable deductible, resulting from a <b>Claim</b> first made against <b>You</b> , and reported to <b>Us</b> during the <b>Policy Period</b> or <b>Extended Reporting Period</b> arising out of a <b>Security Wrongful Act</b> on or after the <b>Retroactive Date</b> and before the end of the <b>Policy Period</b> .
<b>D</b> <b>MULTIMEDIA LIABILITY</b>	<b>We</b> shall pay on <b>Your</b> behalf <b>Damages</b> and <b>Claim Expenses</b> that <b>You</b> become legally obligated to pay in excess of the applicable deductible, resulting from a <b>Claim</b> first made against <b>You</b> , and reported to <b>Us</b> during the <b>Policy Period</b> or <b>Extended Reporting Period</b> arising out of a <b>Multimedia Wrongful Act</b> on or after the <b>Retroactive Date</b> and before the end of the <b>Policy Period</b> .
<b>E</b> <b>CYBER EXTORTION</b>	<b>We</b> shall pay on behalf of <b>Your</b> Organization for the <b>Cyber-Extortion Expenses</b> and <b>Cyber-Extortion Payments</b> that <b>Your</b> Organization actually pays directly resulting from a <b>Cyber-Extortion Threat</b> that <b>Your</b> Organization first receives and reports to <b>Us</b> during the <b>Policy Period</b> .
<b>F</b> <b>BUSINESS INCOME AND DIGITAL ASSET RESTORATION</b>	<ol style="list-style-type: none"> <li><b>We</b> shall pay the <b>Business Income Loss</b> that <b>Your</b> Organization sustains during a <b>Period of Restoration</b>, resulting directly from a <b>Network Disruption</b> that commences during the <b>Policy Period</b>, but only if the duration of such <b>Period of Restoration</b> exceeds the waiting period set forth in the Policy Schedule and such <b>Network Disruption</b> results solely and directly from a <b>Security Compromise</b> that commenced on or after the <b>Retroactive Date</b>.</li> <li><b>We</b> shall reimburse <b>Your</b> Organization for the <b>Restoration Costs</b> and <b>Crisis Management Costs</b> that <b>Your</b> Organization incurs because of the alteration, destruction, <b>damage</b> or <b>Loss of Digital Assets</b> that commences during the <b>Policy Period</b> resulting solely and directly from a <b>Security Compromise</b>, but only if such <b>Security Compromise</b> commenced on or after the <b>Retroactive Date</b>.</li> </ol>
<b>G</b> <b>PCI DSS ASSESSMEN</b>	<b>We</b> shall pay on <b>Your</b> behalf <b>Damages</b> and <b>Claim Expenses</b> that <b>You</b> become legally obligated to pay in excess of the applicable deductible, resulting from a <b>PCI DSS Assessment</b> in consequence of a <b>Security Breach</b> or <b>Privacy Breach</b> first made against <b>You</b> , and reported to <b>Us</b> during the <b>Policy Period</b> or <b>Extended Reporting Period</b> arising out of a wrongful act on or after the <b>Retroactive Date</b> and before the end of the <b>Policy Period</b> .
<b>H</b> <b>PRIVACY REGULATORY CLAIMS COVERAGE</b>	<b>We</b> shall pay on <b>Your</b> behalf, <b>Regulatory Fines</b> (where insurable under the applicable law), Consumer Redress Funds and <b>Claim Expenses</b> that <b>You</b> become legally obligated to pay in excess of the applicable deductible, resulting from a <b>Regulatory Claim</b> first made against <b>You</b> , and reported to <b>Us</b> during the <b>Policy Period</b> or <b>Extended Reporting Period</b> arising out of a <b>Privacy Wrongful Act</b> on or after the <b>Retroactive Date</b> and before the end of the <b>Policy Period</b> .

## II. DEFENSE, SETTLEMENT, AND INVESTIGATION OF CLAIMS

A	<p><b>We</b> shall have the right to defend, subject to the applicable policy aggregate limit and applicable sub-limits of liability, exclusions and other terms and conditions of this Policy, any <b>Claim</b> against <b>You</b> seeking <b>Damages</b> which are payable under the terms of this Policy, even if any of the allegations of the <b>Claim</b> are groundless, false, or fraudulent and <b>We</b> shall have the right to approve defense counsel.</p> <p><b>We</b> will act in respect of the defence against a <b>Claim</b> in cooperation with <b>You</b>, in an effort to maintain <b>Your</b> legitimate interests, including <b>Your</b> reputation.</p> <p>In case the defence counsel is appointed by <b>You</b>, the legal fees reimbursed by <b>Us</b> under the Policy shall not be lower than the legal fees which would have been paid by <b>Us</b> to a lawyer appointed by <b>Us</b>.</p> <p>The applicable policy aggregate limit and sub-limits of liability available to pay <b>Damages</b> and <b>Losses</b> shall be reduced and may be completely exhausted by payment of <b>Claim Expenses</b>. <b>Damages</b>, <b>Losses</b> and <b>Claim Expenses</b> shall be applied against the applicable deductible <b>You</b> pay.</p>
B	<p><b>We</b> shall not be obligated to pay any <b>Damages</b>, <b>Losses</b> or <b>Claim Expenses</b>, or to undertake or continue defense of any <b>Claim</b>, after the applicable policy aggregate limit or applicable sub-limits of liability has been exhausted by payment of <b>Damages</b>, <b>Losses</b> and/or <b>Claim Expenses</b> and that upon such payment, <b>We</b> shall have the right to withdraw from the further defense thereof by tendering control of said defense to <b>You</b>.</p> <p>However, it is agreed that in respect of Coverages A, C, D, G and H, in the event of <b>Damages</b> or <b>Claims Expenses</b> exceeding the applicable policy aggregate limit or applicable sub-limits of liability, then this Policy shall cover reasonable <b>Claims Expenses</b> exceeding applicable Policy aggregate limit or applicable sub-limits of liability, in accordance with article 66 of the Insurance Contract Law - 1981.</p> <p>In case where the Policy specifically applies to jurisdictions other than the State of Israel, then with respect to <b>Claims</b> filed against <b>You</b> outside the jurisdiction of the State of Israel, the reasonability of the <b>Claims Expenses</b> exceeding the applicable policy aggregate limit or applicable sub-limits of liability, will be measured based on reasonable <b>Claims Expenses</b> in Israel in accordance with Israeli standards.</p>

## III. TERRITORY

This insurance applies to **Claims** made and acts, errors or omissions committed or alleged to have been committed anywhere in the world.

## IV. EXCLUSIONS

The coverage under this Policy shall not apply to any **Damages**, **Claim Expenses** or **Loss** incurred with respect to any **Claim**, or any **Crisis Management Costs**, **Breach Response Costs** or other amounts, arising out of or resulting, directly or indirectly, from:

1	<i>Bodily Injury or Property Damage;</i>
2	<i>Your employment practices or any alleged or actual discrimination against any person or entity on any basis, including without limitation, race, creed, color, religion, ethnic background, national origin, age, handicap, disability, sex, sexual orientation or pregnancy;</i>
3	<i>Sexual harassment.</i>
4	<i>The failure, malfunction or inadequacy of any satellite; any electrical or mechanical failure and/or interruption, including but not limited to electrical disturbance, spike, brownout or blackout; or any outage to gas, water, telephone, cable, telecommunications or other infrastructure, unless such infrastructure is under <b>Your</b> operational control; however this exclusion shall not apply to any <b>Privacy Wrongful Act</b> that is caused by such electrical or mechanical failure or that is caused by such failure of telephone lines, data transmission lines or other infrastructure comprising or supporting the <b>Internet</b>;</i>
5	<i>Fire, smoke, explosion, lightning, wind, water, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, an act of God or any other physical event, however caused;</i>
6	<p><b>Breach of any express, implied, actual or constructive contract, agreement, warranty, guarantee or promise, provided, however, this exclusion shall not apply to:</b></p> <p><b>a. any liability or obligation <b>You</b> would have in the absence of such contract or agreement;</b></p>

