



General Insurance Conditions (GIC)

Professional Liability Insurance IT Service Providers

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Contents

Key points at a glance	4
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Part A General Provisions of the Insurance Contract

A1	Scope of the contract	6
A2	Territorial scope	6
A3	Trigger	6
A4	Term of the contract	7
A5	Termination of the contract	7
A6	Premiums	7
A7	Deductible	7
A8	Duty of care and other obligations	7
A9	Duty to provide information	7
A10	Increase or decrease in risk	8
A11	Principality of Liechtenstein	8
A12	Applicable law and place of jurisdiction	8
A13	Place of performance	8
A14	Sanctions	8
A15	Assignment of rights to indemnification	8

Part B Scope of Insurance General Provisions

B1	Insured risk	9
B2	Insured liability	9
B3	General exclusions	10

Part C Scope of Insurance Special Provisions

C1	Cyber liability event	12
C2	Loss of physical documents	12
C3	Loss of electronic data, deletion of data and data impairment	12
C4	Crisis communication (reputation costs)	12
C5	Waiver of the defense of gross negligence	12
C6	Liability in home office and during business travel	12
C7	Product recall – notification costs	13
C8	Real estate	13
C9	Construction owner’s liability	13
C10	Real property, buildings and premises that are rented, leased or held under a usufructuary lease	14
C11	Rented telecommunication systems	14
C12	Care, custody and control	14
C13	Property deposited in cloakrooms	14
C14	Keys entrusted to the insured	14
C15	Environmental impairment	14
C16	Loss prevention	15
C17	Use of vehicles	15
C18	Loading and unloading of vehicles	16
C19	Releases from liability	16

Part D Claims

D1	Indemnities	17
D2	Deductible	18
D3	Notice of claim and duty to provide information	18
D4	Claims handling	18
D5	Contractual fidelity	18
D6	Recourse to the insured	19
D7	Limitation period under this insurance contract	19

Part E Definitions

E1	Cloud computing systems	20
E2	Cyber liability event	20
E3	Denial of service (DoS)	20
E4	Third parties	20
E5	Electronic data	20
E6	Monetary assets	20
E7	Hacker attacks	20
E8	IT system	20
E9	Bodily injury	20
E10	Property damage	20
E11	Loss prevention costs	20
E12	Malware	20
E13	Serial loss	21
E14	Technical application	21
E15	Environmental impairment	21
E16	USA/Canada	21
E17	Financial loss	21
E18	Insureds	21
E19	Insurance year	21

Key points at a glance

This overview provides you with information about the key content of the insurance contract in accordance with Art. 3 of the Federal Act on Insurance Contracts (ICA). The rights and obligations of the contracting parties arise on conclusion of the insurance contract, in particular on the basis of the application, the policy, the contractual conditions and the statutory provisions.

Who is the insurance carrier?

The insurance carrier is AXA Insurance Ltd., General Guisan-Strasse 40, 8401 Winterthur (hereinafter referred to as "AXA"), a stock corporation with registered office in Winterthur and a subsidiary of the AXA Group.

What is insured?

The insurance covers claims for damages made against *insureds* on the basis of statutory liability provisions (B2.1 GIC).

Insurance coverage includes statutory liability arising from:

- Premises risk: Risks arising from the ownership or possession (e.g. rent, lease) of land, buildings, premises or facilities;
- Operational and occupational risk: Risks arising from acts or omissions of *insureds* and through operational processes in and outside of the workplace;
- Product risk: Risks arising from the manufacture and delivery of products and from trading in them;
- Environmental risk: Risks to the environment arising from facility, operational, occupational and product risks.

The exact scope of coverage is found in the contractual conditions and the quotation/policy.

This is property and casualty insurance in accordance with the Insurance Contract Act.

What is not covered?

The insurance does not cover, among others, claims:

- in connection with locations outside Switzerland and the Principality of Liechtenstein (B1.4 GIC);
- arising from improper performance of the contract (B2.2 GIC);
- arising from any loss suffered by the policyholder (B3.1 GIC);
- arising from any loss in connection with *technical applications* for human medicine, genetic engineering and pharmaceuticals, for military and weapons technology, for flight operations and air traffic control (including aerospace), for land vehicles, aircraft, spacecraft and watercraft, as well as for nuclear plants (B3.3 GIC);
- arising from any losses incurred in connection with financial services (B3.4 GIC);
- based on any liability assumed under contract that exceeds the liability as defined in the statutory provisions (B3.5 GIC);
- arising from a failure to take out insurance (B3.6 GIC);
- arising from damage to property in care, custody and control or tenant damage (B3.13 GIC). The provisions pursuant to C10 to C14 GIC remain reserved.

The exact scope of coverage and the exclusions are found in the contractual conditions and the quotation/policy.

What indemnities does AXA provide?

AXA pays the amount of compensation that the *insured* is required to pay to the injured party based on statutory liability (D1.1 GIC). For insured claims, AXA also covers the cost of defending against unjustified or excessive claims (legal protection coverage in accordance with D1.2 GIC).

Indemnities are limited to the sum insured or sublimit agreed in the application or the policy, as a single aggregate per *insurance year*.

How much is the premium and when is it due?

The premium is set out in the application and in the policy. It is due on the first day of each *insurance year*.

What are the policyholder's main obligations?

Among other things, the policyholder must:

- notify AXA in writing as soon as possible of any change to a circumstance that is of significance for assessing the risk (A10.1 GIC);
- eliminate, at its own expense, any hazardous condition that could lead to a loss (A8.1 GIC);
- use protective systems (e.g. internet protection programs, anti-virus software and firewalls) and keep them updated (A8.2 GIC);
- notify AXA as soon as possible of the occurrence of any event whose likely consequences could affect the insurance (D3 GIC);
- refrain from any direct negotiations with the injured party. In addition, the policyholder must not acknowledge any claims and/or enter into any settlement (D5 and D7 GIC).

Additional duties and obligations are found in the contractual conditions and the quotation/policy.

When does the notice of claim need to be submitted?

If an event occurs whose consequences are likely to affect the insurance, the policyholder must notify AXA without delay. This duty to notify also applies if an *insured* is subjected to police investigation because of an event (D3 GIC).

When does the insurance begin and end?

The insurance begins on the date specified in the policy. AXA may reject the application up until the date on which it issues the policy or a definitive cover note. The insurance is valid for the period specified in the policy.

Unless the insurance contract is terminated on expiry, it is automatically renewed for another year. An insurance contract concluded for less than one year expires on the date specified in the policy.

What loss or damage is insured in terms of time?

The insurance covers claims brought against an *insured* during the period in which the policy is in effect (A3 GIC).

How to exercise the right of withdrawal

The policyholder may withdraw from the contract with AXA within 14 days of acceptance. This deadline is met if AXA receives notice of withdrawal in writing or in another form of text (e.g. e-mail) by no later than the last day of the withdrawal period.

On withdrawal, indemnities that have been received will have to be paid back.

Special information for the Principality of Liechtenstein

The applicant is bound by the application to conclude an insurance contract for a period of two weeks after submitting or sending the application.

If AXA breaches the duty to provide information pursuant to the Insurance Contract Act or the Insurance Supervision Act of the Principality of Liechtenstein, the policyholder will have the right to withdraw from the contract within four weeks of receipt of the policy.

The responsible supervisory authority is the Swiss Financial Market Supervisory Authority (FINMA), 3000 Bern.

What definitions apply?

The key terms are explained in Part E under “Definitions” and are shown in the GIC in italics.

What data does AXA use and how?

AXA uses *data* in compliance with the applicable statutory provisions. More information may be found at [AXA.ch/data-protection](https://www.axa.ch/data-protection).

General Insurance Conditions (GIC)

Part A General Provisions of the Insurance Contract

A1 Scope of the contract

The policy specifies what insurance has been taken out. The policy, these General Insurance Conditions (GIC) and any Special Insurance Conditions (SIC) provide information about the scope of insurance.

A2 Territorial scope

The insurance is valid worldwide. For the *USA or Canada*, the provisions set out in B3.17 remain reserved.

A3 Trigger

A3.1 Effectiveness of the policy

The insurance covers claims brought against an *insured*, or against AXA as its liability insurer, during the period in which the policy is in effect. This period is deemed to be:

- the term of this policy;
- the term of any contracts with AXA replaced by this policy;
- any extended coverage period granted by AXA.

