



Cyber Liability Insurance Q&A

What Brokers Need to Know

Thank you for joining us!

Distinguished.

Hello Everyone and Thank You For Joining Us!

My name is Ritchie Vener, I am the Chief Growth Officer at Distinguished Programs, responsible for developing and leading the marketing initiatives across Distinguished. I joined Distinguished in 2019. Prior to joining, I spent over 25 years in executive marketing positions at GE Capital and York Risk Services Group.



Host - Ritchie Vener

Chief Growth Officer
Distinguished Programs

Distinguished.

Please Note:

- We will be sending all registrants a copy of the slides, the webinar recording, and a PDF with the questions and answers from today's session.
- If anyone has a question during the presentation please use the Q + A button on the bottom of your screen.



Distinguished.

Distinguished Programs



Distinguished Programs is a leading national insurance Program Manager providing specialized insurance programs for Real Estate, Community Associations, Hotels, Restaurants, Cyber Liability, Fine Art and Collectibles, Inland Marine, Executive Lines, Crisis Management, Surety Bonds, Marine Cargo, Transactional Risk, and Environmental and Construction Professional insurance.

More information on these programs can be found on the Distinguished website.

Distinguished.

Meet the Experts



Heidi Strommen

President,
Primary Hospitality Programs



Haley Cagle

Cyber Liability Product Manager,
Primary Hospitality

Distinguished.

What is Cyber Liability Insurance?

- Business insurance designed to protect companies from the financial consequences of a cyberattack or data breach
- Typically combines first-party coverage (for direct losses) and third-party coverage (for claims and lawsuits)
- Coverage includes response costs, public relations, legal expenses, and data restoration

Distinguished.





Today's Cyber Threats

- Phishing and social engineering
- Cyber attacks
- Cyber extortion or ransomware attacks
- Contactless technology

Distinguished.

How Risky is it for a Business to Self-Insure for Cyber?

According to IBM Security, the average cost of a data breach was about \$4.88 million in 2024.

A good Cyber Liability insurance policy can help mitigate cybersecurity risks and cover the cost of these attacks.

Distinguished.

Recent Program Enhancements

- **Expanded Eligibility:** Art galleries & museums and contractors
- **Instant Quotes:** Submit-quote-bind on the Broker Connect portal
- **Coming Soon:** Updated policy form

Distinguished.



Real-World Example: Restaurants

Aloha POS Attack

- BlackCat ransomware group breached Aloha, a widely used point-of-sale system
- Disrupted thousands of restaurants
- Exposed payment credentials
- Impacted POS operations across the hospitality sector

Cybersecurity Dive: "NCR Working to Recover from Ransomware Attack on Aloha POS Systems" (2023)

Distinguished.



Real-World Examples: Hotels

Omni Hotels & Resorts¹

- Cyberattack caused widespread IT outages
- Reservation disruptions
- Room access issues
- Payment processing interruptions

Otelier Platform Breach²

- Third-party vendor breach exposed guest data
- Impacted major hotel brands
- Personal information exposed

Marriott Data Breach³

- Social engineering attack led to data theft
- 20 GB of data stolen
- Single property affected
- Human-factor vulnerability exploited

¹ CSO Online: "Cyberattack Forces Omni Hotels to Shut Down Its IT Systems" (2024)

² Infosecurity Magazine: "Data of Half a Million Hotel Guests Exposed in Otelier Breach" (2024)

³ Data Protection People: "Marriott Data Breach" (2024)

Real-World Examples: Museums & Galleries

Gallery Systems Attack¹

- Ransomware attack disrupted the eMuseum platform
- Online access to digital collections was impacted
- Affected exhibits and internal operations at multiple U.S. museums

Walters Art Museum²

- Data breach exposed sensitive personal information
- Health-related data was also compromised
- Highlighted cyber risks facing cultural institutions and museums



¹ *The Art Newspaper, "Cyberattack Affects US Museums' Digital Collections and Archives" (2024)*

² *Strauss Borrelli PLLC, "The Walters Art Museum Data Breach Investigation" (2024)*



Real-World Example: Community Associations

Florida Condo Association Scam

- Fraudsters impersonated a legitimate party through email
- Redirected a \$105,000 payment to a fraudulent account
- Resulted in a significant financial loss for the association

Key Biscayne Independent, "Email Fraud Costs Key Biscayne's Botanica Condo \$105,000" (2023)

Distinguished.

