



ACCOUNTANTS PROFESSIONAL LIABILITY NETWORK SECURITY AND THEFT OF DATA COVERAGE ENDORSEMENT

Accounting firms are increasingly reliant on technology to do business. Even the most traditional “brick and mortar” enterprises rely on information technology to conduct day-to-day operations. Technology has positively affected organizations in a number of ways, including decreased operational costs, increased speed to market and improved customer service.

This increased reliance on technology, however, comes with a downside. Hackers, malicious soft-

ware, rogue employees and hardware loss or theft are all very real risks to your business. The following claims scenarios provide a variety of examples of problematic situations that accounting firms may find themselves in. More importantly, these scenarios emphasize the importance of ensuring you are adequately protected through a professional liability product that addresses these exposures – specifically, The Hartford’s Accountants Professional Liability “Network Security and Theft of Data Coverage Endorsement”.

Denial of Service	Identity Theft
<p>A disgruntled employee or client is frustrated with the manner in which his tax returns have been handled. Looking to do harm, he brings down the accountant’s website. Clients cannot access the website and employees cannot send emails or files.</p> <p>Other clients of the accounting firm sue the accountant for damages incurred as a result of their inability to access the website and submit information via email.</p>	<p>An accountant makes an office visit to one of his clients. On his way to the office, the accountant leaves his laptop unattended and it is stolen. The thief not only sells the laptop but downloads all of the files and steals the identity of all of the clients.</p> <p>Clients of the accounting firm sue the accountant for damages incurred from the identity theft.</p>
Inadvertent Transmission of Malicious Code	Unauthorized Access
<p>An employee of an accounting firm sends tax returns via email to a client. Unknowingly, the accounting firm’s computer was infected with a virus that was sent along with the tax returns. When the client opens the email, the virus is activated and infects the client’s server which damages their computer system.</p> <p>The client sues the accounting firm for damages occurred from the inadvertent transmission of a malicious code into their network.</p>	<p>A hacker uses a security deficiency to enter an accountant’s server and steals data from emails and files. The hacker then sells the data to 3rd parties who use the data to steal identities.</p> <p>An irate client sues the accounting firm for damages derived from having their identity stolen.</p>

The scenarios summarized herein are offered only as examples. Coverage depends on the actual facts of each case and the terms, conditions and exclusions of each individual policy. Please refer to the policy to determine all terms, conditions, exclusions, and limitations of coverage. Coverage is provided by the property and casualty insurance companies of The Hartford Financial Services Group, Inc. and may not be available in all states.