

# Cyber Liability Threats Facing Accountants

Data Breach Causes <sup>1</sup>



- 42% malicious / criminal attacks
- 30% employee negligence
- 29% system glitches

Hackers breached computers of a small accounting firm in Ridgefield, CT, stealing 900 client files containing tax records. <sup>2</sup>



~60%

of small businesses close within 6 months of a cyber crime. <sup>3</sup>



Cloud storage services are not immune to security risks and bear no responsibility for stolen data. <sup>4</sup>

20%

of all cyber attacks hit businesses with 250 or fewer employees. <sup>3</sup>



An employee of a CPA firm in Miami, FL, was pulled over for a traffic violation and found with 300 stolen client files, including tax returns, checks, and credit cards. <sup>2</sup>



Thieves stole a computer from a CPA firm in Albuquerque, NM, gaining access to more than 100K client records. <sup>2</sup>



Tax refund fraud is the #1 cyber risk facing CPAs. <sup>5</sup>

#1



An auditor in Birmingham, AL, mailed a flash drive containing 27K pension records. When the envelope arrived, it was found open and the flash drive stolen. <sup>2</sup>

Average cost per compromised record \* <sup>1</sup>

\$206

Aon Insurance Services has been the endorsed provider of the AICPA Professional Liability Insurance Program since 1967. The program offers CPA NetProtect® to cover firms of all sizes against data protection risks. CPA NetProtect® is underwritten by a CNA member company. For more information, please contact Aon at 800.221.3023 or visit [www.cpai.com](http://www.cpai.com).

\* Cost specific to the US financial services industry

<sup>1</sup> Ponemon Institute, 2014 Cost of a Data Breach Study, May 2014.

<sup>2</sup> Privacy Rights Clearinghouse, Identity Theft & Data Breaches, [www.privacyrights.org](http://www.privacyrights.org), California, 2014.

<sup>3</sup> Karol, Gabrielle, "Survey Finds CPAs in Dark on Cyber Threats," Fox Business News, August 1, 2013.

<sup>4</sup> Angeles, Sara, "8 Reasons to Fear Cloud Computing," Business News Daily, October 1, 2013.

<sup>5</sup> Singleton, Tommie. "The Top 5 Cybercrimes." AICPA. October 2013.

Aon Insurance Services is the brand name for the brokerage and program administration operations of Affinity Insurance Services, Inc. (AR 244489); in CA and MN, AIS Affinity Insurance Agency, Inc. (CA 0795465); in OK, AIS Affinity Insurance Services Inc.; in CA, Aon Affinity Insurance Services, Inc. (0G94493), Aon Direct Insurance Administrator and Berkely Insurance Agency; and in NY, AIS Affinity Insurance Agency.

One or more of the CNA companies provide the products and/or services described. The information is intended to present a general overview for illustrative purposes only. It is not intended to constitute a binding contract. Please remember that only the relevant insurance policy can provide the actual terms, coverages, amounts, conditions and exclusions for an insured. All products and services may not be available in all states and may be subject to change without notice. CNA is a registered trademark of CNA Financial Corporation. Copyright © 2015 CNA. All rights reserved.