**MEDIA RELEASE**

**FOR IMMEDIATE RELEASE**

**What is Cyber Liability Insurance for small business owners**

**and what does it cover?**

* Cyber crime costs Australian businesses [$1 billion annually](https://www.pwc.com.au/digitalpulse/gsiss-2018-cyber-security-small-medium-enterprise.html).
* [63 per cent](https://www.digitalnationaus.com.au/news/63-percent-of-organisations-suffered-a-cybersecurity-breach-in-2021-579348) of organisations suffered a cyber security breach in 2021.
* [Cyber Liability insurance](https://www.bizcover.com.au/cyber-liability-insurance/)\* helps protect small businesses from claims in the event of a cyber breach.

The recent cyber attacks on high profile Australian organisations have served as a reminder of the importance of reducing exposure to risks associated with cyber crime and the key role that [Cyber Liability insurance](https://www.bizcover.com.au/cyber-liability-insurance/)\* can play for small business owners.

With cyber crime costing Australian businesses [$1 billion annually](https://www.cyber.gov.au/acsc/view-all-content/reports-and-statistics/acsc-annual-cyber-threat-report-july-2020-june-2021) and [63 per cent](https://www.digitalnationaus.com.au/news/63-percent-of-organisations-suffered-a-cybersecurity-breach-in-2021-579348) of Australian organisations experiencing a cyber security breach in 2021, reducing a business’s exposure to cyber crime makes good business sense. This may be particularly critical considering that [more than 60 per cent](https://insidesmallbusiness.com.au/technology/cyber-security/small-businesses-at-risk-of-exposure-in-the-wake-of-optus-cyber-breach#:~:text=According%20to%20the%20Australian%20Cyber,not%20survive%20a%20cyber%2Dattack.) of Australian SMEs don’t survive a cyber-attack or data breach.

“As Australians have seen with recent high profile cyber attacks on major organisations, the malicious activities of cyber criminals can cause chaos for businesses and have potentially very serious consequences for customers of the targeted business,” explains Dino Tius, Head of IT Operations at BizCover.

“With that in mind, it may be a good idea for IT leads in a small businesses to routinely assess the preparedness and capacity of the business to respond to a cyber crime event.”

**Reducing the risk of** **cyber crime for small business owners**

BizCover, Australia’s leading business insurance comparison website for small business owners, has seen an increase in enquiries from small business owners about reducing their cyber risk through [Cyber Liability insurance](https://www.bizcover.com.au/cyber-liability-insurance/)\* in the wake of the recent high-profile cyber attacks in Australia.

“There is a growing requirement among small business owners for [Cyber Liability insurance](file:///C:\Users\justin.grey\Documents\PR\BCAU-PR\BCAU%20PR-OCT%202022%20x%204\Jane%20Mason,%20Head%20of%20Product,%20Channels%20&%20Risk%20at%20business%20insurance%20comparison%20website%20BizCover), which suggests that small business owners know that they are not immune to the malicious activities of cyber criminals,” explains Jane Mason, Head of Product, Channels & Risk at [BizCover](https://www.bizcover.com.au).  
  
**Cyber Liability Insurance explained**  
  
Cyber Liability insurance is a type of business insurance that protects a business against both the legal costs and expenses related to cybercrime incidents. Costs associated with defending a cyber claim are also covered. This type of insurance assists with the inadvertent loss or release of customer personal information, cyber crime, cyber extortion (ransomware) and business interruption due to a cyber event.

**What does Cyber Liability Insurance cover?**

Cyber Liability coverage may generally include cover for expenses and restoration costs relating to:

* Data breaches including theft or loss of client information.
* Network security breaches.
* Business interruption costs.
* Forensic investigation into the cause or scope of a breach.
* Data recovery costs.
* Cyber extortion
* Crisis management costs.
* Loss and legal costs, including fines and penalties resulting from a third-party claim for data or network security breach against a company.

**What does Cyber Liability Insurance not cover?**

Incidents typically not covered by Cyber Liability insurance include:

* Bodily injury and property damage.
* Prior known facts or circumstances Intentional or fraudulent acts.
* Damage to computer hardware.
* Upgrading of an application, system or network.
* Failure or outage of power, utilities, satellites or telecommunication services.

Jane Mason, Head of Product, Channels & Risk at business insurance comparison website [BizCover](https://www.bizcover.com.au), notes that while the recent cyber attacks on Optus and Medibank targeted large, high-profile organisations, small businesses are also targeted by for cyber criminals.

“Sometimes small business owners may feel that they are too small to be targeted by sophisticated cyber criminals,” says Mason. “But all sizes of businesses can fall victim to cybercrime, and a complacent approach to cyber security may put your business at risk.

“While business insurance such as [Cyber Liability insurance](https://www.bizcover.com.au/cyber-liability-insurance/) can be an effective way to reduce the cyber risks to your small business, so too can a greater knowledge and awareness of the warning signs of malicious cyber threats to your small business.”

**How are you managing your cyber risk?**

With cybercrime in the headlines, now may be the perfect time for small business owners to review their [risk management strategy for cyber attacks.](https://www.bizcover.com.au/cyber-liability-insurance/) Remember – no business is too small to be targeted by cyber criminals

~~\*~~*This information is general only and does not* *take into account* *your objectives, financial situation or needs. It should not be relied upon as advice. As with any insurance, cover will be subject to the terms, conditions and exclusions contained in the policy wording.*

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BizCover is Australia’s largest online business insurance service for SMEs. Operating globally in Australia, New Zealand and the US, more than 180,000 SMEs currently protect their business through BizCover’s proprietary platform.

BizCover allows SMEs to compare multiple free quotes from multiple insurers offering small business owners the option to choose from competitive market rates, purchasing online and getting policy documents delivered instantly.

To date, over one million business insurance policies have been sold through the BizCover platform globally partnered with a panel of leading global insurers. BizCover also provides market-leading solutions to the General Insurance Broking Industry including [BizCover for Brokers](https://bizcoverforbrokers.com.au/) and ExpressCover.

**To learn more about BizCover visit** [**bizcover.com.au**](https://www.bizcover.com.au)**.**

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