



# PRIVACY BREACH & CYBERCRIME RISK

Almost daily, another headline appears about organizations suffering from unintentional data breaches, like losing a laptop or external hard drive, or intentional criminal acts by others, such as database hacking or computer hijacking. These incidents cost organizations billions of dollars a year in lost productivity, notification costs, legal expenses, fines and reputational damage.

Given the clear and present danger to every organization, the insurance industry has developed products broadly termed 'cyber insurance' that can lessen the impact of these incidents.

## DOES MY BUSINESS NEED CYBER INSURANCE?

Under strict government legislation—such as Personal Information Protection and Electronic Documents Act (PIPEDA) and Alberta's Personal Information Protection Act (PIPA)— organizations must report any breach of personal information. Failure to comply can result in extremely steep penalties. This information includes anything that can identify an individual, even just name and address. Any business that has customers, or even uses the internet, could face a privacy breach or cybercrime event.

## WHAT COVERAGE DOES MY BUSINESS NEED?

Rogers Insurance Group of Companies has independent brokers who specialize in placing cyber coverage. Your broker will work with you to customize an insurance program that ensures your potential risk is well-managed and properly addressed. They will review your possible cyber exposure areas and then secure multiple, no-obligation cyber insurance quotes from Canada's leading insurers. Premiums start as low as \$300 for basic cyber coverage – it's peace of mind for reasonable cost.

## WHAT IS CYBER INSURANCE?

Cyber insurance provides coverage for many different losses, both first party (loss to the policyholder) and third party (loss to others as a result of the policyholder's negligence). Some of these coverages include:

### First Party

- Privacy breach notification expenses
- Crisis management & reward expenses
- Digital theft, digital vandalism and communication disruption expenses
- Digital hijacking & extortion (including negotiator and ransom costs)
- Data recovery and/or data recreation expenses
- Electronic business interruption (including coverage for lost income and additional operating expenses)

### Third Party

- Loss to others (such as identity theft or stolen funds) resulting from a data breach
- Loss to others as a result of system failure (such as a non-responsive security system)
- Loss to others as a result of alleged defamation or trademark/copyright infringement
- Coverage includes both settlement/judgement and legal defense costs

Most comprehensive cyber insurance policies will also provide training, support and risk analysis as part of the risk management services offered by the insurer.

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The Rogers Insurance Group is one of the largest independent, employee-owned brokerages in Canada. Our group of companies has access to more than 100 global insurance companies and specialty underwriting facilities. This unparalleled market access allows us to leverage the best insurance and risk management solutions for our clients across Canada—individuals and businesses who represent virtually every sector in the North American economy.

**HACKERS ATTACK EVERY 39 SECONDS;  
ON AVERAGE 2,244 TIMES PER DAY [1]**



**DAMAGE RELATED  
TO CYBERCRIME  
IS PROJECTED TO  
HIT \$10.5 TRILLION  
ANNUALLY BY 2025 [2]**

**RANSOMWARE VICTIMS PAID  
AN AVERAGE OF \$570,000  
IN 2021, COMPARED TO  
\$312,000 IN 2020 [3]**



**Our business is to protect your business**

We encourage you to contact our team for more information on how our cybercrime and other insurance products can help your organization.



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Source: [1] University of Maryland, [2] Cyber Security Ventures, [3] Unit 42 cyber security consulting group