

Comprehensive data breach protection and remediation that includes both first- and third-party coverages.



PENN NATIONAL  
INSURANCE

*Feel Secure®*

# Cyber Security Coverage





## Frequently Asked Questions

### What is Cyber Security Coverage?

Cyber Security Coverage provides coverage for eligible expenses and exposures associated with a data breach incident, such as notification of a breach and remediation services for impacted individuals. The coverage also includes proactive, comprehensive data breach protection and remediation services.

Coverages include:

- First-Party Privacy Breach Expense
- Third-Party Cyber Liability
- Regulatory Proceeding Claim Expense
- Optional First-Party Business Interruption

### What makes our Cyber Security coverage offering unique?

Our offering includes both proactive services to help minimize the occurrence of a data breach and post-breach services to provide expert assistance if one occurs.

Penn National Insurance has partnered with IDT911 to provide data breach protection and remediation services to help defend businesses from inadvertent data exposures and identity theft. Since 2005, IDT911 has provided comprehensive data breach and identity management services to help protect identities and enhance reputations.

	Standard Limits	Optional Limits*	
First-Party Cyber Coverages	\$50,000	\$100,000	\$250,000
Third-Party Cyber Liability	\$100,000	\$200,000	\$500,000
Aggregate	\$100,000	\$200,000	\$500,000
Optional Business Interruption*	\$25,000	\$50,000	\$100,000

*\*Subject to underwriting approval*

### How is the coverage included?

Effective November 1, 2015, Cyber Security Coverage will be rolled on all eligible BOP and GL policies with liability class premiums less than \$10,000 for a modest premium of \$241. Policyholders have the ability to opt out.

You can submit for underwriting approval and pricing:

- Policies with liability class premiums \$10,000 or greater
- Policies wanting the optional business interruption coverage
- Policies with ineligible classes and optional higher limits

### Consider the following when underwriting coverage:

- Does the company collect and store sensitive information?
- What type of sensitive information do they store?
- How many records containing personal identity information do they collect?

## About IDT911

Protecting more than 30 million Americans, IDT911 is a leader in identity management and identity theft remediation and resolution services to businesses and consumers on behalf of its 450 client institutions, as well as in comprehensive data breach preparedness (including incidence response plans), compliance, and notification and remediation services that are currently found in more than 150,000 businesses.

## How does this offering help me?

- Grow your businesses by attracting new customers and retaining existing ones
- Reinforce your role as trusted advisor with solutions to this emerging risk
- Minimize E&O exposures

## What if an employee or policyholder calls me directly for help?

Instruct the policyholder to call Penn National Insurance Claims at 1-800-388-4764, ext. 2242.

## What is a data breach?

A data breach is a security incident in which **sensitive, protected or confidential data is intentionally or unintentionally released to an untrusted environment.** Lost data may involve personal information (PII), such as Social Security number, financial information such as credit card or bank details, and personal health information (PHI).

## Are the breach services considered insurance?

No. These services are classified as a value added feature available as part of the larger policy offering.

And because these services are not considered insurance coverage, policyholder and employee usage of these services will not impact any policy loss ratios.

## What do clients do when they think they have had a breach?

- At the first sign of a breach, or when your policyholders have a breach-related question or concern, they should call Penn National Insurance Claims at 1-800-388-4764, ext. 2242.
- Once their eligibility is verified, their basic contact information is taken and provided to an IDT911 breach consultant.
- The breach services team contacts the policyholder within one business day.

A company laptop is missing, customers' payment records stolen, paper files are lost, online systems hacked...

## The Facts on Data Breaches

**74%** of small and mid-size businesses were targeted for cybercrime

40% experienced direct financial costs due to attacks

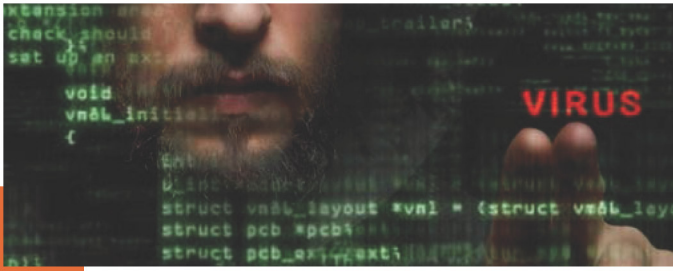
**42%** lost confidential or private data

Average cost of the attack was **\$188,242**



*\*Symantec 2010 Global SMB Information Survey*





## Data Breach Services Overview

### IDT911 breach experts will:

- Help determine the extent of the situation and next steps
- Work closely with the policyholder and the claims department to facilitate the process
- Assist policyholders in developing the required breach victim notifications and industry best practices to respond to a breach
- Work with your policyholders to organize their media response
- Provide expert case handling from first call to remediation with built-in identity theft resolution for all affected individuals

### Data Breach Website

As part of the data breach services, IDT911 offers a website where policy-holders can access online data risk management services, such as evaluating data breach vulnerability, developing response and readiness plans, and other data breach readiness and crisis resolution resources.

### Data Breach Website Access

Available at: [www.penn.breachresponse.com](http://www.penn.breachresponse.com)

Username: PennCyber1

Password: PennCyber1

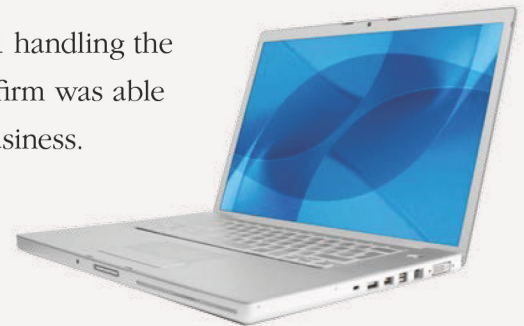
After login, you'll be required to create your own, unique username and password.

## *The Case of the Missing Laptop*

An employee at a small business took home the office laptop to do some work over the weekend. But an ill-fated stop at the mall left the employee with a broken car window, a stolen laptop and exposed more than 120,000 people's personal records.

IDT911's DataRiskStages service, available to the firm through insurance, was able to assess the stolen computer's level of protection, and advise the firm on how to notify each client.

With IDT911 handling the breach, the firm was able to stay in business.



*This brochure is not a policy or binder and does not extend coverage. For information on policy coverages and exclusions, please contact your Penn National Insurance independent agent.*



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