



The following types of data security scenarios may pertain to small businesses. Appropriate coverage and pre-claims support services can help mitigate their impact on the bottom line— not to mention the serious damage they may cause to a businesses' reputation.

INFORMATION SECURITY

Compromised Data

An insured notified Beazley of a data breach involving unauthorized access to consumer files belonging to their client- a charitable organization.

The client's account was accessed several times, and the compromised information included consumer names, addresses, social security numbers, dates of birth and account numbers.

Beazley's Response:

- *Our AFB Media Tech policy includes Computer Network Security and Privacy coverage that can address security breaches.*
- *Beyond the policy, Beazley can help the insured get through this difficult time since we have relationships with experienced defense counsel and forensic experts specializing in data breach issues. Our counsel partners can research an insured's notification obligations and determine whether consumer notifications are required.*
- *Since Beazley has established relationships with key credit monitoring companies, we may be able to negotiate their service fees for the impacted individuals.*

Hacking

Unauthorized users were able to gain access to a computer network run by the insured- a software company hired to verify a governmental agency's employee information. The network included personal information, including names, addresses, and social security numbers.

The insured disabled the computer system, moved all data, and notification letters were sent to those individuals whose data was compromised. One individual reported that his personal data may have been used to open a credit card.

Beazley's response:

- *Beazley's AFB Media Tech Policy includes Computer Network Security Coverage, which provides protection to the insured in the event of unauthorized access to a computer system.*
- *We also have the resources to refer these matters to experienced counsel for review.*
- *Since Beazley has established relationships with key credit monitoring companies, we may be able to negotiate their service fees for the impacted individuals.*

TECHNOLOGY BASED SERVICES AND PRODUCTS

Anti-virus software failure

A client threatened to sue an insured when a software program they installed did not work as the client expected.

Although the insured offered to refund the purchase price of the software and install an alternative program, the client refused.



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The client subsequently sent a letter to the insured demanding damages in connection with the problems it allegedly encountered as a result of the software program.

Beazley's response:

Beazley's AFB Media Tech policy includes coverage for negligence in rendering technology-based services. The policy also provides coverage for negligence resulting in the failure of technology products to perform as intended. We also provide duty to defend as part of the professional liability policy.

Since each claim is evaluated on its own merit and pertains to the actual policy in-force, the outcomes may vary. This information is intended for informational purposes only and does not provide legal advice. You should consult your legal advisor if you have questions or concerns relevant to your specific situation.

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Beazley is a market leader in many of its chosen lines, which include professional indemnity, property, marine, reinsurance, accident and life, and political risks and contingency business.