



California State University Risk Management Authority

## Cyber Risk Liability (with PEP/IP) July 1, 2014 – July 1, 2015

**Insurer:** Lloyd’s of London - Beazley Syndicate: Syndicates 2623 - 623 - 100%

**Policy No.:** PH1433938

**Named Cover Entity:** California State University Risk Management Authority – Campuses

**Coverage Program:** Information Security & Privacy Insurance with Electronic Media Liability Coverage  
**Alliant Property Insurance Program (APIP) inclusive of Public Entity Property Insurance Program (PEPIP), and Hospital All Risk Property Program (HARPP)**

**Retroactive Date:** July 1, 2008 California State University and CSU Auxiliary Organizations.

**Territory:** Worldwide

**Limits:**

|                                      |      |              |   |
|--------------------------------------|------|--------------|---|
| <i>Third Party Liability</i>         | Ai.  | \$25,000,000 | <b>Annual Policy and Program Aggregate Limit of Liability</b> (subject to policy exclusions) for all Insureds/Members combined (Aggregate for all coverages combined, including Claims Expenses), subject to the following sub-limits as noted. |
|                                      | Aii. | \$2,000,000  | <b>Annual Aggregate Limit of Liability</b> for each Insured/Member for <b>Information Security &amp; Privacy Liability</b> (Aggregate for all coverages combined, including Claim Expenses) but sublimited to:                                  |
|                                      | B.   | \$500,000    | <b>Annual Policy Aggregate Limit of Liability</b> for each Insured / Member <b>Privacy Notification Costs</b> coverage. Limit is \$1,000,000 if Beazley vendor services are used.   |
|                                      | C.   | \$2,000,000  | <b>Annual Policy Aggregate Limit of Liability</b> for each Insured / Member for all Claims Expenses and <b>Penalties for Regulatory Defense and Penalties</b>   |
|                                      |      |              | <b>PCI Fines and Penalties</b> coverage added with sub-limit of \$100,000.  |
|                                      | D.   | \$2,000,000  | <b>Annual Policy Aggregate Limit of Liability</b> for each Insured/Member for all Damages and Claims Expenses for <b>Website Media Content Liability</b> (Occurrence Based)   |
|                                      | E.   | \$2,000,000  | <b>Policy Aggregate Sublimit of Liability</b> for each Insured/Member for <b>Cyber Extortion Loss</b>   |
| <i>First Party Computer Security</i> | F.   | \$2,000,000  | <b>Policy Aggregate Sublimit of Liability</b> for each Insured/Member for <b>Data Protection Loss and Business Interruption Loss</b>  |

While we believe this Summary of Insurance fairly represents the terms, conditions and exclusions found in your insurance policies, in the event of any differences between the policies themselves and this summary, the policy provision will direct any resolution. This summary is not intended to replace or supersede any of your insurance contracts.



## Cyber Risk Liability (with PEPiP) July 1, 2014 – July 1, 2015

- G. **First Party Business Interruption Sub-Limits of Liability** for each Insured/Member
- \$50,000 1) Hourly Sublimit
  - \$50,000 2) Forensic Expense Sublimit
  - \$150,000 3) Dependent Business Interruption Sublimit.

The sub-limits of liability displayed above in Items B, C, D, E, F and G are part of, and not in addition to, the overall Annual Aggregate Limit of Liability for each Insured/Member (Item Aii)

### Retention:

- \$25,000 CSU Auxiliary Organizations Only
- \$50,000 Per Occurrence for each Insured/Member with TIV up to \$500,000,000 at the time of loss
- \$100,000 Per Occurrence for each Insured/Member with TIV greater than \$500,000,000 at time of loss
- 8 Eight hour waiting period for first party claims

- Coinsurance for Specific Coverages:**
- 10% For Public Relations Consultancy
  - 10% For Credit File Monitoring

**Notice:** **Policy coverage sections I.A - Information Security & Privacy Liability, I.B.- Privacy Notification Costs and I.C.-Regulatory Defense & Penalties of this policy provide coverage on a claims made and reported basis; except as otherwise provided, coverage under these insuring agreements applies only to claims first made against the insured and reported to underwriters during the policy period. Claims expenses shall reduce the applicable limit of liability and are subject to the applicable retention.**

