



# CYBER INSURANCE

7780 Elmwood Ave. Suite 130 | Middleton, WI 53562 | www.armr.net

FIRST EVER ENVIRONMENTAL CYBER INSURANCE  
OFFERED THROUGH ARMR!

**Restoration Firms need CYBER Coverage HERE's WHY**

## Coverage Offered

### BREACH LIABILITY:

Network Security and Privacy Liability  
Internet Media Liability  
Regulatory Proceeding & Fines  
Payment Card Industry/Loss (PCI)

### DIGITAL CRIME:

- Cyber Extortion
- Electronic Transfer Fraud
- Deceptive Transfer
- Telephone Toll Fraud

### BREACH RECTIFICATION:

- Data Breach Team Expense
- Business Interruption Coverage
- Digital Interruption Coverage
- Digital Property Replacement

## How to Get Quote

Policy written through Indemnity Insurance Company of North America A++ XV

Minimum Premium \$750

4 underwriting questions that require answers to obtain a quote:

- Name and address of the insured
- Annual Revenues
- Number of Employees
- Number of Locations

## Claims Scenario's

- Improper disposal of medical records-A restoration firm entered a medical facility after a significant water event. While collecting all wet documents, the employee of the firm took wet medical records and simply disposed of them in the trash. This became a claim because for the failure to properly destroy personal information.
- Another example of Improper disposal of medical records is a firm was doing janitorial work at a medical facility. There were two bags sitting side by side. An employee grabbed the wrong bag and improperly disposed of it. This bag contained medical records and they were not properly handled. Not only was this an uncovered claim for the insured, but they also lost the contract with the medical facility.
- Facebook, LinkedIn and other social media. Most businesses use social media as part of their advertising and or reaching out to the public. By using social media you open a whole new world of potential uncovered claims from a possible trade infringement by posting logos or simply not having permission to use a photo they may have taken of a completed job.
- An insured takes payment over the internet and should there be a hacking of the system and a data breach this could be an uncovered claim.

## How to Overcome the NO to coverage from you clients

### Protect your E&O with these Helpful Tips:

\*examples provided by [www.Shinnerer.com/cyber](http://www.Shinnerer.com/cyber)

#### I am not a target for hackers.

Many data breaches occur because of human error; a computer is stolen, left in a cab, or a user does not utilize proper security protocols.

A study by National Cyber Security Alliance found that one in five small businesses fall victim to cyber crime each year and roughly 60 percent of those businesses go out of business within six months.

A study by PwC US found that security incidents have increased 66 percent year over year since 2009 with an average of 117,339 cyber attacks and security incidents occurring per day.

A study by Trustwave found that 98 percent of all computer applications are at risk of being hacked.

#### We do not sell goods or services online. So, we are not a cyber risk.

If you capture and/or store customer and vendor data, you have cyber risk. Cyber policies are designed to address the risk of utilizing technology, computers and internet connectivity while conducting daily business including capturing, storing and using data every day.

#### We use vendors for all our IT services.

Based on data regulations, the company that collects data and records from clients is held responsible if a data breach occurs. Legal liability cannot be transferred by contract, therefore, if a point of sale device (i.e. cash register) is comprised, the obligation to notify impacted parties will fall on the business owner, not the vendor who processes or stores payment information. Indemnification agreements typically limit recourse to the value of the contract. An average data breach involving personal financial records could cost a firm hundreds of thousands of dollars, well in excess of the value of most vendor contracts.

#### We have top notch security in place.

There is no such thing as "perfect security." Agencies including the Central Intelligence Agency, White House and National Security Agency have been compromised by inside and outside parties, proving that no security solution is impenetrable. Cyber insurance augments even top notch security solutions.

#### Our general liability policy will cover the loss.

General liability (GL) policies lack the flexibility to address new and emerging cyber perils. Several significant court decisions have ruled that a GL policy does not cover data privacy breach losses and the Insurance Services Organization released a data loss liability exclusion for GL policies in 2014.

#### I don't collect a lot of data.

Every business with employees and/or vendors collects and stores private information including addresses, health information, marital status, bank account information, payment history, human resources records, etc. Additionally, if you sell goods/services, every financial transaction carries protected information including credit card and bank transfer information. The mishandling of such information can lead to a liability or public relations challenge.

#### I don't see the value of cyber insurance.

Cyber insurance is more than a product to protect you from a data breach, Schinnerer Cyber Protection Package covers website media, cyber extortion, digital property replacement, cyber crime, business interruption, privacy liability and network security liability.

- See more at: [http://www.schinnerer.com/Content/Industries/Cyber/Pages/Common\\_Cyber\\_Insurance\\_Objections.aspx#st-hash.LVtTZF5g.dpuf](http://www.schinnerer.com/Content/Industries/Cyber/Pages/Common_Cyber_Insurance_Objections.aspx#st-hash.LVtTZF5g.dpuf)



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