**Cyber Liability Insurance Overview of Coverage**

A type of insurance designed to cover consumers of technology services or products. More specifically, the policies are intended to cover a variety of both liability and property losses that may result when a business engages in various electronic activities, such as selling on the Internet or collecting data within its internal electronic network.

Most notably, but not exclusively, cyber and privacy policies cover a business' liability for a data breach in which the firm's customers' personal information, such as Social Security or credit card numbers, is exposed or stolen by a hacker or other criminal who has gained access to the firm's electronic network. The policies cover a variety of expenses associated with data breaches, including: notification costs, credit monitoring, costs to defend claims by state regulators, fines and penalties, and loss resulting from identity theft.

In addition, the policies cover liability arising from website media content, as well as property exposures from: (a) business interruption, (b) data loss/destruction, (c) computer fraud, (d) funds transfer loss, and (e) cyber extortion.

Cyber and privacy insurance is often confused with technology errors and omissions (tech E&O) insurance. In contrast to cyber and privacy insurance, tech E&O coverage is intended to protect providers of technology products and services, such as computer software and hardware manufacturers, website designers, and firms that store corporate data on an off-site basis.

**Coverage includes the following:**

* + Forensic Exams – covered up to the policy aggregate
	+ Outside Counsel to Handle the Breach – specialized law firms who specialize in data breaches
	+ Public Relations to Handle Media Communications – covered up to the policy aggregate
	+ Offering Credit Monitoring to Affected Consumers – 1 year of credit monitoring with Experian
	+ Setting Up a Call Center to Handle Consumer Calls – a breach coach assists in call center selection
	+ Extortion Payments - covered up to the policy aggregate
	+ Business Interruption Costs – covered up to the policy aggregate
	+ Remediation Costs – covered up to the policy aggregate
	+ Restoration of Systems – covered up to the policy aggregate
	+ Demands for monetary and non-monetary relief; civil, regulatory and criminal proceedings – covered up to the policy aggregate
	+ Coverage for loss, defense costs, punitive damages, fines and penalties - covered up to the policy aggregate
	+ Costs associated with regulatory investigations - covered up to the policy aggregate
	+ Expenses to implement security enhancements or monitoring imposed by a regulator – coverage for expenses to replace and recreate a network in the event of a breach