IMPORTANT NOTICE
This insurance policy is an integral part of your insurance contract. Please read it carefully to ensure that it is in accordance with your requirements and that you understand its terms and conditions. Please contact your insurance intermediary immediately if any correction is necessary.
Technology Professional Indemnity Insurance

Relationship of the insurer, the policyholder and the insured in connection with technology indemnity insurance is governed by the insurance contract and by this policy that represents its integral part.

Please, read this insurance policy carefully, above all the provisions that may restrict the insurance coverage.

Words and phrases that appear in bold print in this policy have special meanings defined in Article 3. Definitions.

1. INSURANCE RISK, INSURED EVENT

This insurance covers legal liability of the insured for damages caused to a third party by performing of technology professional services. This insurance is concluded as indemnity insurance.

The insurer will pay up to the policy limit on behalf of the insured all damages and defence costs that the insured becomes legally obligated to pay as a result of any claim first made against the insured during the policy period and reported by the policyholder or the insured to the insurer in writing during the policy period or any automatic extended reporting period (if applicable) in accordance with Article 5. C. Notice/Claims Reporting Provisions below, arising out of the performance of technology professional services, provided that the wrongful act took place during the policy period or after the retroactive date specified in the insurance contract. Payment of the excess applies to this insurance.

The insurer will pay defence costs incurred in defending a claim deemed covered under this insurance policy.

2. EXTENSIONS

Provisions of other parts of this insurance policy also apply to the insurance cover under the extensions below.

2.1. New Subsidiaries

The insurance also covers a subsidiary that becomes a subsidiary during the policy period provided that such company does not represent more than a 15 percent increase in total gross revenue of the policyholder in the financial year preceding the date of acquisition or establishment of such company. Where such company represents an increase in the gross revenue of more than 15 percent, such company will be deemed a subsidiary under this insurance, but only upon the condition that within 30 days of it becoming a subsidiary or failing to meet this condition, the policyholder will have provided the insurer with full particulars of the new subsidiary and agreed to any additional premium and amendment of the provisions of this policy required by the insurer relating to such new subsidiary, subject to the review and acceptance by the insurer of full and complete underwriting information.

Cover under this extension shall only apply in respect to any claim against the subsidiary arising from the conduct of technology professional services provided or required to be provided after the date of acquisition or the date the subsidiary was formed or the retroactive date whichever is later.
2.2. Court Attendance Fees

Defence costs will include the following daily court attendance rates where court attendance of the insured as a witness is required in connection with a claim that is covered by this policy. The total amount payable for court attendance shall not exceed [CZK].

a) Partner or member of statutory or supervisory body of the insured: 5,000 CZK
b) Employee of the insured: 2,500 CZK

2.3. Privacy Breach

The insurer will pay on behalf of the insured all damages and defence costs resulting from any claim for any invasion, infringement or interference with any right to privacy or of publicity, including any disclosure which amounts to a breach of data protection legislation.

2.4. Transmission of Computer Virus

The insurer will pay on behalf of the insured all damages and defence costs resulting from claims for the negligent and inadvertent transmission of a computer virus.

2.5. Intellectual Property Infringement

The insurer will pay on behalf of the insured all damages and defence costs resulting from any claim for the infringement of intellectual property. This extension does not cover claims for the infringement of patents or trade secrets.

2.6. Defamation

The insurer will pay on behalf of the insured all damages and defence costs resulting from any claim for libel or slander where such libel or slander was committed unintentionally.

2.7. Loss of Documents

The insurer will pay on behalf of the insured all damages and defence costs resulting from the loss of third-party documents for which the insured is legally responsible and that during the policy period the third-party documents have been destroyed, damaged, lost, distorted, erased or mislaid, provided that this occurred in connection with technology professional services.

