

Smart Contract Vulnerability Cover Summary Sheet

With effect from 27th January 2023

This summary sheet briefly outlines some of the key terms in the full Smart Contract Vulnerability Cover Wordings (“Terms”) set out [here](#). Please be aware that Cover Purchasers are deemed to have accepted the Terms when purchasing this Cover.

Who are the parties to the Cover?

The InsurAce protocol (“Protocol”) & the Cover Purchaser.

What is the duration of my Cover?

The Cover Period runs from when the Cover commences and for the duration specified during Cover purchase.

What am I covered for?

The Cover only applies to a Claimable Risk Event, which means any:

- malfunction or programming flaw; or
- unauthorized, malicious, criminal attacks, hacks or exploits of any malfunction or programming flaw

in the Designated Smart Contract directly causing Claimable Loss to the Cover Purchaser during the Cover Period. Claimable Loss refers to the irrecoverable loss of either: (1) the Cover Purchaser’s funds in the Designated Smart Contract; or (2) the Cover Purchaser’s funds due to the loss of related digital deposit receipts (e.g. liquidity provider tokens) in the Designated Smart Contract.

The Protocol shall only recognize the Cover Purchaser’s direct or indirect ownership over such funds or digital deposit receipts as proven by the related digital deposit receipts in the Covered Address during the Claimable Risk Event. Claimable Loss shall exclude any fees and gas related costs involved in operating the Designated Smart Contract.

Cover Purchasers may claim up to the lower of their Claimable Loss, or the cover amount specified during Cover purchase less any payouts previously made to the Cover Purchaser under the Cover. Any other compensation or loss recovery received by the Cover Purchaser will be deducted from the final cover payout amount or be used by the Cover Purchaser to reimburse the Protocol up to the value of any cover payout made. All definitions are set out in the Terms.

What other terms and conditions of the Cover are there?

Please refer to the Terms as stated above for the full terms and conditions of the Cover and their definitions. Eligibility to make a claim, scope of coverage, claims and evidence submission and procedure, cover exclusions, termination conditions, and cancellation terms are set out in clauses 1.4, 2, 3, 4, 5 and 6 of the Terms. Some key deadlines to be aware of:

- Claims and a fee on the claim amount must be submitted before the earlier of: the expiration of 21 days after the Protocol publicly confirms the Claimable Risk Event through its social media accounts and/or channels as set out on the Protocol’s platform; or the expiration of 15 days after the Cover Period has expired.
- Evidence of Proof of Loss and Ownership must be submitted within seven (7) days after claims submission.

How will the Protocol keep me informed of the latest Terms?

The Protocol will use commercially reasonable efforts to communicate any material changes to the Terms through its social media accounts and/or channels set out on the Protocol’s platform.

Disclaimers

- Please note that while the Protocol aims to maintain sufficient capital to meet its obligations, purchase of any coverage does not guarantee full payout of all losses on the protected assets, in particular, if there are insufficient staked assets in the capital pool.
- The Protocol is not licensed or regulated by any regulator in any jurisdiction.
- This Cover is not a contract of insurance. The Cover offers discretionary protection that is provided to Cover Purchasers. The Advisory Board and the Claims Assessors have full and final discretion on whether or not a claim is approved for a successful payout.