A3.2 Date of assertion of claim

The date on which a claim is asserted is deemed to be:

- the date on which an *insured* first becomes aware of circumstances pursuant to which it must be assumed that a claim will be brought against an *insured* or against AXA as its liability insurer. If there are no such circumstances, the date on which the claim is asserted is deemed to be the date of verbal or written notification that a claim for damages falling under this insurance contract will be brought;
- the date on which an *insured*, or AXA as their liability insurer, first becomes aware that criminal, administrative, supervisory or investigative proceedings have been initiated against an *insured* that could lead to an insured claim.

If multiple criteria apply for the same event, the earliest date applies.

A3.3 Loss prevention costs

A claim for *loss prevention costs* is deemed to be made on the date on which the *insured* first determines that a loss is imminent.

A3.4 Serial loss

All claims arising from a *serial loss* are deemed to be made on the date on which the initial claim (A3.2) is asserted. If the initial claim of a *serial loss* is asserted prior to commencement of the contract, none of the claims arising from losses in this series are insured.

A3.5 Indemnities and limits

Indemnities are based on the contractual provisions (e.g. provisions relating to sums insured or deductibles) that were in effect at the time the claim was first asserted in accordance with A3.2.

A3.6 Extension of indemnities or the scope of coverage

If insured indemnities or the scope of insurance are extended, insurance coverage is provided under the new agreements only if the *insured* was unaware of any act or omission that could give rise to liability prior to the date on which the contract amendment entered into effect.

A3.7 Prior acts coverage

The insurance also covers claims arising from loss or *serial loss* incurred as a result of acts or omissions that took place prior to the date on which this contract was first concluded. The insurance will only cover these, however, if the *insured* was unaware of any act or omission that could give rise to liability prior to the date on which this contract was first concluded.

A3.8 Extended coverage period

A3.8.1 During the term of the contract

If, during the term of the contract, an *insured* leaves the group of *insureds*, or if an insured business and/or a part of it is excluded, or an insured activity is discontinued, coverage will remain in effect. This will only be the case, however, if any acts or omissions giving rise to liability occurred prior to this. If this is the case, the day of leaving, of exclusion, or of discontinuation of the activity will be deemed to be the date of the claim.

A3.8.2 On expiry of the insurance

If the policyholder dies or the business is discontinued, the insurance will expire. In such cases, the insurance also covers claims arising from loss that are only made following expiry of the insurance and within the statutory limitation periods. This will only apply, however, if this loss was caused prior to the expiry of the insurance. Any claims under the extended coverage period are deemed to have been made on the date of the end of the contract, provided that they are not part of a *serial loss* pursuant to E13.

A3.8.3 Statutory provisions

Mandatory statutory provisions governing the extended coverage period that go beyond A3.8.1 or A3.8.2 take precedence over these provisions.

A3.8.4 Other insurance

The extended coverage period does not apply if the claim asserted is covered in whole or in part by another insurance.

A4 Term of the contract

The insurance contract begins on the date specified in the policy. It is concluded for the term specified in the policy, after which it is automatically renewed for another year. An insurance contract concluded for less than one year expires on the date specified in the policy. Any provisional insurance cover that may be in place expires once the policy is issued.

AXA may reject the application. Any provisional insurance cover that may be in place will end three days following receipt of the notice of rejection by the person making the application. In this case, this person will owe the pro rata premium for the period of coverage.

If bankruptcy proceedings are initiated against the policyholder, the contract will remain in place and the bankruptcy administrator is required to comply with it.

A5 Termination of the contract

A5.1 Ordinary termination

Either contracting party may terminate the contract in writing or in another form of text (e.g. e-mail) as of the end of any *insurance year* subject to compliance with a period of notice of three months (annual right of termination).

A5.2 Termination in the event of a claim

After reporting a claim for which AXA provides indemnity, the policyholder may terminate the contract not later than 14 days after it becomes aware of the payment of the indemnity. Coverage ends 30 days following receipt by AXA of the notice of termination.

AXA waives its right to terminate the contract in the event of a claim.

A5.3 Termination in the event of an increase or decrease in risk

A10.2.2, A10.2.3, A10.3.3 and A10.4 apply.

A6 Premiums

A6.1 Amount of the premium and due date

The premium specified in the policy is due on the first day of each *insurance year*; the due date for the first premium is specified in the invoice. In the event of payment in installments, the installments due during the *insurance year* are deemed to be deferred. AXA may add a surcharge to each installment.

A6.2 Calculation of premium

AXA charges either a flat-rate premium or calculates the premium at the end of each *insurance year* based on reported information such as salaries or turnover. The applicable premium is set out in the application or the policy.

A7 Deductible

D2 applies.

A8 Duty of care and other obligations

A8.1 Elimination of a hazardous condition

The policyholder or the co-insured businesses are required to eliminate, at their own expense, any hazardous condition that could result in *bodily injury or property damage*. AXA can request that a hazardous condition be eliminated within a reasonable period of time.

A8.2 Data backups and protection systems

The policyholder or the co-insured businesses must take the following measures:

- a backup of all *electronic data* must be performed at least once a week. In amendment of E5, operating systems or programs do not fall under the definition of *electronic data* (as long as they are not proprietary programs), which eliminates the obligation to perform a regular backup.
- at least one weekly data backup must be stored separately from the network of the policyholder or the co-insured business. In addition, the network-independent data backup as well as programs and licenses must not be stored in such a way that they could be damaged, destroyed or lost together with the originals.
- the obligation to perform a backup does not apply if the insured uses an external *cloud computing system* that is not operated by an *insured*, as long as the provider of the *cloud computing system* has contractually undertaken to perform the data backup. This data backup must meet the above-mentioned requirements.
- the policyholder or the co-insured businesses must use a manufacturer-supported operating system that comes with security updates and protective systems (e.g. internet protection programs, antivirus software and firewalls).
- in the event that critical security vulnerabilities (zero-day exploits) are identified, security patches for software and operating systems must be installed within 30 days of their release.
- the manufacturer-recommended security updates (patches) to operating systems, protective systems, user programs and software in connection with online shops and websites must be installed in a timely manner after the release date.

A8.3 Breach of obligations or duty to notify

If an *insured* breaches an obligation with which the insured is required to comply (e.g. C15.3 or D3) or the duty to notify or provide information (e.g. D3.1), coverage will lapse. Coverage will not lapse, however, if the *insured* proves that the breach did not have any effect on the occurrence of the insured event and the scope of the indemnity owed by AXA, or that the breach, under the circumstances, can be regarded as having occurred though no fault of its own.

A8.4 Duty of care and other obligations in the event of a claim

D3, D4.2, D4.3 and D5 apply.

A9 Duty to provide information

A9.1 Communication with AXA

The policyholder must address all communications to the responsible branch office or to the registered office of AXA.

A9.2 Increase or decrease in risk

A10.1 and A10.3 apply.

A9.3 Claims
D3 applies.

A10 Increase or decrease in risk

A10.1 Change in material circumstances

The policyholder must, by no later than the end of the *insurance year*, notify AXA in writing or in another form of text (e.g. e-mail) of any change in circumstances that is material for the assessment of the risk and that the contracting partners identified when answering the questions in the application.

A10.2 New risks

A10.2.1 If any new risk is added that increases the danger, e.g. a changed or new activity, the new risk will also be insured subject to the other insurance conditions (contingent insurance). However, the contingent insurance applies only for activities as defined in B1.

A10.2.2 AXA reserves the right to recalculate the premium and to revise the conditions for this risk retroactively to the date of its inclusion.

The policyholder may terminate the insurance contract within 14 days in writing or in another form of text (e.g. e-mail) if no agreement can be reached on the new premium or the new conditions.

AXA is entitled to the premium corresponding to the risk from date of inception to the date of expiry of the contingent insurance or the insurance contract.

A10.2.3 In addition, AXA reserves the right to do the following within 14 days following receipt of the notification with respect to the increase in risk:

- refuse to accept the new risk;
- terminate the contract.

If AXA refuses to accept the new risk or terminates the contract, the contingent insurance and the contract will expire 30 days following receipt by the policyholder of the rejection or notice of termination in writing or in another form of text (e.g. e-mail). In any case, AXA is entitled to the premium corresponding to the risk from the date of inception to the date of expiry of the contingent insurance or the insurance contract.

A10.2.4 If the new risk is already covered under insurance that is liable to indemnify for the same loss or *serial loss*, A3.7 applies *mutatis mutandis*.

A10.3 New companies

A10.3.1 If an *insured* founds or acquires a company in which the insured has a holding of 50% or more, this company will likewise be deemed to be an *insured* from the date of foundation or acquisition. However, this only applies if the company is located in Switzerland or the Principality of Liechtenstein and if it engages in the insured activity (contingent insurance).

A10.3.2 The policyholder must notify AXA by the end of the *insurance year* of the name, the legal domicile, the purpose of the business and the turnover of the new business.