2.8. Fraud and Dishonesty

The insurer will pay on behalf of the insured all damages and defence costs arising from a claim for dishonest or fraudulent act or omission or any malicious, criminal or intentional breach of law of any employee of the insured in the conduct of the technology professional services, provided that coverage under this extension shall not be provided to any insured committing, participating in or condoning such dishonest or fraudulent act or omission or malicious, criminal or intentional breach of law.
2.9. Automatic Extended Reporting Period

If the insurer cancels or non-renews this policy other than for the non-payment of premium the insured shall have the right following the effective date of such cancellation or non-renewal, to a period of 60 days in which to give written notice to the insurer of any claim first made against the insured prior to the end of the policy period, provided that any actual or alleged wrongful acts occurred prior to the end of the policy period or after the retroactive date specified in the insurance contract and are otherwise covered by this policy. This automatic extended reporting period shall not apply if this policy or its cover has been replaced.

The policy limit for the automatic extended reporting period shall be part of, and not in addition to, the policy limit for the policy period.

3. DEFINITIONS

3.1. Bodily injury means the mental or physical injury, sickness, disease or death of any person;

3.2. Circumstance means an incident, occurrence, fact, matter, act or omission that might reasonably give rise to a claim;

3.3. Claim means:

a) any delivered written demand for damages or compensation from the insured; or
b) beginning of any legal proceedings against the insured

in connection with the wrongful act;

3.4. Computer system means programmes, data processing media or equipment, operating systems, networking equipment and servers;

3.5. Computer virus means computer programme, instruction or code placed on any part of a computer system without the owner or user’s knowledge or consent that are designed to harm the computer system or its owner or user;

3.6. Damages mean an amount which the insured is obliged to compensate to a third party, based on judgment, award or settlement that is pre-approved by the insurer, other than:

a) future royalties or future profits including consequential loss or loss of profits, restitution, repayment or account of profits, or the costs of complying with orders granting injunctive relief;
b) return or offset of fees, charges, or commissions, fee disputes, costs assessments for goods or services already provided or contracted to be provided;
c) any punitive exemplary aggravated or similar damages;
d) fines, penalties, taxes and product recall expenses;
e) trading debts incurred by an insured or a guarantee given by an insured for a debt;
f) any amount any matters which are uninsurable under any applicable law or where the claim is made;
3.7. **Defence costs** means reasonable legal costs and expenses incurred by the **insured** with the **insurer**'s prior written permission in the investigation, defence, settlement or appeal of any **claim**, including the use of remedies; these costs do not include any internal remuneration or other personnel costs of the **insured**;

3.8. **Documents** means documents of any nature including computer records and electronic or digitized data except money, negotiable instruments, bearer bonds or coupons, stamps, bank or currency notes or any other form of negotiable instrument, legally owned or otherwise in disposition of a client of the **insured**.

3.9. **Excess** means the sum stated in the **insurance contract**, which applies to each and every **claim** and by which the **insured** participates on the incurred **damages** and **defence costs** and which is deducted from the indemnity;

3.10. **Insurance contract** means insurance contract concluded between the **insurer** and the **policyholder** including any contractual agreements; this policy is an integral part of the **insurance contract**;

3.11. **Insured** means the **policyholder** and any **subsidiary** when providing **technology professional services**.

3.12. **Insurer** means ACE European Group Ltd, a company having its registered office at ACE Building 100, Leadenhall Street, London EC3A 3BP, United Kingdom, acting through its branch ACE European Group Ltd, organizace složka, having its registered office at Pobřežní 620/3, 186 00 Prague 8, Czech Republic, identification number 278 93 723, registered in the Commercial Register kept with the Municipal Court in Prague, section A, insert 57233;

3.13. **Policyholder** means a natural person or a legal entity specified as a policyholder in the **insurance contract**, who concluded the **insurance contract** with the **insurer** and is obliged to pay the premium;

3.14. **Policy limit** means the maximum limit of the indemnity (including defence costs) for all the insured events during the **policy period** as stated in the **insurance contract**;

3.15. **Policy period** means the period of insurance stated in the **insurance contract**. **Policy period** ends on the day specified in the **insurance contract** or on the day when the insurance is prematurely terminated;

3.16. **Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, odours, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;

3.17. **Property damage** means damage to any **tangible property**, including the loss of use of **tangible property** which has not itself been damaged;

3.18. **Retroactive date** means the date specific in the **insurance contract**;

3.19. **Subsidiary** means any entity in which the **policyholder** either directly or indirectly through one or more entities controls the composition of the board of directors, controls more than 50% of the shareholder or equity voting rights, or holds more than 50% of the issued share capital or equity;
3.20. **Tangible property** means any movable or immovable objects, including physical items on which data are stored; for avoidance of doubt it does not include software or data;

3.21. **Technology professional services** means the provision of services by the insured with respect to the design, development, installation, integration, configuration, or data processing of information technology or computer system development, web design and content delivery, as well as any specific technology professional services stated in the insurance contract.

