

# Intellect

## Privacy & Data Breach

### Endorsement

A company laptop is missing, customers' payment records are stolen, paper files are lost, your insured's website or network is hacked...

Is your Insured's business prepared for a breach?

Sovereign is your first line of defense in data breach preparedness, compliance and resolution. Count on us to deliver swift and thorough solutions to help safeguard and restore your Insured's business' reputation and customer's trust.

The Sovereign General Insurance Company is a Canadian owned and operated property and casualty insurer. Headquartered in Calgary, Alberta with 270 staff operating throughout our eight regional and service offices we emphasize an innovative and entrepreneurial approach from coast to coast. Our Insurance professionals are responsive to the needs of our broker partners and customers and are empowered to create innovative solutions to their specialized needs. Sovereign enjoys a Financial A.M. Best rating (A- Excellent) and is a proud member of the Co-operators group of companies.

#### CONTACT INFORMATION

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Did you know?  
69% of Canadian  
businesses reported  
some kind of cyber-  
attack in the past  
year.\*

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### KEY PROGRAM BENEFITS

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- Affordable solution for Privacy Breach Coverage.
- Combines 3rd party liability, expense coverage and 1st party coverages in a comprehensive package.
- No deductible.
- Access to our IDT911 Data Breach services.

### COVERAGE AT A GLANCE

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#### PRIVACY BREACH LIABILITY

- Limits up to \$1,000,000 available.
- Coverage for a data/privacy breach resulting in lost personal and protected information that affects your Insured's customers.

#### PRIVACY BREACH EXPENSE:

- Limits up to \$250,000 available.
- Notification Expenses to advise your Insured's customers of a breach.
- Crisis Management Expenses such as hiring a public relations advisor.
- Credit Monitoring and Data Recovery for your Insured's customers.
- Cyber Investigation Expenses to figure out where and when it went wrong.

#### 1ST PARTY COVERAGES:

- Combined limit of \$25,000
- Digital Asset Loss: Costs to restore or recollect your Insured's electronic information.
- Business Interruption Loss: Actual loss and extra expense in the event of a non-physical network outage caused by an intrusion.

### DATA BREACH SERVICES

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Policy holders will also have access to breach preparation and crisis management services provided by IDT911. This includes access to an exclusive website with tips and resources on how to prepare for a data breach, and personalized assistance on how to notify customers and comply with privacy law in the event of one.

Did you know?  
Lost/Stolen Laptops/  
Devices were the  
most frequent cause  
of data breach loss in  
2012 (20.7%), followed  
by hackers (18.6%)\*.

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### CLAIMS EXAMPLES

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#### **The Loss:**

A merchandise distributor that does some online sales was in the process of transferring its data and redesigned website to a new host when the old website was hacked. The bad guys gained access to nearly 30,000 credit card numbers dating back five years. The merchant needed to inform its customers of the breach.

#### **How the Policy Responds:**

*Card numbers were filtered to determine that 12,000 were still active. Notification letters were sent out to the Insured's customers and fraud resolution was setup to offer further support.*

#### **The Loss:**

A publicly traded company became a little too public when it unwittingly posted the personal information of several top executives online. Protected Personal Information (PPI) including social security numbers of the company's top brass were accessible to anyone who visited the company's website for four to six weeks.

#### **How the Policy Responds:**

*The website logs were investigated to see how many visitors there were during the defined time period, and the executive's bank accounts were put on fraud alert and were provided with credit monitoring.*

#### **The Loss:**

An employee at a small accounting firm took home her office laptop to do some work over the weekend. An ill-fated stop at the mall left her with a broken car window, a stolen laptop and exposure more than 120,000 personal records. Her firm had been helping several large hospitals with their audits, and their patient's protected health information (PHI; which included prescriptions, procedures and diagnostic codes) was only a password away from the thieves.

#### **How the Policy Responds:**

*The level of protection of the computers were assessed. To comply privacy law, all hospitals and 120,000 patients were notified. Because the assessment and notification were properly handled the accounting firm was able to stay in business.*

Did you know?

The average per record cost in 2012 from a privacy breach was \$6,790\*

\*Cyber Liability & Data Breach Insurance Claims, NetDiligence, 2013 & Study on the Impact of Cyber Crimes on Business in Canada. International Cyber Security Protection Alliance, October 2012.