

HWRB C1/2015

6 January 2015

## **TO THE MEMBERS**

Dear Sirs

### **EXTENSION OF THE ASSOCIATION'S COVER FOR CYBER LOSSES / COMPUTER VIRUS RISKS**

As outlined in the Association's Circular HWRB C2/2014, dated 27 November 2014, the Association's cover for losses caused by Computer Viruses is to be enhanced for the 2015 Policy Year. From 1 January 2015, the existing exclusion for loss, damage, liability or expenses caused by computer viruses will not apply when a loss that would otherwise be covered by the Association, is caused by a computer, computer system or computer software programme or any other electronic system in the launch and/or guidance and/or firing system of any weapon or missile.

The Association is pleased to be able to announce a further enhancement of cover for the 2015 Policy Year. With effect from 1 January 2015, the computer virus exclusion clause will not apply for the first US\$50 million of losses incurred in the Policy Year. This limit will apply across the membership as a whole and any claims will be settled on a pro rata basis should incurred losses exceed US\$50 million in 2015. Aggregated claims below US\$50 million will be settled in full without deductible.

The Association's Cover for computer/cyber risks is broader than that usually provided by the commercial market, which usually excludes losses caused by all computer and cyber related risks.

The Managers would be pleased to answer any questions that may arise.

The Computer Virus Exclusion Clause now reads as follows:

#### **Computer Virus Exclusion Clause**

*This clause is only to apply once claims on this policy which would otherwise have been excluded by this clause have exceeded USD 50,000,000 in the aggregate.*

1.1 In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer virus.

1.2 Clause 1.1 shall not operate to exclude or limit losses (which would otherwise be covered under the terms of this policy) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

The Managers also wish to take this opportunity to correct a minor error contained in the hard copies of Circular HWRB C2/2014 issued on 27 November 2014. Under the loss of hire wording at Section B, point 15 on page 8 of the Circular, it stated that “The provisions of “Rule 3.14 shall not apply to this insurance.” This should have read “The provisions of Rule 3.15 shall not apply to this insurance.” Cover provided by the loss of hire wording is unaffected. The corrected version of the circular can be found on the Association’s website.

Yours faithfully

THOMAS MILLER (BERMUDA) LTD  
Managers

*Copies of this Circular and other publications, including the Association’s Rules, can be viewed and downloaded from the Association’s website at [www.hellenicwarrisks.com](http://www.hellenicwarrisks.com)*