



Alamance Farmers
MUTUAL INSURANCE

More Than Just Computers: What Is Home Cyber Protection Coverage?

AFM has automatically included the Home Cyber Protection endorsement on our Select Homeowners policies since January 2021. Although this coverage has been provided for some time, AFM still receives many questions from our policyholders and agents as to what benefits are provided by this endorsement.

Most individuals equate the word “cyber” with a desktop or laptop computer. This may lead you to assume that if you don’t often use a home computer, you don’t have a use for this coverage on your homeowners policy.

However, as smart products have become an increasingly common part of many individuals’ lives, there are several other devices that would fall under this coverage as well. Examples are smartphones, smart thermostats, smart televisions, and appliances such as dishwashers, refrigerators, and ovens that connect to the internet. Odds are you frequently use at least one or more of these items.

Additionally, if you volunteer for a non-profit organization such as a church group or their child’s Little League team, you may have possession of personally identifying information for members of that organization on your personal computer or smartphone. In this case, a cyber criminal may not only gain access to your information by hacking the device, but also to that of those other individuals.

This endorsement provides coverage for Cyber Attack, Cyber Extortion, Fraud, Data Breach, and Identity Recovery. Many of these phrases are hot topics on the news or at your place of employment, and for good reason. Cyber crime is only getting worse, and bad actors are only getting more savvy. The Cybersecurity & Infrastructure Security Agency notes that 1 in 3 homes with computers are infected with malicious software, and that 65% of Americans who went online received at least one online scam offer. For more statistics, visit their website at <https://www.cisa.gov/be-cyber-smart/facts>.

Although Home Cyber Protection is an opt-out coverage, meaning that you can request that this endorsement be removed either at policy inception or at policy renewal, AFM strongly advises against doing so, as we feel this endorsement provides valuable coverage for most households. If you question the benefits of this coverage, we ask that you first consider the protection it provides prior to contacting your agent to remove it. The consequences of cyber crime can be devastating. This coverage can help.

