



## Policy Wording

# Security Response

Policy Holder: «Client\_Name»  
Policy Number: «AIG\_Policy\_Number»

In consideration of the payment of the premium, and subject to the terms, conditions and exclusions set forth below, the **Insurer** will pay for the **Policyholder's Loss** sustained directly from a **Crisis** which occurs during the **Policy Period** up to the **Limits of Liability**.

The **Limits of Liability** for each of the Insurance Covers are outlined in the **Schedule** attaching to this policy.

## Section 1 - Insurance Covers

### 1.1 Crisis Consultant Costs

The **Insurer** will pay the reasonable and necessary fees and expenses incurred for the **Security Services** of the **Crisis Consultant** in response to a **Crisis** or where there is reasonable likelihood of a **Crisis** occurring.

'**Security Services**' include the following:

- i. 24 hour access to a global security operations center, providing immediate response, initial advice, and support to a **Policyholder**, following an **Insured Event**;
- ii. Deployment of a consultant(s) to the location of an incident, the corporate head office or other location to evaluate the situation and provide an initial assessment during an **Insured Event**;
- iii. In respect of **Cyber Extortion** the initial response and assessment only;
- iv. Investigation services including case management, suspect and witness interviews and evidence collection following an **Insured Event**;
- v. Identification of any legal implications and liabilities, including recommendations for specialized legal advice during an **Insured Event**;
- vi. Personnel impact assessment and workforce management advice following an **Insured Event**;
- vii. Assistance in establishing a crisis management team at the **Policyholder's** headquarters and incident management at the location of an event;
- viii. Support in implementing existing crisis management plans, or, in the absence of existing processes, the facilitation of crisis management procedures;
- ix. Management of crisis communications during an **Insured Event**;
- x. Surveillance and counter surveillance where permissible by the law of the country where the **Crisis** occurs;
- xi. Advice on external communications, options and recommendations for response, and scripting of communicators/intermediaries during an **Insured Event**;
- xii. Business continuity support for the purpose of keeping the impact, costs and reputation damage to a minimum including business impact analysis and protecting people and critical assets during an **Insured Event**;
- xiii. Guidance and, where necessary, liaison with all stakeholders, including but not limited to law enforcement, government officials and families of victims during an **Insured Event**;
- xiv. Security awareness training for impacted **Insured Persons**;
- xv. Victim witness debriefing, to include extended family, in-country management team and corporate executives and rehabilitation support after an **Insured Event**; and
- xvi. Any other reasonable and necessary services provided by the **Crisis Consultants** with the **Insurer's** prior approval.

### 1.2 Additional Expenses

The **Insurer** shall pay all reasonable and necessary additional expenses incurred, in response to a **Crisis**, by the **Policyholder** which shall comprise:

- i) the additional and unforeseen costs incurred in the conduct of the **Policyholder's** business over and above the costs that would normally have been incurred to conduct the **Policyholder's** business during the same period had an **Act of Terrorism, Civil Commotion, Disappearance, Hijack, Hostage Crisis, or Kidnap** not occurred in order to maintain normal working operations. This shall not include the payment of any **Ransom**.
- ii) reasonable rest and rehabilitation expenses (including meals and recreation) incurred within twelve (12) months and with the **Insurer's** prior authorisation following an **Act of Terrorism, Civil Commotion, Disappearance, Hijack, Hostage Crisis, or Kidnap**.

## Section 2 - Definitions

Words and phrases in **bold** type have the meaning set out below. Where a term is defined in **bold** type but does not appear below it has the meaning given in the **Schedule** to this policy.