Real-World Example: Contractors

Cyberattacks now impact more than 70% of contracting firms.*

Contractor Scam

- Fraudster impersonated a legitimate vendor through email
- Redirected a six-figure contractor payment to a fraudulent account
- Resulted in lost funds and delayed project completion

**ARC Advisory Group & AvidXchange: 2024 Construction Cybersecurity Report*

Distinguished.

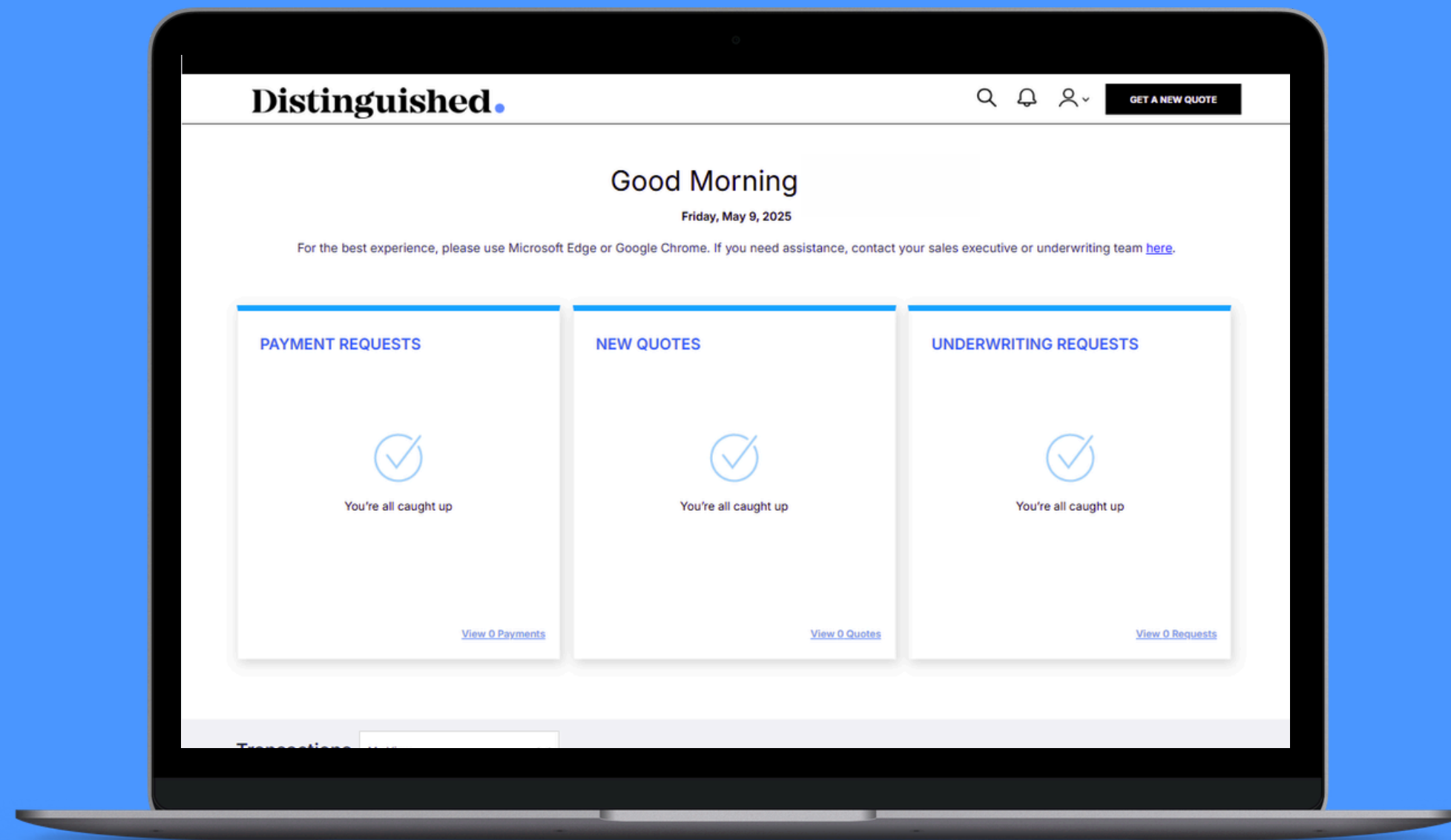


Coming Soon: New Policy Form

Beazley Breach Response 5.0

- New Insuring Agreements:
 - Computer Bricking Loss
 - Reputation Loss
 - Invoice Manipulation
 - Cryptojacking
 - Proof of Loss Expenses
- Enhancements:
 - Cyber Extortion Loss
 - Subsidiary wording

Cyber Liability Available on the Broker Connect Portal



- Submit online for an instant quote
- Upload documents for quicker underwriting reviews (e.g., loss history)
- Request to bind new business online for faster processing
- Sign applications and submit endorsement requests online

Distinguished.

