

PROPERTY COVERAGE

RSA LIBERALIZATION ENDORSEMENT

This Endorsement Changes the Policy. Please Read It Carefully.

Certain words and phrases that appear in bold have special meaning as defined below or in the Form to which this Endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

This Endorsement supersedes and replaces any other liberalization endorsement attached to or forming part of the policy issued by Royal & Sun Alliance Insurance Company of Canada.

It is agreed that:

1. Except as provided under paragraph 2. below and notwithstanding any contrary provisions in this Policy, the coverage granted by this Policy shall not be more restrictive than the coverage within the policy issued by the Royal & Sun Alliance Insurance Company of Canada and/or its affiliated companies that was in force at the expiration of the immediately preceding policy term.
2. This liberalization coverage does not apply to:
 - 2.1. amendments made to this Policy that are imposed by law;
 - 2.2. amendments made to this Policy at the request of the Named Insured;
 - 2.3. amendments made to this Policy for which a specific notice has been given to the Named Insured or broker;
 - 2.4. amendments made to this Policy as a result of renewal terms or mid-term changes offered and accepted by the Named Insured;
 - 2.5. any deductible amounts or limits of insurance stated in this Policy; or
 - 2.6. the **ADDITIONAL EXCLUSIONS** outlined in paragraph 4. below.
3. The cover provided under this liberalization Endorsement shall be null and void effective on the earlier of:
 - 3.1. the expiration of a period of twenty-four (24) consecutive months following the effective date of the first renewal to which this Endorsement is attached; or
 - 3.2. the effective date of termination of this Policy for any reason.

4. ADDITIONAL EXCLUSIONS

This liberalization coverage does not apply to the following exclusions, which shall be added to the Insured's new Intact policy:

4.1. Virus and Bacteria Exclusion

This exclusion does not insure against loss or damage caused directly or indirectly, in whole or in part, by any virus, bacterium or other micro-organism that induces or is capable of inducing physical distress, illness or disease. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.

4.2. Cyber Incident Exclusion

This exclusion does not insure against loss or damage caused directly or indirectly by a **cyber incident**. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damages

5. DEFINITIONS

The following Definitions are added for the purposes of this Endorsement

- 5.1. **Computer system** means any computer, hardware, media, electronic or digital **data**, software, communications or networking system, electronic device (including but not limited to smart phones, laptops, tablets, wearable devices), server, cloud 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.
- 5.2. **Cyber incident** means:
 - 5.2.1. Unauthorized access to or use of any **computer system**;
 - 5.2.2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any **computer system** and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any **computer system** or otherwise disrupt its normal functioning or operation; or
 - 5.2.3. Denial of service attack which disrupts, prevents or restricts access to or use of any **computer system**, or otherwise disrupts its normal functioning or operation.
- 5.3. **Data** means representations of information or concepts, in any form.

All other terms, conditions and limitations of the Policy remain unchanged.