

# Protect your business from a cyber incident

## Cyber incidents are one of the leading risks for businesses in Australia.

According to the Ponemon Institute's 2014 Cost of Data Breach Study: Australia, the average cost to a business per lost or stolen record in Australia is \$145 per record.

The Australian Government estimates almost 700,000 businesses have experienced a cybercrime incident. 60% of all these attacks were targeted at **small to medium size business** with the average cost of a cybercrime attack being more than \$275,000.

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**A cyber incident can be as simple and innocent as attaching the wrong file to an email or using an image on your website which has been copyrighted by another entity to more complicated situations such as a hacker attack and loss of customer information.**

These can result in thousands of dollars in remediation costs, customer notification costs, hefty fines from regulators, extortion costs or being sued by customers or employees for loss of personal information as a result of a cyber incident

Our cyber insurance protects your business against cyber exposures that can impact your business from direct costs to your business, and claims from third parties. Costs associated with defending cyber claims are also covered.

#### INCLUDED PROTECTION ▼

- ✓ Privacy Breach
- ✓ System Damage
- ✓ Business Interruption
- ✓ Computer Virus & Hacking
- ✓ Computer Crime
- ✓ Multimedia Liability
- ✓ Breach of E-commerce Statutory Duties
- ✓ Extortion
- ✓ Brand Protection
- ✓ Personal Protection
- ✓ Privacy Fines & Investigations
- ✓ Privacy Breach Notification & Loss Mitigation
- ✓ Reward Cover

## CYBER CLAIMS EXAMPLES

### Employee Error

#### EXAMPLE

A retailer emailed a group of customers to promote a sale with special discounts available to them. The retailer intended to attach a copy of the flyer detailing the discounts but instead attached a copy of a spreadsheet that contained a customer list, including customer names, addresses and credit card information.

#### RESULT

The retailer was required to notify all affected customers of the error and offered credit monitoring services. Several of the affected individuals began legal proceedings against the retailer. The notification and credit monitoring costs totaled \$50,000 and the amount to settle the legal proceedings with the retailer's customers combined with the associated legal costs and expenses totaled \$100,000.

#### OUR SOLUTION

Cyber Cover provides coverage for breach of privacy which includes legal costs, indemnification of third parties and crises management costs.

### Privacy Breaches, Fines & Investigations

#### EXAMPLE

An IT company misplaced multiple drives that contained personal information for over one million customers. It was unknown whether the drives were lost, stolen or destroyed. The IT company was required to notify the affected individuals, as well as the privacy regulator. The regulator conducted an investigation into the incident and fined the company for failing to have appropriate safeguards in place to protect customer information.

#### RESULT

The company incurred legal fees of \$1,000,000 in connection with the regulatory investigation and defending legal actions brought by affected customers for the costs and expenses in notifying customers their personal information had been lost, stolen or destroyed. The company was also fined \$75,000 by the privacy regulator. The total loss to the company exceeded \$5,000,000

#### OUR SOLUTION

This type of scenario is covered under a Cyber policy including privacy fines and investigations.



**1800 245 123**