parametrix
insurance

## Cloud Outage Insurance (US)

# Parametric Cloud Outage Insurance Policy

Specimen

### POLICY FORM

In consideration for payment of or agreement to pay the premium shown in the Policy **Schedule**, the **Insurer** agrees to provide the coverage described herein subject to all the terms and conditions of this **Policy**. This document contains the contract terms entered into by the **Insurer** and the **Insured** and with the **Policy Schedule** constitutes the contract document (the "**Policy**"). Any changes to this **Policy** shall be agreed in writing between the parties and added via an endorsement.

Words in bold are defined in the Definitions Clause of this **Policy. Bold** terms not otherwise defined in this **Policy** wording shall have the meaning given to the term in the **Policy Schedule**. The titles of paragraphs in this **Policy** are for reference only and do not in any way affect the provisions of this **Policy**, and "includes" (and its derivatives) means without limitation.

This **Policy** provides a parametric cover to the **Insured**, with coverage aligned with the **Assessed Outage Value** as defined in this **Policy**.

### 1. INSURING CLAUSE

The **Insurer** shall indemnify the **Insured** for all **Loss** incurred as a result of an **Outage Event** first commencing during the **Policy Period,** upon expiry of the **Waiting Period,** and subject to the terms, **Conditions** and **Exclusions** contained herein, subject to the following:

(i) the **Insurer** shall only be liable under each **Section** of this Policy for **Loss** in respect of **Outage Event(s)** if and to the extent that the **Indemnity Period** for such **Outage Event** is in force during the **Coverage Period** in respect of such **Section**, as listed in the **Policy Schedule**;

(ii) the **Insurer's** liability in respect of any **Outage Event** shall not exceed the aggregate of the applicable **Outage Event Loss Limit(s)** in respect of the applicable **Section(s)** as listed in the **Policy Schedule**;

(iii) the **Insurer's** total liability in respect of all **Outage Events** under the applicable **Section** of this Policy shall not exceed the **Section Aggregate Loss Limit** listed in the **Policy Schedule**; and

(iv) the **Insurer's** total liability in respect of all **Outage Events** under all **Sections** of this Policy shall not exceed the **Policy Aggregate Loss Limit** listed in the **Policy Schedule**.


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Notwithstanding paragraph (i) above, if the **Outage Event leading to the Indemnity Period** first commences before the expiry of the **Policy Period**, the **Insurer** shall be liable for **Loss** in respect of such **Outage Event** under each **Section** of this **Policy** for which the **Coverage Period** was in force as at expiry of the **Policy Period**, and such **Coverage Period** shall be deemed to continue to apply for the remaining duration of the **Indemnity Period** in respect of such **Outage Event**.

## 2. OUTAGE EVENT

**Outage Event** means an interruption in any one or more of the **Cloud Service(s)** insured under this **Policy**, and is deemed to:

(i) commence at the time when the **Parametrix Monitoring System** first makes a simultaneous recording of **Service Unavailable Status** in respect of all **CSP Region(s)** of any one of the **Cloud Service(s)** insured under the applicable **Section(s)** of this **Policy**; and
(ii) to end at the time when the **Parametrix Monitoring System** records at least one **CSP Region** as no longer in **Service Unavailable Status** with respect to each of the **Cloud Service(s)** insured under the applicable **Section**(s) of this **Policy** (whether or not such **CSP Region** is the same for each **Cloud Service**).

Notwithstanding (ii) above, if a further **Outage Event** in respect of such **Cloud Service(s)** commences within 30 minutes of the end of the prior **Outage Event**, then both **Outage Events** shall be considered, for the purpose of this **Policy,** to be a single **Outage Event** in respect of which:

(a) The total **Indemnity Period** for such 'single **Outage Event**' shall be the sum of the **Indemnity Periods** for each of the separate **Outage Events** (and for the avoidance of doubt, shall not include any interim period for which no **Outage Event** was ongoing); and

(b) Only a single **Waiting Period** shall apply, being the **Waiting Period** applying to the first **Outage Event**. For any further **Outage Event** comprising part of the same 'single **Outage Event**', no **Waiting Period** shall apply and the **Indemnity Period** shall commence immediately upon first commencement of the **Outage Event**.

