

Lucas Approved

Cyber

\$18727

Kim Lester

From: Everette Arnold <elarnold@guilfordiac.com>
Sent: Wednesday, June 26, 2019 3:44 PM
To: Kim Lester (Kim.Lester@clevelandcounty.com)
Cc: Marcy Phillips; Lewis Williams (NC) (lwilliams@crcins.com)
Subject: FW: Cleveland County - [SYS*REF#7453052] Revised Quote
Attachments: OSP Supplemental Questionnaire.pdf; Renewal Quote.pdf; Warranty ltr- Excess limits.doc

Kim,

Attached is the last quote. To summarize, the Current \$1,000,000.00 limit will cost \$18,727.00 and the higher \$2,000,000.00 will cost \$28,466.00.

I have recommended a higher Cyber limit for years, but Cleveland's Cyber limit started in 2015 at \$1,000,000.00 and remains at \$1,000,000.00. You will recall we had a meeting about this last year. I regret that both the Property with AFM and the Excess Liability with GENESIS went up this year, however the need does not change. The Excess WC is the only major coverage that did not see a rate increased this year. You may recall there was discussion about a comment from the IT or Finance Director at Davidson County who stated the need for a \$3,000,000.00 limit for Cyber coverage. (After Davidson had a Cyber event.)

Let me know if Cleveland wants to increase the Cyber limit to \$2,000,000.00 this year or stay at the \$1,000,000.00 limit?

Advise of any questions. Will need an OK to renew and LETTER (see third attachment above) if the recommended \$2,000,000.00 limit is chosen.

Everette

(p) 336-299-1339
(c) 336-580-5573

-----Original Message-----

From: Lewis Williams (NC) [mailto:lwilliams@crcins.com]
Sent: Wednesday, June 26, 2019 3:25 PM
To: Everette Arnold
Cc: Marcy Phillips
Subject: RE: Cleveland County - [SYS*REF#7453052] Revised Quote

Hi Everette,

Please see our attached revised proposal. I made a note about Option 2 only changing on the limits I outlined in the quote. Essentially, no sublimits change. In addition to the questionnaire that is required for either option, the attached warranty letter is required if they go to \$2MM.

Please let me know if you have any concerns or questions.

Thanks again!

Lewis Williams | CRC

Shane had said to stay @ \$1 million



REVISED RENEWAL QUOTATION CONFIRMATION

Jun 26, 2019

ATTN: Everette Arnold SUBMISSION #:7453052
EMAIL: elarnold@guilfordiac.com
AGENCY: Guilford City/County Insurance Advisory Committee QUOTATION EXP DATE: 07/01/19

Dear Everette,

We are pleased to confirm the following quotation that has been received from the carrier shown below. Please note that this quotation is based on the coverage, terms and conditions listed below, which may be different from those requested in your original submission. As you are the representative of the Insured, it is incumbent upon you to review the terms of this quotation carefully with your Insured, and reconcile any differences from the terms requested in the original submission. CRC Insurance Services, Inc. disclaims any responsibility for your failure to reconcile with the Insured any differences between the terms quoted below and those terms originally requested. THIS COVERAGE MAY NOT BE BOUND WITHOUT A FULLY EXECUTED BROKERAGE AGREEMENT.

The terms of the quotation are as follows:

Insured Name:	Cleveland County	
Carrier:	National Union Fire Ins Co Pittsburgh, PA	NAIC: 19445
Coverage:	Cyber Liability	
Form:	Claims Made	
Term:	7/1/2019 to 7/1/2020	
Retroactive Date:	7/1/2015	
Limit: OPTION 1	\$1,000,000	Aggregate Limit
	\$1,000,000	Media Content Insurance
	\$1,000,000	Security & Privacy Liability
	\$1,000,000	Regulatory Action Sub-limit
	\$1,000,000	Network Interruption / 12 hour waiting period
	\$1,000,000	Event Management
	\$1,000,000	Cyber Extortion
	\$ 50,000	Reputation Guard
SIR:	\$25,000	Retention except
	\$ 0	Reputation Guard
Limit: OPTION 2	\$2,000,000	Aggregate Limit
	\$2,000,000	Media Content Insurance
	\$2,000,000	Security & Privacy Liability
	\$2,000,000	Regulatory Action Sub-limit
	\$2,000,000	Network Interruption / 12 hour waiting period
	\$2,000,000	Event Management
	\$2,000,000	Cyber Extortion

Terms & Conditions: The Insurance Carrier indicated in this quotation reserves the right, at its sole

discretion, to amend or withdraw this quotation if it becomes aware of any new, corrected or updated information that is believed to be a material change and consequently would change the original underwriting decision.

