

# Security and Privacy Protection Policy with Captive integration

Stability and long-term planning for security  
and privacy protection

As a recognized leader  
in the Captive industry,  
Zurich works with clients  
to help them make the  
best use of their Captive  
insurance companies.



With market conditions as dynamic as they are, the time has never been better to use the benefits of Captive utilization with Security and Privacy (S&P) coverage to achieve your risk management goals. Captives have long been a progressive alternative in risk management and they may also be a solution to gaining greater

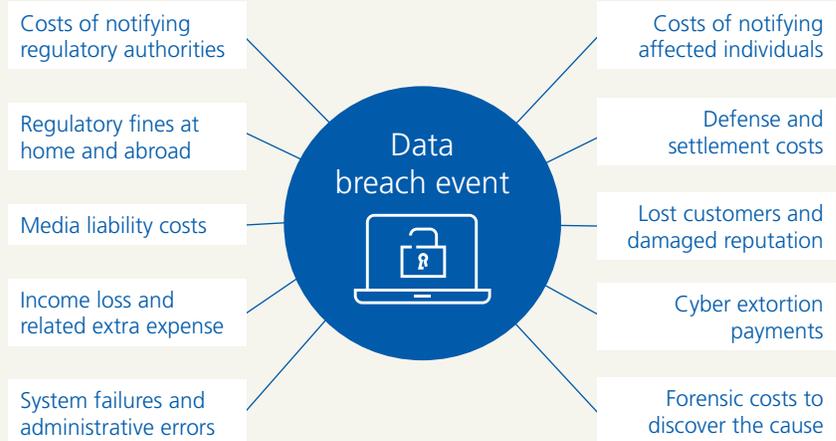
control over evolving S&P exposures. Zurich can assist you in efficiently and prudently integrating a Captive into your program. Utilizing a Captive, you can achieve a customized solution with enhanced flexibilities, measured risk retention and long-term stability.

## Core coverage

Zurich's modular S&P policy provides considerable flexibility for tailoring a solution to the unique needs of a customer. Core features of our broad form coverage respond to the potential costs of data breach events.

### Data breach costs

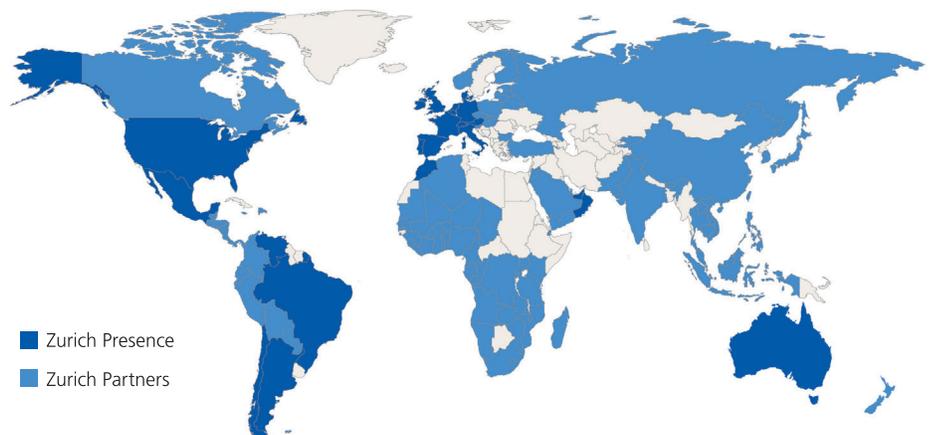
Any breach in IT security and privacy of confidential personal or corporate data can expose your business to potential financial costs.



## Global programs and Captive utilization

With our precise focus on regulatory alignment down to the local level in countries across the globe, risk managers and senior executives also have greater confidence that their insurance programs will not contravene local laws under a Captive supported by Zurich.

Zurich's Multinational Insurance Proposition and Captive Services include a global network of market-leading insurance companies in more than 200 countries.