## 3. LIMIT OF LIABILITY AND RETENTION

A **Waiting Period** shall apply in respect of each **Outage Event** giving rise to **Loss**. Upon expiry of the **Waiting Period** the **Insurer** shall provide an indemnity for **Loss** incurred during the **Indemnity Period**.

Except as set out in 6. Extension – Failure of the Parametrix Monitoring System below:

(i) the **Outage Event Loss Limit** for the applicable **Section** listed in the **Policy Schedule** shall be the limit of the **Insurer's** liability for each **Outage Event** under that **Section**; and


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(ii) the **Section Aggregate Loss Limit** listed in the **Policy Schedule** shall be the total limit of the **Insurer's** liability under the relevant **Section** of this **Policy** regardless of the number of **Outage Events** covered under such **Section** commencing during the **Policy Period**; and

(iii) the Policy Aggregate Loss Limit listed in the **Policy Schedule** shall be the total limit of the **Insurer's** liability under all **Sections** of this **Policy** regardless of the number of **Outage Events** commencing during the **Policy Period**.

## 4. DEFINITIONS

### (a) Assessed Loss per Hour

The monetary amount stated as **Assessed Loss per Hour** in the **Policy Schedule**, in respect of the relevant **Section**.

### (b) Assessed Outage Value

The **Assessed Loss per Hour** in respect of the relevant **Section**, multiplied by the number of hours (rounded up to the nearest 0.25 increment of any one hour (i.e. 15 minutes)) for the period during which the **Indemnity Period** is in force in respect of the **Coverage Period** of the relevant **Section**.

### (c) Cloud Service

The individual outsourced information technology services listed in the **Policy Schedule** in respect of the relevant **Section**, provided to the **Insured** by a **Cloud Service Provider** from the **CSP Region(s)** pursuant to written contract.

### (d) Cloud Service Provider

The commercial entity (as listed in the **Policy Schedule** in respect of the relevant **Section**) that delivers a **Cloud Service**.

### (e) Coverage Period

The period of time between the dates and times specified in the **Policy Schedule** , in respect of the applicable **Section**.

### (f) CSP Region(s)

The physical geographic location(s) of the data center(s) as listed in the **Policy Schedule** in respect of the relevant **Section**.

### (g) Financial Loss

Any pure pecuniary loss suffered by the **Insured** as a direct result of the **Outage Event** and not caused by personal injury or damage to property.

### (h) Indemnity Period

(i) The period commencing after expiry of the **Waiting Period** in respect of an **Outage Event** and ending either when the **Outage Event** ends or at expiry of the applicable **Maximum**


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**Duration Limit** in respect of the relevant **Section**, whichever occurs first. The duration of the **Indemnity Period** shall be rounded up to the next 0.25 increment of any one hour (15 minutes), subject to the **Maximum Duration Limit**; or

(ii) if less, the period stated in the Declaration of Loss in the Appendix of this Policy and signed by the **Insured's** authorized director or officer.

### (i) Insured

The **Policyholder** specified in the **Policy Schedule,** any **Subsidiary,** and additional named insureds.

### (j) Insurer

The insurers specified in the **Policy Schedule**.

### (k) Loss

The **Insured's Financial Loss** incurred during the **Indemnity Period.**

### (l) Maximum Duration Limit

The period of time specified in the **Policy Schedule**, in respect of the relevant **Section**.

### (m) Outage Event Loss Limit

The monetary amount specified in the **Policy Schedule**, in respect of the relevant **Section**.

### (n) Parametrix Monitoring System

Metrics provided by Parametrix Solutions Inc., of 157 Columbus Ave, Suite 511A, New York, NY 10023 (or any successor as determined under the conditions of 6. Extension - Failure of the Parametrix Monitoring System) which monitors the **Cloud Service(s)** on behalf of the **Insured**.

### (o) Policy

This policy wording, the **Policy Schedule** and any endorsements.

### (p) Policy Period

The period of time between the inception date and the time specified in the **Policy Schedule**.

### (q) Policy Schedule

The risk details specifying the coverage and limits insured.

