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## **DataBreach Coverage Highlights**

### **Data Breach and Privacy Liability, Data Breach Loss to Insured and Electronic Media Liability Insurance Policy**

#### **Coverage A: Data Breach and Privacy Liability:**

Claims made and reported (with a 60 day reporting window).

Coverage for liability arising from Unauthorized Access or Potential Unauthorized Access of the Named Insured's Electronic Communications System ("ECS"), including compromise of private or confidential information.

Broad definition of Unauthorized Access includes:

- Breach of the Named Insured's security measures, systems or procedures.
- Inadvertent transmission of fraudulent or destructive instructions or code, including viruses and malicious code.
- Use of the Named Insured's ECS to launch a denial of service attack.
- An extortion demand or credible threat of attack.
- Theft or loss of paper records.

Coverage afforded on a pay on behalf of basis with the insurer having the duty to defend, including defense up to the Limit of Liability, of charges or administrative proceedings brought by a governmental agency or Payment Card Industry Security Standards Council (PCI/DSS).

Coverage sublimit dedicated to regulatory fines and penalties, not decreased by defense costs.

Coverage afforded for Unauthorized Access by employees and other authorized users.

#### **Supplementary Payments:**

Automatically included when Coverage A. is purchased and Coverage A is mandatory.

#### **Breach Mitigation Expense Coverage:**

Reimburses the Named Insured for costs incurred for:

- The services of a public relations professional, or other publicity expenses that are recommended by a public relations professional to respond to adverse publicity in the media, that is the result of an unintentional data compromise.
- Expenses that are incurred to comply with a security breach notice law and that are the result of an unintentional data compromise.
- Voluntarily providing credit monitoring services for individuals effected by an unintentional data compromise.

Extends to private data entrusted to a third party.

Automatically included up to \$250,000, not subject to a deductible and not part of the policy limits of liability. Higher limits available by endorsement.

Reward Coverage:

Reimburses the Named Insured for the actual payment of a reward for information directly leading to the arrest and conviction of persons responsible for an Unauthorized Access or Potential Unauthorized. Access. Automatically included up to \$25,000.

### **Coverage B: Data Breach Loss to Insured:**

Occurrence coverage.

Indemnification for first party losses by the Named Insured arising from Unauthorized Access of the Named Insured's ECS.

Loss includes:

Forensic expense and reasonable expense incurred by the Named Insured to restore the Named Insured's ECS.

Extra expense incurred by the Named Insured to continue to conduct business while the Named Insured's ECS is being restored.

Loss of money, securities, bonds or other similar financial instruments with monetary value, when misappropriated by a third party.

Payment of an extortion demand.

### **Coverage C: Electronic Media Liability Coverage**

Claims made and reported (within 60 day reporting window).

Coverage for liability which arises from the content on the Named Insured's website or intranet.

Electronic Media Injury includes:

- Libel, slander, defamation or other forms of disparagement.
- Invasion of privacy.
- Copyright infringement.
- Plagiarism or misappropriation of ideas.
- Infliction of emotional distress, mental anguish and malicious prosecution.

Coverage is subject to conditions and exclusions described in the policy. For complete terms and conditions, refer to the policy itself.

### **DataBreach Highlights**

Recovering from a breach can be expensive and time consuming. Determining the cause and extent of the breach, complying with the notice laws, correcting damage, public relations, and potential lawsuits from customers and clients can truly drain a business.

### **Coverage**

Data Breach & Privacy Liability (3rd party coverage)

Covers liability arising out of unauthorized access to confidential data

Broad definition of unauthorized access including theft or loss of paper records

Provides defense and damages on insured's behalf, including defense of privacy breach investigations by governmental authorities and includes the portion of privacy regulatory settlements or judgments used to fund the payment of patient or consumer claims

Coverage afforded on a "pay on behalf of" basis with the insurer having the duty to defend, including defense up to the limit of liability

Coverage sublimit dedicated to regulatory fines and penalties including PCI and not decreased by defense costs

Coverage afforded for unauthorized access by employees and other authorized users

- Supplementary payments
- Automatically included up to \$250,000 for breach mitigation costs and reward reimbursement
- Not subject to a deductible and not part of the policy limits; higher limits available by endorsement
- Extends to private data entrusted to a third party
- Data Breach loss to insured (1st party coverage)
- Costs to restore insureds own data
- Theft of money and securities through unauthorized access
- Extra expenses while recovering from the breach
- Electronic Media Coverage
- Covers web content, including social media, which is alleged to include:
- Libel, slander, other defamation
- Accidental public posting of private information and copyright, trademark infringement
- Reward coverage reimbursement

#### **Additional Policyholder Value:**

- Forensic / incident response services from Fishnet Security as part of our claims handling process
- Data breach resolution services for policyholders provided by industry leader Experian
- Policyholders have access to risk management portal provided by NetDiligence, including tools for breach prevention and recovery