- 2.1 Act of Terrorism** means an activity that:
- i. is committed for political, religious, ideological or similar purposes and involves a violent act; or the unlawful use of force or an unlawful act dangerous to human life or tangible **Property**; and
  - ii. is carried out by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s); and
  - iii. is intended to:
    - a) intimidate or coerce a civilian population; or
    - b) disrupt any segment of the economy of a government, state or country; or
    - c) overthrow, influence, or affect the conduct of any government by intimidation or coercion; or
    - d) affect the conduct of a government by mass destruction, assassination, kidnapping or hostage taking; and
  - iv. has caused actual physical damage to **Policyholder's Property**, or bodily injury or death to an **Insured Person** or prevents **Insured Persons** from having access to or from being able to exit from the **Property**.
- 2.2 Assault** means an act with violent intent resulting in immediate serious bodily injury to an **Insured Person**.
- 2.3 Blackmail** means the demand of money, property or services from the **Policyholder** or an **Insured Person** in return for not revealing compromising or injurious material information.
- 2.4 Civil Commotion** means a disturbance of the public peace by three or more persons assembled together and acting with common intent that has caused actual physical damage to the **Policyholder's Property**, or bodily injury or death to an **Insured Person** or prevents the **Policyholder** from having access to or from being able to exit from the **Property**.
- 2.5 Crisis** means any decisive, unstable or crucial time in the **Policyholder's** affairs or business resulting from an **Insured Event** that either:
- i. has directly caused a **Material Disruption**; or
  - ii. has the potential to cause:
    - a) Imminent **Financial Loss**; and/or
    - b) The reporting of an **Insured Event** in local, regional or national media including radio, television, newspaper or magazines which is likely to cause a **Material Disruption** to the **Policyholder**.
    - c) Serious bodily harm to any of the **Policyholder's** officers, executives, management or staff.
- 2.6 Crisis Consultant** means the company named in the **Schedule** or any other consultants authorised with the **Insurer's** prior consent.
- 2.7 Cyber Extortion** means the making of illegal threats either directly or indirectly to the **Policyholder** to:
- i. disseminate, effect loss of or cause physical damage to electronic data, including the modification of data and denial of access to computer or network services;
  - ii. introduce a computer virus into the **Policyholder's** systems;
- by persons who then demand specifically from assets of the **Policyholder** or an **Insured Person** a **Ransom** as a condition of not carrying out such threats.
- 2.8 Deprivation** means the denial of access to the **Policyholder's** workplace.
- 2.9 Detention** means the holding under duress of an **Insured Person** for whatever reason, other than **Kidnap** or **Hijack**, and irrespective of whether such holding under duress is by legal governmental authorities in the place of custody or by other parties.
- 2.10 Disappearance** means when an **Insured Person** has been missing during the **Policy Period** for a period exceeding forty-eight (48) hours from the last confirmed contact with such **Insured Person**.
- 2.11 Emergency Repatriation** means the evacuation of one or more **Insured Person**, or, in the event of death, their remains, from the country where the **Insured Person** is employed or visiting (but is not a national of), to the nearest safe location or to their resident country as a result of an **Evacuation Advisory**.