Payment is due at time of invoice.

Agent to sign, date and return this quote indicating acceptance of the renewal terms.

SUBJECTIVITIES IN ORDER TO BIND:

1. Completed OSP Supplemental (attached)

Retroactive Date - Full Prior Acts S&P, 7/1/2015 Media, N/A: Network Interruption, Cyber Extortion , Event Management and Reputation Guard
Security & Privacy Continuity Date - 7/1/2016; Reputation Guard - Inception

OPTION 2 LIMITS ABOVE ARE THE ONLY LIMITS THAT CHANGE COMPARED TO OPTION 1.

Endorsements:

Forms and Endorsements:

SPECIALTY RISK PROTECTOR 101013 (12/13)

FORMS AS EXPIRING:

101013 12/13 SRP GENERAL TERMS AND CONDITIONS (COUNTRYWIDE) (12/13)
101017 12/13 CYBER EXTORTION COVERAGE SECTION (12/13)
101018 12/13 EVENT MANAGEMENT COVERAGE SECTION (12/13)
101019 12/13 MEDIA CONTENT COVERAGE SECTION (CLAIMS MADE) (12/13)
101021 12/13 NETWORK INTERRUPTION COVERAGE SECTION (12/13)
101024 12/13 SECURITY AND PRIVACY COVERAGE SECTION (12/13)
118028 7/14 REPUTATION GUARD COVERAGE SECTION

Endorsements as expiring:

52154 11/93 NORTH CAROLINA AMENDATORY, CANCELLATION/NONRENEWAL
103711 01/10 NORTH CAROLINA AMENDATORY ENDORSEMENT
119679 09/15 ECONOMIC SANCTIONS ENDORSEMENT
125593 03/17 CYBEREDGE LOSS PREVENTION SERVICES ENDORSEMENT
115987 12/13 PCI-DSS ASSESSMENT COVERAGE ENDORSEMENT (SUBLIMIT) -
\$1,000,000
107376 11/10 E-DISCOVERY CONSULTANT SERVICES COVERAGE ENDORSEMENT
105567 05/10 CRIMINAL REWARD COVERAGE EXTENSION
103456 11/09 NOTICE OF CLAIM PROVISION AMENDATORY ENDORSEMENT (SIXTY
DAY POST POLICY REPORTING PERIOD)
78859 10/01 FORMS INDEX ENDORSEMENT
115991 12/13 CONTINUITY DATE EXCLUSION AMENDATORY ENDORSEMENT
NONADMINISTRATIVE PERSONNEL IN OFFICES OF THE CONTROL GROUP
118108 08/14 DISPUTE RESOLUTION PROCESS PROVISION AMENDATORY
ENDORSEMENT - (60 DAY COOLING OFF)
**118027 07/14 *UPDATED* PERSONAL IDENTITY COVERAGE ENDORSEMENT
(COVERAGE FOR EMPLOYEES) - STATE OF NORTH CAROLINA - \$25,000 per employee
105565 05/10 RETENTION AMENDATORY ENDORSEMENT
118107 08/14 RETENTION AMENDATORY ENDORSEMENT (RECOGNIZE EROSION BY
PREAPPROVED NON-SUIT DEFENSE COSTS)
115989 12/13 SECURITY FAILURE DEFINITION AMENDATORY ENDORSEMENT
(PHYSICAL THEFT OF HARDWARE)
101641 12/13 SUBSIDIARY THRESHOLD AMENDATORY ENDORSEMENT - 15%
122081 06/16 SECURITY FAILURE DEFINITION AMENDATORY ENDORSEMENT
105165 04/10 STATE AMENDATORY INCONSISTENT ENDORSEMENT
123650 03/17 PANEL COUNSEL ENDORSEMENT (FOR USE WITH FIRST RESPONSE
COVERAGE ENDORSEMENT)
**132711 05/19 *UPDATED* CYBERTERRORISM COVERAGE AND WAR EXCLUSION
AMENDED ENDORSEMENT
123651 03/17 FIRST RESPONSE COVERAGE ENDORSEMENT (CHOICE OF
SCHEDULED ADVISORS NO RETENTION APPLICABLE)
\$250K Sublimit:

