

# CyberRisk

## COVERAGE HIGHLIGHTS FOR PRIVATE, NONPROFIT AND PUBLIC COMPANIES

The number of cyber attacks has increased by 42 percent in the last year alone.<sup>1</sup>

### Why you need protection

In today's data-driven world, organizations of all sizes have had a cyber attack or data breach, with 31 percent of incidents affecting businesses with fewer than 100 employees.<sup>2</sup>

It's not a question of **if** your organization will suffer a breach, but **when**. Just one stolen laptop, one resourceful hacker, one virus or even one lost paper record of customer data or your company's financial records can create enormous financial and reputational consequences for your business.

### Coverage highlights

Travelers CyberRisk coverage is available for organizations of all sizes, from small businesses to Fortune 500 companies, including nonprofit organizations. Offered as a stand-alone policy or as part of a comprehensive suite of other management liability coverages, CyberRisk provides a combination of coverage options to help protect your business.



**\$5.4 million** is the average cost to rectify a data breach;<sup>3</sup> these costs are not typically covered by standard property and general liability policies.

### Travelers *Wrap+*<sup>®</sup> and *Executive Choice+*<sup>®</sup> CyberRisk coverage includes 10 insuring agreements:

**Liability insuring agreements** cover costs associated with the liability of a claim or suit related to a breach and include:

- Network and information security liability
- Communications and media liability
- Regulatory defense expenses, including fines and penalties coverage

**First-party insuring agreements** cover such things as the material costs of a breach, including forensic analysis, fees to determine the nature and extent of the breach as well as notification costs that are legally mandated in 47 states and include:

- Crisis management event expense
- Security breach remediation and notification expense
- Computer program and electronic data restoration expenses
- Computer fraud
- Funds transfer fraud
- E-commerce extortion
- Business interruption and additional expenses

Also, included in the CyberRisk coverage your business will have access to the Travelers eRisk Hub<sup>®</sup> powered by NetDiligence<sup>®</sup> — an information portal that includes reference material, news updates and other tools that may be helpful in avoiding a breach, as well as access to a Breach Coach<sup>®</sup> for a 30-minute consultation if you have a data breach event.

<sup>1</sup> Symantec 2013 Internet Security Threat Report

<sup>2</sup> Verizon 2013 Data Breach Investigations Report

<sup>3</sup> Ponemon 2013 Cost of Data Breach Study: Global Analysis

## Claim scenarios

### Data breach

A regional retail computer system is compromised when a third party sends a malware program via email to a number of employees. The invasive software allows the third party to access the system and capture the names, addresses and credit card numbers for more than 500,000 customers.

### Stolen laptop

An employee's company laptop containing private customer information is stolen from his home. As a result, customers sue the company for damages resulting from alleged failure to protect their private financial information.

## Why Travelers?

- We've provided effective insurance solutions for more than 150 years and address the needs of a wide range of industries.
- We consistently receive high marks from independent ratings agencies for our financial strength and claims-paying ability.
- With offices nationwide, we possess national strength and local presence.
- Our dedicated underwriters and claim professionals offer extensive industry and product knowledge.



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Travelers knows CyberRisk.

To learn more, talk to your independent agent or broker, or visit [travelersbond.com](http://travelersbond.com).

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Available through the Travelers Wrap+<sup>®</sup> and Executive Choice+<sup>®</sup> suite of products.

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