

WHAT IS CYBER BUSINESS INTERRUPTION?

Cyber Business Interruption (CBI) is an operational business failure due to a cyber attack. This differs from traditional business interruption because it is triggered by a non-physical event.

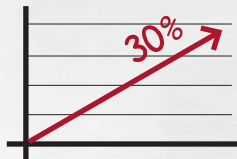
TRADITIONAL BUSINESS INTERRUPTION

- ✦ A fire destroys a restaurant
- ✦ A dentist's office is rendered inoperable due to flooding
- ✦ A break-in destroyed much of the glass and lighting of a small convenience store, resulting in a 3-day shutdown

CYBER BUSINESS INTERRUPTION

- ✦ Airline travel online reservation system goes down due to a Distributed Denial of Service (DDoS) attack
- ✦ Malware causes a bank's system to go down, leaving customers without access to their accounts for a week
- ✦ A ransomware attack blocks all access to a retailer's website

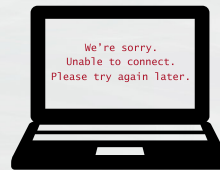
Consider these Cyber Business Interruption Stats



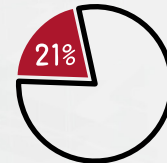
In 2016, there was a 30% increase in cyber incidents that caused business interruptions.



The average lost income from these events was \$100,000 for small to medium businesses.



Most business interruption incidents are caused by network or website disruptions.



Small businesses with less than \$10MM in revenue incur 21% of all business interruption losses.

Sources: Cyber Most Feared Business Interruption Trigger ~ Allianz Risk Barometer 2018; carriermanagement.com/news/2018/01/17/174671.htm
Advisen's Infographic Cyber Business Interruption

PROTECT YOUR BUSINESS

- ✦ **Maintain your security environment:** use antivirus software, ensure all firewalls and routers are secure and kept up to date
- ✦ **Back up** your data and systems
- ✦ **Maintain** software upgrades and patches
- ✦ **Adopt a strict password policy** for your business
- ✦ **Educate** employees on good cyber hygiene
- ✦ **Create** an incident response plan
- ✦ **Check** your insurance coverage

INSURANCE TIPS

- ✦ Property policies don't extend coverage to loss or damage to electronic data as it is NOT considered a physical object subject to loss or damage.
- ✦ Cyber insurance covers loss of income and costs in excess of normal operating expenses required to maintain the business and restore operations due to cyber business interruption related losses.

Cyber Insurance Education

- Fraudulent Funds Transfers
- Extortion / Ransomware
- Social Engineering
- Business Interruption**
- Data Breach/Privacy
- Network Security
- Website Media Liability

ABA
Insurance
Services

The loss prevention information presented is intended to provide guidance and is not intended as a legal interpretation of any federal, state or local laws, rules or regulations applicable to your business; it is intended only to assist policyholders in the management of potential loss producing conditions involving their operations based on generally accepted safe practices. The liability of Great American Insurance Company and its affiliated insurers is limited to the terms, limits and conditions of the insurance policies underwritten by any of them. The claims examples are provided for informational purposes only. No representation is made as to the truthfulness or accuracy of any fact, circumstance, allegation, or legal conclusion contained in or inferred from the examples presented above, nor is any representation made as to whether any claims example would constitute a "claim" or satisfy any other requirements for coverage under the applicable policy. Coverage for any claim is determined upon the specific facts presented, the terms and conditions of the policy and applicable law. ABA Insurance Services Inc. is an OH domiciled agency with its principal place of business at 3401 Tuttle Rd., Suite 300, Shaker Heights, OH 44122. © 2021 ABA Insurance Services Inc., dba Cabins Insurance Services in CA (License No. OG63200), ABA Insurance Services of Kentucky Inc. in KY, and ABA Insurance Agency Inc. in MI. 082021.SBM32