



Cyber and Privacy Security Liability

We don't accept credit cards, do I really have an exposure?

Many companies argue they don't, when actually every company has some exposure as a result of the data they are required to accept or maintain on a daily basis. It is not just credit cards. Businesses who collect or maintain Personally Identifiable Information (PII), Protected Health Information (PHI) and Confidential Business Information (CBI) on behalf of their customers or employees also have exposure and can sustain significant financial loss as a result of a breach.

In today's world of big data, it is increasingly tougher for companies to protect all of this information. Over 70% of all data breaches occur in small to medium sized businesses and most data security experts agree, no matter the size of your business, a breach is inevitable. Most likely, your data has already been compromised and you are not even aware of it.

Typically when you think of these incidents you think of outside hackers. But, this is only a portion of your company's risk. In fact, the top three data breach sources are: Malicious Outsider - **56%** / Accidental Loss - **24%** / Malicious Insider - **15%**.

In 2014, the average cost to a company who experienced a release was **\$3.79 million**. But what makes up these costs?

Financial	Litigation and Regulatory	Assets	Brand Equity
Notification Cost, PR, Forensics, Loss of Customers, Loss of Revenue	Law Suits/Legal Fees, Damages, Regulatory Investigations, Fines/Penalties	Loss of Core Assets (Software, Data, Trade Secrets)	Damage to Reputation, Image, Goodwill and Trust

Privacy Risk, What Can Be Covered?

Third Party Risk	First Party Risk
<ul style="list-style-type: none"> ✓ Legal Liability to others for computer Security Breaches ✓ Legal Liability to others for Privacy Breaches ✓ Regulatory Actions & Scrutiny ✓ Notification Costs 	<ul style="list-style-type: none"> ✓ Loss or Damage to Data/Information ✓ Loss of Revenue and Additional Expenses ✓ Loss or Damage to Reputation ✓ Cyber - Extortion ✓ Physical Property Damage

A Policy with Axon's Cyber and Privacy Practice provides:

- ✓ Privacy Team with over 30 years of combined cyber placement expertise
- ✓ Complex risk placement experience
- ✓ Proprietary Policy Forms
- ✓ Direct access to every major privacy and security insurance market
- ✓ In-house Legal Assistance Team
- ✓ Outside Legal resources - Nelson Mullins
- ✓ 3rd Party Pre and Post Breach Resources - Nelson Mullins, Dell SecureWorks