

Cyber Enhancement Endorsement



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strong
specialized
responsive
leader

Frequently Asked Questions

What is Cyber Risk?

Cyber Risk derives from the use of the Internet as a tool to conduct e-commerce and general business operations. Common exposures include (but are not limited to):

- Data/security breach
- Copyright or trademark infringement
- Data destruction and/or corruption as a result of a virus
- Cyber extortion
- Hackers, worms and other cyber meddlers
- Firewall and network security attacks

Why Should I Buy Cyber Risk Insurance?

If your business uses the Internet, it is exposed to risk that may not be covered under your current commercial insurance policy. In fact, typical General Liability policies often do not cover activities associated with Website Publishing or Network Security.

If lack of coverage from existing policies is not enough encouragement for you to purchase Cyber Risk Insurance, then consider the following statistics:

- **The average per record cost of a data breach is \$158 per customer record.** Lost business now accounts for an average of \$4 million in data breach costs.¹
- According a national survey, **many businesses do not have the tools or procedures in place to detect identity fraud**, including an incident response plan, vendor management procedures or data encryption for personally identifiable information.²

- **Many victims do not even know when their data is compromised.** Nearly 30% of breaches are discovered by a third party.²
- **75% of breaches are from external sources.**
- **There are Regulatory Requirements that apply to most organizations today.** Data Breach Notification Laws are in effect in most states today that require notification of customers in the event of a data breach. The Red Flags Rule is being enforced by the Federal Trade Commission (FTC) that requires organizations to have Identity Theft Protection Programs in place (or be subject to penalties or fines). The compliance costs to notify customers as well as the risk of incurring fines/penalties can drive business costs.



Coverage Advantages

	Basic Plan Limits	Plan 1 Limits	Plan 2 Limits	Plan 3 Limits	Plan 4 Limits
Website Publishing Liability Aggregate	\$25,000	\$100,000	\$250,000	\$500,000	\$1,000,000
Security Breach Liability Aggregate	\$25,000	\$100,000	\$250,000	\$500,000	\$1,000,000
Replacement or Restoration of Electronic Data Aggregate	\$5,000	\$25,000	\$50,000	\$50,000	\$50,000
Extortion Threats Aggregate	\$5,000	\$25,000	\$50,000	\$50,000	\$50,000
Business Income And Extra Expense Aggregate	\$5,000	\$25,000	\$50,000	\$50,000	\$50,000
Public Relations Expense Aggregate	\$5,000	\$25,000	\$50,000	\$100,000	\$500,000
Security Breach Expense Aggregate	\$5,000	\$25,000	\$50,000	\$100,000	\$500,000
Business Income Extension for Websites	\$10,000	\$25,000	\$50,000	\$50,000	\$50,000
Laptop Computers — Worldwide Coverage	\$5,000	\$25,000	\$50,000	\$50,000	\$50,000
Information Security Protection Coverage Part Aggregate	\$25,000	\$100,000	\$250,000	\$500,000	\$1,000,000
Regulatory Proceeding Aggregate	\$5,000	\$25,000	\$50,000	\$50,000	\$50,000
Payment Card Industry - Defense, Fines	\$5,000	\$25,000	\$50,000	\$50,000	\$50,000

These five plans are available as endorsements to Great American's SafePak® product. Let's look at the coverage more in-depth:



Coverage Details

Website Publishing Liability — coverage for content posted by an insured on its website which results in:

- Infringement of copyright, trademark, trade dress or service mark
- Defamation
- Violation of a person's right to privacy

and is due to error, misstatement or misleading statement by the insured. This coverage is provided on a claims-made basis and defense expense is included within the limits of insurance.

Security Breach Liability — coverage for neglect, breach of duty or omission by the policyholder that results in:

- Personal information in softcopy or hardcopy form that is acquired by those unauthorized to have it or published by those who are authorized
- Release of malicious code from the policyholder's computer system

Security Breach Liability also provides:

- Regulatory Proceeding Coverage: Fines/penalties and defense expenses from a regulatory proceeding arising from a covered data breach event
- Payment Card Industry (PCI): Fines/penalties and defense expenses incurred assessed due to non-compliance to the PCI-DSS standard arising from a covered data breach event

This coverage is provided on a claims made basis and defense expense is included within the limits of insurance.

Business Income Extension for Websites — this coverage is included in the SafePak® Coverage Form for a limit of \$10,000. A plan limit with either \$25,000 or \$50,000 limits may be purchased.

Replacement or Restoration of Electronic Data Aggregate — coverage for loss of electronic data and software programs stored or installed on the insured's computer system as a result of a virus, malicious code or denial of service attack introduced or enacted upon the insured's computer system or network.