A10.3.3 The provisions of A10.2.2 and A10.2.4 apply *mutatis mutandis*.

A10.4 Decrease in risk

In the event of a significant decrease in risk, the policyholder is entitled to terminate the contract in writing or in another form of text (e.g. e-mail) by giving a period of notice of four weeks, or to request a reduction in premium. If the policyholder requests a reduction in premium, AXA will reduce the premium correspondingly from the date on which it receives notification from the policyholder. If the policyholder is not in agreement with the reduction in premium, it may terminate the contract in writing or in another form of text (e.g. e-mail) within 30 days of receipt of notification of the new premium by giving a period of notice of four weeks.

A11 Principality of Liechtenstein

If the policyholder or a co-insured business has its domicile or registered office in the Principality of Liechtenstein, the references to provisions of Swiss law contained in the insurance contract documents shall be construed as referring to the corresponding provisions of Liechtenstein law.

A12 Applicable law and place of jurisdiction

A12.1 Applicable law

This insurance contract shall be governed by Swiss substantive law; in the case of policyholders having their domicile or registered office in the Principality of Liechtenstein, the insurance contract shall be governed by Liechtenstein substantive law.

A12.2 Place of jurisdiction

The ordinary courts of Switzerland and, in the case of policyholders having their domicile or registered office in the Principality of Liechtenstein, the ordinary courts of Liechtenstein, shall have exclusive jurisdiction over any disputes arising out of or in connection with the insurance contract, including lawsuits filed by insureds or *third parties* for indemnity for liability claims.

A13 Place of performance

Compensation paid to *insureds* or *third parties* under this contract is to be paid exclusively at the registered office of the policyholder or the registered office of AXA.

A14 Sanctions

Insurance coverage does not apply insofar and as long as applicable legal economic, trade or financial sanctions inhibit indemnification under this contract.

A15 Assignment of rights to indemnification

Claims of an *insured* against *third parties* for indemnification devolve to AXA to the extent of the indemnity paid by AXA. The *insured* is liable for all acts or omissions that could negatively affect the rights of recourse. Coverage will lapse if any *third parties* are released from liability without the consent of AXA.

Part B

Scope of Insurance – General Provisions

B1 Insured risk

B1.1 Main activities

The insurance covers the statutory liability of the *insureds* in connection with the operation of an information technology business. The insurance covers the following typical activities, among others (this list is not exhaustive):

B1.1.1 Hardware/software/networks

- Manufacturing, modifying, implementing, installing, integrating, maintaining and repairing hardware and hardware components
- For the distribution, trade and supply of hardware or hardware components not manufactured by the insured, the insurance **only** covers claims arising from *bodily injury and property damage*. The insurance **does not cover** claims arising from *financial loss*
- Planning, developing, creating, adjusting, modifying, implementing, installing, integrating, configuring, licensing, supporting, maintaining and/or administering software/system software. The insurance also covers the distribution, trade and supply of software not produced by insureds
- Planning, developing, creating, adjusting, modifying, implementing, installing, integrating, configuring, supporting, maintaining, administering, setting up, organizing, operating and managing network systems

B1.1.2 Data center/cloud and web services

- Operating and organizing a data center, server housing/co-location
- Content, host and internet service, provision of access, hosting services (web, file, e-mail, domain, server and application hosting), cloud computing as well as Software as a Service (SaaS), Infrastructure as a Service (IaaS) and Platform as a Service (PaaS)
- Web administration, web design, web support, web publishing, domain services, search engine optimization (SEO), search engine marketing (SEM)
- Data entry, data collection, data processing, data storage, data administration, data management, data modification or other use of *electronic data*

B1.1.3 Advisory services

- Analyses, advising/consulting, training, participation in and management of projects, expert activities, business advisory services in connection with IT services

B1.1.4 Telecommunications services

- Telecommunications services/operation of virtual networks (virtual network operator (VNO)), services in connection with Voice over Internet Protocol (VoIP) and/or All Internet Protocol (All IP)

B1.2 Ancillary activities

The insurance covers claims arising from *bodily injury and property damage* in connection with the following ancillary activities:

- participating in trade fairs and exhibitions;
- organizing, preparing and holding business, sports and leisure events;
- operating staff restaurants;
- company club activities.

B1.3 Engagement of third parties

The insurance covers claims brought against *insureds* for any loss caused by companies and independent professionals (subcontractors) engaged by the *insureds* in the capacity of auxiliaries.

The insurance **does not cover** the personal liability of these businesses and independent professionals.

B1.4 Insured locations

The insurance covers all locations (plants, branch offices, warehouses, etc.) of the insured businesses in Switzerland and the Principality of Liechtenstein.

The insurance **does not cover** locations of the insured businesses outside these two countries.

B1.5 Staff loaned or hired out

If the policyholder or a co-insured business loans or hires out staff to a *third party* (lease of labor or services) and if any such staff causes loss or damage while working for this *third party*, the insurance will cover claims arising from loss or damage brought against the policyholder or the co-insured business.

The insurance **does not cover** the liability of such *third party* as principal for any loss or damage caused by staff loaned or hired out.

B1.6 Consortiums and joint ventures

B1.6.1 The insurance covers the statutory liability of *insureds* for claims brought by *third parties* against a joint venture in which the *insureds* have an interest. The insurance likewise covers the statutory joint and several liability of *insureds* arising from their involvement in implementation or supply consortiums.

B1.6.2 In the case of a joint venture, the insurance **only** covers claims to the extent of the percentage of the voting rights held by the insureds in this joint venture. The insurance **does not cover** the liability of the other parties involved. AXA covers the defense of unjustified or excessive claims (legal protection) regardless of the amount of voting rights held.

B1.6.3 The insurance **does not cover**:

- compensation that the *insureds* have to provide for the other participants in the joint venture;
- claims by the consortium itself;
- claims arising from loss that affects a member of the consortium or their belongings (own loss).

B2 Insured liability

B2.1 Scope of coverage

The insurance covers claims for damages due to *bodily injury, property damage or financial loss* made against *insureds* (or, as part of a direct right of claim, against AXA as their liability insurer) based on statutory liability provisions.

B2.2 Claims arising from performance of contract

The insurance covers claims arising from *bodily injury, property damage or financial loss* suffered by *third parties* as a result of the performance of contracts (consequential loss). This also applies in the case of part per-

formance that is functional and usable for the client as such, and has been accepted. Consequential loss is limited to *bodily injury and property damage* if it is attributable to the distribution, trade or delivery of hardware or hardware components not manufactured by the insureds.

The insurance **does not cover**:

- claims for the performance of contracts;
- claims for compensation due to non-performance of a contract and/or incorrect performance of it;
- expenses in connection with identifying and remedying damage and defects;
- defects in and damage to goods that were produced or delivered by the *insured* or its work (business or performance risk);
- extra-contractual claims brought against an *insured* on the basis of the same facts in competition with or in lieu of contractual claims.

B2.3 Interruption of functionality

The insurance covers claims arising from loss as a result of the interruption of a service provided by the *insured*. Claims in connection with the interruption of the functionality of data centers, cloud and web services as defined in B1.1.2, control software for machines and equipment (including traffic management technology), as well as of warehouse and merchandise management software, are insured only if the continuous interruption lasts more than eight hours.

B2.4 Violation of privacy rights and data protection provisions

The insurance covers claims arising from loss due to:

- the unlawful use of confidential information and trademarks;
- the infringement by *insureds* of copyright, trademark, patent, or other industrial property rights, and privacy rights or data protection provisions.

The insurance **does not cover** claims in connection with unfair competition.

B3 General exclusions

B3.1 Own loss

The insurance **does not cover** claims arising from:

- loss of the *insureds*, with the exception of *bodily injury and property damage* sustained by employees and other auxiliaries as defined in E18.3 on the basis of Swiss liability law provisions;
- loss relating to the person of the policyholder, such as loss of support;
- loss of persons living in the same household as the liable *insured*.

B3.2 Stakeholders

The insurance **does not cover** claims by natural persons and legal entities, trusteeships, and trusts that have a financial interest in the business of an *insured*. Likewise, the insurance **does not cover** claims of companies under the same management as an insured company (e.g. companies controlled by the same natural person). This provision does not apply if the direct or indirect interest represents less than 50% of voting rights.

B3.3 Human medicine, genetic engineering, pharmaceuticals, flight operations and air traffic control, nuclear plants, military and weapons technology

The insurance **does not cover** claims for loss or damage in connection with *technical applications* for:

- human medicine, genetic engineering and pharmaceuticals;
- military and weapons technology;
- flight operations and air traffic control (including aerospace);
- land vehicles, aircraft, space craft and watercraft;
- nuclear plants.

