



## Network & Information Security Liability

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**CYBERFIRST®**

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Technology businesses today are driven by data. With that comes the profound responsibility to protect your customers' 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 a company may not have done anything wrong, it may face suits from its customers.

What if that happened to you? *Would you be prepared to face this on your own?* If your only insurance coverage is a general liability policy, it's likely you don't have coverage for this type of loss.

These 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 company laptop is stolen from his home. The laptop contains your customers' private financial information. Your customers 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. Your client downloads information from your website, allowing the virus to spread to the client's computer system and resulting in widespread loss of data and a computer network shutdown. Your client sues you, contending you should have prevented transmission of the virus. The client seeks damages for the lost data and economic loss caused by the network shutdown.

**Result:** In both cases, **CyberFirst** Network & 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."

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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.

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

Technology  
Errors &  
Omissions  
Liability

Network &  
Information  
Security  
Liability

Communications  
& Media  
Liability

Employed  
Legal  
Professional  
Liability

Expense  
Reimbursement  
Coverage



Travelers has been a leading insurer of technology companies for more than 25 years. Our network and information security liability coverage helps protect you in every corner of the globe and at every business stage – from garage to greatness.

You can rest assured that if there's a claim or suit brought against your company 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 high-tech companies. It protects your bottom line 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 access, or the failure to notify individuals as required by any breach notification law that applies. Claims and suits for such damages – not covered under a commercial general liability policy – could be catastrophic.

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 your company? To find out more about any of our **CyberFirst** coverages, contact your independent agent or visit [travelers.com/technology](https://travelers.com/technology).

### Coverage highlights

- Enterprise-wide coverage, not limited to technology products or work
- Worldwide coverage (unless prohibited by law or regulation from doing so)
- An expanded list of insureds that includes:
  - Others you must insure as required by written contracts
  - Your unnamed subsidiaries
  - Your newly acquired or formed organizations
  - Employees, including permanent and temporary 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 exclusion for failure to implement software security patches and updates
- Optional payment card expense (PCI assessments) coverage available
- Supplemental extended reporting period (SERP) – multiyear options are available
- Coverage for the failure to comply with the GDPR

### Policy features

- Duty to defend claims or suits
- Newly formed organizations qualify as named insureds – policyholder's retroactive date applies
- Our broad definition of damages includes punitive damages where insurable by law

### Travelers' eRisk Hub®

All **CyberFirst** 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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