

Cover Letter

Date 12/2/2024

Producing Broker:

Kimberly Bourland
INSURICA
10 SW 2nd Street Suite 1
Lawton, OK 73501

Insured:

City of Lawton
212 SW 9th St
Lawton, OK 73501

Notice:

All surplus lines policies must contain in bold-face type notification stamped on the declaration page of the policy that they are not subject to protection of any guaranty association in the event of liquidation or receivership of the insurer.

The following shows the total charges, including taxes and fees that apply to the attached quote:

Premium	\$168,546.00
OK Surplus Lines Tax	(6.00%) \$10,172.76
Oklahoma SLAS Transaction Fee	\$296.71
Broker Fee	\$1,000.00
Total Payable	\$180,015.47

In addition to the subjectivities listed in the attached quote, we require receipt, review, and acceptance of:

- As noted on quote letter

Coverage: Cyber

Please let me know if you have any questions or if you would like to discuss the attached quote.

Thanks,

Conor Middleton
conor.middleton@prowritersins.com



CyberRiskConnect: Delivering expertise, solutions & innovation

We appreciate your business and look forward to partnering with you.

UNDERWRITING & CLAIMS: A PARTNERSHIP

Our Underwriters and Claims professionals are a tight-knit, customer-focused team. Day in and day out, we work together to support our Insureds with exceptional service. Underwriters have the acumen to deliver consistent and tailored coverage offerings. Our Claims team, who are all attorneys, work with our Insureds to deliver sensible resolutions. Remember that your AXA XL Cyber & Technology policy includes a lot more than just coverage. It comes with our dedicated claims team who can help you navigate through a cyber security breach. Use the [Cyber Claims Road Map](#) as a quick reference for what to do.

COMPREHENSIVE POLICY

CyberRiskConnect provides comprehensive coverage for Cyber, Technology and Media risks. The policy terms and conditions are broad and written with a simplified approach allowing our customers to easily understand coverage.

CYBERRISKCONNECT.COM

Policyholders have access to our proprietary portal, [CyberRiskConnect.com](#). Resources are available to you and your organization related to incident response planning, privacy awareness training and access to educational videos.

PROACTIVE BREACH SERVICES

Policyholders can lower their cyber security risk and mitigate potential exposures through AXA XL's proactive breach services. Complimentary consultations and discounted pre-breach services are available through our best-in-class vendor panel. To learn more about these services please [click here](#).

BREACH RESPONSE SERVICES

Policyholders have access to an extensive global network of cyber security experts; one of the largest in the marketplace. As an insured, you'll work directly with our [breach response partners](#) and have the ability to choose the right vendor for your organization. Our Incident Response + Claims teams will be there to guide you through the process.

Some services available include:

- Computer Forensics
- Credit and ID Monitoring
- Data Breach Notification
- Call Center Operations
- Expert Legal Counsel
- Public Relations

If you suspect a cyber security incident has occurred, our dedicated response team, staffed with our claims experts, is ready to help you recover. We are available at all hours every day to take calls on our breach hotline.

AXA XL is a division of AXA Group providing products and services through three business groups: AXA XL Insurance, AXA XL Reinsurance and AXA XL Risk Consulting. In the US, the AXA XL insurance companies are: AXA Insurance Company, Catlin Insurance Company, Inc., Greenwich Insurance Company, Indian Harbor Insurance Company, XL Insurance America, Inc., XL Specialty Insurance Company and T.H.E. Insurance Company. Not all of the insurers do business in all jurisdictions nor is coverage available in all jurisdictions. Information accurate as of January 2022.

