

DEKALB COUNTY SCHOOL DISTRICT

Excess Cyber Risk Insurance Renewal Indication July 1, 2025 to July 1, 2025

May 2, 2025

Prepared by:
Alexis Tolbert, Account Executive
Brittany Palmquist, Account Manager

ACCOUNT SERVICE TEAM

ACCOUNT EXECUTIVE, PRINCIPAL

LATOYA COTTON- ROBINSON, CRM, CIC, CISR
DIRECT DIAL 678.205.5949
E-MAIL – LATOYA.COTTON@EPICBROKERS.COM

ACCOUNT EXECUTIVE, PRINCIPAL

ALEXIS TOLBERT, AIAM, CIC
DIRECT DIAL 379.205.1165
E-MAIL – LATOYA.COTTON@EPICBROKERS.COM

ACCOUNT MANAGER

BRITTANY PALMQUIST, CISR
DIRECT DIAL 678.957.2526
E-MAIL – BRITTANY.PALMQUIST@EPICBROKERS.COM

VICE PRESIDENT, CLAIMS MANAGER

CHANTELLE PATTERSON
DIRECT DIAL 678.475.5706
DIRECT FAX 678.475.3858
E-MAIL - CHANTELLE.PATTERSON@EPICBROKERS.COM

RISK CONTROL
SERVICE REPRESENTATIVES

MICHAEL NISCHAN, CDS, CCSP
DIRECT DIAL 678.475.5720
MOBILE 678.938.2012
DIRECT FAX 678.475.3852
E-MAIL – MICHAEL.NISCHAN@EPICBROKERS.COM

MIKE FOLMER
DIRECT DIAL 678.242.1377
MOBILE 678.215.8024
E-MAIL – MIKE.FOLMER@EPICBROKERS.COM

EXECUTIVE SUMMARY

Edgewood Partners Insurance Center (EPIC) is pleased to represent DeKalb County School District (DCSD) in its risk management and insurance programs. EPIC is committed to providing you with quality products and services that exceed your expectations. Accordingly, our purpose is to assist every employee and to act on your behalf with others in protecting the human and physical assets of DeKalb County School District and its ability to deliver education and other critical services. Like DeKalb County School District, EPIC measures success by how well we meet the needs of our Clients. Therefore, your input is critical in shaping the quality of services we bring to you.

Today, we are presenting DCSD with an early indication of the July 1, 2025 to July 1, 2026 Excess Cyber Liability Insurance Renewal Pricing. We are proud to announce a flat renewal per expiring. The APIP program currently provides coverage for the District's Cyber Liability (Underlying) coverage. Which was presented with the property at a nice decrease overall for the marketplace.

Here are the trends we examine in the Guide:

Data Collection: Cyber insurance coverage for wrongfully collected information—collecting personal information without the individual giving proper consent—is unsettled at best. Data collection is the most consistent coverage aspect that needed negotiation throughout 2024, and the trend is likely to continue this year.

Security Tools: In 2024, multiple carriers started offering some cybersecurity tools directly, positioning their cyber insurance product as a backstop to protecting businesses. This trend will continue in 2025.

CISO Coverage: Coverage for chief information security officer (CISO) liability can be found in both cyber policies and well-brokered directors and officers (D&O) policies. Some carriers are now offering a stand-alone policy to cover CISO personal liability.

Third-Party Risks: Cyber insurance carriers are looking for clients to have a robust third-party risk management program that includes strong contractual language, cybersecurity certifications from vendors, and requirements for vendors to purchase cyber or technology errors & omissions (E&O) insurance.

An annual survey of cyber insurance carriers, we asked underwriters about the current risk environment, their risk appetite, and future pricing expectations.

Although ransomware remains the most significant threat for underwriters, our survey reveals privacy violations and data breaches have gained prominence compared to last year. Here are a few other takeaways from the survey:

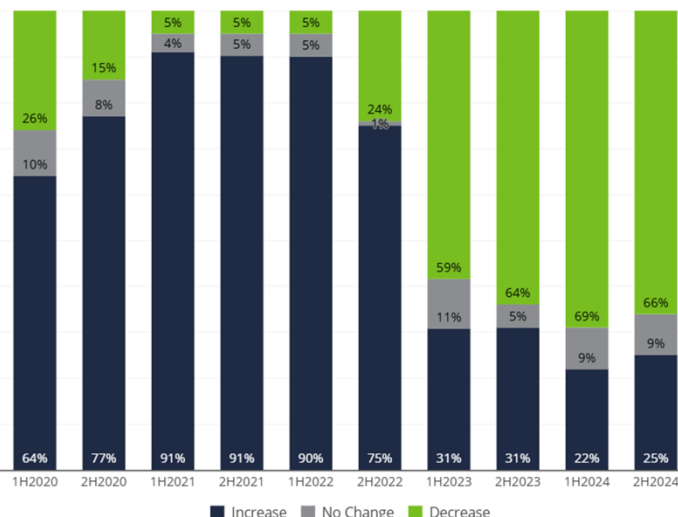
37% of underwriters believe cyber risk will increase greatly in 2025, fewer than last year.

48% of underwriters predict an increase in premiums.

53% of underwriters expect cyber coverage to expand slightly.

26% (versus 12% last year) of underwriters expect scrutiny to decrease this year.

Cost Change in Cyber Insurance Renewals Over the Last 5 Years



EXECUTIVE SUMMARY

As done last year listed below is a marketing summary for your review. We appreciate the partnership, and it has been a pleasure working alongside the district to assure all needs are met. We look forward to your bind request and any questions or concerns you may have in the near future.

