

NETWORK SECURITY, DATA BREACH AND THEFT OF DATA COVERAGE ENDORSEMENT

GET THE CYBER COVERAGE YOU NEED - INCLUDED WITH OUR TAX PREPARERS E&O POLICY.



AT NO ADDITIONAL PREMIUM YOUR POLICY WILL INCLUDE ALL OF THESE COVERAGES:

- Network security wrongful act
- Crisis management expenses
- Credit monitoring and notification expenses
- Cyber investigation expenses

As a tax preparer or bookkeeper, you increasingly rely on technology to do business. Information technology is essential to everyday tasks - it decreases operational costs, increases speed to market, improves customer service and opens the door to opportunity. However, it can also lead to risks to your business.

Know the risks and the potential damages.

Hackers, malicious software, rogue employees and hardware loss or theft are all very real risks to your business, and the damages can be significant. Should a cyber-event occur, The Hartford's new endorsement is designed to cover your business for the damages that typically result. What's more, this endorsement is automatically included with all Tax Preparer E&O policies at no additional premium.

COVERAGES INCLUDED IN THE ENDORSEMENT

NETWORK SECURITY WRONGFUL ACT

Helps protect against claims alleging negligence in connection with the performance or failure to perform tax preparation and bookkeeping services, which result in:

- **Denial of services.** The inability of an authorized third party to gain access to the insured's online marketplace, to conduct e-commerce, transmit email or to affect file transfers.



Fictional Scenario: A disgruntled client is unhappy with the manner in which his taxes have been handled. To exact revenge, he brings down the tax preparer's website. Employees can't send emails or files. Other clients sue the tax preparer for damages incurred as a result of their inability to access the website and submit information via email.

- **Inadvertent transmission of malicious code.**



Fictional Scenario: A tax preparer sends confidential information via email to a client. Unknowingly, the tax preparer's computer was infected with a virus that was sent along with the email. When the client opens the email, the virus is activated and infects the client's server, damaging their computer system. The client sues the tax preparer for damages incurred from the inadvertent transmission of a malicious code to their network.

- **Identity theft.** Unauthorized taking or misuse of nonpublic personal information from the insured's computer.



Fictional Scenario: A tax preparer visits the office of one of his clients. En route, he leaves his laptop unattended, and it's stolen. The thief sells the laptop, downloads all of the files and steals the identity of all of the tax preparer's clients, who then sue the tax preparer for damages incurred from identify theft.

- **Unauthorized access** to an entity's information utilized in e-commerce, email and file transfer.



Fictional Scenario: A hacker uses a security deficiency to enter a tax preparer's server and steals data from emails and files. The hacker then sells the data to third parties who use the data to steal identities. An irate client sues the tax preparer for damages that result from having their identity stolen.

CRISIS MANAGEMENT EXPENSES

Provides reimbursement of expenses incurred for services performed by a public relations firm, crisis management firm or law firm to minimize potential harm to the insured's reputation in the event of a Network Security Wrongful Act.

CREDIT MONITORING AND NOTIFICATION EXPENSES

Provides reimbursement for credit monitoring and notification expenses in connection with statutory or regulatory mandate requiring credit monitoring or notice to specified individuals in compliance with state or U.S. federal data privacy laws.

CYBER INVESTIGATION EXPENSES

Provides reimbursement of expenses to the insured to conduct an investigation of its computer system by a third party to determine the source or cause of Network Security Wrongful Acts.

Target Professional Programs¹ is a countrywide program administrator/managing general underwriter with decades of experience handling professional liability coverage.

Tax Preparers' Professional Liability applications are submitted through Target.



LEARN MORE. Contact Shelley Cvek, Underwriter, scvek@TargetProIns.com or 331-333-8240. For product information, visit TargetProIns.com.

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Any discussion of coverage herein is summary only. Coverage depends on the actual facts of each claim and the terms, conditions, and exclusions of the issued policy. Please refer to the issued policy to determine all terms, conditions and exclusions of coverage. Coverage is provided by the property and casualty companies of The Hartford Financial Services Group, Inc. and may not be available to all businesses in all states.

In Texas, the insurance is underwritten by Twin City Fire Insurance Company.

The Hartford® is The Hartford Financial Services Group, Inc. and its subsidiaries, including Hartford Fire Insurance Company. Its headquarters is in Hartford, CT.



Business Insurance
Employee Benefits
Auto
Home