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CyberRiskConnect

Privacy, Security and Technology Insurance

QUOTE LETTER

December 2, 2024

NAMED INSURED

City of Lawton
212 South West 9th Street
Lawton, OK 73501

POLICY PERIOD

11/25/2024 – 11/25/2025

INSURER

Indian Harbor Insurance Company

PRODUCT

CyberRiskConnect TRD 050 0619 Click [here](#) to access our Policy Form

COVERAGE SCHEDULE

OPTION # 1

COMBINED POLICY AGGREGATE LIMIT	\$ 5,000,000
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THIRD PARTY LIABILITY			
COVERAGES	LIMIT	RETENTION	RETRO DATE
Technology Products and Services	N/A	N/A	N/A
Professional Services	N/A	N/A	N/A
Media	N/A	N/A	N/A
Privacy and Cyber Security	\$ 5,000,000	\$ 250,000	N/A
Privacy Regulatory Defense, Awards and Fines	\$ 5,000,000	\$ 250,000	N/A

FIRST PARTY			
COVERAGES	LIMIT	WAITING PERIOD/RETENTION	
Business Interruption and Extra Expense	\$ 5,000,000	Loss of Business Income	Waiting Period 14 Hours
		Extra Expense	Retention \$ 250,000
Data Recovery	\$ 5,000,000	RETENTION	
			\$ 250,000
Cyber-Extortion and Ransomware	\$ 5,000,000		\$ 250,000
Data Breach Response and Crisis Management Coverage	\$ 5,000,000		\$ 250,000

OPTIONAL BUSINESS INTERRUPTION AND EXTRA EXPENSE ENHANCEMENTS – ADDED BY ENDORSEMENT			
COVERAGES	LIMIT	WAITING PERIOD/RETENTION	
System Failure	\$ 5,000,000	Loss of Business Income	Waiting Period 14 Hours
		Extra Expense	Retention \$ 250,000
Dependent Business Interruption	\$ 5,000,000	Loss of Business Income	Waiting Period 14 Hours
		Extra Expense	Retention \$ 250,000
Dependent Business Interruption System Failure	\$ 5,000,000	Loss of Business Income	Waiting Period 14 Hours
		Extra Expense	Retention \$ 250,000

PREMIUM:	\$ 255,620
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COVERAGE SCHEDULE

OPTION # 2

COMBINED POLICY AGGREGATE LIMIT	\$ 1,000,000
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THIRD PARTY LIABILITY					
COVERAGES	LIMIT	RETENTION		RETRO DATE	
Technology Products and Services	N/A	N/A		N/A	
Professional Services	N/A	N/A		N/A	
Media	N/A	N/A		N/A	
Privacy and Cyber Security	\$ 1,000,000	\$ 250,000		N/A	
Privacy Regulatory Defense, Awards and Fines	\$ 1,000,000	\$ 250,000		N/A	
FIRST PARTY					
COVERAGES	LIMIT	WAITING PERIOD/RETENTION			
Business Interruption and Extra Expense	\$ 1,000,000	Loss of Business Income	Waiting Period	14 Hours	
		Extra Expense	Retention	\$ 250,000	
Data Recovery	\$ 1,000,000	RETENTION			
					\$ 250,000
Cyber-Extortion and Ransomware	\$ 1,000,000				\$ 250,000
Data Breach Response and Crisis Management Coverage	\$ 1,000,000				\$ 250,000

OPTIONAL BUSINESS INTERRUPTION AND EXTRA EXPENSE ENHANCEMENTS – ADDED BY ENDORSEMENT				
COVERAGES	LIMIT	WAITING PERIOD/RETENTION		
System Failure	\$ 1,000,000	Loss of Business Income	Waiting Period	14 Hours
		Extra Expense	Retention	\$ 250,000
Dependent Business Interruption	\$ 1,000,000	Loss of Business Income	Waiting Period	14 Hours
		Extra Expense	Retention	\$ 250,000
Dependent Business Interruption System Failure	\$ 1,000,000	Loss of Business Income	Waiting Period	14 Hours
		Extra Expense	Retention	\$ 250,000

PREMIUM:	\$ 123,621
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COVERAGE SCHEDULE

