



SIGCo
GROUP

CYBER HULL COVER

Product Summary

Overview



The Risk

Most shipowners turn to insurance to protect them from the financial consequences of losses to their most valuable asset (aside from their human resources) the Vessel. Unfortunately, the emergence of Cyber related exposures has led the insurance market to exclude cover in many cases from the Hull and Machinery ("H&M") cover that traditionally provides the shipowner with that required financial security.



The SIGCo Solution

SIGCo's relationships with a vast number of worldwide shipowners and its well-earned reputation within the insurance market leave it perfectly placed to offer a cost effective and uncomplicated product to fill the gaps in cover resulting from Cyber related perils.



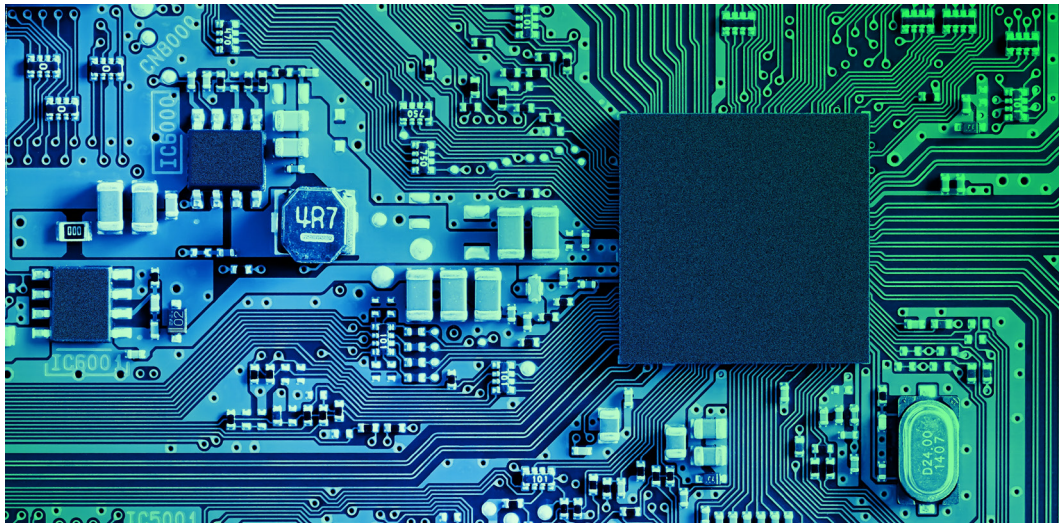
The Product

SIGCo is pleased to introduce a defined perils policy designed to provide H&M cover in circumstances where, due to a Cyber related cause, the H&M policy does not respond.

Description of coverage

The “Cyber Hull Cover” will indemnify the Assured for loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means of inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) and whether or not induced by the use of force or violence or threat thereof to commit such acts, and which directly or indirectly results in actual physical loss or damage to the Vessel or liability of the Vessel, where such loss, damage, liability or expense is not recoverable from H&M underwriters due to a Cyber exclusion or the absence of Cyber cover in the H&M contract.

The SIGCo Cyber Insurance Wording can be found on SIGCo's website at www.sigcogroup.com

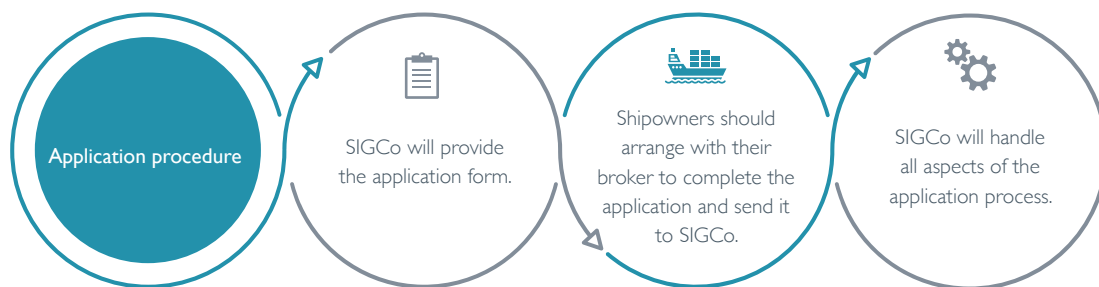


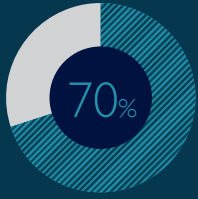
How to apply

Shipowners wishing to purchase "Cyber Hull Cover" should have their insurance broker contact SIGCo using the details provided at the end of this document. SIGCo will provide the application form which will request Fleet and Vessel information, together with a brief questionnaire that will assist in outlining general steps that the shipowner takes to mitigate Cyber risks for Vessels under their operational control. Coverage is not conditional upon the answers to this questionnaire, rather they will be used to assist SIGCo and its partners in the future provision of Cyber related insurance products.

