

CORPORATE INSURANCE CLAIMS PROCEDURE

DeepShield Systems, Inc.

Effective Date: January 1, 2024

Document ID: INS-2024-001

1. PURPOSE AND SCOPE

1. This Corporate Insurance Claims Procedure ("Procedure") establishes the standardized process for reporting, documenting, and processing insurance claims at DeepShield Systems, Inc. ("Company") relating to its industrial cybersecurity and critical infrastructure protection operations.

2. This Procedure applies to all employees, contractors, and authorized representatives of the Company involved in reporting or managing insurance claims.

2. DEFINITIONS

1. "Claim" means any incident, loss, or circumstance that may give rise to a right of recovery under any of the Company's insurance policies.

2. "Critical Incident" means any cyber breach, system failure, or operational disruption affecting client industrial control systems or SCADA networks.

3. "Insurance Coordinator" means the designated employee within the Legal Department responsible for managing insurance claims processes.

3. CLAIM REPORTING REQUIREMENTS

1. Initial Notification

- a) All potential claims must be reported to the Insurance Coordinator within 24 hours of discovery.
- b) Critical Incidents must be reported immediately to both the Insurance Coordinator and Chief Security Architect.

2. Required Information

- a) Date, time, and location of incident
- b) Description of loss or damage
- c) Affected systems or infrastructure

- d) Client impact assessment
- e) Preliminary damage estimate
- f) Witness information and statements
- g) Supporting documentation

4. DOCUMENTATION AND EVIDENCE PRESERVATION

1. The Insurance Coordinator shall maintain a secure claims documentation repository containing:

- a) Incident reports and investigations
- b) System logs and technical data
- c) Photographs and digital evidence
- d) Correspondence with insurers
- e) Expert reports and assessments
- f) Repair estimates and invoices

2. All evidence must be preserved in accordance with the Company's Data Retention Policy and applicable legal requirements.

5. CLAIMS PROCESSING PROCEDURES

1. Preliminary Assessment

- a) Insurance Coordinator reviews claim documentation
- b) Determines applicable coverage and policy provisions
- c) Assesses claim validity and potential exposure

2. Insurer Notification

- a) Submit formal notice to appropriate carrier(s)
- b) Provide required documentation and forms
- c) Coordinate with broker as necessary

3. Claim Investigation

- a) Engage appropriate technical experts
- b) Document root cause analysis
- c) Quantify damages and losses
- d) Prepare investigation report

6. SETTLEMENT AND RESOLUTION

1. The CFO must approve all claim settlements exceeding \$50,000.
2. Legal Department review required for:
 - a) Release agreements
 - b) Settlement terms
 - c) Coverage disputes
 - d) Subrogation matters

7. REPORTING AND ANALYSIS

1. The Insurance Coordinator shall maintain claims metrics including:
 - a) Claim frequency and severity
 - b) Resolution timeframes
 - c) Coverage adequacy
 - d) Loss trends
2. Quarterly claims reports shall be provided to:
 - a) Executive Leadership Team
 - b) Board Risk Committee
 - c) Insurance carriers

8. COMPLIANCE AND TRAINING

1. Annual training required for:
 - a) Department managers
 - b) Technical staff
 - c) Client-facing personnel
2. Insurance Coordinator shall review and update this Procedure annually.

9. CONFIDENTIALITY

1. All claims information shall be treated as confidential and shared only on a need-to-know basis.

2. External communications regarding claims must be approved by Legal Department.

10. DOCUMENT CONTROL

Version: 2.0

Last Updated: January 1, 2024

Approved By: Robert Kessler, CFO

Next Review Date: January 1, 2025

SIGNATURE

APPROVED AND ADOPTED this 1st day of January, 2024.

DeepShield Systems, Inc.

By: _

Robert Kessler

Chief Financial Officer

ATTEST:

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Corporate Secretary