	<p>b. any breach of <i>Your</i> privacy statement; or</p> <p>c. any indemnity by <i>You</i> in a written contract or agreement with <i>Your</i> client regarding any <i>Privacy Wrongful Act</i> or <i>Security Wrongful Act</i> by <i>You</i> in failing to preserve the confidentiality or privacy of personal information of customers of <i>Your</i> client;</p>
7	<p>Any of the following:</p> <p>a. Any presence of pollutants or contamination of any kind;</p> <p>b. Any actual, alleged or threatened discharge, dispersal, release, or escape of pollutants or contamination of any kind;</p> <p>c. Any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize pollutants or in any way respond to or assess the effects of pollutants or contamination of any kind; or</p> <p>d. Manufacturing, mining, use, sale, installation, removal, distribution of or exposure to asbestos, materials, or products containing asbestos, asbestos fibers or dust;</p> <p>e. Ionizing radiation or contamination by radioactivity from any nuclear fuel or any nuclear waste from the combustion of nuclear fuel;</p> <p>f. Actual, potential or alleged presence of mold, mildew or fungi of any kind;</p> <p>g. The radioactive, toxic, or explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof; or</p> <p>h. The existence, emission or discharge of any electromagnetic field, electromagnetic radiation or electromagnetism that actually or allegedly affects the health, safety or condition of any person or the environment or that affects the value, marketability, condition or use of any property;</p>
8	<p>Any of the following:</p> <p>a. Purchase, sale, offer of or solicitation of an offer to purchase or sell securities, or alleged or actual violation of any securities law, including but not limited to the the Securities Law - 1968;</p> <p>b. Alleged or actual anti-trust violations, restraint of trade or unfair competition, provided, however, this exclusion H.4 shall not apply to a <i>Claim</i> for a <i>Multimedia Wrongful Act</i> or <i>Regulatory Claim</i>;</p>
9	<p>Any Act Of Terrorism; cessation of labor operations and similar labor action, war (whether declared or not), invasion, act of foreign enemy, hostilities or warlike operations, civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, or any action taken to hinder or defend against these actions; Including all amounts, Damages, or Claim Expenses of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing, or in any way relating to the above. In addition, act or treat of violence or an act harmful to human life, tangible or intangible property or infrastructure, with the purpose or effect or influencing any government or of putting the public or any section of the public in fear. An explicit confirmation of the Israeli police or the ministry of defence or of the manager of <i>The Property Tax and Compensation Fund - 1961</i> including all its amendments confirming that the loss was caused directly by one of these acts may serve as cause for repudiation of a claim under this exclusion.; however, if We allege that by reason of this exclusion any Damages or Claim Expenses are not covered by this Policy, the burden of proving the contrary shall be upon You. However, this exclusion does not apply to acts perpetuated electronically</p>
10	<p>Any of the following:</p> <p>1. Any circumstance occurring, or act, error, or omission committed, prior to the inception date of this policy, or if this is a renewal to the first date of coverage granted by <i>insurers</i>, that <i>you</i> knew, or could have reasonably foreseen that such circumstance or Wrongful Act would be the basis of a <i>Claim</i>;</p> <p>2. Any <i>Claim</i> or circumstance previously notified to a prior <i>insurer</i> that could reasonably be expected to be the type of <i>Claim</i> or <i>Loss</i> covered by this Policy; or</p> <p>3. Any circumstance occurring, or act, error, or omission committed prior to the <i>Retroactive Date</i>;</p>

<p><b>11</b></p>	<p>Any criminal, dishonest, intentional violation of the law, unfair or deceptive business practice, fraudulent or malicious act, error or omission committed by <i>You</i> with actual criminal, dishonest, fraudulent or malicious purpose or intent; provided, however, this exclusion shall not apply to:</p> <ol style="list-style-type: none"> <li>1. <i>Claim Expenses</i> incurred in defending any such <i>Claim</i> until there is a final adjudication, judgment, binding arbitration decision or conviction against <i>You</i> in such <i>Claim</i> or an admission by <i>You</i> establishing such conduct, or a plea of nolo contendere or no contest by <i>You</i> regarding such conduct, in which event <i>You</i> shall reimburse <i>Us</i> for all <i>Claim Expenses</i> that <i>We</i> have paid and <i>We</i> shall have no further liability for <i>Claim Expenses</i> from such <i>Claim</i>; and</li> <li>2. any of <i>You</i> who did not personally commit or personally participate in committing or personally acquiesce in such conduct, except that the exclusion shall apply with respect to <i>Your Organization</i> if an admission, final adjudication, or finding in a proceeding separate or collateral to the <i>Claim</i> establishes that a current elected official, director, or officer of <i>Your Organization</i> in fact engaged in such conduct;</li> </ol>
<p><b>12</b></p>	<p>Any alleged or actual infringement or violation of patent rights or misappropriation, theft, copying, display or publication of any trade secret by, or with active cooperation, participation, or assistance of, <i>You</i>, any of <i>Your former Employees</i>, subsidiaries, directors, officers, trustees, elected officials or any of <i>Your successors</i> or assignees; or</p>
<p><b>13</b></p>	<p>Any trading <i>losses</i> or trading liabilities; the monetary value of any electronic fund transfers or transactions by or on behalf of <i>You</i> which is lost, diminished, or <i>damaged</i> during transfer from, into or between accounts.</p>
<p><b>14</b></p>	<p>With respect to Insuring Coverage F only, this Policy does not apply to any <i>Loss</i> arising out of, or resulting, directly or indirectly, from:</p> <ol style="list-style-type: none"> <li>a. Any costs of updating, upgrading or remediation of <i>Your Computer Systems</i> or <i>Your Digital Assets</i>; provided, however, this exclusion shall not apply to <i>Restoration Costs</i> otherwise covered under Coverage F.2.;</li> <li>b. Any failure of:             <ol style="list-style-type: none"> <li>1. Telephone lines;</li> <li>2. Data transmission lines or wireless communications connection; or</li> <li>3. Other telecommunications equipment, facilities or electronic infrastructure, including equipment, facilities or infrastructure that supports the operation of computer networks, including the <i>internet</i>, which are Used to transmit or receive voice or data communications and which are not under <i>Your direct operational control</i> or, if applicable, not under the direct operational control of <i>Your Service Provider</i>;</li> </ol> </li> <li>c. Ordinary wear and tear, gradual deterioration of or failure to maintain <i>Digital Assets</i> or <i>Computer Systems</i> on which <i>Digital Assets</i> are processed or stored, whether owned by <i>You</i> or others;</li> <li>d. The physical <i>Loss</i> of, <i>damage</i> to or destruction of tangible property, including the <i>Loss</i> of use thereof; provided, however, "tangible property" does not include <i>Digital Assets</i>, but does include all computer hardware;</li> </ol>

**V. DEFINITIONS**

<p><b>1 Application</b></p>	<p>means all applications, including any attachments thereto, and all other information and materials submitted by <b>You</b> or on <b>Your</b> behalf to <b>Us</b> in connection with the underwriting of this Policy. All such applications, attachments, information and materials are deemed attached to and incorporated into this Policy.</p>
<p><b>2 Bodily Injury</b></p>	<p>means injury to the body, sickness, or disease sustained by any person, and where resulting from such injuries, mental anguish, mental injury, shock, humiliation, emotional distress, loss of consortium, or death.</p>
<p><b>3 Breach Response Costs</b></p>	<p>means the following fees, costs, charges or expenses, if reasonable and necessary, that <b>You</b> incur with <b>Our</b> written consent in responding to a <b>Security Breach</b> during reasonable period but not later than twelve (12) months after <b>You</b> first learn of such <b>Security Breach</b>:</p> <ol style="list-style-type: none"> <li>a. Computer forensic professional fees and expenses to determine the cause and extent of such <b>Security Breach</b>;</li> <li>b. Costs to notify customers, <b>Employees</b> or other parties affected or reasonably believed to be affected by such <b>Security Breach</b>, including printing costs, publishing costs, postage expenses, call center costs or costs of notification via phone or e-mail;</li> </ol>