B3.4 Financial services

The insurance **does not cover** claims arising from loss in connection with:

- payment transactions of any kind (including online and mobile banking as well as online and mobile payment systems);
- transactions in securities that are conducted by the *insured* in its own name or on behalf of *third parties*, or conducted by *third parties* on their behalf;
- misuse of credit, banking, client identification or other cards (card misuse).

The insurance does cover, however, direct losses suffered by the contracting partner of the policyholder. This will be the case where there are expenses involved for the recovery of lost *electronic data* and/or the setup of temporary alternative solutions for this contracting partner. The insurance does not cover any loss in excess of this, in particular, it does not cover indirect consequential loss.

The insurance generally does not cover claims directly or indirectly related to financial transactions and attributable to external influences such as fluctuations in value, price losses and/or poor returns.

B3.5 Contractual liability, contractual penalties, warranties, fines, delay damages

The insurance **does not cover** claims brought on the basis of liability assumed under a contract that goes beyond the scope of liability imposed by law. The insurance also **does not cover** claims arising from contractual penalties, warranties, financial penalties, bonds and compensation that go beyond the indemnity for damage quantifiable in monetary terms. In particular, these include payments of a punitive nature such as punitive/exemplary damages.

If the *insured* does not meet cost estimates and deadlines, or if the insured is behind schedule, the insurance will not cover any related claims.

B3.6 Insurance

The insurance **does not cover** claims arising from a failure to take out, amend or continue insurance coverage.

B3.7 Monetary assets and valuables

The insurance **does not cover** claims due to the destruction or loss of *monetary assets* or valuables.

Claims and/or proceedings in direct/indirect connection with virtual currencies that are not stored in a decentralized manner and/or are not based on blockchain technology (fake cryptocurrency) are generally excluded.

<p>B3.8 High likelihood and acceptance The insurance does not cover claims arising from loss:</p> <ul style="list-style-type: none"> • that should have been anticipated with a high degree of probability by the <i>insured</i>; • that was accepted in order to reduce costs, speed up the work, or in order to prevent a loss of assets or earnings. 	<p>B3.15 Hazardous activities The insurance does not cover claims in connection with hazardous activities pursuant to the Federal Act on Accident Insurance (AIA).</p>
<p>B3.9 Misdemeanors and felonies The insurance does not cover claims in connection with misdemeanors or felonies that were committed intentionally or with willful recklessness by an <i>insured</i>.</p>	<p>B3.16 Warlike, terrorist and other special events The insurance does not cover claims in connection with warlike events, neutrality violations, terrorism, revolution, rebellion, uprising, civil unrest and measures taken to contain such events, or in connection with strikes, kidnapping, extortion and ransom demands, or in the case of labor law claims.</p>
<p>B3.10 Intent or willful recklessness The insured does not cover claims arising from any loss that was caused by an <i>insured</i> intentionally or with willful recklessness.</p>	<p>B3.17 USA/Canada The insurance does not cover claims for loss that occurs in the <i>USA or Canada</i> in connection with:</p> <p>B3.17.1 installations, construction, service and maintenance work or the planning, supervision or management of such activities in these countries;</p> <p>B3.17.2 services provided and work performed in these countries;</p> <p>B3.17.3 patent infringements;</p> <p>B3.17.4 <i>environmental impairment</i>;</p> <p>B3.17.5 the following products:</p> <ul style="list-style-type: none"> • implants, • vaccines or inoculants, • weapons and ammunition and parts thereof, • equipment and parts thereof and components for amusement parks, • latex, • lead and products containing lead, • helmets, • tires, inner tubes, snow chains and traction aids, • products that contain cannabinoids, <p>B3.17.6 the transmission and spread of diseases and epidemics (e.g. AIDS) or viruses (e.g. HIV or Corona) as well as any measures that were taken or not taken to prevent their transmission and spread;</p> <p>B3.17.7 mold in or on buildings or parts thereof, including damage to installations and furnishings. The term “mold” includes all types of fungi, their components and interim components, bacteria, mycotoxins and their volatile organic compounds, spores, odors and byproducts.</p>
<p>B3.11 Role as director or officer The insurance does not cover claims in connection with any role exercised by an <i>insured</i> as a:</p> <ul style="list-style-type: none"> • member of an administrative body or management, general manager or director of a legal entity, or in a comparable role; • trustee/protector of a trust; • de facto officer; • liquidator of a legal entity. 	
<p>B3.12 Damage to property worked on The insurance does not cover claims arising from damage to property caused by conducting or failing to conduct work on or with this property (e.g. through processing or repair). If work involves only parts of immovable property, this exclusion applies only to claims arising from damage to these parts themselves and to adjoining parts of the immovable property located in the immediate vicinity of the work area.</p>	
<p>B3.13 Damage to property in care, custody and control The insurance does not cover claims arising from any loss of or damage to property that an <i>insured</i> has accepted for use, processing, safekeeping, forwarding, or for other reasons such as for consignment or exhibition purposes, or that the <i>insured</i> rented, leased or held under a usufructuary lease.</p>	
<p>B3.14 Special products, materials and radiation The insurance does not cover claims in connection with:</p> <ul style="list-style-type: none"> • the effects of ionizing radiation or electromagnetic fields (EMF); • nuclear damage as defined in Swiss nuclear energy liability legislation, or the associated costs; • asbestos; • genetically modified organisms or assimilated products, and pathogenic organisms. 	<p>B3.18 Employment contract The insurance does not cover claims by <i>insureds</i> pursuant to E18.2 to E18.4 and E18.6 arising from employment contracts or claims arising from having been denied employment.</p>

Part C

Scope of Insurance – Special Provisions

C1 Cyber liability event

C1.1 Scope of coverage

Within the scope of the other contractual conditions, the insurance covers claims for damages arising from a *cyber liability event* brought against the policyholder or an *insured* on the basis of statutory liability provisions as a result of *financial loss*.

C1.2 Territorial scope

In partial amendment of A2, the insurance does not cover liability claims that are judged in accordance with any state, provincial or federal law of the *USA or Canada*. Likewise, the insurance **does not cover** any costs incurred, enforcement orders or settlements in the *USA or Canada*. The territorial scope also applies with respect to coverage for costs.

C1.3 Exclusions in addition to B3

The insurance **does not cover** claims arising from:

- loss or damage in connection with the deliberate use of pirated copies by the policyholder or an *insured*;
- *bodily injury and property damage*;
- loss or damage in connection with the failure of, an interruption or a reduction in performance of public utilities and infrastructure or of third-party service providers (e.g. telecommunications companies). *Cloud computing systems* used by the policyholder or *insureds* pursuant to a contract that are affected by a cyber event do not fall under this exclusion;
- loss in connection with cyber operations and comparable acts
 - a) that are carried out as part of a war;
 - b) that cause significant adverse effects on the vital functions, the security or the defense of a sovereign state; or
 - c) that result in or form the basis of a response by a sovereign state that include the following:
 - use of force or
 - a cyber operation that impacts another sovereign state in such a way as to be the equivalent to the use of force.

Insurance coverage is provided if the policyholder can prove that the loss is in no way related to the events described in sub-paragraphs a) to c) above.

Cyber operation means the use of a computer system by, at the direction or under the control of a sovereign state to change, block, compromise, manipulate, publish or destroy information or access to this information on a computer system of another sovereign state.

C1.4 Obligations in the event of a claim

The following applies in addition to D3:

- C1.4.1 If, in the event of a claim, it is determined that the IT security precautions and protective systems are inadequate, the policyholder or the co-insured business must implement appropriate measures at its own expense.

- C1.4.2 In the event of any breach of data protection, the policyholder or the co-insured business is required to notify the police immediately and to request an official investigation. It must also take steps, together with the investigating authorities and AXA, to identify the offender.

C2 Loss of physical documents

In amendment to B3.13, the insurance covers liability arising from the destruction of, or damage to, or loss of physical documents of *third parties* that were in the possession of the *insured* or a person to whom the *insured* had entrusted such documents. B3.7 remains reserved. The costs and expenses incurred for the restoration or replacement are also insured. If *insureds* themselves undertake the replacement of documents, AXA will only pay the cost price.

C3 Loss of electronic data, deletion of data and data impairment

By way of amendment to B3.13, the insurance covers liability arising from the destruction of, damage to, or loss of the *electronic data of third parties*, except for source code. The insurance covers also claims arising from loss resulting from the deletion of data or data impairment before the contract has been signed or any work or services have been performed under the contract.

