

# CYBER LIABILITY GLOSSARY

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## ➤ BUSINESS INTERRUPTION

Cyber business interruption covers the net profit earned before taxes that would have been earned had there been no interruption due to a cyber event.

## ➤ BI (BUSINESS INTERRUPTION) WAITING PERIOD

A predetermined amount of time that must elapse before any loss or expenses are considered covered by business interruption insurance.

## ➤ BRICKING

Covers the cost to replace computer and electronic hardware that's rendered inoperable due to failure or purposeful attacks.

## ➤ COMPUTER FRAUD

Insures against theft of funds or property specifically stolen by using cyber methods to transfer money or property from the victim.

## ➤ CONTINGENT BUSINESS INTERRUPTION

A contingent business interruption loss occurs when a third-party supplier or service provider experiences an interruption of service due to a cyber event and that event directly impacts the policy holder's ability to produce a product or provide a service.

## ➤ CYBER CRIME

Any type of illegal activity that occurs using digital means. Examples of cybercrime are extortion/ransomware, phishing, social engineering, and wire transfer fraud.

## ➤ DATA RECOVERY

Covers the costs of recovering lost data due to a breach.

## ➤ DATA RESTORATION

The process of copying backup data from secondary storage and restoring it to its original or a new location. Data restoration is done to return data that has been lost, stolen or damaged.

## ➤ EXTORTION/RANSOMWARE COVERAGE

Coverage for the damage done to a business due to a cyber breach or attack including possible ransom payments to release key systems and data.

## ➤ FIRST PARTY CLAIM

Where a policy holder files a claim triggered by a cyber breach or other qualifying event directly with their insurance company.

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## ➤ FUNDS TRANSFER FRAUD

Covers the loss stemming from unauthorized instructions from a third party to a bank without the victim's knowledge.

## ➤ MEDIA (LIABILITY)

Provides coverage against media-related damage such as libel, privacy invasion, copyright infringement, and plagiarism stemming from the policy holder's media activities (e.g website content, printed articles).

## ➤ NOTIFICATION COSTS

Covers the cost of notifying affected individuals in the event of a data breach. Customer notification is often required by law.

## ➤ PCI (PAYMENT CARD INDUSTRY)

Coverage for assessments, fines or penalties imposed by banks or credit card companies due to non-compliance with the Payment Card Industry Data Security Standard (PCI DSS).

## ➤ PRIVACY REGULATORY LIABILITY (REGULATORY)

Covers the loss a company sustains as a result of regulatory investigations and claims.

## ➤ SOCIAL ENGINEERING COVERAGE

Covers unintended payments made to cybercriminals who, through deception, convinced an employee or officer of a company to transfer funds to the criminal.

## ➤ THIRD PARTY CLAIM/LIABILITY CLAIM

When a third party files a claim or lawsuit against the policy holder alleging that the policy holder caused some damage to the third party due to a cyber event.