



Alameda Contra Costa Transit District

Cyber Liability Insurance Proposal 2024 – 2025

Presented on March 22, 2024 by:

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Company Profile

With a history dating back to 1925, Alliant Insurance Services is one of the nation's leading distributors of diversified insurance products and services. Operating through a national network of offices, Alliant offers a comprehensive portfolio of services to clients, including:

- Risk Solutions
- Employee Benefits
 - Strategy
 - Employee Engagement
 - Procurement
 - Analytics
 - Wellness
 - Compliance
 - Benefits Administration
 - Global Workforce
- Industry Solutions
 - Construction
 - Energy and Marine
 - Healthcare
 - Law Firms
 - Public Entity
 - Real Estate
 - Tribal Nations
 - And many other industries
- Co-Brokered Solutions
 - Automotive Specialty
 - Energy Alliance Program
 - Hospital All Risk Property Program
 - Law Firms
 - Parking/Valet
 - Public Entity Property Insurance Program
 - Restaurants/Lodging
 - Tribal Nations
 - Waste Haulers/Recycling
- Business Services
 - Risk Control Consulting
 - Human Resources Consulting
 - Property Valuation

The knowledge that Alliant has gained in its more than eight decades of working with many of the top insurance companies in the world allows us to provide our clients with the guidance and high-quality performance they deserve. Our solution-focused commitment to meeting the unique needs of our clients assures the delivery of the most innovative insurance products, services, and thinking in the industry.

Alliant ranks among the 15 largest insurance brokerage firms in the United States

Alliant Advantage

	Alliant	Competition
1. Satisfying the insurance needs of business for nearly 90 years.	✓	
2. Privately owned and operated.	✓	
3. A full-service insurance agency for all your business, life and health, and personal insurance.	✓	
4. Representing over 40 insurance companies to provide the best and most affordable coverage.	✓	
5. State-licensed support staff.	✓	
6. Dedicated Certificate of Insurance personnel.	✓	
7. Risk management services to help identify hazards and present options.	✓	
8. Workers' compensation insurance claims management at no additional charge.	✓	

Your Service Team

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Named Insured / Additional Named Insureds

Named Insured(s)

Alameda-Contra Costa Transit District

AC Transit Financing Corporation

Alameda-Contra Cost Transit District Employee's Pension Plan

Friends of AC Transit

All Subsidiaries of Alameda Contra Cost Transit District, and any companies which are under management and operating control of Alameda Contra Costa Transit District or its subsidiaries, and any partnership or Joint Venture under management and operating control of Alameda Contra Cost Transit District or its subsidiaries, unless specifically excluded

Additional Named Insured(s)

None

NAMED INSURED DISCLOSURE

- The first named insured is granted certain rights and responsibilities that do not apply to other policy named insureds and is designated to act on behalf of all insureds for making policy changes, receiving correspondence, distributing claim proceeds, and making premium payments.
- **Are ALL entities listed as named insureds?** Coverage is **not** automatically afforded to all entities unless specifically named. Confirm with your producer and service team that all entities to be protected are on the correct policy. Not all entities may be listed on all policies based on coverage line.
- Additional named insured is (1) A person or organization, other than the first named insured, identified as an insured in the policy declarations or an addendum to the policy declarations. (2) A person or organization added to a policy after the policy is written with the status of named insured. This entity would have the same rights and responsibilities as an entity named as an insured in the policy declarations (other than those rights and responsibilities reserved to the first named insured).
- Applies to Professional Liability, Pollution Liability, Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability policies (this list not all inclusive). Check your Policy language for applicability. These policies provide protection to the Named Insured for claims made against it alleging a covered wrongful act. Coverage is not afforded to any other entities (unless specifically added by endorsement or if qualified as a "Subsidiary" pursuant to the policy wording) affiliated by common individual insured ownership or to which indemnification is otherwise contractually owed. If coverage is desired for affiliated entities or for contractual indemnities owed, please contact your Alliant Service Team with a full list of entities for which coverage is requested. With each request, include complete financials and ownership information for submission to the carrier. It should be noted, that the underwriter's acceptance of any proposed amendments to the policy, including expansion of the scope of "Insureds" under the policy could result in a potential diminution of the applicable limits of liability and/or an additional premium charge.

