

## Custodian Risk Cover

The purpose of this document is to illustrate the terms and conditions of the Custodian Risk Cover offered by InsurAce.io. All Cover is provided on a discretionary basis with InsurAce.io Claim Assessor following the claim process to decide which claims are paid.

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### Coverage

InsurAce.io Custodian Risk Cover shall pay a claim if

1. The loss of assets occurred during the Cover Period; and
  2. The insured is a **User** of the **Designated Custodian**; and
  3. The **Designated Custodian**:
    - 3.1 loses funds due to any criminal or fraudulent takings or appropriation of assets by any person during the **Cover Period** and the **Designated Custodian** announces that all the **User** of the **Designated Custodian** have to take a loss on their current holdings of 10% or more of face-value; or
    - 3.2 completely suspends all withdrawals for a continuous period of 90 days or more without any advanced notice where withdrawals were first halted during the **Cover Period**.
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### Exclusions

InsurAce.io does not provide Cover if

1. Assets lost are NFTs; or
2. The insured is the **Designated Custodian**, a representative of the **Designated Custodian** or an entity or individual that is related to the **Designated Custodian**.

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## Conditions

- **Claim Request**

The claim request together with Proof of loss must be submitted during the **Cover Period** or within 15 days after the Cover expires.

Proof of loss could include, but is not limited to:

- ❖ the snapshot of the balance held in the **Designated Custodian** before and after any losses have been applied; and/or
- ❖ description of the attack which results in the loss from the **Designated Custodian** or security specialist; and/or
- ❖ supporting materials to determine the price of lost assets; and/or
- ❖ other evidence as deemed necessary;

The insured are required to provide us with truthful pieces of information, otherwise the claim will be rejected.

Read more about our [Claim Assessment Process](#) and [How to Make a Claim](#)

- **Claim Payout Amount**

InsurAce.io will only pay for losses actually incurred where such losses are no more than the **Cover Amount**.

The price of cryptocurrency on the time of transaction in which losses occur based on data extracted from CoinGecko or any other sources regarded reliable and fair shall be used in the calculation of actual loss.

Any recovery received by the insured as compensation for his/her losses from the **Designated Custodian** shall be excluded from the claim payments.

- **Cover Effective Time**

The Cover will take effect in 10 minutes after the timestamp of the block where the Cover is confirmed in Blockchain, and the Cover's expire time will also be revised accordingly, this is to eliminate the time difference between the Blockchain and the Custodian.

- **Cover Termination**

The Cover shall terminate immediately when:

- ❖ The full **Cover Amount** has been paid in claims; or
- ❖ The **Cover Period** stated in the Cover ends

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## Definitions

**Cover Amount** means the amount of the Cover specified by the insured at purchase of the Cover.

**Cover Period** means the period stated in the Cover during which time the Cover is effective. It will start on or after the date of premium payment.

**Designated Custodian** means the business or entity that responsible for the safekeeping of the cryptocurrency assets on behalf of their users, as specified in the Cover.

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## Amendments & Additions

This document takes effect from 26<sup>th</sup> April, 2021. InsurAce.io may change this insurance policy in order to make it match new market circumstances when necessary. Please always check the updated policy.