



## **Draft Outline of Cyber Business Interruption Product by CyberFortress**

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## Part I. About this insurance

[Standardized Language--CF will defer to you for guidance]

## Part II. Coverage period

This coverage begins at the time your payment is received and continues until You or Us cancel this coverage. We may cancel this insurance at any time pursuant to the conditions regarding cancellation described in Part VIII Conditions.

## Part III. Limit of insurance

We will pay up to 75% of Your daily **Gross Online Revenue** for up to fourteen (14) days in the event of a **Business Interruption Loss** resulting from a **Computer Systems Failure**. We will cover one (1) Loss per month and three (3) Losses per rolling twelve (12) month period.

1. Limit of insurance
  - a. It shall be seventy-five percent (75%) the amount by which the **Gross Online Revenue** earned by Your business during the Indemnity Period is less than the amount that would have been earned if the interruption of **Computer Systems** had not occurred.
    - i. The amount that would have been earned is calculated as the average of the previous (10) days of Your **Gross Online Revenue** prior to the Indemnity Period.
2. Sublimits
  - a. Daily sublimit
    - i. CyberFortress shall indemnify You up to but not exceeding 75% of the daily **Gross Online Revenue** of the Insured.
  - b. Monthly sublimit
    - i. CyberFortress shall indemnify You payments up to but not exceeding 14 calendar days in a given month.
  - c. Annual sublimit
    - i. CyberFortress shall indemnify You up to but not exceeding three Incidents in a rolling 12 month period.

## Part IV. Retention

For each Incident, You must first wait 12 hours from when the interruption began before We have any obligation to cover a Loss.

## Part V. Insuring agreement

[Standardized language with regard to payment or premium, retention, exclusions, conditions etc -- CF will defer to you for guidance]

We will indemnify You up to the limit of insurance for any **Business Interruption Loss** incurred by You in the **Indemnity Period** due to the interruption of your **Computer Systems** for a period of time that lasts longer than the **Retention Period** and provided this loss is discovered in the **Coverage Period** and takes place after the Retroactive Date. This includes any Loss due to a **Computer Systems Failure** affecting a Service Provider, E-Commerce Systems, Payment Card Processor, financial institution, or payment card company with whom You have a written agreement.

## Part VI. Definitions

[We have included below the terms unique to CyberFortress's policy and product. We will defer to you for guidance on standard terms and definitions as they are currently defined in the you small business cyber policy. We are also open to amending any of the below definitions.]

**Business Interruption Loss** - The amount by which the Gross Online Revenue earned by Your business during the Indemnity Period is less than the amount that would have been earned if the interruption of Computer Systems had not occurred. The amount that would have been earned is calculated as the average of the previous ten (10) days of Your Gross Online Revenue prior to the Indemnity Period.

**Computer System** - any computers, servers, mobile devices, applications, or software used to digitally store, process, and communicate data.

**Computer Systems Failure** - the inadvertent degradation or impairment of the operation of Your Computer System. This includes unauthorized access to Your Computer Systems, the introduction of malicious code, a denial of service attack, cyber extortion, and disruption of a Service Provider with whom you have a written agreement or other third-party provider.

**E-commerce System** - any software application or system by which online payments are digitally collected by You. E-commerce systems include third-party applications and software provided by an entity other than You pursuant to a written contract with You such as payment card processors, financial institutions, money transfer systems, mobile payment systems, and other payment processors. E-commerce systems does not include hardware involved in the collection, transmission, and storage of payments such as point-of-sale systems.

**Gross Online Revenue** - All revenue incurred from transactions completed solely using an E-Commerce System.

**Incident** - means Computer Systems Failure resulting in Business Interruption Loss.

**Loss** - means Business Interruption Loss.

**Renewal Notice** - Any notification from Us that Your policy has been renewed and allows for updating.

## Part VII. Exclusions

We will be excluding every traditional cyber coverage outside of business interruption unless those events lead to business interruption. We have also included below certain exclusions, particularly around perils, to give a more accurate sense of the scope of covered losses.

Cyber Extortion - As defined in Part VI Definitions; however, the exclusion will not apply in the event that cyber extortion results in a Computer Systems Failure leading to Business Interruption Loss.

Data Breach - As defined in Part VI Definitions; however, the exclusion will not apply in the event that a data breach results in a Computer Systems Failure leading to Business Interruption Loss.

Infrastructure and Utility Failure - any Loss resulting from the failure, degradation, or outage of power, electricity, cable, Internet, satellite, telecommunications, or other utility systems or infrastructure where the failure, degradation, or outage is not local to the insured or a service provider.

Natural Disasters - [Standardized Language--CF will defer to you for guidance]

Nuclear - [Standardized Language--CF will defer to you for guidance]

Strikes or similar labor actions - [Standardized Language--CF will defer to you for guidance]

Terrorism - any Loss as a result of an action by a state or state-sponsored group or a known terrorist organization; however, this will not apply where no such connection can be made. [you to supplement with their terrorism exclusion language]

War and Civil Commotion - [Standardized Language--CF will defer to you for guidance]

## Part VIII. Conditions

**The two unique conditions of the CyberFortress product is its monthly cadence and the obligation of the insured to report their revenue on an ongoing basis. We will defer to you for guidance on the standard conditions of a cyber policy.**

**Renewal** - This policy auto-renews on a monthly basis until You or Us cancel this policy.

**When Your revenue changes** - If You expect or experience a material change in Your Gross Online Revenue You must indicate this in the monthly renewal Notice to receive coverage based on the new revenue figure. This expectation must be reasonable. If You fail to alter Your expected revenue figure in the monthly Renewal Notice and Your Gross Online Revenue increases and an Incident occurs We will only cover seventy-five (75) percent of the expected revenue figure submitted in the Declarations and/or renewal Notice. If You fail to alter Your expected revenue figure in the Declarations and/or monthly renewal Notice and Your revenue decreases and an Incident occurs and You experience a Loss We will only cover Your Gross Online Revenue up to the amount as defined in Part III Limit of Insurance.