

CYBER INSURANCE MYTHS UNCOVERED



Education is the best defense against threats that can result in catastrophic loss and ultimately shut down a business. Top 6 myths we often hear include:

- 1 MYTH:** We don't need cyber insurance because we invest in IT security.
REALITY: No matter how much a company invests in IT security, they will never be 100% secure, as threats continue to evolve and bad actors become more sophisticated in their tactics. The purpose of an insurance policy is to respond in the event of a worst-case scenario.
- 2 MYTH:** We outsource all of our IT, so we don't have an exposure.
REALITY: Even if you outsource your IT, chances are you're still liable. Assuming you'll be successful claiming back damages from a third party is a risky gamble.
- 3 MYTH:** We don't collect any sensitive data, so we don't need cyber insurance.
REALITY: Any business that relies on a computer system to operate, whether for business critical activities or simply electronic banking, has a very real cyber exposure. Loss of money due to funds transfer fraud, business interruption from ransomware and damage to systems are highly impactful consequences to a business.
- 4 MYTH:** Cyber attacks only affect big businesses. We're too small to be a target.
REALITY: Cyber criminals target the most vulnerable companies, not just the most valuable.
- 5 MYTH:** Cyber is already covered by other lines of insurance.
REALITY: Some overlaps exist, as they do with all lines of insurance, but traditional insurance policies lack the depth and breadth of standalone cyber coverage and won't include experienced cyber claims and incident response capabilities.
- 6 MYTH:** Cyber insurance doesn't pay out.
REALITY: The number of cyber claims continues to rise, in terms of both frequency and severity, and insurers are paying them.

We're here to help you understand the coverages and what's included to manage, respond to and recover from a cyberattack.



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