

**ORDINANCE NO. 62-21**

**AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH USI INSURANCE SERVICES, LLC FOR THE CITY'S CYBER SECURITY LIABILITY INSURANCE FOR THE PERIOD OF APRIL 13, 2021 THROUGH APRIL 1, 2022, AND DECLARING AN EMERGENCY.**

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEDINA, OHIO:**

**SEC. 1:** That the Mayor is hereby authorized and directed to enter into a contract with USI Insurance Services, LLC (Argonaut) for the City's Cyber Security Liability Insurance for the period of April 13, 2021 through April 1, 2022.

**SEC. 2:** That the funds to cover this expenditure in the amount of \$26,820.00, are available in each appropriate budget.

**SEC. 3:** That in accordance with Ohio Revised Code §5705.41(D), at the time that the contract or order was made and at the time of execution of the Finance Director's certificate, sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance.

**SEC. 4:** That it is found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law.

**SEC. 5:** That this Ordinance shall be considered an emergency measure necessary for the immediate preservation of the public peace, health and safety, and for the further reason the previous agreement expires on April 13, 2021; wherefore, this Ordinance shall be in full force and effect immediately upon its passage and signature by the Mayor.

**PASSED:** April 12, 2021

**SIGNED:** John M. Coyne, III  
President of Council

**ATTEST:** Kathy Patton  
Clerk of Council

**APPROVED:** April 13, 2021

**SIGNED:** Dennis Hanwell  
Mayor

ord. 62-21

Product Regulation  
Property & Casualty  
50 W. Town St.  
Suite 300  
Columbus, OH 43215  
(614) 644-2635  
Fax (614) 728-1280  
www.insurance.ohio.gov

Ohio Department of Insurance  
Mike DeWine -- Governor  
Jillian Froment -- Director



### Surplus Lines Statement

#### PART 1. STATEMENT OF SURPLUS LINE BROKER OR ORIGINATING AGENT

Shannon Bogan \_\_\_\_\_ acknowledges that he/she is a duly licensed full multiple line agent currently licensed with insurance companies, other than life, authorized to do business in Ohio or he/she is a duly licensed surplus line broker pursuant to section 3905.30 of the Ohio Revised Code and that after due diligence, he/she is unable to procure the insurance policy described below from insurers authorized to do business in Ohio to which he/she is a licensed agent.

Property or risk to be insured: City of Medina - Cyber Insurance

He/she acknowledges that he/she has complied with the applicable requirements of due diligence as set forth in section 3905.33 of the Ohio Revised Code, and has explained to the insured the meaning of the signed statements prior to binding coverage and received declinations for the reasons set forth below from the following authorized insurer(s) to which he/she is so licensed and which are known to him/her to customarily write the kind of insurance described above.

INSURERS	REASONS
1. <u>Cincinnati Insurance Company</u>	<u>Not a market for this type of risk</u>
2. <u>Acuity Insurance Company</u>	<u>Not a market for this type of risk</u>
3. <u>Great American Insurance</u>	<u>Not a market for this type of risk</u>
4. <u>Ohio Casualty Insurance Company</u>	<u>Not a market for this type of risk</u>
5. <u>Harleysville Insurance</u>	<u>Not a market for this type of risk</u>

\_\_\_\_\_  
Signature of Surplus Line Broker or Originating Agent

#### PART 2. SIGNED STATEMENT OF INSURED AS REQUIRED BY SECTION 3905.33 OF THE OHIO REVISED CODE

The named insured City of Medina acknowledges that the insurance policy (other than life insurance) as described above is to be placed with an insurance company not authorized to do business in Ohio. The insured understands that the insurance company is not a member of the Ohio Insurance Guaranty Association and that Chapter 3955 of the Ohio Revised Code is not applicable to claimants or insureds of said insurance company. The surplus line broker shall collect the Ohio tax of five percent of the amount of the premium for the insurance policy at the time the insurance policy is delivered to the insured.

Signature of Insured: Do Hanwell, Mayor, City of Medina, et al  
04-13-2021

INSURED: City of Medina Ohio

This quote will remain in effect until 01-Apr-2021.

<b>COVERAGE SCHEDULE (Currency in USD)</b>	
<b>LIMITS</b>	<b>OPTION #1</b>
<b>Breach Response</b>	
Notified Individuals:	100,000
Legal, Forensic & Public Relations/Crisis Mgmt:	\$1,000,000
<b>THE BREACH RESPONSE LIMITS ABOVE ARE IN ADDITION TO THE POLICY AGGREGATE LIMIT OF LIABILITY</b>	
<b>Policy Aggregate Limit of Liability:</b>	<b>\$2,000,000</b>
<b>Additional Breach Response Limit</b>	
Additional Breach Response Limit:	\$2,000,000
<b>First Party Loss</b>	
Business Interruption Loss:	
<i>Resulting from Security Breach</i>	\$2,000,000
<i>Resulting from System Failure</i>	\$2,000,000
Dependent Business Loss:	
<i>Resulting from Dependent Security Breach:</i>	\$1,000,000
<i>Resulting from Dependent System Failure</i>	\$1,000,000
Cyber Extortion Loss	\$2,000,000
Data Recovery Costs	\$2,000,000
<b>Liability</b>	
Data & Network Liability	\$2,000,000
Regulatory Defense & Penalties	\$2,000,000
Payments Cards Liabilities & Costs	\$2,000,000
Media Liability	\$2,000,000
<b>eCrime</b>	
Fraudulent Instruction	\$250,000
Funds Transfer Fraud	\$250,000
Telephone Fraud	\$250,000
<b>Criminal Reward</b>	
Criminal Reward	\$50,000
<b>RETENTIONS</b>	
<b>Breach Response</b>	
Legal, Forensic & Public Relations/Crisis Mgmt	\$10,000; \$5,000 for Legal
<b>Each Incident, Claim or Loss</b>	<b>\$50,000</b>
<b>PREMIUM</b>	<b>\$26,820</b>

INSURED: City of Medina Ohio

This quote will remain in effect until 01-Apr-2021.

