Cyber Liability Coverage Checklist

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INSURANCE PROFESSIONALS SINCE 1928

A. First Party Loss:	Current Coverage
1. Crisis Management/Breach Response: This can include: notification expense to comply with state law, credit monitoring and call center service expense, forensic investigation for system intrusion expense, and public relations expense to avert brand damage.	
2. Data Restoration/Recovery: Costs to replace, restore, or recreate corrupted or lost data.	
3. Consequential Reputational Harm: Loss of profits from current and future customers due to a damaged reputation.	
4. Additional Extra Expense: Extra costs associated with cyber events such as employee overtime, fulfilling contracts, suppling customers, etc.	
5. Cyber Extortion: Costs associated with extortion threats to an insured's computer systems.	
6. Business Interruption: Reimbursement for lost business income due to security breach or system failure of the insured's computer system	
7. Dependent Business interruption: Reimbursement for lost business income due to a security breach or system failure of a third parties' computer system. Coverage can include IT service provider and supply chain vendor	
B. Third-Party Liability:	
1. Privacy & Network Liability: When the insured becomes legally obligated to pay due to unauthorized access to their system or unintentional data compromise.	
2. Regulatory Proceedings: Defense, fines, and penalties assessed by a regulatory body.	
3. Media Injury Liability: Coverage can include actual or alleged libel, slander, IP/copyright infringement, plagiarism, or infliction of emotional distress in the course of their electronic media activities.	
4. PCI Assessments: Fines/penalties assessed against the insured by payment card companies resulting from the insured's unintentional disclosure of payment card info.	
C. Cyber Crime:	
1. Social Engineering/Fraudulent Instruction/Cyber Deception: Loss of money or tangible property due to a fraudulent request. Coverage can include theft of funds held in escrow.	
2. Funds Transfer Fraud: Loss of money or securities resulting from fraudulent instructions to a financial institution (banks).	
3. Computer Fraud: Loss of money, securities, or property from unauthorized entry into the insured's computer system.	
4. Telecommunications/Utility Fraud: Utility charges incurred from a third party's unauthorized access to the insured's outgoing telephone or other utility services.	
D. Other Coverages:	
1. Includes pay on behalf language for Privacy Breach Notification, Computer and Legal Experts, Cyber Extortion, Data Restoration and Public Relations insuring agreements	
2. Full Prior Acts coverage	
3. Worldwide coverage	
4. Computer and Legal Experts to respond to an actual or suspected incident	
5. Public Relations costs to prevent negative publicity	
6. Costs to restore or recover damaged or destroyed programs, software, or data	
7. Betterment: Coverage to purchase hardware or software to improve a system after a breach to reduce the chances of the breach reoccurring	