First Response Sublimit: \$250,000
 Legal Advisor 1: Mullen Coughlin
 Breach Hotline; 844-885-1574; breachhotline@mullen.law
 John Mullen; 610-608-8785; jmullen@mullen.law
 Jennifer Coughlin; 631-987-7488; jcoughlin@mullen.law
 Lewis Brisbois Bisgaard & Smith LLP
 Breach Hotline; 844-312-3961; breachresponse@lewisbrisbois.com Sean Hoar;
 971-712-2795; sean.hoar@lewisbrisbois.com
 Response Advisor (IT) 1: BlueVoyant
 Hotline; incident@bluevoyant.com
 Austin Berglas; 646-889-2597; austin.berglas@bluevoyant.com Response Advisor (IT) 2:
 Ankura
 Darin Bielby; 215-832-4485; dbielby@ankura.com
 Response Advisor (PR) 1: Levick Communications
 Crisis Response; crisisresponse@levick.com

131876 02/19 *NEW* NETWORK INTERRUPTION COVERAGE ENHANCEMENT
 ENDORSEMENT

System Failure Sublimit Full Limits
 IT Service Provider Security Failure Sublimit Full Limits
 Non-IT Service Provider Security Failure Sublimit Up to Full Limits
 Outsource Provider Security Failure \$1,000,000 Sublimit
 IT Service Provider System Failure Sublimit Full Limits
 Non-IT Service Provider System Failure Sublimit Up to Full Limits
 Outsource Provider System Failure Sublimit \$1,000,000
 Proof of Loss Preparation Costs Sublimit \$100,000
 Extended Period of Indemnity 180 Days
 Security Failure Waiting Hours Period 12 hours
 System Failure Waiting Hours Period 12 hours
 Proof of Loss Preparation Costs Retention \$50,000

**129376 06/18*UPDATED* CONFIDENTIAL INFORMATION, PRIVACY EVENT AND
 REGULATORY ACTION DEFINITIONS AMENDED (GPDR)
 126366 10/17 PROPERTY DAMAGE AND SECURITY FAILURE DEFINITION AMENDED
 (BRICKING)
 125927 07/17 COMPUTER SYSTEM DEFINITION AMENDATORY ENDORSEMENT
 123224 10/16 LAW ENFORCEMENT COOPERATION ENDORSEMENT
 123622 03/17 CYBER EXTORTION COVERAGE ENHANCEMENT ENDORSEMENT
 (THREAT CONSULTANT BITCOIN RANSOMWARE)
 123624 03/17 INTELLECTUAL PROPERTY EXCLUSION AMENDED ENDORSEMENT
 (TRADE SECRETS LIMITED TO FOR BENEFIT OF INSURED)
 122519 10/16 CANCELLATION AMENDATORY ENDORSEMENT (RETURN PRO-RATA)
 123143 01/17 IMPERSONATION FRAUD COVERAGE SECTION \$100,000 x \$25,000
 retention Retro date- 07/01/2018
 125595 03/17 FEDERAL SHARE OF COMPENSATION UNDER TRIA AND CAP ON
 LOSSES ENDORSEMENT

NOTE: If insured is located outside your resident state, we must receive a copy of your non-resident license prior to binding.

OPTION 1 Premium: \$18,427.00
Broker Fee \$300.00
Total: \$18,727.00
Total including TRIPRA: \$18,727.00

OPTION 2 Premium: \$28,466.00
Broker Fee: \$ 300.00
Total including TRIPRA \$28,766.00

Commission: 10%

CRC is compensated in a variety of ways, including commissions and fees paid by insurance companies and fees paid by clients. Some insurance companies pay brokers supplemental commissions (sometimes referred

to as "contingent commissions" or "incentive commissions"), which is compensation that is based on a broker's performance with that carrier. These supplemental commissions may be based on volume, profitability, retention, growth or other measures. Even if a contingent commission agreement exists with a carrier, we recognize that our responsibility is to promote the best interests of the policyholder in the selection of an insurance company. For more information on CRC's compensation, please contact your CRC broker.

