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## LACERS Insurance Broker RFI Q&A

**1. Question:** Can LACERS share an outline of the coverages they carry now?

**Answer:**

Cyber Security

Commercial Property

Difference in Conditions

Fiduciary Directors and Officers Side A

General Liability

**2. Question:** Can we get an estimate on the total budget for insurance premiums?

**Answer:** Here are the latest expenditures for the various types of insurance.

Cyber Security - \$57,000

Commercial Property - \$63,000

Difference in Conditions – \$96,000

Fiduciary Directors and Officers Side A - \$38,000

General Liability - \$25,000

**3. Question:** Who is the insurance brokerage representing LACERS?

**Answer:** Alliant.

**4. Question:** How is the current brokerage compensated (commission or fee)?

**Answer:** Commission.

**5. Question:** Are there any services that LACERS is looking for in this RFI that they aren't currently receiving?

**Answer:** LACERS may seek to expand Fiduciary Insurance for its operations.

**6. Question:** What is the impetus behind the RFI? Have there been any particular issues or unmet goals LACERS is seeking support with?

**Answer:** LACERS' contract term has expired and as such LACERS is seeking proposals for insurance agent services.

**7. Question:** Can you confirm the RFI consists of Cyber Liability, Property and other lines of coverage as well? Or is the RFI only for Fiduciary Liability?

**Answer:** Please see the response to Question #1 above.

**8. Question:** Please identify all coverages included in the RFI by line of coverage.

**Answer:** Please see the response to Question #1 above.

**9. Question:** Can you provide a schedule of insurance or skyline chart showing the current program structure (including Insurers).

**Answer:**

Insurance Type	Coverage
Cyber Security	\$5,000,000
Commercial Property	\$25,000,000
Difference in Conditions	\$30,000,000
Fiduciary Directors and Officers Side A	\$10,000,000
General Liability	\$1,000,000

**10. Question:** Please discuss any sovereign immunity that applies to LACERS.

**Answer:** LACERS is entitled to all immunities, defenses, and rights arising out of its sovereign status or under the Eleventh Amendment to the United States Constitution and the Constitution of the State of California.

**11. Question:** In the event of a D&O or Fiduciary Liability Claim, please advise what law firms LACERS would typically use.

**Answer:** LACERS' current outside fiduciary counsel panel includes Kutak Rock LLP, Nossaman LLP, and Olson Remcho LLP.

**12. Question:** How much in total cyber limits are currently purchased?

**Answer:** Please see the response to Question #9.

**13. Question:** How has LACERS arrived at the decision to implement your current cyber program? Was the limit adequacy validated with analytics?

**Answer:** LACERS' insurance agent recommended Cyber Security coverage. LACERS is unaware whether analytics were used to determine or validate limit adequacy.

**14. Question:** Is it possible to provide an estimate of sensitive personal records in the company's care, custody and control for PFI, PHI, PII and PCI. For PCI records, we're looking for an estimate of the annual number of PCI transactions.

**Answer:** LACERS cannot share this information due to security reasons.

**15. Question:** Have you conducted any tabletop exercises recently, undertaken efforts to identify financial impact of a network interruption or ransomware event, updated IR/DR plans in the last 6 – 12 months?

**Answer:** LACERS cannot share this information due to security reasons.

**16. Question:** Are there any specific cyber risks does LACERS view as critical to address with cyber insurance?

**Answer:** LACERS seeks to protect its data from unauthorized disclosure and maximize its ability to respond to all types of cybersecurity attack. LACERS would look to coverage with liability in addition to assistance with necessary outreach to affected parties and other required responses depending on the nature of the event.

**17. Question:** Is LACERS comfortable with the level of coverage certainty offered by the cyber program or have problematic coverage gaps been identified?

**Answer:** LACERS is currently comfortable with the level of Cyber Liability Insurance but is open to expanding coverage as necessary.

**18. Question:** Please generally describe extent of any organization reliance on cloud providers such as AWS, Microsoft Azure or GCP.

**Answer:** LACERS currently has a mix of on-premises as well as cloud providers for data storage and backup.

**19. Question:** What key goals are LACERS looking to achieve with cyber insurance? For example, is the organization looking to maximize optimal price or broadening cover?

**Answer:** LACERS is interested in broadening coverage where appropriate while maximizing optimal price.

**20. Question:** Would it be possible to share a copy of the cyber policy(ies)? This would allow WTW to provide the most robust evaluation and recommendations for adjustments and possible improvements to coverage aside from program limits, retentions and pricing.

**Answer:** LACERS cannot share this information due to security reasons.

**21. Question:** Would it be possible to share LACERS cyber applications? The ransomware supplemental application would be particularly helpful.

**Answer:** LACERS cannot share this information due to security reasons.