- 2.12 Employee Dishonesty** means any fraudulent or dishonest act or omission by an employee. An employee shall mean anyone under a contract of employment with the Policyholder. It shall not mean any (i) principal, partner, director or officer; or (ii) temporary contract labour, self-employed person or labour-only subcontractor.
- 2.13 Evacuation Advisory** means a formal recommendation that is issued during the **Policy Period** by either (a) the applicable governmental authority (United Kingdom Foreign and Commonwealth Office, United States Department of State or other similar country governmental authority) of the country where the **Policyholder** is domiciled or where the **Insured Person** is a national or (b) the **Crisis Consultant** stating that a class or group of persons, which includes an **Insured Person**, must leave the country they are currently located in.
- 2.14 Financial Loss** means a decrease greater than twenty (20) % in the consolidated revenues of the **Policyholder**.
- 2.15 Hijack** means the illegal holding under duress of an **Insured Person** whilst travelling on any aircraft, motor vehicle or waterborne vessel for a period in excess of four (4) consecutive hours.
- 2.16 Hostage Crisis** means the illegal holding of one or more **Insured Persons**, for a period in excess of one (1) hour, by an opposing party who demands that a set of specified terms are met as a condition of the release of such **Insured Person(s)**.
- 2.17 Insured Event** means an **Act of Terrorism, Assault, Blackmail, Civil Commotion, Cyber Extortion, Deprivation, Detention, Disappearance, Emergency Repatriation, Employee Dishonesty, Hijack, Hostage Crisis, Kidnap, Product Tamper, Radicalization, Sabotage, Stalking or Threat** or a series of connected acts thereof.
- 2.18 Insured Person** means:
- i. all directors, officers and employees;
  - ii. a spouse or domestic partner, or a relative, fiancé, fiancée, child (including step, adopted, in-law or foster child), parent (including step, adopted and parent-in-law), sibling (including step or sibling-in-law), of any person named or specified in the **Schedule**;
  - iii. any person while on the premises of the **Policyholder**; and
  - iv. any person who is directly involved in the handling or negotiation of an **Insured Event**.
- 2.19 Kidnap** means the illegal actual alleged or attempted taking and holding captive of one or more **Insured Persons** by persons who then demand specifically from assets of the **Policyholder** a **Ransom** as a condition of the release of such captive(s).
- 2.20 Loss** means any amounts covered and payable under the Insurance Covers section but only to the extent set out in such section.
- 2.21 Material Disruption** means a disruption or break in the continuity of the **Policyholder's** normal business operations, which:
- i. requires the direct involvement of the **Policyholder's** board of directors or senior executives and substantially diverts their concentration away from their normal operating duties; and
  - ii. is likely to have a significant negative impact on the **Policyholder's** revenues, earnings or net worth.
- 2.22 Product Tamper** means the actual, alleged or threatened alteration or contamination of the **Policyholder's** products by any person who intentionally, wrongfully and maliciously renders the **Policyholder's** products dangerous for its intended use or consumption or creates such an impression to the public.
- 2.23 Property** means all real or personal property, including fixtures, fittings, works of art and other contents, computer hardware or software, plant and equipment (fixed or mobile) and livestock, which is owned, managed or leased by the **Policyholder** or for which the **Policyholder** is legally liable.
- 2.23 Radicalization** means any malicious act intended to persuade any member of the workforce to engage in, support, or in any other way perpetrate the commission of an act of terrorism.
- 2.24 Ransom** means cash and/or marketable goods, **Property**, monetary instruments, securities or services surrendered or to be surrendered by or on behalf of the **Policyholder** (with the approval of a senior officer of the **Policyholder**) to meet either a **Kidnap** or **Cyber Extortion** demand.
- 2.25 Sabotage** means actual or attempted damage, disruption, or subversion of the **Policyholder's** operations by persons who are solely and directly targeting the **Policyholder**, their organization or business, which occurs on or against the **Policyholder's** physical **Property** for the purpose of effecting unfavourable publicity, delays in production, damage to physical **Property**, the destruction of working relationships, or the harming of the **Policyholder's** employees or customers.

- 2.26 Stalking** means a series of connected actual or attempted acts committed with the intent to harass, injure or harm **Insured Persons**, but only if the person committing the act is the subject of a court order or injunction issued to protect **Insured Persons** and the incident is formally reported to the police within forty-eight (48) hours of the incident.
- 2.27 Threat** means a threat made specifically against the **Policyholder** (without demanding **Ransom**) by a person or group to commit or attempt to:
- i. kill, injure or abduct an **Insured Person**;
  - ii. cause physical damage or loss of **Property**;
  - iii. disclose, disseminate or utilize proprietary information, including any personal or private or confidential information on or about the **Policyholder**.

