

# Cyber Risk Coverage for Community Associations



## Why You Need the Protection

In today's data-driven world, organizations of all sizes are at risk for a cyber attack or data breach. It's not a question of if your association will suffer a breach, but when. Just one stolen laptop, one resourceful hacker, one virus or even one lost paper record of data can create enormous financial and reputational consequences. With over 340,000 community associations in the U.S.\* and attacks on the rise, it is important to be prepared with the right coverage.

## Coverage Highlights

Kevin Davis Insurance CyberRisk coverage provides coverage options to help protect your community association and property managers with the following insuring agreements:

### **Privacy and Security**

Coverage for claims arising from unauthorized access to data, failure to provide notification of a data breach where required by law, failure to destroy confidential information, failure to comply with a privacy policy, wrongful collection of private or confidential information, failure to prevent a security breach that results in the inability of authorized users to gain system access, the participation in a DDoS attack, or the transmission of a computer virus.

### **Regulatory**

Coverage for administrative and regulatory proceedings, civil and investigative demands brought by domestic or foreign governmental entities or claims made as a result of privacy and security acts or media acts.

### **Privacy Breach Notification**

Coverage for costs to notify and provide services to individuals or entities who have been affected by a data breach. Examples include call center services, notification, credit monitoring and the cost to purchase identity fraud insurance.

### **Computer and Legal Experts**

Coverage for costs associated with analyzing, containing, or stopping privacy or security breaches; determining whose confidential information was lost, stolen, accessed, or disclosed; and providing legal services to respond to such breaches.

*\*Foundation for Community Association Research – Statistical Review 2017*



The following insuring agreements are also available for the benefit of the community association.

### **Cyber Extortion**

Coverage for ransom and related costs associated with responding to threats made to attack a system or to access or disclose confidential information.

### **Data Restoration**

Coverage for costs to restore or recover electronic data, computer programs, or software lost from system damage due to computer virus, denial-of-service attack or unauthorized access.

### **Public Relations**

Coverage for public relations services to mitigate negative publicity resulting from an actual or suspected privacy breach, security breach, or media act.

**Additionally, your association will have access to an information portal that includes pre-breach and post-breach benefits such as:**

- Tools to build privacy controls, information and IT security programs
- Calculators to estimate potential costs of an event
- Privacy Coach and Security Coach consultations
- Listing of experts who help customers build/improve cyber programs
- Sample incident roadmap for dealing with a breach

## **Claim Scenarios**

### **Data Breach**

The home computer system of a community association treasurer is compromised when a third party sends a malware program via email. The invasive software allows the third party to access the system and capture files on each of the residents that includes names, addresses and Social Security numbers.

### **Stolen Laptop**

A community association board member's laptop containing the residents' private contact information is stolen from his car. As a result, residents sue for damages resulting from alleged failure to protect their private information.