### (r) Section(s)

An individual application of the conditions of this **Policy** to an insured unit as specified in the **Policy Schedule**, which are enforceable separately from other **Sections** of this **Policy**, subject to general **Policy** conditions such as, but not limited to, **Policy Aggregate Loss Limit**. The conditions of individual **Sections** in this **Policy** are specified by combinations of the **Cloud Services**, **Cloud Service Provider**, **CSP Regions**, **Waiting Period**, **Assessed Loss per Hour**,

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**Maximum Duration Limit**, **Section Aggregate Limit**, **Coverage Period**, and other parameters detailed in the **Policy Schedule**.

### (s) Service Unavailable Status

Data supplied by the **Parametrix Monitoring System** showing no service from the **Cloud Service**.

### (t) Subsidiary

Any entity which the **Policyholder,** as at the date of inception of the **Policy Period,** directly or indirectly:

(i) controls through holding 50% or more of the voting rights;

(ii) controls through the right to appoint or remove 50% or more of its board of directors;

(iii) controls alone, pursuant to a written agreement with other shareholders or members, 50% or more of the voting rights; or

(iv) holds 50% or more of the issued share capital.

There will be no cover under this **Policy** in respect of **Outage Events** first commencing prior to such entity becoming a **Subsidiary** and/or after such entity ceases to be a **Subsidiary**.

### (u) Waiting Period

The period of time specified in the **Policy Schedule**, as applicable to the relevant **Section**, which commences upon the first commencement of an **Outage Event.**

## 5. EXCLUSIONS

This **Policy** does not cover any **Loss** directly arising out of or resulting from**:**

### (a) Degradation in Service

Degradation in, latency or any other interruptions to **Cloud Services** that are not shown to be an **Outage Event**.

### (b) Planned Maintenance

Scheduled maintenance for a specified time period that the **Insured** was made aware of in advance by the **Cloud Service Provider**. However, this exclusion shall not apply to the extent that the duration of such scheduled maintenance is extended as the result of an **Outage Event**.

### (c) Prior Events

**Outage Events** that commenced prior to the inception of the **Policy Period**

### (d) Breach of Contract or Non-Delivery

(i) any breach of contract by the **Insured** in relation to the **Cloud Services** (including but not limited to any guarantee or warranty provided by the **Insured**);


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(ii) the intentional failure to offer or the intentional cancellation or cessation of provision by the **Cloud Service Provider** of the **Cloud Services** for any reason whatsoever whether permanently or temporarily, other than in an **Outage Event.**

## (e) Insolvency

The insolvency or bankruptcy of the **Cloud Service Provider**.

## (f) Government or Regulatory Action

Any act, notice, or order of any government or regulatory body or agency disrupting the operation of or provision of the **Cloud Services** including any such response due to the existence or threat (actual or perceived) of contamination, contagion, infection, pandemic, epidemic, viruses, bacteria, or other communicable diseases.

## (g) Sanctions

No **Insurer** shall be deemed to provide cover and no **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 **Insurer** to any sanctions, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the United States of America, the United Kingdom, or the European Union.

This clause shall not apply to HDI Global Specialty SE concerning the sanctions regimes of the United Kingdom and the United States of America.

## (h) Territorial Exclusion: Belarus, Russia and Ukraine

Notwithstanding anything to the contrary in this **Policy,** this **Policy** excludes any loss, damage, liability, cost or expense of whatsoever nature, directly or indirectly arising from or in respect of any:

(i) entity domiciled, resident, located, incorporated, registered or established in an Excluded Territory;

(ii) property or asset located in an Excluded Territory.

(iii) individual that is resident in or located in an Excluded Territory;

(iv) claim, action, suit or enforcement proceeding brought or maintained in an Excluded Territory; or

(v) payment in an Excluded Territory.

This exclusion will not apply to any coverage or benefit required to be provided by the **Insurer** by law or regulation applicable to that **Insurer,** payment in an Excluded Territory.

For purposes of this exclusion, "Excluded Territory" means:

1. Belarus (Republic of Belarus); and
2. Russian Federation; and
3. Ukraine (including the Crimean Peninsula and the Donetsk and Luhansk regions)

(LMA 5583A)

April 26, 2022


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## (i) War, Cyber War and Cyber Operation (Exclusion No. 1)

Note: ***Bold italicized*** words are defined in this exclusion independently of general Definitions in this **Policy**.

