



## Data Compromise Coverage

HSB Canada, part of Munich Re, is a technology-driven company built on a foundation of specialty insurance, engineering, and technology, all working to drive innovation in a modern world, to keep you ahead of risk.

**Federal mandatory data breach notification laws came into force November 1, 2018.**

**The Digital Privacy Act (Bill S-4) amends the Personal Information Protection and Electronic Documents Act (PIPEDA), making it mandatory for all organizations (non-profits included), to report data breaches to affected individuals and the Office of the Privacy Commissioner of Canada. Prescribed regulations accompany the legislation and outline requirements for data breach notification and record-keeping.**

### **Data breach is a growing public issue**

Virtually every business has data on clients, employees and others which can be stolen, electronically “hacked” or lost through accidental or inadvertent release.

71 percent of security breaches target small businesses<sup>1</sup>.

When asked which type of lost or stolen data was more likely to harm their business, 70 percent agreed the loss of personally identifying information was more damaging than confidential company data<sup>2</sup>.

<sup>1</sup> National Cyber Security Alliance, 2015

<sup>2</sup> HSB Group / Ponemon Institute poll, 2013

### **Our coverage meets this new need**

HSB has designed Data Compromise coverage to help commercial accounts respond to the financial burden and service expectations of a data breach. Businesses should be able to notify all parties affected by a breach, effectively communicate the scope of the possible damage and provide fraud alert assistance and identity restoration case management to those affected by the breach.



## **Highlights of Coverage, Terms and Conditions**

### **Target business**

Most commercial entities

### **Coverage**

Payment of first-party expenses in responding to a personal data breach, including outside legal counsel, forensic IT review, public relations costs, notifications, fraud alert assistance and identity restoration services to affected individuals.

### **Third Party Defense and Liability**

Third party coverage designed to provide defense and settlement costs in the event of a suit.

### **Restoration service**

Comprehensive identity restoration service provider is available.

### **Covered event**

Includes theft of electronic files, theft of physical files, accidental loss or release and voluntary release due to fraud.

### **Coverage trigger**

Discovery of breach by the insured.

### **Limits**

Various limits available with increased limits up to \$1,000,000 available on an individual insured basis.

### **Deductible**

Various deductible options available starting at \$1,000.

### **Availability**

Through HSB partner insurers as an enhancement to commercial lines policy forms on an assumed basis.