Our staff will handle all aspects of the application process right through to provision of the Evidence of Cover. We are, of course, available to answer questions related to this product.

Please note that SIGCo is not a risk carrier for this product, and we will not be authorised to make underwriting decisions. All applications will be referred to insurers underwriting the business, who will have ultimate responsibility for accepting or rejecting the application and the pricing of the terms offered.





SIGCo's cost effective provision of COFR guaranties is testified by its 70% share of the COFR market.

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Representing nearly 530 million Gross Tons.

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Representing around 45% of the world's tonnage

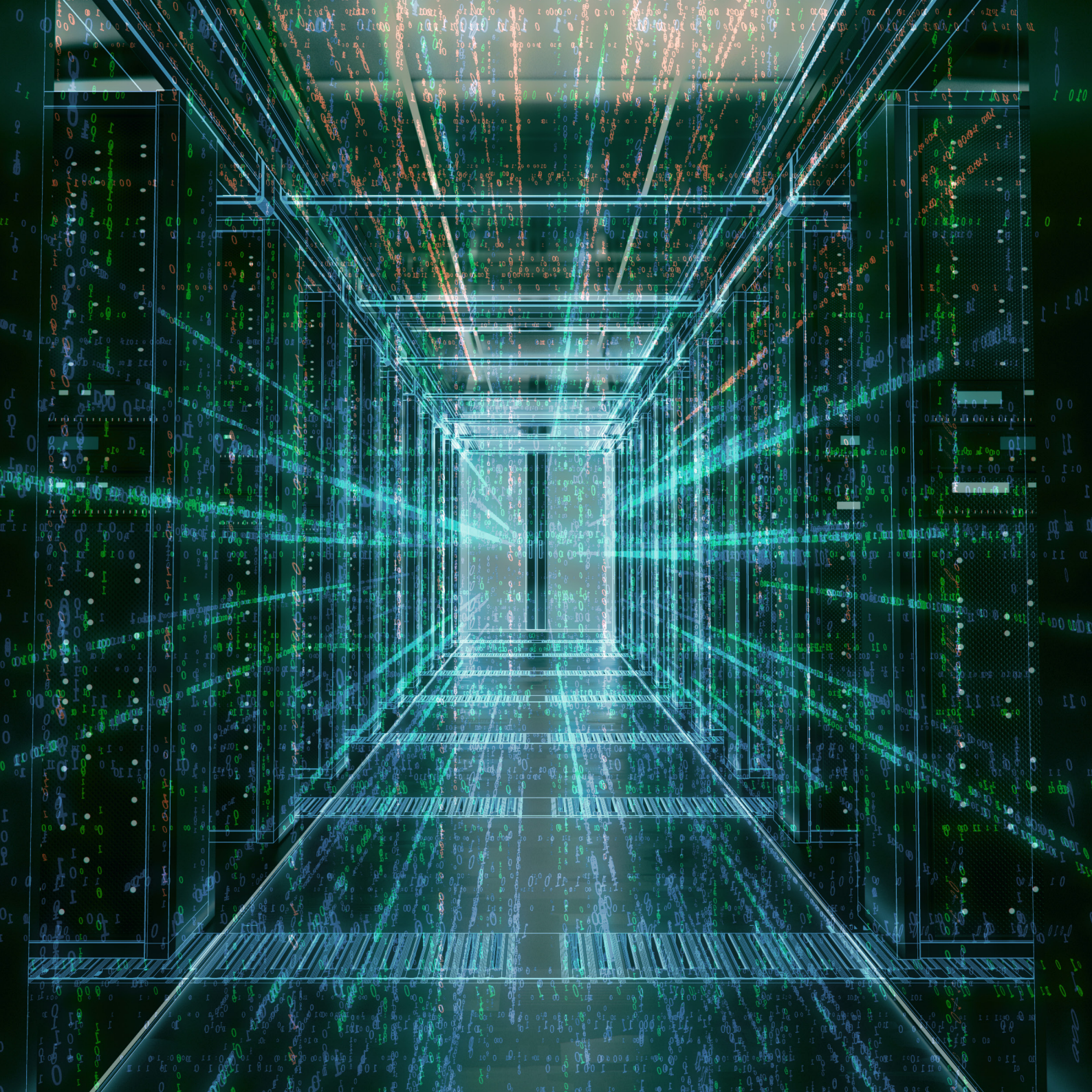
SIGCo's role

SIGCo was formed in 1996 as a result of collaboration between certain P&I Clubs and reinsurers with an aim to offer insurance products to shipowners that were previously either unavailable or expensive. SIGCo's subsequent success in providing cost effective COFR guaranties is testified by its 70% share of the COFR market, representing nearly 530 million Gross Tons, or around 45% of the world's tonnage.