	<p>c. Fees and expenses to determine whether <b>You</b> are obligated under applicable <b>Privacy Regulations</b> to notify applicable regulatory agencies or customers, <b>Employees</b> or other parties affected or reasonably believed to be affected by such <b>Security Breach</b>, effect compliance with any applicable <b>Privacy Regulations</b>, draft the privacy notifications to customers, <b>Employees</b> or other parties affected or reasonably believed to be affected by such <b>Security Breach</b>, and coordinate the investigation of such <b>Security Breach</b>; or</p> <p>d. <b>Credit Monitoring Expenses</b></p> <p><b>Breach Response Costs</b> do not include <b>Your</b> overhead expenses or any salaries, wages, fees, or benefits of <b>Your Employees</b>.</p>
<p><b>4 Business Income Loss</b></p>	<p>means:</p> <p>a. <b>Earnings Loss</b>; and/or</p> <p>b. <b>Expenses Loss</b>.</p> <p><b>Business Income Loss does not include:</b></p> <p>a) any contractual penalties;</p> <p>b) any costs or expenses incurred to update, upgrade, replace, restore or otherwise improve any <b>Computer System</b> to a level beyond that which existed prior to a <b>Network Disruption</b>;</p> <p>c) any costs or expenses incurred to identify, remove or remediate computer program errors or vulnerabilities, or costs to update, upgrade, replace, restore, maintain or otherwise improve any <b>Computer System</b>; or</p> <p>d) any legal costs or expenses or <b>Loss</b> arising outliability to any third party;</p> <p>e) any <b>Loss</b> incurred as a result of unfavorable business conditions; or</p> <p>f) any other consequential <b>Loss</b> or <b>damage</b>.</p>
<p><b>5 Claim</b></p>	<p>means:</p> <p>a. A written demand received by <b>You</b> for money or services, including the service of a civil suit or institution of arbitration proceedings;</p> <p>b. Initiation of a civil suit against <b>You</b> seeking injunctive relief (meaning a temporary restraining order or a preliminary or permanent injunction); or</p> <p>c. Solely with respect to Coverage H., a <b>Regulatory Claim</b> made against <b>You</b>.</p> <p>d. <b>A PCI DSS Assessment</b>.</p> <p>Multiple <b>Claims</b> arising from the same or a series of related or repeated acts, errors, or omissions or from any continuing acts, errors, or omissions shall be considered a single <b>Claim</b> for the purposes of this policy, irrespective of the number of Claimants or <b>You</b> involved in the <b>Claim</b>. All such <b>Claims</b> shall be deemed to have been made at the time of the first such <b>Claim</b> was made or deemed made under Section IX.1 – TERMS AND CONDITIONS - NOTICE OF CLAIM OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM.</p>
<p><b>6 Claim Expenses</b></p>	<p>means:</p> <p>a. reasonable and necessary fees charged in the defense or settlement of a <b>Claim</b> by an attorney whom <b>We</b> designate. In case the defence attorney is appointed by <b>You</b>, the legal fees reimbursed by <b>Us</b> under the Policy shall not be lower than the legal fees which would have been paid by <b>Us</b> to a lawyer appointed by <b>Us</b>. And</p> <p>b. all other legal costs and expenses resulting from the investigation, adjustment, defense and appeal of a <b>Claim</b>, if incurred by <b>Us</b> or by <b>You</b> with <b>Our</b> prior written consent; however, <b>Claim Expenses</b> do not include <b>Your</b> overhead expenses or any salaries, wages, fees, or benefits of <b>Your Employees</b> for any time spent in cooperating in the defense or investigation of any <b>Claim</b> or circumstance that might lead to a <b>Claim</b>.</p>
<p><b>7 Computer System</b></p>	<p>means electronic, wireless, web or similar systems (including all hardware and software) used to process data or information in an analog, digital, electronic or wireless format, including computer programs, electronic data, operating systems, and components thereof, including but not limited to laptops, personal digital assistants, cellular phones, media storage and peripheral devices, media libraries, associated input and output devices, networking equipment, and electronic backup equipment. With respect to Insuring Coverage F, only Computer System means a Computer System, over which <b>You</b> have direct operational control or that is under the direct operational control of a <b>Service Provider</b>, used to process, maintain or store <b>Your Digital Assets</b>.</p> <p>Consumer Redress Funds means any sums of money <b>You</b> are legally required to deposit in a fund for the payment of consumer <b>Claims</b> due to a settlement of, or an adverse judgment in, a <b>Regulatory Claim</b></p>

<p><b>8 Credit Monitoring Expenses</b></p>	<p>means the reasonable and necessary expense of providing free credit report, identity theft protection services, credit monitoring services, credit freezes, healthcare fraud monitoring services, fraud alerts or call center services for customers affected or reasonably believed to be affected by a <b>Security Breach</b>; provided, however, <b>We</b> shall not be obligated to reimburse <b>You</b> for more than one (1) year of credit monitoring services or identity theft protection services for customers who are at least eighteen (18) years old unless there is a rule, regulation, court ruling, requirement by a regulator or statutory requirement requiring otherwise.</p>
<p><b>9 Crisis Management Costs</b></p>	<p>means any reasonable and necessary fees and expenses <b>You</b> incur with <b>Our</b> prior written consent to employ a public relations consultant to avert or mitigate any material <b>damage</b> to any of <b>Your</b> brands, due to a <b>Newsworthy Event</b> that has arisen due to a <b>Security Breach</b> or a <b>Claim</b> or <b>Regulatory Claim</b> for a <b>Privacy Wrongful Act</b>, regardless of whether the expenses are incurred prior or subsequent to any such <b>Claim</b> or <b>Regulatory Claim</b> being made against <b>You</b>.</p>
<p><b>10 Cyber-Extortion Threat</b></p>	<p>means a credible threat or connected series of threats made by someone other than an elected official director, officer or trustee of <b>Your</b> Organization:</p> <ol style="list-style-type: none"> <li>to introduce <b>Malicious Code</b> into <b>Your Computer System</b>;</li> <li>to interrupt <b>Your Computer System</b> or interrupt access to <b>Your Computer System</b>, such as through a <b>Denial of Service Attack</b>;</li> <li>to corrupt, <b>damage</b> or destroy <b>Your Computer System</b>; or</li> <li>to disseminate, divulge, or improperly utilize any personal or confidential corporate information residing on <b>Your Computer Systems</b> taken as a result of a <b>Network Disruption</b>.</li> </ol>
<p><b>11 Cyber-Extortion Payment</b></p>	<p>means any sum paid to or at the direction of any third party that <b>You</b> reasonably believe to be responsible for a <b>Cyber-Extortion Threat</b>; provided that:</p> <ol style="list-style-type: none"> <li>Such <b>Cyber Extortion Payment</b> is permissible under the applicable law;</li> <li><b>You</b> obtain <b>Our</b> written consent prior to making such <b>Cyber-Extortion Payment</b>;</li> <li>You make such <b>Cyber-Extortion Payment</b> to terminate the <b>Cyber-Extortion Threat</b>; and</li> <li>the <b>Cyber-Extortion Payment</b> does not exceed the amount <b>We</b> reasonably believe would have been incurred had such <b>Cyber-Extortion Payment</b> not been made.</li> </ol>
<p><b>12 Cyber-Extortion Expenses</b></p>	<p>mean the reasonable and necessary expenses <b>You</b> incur with <b>Our</b> approval in evaluating and responding to a <b>Cyber-Extortion Threat</b>. However, <b>Cyber-Extortion Expenses</b> do not include <b>Your</b> overhead expenses or any salaries, wages, fees, or benefits of <b>Your Employees</b>.</p>
<p><b>13 Damages</b></p>	<p>means:</p> <ol style="list-style-type: none"> <li>Solely with respect to Coverages A, C and D, a monetary judgment, award or settlement, including: <ol style="list-style-type: none"> <li>Pre-judgment interest;</li> <li>Post-judgment interest that accrues after entry of the judgment or award and before <b>We</b> have paid, offered to pay or deposited in court that part of the judgment or award within the applicable limit of liability; and</li> <li>subject to this Policy's terms, conditions, and exclusions, punitive or exemplary <b>Damages</b> (where insurable by the applicable law that most favors coverage for such <b>Damages</b>); and</li> </ol> </li> <li>Solely with respect to Coverage H., a <b>Regulatory Claim</b> and <b>Consumer Redress Funds</b> made against <b>You</b>.</li> <li>Solely with respect to Coverage G - <b>PCI DSS Assessments</b> PCI DSS fines and penalties.</li> </ol> <p><b>Damages shall not include or mean:</b></p> <ol style="list-style-type: none"> <li><b>Your future profits, restitution, or disgorgement of profits; or Your cost to comply with any order granting injunctive or non-monetary relief, including specific performance, or any agreement to provide such relief;</b></li> <li><b>Your return or offset of fees, charges, royalties, or commissions for goods or services already provided or contracted to be provided;</b></li> <li><b>Fines or penalties of any nature excluding <i>Regulatory Fines</i>, <i>Consumer Redress Funds</i> and <i>PCI DSS Assessments</i> as identified above;</b></li> <li><b>Any amount You are not financially or legally obligated to pay;</b></li> <li><b>Multiple <i>Damages</i>;</b></li> <li><b>Any donations or contributions to any charitable organization;</b></li> <li><b>Matters that may be deemed uninsurable under the law pursuant to which this Policy may be construed; or</b></li> <li><b>Punitive <i>Damages</i>.</b></li> </ol>

