

COMMERCIAL LINES MANUAL

DIVISION NINE: MULTIPLE LINES

EXCEPTION PAGE

COMMERCIAL PACKAGE POLICY – CYBER SUITE COVERAGE FORM

A. Description

1. The Cyber Suite Coverage Form may be included with a Commercial Package Policy to provide supplemental coverages that address the data breach and cyber liability exposure. The form is comprised of six coverage components which are described below - Data Compromise Response Expenses, Computer Attack And Cyber Extortion, Data Compromise Liability, Network Security Liability, Electronic Media Liability and Identity Recovery.
2. Use Coverage Form **8-C-4117** and Declarations page **8-D-4117**. Any required state-specific amendatory endorsements or ISO state-specific amendatory endorsement used with a Commercial Package Policy that changes cancellation, nonrenewal or other provisions to comply with state regulations also applies to this coverage.
3. A Claims-Made Disclosure Notice must be included with the policy. Use form **8-L-2495**.

Coverage 1 – Data Compromise Response Expenses provides coverage for specified expenses arising from a “Personal Data Compromise” first discovered during the “policy period” involving “Personally Identifying Information” of “Affected Individuals”.

“Affected Individuals” may be customers, clients, members, owners, directors or employees of the insured entity.

This coverage includes \$50,000 of Named Malware coverage and the following additional coverage components:

- Forensic Information Technology Review – Coverage for the cost to hire outside computer experts to determine the nature and extent of the breach.
Subject to a sublimit that is 50% of the Cyber Suite Annual Aggregate limit.
- Legal Review – Coverage for the cost to obtain professional legal advice.
Subject to a sublimit that is 50% of the Cyber Suite Annual Aggregate limit.
- Notification to Affected Individuals – Coverage for reimbursement of expenses associated with the notification of those whose personal information was breached.
- Services to Affected Individuals – Coverage for the cost of providing services (Packet of informational materials, toll-free help line, one year of credit monitoring and identity restoration case management) to affected individuals for 12 months from the date of the notice.
- Public Relations Services – Coverage for the cost to implement public relations recommendations of a professional public relations firm. This may include advertising and special promotions designed to retain the relationship with affected individuals.
Subject to a sublimit of \$5,000.
- Regulatory Fines and Penalties – Coverage for any fine or penalty imposed by law to the extent such fine or penalty is legally insurable.

COMMERCIAL LINES MANUAL

DIVISION NINE: MULTIPLE LINES

EXCEPTION PAGE

- Payment Card Industry Fines and Penalties (PCI) – Any fine or penalty imposed under a contract to which you are a party. PCI Fines and Penalties do not include any increased transaction costs.

Coverage is subject to a sublimit that is 50% of the Cyber Suite Annual Aggregate limit.

Coverage 2 - Computer Attack And Cyber Extortion provides coverage for specified expenses arising from a “computer attack” on the “computer system” first discovered during the “policy period”.

Computer Attack coverage consists of the following coverage components:

- Data Restoration - Coverage for the cost of a professional firm hired by the insured to replace lost or corrupted data from electronic sources.
- Data Recreation - Coverage for the cost of a professional firm hired by the insured to research, recreate and replace lost or corrupted data from *non*-electronic sources.
- System Restoration - Coverage for the cost of a professional firm hired by the insured to restore its computer system to its pre-attack level of functionality by replacing or reinstalling software, removing malicious code and correcting the configuration of the insured’s computer system.
- Loss of Business - Coverage for business income lost by the insured and extra expenses incurred by the insured during the period of time when system and data recovery activities are taking place.

Subject to a sublimit of 50% of the Cyber Suite Annual Aggregate limit.

- Public Relations Services - Coverage for assistance from a professional public relations firm in communicating with outside parties concerning the Computer Attack and the insured’s response.

Subject to a sublimit of \$5,000.

Cyber Extortion coverage responds to a “cyber extortion threat” first made against the insured during the “policy period”. It provides coverage for the cost of a professional firm hired by the insured to investigate and negotiate a cyber extortion threat – a credible threat or series of threats to launch a potential denial of service attack against an insured.

Cyber Extortion Coverage is subject to a sublimit of \$10,000 when the Computer Attack limit is \$100,000 or a sublimit of \$25,000 when Computer Attack limits are \$250,000, \$500,000, or \$1,000,000. Higher limit options for Cyber Extortion Coverage are available. See Section **D. Premium Determination**.

Coverage 3 - Data Compromise Liability provides coverage for defense and settlement costs for “claims” from “affected individuals” that arise from a “personal data compromise”. Coverage also applies to “regulatory proceedings” brought by a governmental entity because of the “personal data compromise”. The “claim” or “regulatory proceeding” must be first made or brought during the “policy period”, and coverage applies on a defense within limits basis.

COMMERCIAL LINES MANUAL

DIVISION NINE: MULTIPLE LINES

EXCEPTION PAGE

Coverage 4 - Network Security Liability provides coverage for defense and settlement costs in the event that a third party claimant sues the insured because of a “network security incident”.

A “network security incident” may be:

- The breach of third party business information
- The unintended propagation or forwarding of malware
- The unintended abetting of a denial of service attack

There need not be a covered loss under the first party Computer Attack coverage in order for there to be a loss under the third party Network Security Liability coverage.

Coverage 5 - Electronic Media Liability provides coverage for defense and settlement costs in the event that a third party claimant sues the insured alleging that the insured’s electronic communications resulted in defamation, violation of a person’s right of privacy, interference with a person’s right of publicity or infringement of copyright or trademark.

Receipt of notice of the suit must occur during the policy period, and the suit must arise from an event that occurs after the first inception of the coverage. This coverage applies on a defense within limits basis.

