

## **“Our condo association isn’t a target for cyber-attack.”** That’s exactly what cyber thieves want you to think.

**Data breach and cyber attacks are more prevalent than ever, and no business, large or small, is immune from cyber risk. This includes condo associations and their property management companies.**

### **What cyber thieves want**

Why is cyber risk relevant to condo associations and their property management companies? Because condominiums, like other businesses, have two things attackers want:

**1. Money.** All condo associations and property management companies have bank accounts, and many use and accept electronic forms of payment.

**2. Private information.** Think of all the private personal identifying information you collect; employee records, social security numbers, bank accounts, routing numbers, credit card numbers and more. Cyber thieves want your confidential unit owner, employee and vendor data. That information is currency to cyber thieves.

As technology transforms your industry, your cyber risks increase. More Internet connectivity — cloud computing, electronic payments for vendors and even remote-controlled building and security systems — gives thieves more opportunities to get what they want. And with less cyber security than big companies, you’re an easier target for hackers.

### **The risk is real**

- Consider these cyber scenarios experienced by others. If it happened to them, it can happen to you.
- A board member loses a laptop containing association bank account numbers and passcodes.
- A unit-owner association board member clicks on a link that installs ransomware and encrypts all of the association’s data. A ransom demand is made for payment in bitcoin to unencrypt the data.
- A condo association’s computer system was hacked through a windows vulnerability, resulting in unit owner records being compromised.
- Hackers found a weakness in a condo association’s system and were able to infect it with a virus that then passed to their property manager’s system.
- A property manager sent accounts receivable files and bank statements to a real estate agent who had a data breach; association data wound up on public websites.
- An association website, managed by the property manager, held a gold mine of association and unit owner information. The website was hacked and the information was compromised. Outraged owners removed the entire board.

### **High cost of cyber risk**

When a data breach or cyber-attack occurs you have to contend with multiple issues. It needs to be investigated by a forensic IT specialist, legal counsel is often required, and notifications sent to affected persons and so on. And often the most expensive and time-consuming part of the ordeal involves data recovery or reconstruction and systems restoration.

### **Broad cyber coverage**

To provide multiple layers of insurance defense for evolving cyber risks we provide comprehensive coverage for pervasive cyber threats including:

- data breach
- cyber attack
- fraud
- third party liability
- identity theft
- system failure
- and more

With the pace of cyber-attacks, sophistication of cyber criminals and costly damage cyber incidents cause every condo association and property manager needs cyber insurance.