Financing Insurance Premiums

Premium financing budgets insurance payments and improves liquidity for other business objectives: working capital, business growth, building expansion.

If your clients choose to pay their insurance in monthly installments, it's fast and easy with AFCO & Prime Rate Insurance Premium Finance Companies, which are affiliates of CRC. AFCO provides premium financing solutions for large and mid-size corporate accounts; Prime Rate offers solutions for smaller commercial and personal lines.


Find out how premium financing works and how it can expand your relationship with your clients by e-mailing premiumfinance@afco.com; or call toll-free **866-669-0937** and **press 81**. Additional information is available at www.afco.com and www.primeratepfc.com.

AGAIN, KEEP IN MIND THAT THE COVERAGES OFFERED IN THIS QUOTATION MAY DIFFER FROM THAT REQUESTED IN THE APPLICATION. FAILURE TO PROVIDE THE REQUESTED COVERAGE SHALL IMPOSE NO LIABILITY ON CRC INSURANCE SERVICES, INC. OR ITS COMPANIES.

Thank you for giving us the opportunity to work on your business.

Quotation confirmed by: **Lewis Williams**
Jun 26, 2019

Email: lwilliams@crcins.com

Submission #: 7453052	Cleveland County
Agency Response: <input type="checkbox"/> Yes, please bind as per QUOTE OPTION # _____, effective: _____ (complete and email back)	
Signed by: 	Date: <u>6/27/19</u>

CONFIDENTIAL



CyberEdge®
Outsourced Service Provider Supplemental Checklist Questionnaire

This Supplemental Questionnaire is used if the Applicant is seeking increased coverage for business interruptions caused by covered events involving the computer systems of **Outsource Service Providers** under the Network Interruption Coverage Section. Please see policy wording for definition of **Outsourced Service Provider**, as well as any other terms, conditions, exclusions, or limitations, including exclusions or sub-limits for specific types of service providers. As used herein, “**Applicant**” includes the **Company** applying for CyberEdge® coverage and its subsidiaries.

Full Name of Applicant: Cleveland County

This Supplemental Questionnaire has three sections that are requested to be completed and note the below instructions for completing each section:

- Section 1 - Applicant to check the box next to each service provider that the Applicant uses under each service category.
- Section 2 - Applicant to write-in which IT Service Providers they consider to be the top 10 most impactful to their business. IT Service Provider means an entity that provides information technology services to the Applicant pursuant to a contract, including those entities that provide “cloud computing” or other hosted computer resources.
- Section 3 - Applicant to write-in which non-IT Service Providers they consider to be the top 20 most impactful to their business. Non-IT Service Provider means an entity, that is not an IT Service Provider, that provides products or services to the Applicant pursuant to a contract.

In determining which providers are the most impactful under Section 2 and 3, the Applicant’s primary considerations should be the likelihood and severity of the harm to the Applicant should the provider be unable to provide the products and services for which the Applicant contracted.



Section 1

Instructions: Check the box next to each service provider that the Applicant uses under each service category.
(Check all that apply)

Hosting Services

- Akamai Technologies
- Amazon AWS
- AT&T
- CenturyLink
- CloudFlare
- DigitalOcean
- Endurance Int'l Technologies
- F5 Networks
- GoDaddy
- Google
- IBM
- Microsoft
- OVH SAS
- Rackspace
- SoftLayer Technologies
- Tucows
- United Internet AG
- UnitedLayer
- Verizon Communications
- Web.com Inc

- Cyren Corporation
- Endurance Int't Technologies
- GoDaddy
- Google
- MailChannels
- Marketo, Inc
- McAfee, Inc
- Microsoft
- Mimecast
- Proofpoint
- Rackspace (Mailgun)
- Return Path, Inc
- Salesforce.com
- SendGrid, Inc
- Symantec
- The Rocket Science Group (MailChimp/Mandrill)
- United Internet
- Web.com
- Zendesk