Using this unparalleled access to shipowners, and in keeping with its aim to provide them with low cost solutions, SIGCo has worked with its insurance partners to create an affordable and flexible Cyber Hull insurance product. SIGCo's role in this venture will be to handle the administration of the programme and to provide the exclusive market access to the facility.

Our Isle of Man Company, SIGCo Management Services (IoM) Limited, will provide the interface for brokers accessing the facility with all of SIGCo's administrative resources at its disposal.

Our partners: In creating this new and unique product, SIGCo has worked with world renowned "A" rated insurers, who will provide the insurance capacity and will, therefore, ultimately be responsible for paying claims arising from the product.



Frequently asked questions

Questions	Answers
What “gap in cover” is the SIGCo product seeking to fill?	<p>More and more H&M insurers are excluding Cyber losses from their product offerings after deciding that the potential impact of Cyber activity on claims is too uncertain to remain in the policy terms. SIGCo’s “Cyber Hull Cover” provides coverage for this gap in cover within defined policy terms.</p>
How do you define a fleet?	<p>The composition of a fleet should reflect the Hull & Machinery placement. Where a fleet is split into sections under the Hull & Machinery placement it may be similarly split under the “Cyber Hull Cover”, if required.</p> <p>Generally, the greater the number of Vessels in a fleet, the lower the “per Vessel” premium will be, however, the fleet aggregate limit will be under greater threat of exhaustion in the event of a major Cyber Attack affecting numerous Vessels in the fleet, or a series of Cyber Attacks impacting different Vessels during the policy period. The “per Vessel” premium will be higher with fewer Vessels in a fleet, however, there is less likelihood of exhaustion of the fleet aggregate limit in the circumstances outlined above.</p>

Questions	Answers
Is the cover a "Clause 380 buy back"?	Cyber related claims from a H&M policy are often excluded under a Cyber exclusion clause, for example Institute Clause 380. Rather than "buy back" the exclusion, which may cause confusion given different coverage offered by insurers in a particular H&M policy, SIGCo's product has defined policy terms, which effectively provides the coverage Clause 380 excludes.
Is there an aggregate limit on this coverage?	SIGCo's product includes annual fleet aggregate options of: US\$ 50m; US\$ 75m; US\$ 100m; US\$ 150m; the aggregate being chosen by the shipowner. A higher aggregate limit will attract a higher premium. The policy wording includes provisions which would reduce the fleet aggregate limit on smaller fleets where the total sums insured on the Vessels declared are less than the aggregate limit selected. Similar provisions are also applied to individual Vessels within a fleet to cater for instances where the Vessel's sum insured hereunder is greater than her total insured value under her H&M and Total Loss Interests policies.
Can a shipowner deal with SIGCo directly for this product?	No. SIGCo can only deal with brokers for this product.

Questions

Answers

Is this facility available only for existing SIGCo clients?

No, the facility is available to shipowners who are not currently SIGCo clients. Please note that Vessels that have a COFR guaranty through SIGCo will receive a premium discount.

Does the Cover include War Risks?

The Cover only includes War Risks insofar as a claim is declined by War Risks underwriters due to a Cyber exclusion or the absence of Cyber cover in the War Risks contract.

Is SIGCo the risk carrier?

No, the risk is underwritten by either certain underwriters at Lloyd's or Lloyd's Insurance Company S.A.

Cyber Hull Insurance underwritten by Lloyd's Insurance Company S.A. is fully reinsured by certain underwriters at Lloyd's.





About SIGCo

The SIGCo Group has underwriting entities in both Bermuda and the Isle of Man, as well as an insurance intermediary in the Isle of Man, all of which are fully regulated in their respective jurisdictions. The activities of the Group are overseen by directors that include representatives of SIGCo's shipowner clients. The directors ensure that SIGCo's strategic direction is in keeping with the original objectives of the Group and that its activities are undertaken for the benefit of the shipowners.

For more details on this product, and other insurance related solutions offered by SIGCo, please contact us at the following:

Cyber

+44 1624 664095

cyberhull@sigcogroup.com

General

+I 441 298 0600

sigco@sigcogroup.com

www.sigcogroup.com

SIGCo Management Services (IoM) Limited is registered as an insurance intermediary for general business by the Isle of Man Financial Services Authority.

Registered Office: Level 2, Samuel Harris House, 5-11 St. Georges Street, Douglas, Isle of Man IM1 1AJ. Incorporated in the Isle of Man. Company registration number: 016024V.

Cyber Hull Insurance is underwritten by either certain underwriters at Lloyd's or Lloyd's Insurance Company S.A.

Cyber Hull Insurance underwritten by Lloyd's Insurance Company S.A. is fully reinsured by certain underwriters at Lloyd's.

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