

Where the European Union Led the Way, California to Follow: An Overview of the CA Consumer Privacy Act

August 14, 2018

Paula Miller

Agenda

Description of legislation

Related insurance issues

Questions

Who is the Law Directed at?

\$25M+ Annual Revenue

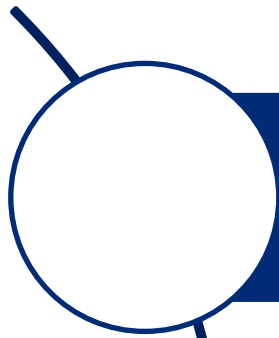


50%+ Annual Revenue from Data Sales

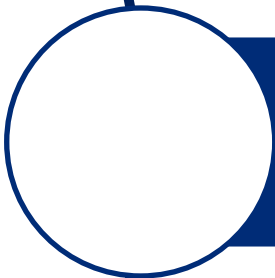


Data of 50,000+ Individuals

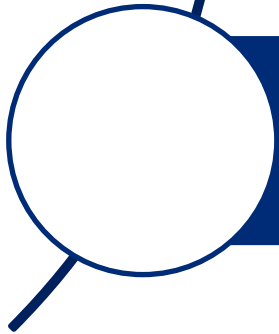
What Does the Law Require?



Disclosure of data collected



Right to access and delete data



Right to prohibit sale of data to third parties

Enforcement and Remedies

Consumers

- Statutory damages of \$100-\$750 per consumer/incident
- Actual damages if greater
- Injunctive or declaratory relief
- Other damages or class action if violation isn't cured w/in 30 days

Attorney General

- Must be notified of any violation
- Retains right to pre-empt a consumer civil suit

What Does the Law Mean for Cyber Insurance Policies?

Policy Terms

TBD – Ongoing discussions with lead markets



Program Limits

Increased frequency and severity exposure



Claims

Potential for more successful third party liability actions

