

Coverage Information



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Network Security and Privacy Liability Insurance Policy

This information sheet is a brief introduction to the Network Security and Privacy Insurance Policy for BC firms (the “Cyber policy”), as arranged by the Lawyer’s Indemnity Fund. The wording of the Cyber policy governs any claim or potential claim.

Certificate of insurance, limits, and policy wording

The Cyber policy is issued to each eligible BC firm to protect the firm’s and its clients’ information. The Designated Representatives of each eligible firm have access to their firm’s certificate of cyber insurance, including limits of coverage, and a copy of the Cyber policy through the Member Portal. The certificate of insurance lists the coverage and policy limits.

Eligibility

In order to qualify for coverage, firms must have at least one location in BC, have at least one licensee paying the annual indemnity fee, and meet the minimum security standards set by the program underwriter, Coalition, Inc. Coverage will also be pro-rated to account for the proportion of out-of-province locations and non-indemnified licensees within a firm.

Types of coverage

Liability for security, privacy, and media breaches

The liability coverage protects your firm if it is liable to a client or other third party for any of the following:

- failure in computer security;
- unauthorized disclosure of personal, privileged, confidential, or corporate information;
- defence costs, fines, and penalties in regulatory proceedings; or
- defamation, violation of privacy rights, plagiarism, or IP infringement connected to the use of a computer.

Reimbursement of your firm's costs and expenses

Any type of system or data breach can be expensive. The Cyber policy reimburses your firm for some of these costs, including:

- data restoration;
- response services and costs;
- business interruption; and
- crisis management and public relations.

Cybercrime

The policy protects your firm against various cybercrimes including phishing and ransomware, the costs of which can be substantial.

Exclusions

There are some exclusions to be particularly mindful. Your firm will not be covered for claims related to:

- liability assumed by contract;
- fraud by a senior executive;
- government orders;
- remuneration to which the firm is not legally entitled; and
- events known to the firm prior to the latter of:
 - the date your firm was added to the policy;
 - a retroactive date other than June 1, 2021; or
 - June 1, 2021.

Cost

The cost of the Cyber policy is included in your annual indemnity fee.

Deductible

A deductible (also referred to as a retention) of \$15,000 is the responsibility of your firm, but is not applied to the first two hours of legal advice and certain initial response services. The deductible will be reduced by 50% for liability claims and certain reimbursement claims if multi-factor authentication (“MFA”) was enabled at the time of the incident.

Excess cyber coverage

The Cyber policy coverage and limits may not be adequate for some firms, but it is an excellent base upon which to build. Every firm is encouraged to assess its cyber exposures and insurance needs. If additional insurance is desired, please consult your firm's insurance broker.

Have questions?

Please contact the Lawyers Indemnity Fund at indemnity@lif.ca with any questions regarding the Cyber policy.