1. Notwithstanding any provision to the contrary in this insurance, this insurance does not cover any loss, damage, liability, cost or expense of any kind (together "loss") directly or indirectly occasioned by, happening through or in consequence of ***war*** or a ***cyber operation***.
2. The insurer shall have the burden of proving that this exclusion applies.

Attribution of a cyber operation to a state

3. The primary but not exclusive factor in determining attribution of a cyber operation shall be whether the government of the ***state*** (including its intelligence and security services) in which the ***computer system*** affected by the ***cyber operation*** is physically located attributes the ***cyber operation*** to another ***state*** or those acting on its behalf.
4. Pending attribution by the government of the ***state*** (including its intelligence and security services) in which the ***computer system*** affected by the ***cyber operation*** is physically located, the insurer may rely upon an inference which is objectively reasonable as to attribution of the ***cyber operation*** to another state or those acting on its behalf. It is agreed that during this period no loss shall be paid.
5. In the event that the government of the ***state*** (including its intelligence and security services) in which the ***computer system*** affected by the ***cyber operation*** is physically located either:
   5.1. takes an unreasonable length of time to, or
   5.2. does not, or
   5.3. declares it is unable to attribute the ***cyber operation*** to another ***state*** or those acting on its behalf, it shall be for the insurer to prove attribution by reference to such other evidence as is available.

Definitions (pertaining to this exclusion only, defined word in ***bold italics***)

6. ***Computer system*** means any computer, hardware, software, communications system, electronic device (including but not limited to, smart phone, laptop, tablet, wearable device), server, cloud infrastructure or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.
7. ***Cyber operation*** means the use of a ***computer system*** by or on behalf of a ***state*** to disrupt, deny, degrade, manipulate or destroy information in a ***computer system*** of or in another ***state***.
8. ***State*** means sovereign state.
9. ***War*** means:
   9.1. the use of physical force by a ***state*** against another ***state*** or as part of a civil war, rebellion, revolution, insurrection, and/or

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9.2. military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority, whether ***war*** be declared or not.

LMA5564

25 November 2021

### (j) Riot and Civil Disorder

Events resulting from hostile acts, riots, civil disturbances, general strike or illegal strike.

### (k) Terrorism

Any acts intended to achieve political, religious, ethnic, or ideological objectives and designed to spread fear or terror among the population or parts thereof, in order to exert influence over a government or governmental institutions.

### (l) Nuclear reaction, radiation or other contamination

Nuclear reaction or nuclear radiation or nuclear, chemical, biological or radioactive contamination from any cause, whether direct or indirect, controlled or uncontrolled, proximate or remote.

### (m) Worldwide Cloud Service Failure

Defined as an event where a **Cloud Service** is in **Service Unavailable Status** in half or more of the **CSP Regions** operated by the **Cloud Service Provider** for a duration of four (4) or more hours within a period of 24 hours.

## 6. EXTENSION – Failure of the Parametrix Monitoring System

The coverage provided by this **Policy** shall continue to apply in the event that the **Parametrix Monitoring System** fails to make a recording of **Service Unavailable Status**, or fails to provide such a recording to the **Insured**, for any reason other than that the thresholds for attaining **Service Unavailable Status** have not been reached, including due to any:

a. damage to, loss, destruction, corruption, theft, or loss of operational control of electronic data held by or on behalf of Parametrix Solutions Inc.;

b. unauthorised access to or use of data in the care, custody or control of, or computer systems owned, leased or operated by or on behalf of, Parametrix Solutions Inc.;

c. introduction of malicious computer code or other malicious electronic attack directed at or occurring within any computer systems owned, leased or operated by or on behalf of, Parametrix Solutions Inc.; and

d. accidental or unintentional failure or total or partial unavailability of computer systems owned, leased or operated by or on behalf of, Parametrix Solutions Inc., or data held on such computer systems.