14 Denial of Service Attack	means inability of a third party to gain access to Your <b>Computer Systems</b> through the <b>Internet</b> , due to unauthorized attacks or deliberate overloading of band-width connections and/or web servers by means of the sending of substantial quantities of repeat or irrelevant communication or data with the intent of blocking access to the <b>Computer System</b> by third parties.
15 Digital Assets	means any electronic data, including personally identifiable, non-public information, or computer software over which <b>You</b> have direct control or for which such control has been contractually assigned by <b>Your</b> Organization to a <b>Service Provider</b> . <b>Digital Assets</b> do not include computer hardware of any kind.
16 Earnings Loss	means the difference between the revenue that <b>Your</b> Organization would have earned, based on reasonable projections and the variable costs that would have been incurred, but which <b>Your</b> Organization would have saved as a result of not earning that revenue.
17 Employee	means any individual in <b>Your</b> Organization's service, including any part-time, seasonal, and temporary <b>Employee</b> , who is compensated by salary, wages, fees or commissions and over whom <b>You</b> have the right to direct and control, but excluding any elected officials, officers or director of <b>Your</b> Organization.
18 Expenses Loss	means the additional expenses <b>Your</b> Organization incurred to minimize the suspension of business and to continue operations during the <b>Period of Restoration</b> that are over and above the cost that <b>Your</b> Organization reasonably and necessarily would have incurred to conduct Your business had no <b>Network Disruption</b> occurred. These additional expenses do not include any <b>Restoration Costs</b> or any actual, reasonable and necessary expenses <b>You</b> incur in response to a <b>Network Disruption</b> in order to prevent, minimize or mitigate any further <b>damage to Your Digital Assets</b> , minimize the duration of a <b>Network Disruption</b> or preserve critical evidence of any wrongdoing.
19 Extended Reporting Period	means the period of time after the end of the <b>Policy Period</b> for reporting <b>Claims</b> as provided in Section VIII. of this Policy.
20 Intranet	means a private computer network inside an organization that uses the same kinds of software found on the <b>Internet</b> , but only for internal use.
21 Internet	means the worldwide public network of computer networks, which enables the transmission of electronic data between different users, commonly referred to as the <b>internet</b> , including a private communications network existing within a shared or public network platform.
22 Loss(es)	means: a. <b>Business Income Loss</b> ; b. <b>Restoration Costs</b> ; and c. <b>Cyber-Extortion Payments</b> and <b>Cyber-Extortion Expenses</b> . All <b>Losses</b> arising from the same or related underlying facts, circumstances, situations, transactions or events or related <b>Security Compromises</b> shall be deemed a single <b>Loss</b> .
23 Malicious Code	means any unauthorized and corrupting or harmful computer code, including but not limited to computer viruses, spyware, Trojan horses, worms, logic bombs, and mutations of any of the proceeding.
24 Media Content	means data, digital code, images, graphics, sounds, text or any other similar material.
25 Multimedia Wrongful Act	means any of the following acts committed in the ordinary course of <b>Your</b> Organization's business in gathering, communicating, reproducing, publishing, disseminating, displaying, releasing, transmitting or disclosing <b>Media Content</b> via any <b>Computer System</b> that <b>You</b> own or operate or is operated on <b>Your</b> behalf by a third party, including any web-based social media authorized or operated by <b>Your</b> Organization or any <b>internet</b> or <b>Intranet</b> website, or via any non-electronic media: a. defamation, libel, slander, product disparagement, trade libel, infliction of emotional distress, outrage, outrageous conduct, or other tort related to disparagement or harm to the reputation or character of any person or organization; b. invasion of or interference with the right to privacy or publicity; c. infringement of any right to private occupancy, including trespass, wrongful entry, eviction or eavesdropping; d. infringement of copyright, domain name, trade dress, title or slogan, or the dilution or infringement of trademark, service mark, service name or trade name; e. plagiarism, piracy or misappropriation of ideas; or

