



DATA BREACH: JUST THE FACTS

As the facts emerge, one thing is becoming clear – a data breach is a serious issue every small business needs to understand and plan for.

39%

of small business owners don't think a breach would impact their business ¹



27%

of small business owners believe a breach would cost them money to notify customers and employees ¹



31%

of data breaches investigated in 2012 were from organizations with fewer than 100 employees ²



66%

of data breaches investigated weren't discovered for months or even years ²



JUST THE FACTS

Data Breach Defined	Loss, theft, accidental release or accidental publication of Personally Identifiable Information (PII) and Protected Health Information (PHI) including: Social security number, bank account number, credit or debit card numbers, driver's license number, patient history and medications
How a Breach Can Occur	Stolen or lost paper and electronic files; stolen or lost laptop, smartphone, tablet or computer disks; stolen credit card information; employee error or oversight; theft or release due to unauthorized access (such as by former employees or vendors); hacking
Who Needs Data Breach Coverage	Any business, small or large, that handles or stores any private customer, patient or employee data is at risk. Businesses such as healthcare practices, law offices, accounting offices, retailers, restaurants or financial services are at a higher risk for a data breach because of the quantity and type of sensitive information they handle and store.
How Data Breach Insurance Can Help	<ul style="list-style-type: none"> • Offers time-saving professional services to help quickly restore your business' reputation, guide you in handling a breach and assistance with regulatory compliance • Covers response expenses, including mailing notification letters, credit monitoring services and public relations • Provides coverage for defense and liability expenses in the event you're sued because of a breach

¹The Hartford's 2013 Small Business Success Study
² 2013 Data Breach Investigations Report, Verizon

INSURANCE COVERAGE DETAILS

Response Expenses (1st Party)

Coverage includes:

- **Legal and Forensic Services** to assess whether a breach occurred and assistance with regulatory compliance if it's determined that a breach occurred (\$5,000 sub-limit applies)
- **Notification** to impacted customers and employees, and associated expenses, such as letter preparation and mailing costs
- **Crisis Management/Public Relations** to inform your customers a breach has occurred and to help restore your business' reputation
- **Good Faith Advertising Services** to organize and create a media response (\$5,000 sub-limit applies)
- **Monitoring Services** to pay for credit, fraud, public records or other monitoring alerts, if warranted
 - Available Limits: \$10,000; \$25,000; \$50,000; \$100,000
 - Per-Claim Deductible: \$1,000 for \$10,000 and \$25,000 limits; \$2,500 for \$50,000 and \$100,000 limits

Defense and Liability Expenses (3rd Party)

- **Coverage for civil awards, settlements and judgments that you're legally obligated to pay**
 - Available Limits: \$50,000; \$100,000; \$250,000; \$500,000*
 - No deductible applies; Defense costs are within limits

SERVICE DETAILS

Access to a Data Breach Website Providing:

- Tips and resources to help you minimize the chance for a breach and safeguard Personally Identifiable Information and Protected Health Information
- Legal requirements by state
- Information on how to create a data breach incident response plan
- Guidance on what needs to be done if a breach occurs

Team of Breach Experts Who Will:

- Assist you if you believe a breach has occurred and determine the potential severity of the breach
- Consult on "next steps" to address a breach situation

*\$500,000 3rd Party limit is only available in New York.

This document contains only a general description of coverages that may be provided and does not include all of the features, exclusions and conditions of the policies it describes. Coverage is subject to the policy terms and is individually underwritten. Please refer to the actual policies for complete details of coverage and exclusions. In the event of a conflict, only the terms of an actual issued policy will prevail. Coverage may not be available in all states or to all businesses. Data breach coverage must be purchased in order to have access to data breach services.

Coverage is underwritten by Hartford Fire Insurance Co. and its property and casualty insurance affiliates. **In TX, this insurance is written by Sentinel Insurance Company, Ltd., Hartford Casualty Insurance Company, Hartford Lloyd's Insurance Company, Property and Casualty Insurance Company of Hartford, Hartford Underwriters Insurance Company, Twin City Fire Insurance Company, Hartford Accident and Indemnity Company and Hartford Fire Insurance Company.** In WA, this insurance is written by Hartford Fire Insurance Company, Hartford Casualty Insurance Company, Hartford Accident and Indemnity Company, Hartford Underwriters Insurance Company, Twin City Fire Insurance Company, Sentinel Insurance Company, Ltd. and Hartford Insurance Company of the Midwest. In CA, this insurance is written by Sentinel Insurance Company, Ltd. (CA lic. #8701) and its property and casualty affiliates, One Hartford Plaza, Hartford, CT 06155. All information and representations herein are as of July 2014.

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