### SPECIFIC COVERAGE PROVISIONS:

*While we believe this Summary of Insurance fairly represents the terms, conditions and exclusions found in your insurance policies, in the event of any differences between the policies themselves and this summary, the policy provision will direct any resolution. This summary is not intended to replace or supersede any of your insurance contracts.*

## Cyber Risk Liability (with PEPiP) July 1, 2014 – July 1, 2015

- A. Information Security and Privacy Liability** pays on behalf of the Insured/Member damages and claims expenses excess of the retention which the Insured/Member shall become legally obligated to pay because of any claim, including a claim for violation of a privacy law first made against the Insured/Member and reported to underwriters during the policy period for
- theft, loss or unauthorized disclosure of personally identifiable non-public information or third party corporate information that is in the care, custody or control of the Insured/Member, or an independent contractor that is holding, processing or transferring such information on behalf of the Insured/Member.
  - Acts or incidents that directly result from the failure of computer security to prevent a security breach including
    - Alteration, corruption, destruction, deletion, or damage to a data asset stored on computer systems
    - Failure to prevent transmission of malicious code from computer systems to third party computer systems
    - Participation in a denial of service attack directed against a third party computer system
  - The failure to timely disclose any of the above in violation of any breach notice law
  - The failure to comply with a privacy policy involving the disclosure, sharing or selling of personally identifiable non-public information
- The failure to administer an identity theft prevention program
- B. Privacy Notification Costs** pay the Insured/Member for reasonable and necessary costs to comply with a breach notice law because of an incident that first takes place on or after the retroactive date and before the end of the policy period. Privacy Notification Costs means costs incurred within one year of the reporting of the incident or suspected incident to the Underwriters:
- To hire security experts;
  - Notification provisions,
  - Public relations mitigation up to \$50,000 subject to 10% coinsurance
  - Credit monitoring for the purpose of mitigating potential damages and are subject to 10% coinsurance
    - Credit file monitoring,
    - Mailing and third party administrative costs
- C. Regulatory Defense and Penalties** pays on behalf of the Insured/Member claims expenses and penalties which the Insured/Member shall become legally obligated to pay because of any claim in the form of a regulatory proceeding resulting from a violation of a privacy law and caused by an incident described under certain sections of the information security and privacy liability section of the policy.
- D. Website Media Content Liability** (occurrence based) days on behalf of the insured damages and claims expenses resulting from any claim made against the Insured/Member for one or more of the following acts committed in the course of covered media activities:
- Defamation, libel, slander, trade libel
  - Privacy violation
  - Invasion or interference with publicity
  - Plagiarism, piracy, misappropriation of ideas under implied contract
  - Infringement of copyright
  - Infringement of domain name, trademark
  - Improper deep-linking or framing within electronic content

*While we believe this Summary of Insurance fairly represents the terms, conditions and exclusions found in your insurance policies, in the event of any differences between the policies themselves and this summary, the policy provision will direct any resolution. This summary is not intended to replace or supersede any of your insurance contracts.*

## Cyber Risk Liability (with PEPiP) July 1, 2014 – July 1, 2015

- E. Cyber Extortion** indemnifies the Insured/Member for costs incurred as a result of an extortion threat by a person other than employees, directors, officers, principals, trustees, governors, managers, members, etc.
- F. First Party Data Protection** indemnifies the Insured/Member for data protection loss as a result of alteration, corruption, destruction, deletion, damage or inability to access data assets.
- G. First Party Network Business Interruption** indemnifies the Insured/Member for business interruption loss as a direct result of the actual and necessary interruption or suspension of computer systems and is directly caused by a failure of computer security to prevent a security breach.