	f. liability regarding any <b>Media Content</b> for which <b>You</b> are responsible; provided always that any <b>Multimedia Wrongful Act</b> was committed or alleged to have been committed by <b>You</b> , or any person for whom or entity for which <b>You</b> are legally responsible, including an independent contractor or outsourcing organization.
<b>26 Newsworthy Event</b>	means an event that has been caused by a <b>Claim</b> or <b>Security Breach</b> within one of the coverages which <b>You</b> have purchased, that has been publicized through any media channel, including television, print media, radio or electronic networks, the <b>Internet</b> , and/or electronic mail.
<b>27 Network Disruption</b>	means any of the following events: a. A detectable failure, interruption or degradation of the operation of <b>Your Computer System</b> ; or b. The denial, restriction or hindrance of access to or use of <b>Your Computer System</b> or <b>Your Digital Assets</b> by any party who is otherwise authorized to have access. More than one such event that results from the same or related underlying facts, circumstances, situations, transactions or <b>Security Compromises</b> shall be considered a single <b>Network Disruption</b> , which commences on the date of the earliest of such events.
<b>28 PCI DSS Assessment(s)</b>	means a written demand received by <b>You</b> from <b>Your</b> Acquiring Bank or a card association (MasterCard, VISA, Discover, American Express or JCB) for a monetary assessment of a penalty or fine due to <b>Your</b> non-compliance with <b>PCI Data Security Standards</b> .
<b>29 PCI Data Security Standards (known as PCI DSS)</b>	means the published data security standard in effect now or as hereafter amended that all merchants and processors must follow when storing, processing and transmitting cardholder data.
<b>30 Period of Restoration</b>	means the time period from the commencement of a <b>Network Disruption</b> to the earlier of: a. the date that <b>Your Computer System</b> is, or with reasonable diligence could have been, restored to the condition and functionality that existed immediately prior to the <b>Network Disruption</b> ; or b. sixty (60) consecutive days after the termination of the <b>Network Disruption</b> .
<b>31 Policy Period</b>	means the period of time from the effective date to the expiration date specified in the Policy, or any earlier cancellation date.
<b>32 Privacy Breach</b>	means a breach of confidence, infringement, or violation of any rights to privacy, including but not limited to breach of <b>Your</b> privacy statement, breach of a person's right of publicity, false light, intrusion upon a person's seclusion, public disclosure of a person's private information, or misappropriation of a person's picture or name for commercial gain.
<b>33 Privacy Regulations</b>	means any federal, state, local or foreign statute or regulation requiring <b>You</b> to limit or control the collection, use of, or access to, personally identifiable, non-public information in <b>Your</b> possession or under <b>Your</b> control, or obligating <b>You</b> to inform customers of the <b>Unauthorized Access</b> to or disclosure of such personally identifiable, non-public information, including but not limited to the Privacy Protection Law – 1981, the Privacy Protection Regulation (Information Security) – 2017
<b>34 Privacy Wrongful Act</b>	means any <b>Privacy Breach</b> or breach of <b>Privacy Regulations</b> committed by <b>You</b> or by any person or entity for which <b>You</b> are legally responsible, including an independent contractor or outsourcing organization.
<b>35 Property Damage</b>	means physical injury to or destruction of any tangible property, including the <b>loss</b> thereof. Data is not considered tangible property.
<b>36 Regulatory Claim</b>	means: a. any request for information, civil investigative demand or formal investigation of <b>You</b> by an administrative or regulatory agency or similar governmental body concerning a <b>Privacy Breach</b> or possible breach of <b>Privacy Regulations</b> ; or b. any administrative adjudicative proceeding against <b>You</b> by an administrative or regulatory agency or similar governmental body for a breach of <b>Privacy regulation</b>
<b>37 Regulatory Fines</b>	means fines, penalties, or sanctions awarded for a violation of any <b>Privacy Regulation</b> .

<p><b>38 Restoration Costs</b></p>	<p>means the actual, reasonable and necessary costs <b>You</b> incur to replace, restore, or re-create <b>Your Digital Assets</b> to the level or condition at which they existed prior to sustaining any <b>Loss</b>. If such <b>Digital Assets</b> cannot be replaced, restored or recreated, then <b>Restoration Costs</b> will be limited to the actual, reasonable and necessary costs <b>You</b> incur to reach this determination. <b>Restoration Costs do not include:</b></p> <ul style="list-style-type: none"> <li><b>a. any costs <b>You</b> incur to replace, restore or recreate any of <i>Your Digital Assets</i> that were not subject to regular network back-up procedures at the time of the <i>Loss</i>;</b></li> <li><b>b. any costs or expenses incurred to update, upgrade, replace, restore or otherwise improve <i>Your Digital Assets</i> to a level beyond that which existed prior to sustaining any <i>Loss</i>;</b></li> <li><b>c. any costs or expenses incurred to identify, remove or remediate computer program errors or vulnerabilities, or costs to update, upgrade, replace, restore, maintain or otherwise improve any <i>Computer System</i>; or</b></li> <li><b>d. the economic or market value of any <i>Digital Assets</i>, including trade secrets.</b></li> </ul>
<p><b>39 Retroactive Date</b></p>	<p>means the date specified in the Policy Schedule as such.</p>
<p><b>40 Security Breach</b></p>	<p>means:</p> <ul style="list-style-type: none"> <li><b>a. the <b>loss</b> or disclosure of personal, non-public information of customers, <b>Employees</b> or other parties in <b>Your</b> care, custody or control, including such information stored on paper or on a <b>Computer System</b> operated by <b>You</b> or on <b>Your</b> behalf; or</b></li> <li><b>b. <b>Theft Of Data, Unauthorized Access</b> to or <b>Unauthorized Use</b> of personal, non-public information of customers, <b>Employees</b> or other parties in <b>Your</b> care, custody or control, including such information stored on paper or on a <b>Computer System</b> operated by <b>You</b> or on <b>Your</b> behalf;</b></li> </ul> <p><b>that results in or may result in the compromise of the privacy or confidentiality of such personal, non- public information.</b></p> <p>More than one <b>Security Breach</b> arising from the same or a series of continuous, repeated or related acts, errors, or omissions shall be considered a single <b>Security Breach</b>, which shall be deemed to have first occurred at the time of the first such <b>Security Breach</b>.</p>
<p><b>41 Security Compromise</b></p>	<p>means:</p> <ul style="list-style-type: none"> <li><b>a. The <b>Unauthorized Access</b> or Use of Your <b>Computer System</b> or Your <b>Digital Assets</b>;</b></li> <li><b>b. The unauthorized transmission of computer code into Your <b>Computer System</b> that causes <b>Loss</b> or <b>damage</b> to Your <b>Digital Assets</b>; or</b></li> <li><b>c. A <b>Denial Of Service Attack</b> on Your <b>Computer System</b> that causes <b>Loss</b> or <b>damage</b> to Your <b>Digital Assets</b>.</b></li> </ul>
<p><b>42 Security Wrongful Act</b></p>	<p>means any act, error, or omission committed by You or a person or entity for which You are legally responsible, including an independent contractor or outsourcing organization, in the conduct of <b>Computer Systems</b> security and the protection of the security and confidentiality of Your customer records or information, that results in:</p> <ul style="list-style-type: none"> <li><b>a. The inability of a third party, who is authorized to do so, to gain access to Your <b>Computer Systems</b>;</b></li> <li><b>b. The failure to prevent or hinder <b>Unauthorized Access</b> to or <b>Unauthorized Use</b> of a <b>Computer System</b> operated by <b>You</b> or on <b>Your</b> behalf, the failure to prevent physical theft of hardware or firmware You control, the failure to prevent people or processes security failures, or the failure to prevent false communications designed to trick the User into surrendering personal information (such as “phishing”, “pharming” or “vishing”), any of which results in:</b> <ul style="list-style-type: none"> <li><b>1. The alteration, copying, corruption, destruction or deletion of, or <b>damage</b> to, electronic data on a <b>Computer System</b> operated by <b>You</b> or on <b>Your</b> behalf;</b></li> <li><b>2. Unauthorized disclosure of commercial, personal or private information;</b></li> <li><b>3. <b>Theft Of data</b> (including identity theft); or</b></li> <li><b>4. <b>Denial of Service Attacks</b> against <b>Internet</b> sites or <b>Computer Systems</b> of a third party; or</b></li> </ul> </li> <li><b>c. The failure to prevent transmission of <b>Malicious Code</b> from a <b>Computer System</b> operated by <b>You</b> or on <b>Your</b> behalf to a third party’s <b>Computer System</b>.</b></li> </ul>
<p><b>43 Service Provider</b></p>	<p>means any third party that is responsible for the processing, maintenance, protection or storage of Your <b>Digital Assets</b> pursuant to a written contract directly with <b>Your Organization</b>. A <b>Service Provider</b> does not include any provider of telecommunications services, including <b>Internet</b> access, to <b>You</b>.</p>

