

# "The Coverages."

## **CYBER-LIABILITY with E & O FOR ALARM DEALERS INCLUDING MONITORING.**

- **Insurance Company: A XV Rated;**
- **Alarm Monitoring 1st & 3rd parties, Sales of Equipment & Data over Internet/VoIP, Including E-Mail;**
- **Limits: \$1,000,000 Each Wrongful Act;**
- **Limits: \$1,000,000 Total Aggregate;**
- **Including Terrorism;**
- **Deductible: each act.**

### Coverages:

- Defense and Indemnification per Policy for Internet/VoIP Liability; Including Equipment Sales, Web Site, E-Mail & Alarm Monitoring.
- Viruses (accidental or unknown) or malicious code in data or systems Liability; Including alarm monitoring.
- Unauthorized access 1st & 3rd parties' Liability; Including alarm monitoring.
- Defense for allegation of intentional wrongful conduct; Including alarm monitoring disconnect.
- Advertising & Personal Injury over the internet; Including web site data and/or e-mail liability.
- Trademark & Copyright infringement liability.
- Coverage of punitive damages (where allowed by law).
- Unauthorized access or other wrongful conduct including virus "disconnect" of "rogue" employees; Including Terrorism.
- Coverage for both distribution of content and errors & omissions in services, Web Site, E-Mail, Fax or Mail or sales of equipment (both on-and-off line).
- **OPTIONAL COVERAGE:** Prior acts coverage for qualified accounts, Contingent BI/PD.

The CyberLiability Policy covers "Electronic Data" Liability because it is not tangible property. When data to a client of the alarm dealer is accidentally or wrongfully damaged by a virus sent by the alarm dealer's electronic equipment (monitoring equipment, test equipment, etc., "on or off line") an unauthorized disconnect is the responsibility of the alarm dealer. This is CyberLiability. The malicious code actions of a "rogue" employee or monitoring sub-contractor that, due to viruses, disables alarm equipment causing an unauthorized disconnect is CyberLiability. Keep in mind that Viruses from terrorists are only covered by CyberLiability with terrorism coverage. This includes Contingent BI/PD and Prior acts.

CyberLiability is false advertising and personal injury over the internet (web site, e-mail) including copyrights/trademark infringements.

The property (electronic data) of the alarm dealer, when damaged by virus, is covered by a CyberLiability policy. This could come from an act of terrorism or a 3rd party monitoring Company who sabotages data through the alarm equipment installed by the 1st party alarm dealer. Identity Theft, unauthorized access if over the Internet from the alarm dealer to his clients, or if the alarm dealer's assets are damaged, is CyberLiability.

Both General Liability and CyberLiability policies are needed to provide defense and indemnification to the alarm dealer for the "cross liability" and the "Chain of Breach" that supports the alarm contracts.

On the Property side of coverage, a Property CyberLiability policy is needed to provide coverage for "electronic data" damage due to viruses.

"TWO (2) WAY VIDEO OVER THE INTERNET WILL DO FOR THE SECURITY DEALER WHAT HBO DID FOR CABLE TV" © --- BUT CYBERLIABILITY NEEDS TO BE VERIFIED.

Michael J. Kelly Owner/Founder 1978,  
Agent/Broker/Surplus Lines Broker,  
Lic # 0582597.

Michael J. Kelly Insurance Agency,  
1174 Palomino Road,  
Santa Barbara, CA 93105.  
Phone: 800-329-5355, Fax: 805-569-8864.  
Web Sites:

[www.alarmchannel.com](http://www.alarmchannel.com),

[www.ispinsurance.net](http://www.ispinsurance.net).

E-mail:

[tac@alarmchannel.com](mailto:tac@alarmchannel.com).