OPTION # 3

COMBINED POLICY AGGREGATE LIMIT	\$ 2,000,000
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THIRD PARTY LIABILITY				
COVERAGES	LIMIT	RETENTION	RETRO DATE	
Technology Products and Services	N/A	N/A	N/A	
Professional Services	N/A	N/A	N/A	
Media	N/A	N/A	N/A	
Privacy and Cyber Security	\$ 2,000,000	\$ 250,000	N/A	
Privacy Regulatory Defense, Awards and Fines	\$ 2,000,000	\$ 250,000	N/A	
FIRST PARTY				
COVERAGES	LIMIT	WAITING PERIOD/RETENTION		
Business Interruption and Extra Expense	\$ 2,000,000	Loss of Business Income	Waiting Period	14 Hours
		Extra Expense	Retention	\$ 250,000
Data Recovery	\$ 2,000,000	RETENTION		
				\$ 250,000
Cyber-Extortion and Ransomware	\$ 2,000,000			\$ 250,000
Data Breach Response and Crisis Management Coverage	\$ 2,000,000			\$ 250,000

OPTIONAL BUSINESS INTERRUPTION AND EXTRA EXPENSE ENHANCEMENTS – ADDED BY ENDORSEMENT				
COVERAGES	LIMIT	WAITING PERIOD/RETENTION		
System Failure	\$ 2,000,000	Loss of Business Income	Waiting Period	14 Hours
		Extra Expense	Retention	\$ 250,000
Dependent Business Interruption	\$ 2,000,000	Loss of Business Income	Waiting Period	14 Hours
		Extra Expense	Retention	\$ 250,000
Dependent Business Interruption System Failure	\$ 2,000,000	Loss of Business Income	Waiting Period	14 Hours
		Extra Expense	Retention	\$ 250,000

PREMIUM:	\$ 168,546
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COVERAGE SCHEDULE

OPTION # 4

COMBINED POLICY AGGREGATE LIMIT	\$ 3,000,000
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THIRD PARTY LIABILITY				
COVERAGES	LIMIT	RETENTION	RETRO DATE	
Technology Products and Services	N/A	N/A	N/A	
Professional Services	N/A	N/A	N/A	
Media	N/A	N/A	N/A	
Privacy and Cyber Security	\$ 3,000,000	\$ 250,000	N/A	
Privacy Regulatory Defense, Awards and Fines	\$ 3,000,000	\$ 250,000	N/A	
FIRST PARTY				
COVERAGES	LIMIT	WAITING PERIOD/RETENTION		
Business Interruption and Extra Expense	\$ 3,000,000	Loss of Business Income	Waiting Period	14 Hours
		Extra Expense	Retention	\$ 250,000
Data Recovery	\$ 3,000,000	RETENTION		
				\$ 250,000
Cyber-Extortion and Ransomware	\$ 3,000,000			\$ 250,000
Data Breach Response and Crisis Management Coverage	\$ 3,000,000			\$ 250,000

OPTIONAL BUSINESS INTERRUPTION AND EXTRA EXPENSE ENHANCEMENTS – ADDED BY ENDORSEMENT				
COVERAGES	LIMIT	WAITING PERIOD/RETENTION		
System Failure	\$ 3,000,000	Loss of Business Income	Waiting Period	14 Hours
		Extra Expense	Retention	\$ 250,000
Dependent Business Interruption	\$ 3,000,000	Loss of Business Income	Waiting Period	14 Hours
		Extra Expense	Retention	\$ 250,000
Dependent Business Interruption System Failure	\$ 3,000,000	Loss of Business Income	Waiting Period	14 Hours
		Extra Expense	Retention	\$ 250,000

PREMIUM:	\$ 212,702
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NOTICES AND ENDORSEMENTS - *the following will be added to the Policy*