44 <b>Theft of Data</b>	means the unauthorized taking, misuse or disclosure of information on <b>Computer Systems</b> , including but not limited to charge, debit, or credit information, banking, financial and investment services account information, proprietary information, and personal, private or confidential information.
45 <b>Unauthorized Access</b>	means the gaining of access to a <b>Computer System</b> by an unauthorized person or an authorized person in an unauthorized manner.
46 <b>Unauthorized Use</b>	means the use of a <b>Computer System</b> by an unauthorized person or persons or an authorized person in an unauthorized manner.
47 <b>We, Us or Our or the Insurer</b>	means <b>the Phoenix Insurance Company Ltd.</b>
48 <b>You or Your or Yours or the Insurers</b>	<p>means:</p> <ol style="list-style-type: none"> <li>a. the entity named in the Policy ("<b>Named Insured</b>") and its subsidiaries (together "<b>Your Organization</b>");</li> <li>b. Any present or future elected official, director, officer, or trustee of <b>Your Organization</b>, but only with respect to the performance of his or her duties as such on behalf of <b>Your Organization</b>;</li> <li>c. Any present or future <b>Employee</b> of <b>Your Organization</b> but only with respect to work done while acting within the scope of his or her employment and related to the conduct of <b>Your Organization's</b> business;</li> <li>d. In the event that the <b>Named Insured</b> is a partnership, limited liability partnership, or limited liability company, then any general or managing partner, principal, or owner thereof, but only while acting within the scope of his or her duties as such;</li> <li>e. Any person who previously qualified as <b>You</b> under 2, 3, or 4 above prior to the termination of the required relationship with <b>Your Organization</b>, but only with respect to the performance of his or her duties as such on behalf of <b>Your Organization</b>; and</li> <li>f. The estate, heirs, executors, administrators, assigns and legal representatives of any of <b>You</b> in the event of <b>Your</b> death, incapacity, insolvency or bankruptcy, but only to the extent that <b>You</b> would otherwise be provided coverage under this insurance.</li> <li>g. Any third party entity (including a HIPAA Covered Entity) required by contract to be named as an <b>insured</b> under this policy, but only in respect of sums which they become legally obliged to pay (including liability for claimants' costs and expenses) as a result of a <b>Claim</b> arising solely out of an act, error or omission committed by <b>You</b>, provided that: <ol style="list-style-type: none"> <li>1) <b>You</b> contracted in writing to indemnify the third party for such a <b>Claim</b> prior to it first being made against them; and</li> <li>2) had the <b>Claim</b> been made against <b>You</b>, then <b>You</b> would be entitled to indemnity under this policy.</li> </ol> </li> </ol> <p>As a condition to <b>our</b> indemnification of any third party, they shall prove to <b>our</b> satisfaction that the <b>Claim</b> arose solely out of an act, error or omission committed by <b>You</b>; and where a third party is indemnified as an additional <b>Insured</b> as a result; it is understood and agreed that any <b>Claim</b> made by that third party against <b>You</b> shall be treated by <b>us</b> as if they were a third party, not an additional <b>Insured</b>.</p>

## VI. LIMITS OF LIABILITY

1	<p>The amount indicated in the Policy as stated within the Limits of Liability (herein "<b>the policy aggregate limit</b>") is the most <b>We</b> will pay in the aggregate under this Policy, under all coverages combined, for:</p> <ol style="list-style-type: none"> <li>a. all <b>Damages</b>, Consumer Redress Funds and all <b>Claim Expenses</b> from all <b>Claims</b> (subject to Section B of Chapter II of this Policy);</li> <li>b. all <b>Crisis Management Costs</b> and <b>Breach Response Costs</b> from all <b>Security Breaches</b>; and</li> <li>c. all <b>Losses</b>,</li> </ol> <p>regardless of the number of acts, errors or omissions, persons or entities covered by this Policy, Claimants, <b>Claims</b>, <b>Losses</b> or <b>Security Breaches</b> or Coverages triggered</p>
2	<p>The amount when purchased as indicated in the Policy any sub limits of liability applicable to any of the Coverages under the Policy shall be the amount indicated as the Per <b>Claim/Breach</b> Sub-Limit of Liability applicable to any of the Coverages under the Policy is the most <b>We</b> will pay for all <b>Damages Losses</b>, <b>Crisis Management costs</b>, <b>Breach Response Costs</b>, <b>Claim Expenses</b> and any other amounts paid under the relevant Coverage combined. With regard to each Coverage covers <b>Your</b> legal liability, and which is subject to a sub-limit of liability, <b>We</b> shall indemnify <b>Your</b> Defence Costs even in excess of the sub-limit of liability (subject to Section B of Chapter II of this Policy).;</p>

<b>3</b>	If any <b>Claim</b> or any single <b>Claim</b> is covered under more than one Coverage, the highest applicable sublimit of liability shall be the most <b>We</b> shall pay as to such <b>Claim</b> or single <b>Claim</b> and such <b>Claim</b> or single <b>Claim</b> shall be subject to the highest applicable deductible.
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**VII. DEDUCTIBLES**

The deductible for each Coverage is stated in the Policy. The applicable deductible shall be first applied to **Damages, Claim Expenses, Losses, Crisis Management Costs** and **Breach Response Costs** covered by this Policy; and **You** shall make direct payments within the retention to appropriate other parties designated by **Us**. **We** shall be liable only for the amounts in excess of the deductible, not to exceed the applicable Sub-limit of liability or policy aggregate limit.

With respect to Coverages A, C, D and G, the deductible shall be satisfied by **Your** payments of **Damages** and **Claim Expenses** resulting from **Claims** first made and reported to **Us** during the **Policy Period** or **Extended Reporting Period**. One deductible shall apply to each single **Claim** or **Loss** under such Coverages.

With respect to Coverage B and E, the deductible shall be satisfied by **Your** payments of **Crisis Management Costs** and **Breach Response Costs** resulting from a **Security Breach** that occurred during the **Policy Period** and is reported by **You** to **Us** during the **Policy Period** or **Extended Reporting Period**. One deductible shall apply to each single **Security Breach** under such Coverage

With respect to Coverage F, the applicable deductible amount set forth in the Policy applies once the **Period of Restoration** resulting from a **Network Disruption** has exceeded the Waiting Period in hours set forth in the Policy; then the applicable deductible amount set forth in the Policy for **Business Income Loss** shall be computed as of the commencement of such **Network Disruption**.

At **our** sole and absolute discretion, **We** may pay all or part of the deductible, in which case **You** agree to repay **Us** immediately after **We** notify **You** of the payment.

**VIII. EXTENDED REPORTING PERIOD**

<b>1</b>	<b>Extended Reporting Period:</b> In the event of cancellation or non-renewal of this Policy by <b>You</b> or <b>Us</b> , an <b>Extended Reporting Period</b> of sixty (60) days immediately following such cancellation or non-renewal shall be automatically granted hereunder at no additional premium. Such <b>Extended Reporting Period</b> shall cover <b>Claims</b> first made and reported to <b>Us</b> during such sixty (60) day <b>Extended Reporting Period</b> but only in respect of any covered event, as detailed in Section I, committed prior to the date of cancellation or non- renewal, and subject to all other terms, conditions, and exclusions of this Policy. No <b>Claim</b> in such sixty (60) day <b>Extended Reporting Period</b> shall be covered under this Policy if <b>You</b> are entitled to indemnity under any other insurance or would have been entitled to indemnity under such insurance but for the exhaustion thereof.
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<b>2</b>	<p>Terms and conditions of <b>Extended Reporting Period</b></p> <p>a. At renewal of this policy, <b>Our</b> quotation of different premium, retention or limit of indemnity or changes in policy language shall not constitute non-renewal by <b>Us</b> for the purposes of granting the <b>Extended Reporting Period</b>.</p> <p>b. The right to the <b>Extended Reporting Period</b> shall not be available to <b>You</b> where <b>We</b> cancel or non- renew due to non-payment of premium.</p> <p>c. The limit of liability for the <b>Extended Reporting Period</b> shall be part of, and not in addition to, the limit of liability for the <b>Policy Period</b>.</p> <p>d. All notices and premium payments with respect to the <b>Extended Reporting Period</b> shall be directed to <b>Us</b> through the entity named in the Policy.</p>
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**IX. TERMS AND CONDITIONS**

