



## Network and information security liability

### CYBERFIRST® FOR PUBLIC ENTITIES

Public entities today use electronic network systems for operations, websites, online bill pay, communications and more. With that comes the profound responsibility to protect your citizens' and employees' private information, to prevent the inadvertent transmission of computer viruses and to ensure that authorized users are able to securely access your website or computer network. The theft or misuse of private or confidential customer information occurs daily. Even though an entity has done everything right, it may still face suits from its customers, citizens or others.

What if that happened to your organization?  
*Would it be prepared to face this on its own?*  
Traditional property and casualty coverage does not cover cyber events such as a data breach or virus transmission.

The following claim scenarios are hypothetical. Refer to the terms and conditions of the applicable policy and the actual facts of the claim to determine coverage.

**Claim scenario one:** Your employee's city-owned laptop is stolen from his home. The laptop contains the private financial information of your residents who sue you for damages caused by your failure to protect their private financial information.

**Claim scenario two:** Your employee inadvertently downloads a destructive computer virus that spreads to other files housed on your computer network. Several taxpayers download information from your website, allowing the virus to spread to their home computer systems and resulting in widespread loss of data. They sue you and seek damages contending you should have prevented transmission of the virus.

**Result:** In both cases, **CyberFirst** Network and Information Security Liability would be there to help because a network and information security wrongful act includes "failure to prevent unauthorized access to, or use of, data containing private or confidential information of others" and "failure to prevent the transmission of a computer virus."

Network and information security liability coverage protects against risks associated with the failure to protect electronic data containing others' private information, the inadvertent transmission of a computer virus, the inability of authorized users to access your website or computer network, and failure to notify individuals as required by any security breach notification law that applies to you.

**CyberFirst** is comprised  
of three modules.  
Build the policy you need to  
round out your protection.

## Network & information security liability

## Communications & media liability

## Expense reimbursement coverage



Travelers has been a leading insurer of public entities for more than 25 years. Our network and information security liability coverage helps protect your public entity and its vast array of operations.

You can rest assured that if there's a claim or suit brought against your organization for a covered loss, you'll have the support and legal representation you'll need.

Network and information security liability coverage is specifically tailored for today's public entities. It protects your budget against damages that you must pay because of economic loss caused by the failure to prevent unauthorized access to, or use of, data containing private or confidential information; the failure to prevent the transmission of a computer virus; the failure to provide any authorized user of your website or network with access; or the failure to notify individuals as required by any breach notification law that applies to you. Claims and suits for such damages – not covered under a commercial general liability policy – could be catastrophic.

### Coverage highlights

- Enterprise-wide coverage
- Worldwide coverage (unless prohibited by law or regulation from doing so)
- Duty-to-defend claims or suits
- An expanded list of insureds that includes:
  - Others you must insure as required by written contracts
  - Employees, including permanent and leased workers
  - Independent contractors while performing duties related to your business
- Coverage not limited to personally identifiable information, and includes nonpublic information
- Coverage not limited to electronic data only – paper records are included
- Broad definition of a claim that goes beyond a written demand that seeks damages and also means a written demand to waive or toll a statute of limitations
- No exclusion for electrical or mechanical failures, including power interruption, surge, brownout or blackout
- No exclusions for failure to implement software security patches and updates
- Optional payment card expense (PCI assessments) coverage available
- Coverage for the failure to comply with the GDPR

The cost to defend any claim, even the most frivolous, can be financially devastating. Have you assessed your exposure to network and information security liability risks and the potential impact? To find out more about any of our **CyberFirst** coverages, contact your independent agent or visit [travelers.com/cyber](https://travelers.com/cyber) and select **CyberFirst** for Public Entities.

### Travelers' eRisk Hub®

All **CyberFirst** public entity policyholders are granted access to Travelers' **eRisk Hub**, a private web-based portal containing information and technical resources that can assist in the prevention/mitigation of network, cyber and privacy events.

**eRisk Hub** is a registered trademark of **NetDiligence**®.



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