Number	Form Number	Title
Notice	NTD 018 0120	Claims Reporting Information
Notice	PN CW 05 0519	U.S. Treasury Department's Office of Foreign Assets Control ("OFAC")
Notice	PN CW 01 0123	Fraud Notice
Notice	PN CW 02 0119	Privacy Policy
Notice	IL MP 9104 0124 IHIC	In Witness - Indian Harbor Insurance Company
Notice	CyberRiskConnect Breach Hotline 0119	AXA XL Cyber Breach Hotline
1	TVI 900 0817	Terrorism Insurance Coverage and Premium Disclosure
2	TRD 407 0617	Amended Definition of Executive Officer (CEO, CIO, CISO, RM and GC)
3	TRD 413 0718	Amended Subsidiary Threshold Endorsement (25% threshold)
4	TRD 437 0917	Dependent Business Interruption Coverage Endorsement
5	TRD 438 1218	Dependent Business Interruption - System Failure Coverage Endorsement
6	TRD 439 0918	System Failure Coverage Endorsement
7	TRD 454 1017	PCI DSS Coverage Amendatory Endorsement (Full Limit)
8	TRD 566 0318	Law Enforcement Cooperation Endorsement
9	TRD 569 0918	Consequential Reputation Loss Endorsement (Full Limit; Period of Indemnity 6 Months; Waiting Period 2 Weeks)
10	TRD 581 1219	Bricking Coverage Endorsement (Full Limit)
11	TRD 834 0823	Privacy Regulatory Endorsement
12	TRD 802 0119	Voluntary Shutdown Endorsement (Full Limit)
13	TRD 816 0223	Utility Fraud Endorsement (\$250,000 Aggregate Limit): Crypto-Jacking: \$250,000 Limit Telecommunications Fraud: \$250,000 Limit
14	TRD 817 1219	Cyber Crime Endorsement (\$250,000 Aggregate Limit): Social Engineering Fraud: \$250,000 Limit Funds Transfer Fraud: \$250,000 Limit Invoice Manipulation: \$250,000 Limit
15	TRD 830 0720	Amended Definition of Network Endorsement - BYOD/WFH
16	XL-OKSOP 0118	Service of Process
17	TRD 632 0324	War Exclusion Endorsement v2

PROFESSIONAL SERVICES

N/A

SUBJECTIVITIES

After reviewing the information submitted on the captioned risk, we are pleased to offer the following indication subject to receipt, review and acceptance of the following information:

- 1) Signed and currently dated AXA XL warranty statement or fully completed AXA XL New Business application (signed and dated).

- 2) Application indicates sensitive and confidential information stored by the insured is not encrypted or segregated on a separate server. What compensating controls are in place to protect this data?
 - 3) Application indicates multifactor authentication (MFA) is not required for remote access. Are there plans in the near future for this basic security control to be implemented? In the absence of MFA how is remote access protected from unauthorized access?
 - 4) Application states critical or high severity patches are installed within 8-30 days. Delayed patching cadence exposes the insureds network to known exploitation vulnerabilities and can lead to serious breaches. Is there a current plan to improve patching these vulnerabilities within 1-3 days?
 - 5) What is the current timeline for the Snapshot backup solution to be operational? What is the current procedure for backing up critical data?
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This coverage is provided by a non-admitted (surplus lines) insurance company. It is the responsibility of the surplus lines broker to collect and remit any applicable surplus lines tax and stamping fee and any applicable state surcharges.

This quote is strictly conditioned upon no material change in risk occurring between the date of this letter and the inception date of the proposed policy (including but not limited to any claim or notice of circumstances which may reasonably be expected to give rise to a claim under any policy of which the policy being proposed by this letter is a renewal or replacement). In the event of such change of risk, the Insurer may in its sole discretion, whether or not this offer has already been accepted by the Insured, modify and/or withdraw this offer.

Unless extended in writing this quotation will expire thirty (30) days from the date of this letter. Thank you for thinking of AXA XL for your Cyber and Technology risk needs. We look forward to working with you on other opportunities in the near future.

NOTICE OF TERRORISM INSURANCE COVERAGE

POLICYHOLDER DISCLOSURE

Coverage for “certified acts of terrorism” for the types of insurance subject to the Terrorism Risk Insurance Act is already included in your current Policy. “Certified act of terrorism” means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a “certified act of terrorism” include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

You are hereby notified that if aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion.

Under your existing coverage, any losses resulting from “certified acts of terrorism” may be partially reimbursed by the United States Government under a formula established by federal law. Under this formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019; and 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the Insurer providing the coverage. However, your policy may contain other exclusions that may affect your coverage. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of terrorism exclusion, do not serve to create coverage for any loss that is otherwise excluded under this Policy.

The portion of your annual premium that is attributable to coverage for “certified acts of terrorism” is: \$ [waived](#). Any premium waiver is only valid for the current Policy Period.