<b>1</b>	<p><b>NOTICE OF CLAIM OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM</b></p>	<p>a. If any <b>Claim</b> is made against <b>You</b> or <b>You</b> become aware of any <b>Loss</b> during the <b>Policy Period</b>, then as soon as practicable after <b>You</b> become aware of such <b>Claim</b>, <b>You</b> must forward to <b>our Claims Department - at 53 Hashalom Road, Givatayim</b>, every demand, notice, summons or other process <b>You</b> or <b>Your</b> representative receive. In case of breach of <b>Your</b> duty, <b>We</b> shall be entitled to the remedies pursuant to articles 24-25 of <b>the Insurance Contract Law - 1981</b>.</p> <p>b. If during the <b>Policy Period</b>, <b>You</b> become aware of any act, error or omission that might reasonably give rise to a <b>Claim</b> or <b>Loss</b>, <b>You</b> must give written notice to <b>our Claims Department - at 53 Hashalom Road, Givatayim</b> as soon as practicable during the <b>Policy Period</b> of:</p> <ol style="list-style-type: none"> <li>1. The specific details of the act, error or omission that might reasonably give rise to a <b>Claim</b> or <b>Loss</b>;</li> <li>2. The possible <b>damage</b> which may result or has resulted from the act, error or omission;</li> <li>3. The facts by which <b>You</b> first became aware of the act, error, omission or <b>loss</b>; and</li> <li>4. Any <b>Computer System</b> security and event logs, which provide evidence of the act, error or omission.</li> </ol>
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	<p>Any subsequent <b>Claim</b> made against <b>You</b> arising out of such act, error or omission or <b>loss</b>, which is the subject of the written notice, will be deemed to have been made at the time written notice complying with the above requirements was first given to <b>Us</b>.</p> <p>c. A <b>Claim</b> or <b>Loss</b> shall be considered to be reported to <b>Us</b> when notice is first given to <b>Us</b> through persons named in the Policy or when notice of a wrongful act, which might reasonably give rise to a <b>Claim</b>, is first provided in compliance with IX.1.b above.</p> <p>d. If <b>You</b> report any <b>Claim</b>, <b>Loss</b> or request any payment under this Policy knowing such <b>Claim</b>, <b>loss</b> or request to be false or fraudulent, as regards amounts or otherwise. <b>We</b> will be exempt from any liability and all coverage hereunder shall be forfeited.</p>
<p><b>2 ASSISTANCE AND COOPERATION</b></p>	<p>a. <b>You</b> shall cooperate with <b>Us</b> in all investigations. <b>You</b> shall execute or cause to be executed all papers and render all assistance as requested by <b>Us</b>. Part of this assistance may require <b>You</b> to provide soft copies of <b>Your</b> system security and event logs.</p> <p>b. Upon <b>Our</b> request, <b>You</b> shall assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to <b>You</b> because of acts, errors, or omissions with respect to which insurance is afforded under this Policy; and <b>You</b> shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.</p> <p>c. <b>Unless required by law</b>, <b>You</b> shall not admit liability, make any payment, assume any obligation, incur any expense, enter into any settlement, stipulate to any judgment, award, or dispose of any <b>Claim</b> without <b>Our</b> written consent, unless otherwise provided under Section II.</p> <p>The <b>Insurer</b> shall act in cooperation with the <b>Insured</b> in an effort to safeguard the legitimate interests of the <b>Insured</b> including the <b>Insured's</b> reputation.</p> <p>d. As soon as practicable, after <b>You</b> give <b>Us</b> notice of any <b>Claim</b>, circumstance, <b>Loss</b>, or <b>Security Breach</b>, <b>You</b> must also give <b>Us</b> copies of reports, photographs, investigations, pleadings and all other papers in connection therewith, including allowing <b>Us</b> to question <b>You</b> under oath at such times as may be reasonably required regarding <b>Your</b> Organization's books, records, and any other matters relating to such <b>Security Breach</b> or <b>Claim</b>.</p> <p>e. In the event of a <b>Security Breach</b> or <b>loss</b>, <b>You</b> must take all reasonable steps to protect <b>Computer Systems</b> and personally identifiable, non-public information from further access, disclosure, <b>loss</b> or <b>damage</b>.</p>
<p><b>3 DUTIES IN THE EVENT OF A LOSS (applicable to Coverage F only)</b></p>	<p><b>You</b> must see that the following are done if <b>You</b> send <b>Us</b> a <b>Loss</b> Notification:</p> <p>a. At <b>our</b> request, notify the police, or other applicable law enforcement authority, central reporting or investigative organization that <b>We</b> may designate, if it appears that a law may have been broken;</p> <p>b. Immediately take all reasonable steps and measures necessary to limit or mitigate the <b>Loss</b>;</p> <p>c. Send <b>Us</b> copies of every demand, notice, summons, or any other applicable information <b>You</b> receive;</p> <p>d. If requested, permit <b>Us</b> to question <b>You</b> at such times and places as may be reasonably required about matters relating to this insurance, including <b>Your</b> books and records;</p> <p>e. Send <b>Us</b> a statement of <b>Loss</b> containing the information <b>We</b> request to resolve, settle or otherwise handle the <b>Loss</b>. <b>We</b> will provide <b>You</b> with the necessary forms;</p> <p>f. Cooperate with <b>Us</b> and counsel <b>We</b> may appoint in the investigation of any <b>Loss</b> covered by this <b>Policy</b>;</p> <p>g. Assist <b>Us</b> and counsel <b>We</b> may appoint in the investigation or settlement of <b>Losses</b>;</p> <p>h. Assist <b>Us</b> in protecting and enforcing any right of subrogation, contribution or indemnity against any person, organization or other entity that may be liable to <b>You</b>, including attending depositions, hearings and trials; and</p> <p>i. Otherwise, assist in securing and giving documentation and evidence, and obtaining the attendance of witnesses.</p>
<p><b>4 SUBROGATION</b></p>	<p>In the event of any payment under this Policy, <b>You</b> agree to give <b>Us</b> the right to any subrogation and recovery to the extent of <b>our</b> payments subject to the provisions of Section 62 of the <b>Insurance Contract Law - 1981</b>. <b>You</b> agree to execute all papers required and will do everything that is reasonably necessary to secure these rights to enable <b>Us</b> to bring suit in <b>Your</b> name. <b>You</b> agree to fully cooperate in <b>our</b> prosecution of that suit. <b>You</b> agree not to take any action that could impair <b>our</b> right of subrogation without <b>our</b> written consent whether or not <b>You</b> have incurred any un-reimbursed Loss.</p>