A condition for indemnity is that the destroyed, damaged or lost *electronic data* must not originally have been entered, programmed, or modified by the *insureds* or any *third parties* commissioned by them. If *insureds* themselves undertake the recovery of *electronic data*, AXA will only pay the cost price.

The provisions of C1 apply to claims for damages arising from a *cyber liability event*.

C4 Crisis communication (reputation costs)

If the policyholder is faced with the threat of critical media reporting due to a loss event that is likely to be insured pursuant to these General Insurance Conditions (GIC), AXA will reimburse the expenses required to immediately prevent or mitigate potential reputational damage. AXA will cover the costs of a PR agency appointed in consultation with AXA or appointed by AXA in order to assist and support the policyholder.

No deductible applies for costs in connection with crisis communication.

C5 Waiver of the defense of gross negligence

AXA waives its right pursuant to Art. 14(2) and (3) of the Federal Act on Insurance Contracts (ICA) to reduce its indemnity if the event was caused by the *insured* through gross negligence.

The waiver of the objection of gross negligence will not apply:

- to events where the cause is related to the effects of alcohol, drugs or medication;
- if applicable statutory provisions preclude such a waiver.

C6 Liability in home office and during business travel

The insurance covers the liability of the *insureds* for *bodily injury and property damage* during their travel and stays for business purposes, both in the course of their professional activities and in their activities as private individuals. However, this applies only if no other liability coverage is available.

The insurance also covers claims arising from damage to premises such as hotel rooms or apartments used by *insureds*. The foregoing is in amendment of B3.12 and B3.13.

C7 Product recall – notification costs

C7.1 Scope of coverage

The insurance covers notification costs for which the *insureds* are liable and that relate to the recall of:

- component and end products that an *insured* has manufactured, delivered or processed, and whose ownership has been transferred to *third parties*;
- products of *third parties* containing defective component products supplied by the *insureds*.

Notification costs are deemed to be exclusively the costs of:

- notifying product recipients, e.g. by letter, e-mail, instant messaging, telephone or text message;
- informing product recipients, e.g. via the media (print and online), radio or television.

The insurance **does not cover** other claims or costs in connection with:

- recalling or taking back goods and the preparatory work necessary for this purpose;
- other measures in lieu of recalling or taking back goods.

C7.2 Conditions

However, it is a condition of this coverage:

- that the recall is necessary and reasonable in order to avoid an insured loss arising from product defects that have been identified or are suspected based on established or objective facts

or

- that the recall is ordered by the authorities to prevent such a loss.

C7.3 Indemnity and deductible

AXA provides indemnity within the scope of the sum agreed for *bodily injury and property damage*. The *insured* is liable for the agreed deductible per event for *property damage*.

C8 Real estate

C8.1 Scope of coverage

The insurance covers liability arising from *bodily injury or property damage* attributable to land, buildings, premises, and other works and installations in Switzerland and the Principality of Liechtenstein, regardless of whether or not they are used by the insured business.

C8.2 Co-ownership (including condominiums)

In addition, the following applies to land, buildings and premises defined in C8.1 that are co-owned or owned as a condominium:

C8.2.1 The insurance also covers claims arising from damage whose cause is attributable to land and building parts (including related installations and equipment) in respect of which the policyholder or the co-insured business has an exclusive right.

C8.2.2 The insurance **does not cover** claims:

- brought by the community of condominium owners as a result of damage to land and parts of the building used in common, including associated installations and equipment, for the part of the damage that corresponds to the percentage share of the *insured*;
- brought by another co-owner as a result of damage to land and parts of the building used in common, including associated installations and equipment, for the part of the damage that corresponds to the percentage share of the other co-owners.

C8.3 Joint ownership

C8.3.1 If land, buildings and premises as defined in C8.1 are under joint ownership, claims brought against the policyholder or the co-insured business in its capacity as a joint owner are also insured.

C8.3.2 The insurance **does not cover** claims arising from losses of the joint owner.

C9 Construction owner's liability

If a structure or parts thereof are constructed, remodeled or extended, etc., the following applies:

C9.1 Scope of coverage

The insurance covers claims arising from *bodily injury and property damage* incurred as a result of demolition, earthmoving and construction work that are brought against the *insured* as the party who commissioned the work (construction owner) or against the owner of the land as defined in E18.4.

C9.2 Exclusions in addition to B3

The insurance **does not cover** claims in connection with a construction project:

- C9.2.1 if the total cost as defined in the estimate exceeds CHF 1,000,000. Individual properties that form part of the (overall) project or that are to be built in several phases are, taken together, deemed to be a single structure;
- C9.2.2 if, for the project, an excavation pit is created with a depth of more than one story;
- C9.2.3 if it is built on a slope with a gradient of more than 25%;
- C9.2.4 that involves underpinning or undercrossing a neighboring structure;
- C9.2.5 that involves abutting a structure belonging to a *third party*; This exclusion provision does not apply in the case of civil engineering work in connection with the creation, expansion, remediation or maintenance of roads, squares, sidewalks, pipes and manholes;
- C9.2.6 that involves lowering the water table;
- C9.2.7 for which work causing strong vibrations, such as blasting or pile-driving, is performed;
- C9.2.8 that involves vibratory sheet piling or extraction;
- C9.2.9 that involves plans for drilling into the ground (e.g. for heat probes or pile foundations).

- Likewise, the insurance does not cover claims: that relate to the construction project itself or the land belonging to it;
- C9.2.11 in connection with a reduction in the flow rate or drying up of a source of water.

C9.3 Taking into account costs saved

If measures that would have been required under construction practice standards (e.g. surveys of the state of repair of neighboring properties, soil testing, excavation support) were not taken in the realization of the construction project, the part of the indemnity due under liability law that corresponds to the costs saved as a result of the failure to take such measures is not insured.

C10 Real property, buildings and premises that are rented, leased or held under a usufructuary lease

C10.1 Scope of coverage

In amendment of B3.12 and B3.13, the insurance covers liability for claims arising from:

- C10.1.1 damage to land, buildings and premises that are rented, leased or held under a usufructuary lease (including premises housing servers);
- C10.1.2 damage to parts of buildings and premises (such as lobbies, staircases or parking areas) that are shared with other tenants, lessees, leaseholders, or with the owner;
- C10.1.3 damage to heating and hot water supply systems, passenger and freight elevators, escalators, air conditioning, ventilation and plumbing facilities, as well as built-in kitchen equipment, serving the specified buildings and premises exclusively.

C10.2 Loss of keys

If keys to the buildings and premises specified in C10.1.1 are lost, the costs of the necessary changing or replacement of locks, and the corresponding keys, are also insured (costs of changing the locks). Electronic lock systems and their corresponding badges are deemed to be the same as locks and keys.

C10.3 Exclusions in addition to B3

The insurance **does not cover** claims arising from:

- C10.3.1 damage to stadiums, concert halls or trade fair and exhibition halls that are rented, leased or held under a usufructuary lease;
- C10.3.2 damage to residential premises that are rented, leased or held under a usufructuary lease for the purpose of accommodation for employees;
- C10.3.3 damage that occurs gradually (e.g. damage due to moisture, wear and tear, damage to wallpaper and paint, and the like);
- C10.3.4 the costs to restore land, buildings or premises to their original state after they were deliberately modified either by or on the instructions of an *insured*;
- C10.3.5 damage to furnishings, machines and apparatuses, even if these are permanently attached to the land, the building or the premises. C10.1.3 remains reserved.

C10.4 Deductible

In addition to D2.1, the deductible for all claims that are brought on termination of the rental, lease or usufructuary lease agreement, i.e. at the time of handover of the building and premises to the landlord or lessor, is subtracted only once.

C11 Rented telecommunication systems

C11.1 Scope of coverage

In amendment of B3.12 and B3.13, the insurance covers claims arising from damage to rented or leased telecommunication equipment and voice-mail servers, and cables belonging directly to such equipment, as well as central switchboards (internal systems).

C11.2 Exclusion in addition to B3

The insurance **does not cover** claims arising from damage to mobile phones, pagers, internal communication systems, mobile and stationary PCs, network servers, mainframes, cable networks, software and data.

C12 Care, custody and control

C12.1 Scope of coverage

In amendment to B3.13, the insurance covers claims arising from the destruction of, damage to or loss of property that an *insured* has accepted for use or processing, provided that the cause of the loss relates to the storage of the property.

C12.2 Exclusions in addition to B3

The insurance **does not cover** claims arising from:

- C12.2.1 loss of or damage to property that the *insured* has accepted exclusively for storage, safekeeping, forwarding, on consignment or for exhibition purposes, or that the *insured* has rented, leased or held under a usufructuary lease;
- C12.2.2 damage to *monetary assets*, documents, deeds and plans;
- C12.2.3 loss of or damage to vehicles of any kind;
- C12.2.4 injury to animals.