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In such circumstances, the **Insurer** agrees that the commencement of and duration of **Service Unavailable Status** in respect of any **CSP Region(s)** of any **Cloud Service** insured under this **Policy** shall be evidenced by provision by the **Insured** of data from an alternative calculation agent (to be agreed by the **Insurer** and the **Insured**, such agreement not to be unreasonably withheld or delayed) showing no service from the relevant **CSP Region(s)** of the **Cloud Service(s)**, and such data shall be deemed for purposes of the **Policy** to comprise data provided by the **Parametrix Monitoring System**.

The **Insurer** shall indemnify the **Insured** up to a limit of USD 2,500 in respect of fees, costs and expenses incurred by the **Insured** in obtaining, preparing, presenting, certifying and/or verifying such data from an alternative calculation agent. This is in addition to the **Outage Event Loss Limit** and is not subject to a **Waiting Period** or other retention.

## 7. CLAIMS CONDITIONS

### (a) Claims Procedure

The **Insured** and the **Insurer** shall be notified of an **Outage Event** via data provided by **Parametrix Monitoring Systems**.

The **Insured** and **Insurer** agree that the indemnity provided in respect of **Loss** arising from an **Outage Event** shall be calculated as the **Assessed Outage Value** pursuant to the formula under **Section** (b) (Definitions) above. The **Assessed Outage Value** shall be calculated separately in respect of each relevant **Section**, to the extent that the **Indemnity Period** in respect of the **Outage Event** is in force during the **Coverage Period** of such **Section**.

Prior to any indemnity being due from the **Insurer**, the **Insured** shall first provide the **Insurer** with a written statement, signed by its authorized director or officer and in the form set out in the Appendix to this **Policy**.

The **Insurer** shall, within 15 business days of receipt of such written statement, make payment to the **Insured** of the **Assessed Outage Value** in respect of the **Outage Event**, subject to the provisions of 3. Limit of Liability and Retention of this **Policy**.

### (b) Subrogation Clause

The **Insurer** shall be subrogated to the extent of any payment under this **Policy** in respect of **Loss** to all the rights and remedies of the **Insured** against any party in respect of such **Loss**, damage or liability and shall be entitled at their own expense to sue in the name of the **Insured**. The **Insured** shall give to the **Insurer** all such assistance as the **Insurer** may reasonably require to secure their rights and remedies and, at the **Insurer's** request, shall take all reasonable steps to protect any such potential rights and execute all documents reasonably necessary to enable the **Insurer** effectively to bring suit in the name of the **Insured** including the execution and delivery of the customary form of loan receipt. The Insured shall take no steps that could prejudice, and shall take all necessary action (including positive action) to retain any such right of recovery.

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### (c) Dispute Resolution

(i) Mediation. If any dispute arises between any **Insured** and the **Insurer** involving **Loss** or a **Claim** under this **Policy**, such dispute shall be referred by the parties to a qualified mediator and the parties hereto shall attempt to negotiate a resolution of the dispute in good faith, prior to the initiation of any arbitration or other judicial proceedings. The party electing to mediate shall provide written notice to the other party of its request to mediate with a brief statement regarding the issue to be mediated. The persons named in the **Policy Schedule** are authorized and directed to accept such Notice of Mediation on behalf of the **Insurer**. The **Insured** is authorized and directed to accept such Notice of Mediation on behalf of any **Insured**.

(ii) In the event that Mediation does not resolve or settle the dispute between any **Insured** and the **Insurer**, after 30 days from the date of the Mediation, either party may:

(a) commence a judicial proceeding in accordance with Clause 8f) below ; or

(b) seek agreement to submit the matter to final and binding arbitration before either a single mutually agreed arbitrator or a three arbitrator panel whereby the **Insured** selects one arbitrator, the **Insurer** selects one arbitrator and the two selected arbitrators agree upon the selection of the third arbitrator.

## 8. GENERAL CONDITIONS

### (a) Policy Limits

The **Policy Aggregate Loss Limit** specified in the **Policy Schedule** shall be the maximum liability of the **Insurer** under this **Policy**.

### (b) Waiting Period

The **Insurer** will only become liable for any **Loss** upon expiration of the applicable **Waiting Period**. Any **Loss** incurred during the **Waiting Period** is uninsured.

