

CYBER LIABILITY PROFILE

PRIVATE, ACADEMIC, VOCATIONAL AND CHARTER SCHOOLS

Why Would My School Need Cyber Liability Coverage?

A large majority of school principals, boards of directors and headmasters are not aware that their standard insurance coverage (Commercial GL, Property, D&O, Crime) typically doesn't provide proper coverage for cyber liability. Most principals, teachers and IT professionals don't know that they (and their organization) have an exposure to cyber risks and how those risks can pose a significant financial threat to their organizations.

Any School that...

- Obtains social security numbers, drivers license numbers, bank account numbers, medical histories of students
- Posts student pictures or personal information on the school's website.
- Provides online access to student grades or other sensitive data
- Sells, donates or recycles computers
- Allows laptops to be removed from the school premises.
- Relies on their computer network on a daily basis
 ...carries a significant exposure to cyber risk.

Financial Threats to Your Institution:

- Costs to comply with federal and/or state required notification. Per individual, the average cost per record is estimated at \$203
- Regulatory proceedings (including fines and penalties) as a result of a privacy breach
- Employees (teachers, volunteers) and/or groups of affected individuals (alumni, current students, parents) suing for damages as a result of a privacy breach
- Liability for the transmission of malicious code to an outside party
- Denial of service attack on your network, causing computer system to go down and business interruption expenses
- Intellectual property/privacy lawsuits. These include libel/slander arising out of content that is on your internet or intranet sites

Given our expertise in underwriting Commercial Package, D&O & EPLI for Schools and other non-profit institutions...

We recently developed a cyber product that

- Is scalable. You and your agent are able to pick and choose appropriate coverages for your entity
- On PHLI's admitted A++ paper in most states
- Provides industry leading coverage for both 1st party and 3rd party claims

Information Needed for a Non-Binding Indication for current or prospective PHLI School customers:

- Annual revenues and number of employees

Claim Scenarios

- School Athletic director has laptop stolen from her car. Laptop contained names, social security and health information for all athletic participants for that year
- Charter school network is down for 4 days as a result of a Trojan horse attack and are unable to hold any classes without their network
- School posts photos of students without their consent and the pictures are construed by their parents as inappropriate. Parents bring suit against the school as a result
- In an effort to go paperless, school janitors discard all employee files in an unsecured dumpster. Personal information of all employees is compromised and those affected join a class action suit against the school



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The PHLI *Difference*

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