Line of Coverage

Cyber Liability Coverage

	Expiring Coverage	Proposed Coverage
INSURANCE COMPANY:	Homeland Insurance Company of New York	Homeland Insurance Company of New York
A.M. BEST RATING:	A+ (Superior), XV (\$2 Billion or greater)	A+ (Superior), XV (\$2 Billion or greater)
STANDARD & POOR'S RATING:	Not Rated	Not Rated
CALIFORNIA STATUS:	Non-Admitted	Non-Admitted
POLICY/COVERAGE TERM:	April 26, 2023 to April 26, 2024	April 26, 2024 to April 26, 2025
Continuity Date:	April 26, 2022	April 26, 2022
Retroactive Date:	Full Prior Acts	Full Prior Acts
Coverage Form:	Cyber Liability - RCP1 – Claims Made	Cyber Liability - RCP1 – Claims Made
Policy Limits:	\$ 3,000,000 Aggregate	\$ 3,000,000 Aggregate
<u>Covered Loss & Costs</u>		
Response	\$ 3,000,000	\$ 3,000,000
Data Recovery	\$ 3,000,000	\$ 3,000,000
Hardware Replacement	\$ 1,000,000	\$ 1,000,000
Reward	\$ 50,000	\$ 50,000
Insured Interruption from Security Failure	\$ 3,000,000	\$ 3,000,000
Insured Interruption from System Failure	\$ 3,000,000	\$ 3,000,000
Insured Interruption from Intentional Shutdown	\$ 3,000,000	\$ 3,000,000

	Expiring Coverage	Proposed Coverage
Limits - Continued:		
Vendor Interruption from Vendor Security Failure	\$ 3,000,000	\$ 3,000,000
Vendor Interruption from Vendor System Failure	\$ 1,500,000	\$ 3,000,000
Extortion	\$ 3,000,000	\$ 3,000,000
Reputation	\$ 1,000,000	\$ 3,000,000
Telephone Fraud	\$ 250,000	\$ 250,000
Cryptojacking	\$ 250,000	\$ 250,000
Social Engineering	\$ 250,000	\$ 250,000
Invoice Manipulation	\$ 250,000	\$ 250,000
Transfer Fraud	\$ 250,000	\$ 250,000
Covered Liability		
Regulatory	\$ 3,000,000	\$ 3,000,000
Data & Network	\$ 3,000,000	\$ 3,000,000
Merchant Services	\$ 3,000,000	\$ 3,000,000
Media	\$ 3,000,000	\$ 3,000,000
Waiting Period:	12 Hours	12 Hours
Retention:	\$ 250,000 Each Incident or Claim	\$ 100,000 Each Incident or Claim
Endorsement & Exclusions: (including but not limited to)	<ul style="list-style-type: none"> • Territory • Employee-Owned Hardware (BYOD) Endt. • Sanction Limitation and Exclusion • Notice of Terrorism Insurance Coverage • Amend War and Civil War Exclusion • Notice of Terrorism Insurance Coverage (mandatory disclosure) 	<ul style="list-style-type: none"> • Territory • Employee-Owned Hardware (BYOD) Endt. • Sanction Limitation and Exclusion • Notice of Terrorism Insurance Coverage • Amend War and Civil War Exclusion • Notice of Terrorism Insurance Coverage (mandatory disclosure)

	Expiring Coverage	Proposed Coverage
Limits - Continued:		
Premium:	\$ 160,000.00 Cyber Premium \$ 25,000.00 Cyber Primary Care \$ 5,550.00 CA Surplus Lines Tax (3%) \$ 333.00 CA Stamping Fee (0.18%) \$ 190,883.00 Total Cost	\$ 100,000.00 Cyber Premium \$ 30,000.00 Cyber Primary Care (Edge) \$ 3,000.00 CA Surplus Lines Tax (3%) \$ 180.00 CA Stamping Fee (0.18%) \$ 133,180.00 Total Cost
Option:	N/A	\$5M Limit / \$100k Retention Annual Cost \$174,452.00
Terrorism Option:	N/A	N/A
Minimum Earned Premium:	25%	25%
Extended Reporting Period:	12 Months for 100% of the Policy premium	12 Months for 100% of the Policy premium
Quote Valid Until:	No Longer Applicable	April 26, 2024
Binding Conditions:	<ul style="list-style-type: none"> No Longer Applicable 	<ul style="list-style-type: none"> Written request to bind coverage Terms presented are contingent upon Execution of the Cyber Primary Care, Edge SOF, within 30 days of binding. Fee is invoiced directly to AC Transit. Sign and date application & D1

See Disclaimer Page for Important Notices and Acknowledgment

Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Privacy

At Alliant, one of our top priorities is making sure that the information we have about you is protected and secure. We value our relationship with you and work hard to preserve your privacy and ensure that your preferences are honored. At the same time, the very nature of our relationship may result in Alliant's collecting or sharing certain types of information about you in order to provide the products and services you expect from us. Please take the time to read our full Privacy Policy posted at www.alliant.com, and contact your Alliant service team should you have any questions.