### (c) Mergers and Acquisitions

In the event that an entity first becomes a **Subsidiary** during the **Policy Period** by merger with or acquisition by the **Insured**, cover under this **Policy** shall extend to such new **Subsidiary** only if the **Insurer** so agrees following the **Insured's** prompt written notification to the **Insurer**, and its agreement to comply with any additional terms and pay any additional premium required.

Cover under this **Policy** shall only apply in respect of **Outage Events** first commencing on or after the date that such entity becomes a **Subsidiary**.

### (d) Assignment

The interest hereunder is not assignable by any qualifying **Insured**.

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## (e) Law & Jurisdiction

This Insurance shall be governed by the law stated in the **Policy Schedule**.

Lloyd's Representative in the **Policy Schedule** is authorised to accept service of suit on behalf of the **Insurer**.

## (f) Service of Suit (USA)

(i) It is agreed that in the event of the failure of the **Insurer** to pay any amount claimed to be due hereunder, the **Insurer**, at the request of the **Insured**, will submit to the jurisdiction of a court of competent jurisdiction within the United States of America.

(ii) Notwithstanding any provision elsewhere in this insurance relating to jurisdiction, it is agreed that the **Insurer** have the right to commence an action in any court of competent jurisdiction in the United States of America, and nothing in this clause constitutes or should be understood to constitute a waiver of the **Insurer's** rights to remove an action to a United States Federal District Court or to seek remand therefrom or to seek a transfer of any suit to any other court of competent jurisdiction as permitted by the laws of the United States of America or any state therein.

(iii) Subject to the **Insurer's** rights set forth above:

(a) It is further agreed that the **Insured** may serve process upon any representative of the firms of:

**Lloyd's America, Inc.**, in respect of Lloyd's Underwriters

Attention: Legal Department **280 Park Avenue, East Tower, 25th Floor | New York, New York 10017**, and

**Mendes & Mount, LLP**, in respect of HDI Global Specialty SE

**750 Seventh Avenue | New York, New York 10019**

and that in any suit instituted against any one of them upon this **Policy** the **Insured** will abide by the final decision of the Court or of any Appellate Court in the event of an appeal.

(b) The above-named are authorized and directed to accept service of process on behalf of the **Insurer** in any such suit and/or upon the request of the **Insured** to give a written undertaking to the **Insured** that they will enter a general appearance upon the **Insurer's** behalf in the event such a suit shall be instituted.

(c) The right of the **Insured** to bring suit as provided herein shall be limited to a suit brought in its own name and for its own account. For the purpose of suit as herein provided the word **Insured** includes any mortgagee under a ship mortgage which is specifically named as a loss payee in this insurance and any person succeeding to the rights of any such mortgagee.

(d) Further, pursuant to any statute of any state, territory or district of the United States of America which makes provision therefor, the **Insurer** hereby designates the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office (the Officer), as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the

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**Insured** or any beneficiary hereunder arising out of this **Policy**, and hereby designate the above-named as the person to whom the Officer is authorized to mail such process or a true copy thereof.

(iv) It is agreed (subject to 7c. Dispute Resolution above) that in the event of the **Insurer's** failure to pay any amount claimed to be due under this **Policy**, the **Insurer** herein, at the **Insured's** request, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this clause constitutes or should be understood to constitute a waiver of the **Insurers'** rights to commence an action in any court of competent jurisdiction in the United States, to remove an action to a United States District Court, or seek a transfer of a case to another court as permitted by the laws of the United States or any state in the United States. It is further agreed that service of process in such suit may be made upon the **Insurer's** representative, designated in the **Policy Schedule**, and that in any suit instituted against any one of them upon this contract the Insurer will abide by the final decision of such court, or of any appellate court in the event of an appeal.

(v) The **Insurer's** representative designated in the **Policy Schedule** is authorized and directed to accept service of process on the Insurer's behalf in any such suit and/or upon the Insured's request to give a written undertaking to the Insured that they will enter a general appearance upon the **Insurer's** behalf in the event such a suit shall be instituted.

(vi) Pursuant to any statute of any state, territory, or district of the United States which makes provision therefor, the Insurer hereby designate the Superintendent, Commissioner, or Director of Insurance or other officer specified for that purpose in the statute, or his successor in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on the Insured's behalf or any beneficiary hereunder arising out of this **Policy**, and the Insurer hereby designate the Insurer's representative listed in the **Policy Schedule** as the person to whom the said officer is authorized to mail such process or a true copy thereof.