C13 Property deposited in cloakrooms

C13.1 Scope of coverage

In amendment of B3.13, the insurance covers claims arising as a result of property that is destroyed, damaged, stolen or lost while being kept in a continuously guarded or locked cloakroom.

C13.2 Exclusion in addition to B3

The insurance **does not cover** claims arising from damage to *monetary assets*, documents, deeds or plans.

C13.3 Obligation

In addition to D3, in the event of a theft, the *insured* must notify the police immediately upon its discovery and, at the request of AXA, press criminal charges.

C14 Keys entrusted to the insured

C14.1 Scope of coverage

In amendment of B3.12 and B3.13, the insurance covers claims by *third parties* for the necessary changing or replacement of locks and the corresponding keys (costs of changing the locks). This applies in the event of any loss of keys entrusted to an *insured* to properties, buildings, premises or facilities in or on which an *insured* must carry out work, or which are managed by an *insured*. Such costs are considered *property damage*. Electronic lock systems and their corresponding badges are deemed to be the same as locks and keys.

C14.2 Obligation

The *insured* must notify the client immediately if keys or badges are lost.

C15 Environmental impairment

C15.1 Scope of coverage

The insurance covers claims arising from *bodily injury and property damage* in connection with *environmental impairment* due to the following causes:

- C15.1.1 *Environmental impairment* as a result of a single, sudden, and unforeseen event requiring immediate action, such as notifying the responsible authorities, alerting the public, or implementing loss prevention or mitigation measures.
- C15.1.2 *Environmental impairment* as a result of the discharge of substances that represent a hazard to the soil or water, such as liquid fuels, acids, bases and other chemicals (but not wastewater and other waste from operations) because of rust or leaks in an installation permanently connected to the site. However, this only applies if the discharge of such substances requires immediate action pursuant to C15.1.1.
- This coverage is only available if the policyholder or the co-insured business can prove that the relevant facility was built, maintained or shut down properly and in accordance with applicable regulations.

C15.2 Exclusions in addition to B3

The insurance **does not cover** claims:

- C15.2.1 arising from damage where only several events similar in effect (e.g. repeated dripping of toxic substances penetrating into the ground, repeated spillage of liquids from mobile containers) together trigger measures pursuant to C15.1.1 that would not be necessary for single events of this kind;
- C15.2.2 arising from damage in connection with the restoration of protected species or habitats;
- C15.2.3 arising from damage to the air and to water, soil, flora and fauna not under ownership as defined by civil law;
- C15.2.4 in connection with sites already contaminated at the time of conclusion of the contract:
- on real property owned by or in the possession of an *insured*,
 - on real property of *third parties* caused or partly caused by an *insured*;
- C15.2.5 in connection with the ownership, possession or operation of facilities used for storing, preparing, routing or eliminating waste, wastewater or material for recycling. This exclusion does not apply to the operation's own facilities used for composting or short-term temporary storage of waste, or to the operation's own facilities for treating or preparing wastewater.

C15.3 Obligations

- C15.3.1 The *insured* must ensure that the production, processing, collection, storage, cleaning and removal of environmentally hazardous substances complies with statutory provisions and government regulations.
- C15.3.2 The *insured* must ensure that the equipment used for the above activities, including the security and alarm systems, are professionally maintained and kept operational in accordance with all technical standards, statutory provisions and government regulations.
- C15.3.3 The *insured* must ensure that remediation and similar orders issued by public authorities are complied with within the prescribed deadlines.

C16 Loss prevention

C16.1 Scope of coverage

Loss prevention costs are insured if the occurrence of *insured bodily injury or property damage* is imminent due to a single, sudden and unforeseeable event.

The insurance **does not cover** measures, such as the disposal of defective products, that are taken after a hazard has been averted.

In a case of *environmental impairment* that has occurred or is imminent due to an event as defined in C15.1.1 or C15.1.2, the insurance also covers costs for which the *insured* is liable due to measures ordered by public authorities to avert any immediate, long-term impairment of the soil or water of a third party.

C16.2 Exclusions in addition to B3

The insurance **does not cover**:

- C16.2.1 loss prevention measures as part of an activity belonging to the proper performance of the contract, such as remedying defects and damage to goods that have been manufactured or delivered, or to work that has been completed);
- C16.2.2 the costs of eliminating a hazardous condition in accordance with A8.1;
- C16.2.3 the costs of identifying leaks, malfunctions and causes of damage, including the emptying of facilities, containers and pipes required for this, or the costs of repair and modification to these facilities, containers and pipes (e.g. remediation costs);
- C16.2.4 the costs of loss prevention measures taken because of snowfall or the accumulation of ice;
- C16.2.5 the costs of measures to prevent *financial loss*.

C17 Use of vehicles

C17.1 Motor vehicles

- C17.1.1 The insurance covers the liability as keeper and the liability arising from the use of motor vehicles and trailers:
- for which no vehicle registration and no license plates are required;
 - whose license plates have been surrendered to the relevant authority;
 - for which a special certificate of insurance has been issued for travel on public roads or on the premises of the business accessible to the public without vehicle registration and license plates;
 - that are used for operations, provided that the loss or damage was caused in connection with these operations.
- C17.1.2 If the policy does not provide for higher sums insured, the minimum sums insured prescribed by Swiss road traffic legislation apply.
- C17.1.3 The insurance **does not cover** the liability:
- of persons who used the vehicle for travel not approved by the authorities or for travel that they were not authorized to undertake;
 - of persons who were responsible for these vehicle users;
 - of persons on whose instruction or with whose knowledge such travel was undertaken.
- C17.1.4 As a supplement to C17.1.3 and instead of B3, the following claims are excluded in the case of loss events for which there is an obligation to take out insurance pursuant to Swiss road traffic legislation:
- claims of the keeper arising from *property damage* caused by persons for whom the keeper is responsible under this legislation;

- claims arising from *property damage* by the keeper's spouse or registered partner, relatives in ascending and descending line, or siblings living in the same household;
- claims arising from damage to the vehicle used (including any trailer) and from damage to the goods transported by this vehicle. Damage to items accompanying the injured party, e.g. luggage and the like, are excluded;
- claims arising from accidents during races.

C17.2 Use of third-party motor vehicles – loss of no claims bonus and deductible

C17.2.1 If an *insured* uses a third-party light motor vehicle with a total weight of up to 3.5 tons, the insurance cover will extend to its statutory liability for claims of the keeper for the

- deductible and the
 - loss of the no claims bonus
- under the liability insurance for this motor vehicle.

Third-party motor vehicles are deemed to be those that do not belong to an *insured*.

The loss of the no claims bonus is calculated on the basis of the number of years after the claim that are required to reach the premium level prior to the claim, assuming that the bonus is not affected by another claim during this period and that the premium or bonus system does not change.

C17.2.2 Pursuant to C17.2.1, the insurance covers claims arising from damage on the condition that the use is free of charge, incidental, occasional and irregular (at most for a day at a time and not for the same purpose) in connection with activities performed for the insured business.

C17.2.3 The insurance **does not cover** the use of third-party motor vehicles:

- for travel not approved by the authorities or for which the user is not authorized under road traffic legislation or for other reasons;
- for participation in races, rallies and similar competitive driving as defined in Art. 72 of the Road Traffic Act, or for training or other runs on racing tracks and official training tracks.

C17.3 Motor-assisted bicycles

C17.3.1 The insurance covers the liability arising from the use of motor-assisted bicycles that require insurance (including pedal electric bicycles, motorized wheelchairs and electric scooters), provided that any travel using these is undertaken on behalf of the insured business. Travel to and from work is excluded.

C17.3.2 The restrictions pursuant to C17.1.3 and C17.1.4 apply *mutatis mutandis*. The provisions of Swiss road traffic legislation apply in all other respects, insofar as their application is mandatory.

C17.4 Bicycles

The insurance covers the liability arising from the use of bicycles and motor vehicles with low motor power or low speeds as defined by the Swiss Vehicles Insurance Ordinance (e.g. pedal electric bicycles with motor assistance up to a maximum of 25 km/h or motor-assisted

hand carts), provided that any travel using these is undertaken on behalf of the insured business. Travel to and from work is excluded.

C17.5 Watercraft

The insurance covers the liability as keeper and the liability arising from the use of watercraft for which Swiss law does not mandate liability insurance, provided that any travel using these is undertaken on behalf of the insured business. Travel to and from work is excluded.

