

IN THE HIGH COURT OF JUSTICE
QUEEN'S BENCH DIVISION
COMMERCIAL COURT

B E T W E E N:-

JUSTCARD PLC

Claimant

- and -

CYBERSAFE LTD

Defendant

**WITNESS STATEMENT
OF DEREK JARVIS**

I, Derek Jarvis, of JPG Brokers, 32 The Promenade, Southend-on-Sea, SS2, will state as follows:-

1. I am a specialist cyber risks broker employed by JPG Brokers. I have been broking cyber risk policies for three years. Before that, I spent 25 years in general property and business risks, concentrating on business interruption cover.
2. JustCard have been a client of JPG since about 2005. In 2010, I encouraged them to consider the idea of cyber risks cover, to protect them against cyber attacks, which appeared to be becoming more common. Although they had previously had general liability cover which might have protected them, I advised them that it would be better to be protected by some specific cover which dealt with the complex issues which sometimes arise.
3. In November 2010, Ms Avery contacted me to say that the JustCard board had given approval for quotations to be obtained in the London market for cover against cyber attacks from 1 January 2011. We therefore met to discuss their needs. I knew that the relevant underwriters would require some detailed information about the software systems used by JustCard. In that regard, Ms Avery gave me what seemed to be a full explanation of the systems they used. In particular, for present purposes, she gave me a copy of the Operating Manual for the ProcessSys software that had been specifically written for them by Software Solutions Ltd. That contained detailed explanations of the security provisions of the software.
4. Later the same month, I presented the risk to a number of different underwriters including Mr Philip Frye of Cybersafe. In advance of doing so, I did not complete an application form on behalf of JustCard as there was no standard form for such and it was normal to place the risk simply on the basis of a discussion about the assured and the provision of details of its security system.

5. Cybersafe was a specialist cyber risk underwriter and had its own form of policy wording. He asked for details of, among other things, the software systems used by JustCard, and I was able to give him a copy of the document from Software Solutions Ltd in relation to the ProcessSys system. Mr Frye asked some reasonably technical questions about certain aspects of the software, which I was able to answer by reference to the manual, but nothing more was said, I think, of relevance to this dispute. He then provided a quote as lead.
6. I went back to Ms Avery with the quotations that I had obtained. She instructed me to place cover as quoted which I did. This cover inception on 1 January 2011.
7. I am told that there is an issue in relation to update 3.17 of ProcessSys and the fact that that JustCard did not purchase that update in late 2010. I was not aware of the availability of that update at the time the policy was placed and nothing was said to me about it by JustCard at that time.
8. I am aware of the losses sustained by JustCard consequent upon a cyber attack in late January 2011. However, I was not involved in the claim.

STATEMENT OF TRUTH

I believe that the facts stated in this witness statement are true.

Signed: *Derek Jarvis*

Dated 10 June 2011