- CloudFlare
- Corporation Service Company
- DNS Made Easy
- Dyn
- easyDNS Technologies
- Endurance Int't Technologies
- GoDaddy
- Microsoft
- Namecheap Inc
- Neustar Group
- OVH SAS
- Rackspace
- Sedo
- Tucows (OpenSRS, Enom)
- United Internet (Arsy)
- Web.com
- Wix.com Ltd

- Dell Technologies
- F5 Networks
- Fortinet, Inc
- Hewlett Packard Enterprise (Aruba AirWave)
- Infoblox
- IBM
- Juniper
- Level 3
- Micro Focus International
- Red Hat
- Riverbed Technology
- SolarWinds Inc
- SonicWALL
- Zabbix LLC

Domain Name Services (DNS)

- Akamai Technologies
- Amazon AWS
- AT&T
- Clarivate Analytics

E-mail & Related Services

- Amazon AWS SES
- AppRiver, LLC
- Barracuda Networks

Content Delivery Network Services (CDN)

- Akamai Technologies
- Amazon AWS
- Automattic Group
- Brightcove Inc.
- CloudFlare
- Cloudinary Ltd.
- Facebook
- Fastly Inc.
- GoDaddy

Network Management Services

- Arista Networks
- Blue Coat Systems
- BMC Software
- Brocade Communication
- CA Technologies
- Cisco
- Citrix



- Google
- IAC/InterActiveCorp
- Imperva
- Limelight Networks
- Microsoft
- Progress Software
- Rackspace
- Stack Exchange
- StackPath (MaxCDN)
- TripAdvisor
- Twitter
- Verizon (inc Yahoo)

Relationship Management Services

- Aptean
- Astute
- Campus Management
- Deltek
- eGain
- Gainsight
- Google
- Infor
- Ivanti Group
- Medallia Inc
- Microsoft
- NetSuite
- Oracle
- Pegasystems
- Sage Group
- Salesforce.com

- SAP
- SugarCRM
- Veeva Systems
- Zoho Corporation

Financial Systems Services

- FIS Global
- Fiserv
- NCR
- NetSuite
- Oracle
- QuickBooks
- Sage Intact
- SAP (inc. Ariba & Concur)
- SS&C Technologies

HR Management Services

- ADP
- Avature Recruiting
- Careerify
- Ceridian
- Charterhouse Capital
- Cornerstone
- Halogen Software
- iCIMS
- Infor
- IBM
- Jobvite
- Kronos
- NICE Systems

- Oracle
- PeopleAdmin
- PeopleFluent
- SAP
- Ultimate Software Group
- WorkDay
- Xactly Corporation

E-Commerce & Payment Services

- Adyen B.V
- Amazon AWS
- Apple
- BlueSnap
- CCBill
- Discover Financial
- EverCommerce
- Ingenico
- Intercontinental Exchange
- Klarna AB
- Maestro Technologies
- Magento
- NCR Corporation
- PayPal
- Recurly
- Square
- Stripe
- Vanco Payment Solutions
- Vantiv
- VeriFone Systems
- Visa

- Wirecard AG

Security Services

- Akamai Technologies
- Cisco
- CloudFlare
- Comodo Group
- cPanel Inc
- DigiCert
- Gandi SAS
- GMO GlobalSign
- GoDaddy
- HugeDomains.com
- IBM
- Let's Encrypt
- McAfee (inc. Skyhigh Security)
- Microsoft
- Okta
- OVH SAS
- Parallels
- Dell (inc. SecureWorks)
- Starfield Technologies
- Symantec
- Tenable Network
- TrustWave Holdings
- Web.com, Inc



Industrial/Construction Services

- Aconex Limited
- Autodesk
- Bentley Systems
- Computer Methods Int't (CMiC)
- Foundation Software
- Heavy Construction System Specialists
- Infor
- Microsoft
- Nemetschek AG

- Oracle
- Kiewit Corporation
- PlanGrid
- Procore Technologies
- RIB Software
- Sage Group
- Viewpoint