## Section 3 - Conditions

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- 3.1 Notification** – In the event of an **Insured Event** during the **Policy Period**, the **Policyholder** will make every reasonable effort to immediately inform the **Crisis Consultants** and provide all relevant information as soon as possible.
- 3.2 Use of Crisis Consultants** – Following an **Insured Event** the services of the **Crisis Consultants** will be available to the **Policyholder** at no charge up to **Limit of Liability** and on a priority basis to provide advice and assistance in handling the **Insured Event**.
- 3.3 Notice** – Except as indicated in Appendix 1, all notices, applications, demands and requests provided for in this policy will be in writing and will be given to or made upon either party at its address shown in the **Schedule**.
- 3.4 Assistance and Cooperation** – The **Policyholder** and all **Insured Persons** will cooperate with the **Insurer** in all matters relating to this policy, including in the conduct of litigation or arbitration and assisting in achieving settlements.
- 3.5 Limits of Liability** – The maximum limit and aggregate limit of the **Insurer's** liability for covered **Losses** will not exceed the amounts set forth as separate limits of liability for each of the insurance covers 1.1 and 1.2 in the **Schedule** as the **Limit of Liability**. All covered **Losses** will be deemed to have been incurred during the **Policy Period** in which the **Insured Event** occurred.
- 3.6 Assault – The Insured Person(s)** must report the incident to the police within seven (7) days and a crime reference number must be provided to the **Insurer**.
- 3.7 Statement of Loss** – The **Policyholder** will file a detailed, written and sworn Statement of Loss with the **Insurer** as soon as possible after the date of loss.
- 3.8 Cancellation** – The **Policyholder** may cancel this policy at any time by providing the **Insurer** written notice in which case the **Insurer** will retain the pro rate proportion of the premium provided no claims or incidents have been reported. The policy may only be cancelled by the **Insurer** if the **Policyholder** fails to pay the required premium.
- 3.9 Subrogation** – In the event of any payment under this policy, the **Insurer** will be subrogated to the **Policyholder's** rights of recovery. The **Policyholder** will do everything necessary to secure and preserve such rights including the execution of any documents necessary to enable the **Insurer** effectively to bring suit in the name of the **Policyholder** and will do nothing to prejudice such rights.
- 3.10 Other Insurance** – The **Insurer** will not be liable in respect of any losses which, but for this insurance policy would be covered under any other insurance policy including management liability cover, save in excess of such other insurance or receivable from any other source.
- 3.11 Waiver** – Failure by the **Insurer** to exercise or enforce any rights hereunder will not be deemed to be a waiver or a change in any part of this policy, or prevent the **Insurer** from asserting any right under this policy, nor shall the terms of this policy be waived or changed except by endorsement to form part of this policy.
- 3.12 Non-Assignment** – This policy may not be assigned or transferred without the written consent of the **Insurer**.
- 3.13 Governing Law** – This policy and any dispute or claim arising out of or in connection with it or its subject matter or \ formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of England and Wales.
- 3.14 Arbitration** - Any dispute or claim arising out of or in connection with this policy or its subject matter or formation (including non-contractual disputes or claims) which cannot be resolved by agreement within 30 days, shall be referred to binding arbitration by either party, upon giving 7 days' notice to the other, in the London Court of International Arbitration (LCIA), whose rules shall be deemed incorporated by reference to this Section 3.15 (Arbitration), and the cost shall be borne equally between the **Policyholder** and **Insurer**.
- 3.15 Rights of Third Parties** – Nothing in this policy is intended to confer a directly enforceable benefit on any third party other than an **Policyholder**, whether pursuant to the Contracts (Rights of Third Parties) Act 1999 or otherwise.
- 3.16 Severability** – If any provision contained in this policy is, for any reason, held to be invalid, illegal or unenforceable, it will be construed by limiting it so as to be valid, legal and enforceable to the extent compatible with applicable law or if that is not possible, severed without invalidating the remainder of the policy.

