

Why Buy Cyber Liability Insurance

Your standard restaurant insurance package includes: CGL Policies, Business Operations Policies, Property Policies, workers' comp, etc. Your insurance package will protect your company against loss to tangible property but not loss of data. Data management is an essential part of business today which includes customer credit cards, employee health information, websites and marketing lists to name a few. Data has value and the management of this data creates duties and significant liabilities which may be protected by Cyber Liability Insurance (CLI).

What are the limits and what does it cover?

Restaurant CLI Program provides;

Minimum Premium \$500, Deductable \$2500

A Rated Market, Policy Aggregate \$1,000,000

Coverage Included:

- Security and Privacy Liability (**\$1,000,000 policy limit**)
 - Invasion of privacy rights
 - Loss of employee information
 - Unauthorized access/use of computer network
 - Theft of Data
 - Transmission of computer virus
 - Breach of data protection statutes
- Multimedia Liability (**\$250,000 sublimit**)
 - Defamation libel & slander
 - Infringement of intellectual property
 - Misleading advertising
 - Breaches of statutory duties
 - On and offline exposures
- Privacy Regulatory:
 - Defense and penalties (**\$250,000 sublimit**)
 - Costs for your organization defending itself against regulatory actions and resulting fines and penalties following a breach of privacy regulations.
 - Cost of defense
 - Fines and penalties
- Crisis management costs (**\$250,000 sublimit**)
 - Customer notification expenses, customer support and credit monitoring expenses.
 - Customer notification costs
 - Credit monitoring services
 - Public relations expenses
 - Advertising expenses
 - Coverage available up to full policy limit on select risks
- Data Extortion Coverage (**\$50,000 sublimit**)
 - Monies paid to terminate a threat of cyber extortion to avoid corruption or damage to a computer network
 - Covers extortion monies
 - Additional expense

Risk management benefits:

- A cyber loss can be overwhelming. We can help the insured get through this difficult time.
- We have strategic partners with experienced defense counsel and forensic experts specializing in data breach issues.
- Our risk management partners can research an insured's customer notification obligations and determine whether notifications are required.
- We have established relationships with key credit monitoring companies, providing us a basis to help mitigate service fees for the impacted individuals.

Claim Examples:

Most restaurant owners collect customer data from credit cards and other forms of personally identifiable information (PII). Business owners also collect employee protected health information. It is not uncommon for a restaurant over several years to accumulate tens of thousands of customer data PII. The consequences of collecting PII can be:

- A disgruntled employee or a hacker stealing your employee's or customer's PII data.
- Perhaps your company outsources or shares space to store your PII data and that information is compromised resulting in a breach (unauthorized disclosure use or access to your data) and identity theft.

As a restaurant owner, if a breach occurred to me these are the potential exposures/costs you would have:

- Legal fees and costs (ex: breach guidance, investigation, notification, e-discovery, litigation prep, contractual review, case defense, etc.) These costs, excluding trial, are estimated at \$100K.
- Other costs (ex: notification vendor, call centers, PR vendor, ID theft insurance, credit monitoring, ID restoration, attorney oversight).
- Potential damages (ex: fraud reimbursement monies of customers/employees, credit card replacement, etc.)