## (g) Several Liability Clause

The liability of the panel insurers that constitute the **Insurer** under this **Policy** is several and not joint with other panel insurers to this **Policy**. Each panel insurer is liable only for the proportion of liability it has underwritten. The panel insurers are not jointly liable for the proportion of liability underwritten by any other panel insurer. Nor is a panel insurer otherwise responsible for any liability of any other panel insurer that may underwrite this **Policy**.

The proportion of liability under this **Policy** underwritten by a panel insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in the **Policy Schedule**.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is a party that constitutes the **Insurer**. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable

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only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this **Policy**. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

## (h) Construction and Interpretation

(i) Any reference to legislation, statute, regulation, or law includes any similar or related law, statute, ordinance, or regulation, any amendments, and any rules or regulations or executive orders promulgated thereunder, or by federal, state, local or other agencies or similar bodies thereof. Any reference to a regulatory or investigative or other state or local governmental body includes any similar, subsidiary or related agency or body.

(ii) All or part of any provision of this **Policy** which is or becomes void or illegal, invalid or unenforceable by a court or other competent body under the law of any applicable jurisdiction shall be deleted. The parties shall use their best efforts to agree a replacement for the provision deleted which achieves as far as possible the same effect as would have been achieved by the deleted provision had it remained enforceable.

## (i) Fraud

In the event of any fraudulent claim by the **Insured**, or any fraudulent misstatement or concealment of information which was asked by the **Insurer** in writing, in connection with this **Policy** or in the making of a claim, the **Insurer** shall be exempt from liability in respect of any such claim, and the **Insurer** shall be entitled to terminate this **Policy** upon giving 15 days prior notice, and to retain the premium in full.

## (j) Cancellation and non-payment of Premium

This **Policy** may only be cancelled in whole or in part:

(i) by the **Insurer**, for fraud, pursuant to Condition h) above, in which case the **Insurer** shall be entitled to retain the premium in full.

(ii) by the **Insurer** for non-payment of premium, by sending a written notice to the **Insured.** If the **Insured** does not pay the outstanding premium within 15 working days following receipt of the **Insurer's** written notice, the **Insurer** may notify the **Insured** in writing that the **Policy** will be cancelled immediately.

In case of cancellation by the **Insurer** or by the **Insured** the **Insurer** shall retain the pro rata proportion of the premium hereon; and

(iii) upon formal notice to the **Insured** by a **Cloud Service Provider** of the cancellation or discontinuation of all **Cloud Services** insured under this **Policy**, in which case the **Policy** will be cancelled in respect of such **Cloud Service(s)** as of the day after such cancellation or discontinuation, and the pro rata portion of the premium for the period after the cancellation will be returned to the **Insured**, unless the **Insured** has notified or intends to make a claim under this **Policy** in respect of such **Cloud Service(s)**.


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## (k) Premium Payment Clause

The **Insured** will pay the premium in full to the **Insurer** within 60 days of inception of this **Policy** (or, in respect of instalment premiums, when due).

## (l) No Third Party Rights

This insurance is solely between the **Insured** and the **Insurer** and in no instance shall any claimant or other third party have any rights under this insurance.

Specimen


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## Appendix:

# Declaration of Loss (Specimen)

I _____ hold the position of _____ at [Policyholder Name].

I hereby declare that:

1. The outage event relating to [Cloud Service Provider and Cloud Service(s)] in the [CSP Region(s)] Cloud Service Provider Region, that occurred starting on [Event Start Date and Time and Time zone] and ending on [Event End Date and Time and Time zone] affected the company's and/or its subsidiary/ies operations, and resulted in a financial loss.
2. The duration of the impact of the outage event on the company's and/or its subsidiary/ies operations, after accounting for disaster recovery, and other measures taken (check the appropriate box):

☐ lasted for a time period consistent with the times stated above or longer

☐ commenced at _____ and concluded at _____ .

Signature: ..... Role: ..... Date: .....

(By authorized signatory)

Specimen


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