Industrial Control Providers

- ABB
- Bosch
- Emerson

Monitoring & Control of Specialty Equipment Services

- E.on
- GE
- Itron
- Landis+Gear
- Mita-teknik
- Rolls Royce
- Sensus
- Siemens
- Vestas

- GE
- Honeywell
- Metso
- Mitsubishi Electric
- Rockwell Automation
- Rolls Royce
- Schneider
- Siemens
- Toshiba
- Yokogawa

Section 2

Instructions: Applicant to write-in which IT Service Providers they consider to be the top 10 most impactful to their business. IT Service Provider means an entity that provides information technology services to the Applicant pursuant to a contract, including those entities that provide “cloud computing” or other hosted computer resources.

1)	Microsoft	6)	Revize.com
2)	Verizon	7)	
3)	North Carolina (State hosted computer resources)	8)	
4)	Workplace by Facebook	9)	
5)	Hostgator.com	10)	



Section 3

Instructions: Applicant to write-in which non-IT Service Providers they consider to be the top 20 most impactful to their business. Non-IT Service Provider means an entity, that is not an IT Service Provider, that provides products or services to the Applicant pursuant to a contract.

1)	11)
2)	12)
3)	13)
4)	14)
5)	15)
6)	16)
7)	17)
8)	18)
9)	19)
10)	20)

THIS SUPPLEMENTAL QUESTIONNAIRE IS INCORPORATED INTO AND MADE PART OF ANY APPLICATION FOR CYBEREDGE COVERAGESM SUBMITTED BY THE APPLICANT (THE "CYBEREDGE APPLICATION"). ALL REPRESENTATIONS AND WARRANTIES MADE BY APPLICANT IN CONNECTION WITH SUCH CYBEREDGE APPLICATION ALSO APPLY TO THE INFORMATION PROVIDED IN THIS SUPPLEMENTAL QUESTIONNAIRE.

SHOULD INSURER ISSUE A POLICY, APPLICANT AGREES THAT SUCH POLICY IS ISSUED IN RELIANCE UPON THE TRUTH OF THE STATEMENTS AND REPRESENTATIONS IN THIS SUPPLEMENTAL QUESTIONNAIRE OR INCORPORATED BY REFERENCE HEREIN. ANY MISREPRESENTATION, OMISSION, CONCEALMENT OR INCORRECT STATEMENT OF A MATERIAL FACT, IN THIS SUPPLEMENTAL QUESTIONNAIRE, INCORPORATED BY REFERENCE OR OTHERWISE, SHALL BE GROUNDS FOR THE RESCISSION OF ANY POLICY ISSUED.

Signed: _____ (Duly authorized representative, by and on behalf of the Applicant)

Date: 6/27/19

Title: Finance Director Organization: Cleveland County

(Must be signed by an authorized officer) (Organization's seal)

INSUREDS NAME LETTER HEAD

NAME OF INSURED
ADDRESS

DATE

RE:

American International Group

DEAR UNDERWRITER:

WARRANTY AND REPRESENTATION LETTER

Solely in regard to the Limit of Liability of \$ _____ excess of first \$ _____ Limit of Liability of the policy referenced above (hereinafter "Policy"), the undersigned authorized officer of [Name of Organization] hereby represents and warrants, after inquiry of all Insureds (as defined in the Policy), on behalf of himself/herself, _____ (as defined within the Policy) and all Insureds that:

- (a) There has not been nor is there now pending any claim(s), suit(s) or action(s) (including but not limited to any investigation) against any Insured, except as follows: (Attach complete details. If no such claims, check here "none" ___ .)
- (b) No Insured under the Policy has knowledge or information of any act, error or omission which might give rise to a claim(s), suit(s) or action(s) under the Policy, except as follows: (Attach complete details. If they have no such knowledge or information, check here "none": _ .)

It is further understood and agreed that if such claim(s), suit(s), action(s), knowledge or information exists, then such claim(s), suit(s) or action(s) and any claim(s), suit(s) or action(s) arising therefrom or arising from such knowledge or information is excluded from coverage under the \$ _____ Limit of Liability excess of the first \$ _____ Limit of Liability of the Policy.

 6/27/19

AUTHORIZED SIGNATURE