- 3.17 Sanctions** – The **Insurer** shall not be deemed to provide cover and the **Insurer** shall not 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 the **Insurer**, its parent company or its ultimate controlling entity to any sanction, prohibition, restriction or any applicable anti-terrorism legislation or regulation under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, or the United States of America or the United Kingdom.
- 3.18 Interpretation** - The descriptions in the headings and titles of this policy are solely for reference and do not lend any meaning to this policy. Words and expressions in the singular shall include the plural and vice versa. Words following the terms including, include or any similar expression shall be construed as illustrative. Words in bold typeface have special meaning and are defined in the policy or in the **Schedule**. Words that are not specifically defined in this policy have the meaning normally attributed to them.

## Section 4 - Exclusions

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The **Insurer** will not be liable for **Loss** caused by or resulting either or indirectly from or involving:

- 4.1 Prior Events** – a series of **Insured Events** where the first of which began before the **Policy Period**.
- 4.2 Fraud** – a fraudulent, dishonest, illegal or criminal act or attempt by an **Insured Person** or any of the **Policyholder's** directors or officers (whether acting alone or in collusion with others).
- 4.3 Wrongful Detention** – In respect to **Detention** only:
- (i) a **Detention** for a period of less than four (4) consecutive hours;
  - (ii) any act or alleged violation of the laws of the host country by an **Insured Person** which would be a criminal offence if committed by the same party in the jurisdiction where its headquarters are located or of which he or she is a national, unless the **Insurer** determines that such allegations were intentionally false, fraudulent and malicious and made solely and directly to achieve a political, propaganda or coercive effect upon or at the expense of the **Policyholder** or the victim of a **Detention**; or
  - (iii) the failure of an **Insured Person** to properly procure or maintain immigration, work, residence or similar visas, permits or other documentation.
- 4.4 Property Damage** - the actual loss of or damage to **Property** of any description.
- 4.5 Cyber Extortion** - any expenses or costs associated with, repairing, replacing or remediating hardware, software or data impacted by a cyber extortion, including, but not limited to, updating, upgrading, enhancing, or replacing any computer system, software program or data.
- 4.6 Excluded Territories** - An **Insured Event** which occurs in Afghanistan, Iraq, Nigeria, Pakistan, Somalia, Venezuela, Yemen or any other region or country to which the **Insured Persons** will travel where the United Kingdom Foreign and Commonwealth Office has advised against '*all travel*' prior to the commencement of the trip.
- 4.7 Natural Disaster** - A volcanic eruption, flood, tsunami, earthquake, landslide, hurricane, tornado and wildfire in the particular country or region in which the **Insured Person** is resident or travelling.
- 4.8 Domestic Dispute** - An **Insured Event** caused as a consequence of a domestic dispute.
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## Section 5 - Complaints and Privacy

### 5.1 Complaints

The **Insurer** believes you deserve courteous, fair and prompt service. If there is any occasion when our service does not meet your expectations please contact us using the appropriate contact details below and provide the Policy / Claim Number and the name of the **Policyholder / Insured Person** to help us deal with your comments quickly.

Claim related complaints:

Head of Financial Lines & Professions Claims – Claims Manager

58 Fenchurch Street, London, EC3M 4AB

Telephone: +44 (0) 20 7063 5418

Email: [uk.customer.relations@aig.com](mailto:uk.customer.relations@aig.com)

Online: <http://www.aig.co.uk/your-feedback>

Lines are open Monday to Friday from 9.15 am to 5.00 pm, excluding bank holidays

All other complaints:

Customer Relations Unit

American International Group UK Limited,

2-8 Altyre Road, Croydon CR9 2LG

Call: +44 0800 012 1301

Email: [uk.customer.relations@aig.com](mailto:uk.customer.relations@aig.com)

Online: <http://www.aig.co.uk/your-feedback>

Lines are open Monday to Friday from 9.15am to 5pm, excluding bank holidays. The Customer Relations Unit free call number may not be available from outside the UK – so please call us from abroad on +44 20 8649 6666.

The **Insurer** will acknowledge the complaint within five (5) business days of receiving it, keep you informed of progress and do our best to resolve matters to your satisfaction within eight (8) weeks. If the **Insurer** is unable to do this you may be entitled to refer the complaint to the Financial Ombudsman Service (FOS) who will review your case. The **Insurer** will provide full details of how to do this when The Insurer provide our final response letter addressing the issues raised.

