

# CYBER LIABILITY INSURANCE



Presented by VANTREO Insurance Brokerage exclusively for Sonoma County Vintners

# CYBER LIABILITY INSURANCE WHY IS IT NEEDED?

## TOP CYBER RISKS

- Human Error – lost and stolen laptops and smartphones
- Extortion – attack against a company accompanied by a demand for money
- Hackers – someone outside the organization who gains access
- Spear Phishing – social engineering targeting employees
- Hacktivism – social and politically motivated attacks against websites
- Rogue Employee – someone deliberately sending private, confidential or proprietary information

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## COSTS TO RESOLVE A DATA BREACH OF 30,000 RECORDS

- Notification Costs: (\$16.67 per record)
- Post Breach Costs: (\$53.33 per record)
- Lost Business Costs: (\$110.00 per record)
- Detection Costs : (\$13.33 per record)
- Defense and Settlement Costs: (\$26.67 per record)

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## THE FACTS

ABOUT CYBER ATTACKS

**62%**  
OF ATTACKS ARE  
ON SMALL TO  
MID-SIZE BUSINESSES



**1 IN 3**  
CONSUMERS HAS  
BEEN HACKED IN  
THE LAST YEAR



ONLY **16%**  
OF CONSUMERS  
USE A PASSWORD  
MANAGEMENT APP



**\$2.2M**  
AVERAGE COST OF  
CYBER ATTACKS



**1.8M**  
CYBER ATTACKS ARE  
CONDUCTED THROUGH  
HOME ROUTERS



**HNW**  
HIGH NET WORTH  
INDIVIDUALS ARE  
PRIME TARGETS FOR  
CYBER ATTACKS



MANY CONSUMERS  
USE ONLY  
**1 TO 5**  
PASSWORDS



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Here at VANTREO

March 2021 – Winery wine club information hacked; identity stolen; cost to remediate \$55,000.

October 2020 – Food manufacturer sustained a whole system shutdown for a ransom of \$16,000. IT costs to clean and reset system is at 5 figures so far.

# CYBER LIABILITY INSURANCE

## WHAT IT COVERS

Cyber Liability Insurance is unique in that it uses up to 7 different insuring agreements.

1. Incidence Response
2. Cyber Crime -Theft of funds; extortion, identity theft; email fraud
3. System Damage and Business Interruption -hardware replacement; income loss
4. Network Security and Privacy Liability - transmission of malware to 3<sup>rd</sup> party
5. Media - defamation including libel; intellectual property rights; plagerism
6. Court Attendance Costs
7. First and third person available