<p><b>5 INSPECTIONS AND SURVEYS</b></p>	<p><b>We</b> may choose to perform inspections or surveys of <b>Your</b> operations, conduct interviews and review documents as part of <b>our</b> underwriting, <b>our</b> decision whether to provide continued or modified coverage, or <b>our</b> processing of any <b>Loss</b>. If <b>We</b> make recommendations as a result of these inspections, <b>You</b> should not assume that every possible recommendation has been made or that <b>Your</b> implementation of a recommendation will prevent a <b>Loss</b>. <b>We</b> do not indicate by making an inspection or by providing <b>You</b> with a report that <b>You</b> are complying with or violating any laws, regulations, codes or standards.</p>
<p><b>6 ENTIRE AGREEMENT</b></p>	<p>By acceptance of the policy, <b>You</b> agree that this Policy embodies all agreements between <b>You</b> and <b>Us</b> relating to this insurance. The terms of this Policy shall not be waived or changed, except by endorsement issued to form a part of this Policy signed by <b>Us</b>.</p>
<p><b>7 NEW SUBSIDIARIES/ CHANGES IN NAMED INSURED OR YOUR ORGANIZATION</b></p>	<p>a. During the <b>Policy Period</b>, if <b>You</b> acquire another entity whose annual revenues are more than fifteen percent (15%) of <b>Your</b> Organization's annual revenues as set forth in its most recent audited financial statements, there shall be no coverage under this Policy for acts, errors, or omissions committed or allegedly committed by the newly acquired entity, unless <b>You</b> give <b>Us</b> written notice of the acquisition containing full details thereof, and <b>We</b> have agreed to add coverage for the newly acquired entity upon such terms, conditions, and limitations of coverage and such additional premium as <b>We</b>, in <b>Our</b> sole discretion, may require.</p> <p>b. During the <b>Policy Period</b>, if the Named <b>Insured</b> consolidates or merges with or is acquired by another entity, or sells substantially all of its assets to another entity, or a receiver, conservator, trustee, liquidator, or rehabilitator, or any similar official is appointed for or with respect to the Named <b>Insured</b>, then all coverage under this Policy shall continue to the expiration of the <b>Policy Period</b>, but only for <b>Losses</b>, acts, errors, or omissions that occurred prior to the date of such consolidation, merger or appointment.</p> <p>c. Should an entity cease to be a subsidiary after the inception date of this policy, coverage with respect to such entity shall continue as if it was still a subsidiary until the expiration date of this policy, but only with respect to a <b>Claim</b> that arises out of any act, error, or omission committed such entity prior to the date that it ceased to be a subsidiary.</p> <p>d. All notices and premium payments made under this paragraph shall be directed to <b>Us</b> through the entity named in the Policy.</p>
<p><b>8 ASSIGNMENT</b></p>	<p><b>Your</b> interest under this Policy may not be assigned to any other entity, person or organization, whether by operation of law or otherwise, without <b>our</b> written consent. If <b>You</b> shall die or be adjudged incompetent, such insurance shall cover <b>Your</b> legal representative as <b>You</b> as would be covered under this Policy.</p>
<p><b>9 CANCELLATION AND NON-RENEWAL</b></p>	<p>a. <b>We</b> may cancel this Policy by mailing or delivering to <b>You</b> written notice of cancellation at least 45 days before the effective date. However, in case of cancellation by <b>Us</b> due to non-payment of premium, if <b>You</b> do not pay the outstanding premium within 15 days following receipt of <b>Our</b> written notice, <b>We</b> may notify <b>You</b> in writing that the Policy will be cancelled after 21 additional days, unless payment is made within such period.</p> <p>If this policy shall be cancelled by <b>Us</b>, and the reason for the cancelation is not breach of the Policy terms or attempted fraud towards <b>Us</b> by <b>You</b>, then <b>We</b> shall return to <b>You</b> the premium that <b>We</b> would have charged from a similar insured for the same insurance on the date of cancellation, in a proportion to the remaining period up to the end of the Policy Period.</p> <p>b. <b>We</b> will mail <b>our</b> notice via certified mail to <b>Your</b> last mailing address known to <b>us</b>.</p>
<p><b>10 WORDS AND TITLES OF PARAGRAPHS</b></p>	<p>The titles of paragraphs, sections, provisions, or endorsements of or to this Policy are intended solely for convenience and reference, and are not deemed in any way to limit or expand the provisions to which they relate and are not part of the Policy. Whenever the singular form of a word is used herein, the same shall include the plural when required by context.</p>
<p><b>11 NAMED INSURED AUTHORIZATION</b></p>	<p>The Named Insured first specified in the Policy has the right and duty to act on <b>Your</b> behalf for:</p> <ol style="list-style-type: none"> <li>1. The giving and receiving of notice of cancellation;</li> <li>2. The acceptance of any endorsements added after the effective date of coverage;</li> <li>3. The receiving of any <b>Loss</b> payments; and</li> <li>4. Otherwise corresponding with <b>Us</b>.</li> </ol>

<p><b>12 REPRESENTATIONS BY YOU</b></p>	<p>By acceptance of this Policy, <b>You</b> agree that the statements contained in the <b>Application</b>, any <b>Application</b> for coverage of which this policy is a renewal, and any supplemental materials submitted therewith, are <b>Your</b> agreements and representation; that they shall be deemed material to the risk assumed by <b>Us</b>, and that this Policy is issued in reliance upon the truth thereof.</p> <p>The misrepresentation or non-disclosure of any matter by <b>You</b> in the <b>Application</b>, any <b>Application</b> for coverage of which this Policy is a renewal, or any supplemental materials submitted therewith, will entitle us to the remedies set out in Sections 7-8 of the Insurance Contract Law - 1981.</p>
<p><b>13 INTERPRETATION OF THE POLIC</b></p>	<p>Any disputes involving this Policy shall be resolved applying the law of the State of Israel.</p>

**NUCLEAR ENERGY EXCLUSION**

**Claims** or Suits for **Damages** arising out of **Bodily Injury, Property Damage**, sickness, disease, death or destruction:

<p><b>1</b></p>	<p>With respect to which an <b>insured</b> under the policy is also an <b>insured</b> under a nuclear energy liability policy issued by the Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an <b>insured</b> under any such policy but for its termination upon exhaustion of its limit of liability.</p>
<p><b>2</b></p>	<p>Resulting from the hazardous properties of nuclear material and with respect to which:</p> <p>(a) Any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof; or</p> <p>(b) The <b>insured</b> is, or, had this Coverage Part not been issued, would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.</p>
<p><b>3</b></p>	<p>Resulting from the hazardous properties of nuclear material if:</p> <p>(a) The Nuclear Material:</p> <p>(1) Is at any nuclear facility owned by, or operated by or on behalf of an <b>insured</b>, or</p> <p>(2) Has been discharged or dispersed from a nuclear facility described in (1) above.</p> <p>(b) The nuclear material is contained in spent fuel or waste at any time handled, used, processed, stored, transported or disposed of by or on behalf of an <b>insured</b>; or</p> <p>(c) The <b>Bodily Injury</b> or <b>Property Damage</b> arises out of the furnishing by an <b>insured</b> of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if the nuclear facility is located within the United States of America, its territories or possessions or Canada, this exclusion will apply only to <b>Property Damage</b> to the nuclear facility and any property located on its premises.</p>

The following terms apply only to this exclusion:

Hazardous Properties include radioactive, toxic or explosive properties.

Nuclear Material means Source Nuclear Material, Special Nuclear Material or By-Product Material.

Source Material, Special Nuclear Material and By-Product Material have the meanings given them in the Atomic Energy Act of 1954, or any law amendatory thereof.

Spent Fuel means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a Nuclear Reactor.

Waste means any waste material:

(1) Containing By-Product Material other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its Source Material content, and

(2) Resulting from the operation by any person or organization of any nuclear facility included in the definition of nuclear facility, paragraphs (1) and (2) as follows:

Nuclear Facility means:

(1) Any nuclear reactor;

(2) Any equipment or device designed or used for:

(a) Separating the isotopes of uranium or plutonium;

(b) Processing or utilizing spent fuel; or

(c) Handling, processing or packaging waste.

- (3) Any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of that material in the custody of the insured at the premises where equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 of any combination thereof, or more than 250 grams of uranium 235;
- (4) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste and includes the site on which any of the foregoing is located, all operations conducted and all premises used for the described operations.

Nuclear Reactor means any apparatus de-signed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

Solely for the purpose of this exclusion, the definition of **Property Damage** is amended to include all forms of radioactive contamination of property.

**We** will not pay for any **Loss** arising out of any radioactivity, nuclear reaction or explosion, no matter where it occurs or where the results of the incident take effect.

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