



CREATIVE RISK SOLUTIONS' GUIDE TO CYBER LIABILITY

A BIG CONCERN FOR SMES

Any business that deals with electronic data, whatever the size, is at risk of losing it due to a breach. According to the Information Commissioner's Office (ICO), data breaches in the UK have increased tenfold in the past five years. Unfortunately, many businesses are only vaguely aware of how to protect themselves. The Center for Strategic and International Studies states that cybercrime costs the global economy about \$300bn annually. While you may have seen attacks on large businesses like JPMorgan Chase and Sony dominating the headlines, small businesses are far from immune.

HOW YOU'RE AT RISK

The Online Trust Alliance reported that over 90% of data breaches in the first half of 2014 could have been avoided. Even the accidental loss of a USB stick or the opening of an innocent looking email can result in a cyber-breach. Cisco's 2015 Annual Security Report found that the volume of spam emails had increased 250% from January 2014 to November 2015, allowing cyber criminals to rely on users unwittingly installing malware.

A SECOND LINE OF DEFENCE

The best way to protect against cyber-attacks is to prevent them in the first place but sometimes that's not possible. If the first line of your defence is breached, your existing insurance won't cover any loss of data. Cyber Liability is specifically designed to help you manage and control the impact, allowing you to get back to business as usual.

AFTER THE BREACH

The knock-on effects of a data breach can be massive with some serious consequences to your business.

- Fines of up to £500,000
- Potential litigation from the people whose data has been lost and any third parties affected
- Costs of diagnosing the loss and notifying everyone affected
- Reconfiguring networks, reinstating security and restoring data
- Reputational damage when news gets out

A specific cyber liability policy can cushion much of the impact for you, covering;

- Insurable fines and professional preparation for any investigations
- Crisis management to notify and monitor anyone affected
- A cyber-incident response service performed by cyber risk specialists
- The restoration, recollecting or recreation of data
- Legal PR to contain reputational damage

If you want to find out more about Cyber Liability Insurance
call 0845 450 2895, email jwilkins@creativerisksolutions.co.uk
or visit creativerisksolutions.co.uk



10 REASONS WHY YOU NEED CYBER LIABILITY INSURANCE

- 1 Traditional insurance policies won't cover loss of data due to a cyber-attack but a specific cyber policy will.
- 2 All businesses are at risk, some more than others; the hotel, travel and leisure industry, retail, education, lawyers, accountants and companies with US operations.
- 3 Cyber insurance can cover the costs of regulatory fines, litigation, reconfiguring networks, re-instating security and restoring data.
- 4 Big business isn't the only target, 75% of data breaches occurred in organisations with less than 100 employees (Source – Verizon 2012 Data Breach Investigations Report).
- 5 Data loss needn't be due to a direct hack, it could occur from opening an e-mail that downloads malicious software or losing a laptop or USB.
- 6 In the event of a data breach, the costs of repairs to affected hardware can be covered by a cyber policy.
- 7 Everyone affected will need to be notified in a way that restores their faith in the business and cyber insurance can cover the costs to do that.
- 8 Engaging cyber risk specialists to investigate the aftermath of a data breach can be costly but cyber insurance can cover those costs.
- 9 The loss of any electronic systems could cause chaos. A specific cyber policy will cushion much of the impact and provide cover for any loss of profits.
- 10 Recently the news has been full of 'cyber plots', including an estate agent's list of 10,000 e-mail addresses, usernames and passwords being posted online.

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