### Exclusions (including but not limited to):

Coverage does not apply to any claim or loss from

- Bodily Injury or Property Damage
- Any employer-employee relations, policies, practices
- Contractual Liability or Obligation
- Any actual or alleged act, error or omission or breach of duty by any director, officer, manager if claim is brought by principals, officers, directors, stockholders and the like
- Anti-Trust violations
- Unfair trade practices
- Unlawful collection or acquisition of Personally Identifiable Non-Public Information
- Distribution of unsolicited e-mails, facsimile, audio or video recording
- Prior knowledge or previously reported incidents
- Incidents occurring prior to retroactive date/continuity date
- Any act, error, omission, of computer security if occurred prior to policy inception
- Collusion
- Securities Act Violations
- Fair Labor Act Violations
- Discrimination
- Intentional Acts with regard to Privacy and Security Breach
- Infringement - Patent and Copyright
- Federal Trade Commission and related state, federal, local and foreign governmental activities
- Insured vs. Insured
- Money/Securities/Funds Transfer
- Broadcasting, Publications and Advertising
- War and Terrorism
- Radioactive Contamination
- Pollution
- Nuclear Incident

**Other Services** Unlimited Access to e-Place Solutions as per attached brochure

*While we believe this Summary of Insurance fairly represents the terms, conditions and exclusions found in your insurance policies, in the event of any differences between the policies themselves and this summary, the policy provision will direct any resolution. This summary is not intended to replace or supersede any of your insurance contracts.*



## Cyber Risk Liability (with PEP/IP) July 1, 2014 – July 1, 2015

### Claims Reporting:

**IMMEDIATE NOTICE** must be made to Beazley NY of all potential claims and circumstances (assistance, and cooperation clause applies)

Claim notification under this policy is to:

Beazley Group

Attn: Beth Diamond

1270 Avenue of the Americas

New York, NY 10020

[tmbclaims@beazley.com](mailto:tmbclaims@beazley.com)

Alliant Insurance Services, Inc.

100 Pine Street, 11th Floor

San Francisco, CA 94111-5101

Attn: Rob Frey, First Vice President, Claims Manager

Direct: (415) 403-1445 / Cell:(415) 518-8490 After hours

Fax: (415) 403-1466

E-mail: [rfrey@alliant.com](mailto:rfrey@alliant.com)

Attn: Elaine G. Kim, Claims Advocate

Voice: (415) 403-1458

Fax: (415) 403-1466

Email: [ekim@alliant.com](mailto:ekim@alliant.com)

*While we believe this Summary of Insurance fairly represents the terms, conditions and exclusions found in your insurance policies, in the event of any differences between the policies themselves and this summary, the policy provision will direct any resolution. This summary is not intended to replace or supersede any of your insurance contracts.*

## POLICYHOLDER SERVICES

### NEW SERVICES INCLUDE

- Training and Awareness Programs
- Animated Staff Training Programs
- Expanded HIPAA Compliance Tools

## DATA SECURITY RISK MANAGEMENT

NoDataBreach.com provides risk management policies, procedures, training, and other tools to help insureds prevent a breach of confidential data.

As a Beazley Breach Response® policyholder, you have unlimited access to:

### ON-LINE COMPLIANCE MATERIALS

Federal and state compliance materials regarding data security, data breaches, and data privacy, including:

- Quick Tips on many subjects; Summaries of federal/state laws
- Links to statutes & regulations; Sample policies & procedures
- Continuing updates and electronic notification of significant changes to the on-line materials

### QUARTERLY NEWSLETTER & "INSTANT ALERTS"

Sent by email, learn about changes in federal and state laws regarding data security, data breach, and data privacy issues; Instant Alerts sent by email for events require immediate attention.

### EXPERT SUPPORT ON-LINE

Experts support from consultants/attorneys on data security issues; including:

- Health care & HIPAA compliance issues
- Data breach prevention issues
- Data Security best practices
- Computer forensic issues

### STEP-BY-STEP PROCEDURES TO LOWER RISK

Procedures and on-line forms help you:

- Understand the scope of "personal information" ("PI")
- Determine where PI is stored
- Collect and/or retain the minimum amount of PI as required for business needs
- Properly destroy PI that is no longer needed
- Implement an Incident Response Plan

### TRAINING MODULES

- Comic Strip training
- Online training programs; Employee training bulletins
- Webinars for privacy compliance and IT staff
- Audio and PodCast training for managers and/or employees

### HANDLING DATA BREACHES

Guidance provided to:

- Help prevent data security incidents
- Respond to a data breach



While we believe this Summary of Insurance fairly represents the terms, conditions and exclusions found in your insurance policies, in the event of any differences between the policies themselves and this summary, the policy provision will direct any resolution. This summary is not intended to replace or supersede any of your insurance contracts.