Carrier	Response
Liberty Surplus Insurance Corporation (Incumbent)	Quoted flat per expiring
AXA/ XL	Declined not able to compete with current rate/terms
Zurich	Declined. Not within their appetite
Resilience	Declined. Requires fully completed Cyber application as well as additional time to underwrite.
Travelers	Declined. Not within their appetite.
Coalition	Not Competitive. Would require at least a \$500K SIR.

EXCESS CYBER LIABILITY

COMPANY:	Liberty Surplus Insurance Corporation	POLICY TERM	07/01/2025 to 07/01/2026
POLICY #:	TBD	PREMIUM:	\$138,000 Pure Premium \$ 350 Wholesale Broker Fee <u>\$5,534 Surplus Lines Tax (4%)</u> \$143,884 Total Premium

Retroactive Date: Follows APIP Cyber Underlying Policy

Coverage Form: Follow Form- Claims Made & Reported

Coverage & Limits: \$2,000,000 Each Member Aggregate
\$2, 000,000 Policy Aggregate

Underlying Insurance	Layer	Insurer	Limits	Retention	Policy Period
	Primary	Beazley	\$2,000,000	Follows APIP Cyber	07/01/2025 to 07/01/2026

Sub- Limits (Per Member and Policy Aggregate)	Dedicated Limits In Excess of APIP Core
Breach Response/ Notification Expense Costs	\$500,000 (Non- Beazley Vendors) \$1,000,000 (Beazley Vendors)
Business Interruption resulting from a System Failure	\$500,000
Dependent Business Interruption resulting from a Security Breach	\$750,000
Cyber Extortion Loss	\$750,000
Data Recovery Loss	\$750,000
Business Interruption resulting from a Security Breach	\$750,000
Dependent Business Interruption resulting from a System Failure	\$100,000
Fraudulent Instruction	\$75,000
Funds Transfer Fraud	\$75,000
Telephone Fraud	\$75,000
Computer Hardware Replacement (Bricking)	\$200,000

EXCESS CYBER LIABILITY

Sub- Limits (Per Member and Policy Aggregate)	Dedicated Limits In Excess of APIP Core
Invoice Manipulation	\$100,000
Reputation Loss	\$200,000
Claims Preparation Costs For Reputation Loss Claims Only	NIL
Criminal Reward	NIL
Cryptojacking	NIL
<p>Group 1 Sub-limits subject to Qualifiers:</p> <ul style="list-style-type: none"> Breach Response Costs Business Interruption System Failure Business Interruption Security Breach DBI System Failure DBI Security Breach Cyber Extortion Loss Data Recovery Costs Computer Hardware Replacement Reputational Loss <p>-Group 1, As a condition precedent to the coverage specified in Group 1, the Insured must have satisfied the following conditions prior to the occurrence of such incident. Claim or Loss:</p> <ol style="list-style-type: none"> Enforce Multifactor Authentication for all remote and privileged access Close all RDP ports if not in use If RDP ports are in use: <ol style="list-style-type: none"> Restrict RDP access by IP addresses via firewall rules and only allow trusted IP addresses to access the port Place all RDP services behind a VPN and protect them using Two- Factor Authentication 	
<p>Group 2 Sub-limits subject to Qualifiers:</p> <ul style="list-style-type: none"> Fraudulent Instruction Telephone Fraud Funds Transfer Fraud Invoice Manipulation <p>-Group 2, As a condition precedent to the coverage specified in Group 2, the Insured must have satisfied the following conditions prior to the occurrence of such incident, Claim or Loss:</p> <ol style="list-style-type: none"> Provided formal training to employees with respect to computer crime and social engineering Required multiple forms of verification for all fund transfers and all changes to client, vendor or supplier details such as routing numbers, account numbers and phone numbers. 	

Endorsements & Exclusions:

- Sanction Limitation and Exclusion Clause-1
- Warranty Endorsement
- Pending & Prior Litigation Endorsement
- Following Specified Sublimit- With Conditions
- Disclosure- Terrorism Risk Insurance Act

EXCESS CYBER LIABILITY

NOTES

- Quote terms, conditions, and premiums subject to change depending on the APIP cyber program's underlying aggregate program limit
- BI and DBI coverages subject to \$750K aggregate sublimit, as per underlying Beazley policy

PREMIUM SUMMARY RECAP

Coverage	Policy Period	Premium
Excess Cyber Liability (\$2M xs \$2M)	07/01/2025 to 07/01/2026	\$143,884
Total		\$143,884

Companies/ A.M. Best's Rating	Payment Plan
Liberty Surplus Insurance Corporation/ A.M. Best Rated A (Excellent) Financial Size Category: XV (\$2 Billion Or Greater)	Paid In Full Upon Binding

The cost reflected below is an early indication of the renewal quotation expected to be received June 1st . Should the final quotation totals exceed that provided below, APIP is not bound by that which is reflected in this indication.

NOTES:

- This indication is based on the current loss experience, market conditions, increases in underwriting information and is subject to change if this insured's loss ratio deteriorates further and/ or if the markets suffer a catastrophic event.
- Coverage outlined in this Proposal is subject to the terms and conditions set forth in the policy.
- Please refer to the Policy for specific terms, conditions and exclusions.
- Change in total Insurable Values (TIV) will result in adjustment in premium.