

“NEWLY” EXPANDED FIDELITY-PAK PROGRAM

Underwritten by Lloyds of London

Offering FNTG Corporate Agents

- Title Agents Errors & Omissions (E&O)
- Escrow Security Bond/Computer Crime (ESB)
- Cyber Liability (Cyber)

“RECENTLY ADDED”

- *CFPB Coverage*
- *Fraudulent Email Wire Transfer Coverage*

To assist FNTG Agents in meeting new industry challenges:

- ALTA’s Best Practices
- Lender Concerns regarding third party liabilities
 - Theft of Escrow Funds
 - Protection of consumer personal financial information
- New CFPB requirements and expansion of the rules regulations governing the title industry

PROGRAM HIGHLIGHTS

❖ Comprehensive Title Agents E&O

- Professional Services are broadly defined as those services performed by any insured for a fee in any of the following capacities:
 - *Title Insurance Agent*
 - *Title Abstractor*
 - *Title Searcher*
 - *Escrow Agent*
 - *Closing Agent*
 - *Notary Public*
- Prior Acts Coverage – All claims caused by wrongful acts subsequent to the retroactive date and before the end of the policy period are covered.
- Claims caused by independent contractors are covered
- Claims related to a defect or deficiency not record in the public records is covered.
- **CFPB Coverage (RECENTLY ADDED) - \$150,000 sub-limit of coverage for reasonable attorneys’ fees, costs and expenses for a CFPB Matter (subpoena, civil investigation, hearing, or civil action conducted or received by the CFPB).**
- **Fraudulent Email Wire Transfer Coverage (RECENTLY ADDED) - THIRD PARTY COVERAGE:** We will pay on behalf of an insured those sums insured become legally obligated to pay up to \$1m for a covered loss resulting from an employee transferring escrow funds from an account of the insured in reliance upon fraudulent email instructions received from a criminal purporting to be a legitimate party to the transaction.

❖ Escrow Security Bond/Computer Crime

- **The Escrow Security Bond** (“ESB”) with computer crime rider offers protection for losses that Attorneys may incur as a result of fraudulent or dishonest acts by employees (including partners and shareholders). Dishonest acts which cause financial losses include many forms of embezzlement such as cash skimming, purchasing/payable fraud, kickbacks, gifts and gratuities, fictitious accounts receivables, personal expense reimbursement schemes etc. The ESB also offers first-party insurance for certain other losses that may be incurred as a result of computer crime, vandalism or theft, which may not be covered under other kinds of commercial first-party insurance policies or third-party liability insurance.
- **Computer Crime:** This coverage fills a potential coverage gap by providing insurance for losses resulting directly from computer hacking or fraudulent wire transfers. Coverage exists for direct financial loss caused by hackers breaching the Insured’s computer systems and diverting Property/money from the Insured’s escrow, operating or IOLTA account at their bank to a fraudulent account controlled by the hacker.
- Coverage for the Insured in the event of the theft by another partner or shareholder (as long as they are also an employee of the Insured) of settlement funds or other Property/money embezzled from operating or IOLTA accounts.
- **Fraudulent Email Wire Transfer Coverage (RECENTLY ADDED) - FIRST PARTY COVERAGE:**
We will pay directly to the insured up to \$250,000 for a covered loss caused by an employee of the insured transferring escrow funds from an account of the insured in reliance upon fraudulent email wire instructions received from a criminal purporting to be a legitimate party to the transaction.

❖ Cyber Liability

- **Security and Privacy Liability** - Damages and defense expenses incurred as a result of a lawsuit filed against you arising out of privacy and computer security breaches, including: loss of employee or client information; theft of data from your system; transmission of a computer virus from your system to another’s and violation of data and privacy regulations.
- **Privacy Regulatory Defense & Penalties** - Legal expenses you incur to respond to or defend against a regulatory action arising out of a privacy or computer security breach, as well as regulatory fines and penalties assessed in the action (as insurable by law).
- **Cost you may incur as a result of the following:** -
 - Data Recovery*
 - Customer Notification and Credit Monitoring Costs*
 - Data Extortion*
 - Multimedia Liability*

All of the above is not a coverage analysis rather it is a general description of coverages which are be available through the Fidelity-Pak Program. Actual coverage purchased and factual details of claims determine coverage.

**To obtain information regarding Fidelity-Pak or an application/quote,
Contact Dan Riebling at 516-280-6761 or email driebing@riallc.net**