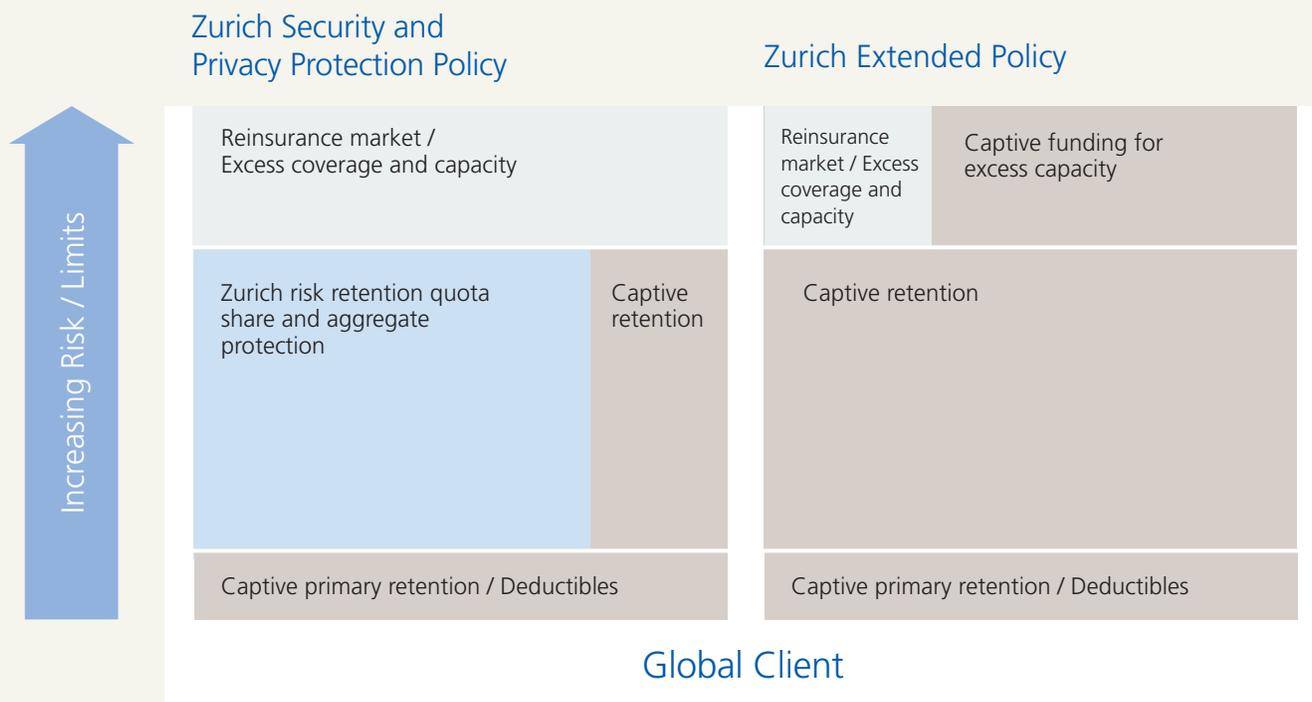
## How is S&P risk managed with Captive utilization?

- Zurich and our network partners issue local policies based on market practice in each country and retain a portion of the premium at the local level for expenses.
- The remaining premium is ceded through the Zurich network for consolidation and onward transmission to the Captive.
- The client's Captive assumes financial responsibility for the funding of claims and Zurich limits the Captive's risk to a measured risk retention with excess, aggregate or quota share reinsurance to help customize the program.

## Captive structures

Captive structures can be highly customizable to a customer's needs and can include risk-sharing structures with quota share layers or primary and/or excess programs. For example, the quota share arrangement below shows two approaches to managing S&P coverage under a Captive: one based on Zurich's Security and Privacy policy with traditional quota share protection; the second based on modified S&P policy self-insured through the Captive and fronted by Zurich.

### Managing S&P coverage under Captive examples



Reinsurance
  Zurich coverage
  Captive retention

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## Benefits to the Captive

- Zurich's assistance with S&P pricing
- Long-term, collaborative approach
- Additional premium inflow and resulting investment income and potential underwriting profit
- Access to Risk Engineering to help mitigate risk
- Risk diversification for Captive entity

## Benefits of S&P Coverage

- Ability to integrate the Captive into a centrally managed, international insurance program designed to provide consistent S&P coverage
- Policy language tailored to meet the company's specific needs
- Broad cyber, S&P protection
- Contract certainty
- Committed coverage for three years

Additional services and benefits available to our fully insured S&P clients are also available in a Captive integration. These include:

- Cyber Risk Engineers to assist customers with pre-breach planning
- Dedicated international underwriters with knowledge of vital country-specific information
- Experienced Claims professionals with a global and local perspective

Let Zurich help you take your Captive to the next level of risk management effectiveness with our S&P products and professional experience.

Visit [zurichna.com/captives](http://zurichna.com/captives), [zurichna.com/securityandprivacy](http://zurichna.com/securityandprivacy) or contact Zurich S&P underwriters for more information.

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A1-112007731-C (03/18) 112010708



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