Other Disclosures / Disclaimers

FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

Other Disclosures / Disclaimers - Continued

NRRA:

The Non-Admitted and Reinsurance Reform Act (NRRA) went into effect on July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees must be promptly remitted to Alliant Insurance Services, Inc.

Guarantee Funds

Established by law in every state, guaranty funds are maintained by a state's insurance commissioner to protect policyholders in the event that an insurer becomes insolvent or is unable to meet its financial obligations. If your insurance carrier is identified as 'Non-Admitted', your policy is not protected by your state's Guaranty Fund.

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

Claims Made Policy:

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.

Any Employment Practices Liability (EPL) or Directors & Officers (D&O) with EPL coverage must give notice to the insurer of any charges / complaints brought by any state / federal agency (i.e. EEOC and similar proceedings) involving an employee. To preserve your rights under the policy, it is important that timely notice be given to the insurer, whether or not a right to sue letter has been issued.

Other Disclosures / Disclaimers - Continued

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another state, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Permanent operations outside the United States, Canada or Puerto Rico.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.

Other Disclosures / Disclaimers - Continued

Certificates / Evidence of Insurance

A Certificate or Evidence is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy, nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or recipient.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a Certificate or Evident of Insurance, you may be required to name your landlord, client or customer on your policy as a loss payee on property insurance or as an additional insured on liability insurance. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.
- An additional insured endorsement will most likely not provide notification of cancellation. Some insurance companies use a “blanket” additional insured endorsement that provides coverage automatically when it is required in a written contract. Most insurance companies do not want to be notified of all additional insureds when there is a blanket endorsement on the policy. If a notice of cancellation is required for the additional insured party, you must notify us immediately and we will request an endorsement from your insurance company. There may be an additional premium for adding a notice of cancellation endorsement for an additional insured.

See Request to Bind Coverage page for acknowledgement of all disclaimers and disclosures.

Optional Coverages

The following represents a list of insurance coverages that are not included in this proposal, but are optional and may be available with further underwriting information.

Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here or are unique to your organization.

- Crime / Fidelity Insurance
- Directors & Officers Liability
- Earthquake Insurance
- Employed Lawyers
- Employment Practices Liability
- Event Cancellation
- Fiduciary Liability
- Fireworks Liability
- Flood Insurance
- Foreign Insurance
- Garage Keepers Liability
- Kidnap & Ransom
- Law Enforcement Liability
- Media and Publishers Liability
- Medical Malpractice Liability
- Pollution Liability
- Owned/Non-Owned Aircraft
- Owned Watercraft
- Special Events Liability
- Student Accident
- Volunteer Accidental Death & Dismemberment (AD&D)
- Workers' Compensation
- Workplace Violence

Glossary of Insurance Terms

Below are a couple of links to assist you in understanding the insurance terms you may find within your insurance coverages:

<http://insurancecommunityuniversity.com/UniversityResources/InsuranceGlossaryFREE.aspx>

<http://www.ambest.com/resource/glossary.html>

<http://www.irmi.com/online/insurance-glossary/default.aspx>

Request to Bind Coverage

Alameda-Contra Costa Transit District

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below effective April 26, 2024:

Select 1 option:

Coverage Line	Bind Coverage for:
Option 1: Cyber Liability - \$3M Limit – Annual Cost \$133,180.00	<input type="checkbox"/>
Option 2: Cyber Liability - \$5M Limit – Annual Cost \$174,452.00	<input type="checkbox"/>

Did you know that Alliant works with premium financing companies? Are you interested in financing your annual premium?

Yes, please provide us with a financing quote.	No, we do not wish to finance our premium.
<input type="checkbox"/>	<input type="checkbox"/>

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.

Signature of Authorized Insured Representative

Date

Title

Printed / Typed Name

This proposal does not constitute a binder of insurance. Binding is subject to the final carrier approval. The actual terms and conditions of the policy will prevail.