C17.6 Aircraft

The insurance covers the liability of the operator and the liability arising from the use of aircraft for which Swiss law does not mandate liability insurance or for which there is no obligation to provide security, provided that any flights using these aircraft are undertaken on behalf of the insured business.

C18 Loading and unloading of vehicles

C18.1 Scope of coverage

C18.1.1 In amendment of B3.12, the insurance covers claims arising from damage to land vehicles and watercraft, including superstructures and semi-trailers, in the course of loading them with general cargo or unloading general cargo from them.

General cargo refers to goods that are loaded or unloaded individually, such as machinery, equipment, construction components such as doors, windows or girders, pallets, and containers of all types such as boxes, crates, barrels or gas cans.

C18.1.2 In amendment of B3.12, the insurance covers claims arising from damage to tank and cistern vehicles when filling them with solid or liquid goods or emptying solid or liquid goods from them.

C18.2 Exclusions in addition to B3

The insurance **does not cover** claims arising from damage:

- C18.2.1 to railroad rolling stock;
- C18.2.2 to land vehicles and watercraft
 - that an *insured* has borrowed, rented or leased,
 - caused by loading them with bulk material or unloading bulk material from them. C18.1.2 remains reserved. Bulk material refers to goods that are loaded or unloaded in a loose and unpackaged state, such as grain, sand, gravel, rocks, boulders, coal, scrap metal, material from demolition or excavation, and waste;
 - that was caused by overfilling or overloading;
- C18.2.3 to containers (except superstructures and semi-trailers pursuant to C18.1.1 and tanks and cisterns pursuant to C18.1.2) and to the manipulated goods themselves while being loaded onto or unloaded from vehicles.

C19 Releases from liability

If the *insured* has entered into any agreement with respect to liability that is more restrictive than the liability imposed by law, AXA will refrain from invoking such an agreement if the *insured* is unable to enforce this agreement or is unwilling to enforce it (e.g. due to reasons of business policy).

Part D

Claims

D1 Indemnities

D1.1 Compensation for justified claims

AXA will pay the amount that the *insured*, or AXA as its liability insurer, is required to pay the injured party as compensation within the scope of the insurance and the statutory liability provisions. AXA can pay compensation directly to the injured party.

D1.2 Defense against unjustified claims

In the case of an insured event, AXA assumes the defense against unjustified or excessive claims for damages that are brought against an *insured* or against AXA as its liability insurer.

D1.3 Provisional assumption of defense costs in civil proceedings

In civil proceedings, AXA will advance defense costs for claims:

- in connection with the alleged intentional commission of felonies or misdemeanors by an *insured* (B3.9),
 - arising from loss or damage allegedly caused by an *insured* with intent or willful recklessness (B3.10)
- until the date on which the breaches referred to above
- have been confirmed by a final and binding court decision, in a judicial, administrative or arbitration proceeding or settlement or
 - are admitted by an *insured*.

In the event of such a confirmation or admission, coverage granted temporarily will cease to apply with retroactive effect. AXA must be reimbursed for all costs expended up to that point.

D1.4 Limitation of indemnities

D1.4.1 Scope of indemnity

AXA's indemnification of all claims against an *insured*, and/or AXA as its liability insurer, and for all other insurance payments is limited to the sum insured specified in the policy. This includes interest on claims, recourse interest, loss mitigation costs, costs of expert opinions, attorney fees, court costs, costs of arbitration and mediation, loss prevention costs and any other costs (e.g. opposing party legal expenses).

A sublimit (limited amount within the sum insured) that is set out in the policy or these GIC may apply for individual risks included in the insurance.

If the claims and costs (including claims and costs in connection with risks to which sublimits apply) per event or *serial loss* exceed the sum insured specified in the policy, the maximum indemnity payable by AXA will be limited to the sum insured (maximum compensation). The sum insured or sublimit is reduced by the agreed deductible in each case.

D1.4.2 Single aggregate

The sum insured or sublimit constitutes a single aggregate for each *insurance year*: It is paid out no more than one time for all claims arising from losses and costs incurred during the same *insurance year*. D1.5 remains reserved.

D1.5 Reinstatement for additional sums insured

The policyholder has the right to purchase an additional sum insured from AXA, equal to the original sum insured for the remaining period of the current *insurance year*, for a premium to be agreed. Sublimits may not be purchased separately.

The right to reinstatement is subject to the following conditions:

- The *insured* has reported a loss event covered by this contract or circumstances as defined in A3.2.
- The policyholder makes a request in writing to AXA for an additional sum insured by no later than the end of the *insurance year*.

The additional sum insured purchased does not apply to claims arising from any damage or loss in respect of which an *insured* was aware, at the time the additional sum insured was purchased, of an act or omission that could give rise to liability on its part.

The additional sum insured may not be cumulated with other sums insured for previously reported loss events. Only one additional sum insured may be purchased per loss event.

D1.6 Other insurance

If another insurer is liable to indemnify for the same loss or *serial loss*, the indemnity payable by AXA will be limited to that part of the compensation:

- that exceeds the sums insured or sublimits of the other insurance (difference in limits coverage); or
- that exceeds the scope of coverage of the other insurance (difference in conditions coverage).

Any indemnity paid under another policy will be deducted from the sum insured and sublimits under this contract.

The provisions pursuant to A3.8.4 remain reserved.

D1.7 Emergency costs

If, in an emergency, it is proven that prior written consent from AXA to cover the costs of defending against a claim could not reasonably be obtained, AXA will provide its consent to cover such costs retroactively. The *insured* must, however, inform AXA immediately and delegate all further handling of the claim to AXA.

D1.8 Threat of claim

If the *insured*, or AXA as its liability insurer, is faced with the serious threat of an insured claim, AXA will also take over preparations to defend against the claim if this is reasonable and appropriate.

D1.9 Internal costs of claims settlement

AXA's internal costs for the settlement of claims are not deducted from the sum insured, nor are they taken into account when determining the deductible. Internal costs are deemed to be exclusively the costs to be incurred by AXA for its employees.

D2 Deductible

D2.1 Per event
The policyholder or the co-insured business will pay the deductible specified in the policy per loss event. A special deductible may be set out in the policy for individual risks. The deductible also applies to costs, e.g. for defending against unjustified claims. This applies regardless of whether the claim is brought against an *insured* and/or against AXA as its liability insurer. C4 remains reserved.

D2.2 In the event of multiple coverages
If multiple coverages with identical deductibles are triggered for the same loss event, the policyholder or the co-insured business will be required to pay the deductible only once.
If deductibles with different amounts were agreed for these coverages, the policyholder or the co-insured business will pay at most the highest of the agreed deductibles.

D2.3 Reimbursement
The deductible is charged in advance to the policyholder or the co-insured business. If AXA indemnifies the injured party without first subtracting the deductible, the policyholder or the co-insured business must reimburse AXA for the amount of the deductible, waiving any objections. The same applies if AXA pays the costs for the engagement of *third parties* (e.g. experts, lawyers or courts) directly.

D2.4 Statutory requirements
If the law prescribes a deductible for an insured activity that is lower than the deductible specified in the policy, the statutory deductible will apply in relation to the injured party for any loss or damage arising from this activity.

D3 Notice of claim and duty to provide information

D3.1 Notice of claim
If an event occurs that is likely to affect the insurance, the *insured* must notify AXA as quickly as possible. This duty to provide information also applies if police, criminal, regulatory or administrative proceedings, or proceedings before a professional or trade organization, are initiated against an *insured* as a result of such an event. If an injured party contacts AXA directly, AXA will so inform the policyholder or the co-insured business.

D3.2 Duty to provide information
The *insured* must always provide AXA with all information relating to the loss event as quickly as possible and at its own expense. This includes correspondence, data, documents, evidence, official and court documents such as summonses, rulings, notifications, judgments, etc. In addition, the policyholder or the co-insured business must forward to AXA, of their own accord, any additional information about the claim.

D4 Claims handling

D4.1 Management of claims handling
AXA will handle claims if the claims exceed the deductible and the sum insured has not yet been exhausted. AXA has the right to handle claims even if the claims do not exceed the deductible.
AXA conducts negotiations with the injured party at its own expense. In doing so, AXA acts as representative of the *insured*. The manner in which AXA settles the claims of the injured party is binding on the *insured*.
AXA has the right to refrain from handling claims itself. In this case, AXA will advise the *insured* in writing that they may appoint a lawyer in agreement with AXA. The other duties and obligations in the event of a claim continue to apply without change.

D4.2 Duties of the insured
The *insured* must assist AXA in the handling of any claim at its own expense. This applies, in particular, to establishing the facts and the loss, as well as to defending against claims. The duty to provide assistance also applies in the event of legal proceedings, or if the claims are brought against AXA as its liability insurer.

