

Privacy Breach and Information Security Insurance

Coverage highlights



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Breach Response Services

Overview

Includes the assistance of Beazley's expert Breach Response (BBR) services team at every stage of the investigation of, and response to, a data breach incident. The BBR services team provides advice regarding selection of vendors from Beazley's vetted, expert panel. The limits provided for these coverages are separate from, and in addition to, the third party liability limit avoiding liability limit erosion.

Notification services

Provides notification to individuals who are required, under a breach notice law, to be notified of a breach of their private information. BBR services will also walk you through notification details such as how to work with privacy counsel to develop notification letters and how to timely provide notification letters, relevant addresses and other required deliverables to the notification vendor.

Call centre services

Provides a call centre to answer calls from affected individuals about a breach following notification. BBR Services will also walk you through developing a set of frequently asked questions (FAQ) for use by the call center and how to anticipate and prepare for call escalations.

Breach resolution and mitigation services

Provides credit monitoring, identity monitoring, or other solutions to fit the breach event to notified individuals. This also includes fraud resolution and fraud support services, where needed.

Computer expert services

In the event that external forensics assistance is needed to assess the impact of a data incident on your computer system, this provides computer expert services to help to determine whether, and the extent to which, notification must be provided to comply with Breach Notice Laws, and, if applicable, give advice and oversight in connection with the investigation conducted by a PCI forensic investigator.

Legal services

If an incident occurs that might require notification under relevant breach notice laws or regulations, specific legal services are provided to assist you in investigating and responding to the incident.

Public relations and crisis management services

Pays for specific costs that are directly related to mitigating harm to your reputation, including the costs of a public relations or crisis management consultant. This also includes voluntary notification costs approved by the underwriter.

Description of Beazley Breach Response Services

Beazley, a leading insurer of technology and information security risks, developed BBR to provide the insurance market's most comprehensive solution to privacy breaches and information security exposures. BBR is unique in offering a services based solution to data breaches – a solution provided with privacy breach response services, which do not erode the third party liability coverage.

When a breach occurs, you need to be ready to respond quickly and effectively to mitigate your exposures to reputational damage and legal liability. Beazley makes this easy. When you believe that you might have suffered a security breach, you merely contact BBR services and they take it from there. Working with the BBR services team and a network of preferred vendors, they will jump to your aid to include:

- Forensic experts
- Legal services
- Notification services
- Public relations and crisis management services
- Call centre services
- Credit/identity monitoring

In addition, you will have access to complimentary loss control, risk management, and online resources to help you prepare for and mitigate the potential of a data breach.

Third Party Liability

Information security and privacy liability

Provides coverage for claims alleging the following:

- A violation of a privacy law
- Your company's inability to protect someone else's confidential information
- Failure of your computer system to prevent the damage or destruction of data
- Failure to prevent the transmission of malicious code
- Participation in a dedicated denial of service attack and more

Regulatory defence and penalties

Provides coverage for situations where regulators pursue your company as the result of a data security event.

Website media content liability

Provides coverage for damages and claims expenses you are legally obligated to pay as the result of a claim arising from the display of media material on your website or social media web pages. Potential allegations can include defamation, libel, slander, copyright infringement, trademark infringement, and more.

Payment Card Industry (PCI) fines and costs

Reimburses you for PCI fines, expenses, and costs you become legally obligated to pay as the result of a claim. PCI fines, costs, and expenses are the direct monetary fines, penalties, reimbursements, fraud recoveries or assessments owed under the terms of a Merchant Services Agreement following noncompliance with published Payment Card Industry Data Security Standards and a data breach covered by the policy.

This coverage is only applicable if you have a merchant services agreement in place, enabling you to accept cards for payments or donations.

First Party Coverages

Cyber extortion

Provides coverage for a loss as a result of a threat to breach computer security and causes certain damages unless an extortion payment is made. This includes coverage for extortion payments and fees and expenses for a security consultant retained to prevent or terminate an extortion threat.

Data protection loss

Indemnifies you for the recreation costs when data assets are altered, destroyed or corrupted due to a data security event.

Business interruption loss

Indemnifies you for the income loss and extra expenses you incur as a result of the actual and necessary interruption or suspension of your computer systems that results from the failure of your systems to prevent a data security breach. The income loss includes your lost net profit plus fixed operating expenses that are necessary for the continuation of your business during the period of restoration. Extra expenses include reasonable and necessary costs you incur to minimize, reduce, or avoid the income loss during the period of restoration.

Additional Coverage Highlights

- Covers both electronic information and non-electronic information
- Coverage extends to breaches of your information in the possession of your contracted third party vendors (i.e. Iron Mountain)
- Covers civil money penalties and fines
- Covers acts by “rogue” employees
- Covers the failure to comply with own privacy policy
- Covers the failure to administer an identity theft prevention program required by law or taking necessary actions to prevent phishing/identity theft
- Covers the failure to disclose a security breach in a timely manner as required by law

Exclusions and limitations include but are not confined to:

- Unlawful collection, acquisition, or retention of personally identifiable information
- Anti-trust or unfair competition
- Criminal, dishonest, fraudulent, or malicious acts
- Intellectual property
 - No patent cover intended under the policy, no copyright infringement for software code/prods except in connection with a breach, no claims for ideas, trade secret or TPI used by the Insured in any capacity or brought into the company by a new employee in an unauthorized manner

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About Aon Reed Stenhouse

Aon Reed Stenhouse, operating under the brand name Aon Risk Solutions, is Canada's leading insurance brokerage and risk management services firm. We serve an extensive client base, handling more than \$2 billion in annual premiums on behalf of our clients.

- Insurance brokerage
- Risk management
- Employee health and benefits

Our 1,600 professionals serve clients from 22 offices located across Canada. We provide our clients with a wide range of innovative solutions. Each day, Aon professionals work to deliver the best solutions to our clients.

About Aon

Aon plc (NYSE:AON) is a leading global professional services firm providing a broad range of risk, retirement and health solutions. Our 50,000 colleagues in 120 countries empower results for clients by using proprietary data and analytics to deliver insights that reduce volatility and improve performance.

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