California State University Risk Management Authority

## Excess Cyber Risk Liability July 1, 2014 – July 1, 2015

**Insurer:** Lloyd's of London  
**Policy No:** B0180PH1433938  
**Named Covered Entity:** California State University Risk Management Authority (CSURMA)  
CSURMA Auxiliary Organizations Risk Management Alliance (AORMA)

**Limits:**

\$3,000,000 Each claim, including costs and expenses incurred in the defense or settlement of such claim  
\$3,000,000 Aggregate for the Period of Insurance, including costs and expenses incurred in the defense or settlement of all claims

**Excess of PEP/IP USA:**

\$2,000,000 Policy Aggregate Limit provided by PEP/IP  
\$3,000,000 Each claim and aggregate - excess of \$2,000,000 provided by PEP/IP

**Deductible:** \$25,000 per claim per Auxiliary, with the exception that if the claim arises from CSU, then deductible is \$100,000

**Coverage:**

1. Information Security and Privacy Liability
2. Privacy Notification Costs
3. Regulatory Defense and Penalties
4. Website Media Content Liability
5. Cyber Extortion
6. First Party Data Protection
7. First Party Network Business Interruption

**Coverage Description:**

Insuring Clause 1: Breach of Privacy including

- Unintentional disclosure of personal information including credit card information for which you are responsible;
- Unintentional disclosure of commercial confidential data stored on your computer system;
- Unintentional disclosure of computer records of employees;

Insuring Clause 3: Computer Virus Transmission and Hacking

Insurance Clause 5: Intellectual Property Rights Infringement arising from internet and e-mail content, promotional material, 3<sup>rd</sup> party digital content downloaded, shared, or distributed from your computer system.

Insurance Clause 6: Libel, slander, and Defamation

Insurance Clause 7: Breach of Statutory Duties Relating to E-Commerce

Insurance Clause 8: Brand Protection Cover (Subject to sublimit of \$50,000 and no deductible)

*\*Insuring Clause 2 & 4 were not purchased by CSURMA*

*While we believe this Summary of Insurance fairly represents the terms, conditions and exclusions found in your insurance policies, in the event of any differences between the policies themselves and this summary, the policy provision will direct any resolution. This summary is not intended to replace or supersede any of your insurance contracts.*



California State University Risk Management Authority

## Excess Cyber Risk Liability July 1, 2014 – July 1, 2015

### Exclusions:

1. Bodily Injury or Property Damage
2. Any employer-employee relations, policies, practices
3. Contractual Liability or Obligation
4. Any actual or alleged act, error or omission or breach of duty by any director, officer, manager if claim is brought by principals, officers, directors, stockholders and the like
5. Anti-trust violations
6. Unfair trade practices
7. Unlawful collection or acquisition of Personally Identifiable Non-Public Information
8. Distribution of unsolicited e-mails, facsimile, audio or video recording
9. Prior knowledge or previously reported incidents
10. Incidents occurring prior to retroactive date/continuity date
11. Any act, error, omission, of computer security if occurred prior to policy inception
12. Collusion
13. Securities Act Violations
14. Fair Labor Act Violations
15. Discrimination
16. Intentional Acts with regard to Privacy and Security Breach
17. Patent Infringement
18. Federal Trade Commission and related state, federal, local and foreign governmental activities
19. Insured vs. Insured
20. Money/Securities/Funds Transfer
21. Broadcasting, Publications and Advertising
22. War and Terrorism
23. Pollution
24. Nuclear

### Claims Reporting:

Alliant Insurance Services, Inc.  
100 Pine Street, 11th Floor  
San Francisco, CA 94111-5101

Diana Walizada  
Toll Free: (877) 725-7695  
Direct: (415) 403-1453  
Fax: (415) 403-1466  
E-mail: [dwalizada@alliant.com](mailto:dwalizada@alliant.com)

*While we believe this Summary of Insurance fairly represents the terms, conditions and exclusions found in your insurance policies, in the event of any differences between the policies themselves and this summary, the policy provision will direct any resolution. This summary is not intended to replace or supersede any of your insurance contracts.*