D4.3 Litigation
If no understanding can be reached with the injured party and if this party takes legal action, the following applies:

D4.3.1 Lawsuit against an insured
AXA, in consultation with the *insured*, appoints the trial lawyer, determines the trial strategy, the outcome of the proceeding (acknowledgment, settlement or judgment) and all other procedural steps. In this regard, AXA acts as representative of the *insured*. AXA will assume the litigation expenses and attorney fees incurred by the *insured*. It is entitled to enter into a fee agreement with the trial lawyer. AXA is entitled to any legal expenses awarded to the *insured*. However, the *insured* may retain any personally awarded compensation for their efforts.

D4.3.2 Lawsuit against AXA
AXA appoints the trial lawyer, determines the trial strategy, the outcome of the proceeding (acknowledgment, settlement or judgment) and all other procedural steps. AXA will assume the litigation expenses and attorney fees incurred as part of the insured indemnity. AXA will keep the *insured* informed about the proceeding.

D4.3.3 Lawsuit against an insured and against AXA
AXA appoints, according to possibility and in consultation with the *insured*, a trial lawyer to jointly represent the *insured* and AXA. D4.3.1 and D4.3.2 apply in all other respects.

D4.4 Arbitration proceedings
Settlement of insured claims in proceedings before an arbitration tribunal will not affect coverage, provided that the proceedings are conducted in accordance with the rules of the Swiss Civil Procedure Code and the Federal Act on International Private Law.

D5 Contractual fidelity

The *insured* is required to maintain contractual fidelity. The *insured* may not, without the consent of AXA, conduct any direct negotiations with the injured party, acknowledge any liability or claims, enter into any settlement or pay any compensation. The *insured* may not assign coverage claims without the consent of AXA.

D6 Recourse to the insured

AXA has a right of recourse against the *insured*, provided that it would be entitled, pursuant to the provisions of the insurance contract or the Federal Act on Insurance Contracts (ICA), to refuse or reduce its indemnity. This is subject to C5 GIC pursuant to which there is no reduction and therefore no recourse due to gross negligence.

D7 Limitation period under this insurance contract

Claims arising from the insurance contract become time-barred five years following the occurrence of the event on which AXA's obligation to indemnify is based.

Part E

Definitions

E1 Cloud computing systems

Cloud computing systems make available IT infrastructures such as computing capacity, data storage, network capacities or ready-made software available via a network, without the requirement for the installation of such infrastructures on the local *IT system*.

E2 Cyber liability event

A cyber liability event is a deliberate attack by *third parties* on the *IT system* of the policyholder or the co-insured business or on *cloud computing systems* used by the policyholder or the co-insured business which causes damage to other *third parties*.

A cyber liability event must be caused by *malware*, a *hacker attack* or a *denial-of-service attack* either via networks or via digital data carriers.

E3 Denial of service (DoS)

Denial of service is the impairment of a service as a result of an overloading of infrastructure systems, for example. This denial of service must have been caused by a deliberate attack on an *IT system*.

E4 Third parties

Third parties are deemed to be all parties who are not *insureds*.

E5 Electronic data

Electronic data is information stored electronically on data carriers such as operating systems, programs and user data. Electronic data is not considered to be property.

E6 Monetary assets

Cash, credit and debit cards of any kind, plastic money such as cash cards, tax cards, etc.; checks, virtual currencies such as Bitcoin and other means of payment, vouchers, subscriptions of all kinds, tickets and securities.

E7 Hacker attacks

Hacker attacks are deliberate changes to programs and data made with the intention of causing damage. In an attack of this kind, hackers obtain unauthorized access via networks, specifically the internet. Changes to programs and data by *malware* are not classified as hacker attacks.

E8 IT system

An IT system includes computer hardware and networks (including software) of any kind that process and store *electronic data*: server systems, storage systems, personal computers, notebooks, tablet computers, smartphones, remote data transmission devices, etc. Computer controls for technical devices as well as machinery and equipment that are integrated into networks are likewise considered as IT systems.

E9 Bodily injury

Bodily injury is considered to mean the death, physical injury or other damage to the health of individuals (including any resulting pecuniary loss, loss of earnings, and claims for pain and suffering).

E10 Property damage

Property damage is considered to mean the destruction, damage to or loss of movable and immovable property (including any pecuniary loss and loss of earnings incurred by the injured party as a result). The death or loss of animals, injury to them or other damage to their health are deemed to be equivalent to property damage. The impairment of a property's functions, without any impairment of the property's physical substance, is not considered to be property damage.

E11 Loss prevention costs

Costs incurred through measures to prevent a loss are deemed to be loss prevention costs. Loss prevention measures are deemed to be any appropriate measures taken immediately to prevent the occurrence of an imminent insured loss.

However, costs incurred in connection with recalling or withdrawing goods, together with the necessary preparatory work associated with these activities, as well as the costs of measures taken instead of recalling or withdrawing goods, are not deemed to be loss prevention costs[product recall].

E12 Malware

Malware, evilware and junkware are terms used to describe computer programs developed in order to perform undesired and damaging functions. Malware is therefore a generic term that includes computer viruses, computer worms, Trojan horses, ransomware, and the like.

Incorrectly programmed software which can cause damage is not considered to be malware.

E13 Serial loss

The total of all claims arising from all losses and loss prevention measures with the same cause, as well as the consequences of several acts or omissions in the same matter, are considered to be one event. This is referred to as a serial loss. The number of injured parties or parties claiming or eligible to claim is irrelevant. The cause will be deemed to be the same if several losses are attributable to the same act or omission (e.g. breaches of a duty of care or mistakes). The matter will be deemed to be the same if several related situations occur, that in context must be considered as self-contained and therefore can be understood as unity.

E14 Technical application

Technical application is understood to mean the services and software that are related to the planning, construction, manufacture, modification, implementation, installation, integration, maintenance, repair or delivery of technical systems (devices, apparatuses, machinery and equipment) or parts thereof, as well as the related control, measuring, regulating or monitoring software (e.g. supervisory control and data acquisition (SCADA), Programmable Logic Controller (PLC)).

E15 Environmental impairment

Environmental impairment is deemed to be any long-term disturbance of the state of air, water, groundwater, soil, flora and fauna caused by any influence, as well as any situation defined by applicable law as environmental impairment.

E16 USA/Canada

USA and Canada include all states, federal territories and provinces belonging to the United States of America or Canada, as well as all other territories that fall under the jurisdiction of these countries.

E17 Financial loss

Financial loss is loss measurable in monetary terms that is not attributable to any *bodily injury* or *property damage* suffered by the injured party. Financial loss also includes damage to and defects in software or *electronic data* and their consequential damage or loss. This applies if the consequential damage or loss does not involve *bodily injury* as defined in E9.

E18 Insureds

E18.1 Policyholders

Insureds are considered to mean any natural person or legal entity, partnership, corporation or institution specified in the policy as “policyholder.” If the policyholder is a partnership or community of joint owners, the members of the partnership or the community of joint owners will be treated in the same manner as the policyholder with respect to rights and obligations.

E18.2 Representatives of the policyholder

The current and former representatives of the policyholder as well as persons entrusted with managing or supervising the business are deemed to be insureds.

E18.3 Employees and auxiliaries

The current and former employees and other auxiliaries of the policyholder are deemed to be insureds in connection with their activities for the insured business. Persons pursuant to B1.3 are not included in this definition.

E18.4 Third parties as owners of real property

Property owners are deemed to be insureds if the policyholder is only owner of the building, but not of the land (building lease).

E18.5 Co-insured businesses

Any other businesses specified in the policy as “co-insured businesses,” including the group of persons pursuant to E18.2 to E18.4, are deemed to be insureds.

E18.6 Persons loaned or hired

Current and former staff loaned or hired out by the policyholder or the co-insured business who work or have worked for the policyholder or the co-insured business are deemed to be insureds (lease of labor or services). Persons loaned or hired out by the policyholder or the co-insured business to a third party pursuant to E4 are not deemed to be insureds (lease of labor or services) within the scope of their activities for this third party.

E18.7 Spouses, heirs and legal representatives

Insureds are deemed to include spouses, registered partners, heirs and legal representatives of insureds, to the extent that claims are asserted against them instead of against the insureds in respect of the insured activities of the latter.

E18.8 New companies and persons

Insureds are deemed to include new companies and persons added during the *insurance year* under the contingent coverage pursuant to A10.3.1.

E19 Insurance year

The insurance year is defined as the period for which the annual premium is calculated. It begins on the day on which the annual premium is due and ends on the day before the annual premium for the next insurance year is due.



Want to file a claim?

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