### SUBJECTIVITIES

In accordance with your request for a proposal and based on the information submitted, this quote is provided, subject to receipt, favorable review and written acceptance of the following information:

1. Freshly signed and dated copy of submitted application prior to binding (dated within 30 days of binding).

In order to complete the underwriting process, we require that you send us any additional information requested above. We are not required to bind prior to our receipt and underwriting approval of the above information. However, if we do bind coverage prior to such approval, the terms and conditions as indicated could be amended until such receipt and acceptance.

### ENDORSEMENTS EFFECTIVE AT INCEPTION

- |     |              |                                                                                      |
|-----|--------------|--------------------------------------------------------------------------------------|
| 1.  | BSLMUNMA2868 | Lloyd's Certificate - No policy language                                             |
| 2.  | E02804032011 | Sanction Limitation and Exclusion Clause                                             |
| 3.  | NMA1256      | Nuclear Incident Exclusion Clause - Liability -Direct (Broad)<br>(U.S.A.)            |
| 4.  | NMA1477      | Radioactive Contamination Exclusion Clause-Liability-Direct<br>(U.S.A.)              |
| 5.  | SCHEDULE2021 | Lloyd's Security Schedule 2021                                                       |
| 6.  | E06928082020 | Policyholder Disclosure Notice of Terrorism Insurance Coverage                       |
| 7.  | E10595112017 | Asbestos, Pollution, and Contamination Exclusion Endorsement                         |
| 8.  | E13372092019 | State Consumers Privacy Statutes Endorsement                                         |
| 9.  | E10602112017 | War and Civil War Exclusion                                                          |
| 10. | E11122012018 | Cap on Losses Arising out of Certified Acts of Terrorism                             |
| 11. | E11848072018 | Invoice Manipulation Endorsement<br>• Note: \$100,000 sublimit / policy retention    |
| 12. | E13038062019 | Reputation Loss<br>• Note: \$1,000,000 sublimit / policy retention                   |
| 13. | E13915052020 | Employee Device Endorsement                                                          |
| 14. | E10944032019 | Post Breach Remedial Services Endorsement                                            |
| 15. | E11783072018 | Computer Hardware Replacement Costs<br>• Note: \$100,000 sublimit / policy retention |
| 16. | E09984112017 | Other Insurance Clause - Primary with Respect to Privacy<br>Breach Response Services |
| 17. | E12967052019 | Voluntary Shutdown Coverage                                                          |
| 18. | E12968052019 | Cryptojacking Endorsement<br>• Note: \$250,000 sublimit / policy retention           |
| 19. | E12604012019 | Amend Definition of Data                                                             |
| 20. | E11439032020 | Amendatory Endorsement<br>• Note: USI                                                |

# Beazley's Cyber Services

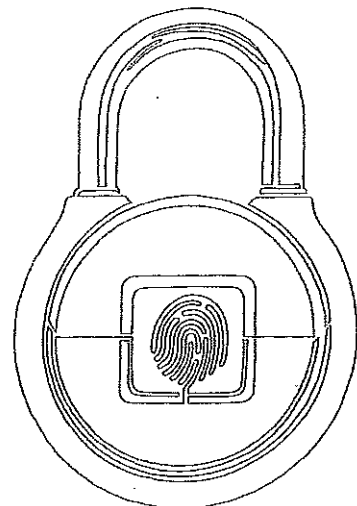
With Beazley's 360° approach, cyber & tech policyholders have access to a comprehensive set of solutions created to help protect themselves on all fronts from the dangerous world of cyber risks. These solutions include pre-breach and risk management services offered through Beazley Breach Response (BBR) Services.

## Resources available:

- Beazley's current panel of service providers
- Information on the risk management tools and resources included with your policy, including Beazley's in-house risk management portal, [www.beazleybreachsolutions.com](http://www.beazleybreachsolutions.com)
- The process for notifying Beazley of a breach and the ability to report a breach or breach incident online
- Online cyber business interruption guide
- Beazley's 360° approach to ransomware protection
  
- A listing of cyber security vendors through which Beazley cyber & tech policyholders can benefit from discounted rates for anti-phishing tools and training, email security and identity and access management solutions, cyber risk assessment and testing, and other pre-breach services.

To learn more about Beazley's cyber services, visit [www.beazley.com/cyberservices](http://www.beazley.com/cyberservices).

The descriptions contained in this communication are for preliminary informational purposes only. The product is available on an admitted basis in some but not all US jurisdictions through Beazley Insurance Company, Inc., and is available on a surplus lines basis through licensed surplus lines brokers underwritten by Beazley syndicates at Lloyd's. The exact coverage afforded by the product described herein is subject to and governed by the terms and conditions of each policy issued. The publication and delivery of the information contained herein are not intended as a solicitation for the purchase of insurance on any US risk. Beazley USA Services, Inc. is licensed and regulated by insurance regulatory authorities in the respective states of the US and transacts business in the State of California as Beazley Insurance Services (License#: 0G55497).



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