

Network Security Coverage



Coverage for security breaches arising from the unexpected and unauthorized interference with the insured's technological systems and/or the data stored on the systems.

Coverage provided

Third-party liability insuring agreements:

- Security breach
- Privacy notice regulatory action

First-party direct loss insuring agreements:

- Forensic investigation costs
- Crisis management costs
- Notification and credit monitoring costs

Limits/retentions/costs

- Third-party liability limits of \$250,000 per security breach/regulatory action claim and in the aggregate
- Claim expense applies toward the liability limits
- First-party direct loss limits for each security breach and subject to a \$250,000 direct loss aggregate limit:
 - \$50,000 for forensic investigation costs
 - \$50,000 for notification/credit monitoring costs
 - \$5,000 for crisis management costs
- Retention of \$2,500 for all claims resulting from a single security breach or regulatory action and \$2,500 for all direct loss expense incurred due to a single security breach

- Coverage form aggregate of \$250,000

- Annual premiums are \$250 to \$500 (*Coverage written on a surplus lines basis. Insured is responsible for the payment of applicable surplus lines tax.*)

Key coverage terms and conditions

- Claims made form.
- Prior acts coverage provided while continuously insured by our carrier.
- Coverage responds to financial damages, claim expense and reimbursable expenses the insured incurs due to a security breach.
- Coverage applies to a security breach resulting from an intentional (malicious) or unintentional (accidental) act.
- Coverage applies to a security breach launched internally or externally.
- Coverage triggered by the date the security breach occurred *and* the date the security breach is reported to the insurer.
- Upon meeting all reporting requirements, coverage in effect at the time the security breach occurred will respond to all future, insurable claims arising out of the breach.
- Security breach can occur anywhere in the world. Claims resulting in suits for damages must be brought in the U.S., its territories and possessions, or Canada.

- Coverage extends to claims brought by employees or other insureds, arising out of unauthorized access to their personal data, due to a security breach.
- Excludes bodily injury and property damage. Data is not tangible property.
- Data defined as any records, documentation, intellectual property, or information, including personally identifiable information.
- Coverage applies to all data the insured collects and retains, whether maintained on their own computer systems or outsourced to others for storage.
- Definition of computer systems includes mobile devices (cell phones, tablets, etc.). Employee-owned mobile devices are not included.

Coverage form status and eligibility

- Coverage must be packaged with GL (either monoline CGL, or as part of a package).
- Network Security Coverage is not available on a stand-alone basis.

Claims and risk management

- Claims managed by dedicated Network Security Claim Counsel team.

- Independent breach coach assigned to work directly with insureds throughout the breach management process and coordinate outside vendors providing post-breach functions.
- Insureds have unlimited access to eRiskHub[®], providing security breach risk management tools, news, and information.

Offered by our specialty carrier with an A. M. Best rating of A+ (Superior), FSC XV

Contact us for fast, competitive quotes and first-rate service.