Such technology professional services do not include the development, use or maintenance of any computer system for the management of financial transactions, including but not limited to the transfer or money or the trading of any equities or derivatives;

3.22. **Terrorism** means an act, including but not limited to the use of force or violence and/or the threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear;

3.23. **Third party** means any legal entity or natural person, who is not (i) the insured; (ii) parent company or subsidiary of the insured; or (iii) person influencing for any reason operation of the insured;

3.24. **Trade secret** means any formula, pattern, compilation, design, device, method, technique or process, and any alleged confidentiality in any computer program and/or allegedly confidential look and feel or constituent part of any program;

3.25. **Wrongful act** means any negligent act, error or omission, any negligent misstatements, any unintentional infringement of intellectual property rights or any unintentional defamation including unintentional infringement of civil honour and human dignity or goodwill of a legal entity committed by the insured or by others on the insured's behalf for whom the insured is legally responsible, in performing technology professional services.

4. **EXCLUSIONS**

This insurance does not cover any damages or defence costs directly or indirectly arising out of or in any way attributable to:

a) wilful, malicious, fraudulent, dishonest or criminal act of the policyholder, insured or any other person acting on their initiative;

b) bodily injury or property damage;

c) activities of the policyholder or the insured as an officer, partner, director, member of any statutory or supervisory body, director or employee of any employee trust, charitable organisation, corporation, company or business other than that of the insured named in the insurance contract;
d) any
   (i) liability assumed and under any contract or agreement including any liquidated damages or liability for services credits except and to the extent the insured would have been liable in the absence of such contract or agreement;
   (ii) guarantee or warranty;
   (iii) delay in performing, failing to perform or failing to complete any technology professional services unless delay arises from a wrongful act;

e) technology professional services performed for a person or legal entity which:
   (i) the insured owns, operates, manages or controls either directly or indirectly in whole or in part or in which the insured has an ownership interest in excess of 15%; or in which the insured is a member of a statutory or supervisory body, a director or having any other similar managerial function; or
   (ii) wholly or partly owns, operates, controls, or manages the insured;

f) the actual or alleged inaccurate, inadequate, or incomplete description of the price of goods, products or services; or as a result of the insured’s cost guarantees, cost representations, contract price, or estimates of probable costs or of the time for completion of work being exceeded or as a result of obligations set out in a contract which the insured knows or should reasonably have known at the time of the contract the insured would not be able to meet;

g) alleged or actual electrical, mechanical or communications failures and/or interruption of utility services including the unavailability of internet service;

h) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or terrorism;

i) the presence or actual, alleged, or threatened discharge, seepage, dispersal, migration, release, escape, generation, transportation, storage, or disposal of pollutants at any time, including any request, demand or order to test for, monitor, clean up, remove, assess, or respond to the effects of pollutants.

In the event any portion of this exclusion is found to be invalid or unenforceable, the rest of the exclusions will remain in full force and effect.

5. GENERAL PROVISIONS

A. Policy Limit

The maximum liability for all circumstances and claims including defence costs covered by this policy in the policy period will be the policy limit shown in the insurance contract.

All claims or other matters that are attributable to the same or similar originating circumstances or underlying source or cause shall be treated as a single claim or other notified event, regardless of whether such claim or other notified event includes the same or different claimants, insureds or legal causes of action. The date when any such claim is made will be the date that the first claim is made. Such single claim shall attach to the policy only if the first notice was given to the insurer by the insured during the policy period or automatic extended reporting period if applicable.
B. Excess

The insurer will only be liable for that part of the damages and defence costs arising from any circumstance or claim, which exceeds the excess. The excess applies to every claim including defence costs.

C. Notice / Claims Reporting Provisions

It is a condition precedent to the insurer’s liability under this policy that the insured notifies the insurer in writing about the claim during the policy period or automatic extended reporting period if applicable.

