MITIGATE CYBER LIABILITY COSTS IN THE EXPANDING THREATSCAPE

Cybercriminals are experts at tilting a global event to their advantage. That is why **cybercrime has increased by almost 300% since the start of the pandemic.**[1] You, must therefore adopt the necessary measures to protect your business against threat actors.

What Is **Cyber Liability Insurance?**

**Cyber liability insurance covers financial losses that result from cyber events such as data breaches.**

- ✔ Cyberattacks are now a serious threat to businesses of any size and industry. So, every organization with cyber exposure must consider cyber liability insurance.

- ✔ Cyber liability is not typically included within general liability insurance and must be purchased separately.

- ✔ Each company offering a policy form has a unique list of coverage options available as well as exclusions, leading to a plethora of options.

- ✔ If your business handles or stores personal/sensitive information online, cyber liability insurance should be a top priority.
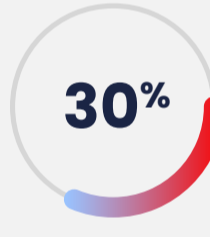
Why Do **SMBs Need Cyber Liability Insurance?**

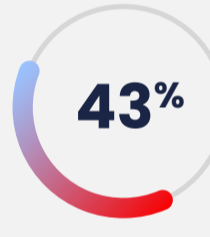**60%** — Over 60% of SMBs have experienced a cyberattack in the past 12 months.[2]
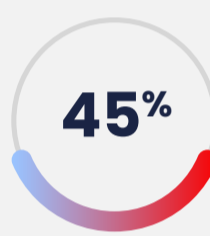
45% — About 45% of SMBs say that their processes are ineffective at mitigating attacks.[2]

40% — Over 40% of cyberattacks target small businesses.[3]

30% — Phishing is the biggest threat for SMBs, accounting for over 30% of breaches.[4]

43% — Stolen credentials (27%) and password dumpers (16%) remain key attack vectors on SMBs.[4]

What Does **Cyber Liability Insurance Cover?**

It is always better to contact your insurer to get the exact details of what they cover. But typically, this is what cyber liability insurance covers:

- ✔ Cost of recovering data
- ✔ Cost of legal proceedings
- ✔ Cost of notifying stakeholders about the incident
- ✔ Cost of restoring the personal identities of those affected

Top 5 Reasons **Cyber Liability Insurance Is Denied**

- ✔ Companies have poor prevention practices in place
- ✔ Companies fail to document preventative measures
- ✔ A third party or contractor is at fault
- ✔ Accidental errors and omissions
- ✔ Coverage does not extend beyond the interruption timeframe

Sources:
1. Entrepreneur
2. State of Cybersecurity Report
3. Cost of Cybercrime Study
4. Data Breach Investigation Report

Are you confused about where to start? Contact us to learn how we can help you stay compliant with your cyber liability insurance contract.

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S O L U T I O N S

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