Coverage 6 - Identity Recovery provides coverage for Identity Recovery caused by an “identity theft” of an “identity recovery insured” first discovered during the Policy Period.

Coverage includes Expense Reimbursement and Case Management Service.

A \$25,000 Limit applies to this coverage.

B. Eligibility

Financial Institutions, Adult Business, Gambling or Gaming, Credit Card or Financial Transaction Processing, Hospitals, Credit Reporting Agencies, Collection Agents, Information/Data Brokers are not eligible for this coverage.

All other classes falling into Tiers 1 through 5 described below that are written on a Commercial Package Policy are eligible for this coverage. The Garage Coverage Form may be substituted for Auto Dealer, Boat Dealer, Motorcycle Dealer, Recreational Vehicle Dealers, and other similar type dealer risks not written on a Commercial Package Policy.

- **Tier 1 Classes**

Businesses whose primary personal information is relative to employees.
Examples: Manufacturing, Wholesaling

- **Tier 2 Classes**

Businesses that keep financial or account number information on individual customers but do not keep customers’ Social Security numbers.
Examples: Retail, Churches

COMMERCIAL LINES MANUAL

DIVISION NINE: MULTIPLE LINES

EXCEPTION PAGE

- **Tier 3 Classes**
Businesses with customers' Social Security numbers.
Examples: Apartments, Health Care, Professional Services
- **Tier 4 Classes**
Educational Institutions
- **Tier 5 Classes**
Municipalities

C. Limits and Sub-Limits

A single Cyber Suite Annual Aggregate limit applies to the Data Compromise Response Expenses coverage, the Computer Attack And Cyber Extortion Coverage, the Data Compromise Liability coverage, the Network Security Liability coverage and the Electronic Media Liability Coverage.

Corresponding Deductibles and Sub-Limits are shown in **Table 1** below.

Table 1

| Cyber Suite Aggregate Limit | Deductible | Forensic IT Review Legal Review Regulatory Fines & Penalties PCI Fines & Penalties Loss of Business | Cyber Extortion |
|--|-------------------|--|----------------------------|
| \$50,000 | \$1,000 | \$25,000 | \$10,000 |
| \$100,000 | \$1,000 | \$50,000 | \$10,000 |
| \$250,000 | \$2,500 | \$125,000 | \$25,000 |
| \$500,000 | \$10,000 | \$250,000 | \$25,000 |
| \$1,000,000 | \$10,000 | \$500,000 | \$25,000 |

Identity Recovery Coverage has a separate limit of \$25,000. No deductible applies to Identity Recovery Coverage.

COMMERCIAL LINES MANUAL

DIVISION NINE: MULTIPLE LINES

EXCEPTION PAGE

D. Premium Determination

Select the applicable flat charge from **Table 2** below. These charges are annual gross premiums per policy for the limit selected. Premiums may be pro-rated for short or odd term policies. These premiums are not subject to further modification by the application of any other factors (e.g. company deviations, IRPM factors, or expense modifications).

Charges include \$50,000 of Named Malware and \$5,000 of Public Relations Services.

Table 2

| Cyber Suite Aggregate Limit* | Tier 1 | Tier 2 | Tier 3 | Tier 4 | Tier 5 |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|
| \$50,000 | \$221 | \$252 | \$276 | \$359 | \$469 |
| \$100,000 | \$264 | \$308 | \$347 | \$476 | \$703 |
| \$250,000 | \$626 | \$737 | \$822 | \$1,047 | \$1,587 |
| \$500,000 | \$1,378 | | | \$1,642 | \$2,588 |
| \$1,000,000 | \$2,084 | | | \$2,264 | \$3,833 |

*Refer to Company for limits greater than \$1,000,000

Cyber Extortion Coverage may be increased. The available limits and corresponding flat premium charges are shown in **Table 3** below.

Table 3

| Cyber Extortion Limit | Flat Premium Charge |
|------------------------------|----------------------------|
| \$50,000 | \$65 |
| \$100,000 | \$100 |
| \$250,000 | \$199 |
| \$500,000 | \$322 |
| \$1,000,000 | \$460 |

COMMERCIAL LINES MANUAL

DIVISION NINE: MULTIPLE LINES

EXCEPTION PAGE

E. Optional Extended Reporting Period

In the event of a termination of coverage, the Cyber Suite Coverage Form provides a thirty (30) day Automatic Extended Reporting Period. An Optional Extended Reporting Period of one (1) year's duration is also available to be purchased by the insured. Any Extended Reporting Period provided only applies to Data Compromise Liability, Network Security Liability and Electronic Media Liability.

Within thirty (30) days after the date of termination of coverage, the Company must send written notice of the Automatic and Optional Extended Reporting Periods to the Named Insured on form **8-T-4117**. The Named Insured must submit written request for the Optional Extended Reporting Period by the later of sixty (60) days after the date of termination of coverage, or thirty (30) days after the date of mailing of form **8-T-4117**. The request must include the applicable premium payment.

The premium for the Optional Extended Reporting Period is 100% of the last full annual premium. If the Optional Extended Reporting Period is purchased, attach Optional Extended Reporting Period Endorsement **8-E-4118**. The one (1) year term of the Optional Extended Reporting Period must be shown in the form's Schedule.

F. Special Instructions

- The Cyber Suite Coverage Form may be added at the anniversary of the policy or in-term. The premium may be pro-rated for in-term transactions or odd-term policies.
- When this endorsement is used, any Commercial Umbrella we write **must** have "Exclusion – Cyber Suite Coverage Form" **8-UMC-170** attached to it.