War and Cyber Operation Exclusion No. 3

(For use on commercial cyber insurance contracts)

1. Notwithstanding any provision to the contrary in this insurance, this insurance does not cover that part of any loss, damage, liability, cost or expense of any kind:

   1.1. directly or indirectly arising from a **war,** and/or

   1.2. arising from a **cyber operation** that is carried out as part of a **war**, or the immediate preparation for a **war**, and/or

   1.3. arising from a **cyber operation** that causes a **state** to become an **impacted state**.

Attribution of a **cyber operation** to a **state**

2. Notwithstanding the insurer's burden of proof, which shall remain unchanged by this clause, in determining attribution of a **cyber operation** to a **state**, the insured and insurer will consider such objectively reasonable evidence that is available to them. This may include formal or official attribution by the government of the **state** in which the **computer system** affected by the **cyber operation** is physically located to another **state** or those acting at its direction or under its control.

Definitions

3. **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. If there is any inconsistency between definitions of **computer system** in this exclusion and the contract of insurance, the definition in the contract of insurance shall apply.

4. **Cyber operation** means the use of a **computer system** by, at the direction of, or under the control of a **state** to:

   4.1. disrupt, deny access to or, degrade functionality of a **computer system**, and/or

   4.2. copy, remove, manipulate, deny access to or destroy information in a **computer system**.

5. **Essential service**, means a service that is essential for the maintenance of vital functions of a **state** including but not limited to, financial institutions and associated financial market infrastructure, health services or utility services.

6. **Impacted state** means any **state** where a **cyber operation** has a major detrimental impact on:

   6.1. the functioning of that **state** due to disruption to the availability, integrity or delivery of an **essential service** in that **state,** and/or

   6.2. the security or defence of that **state**.

7. **State** means sovereign state.

8. **War** means armed conflict involving physical force:

   8.1. by a **state** against another **state**, or

   8.2. as part of a civil war, rebellion, revolution, insurrection, military action or usurpation of power,

   whether war be declared or not.

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