What Coverages does Distinguished's Cyber Liability Insurance Program Offer?

- Breach Response Costs
 - Notifications
 - Legal, Forensic, PR, and Crisis Management Costs
- Cyber Extortion (Ransomware) Costs
- Business Interruption
- Data & Network Liability
- Regulatory Defense and Penalties
- Payment Card Liability & Costs
- Media Liability
- Certain Types of Fraud (Funds Transfer, Telephone, & Fraudulent Instruction)
- Criminal Reward



```
as example of
Single::ToString< >,
Single::ToString< String* >,
Single::ToString< IFormatProvider* >, and
Single::ToString< String*, IFormatProvider* >
generates the following output when run in the en-US
Single number is formatted with various combination
strings and IFormatProvider.

FormatProvider is not used; the default culture is [en-US]
No format string: 11876.54
'N5' format string: 11,876.54000
'E' format string: 1.187654E+004
'ES' format string: 1.18765E+004

A CultureInfo object for [nl-NL] is used for the IForm
No format string: 11876.54
'N5' format string: 11.876.54000
'E' format string: 1.187654E+004

A NumberFormatInfo object with digit group size = 2 and
digit separator = ',' is used for the IFormatProvider:
'N' format string: 1_18_76_54
'E' format string: 1.187654E+004
Press any key to continue . . . _
```

What Doesn't it Cover?

- Cyberattacks by nation-states or terrorist groups
- Post-breach upgrades or betterments
- Losses tied to intellectual property theft
- Long-term reputational damage or projected lost income

Distinguished.

How Much Does Cyber Liability Insurance Cost?

The cost of cyber liability insurance depends on several underwriting factors:

- Size and revenue of the business
- Industry risk profile
- Network security protocols
- History of cyber claims
- Coverage limits and deductibles
- Types of data stored (e.g., credit card info, SSNs)

Distinguished.





Are You Available in All States?

**Yes, coverage is available in
all 50 states.**

Distinguished.



What Carrier Do You Use?

Beazley for Monoline Cyber

Distinguished.

How to Successfully Sell Cyber Liability Insurance

1. Average costs for a breach
2. Understanding required actions during a breach
3. Give real-life examples

Distinguished.



Why Brokers Choose Distinguished's Cyber Liability Program

- Broad coverage
- Media liability
- Limits up to \$5M
- Extortion coverage
- Notification expenses
- 24/7 crisis response
- Expanded eligibility

Distinguished.



Who Should I Contact If I Have Additional Questions?

Haley Cagle

hcagle@distinguished.com

T: (212) 297-3146

For underwriting questions, feel free to email
cyber@distinguished.com.

Distinguished.





Frequently Asked Questions

First, let's dive into some frequently asked questions, then we will go live to today's attendee questions.



Distinguished.



Do Small Businesses Need Cyber Liability Insurance?

Yes, they do. Cyber criminals don't care that you are a small business. In many cases, small businesses are actually seen as easier targets.

Distinguished.

How Do I Submit Business?

To submit new business, make sure your agency is registered.

Get an instant quote through the **Broker Connect Portal**.

If you have any questions along the way, feel free to reach out.



Distinguished.

Follow Us

Find us on social media for market insights and industry news. Learn about our latest free webinars, eBooks, and Case Studies.



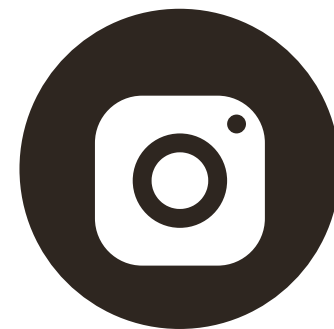
@distinguishedprograms1



@DistinguishedPG



Distinguished
Programs



distinguishedprograms



Distinguished
Programs

Distinguished.



LIVE Q&A | EXPERT INDUSTRY PANEL

Cyber Liability Insurance

Thank you to everyone who joined us for today's webinar. Thank you for your time and have a wonderful rest of your day!

Distinguished.