



# HSB Total Cyber Glossary of Terms

## Coverages for data breach

- **Data Compromise Response Expense** pays for costs to investigate the nature and extent of a data breach via Forensic IT and Legal Review, as well as for notification and services for affected individuals.
- Additional coverage for data breach response expenses outside of the policy limit can be purchased by specified dollar amount or the number of affected individuals for which notification and credit monitoring services would be provided.
- **Data Compromise Liability** covers litigation and settlement costs resulting from victims affected by a breach who bring a claim or lawsuit against the insured.
- Also covered are costs associated with Regulatory and Payment Card Industry (PCI) fines and penalties, PCI assessments, Reputational Harm, and Crisis Management.

## Coverages for identity theft

- **Identity Recovery** pays for expenses and expert help restoring credit and identity records for business owners and their spouses following identity theft.
- **Business Identity Theft** coverage pays defense against and settlement costs of lawsuits arising from the fraudulent use of the insured's business identity.

## Coverages for cyber attacks or threats of attack

- **Computer Attack** covers data and system restoration. May pay to repair or replace hardware if it reduces the amount of the loss.
- **Future Loss Avoidance** pays for improvements to the insured's computer system following a computer attack to mitigate future losses, up to 10% of the Computer Attack payment, subject to HSB approval.
- **Business Income Loss** as a result of a cyber attack is also covered, including as a result of a voluntary shutdown to the computer system in an effort to mitigate effects of or recover from the attack. Additional business interruption coverages include crisis management, extended income recovery, and business income forensic expenses.
- **Contingent Loss of Business Income** - Interruption of Supply coverage for business income loss resulting from a computer attack on the insured's supplier or receiver of raw materials, intermediate products, finished products, packaging materials, and product processing services.
- **Cyber Extortion** provides coverage for the pre-approved cost of a negotiator or investigator and the pre-approved cost of payments made following an extortion threat or ransom.

## Coverage for system failure

- **System Failure** pays for business income loss resulting from unintentional computer system outages — not from a computer attack — lasting more than 8 hours.

## Protection for fraud

- **Misdirected Payment Fraud** provides coverage for funds, securities, or tangible property sent to a fraudulent destination as a result of criminal deception using email, facsimile, or telephone communications.
- **Invoice Manipulation Fraud** pays for the insured's financial loss resulting from fraudulent invoices sent to and paid by vendors or customers of the insured, due to an unauthorized access on the insured's system.
- **Computer Fraud** covers the direct financial loss resulting from the fraudulent entry or change to data or instructions within the insured's computer system.
- **Telecommunications Fraud** provides coverage for necessary payments to the insured's telephone service provider resulting from a computer attack on the insured's phone system.

## Defense and settlement costs for cyber liability

- **Data Compromise Liability** covers litigation and settlement costs resulting from victims affected by a breach who bring a claim or lawsuit against the insured.
- **Network Security Liability** for claims that "negligent failure of computer security" caused third-party damage.
- **Electronic Media Liability** for copyright, trademark, and other types of infringement, defamation, or other personal injury resulting from information on a website.
- **Full Media Liability** extends coverage to include claims arising from non-electronic media.
- **Privacy Incident Liability** for claims of violations of the insured's published privacy policy, or privacy laws regarding the collection, handling, and management of personally identifying information.
- **Additional Insured Pursuant to a Contract** coverage, if endorsed, provides automatic additional insured status for third-party liability coverages pursuant to a written contract with the insured.

## Other coverages

- **Reward Payment Reimbursement** for the payment of a reward by the insured to an individual who provides information that leads to the arrest and conviction related to certain cybercrimes, subject to HSB approval.