

CLEVELAND PUBLIC LIBRARY

Finance Committee

December 15, 2015

RESOLUTION TO PURCHASE INSURANCE COVERAGE FOR CYBER LIABILITY

WHEREAS, The Library Administration has determined that it would be prudent to purchase cyber liability insurance to protect the Library from claims of third parties, and the costs of restoring data and issuing legally mandated notifications in the event that the personal data of patrons or staff were to be stolen as a result of a data breach; and

WHEREAS, The Library obtained quotes from several different insurance companies for cyber liability insurance and narrowed the selection down to the following two quotes with the premiums based on a one-year term:

Carrier/Agent	Limits	Deductible	Includes CLEVNET	Premium
Ironshore Speciality/McGowan	\$1,000,000 total (1 st party and 3 rd party)	\$5,000	Yes for third party liability only; also including Technology Errors & Omissions Liability and an Additional Insured-Vicarious Liability Endorsement	\$16,710.75
Hiscox (Lloyds Syndicate)/Hylant	\$1,000,000 total (1 st party and 3 rd party)	\$10,000	Yes for third party liability only; also including Technology Errors & Omissions Liability	\$16,034.80

EXHIBIT 16

WHEREAS, The Library Administration recommends selecting Ironshore Speciality through McGowan & Co., Inc. for the reason that adding the Technology Errors and Omissions Liability coverage along with the Vicarious Liability Endorsement addresses the Library's concerns and eliminates any gray areas that might arise in the event of a breach involving personal data collected by the CLEVNET libraries; the deductible is lower; and the limits for third party coverage, regulatory defense & penalty, data forensic expense, notification expense, crisis management, credit monitoring expense, public relations expense, network extortion or e-commerce extortion, business income, and replacement or restoration of electronic data are the same as the Hiscox policy; and

WHEREAS, The Library Administration desires to negotiate a policy that coincides with the Library's other insurance policies currently in effect that expire on August 1, 2016; now therefore be it

RESOLVED, That the Board of Library Trustees authorizes the Executive Director, CEO, or his designee, to purchase Cyber Liability Insurance through McGowan & Co., Inc. and enter into an agreement with Ironshore Speciality effective January 1, 2016 in the amount of \$16,710.75 for a maximum of a one-year period, subject to the approval of the Chief Legal Officer; be it further

RESOLVED, That it is the intention of this Board to renew the cyber liability insurance stated within this Resolution, for one, one-year renewal period commencing either on August 1, 2016 or January 1, 2017, depending upon whether the Library is successful at negotiating a policy that coincides with other insurance policies currently set to expire on August 1, 2016, and also provided terms and conditions remain comparable and the pricing is consistent with then current market conditions and the Library's history.