Coverage Details

Extortion Threats Aggregate — coverage for loss due to a threat to:

- Introduce a virus, malicious code or denial of service attack
- Disseminate, divulge or utilize proprietary information or weaknesses in the source code
- Destroy, corrupt or prevent normal access or by gaining unauthorized access to the insured's computer system
- Introduce ransomware into the insured's computer system
- Publish the insured's client information

Laptop Computers — Worldwide Coverage — this coverage is included in the SafePak® Coverage Form for a limit of \$5,000. A plan limit with either \$25,000 or \$50,000 limits may be purchased.

Business Income And Extra Expense Extension Due to “e-commerce incident” — coverage for loss of business income and extra expense that results from a virus, malicious code, denial of service attack or an extortion threat.

An extortion threat can take many forms which may include:

- Introducing a virus or a malicious code or initiating a denial of service attack
- Gaining access to insured's computer system and obtaining and disseminating personal information stored therein
- Destroying or corrupting data
- Introducing software into insured's system that encrypts data

Public Relations Expense — coverage for fees incurred from a public relations firm to help rebuild insured's reputation after a security breach or the release of virus, malicious code or denial of service attack.

Security Breach Expense — coverage for various expenses associated with the mitigation of a security breach which include:

- Notification costs associated with notifying all parties affected
- Overtime pay for employees assigned to handle inquiries
- Fees from third party who act as call center to handle inquiries
- One year of credit and fraud monitoring for victims



Plan Pricing (based on revenue)*

Revenue	Plan 1 Limits	Plan 2 Limits	Plan 3 Limits**	Plan 4 Limits**
\$0 to 2,500,000	\$300	\$400	\$500	\$650
\$2,500,001 to 5,000,000	\$350	\$550	\$675	\$850
\$5,000,001 to 7,500,000	\$400	\$650	\$800	\$970
\$7,500,001 to 10,000,000	\$450	\$750	\$925	\$1,100
\$10,000,001 to 12,500,000	\$500	\$950	\$1,150	\$1,375
\$12,500,001 to 15,000,000	\$650	\$1,150	\$1,400	\$1,650
\$15,000,001 to 17,500,000	\$850	\$1,400	\$1,700	\$1,975
\$17,500,001 to 20,000,000	\$1,000	\$1,800	\$2,150	\$2,500

**The cost of the Basic Limits endorsement is a \$100 flat charge.*

***Subject to completion of an application.*

Why should I buy Great American's product?

In addition to offering the ability to customize your Cyber Risk Insurance solution to meet your specific needs, Great American offers cutting edge service and expertise. The following services are provided by **CyberScout** in the event of a covered loss from a data breach:

- Incident Response Plan
- Regulatory Consulting
- Personalized Breach Consulting
- Damage Assessment
- Consumer Notification Assistance and
- Media Relations Consulting.

In the event of a claim, **CyberScout** may also provide Post Breach Services such as Mailing/Resolution, Credit Monitoring and Fraud Monitoring.

How do I learn more? Who do I call?



About Great American

Great American Insurance Group's roots go back to 1872 with the founding of its flagship company, Great American Insurance Company. Based in Cincinnati, Ohio, the operations of Great American Insurance Group are engaged primarily in property and casualty insurance, focusing on specialty commercial products for businesses, and in the sale of traditional fixed, indexed and variable annuities and a variety of supplemental insurance products. Great American Insurance Company is rated "A+" (Superior) by the A.M. Best Company and has been continuously rated "A" (Excellent) or higher since 1908 (as of May 12, 2016). The members of Great American Insurance Group are subsidiaries of American Financial Group, Inc. Its common stock is publicly traded on the New York Stock Exchange under the symbol ("AFG").



GREAT AMERICAN
INSURANCE GROUP

Alternative Markets

Corporate Headquarters

301 E Fourth Street
Cincinnati, OH 45202
GAIG.com

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Mergers & Acquisitions Liability
Mid-Continent Group
National Interstate
Ocean Marine
Professional Liability
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Annuity Operations - Subsidiaries

Annuity Investors Life Insurance Company®
Great American Life Insurance Company®

Property & Casualty Operations - Subsidiaries

Canadian Branch
El Aguila
Great American International
Great American P&C Mexico Division
Neon
Singapore Branch

1) 2016 Cost of Data Breach Study, Ponemon Institute Study, June 2016.

2) 2017 Data Breach Investigations Report, Verizon Business RISK Team, 2017.

Coverage description is summarized. Refer to the actual policy for a full description of applicable terms, conditions, limits and exclusions. Policies are underwritten by Great American Alliance Insurance Company, Great American Assurance Company, Great American Insurance Company and Great American Insurance Company of New York, licensed insurers in 50 states and DC. The Great American Insurance Group eagle logo, and the word marks Great American®, Great American Insurance Group® and SafePak® are registered service marks of Great American Insurance Company. The service mark CyberScout is owned by CyberScout, LLC. ©2017 Great American Insurance Company. All rights reserved.