If the policyholder or the insured learns about any circumstance during the policy period, notifies it to the insurer and provides all relevant information required by the insurer, then such a late claim arising from the circumstance shall be considered for the purposes of this a claim arisen within the policy period.

The insured shall further
a) provide the insurer at its own expense with all necessary assistance regarding the claim;
b) provide the insurer with all relevant documentation and information; and
c) follow instructions of the insurer in defence against the claim and shall not admit any liability in relation to the claim, spend any costs or resolve the claim amicably without prior written consent of the insurer.

D. Retroactive Date

If a retroactive date is specific, this policy will not cover and does not apply to any claim for damages or defence costs where the technology professional services lead to such claim were or were alleged to have been provided or required to be provided, in whole or part, before the retroactive date.

E. Fraudulent Claims

If the insured makes a claim for indemnity under this policy knowing the same to be false or fraudulent as regards the amount or otherwise, the insurer has right to refuse the indemnity in accordance with relevant legislation. In such case the policyholder does not have a right for refund of premiums.

F. Policy Period and Termination of Insurance

The insurance contract is concluded for a fixed policy period as stated in the insurance contract.

This insurance terminates in cases stated in the Act No. 37/2004, Coll., on Insurance Contract, above all by:

a) expiry of the policy period;
b) on the day following the expiry of the period stated in the reminder for payment of the premium by the policyholder;
c) agreement;
d) notice of termination of the insurance within 2 month after conclusion of the insurance contract or within 3 months from the receipt of the notification on the insured event;
e) withdrawal.

G. Other Insurance

The cover provided by this policy is excess over above any other valid insurance (including any excess) or agreement of indemnity available to the insured.

H. Applicable Law and Dispute Resolution

This insurance contract is governed by laws of the Czech Republic and any disputes arising from this contract shall be submitted for decision to the relevant Czech courts.

I. Territoriality

This insurance coverage is provided worldwide with the exclusion of claims or legal proceedings instituted, pursued or originating in the United States of America or in Canada (or in any territory or possession within the jurisdiction of either country), or claims in which it is contended that any laws, rules and/or regulations of the United States of America (including the laws of any state or other subdivision) or Canada (or any territory or possession within the jurisdiction of either country) should or do apply;

J. Subrogation

Immediately on payment of a claim or circumstance the insurer will be subrogated to all insured’s rights of recovery against any party from whom a recovery may be made, up to the amount of indemnity paid by the insurer.

The insured will take all reasonable steps to preserve such rights and co-operate with the insurer, including providing the insurer with all relevant written documentation and undertaking all necessary acts. The insured have to refrain from any action, which might put the insurer’s rights under this provision at risk.

The insurer will not recover for damages or any other similar rights against an employee of the insured, partner or statutory body of the insured or its members.

K. Written Form and Changes of the Insurance Contract

The insurance contract and other acts relating to insurance shall be in written form. This policy may be changed only by written mutual agreement of the parties.

L. Mergers and Acquisitions

In the event that the policyholder consolidates, merges or is acquired by another entity, then the policyholder shall inform the insurer in writing about such consolidation, merger or acquisition without undue delay. This insurance then shall cover only claims where the alleged wrongful act occurred before effective date of such transaction. The insurer and the policyholder may conclude a written amendment to the insurance contract, by which the insurance would apply
also to the **wrongful act** occurred after the effective date of the transaction, including any additional conditions or increase of premium.

M. **Non-assignment**

No assignment of rights or obligations under this policy shall be effective unless agreed in writing by the **insurer**.

N. **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**, or its parent, affiliates or ultimate holding company to any sanction, prohibition or restriction implemented pursuant to resolutions of the United Nations or the trade and economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

O. **Complaints**

In case of any complaints or enquiries regarding this insurance, please contact the insurance intermediary through which the **insurance contract** was concluded or the **insurer** on the address stated in the **insurance contract**.

If you are not satisfied, you are entitled to refer this matter to the regulatory authority, which is the Czech National Bank. The address of the Czech National Bank is:

**Czech National Bank**

Na Příkopě 28

115 03 Prague 1

Czech Republic

tel.: +420 224 411 111