

## **UPS CAPITAL INTRODUCES CYBER LIABILITY INSURANCE FOR SMALL TO MID-SIZE BUSINESSES**

*New insurance service reduces financial risk of cybercrime.*

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**ATLANTA, September 12, 2017** – [UPS Capital](#)<sup>®</sup>, a subsidiary of UPS<sup>®</sup> (NYSE:UPS), today announced a new cyber liability insurance solution for small and mid-size businesses. The insurance includes first-party coverage for security breach response, cyber extortion, income and digital asset restoration. The solution also offers third-party coverage for consequences that may result from a cyberattack such as litigation, investigation and fines.

“Cyberattacks and the need for cyber liability insurance are a growing concern for our customers,” said Mark Robinson, President of UPS Capital. “Many small and mid-sized companies are just not prepared for the type of loss a cyber incident can cause. UPS Capital now offers a comprehensive policy to protect small and mid-size businesses against the more complicated and expensive consequences of a cybercrime.”

### **The Impact of Cybercrime**

According to the [2017 Hiscox Credit Readiness Report](#)<sup>1</sup>, 68% of small businesses and 72% of large firms experienced a cyberattack in the last 12 months,

“As companies become increasingly digital, there are more opportunities for attacks” said Robinson. “And, nearly two-thirds of cyberattacks are perpetrated on small and medium-sized businesses<sup>2</sup> putting them in the forefront of the activity.”

The average price of a data breach now stands at about \$4 million<sup>4</sup>. Just one cyberattack can cost a mid-sized business between \$84,000 and \$148,000<sup>3</sup>. Some firms are hit even harder. The impact can be devastating to businesses as operations may come to a halt while the breach is assessed

### **Coverage**

UPS Capital Insurance Agency, Inc., a leader in mitigating supply chain exposure, now brokers comprehensive cyber liability insurance policies that can help businesses mitigate their financial risks. Policies provide broad coverage, and full policy limits include both first- and third-party liability coverage, a big advantage over business owner’s insurance policies, which typically only offer third-party coverage. Unfortunately, 90% of claims are first-party liability.<sup>5</sup> First party coverage includes costs related to:

- Forensics investigation
- Business interruption protection
- Paying cyber extortionist
- Breach notification mailings
- Call center support
- Credit monitoring
- Public relations
- Regulatory defense

This offering is just one of many solutions geared for small and medium-sized businesses. For more details about the UPS Capital® [cyber liability solution](#), visit <https://upscapital.com/product-services/cyber-liability-insurance/>

1. The 2017 Hiscox Cyber Readiness Report. <http://www.hiscox.com/cyber-readiness-report.pdf>
2. Propertycasualty360.com 5/27/2015. <http://www.propertycasualty360.com/2015/05/27/small-mid-sized-businesses-hit-by-62-of-all-cyber>
3. The Guardian (U.S. edition) 1/21/15. <https://www.theguardian.com/business/2015/jan/21/cybersecurity-small-business-thwarting-hackers-obama-america>
4. Forbes Insights, 2017: Enterprises re-engineer security in the age of digital transformation. [http://media.cms.bmc.com/documents/Forbes\\_Insights\\_SecOps\\_Survey.pdf](http://media.cms.bmc.com/documents/Forbes_Insights_SecOps_Survey.pdf)
5. Internal analysis by AIG.

## About UPS Capital

Nobody understands transportation and logistics like UPS. And while you've probably never thought of a UPS company for financing and insurance services, the global supply chain expertise of UPS Capital uniquely positions us to help protect companies from risk and leverage cash in their supply chains. Insurance companies and banks can't say that. UPS Capital and its affiliates have offices throughout the United States, as well as operations in Asia, Europe and Latin America. For more information, visit [www.upscapital.com](http://www.upscapital.com), call 1-877-242-7930, or follow UPS Capital [on LinkedIn®](#) (<https://www.linkedin.com/company/ups-capital>) and [Twitter®](#) (@UPSCapital).

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