

Data Protection for Small Businesses



When a small business collects **personal data**,
they do it with the implicit promise of keeping that
personal data **private and protected**.

The Hartford can help small business owners
deliver on that promise
and make good if something goes wrong.

Today's Agenda



- What is a data breach?
- Risks for small businesses
- Potential impact
- Prepare for the unexpected



Data - Breach (noun)

The loss, theft, accidental release or accidental publication of Personally Identifiable Information – whether stored electronically or in paper files.

- Personally Identifiable Information includes:
 - Social security numbers
 - Bank account numbers
 - Credit or debit card numbers
 - Driver's license numbers
 - Patient history and medications

How can a data breach occur?



Often times, when people hear the term “data breach”, they associate it with a hacker breaking into a computer system. ***But the reality is***, a data breach can happen in much simpler ways...



- Stolen or lost:
 - Paper and electronic files
 - Laptop, smartphone, tablet or computer disks
 - Credit or debit card information
- Theft or release resulting from unauthorized access (such as by former employees or vendors)
- Employee error or oversight

But that won't happen to my business, right?



- The fact is, any business that handles or stores any private customer, patient or employee data is at risk of a data breach.
- Businesses at the highest risk handle:
 - Significant debit and credit card transactions
 - Sensitive customer or patient information



The Fact Is:



2 OUT OF 3

Of those cases didn't discover the data breach for months, or even years (+10% from 2011).

And, the longer it takes to discover a breach, the longer sensitive data remains exposed...increasing the risk for your business.

Source: Percentages are approximations based on the Verizon 2013 Data Breach Investigations Report (DBIR)

1 IN 3

Data breaches investigated in 2012 were from organizations with fewer than **100** employees

Source: Percentages are approximations based on the Verizon 2013 Data Breach Investigations Report (DBIR)

Okay, so how can it impact my business?



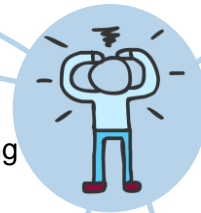
Time & Hassle

- Navigating and complying with 51 laws governing 50 jurisdictions
- Time required to notify impacted parties and, if required, credit bureaus and government agencies, when a data breach occurs
- Energy spent on activities not connected to running your business



Financial

- Costs associated with notifying impacted parties and, if required, credit bureaus and state and federal agencies when a data breach occurs
- Potential fines or penalties for improper compliance
- Costs associated with civil litigation brought by someone impacted by a breach



Reputation

- Loss of customer, patient and employee trust
- Damaged reputation
- Potential loss of future revenue due to a tarnished reputation



Here's an example of how quickly a data breach can impact your business' bottom line



² Cost of a Data Breach Study, United States, Ponemon Institute LLC, Report Date: March, 2012

575 CUSTOMER RECORDS
* \$194² AVERAGE COST

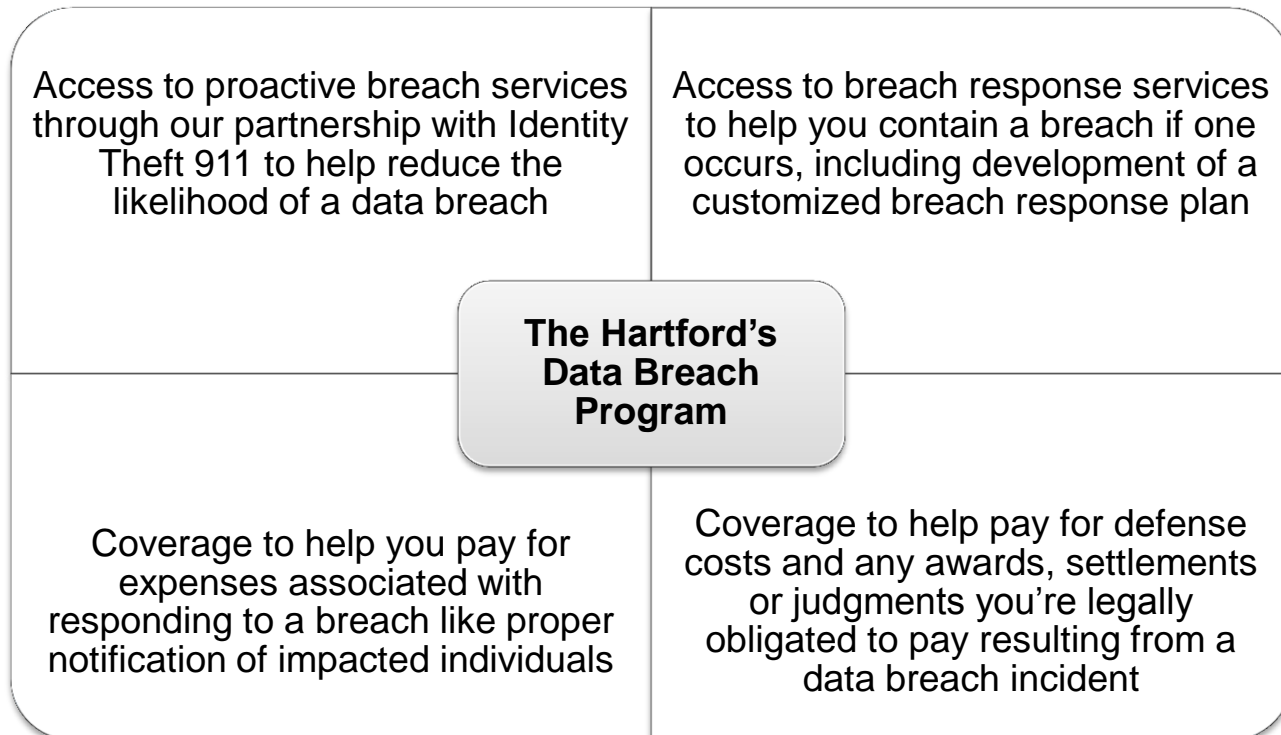


**I see my business could be
at risk...now what?**

Help Prepare & Protect Your Business



With Data Breach coverage from The Hartford, you're getting more than insurance protection.



Want to Learn More?



Talk to your Hartford representative

To find out how The Hartford's Data Breach offering can help **prepare** and **protect** you from the unexpected.

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Thank you!

