

# ERO CYBER SECURITY OVERVIEW OF BENEFITS

## **Who is Eligible to enroll in this program?**

Income tax preparation businesses, covering one (1) electronic filing identification number (EFIN) per enrolled business who:

- Earn less than \$5,000,000 per year
- Have not filed an insurance claim for a data breach or have knowledge of a breach of their data in the past 5 years
- Are using security software such as anti-virus and anti-malware software
- Are members of the American Advantage Association – non members enroll in the association at the time of enrollment.

## **Annual Cost:**

American Advantage Association Membership Fee:	\$100.00
<u>Cost of Insurance:</u>	<u>\$150.00</u>

Total Annual Cost: \$250.00

## **Insured Benefits:**

Insurance is provided through Syndicates 623 and 2623 at Lloyd's. Your particular insurance benefits will be subject to the terms and conditions of your policy. Please consult your policy for further details.

1. Following a covered claim, access to the Beazley Breach Response Team to advise and assist you through the steps involved in reacting and responding to a data breach event.
2. Up to \$100,000 to cover legal fees, regulatory defense and certain fines and penalties arising out of the Information Security & Privacy Liability claims and proceedings such as:
  - Government fines and penalties
  - Payment Card Industry fines & penalties under merchant services agreements
  - Legal fees to cover litigation from third party vendors, clients and customers
  - \$1,000 deductible
3. Up to \$100,000 to cover breach response services such as:
  - Expert forensics: reviewing systems & data to determine the nature and extent of the breach
  - Legal services: understanding your requirements under federal and state regulations including how to draft responses and notices
  - Defining the response
  - Drafting customer & vendor notices
  - \$1,000 deductible
4. Following a covered claim, access to professional computer forensics and legal experts to assist and advice through the process.

5. Following a covered claim, expenses associated with distributing customer notices and providing credit monitoring for up to 2,500 customers (minimum of 100 records breached in order to qualify)
6. Following a covered claim, up to \$100,000 to cover lost profits resulting from a business interruption (Subject to a \$1,000 deductible)
7. Following a covered claim, up to \$100,000 to cover expenses associated with cyber extortion (ransom ware) (Subject to a \$1,000 deductible)

### **Additional Association Membership Benefits:**

The following additional services are member benefits and are not insurance services provided by Beazley or any of its affiliated entities or subsidiaries.

#### **1. Access to Cyber Liability educational information**

Online access to information and input from leading industry experts through your American Advantage Association online member portal.

#### **2. Member Business Legal Services:**

Members receive access to a nationwide network of plan attorneys that have contracted with Legal Club of America® to provide free and discounted legal services. Upon contacting the Member Services Department, you will be referred to a plan attorney based on language, area of law, and location.

#### ***Free Legal Services\*:***

The following nine services are available at no charge from your plan attorney.

- Unlimited initial phone consultations during business hours for new legal matters
- Attorney will review as many as 5 independent documents each quarter. These include business documents, contracts, signed or unsigned, up to 10 pages each.
- Initial telephone calls made on behalf of your business if deemed appropriate by your plan attorney (two per month). Follow up calls are made at the guaranteed low hourly rate.
- Initial letters written on behalf of your business if deemed appropriate by your plan attorney. Three per month for new subjects; follow up letters are written at the guaranteed low hourly rate.
- Initial collection letters are limited to 10 per quarter. More than 10, and any follow up letters, are written at the guaranteed low hourly rate or at the contingency fee percentage, depending upon what you and your plan attorney decide.
- One on one consultations for each new legal matter. Thirty minute time limit per subject matter. Time over the 30 minutes per subject will be at the guaranteed low hourly rate.
- Registered Agent for your business in the state in which you are incorporated as well as other states where you do business.

\*In certain situations, attorney liability may require plan attorneys to ask for a retainer from the member prior to providing some of the free legal services.

### ***Guaranteed Low Hourly Rates\****

Plan attorneys have contracted to charge no more than \$125.00 per hour, or 40% off their usual and customary hourly rate, whichever is greater, for legal care that goes beyond the free and discounted services.

\*Court costs, filing fees and time charged for travel to and from any courts are additional.

### ***Retainers\****

In the case of extended legal care, plan attorneys may ask you for a retainer. Any retainer sought will be computed by multiplying the number of hours a plan attorney believes a case will take, by the appropriate discounted hourly plan rate. For instance, 10 hours x \$125.00 = a retainer of \$1,250. Any unused portion of the retainer will be returned to the member.

\*Court costs, filing fees and time charged for travel to and from any courts are additional.

### ***Contingency Fee Discounts\****

Attorneys often work on a contingency fee basis on such cases as personal injury and collections. This fee is usually expressed as a percentage of the amount collected or awarded. In collection matters, your attorney will accept 18% if the case is settled before formal court proceedings begin. After proceedings begin, the fee is 27%. On all other contingency matters there is a 10% discount on the lower of either the state maximum or the attorney's standard rate.

\*Court costs, filing fees and time charged for travel to and from any courts are additional.