Please note that the Financial Ombudsman Service may not be able to consider a complaint if the complainant:

- has not provided us with the opportunity to resolve the complaint, or
- is a business with more than 10 employees and a group annual turnover of more than €2 million; or
- is a trustee of a trust with a net asset value of more than £1 million; or,
- is a charity with an annual income of more than £1 million.

The Financial Ombudsman Service can be contacted at:

Write to: The Financial Ombudsman Service, Exchange Tower, London, E14 9SR

Call: 0800 023 4567 or 0300 123 9 123

Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

Online: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

If you wish to complain about an insurance policy purchased online you may be able to use the European Commission's Online Dispute Resolution platform, which can be found at <http://ec.europa.eu/consumers/odr/>

Following this complaint procedure does not affect your right to take legal action.

### 5.2 Privacy

The **Insurer's** Privacy Policy is available at [www.aig.co.uk/privacypolicy](http://www.aig.co.uk/privacypolicy) or by requesting a copy from Data Protection Officer, Legal Department, American International Group UK Limited, The AIG Building, 58 Fenchurch Street, London EC3M 4AB

(email: [DataProtectionOfficer@aig.com](mailto:DataProtectionOfficer@aig.com)).

By submitting information to the **Insurer** relating to any identifiable individual, the **Policyholder** represents that the **Policyholder** has authority to provide that personal information to the **Insurer**. With respect to any individual about

whom the **Policyholder** provides personal information to the **Insurer**, the **Policyholder** agrees: (a) to inform the individual about the content of the Privacy Policy; and (b) to obtain any legally-required consent for the collection, use, disclosure, and transfer (including cross-border transfer) of personal information about the individual in accordance with the Privacy Policy.

### 5.3 Financial Services Compensation Scheme

The **Insurer** is covered by the Financial Services Compensation Scheme (FSCS). The **Policyholder** may be entitled to compensation from the scheme in the unlikely event that the **Insurer** cannot meet its obligations. This depends on the type of business and the circumstances of the claim. Further information is available from the FSCS.

Financial Services Compensation Scheme, 7th Floor Lloyds Chambers, Portsoken Street, London E1 8BN

Telephone: +44 (0) 20 7892 7300

Fax: +44 (0) 20 7892 7301

E-mail: [enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk)

# Appendix 1 - Notification Procedures & Consultants

What to do in a Crisis?

## Crisis Hotline

**+44 (0) 207 291 7703**

The number above is a dedicated crisis response hotline and should only be used for notification of an incident, situation or occurrence which has led to an **Insured Event** and subsequent **Crisis**. Callers will speak directly to or receive an immediate call back from the **Insurer's** experienced **Crisis Consultants**. Following notification of an incident, situation or occurrence which may give rise to a **Crisis**, the **Crisis Consultants** will be available if necessary to be with the **Policyholder** as soon as travel time permits.

In the event of an incident, situation or occurrence which may give rise to or constitute a **Crisis**, then as part of the policy coverage and under a special arrangement with the **Insurer**, the **Insurer** will make available on a priority basis, specialist **Crisis Consultants** nominated by the **Insurer** to advise, inform and assist the **Policyholder**.

It is understood and agreed that:

- (a) the **Crisis Consultants** have no authority on behalf of the **Insurer** to make any admissions which may prejudice the **Insurer's** rights or to deal with matters concerning policy coverage or the application of any facts and circumstances of any incident, situation or occurrence which has been notified and which may give rise to a **Crisis** under the policy terms, conditions and exclusions; and
- (b) the provision and/or the use of these services is not, is not intended to be and shall not be regarded as an admission of or an acceptance by the **Insurer** of any liability to indemnify a **Policyholder** under the policy and is without prejudice to all of our rights under the terms, conditions and exclusions of the policy