

When cyber incidents cause physical damage

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Our Cyber Property Damage Loss endorsement is another capability within Full Spectrum Cyber, providing clients with added protection when cyber incidents result in physical damage.

Closing the gap

Businesses today face accelerating cyber risks that go far beyond data loss or breach of information. A cyberattack can now cause real-world physical damage to critical assets and disrupt operations in ways traditional Property and Cyber insurance weren't designed for.

A malicious cyber incident can:

- Shut down machinery or automated processes
- Physically damage equipment, servers, or infrastructure
- Trigger fires, overheating, sprinkler discharge, or electrical faults
- Bring operations to a halt across one or multiple sites

When this happens, organizations often assume either their property insurance or cyber policy will respond. In reality, a coverage gap can exist, leaving businesses exposed to high severity losses that sit between the two:

- Property policies may not respond or heavily sublimit cover when damage is caused by a malicious cyberattack
- Cyber policies may not clearly respond when the loss is physical rather than digital

Our Cyber Property Damage Loss endorsement is designed to close this gap.

Benefits of the endorsement

- **Closes a critical exposure gap**
Provides clear cyber cover when a cyberattack causes physical damage to tangible property.
- **Removes uncertainty at claim time**
The endorsement will ensure the claim is handled by a single insurer (Beazley) and a single claims team, avoiding delays, duplication or disputes between separate property and cyber insurers when fast recovery matters most.
- **Provides robust limits**
The limit available with the endorsement is set at the same level as your cyber policy, so meaningful protection is available when it matters most. If you want to explore extra capacity, then please contact your broker and ask about [Beazley Quantum Cyber](#).
- **Complements Property insurance**
Designed to work alongside existing property insurance, addressing cyber-caused physical damage that may not be clearly covered elsewhere.

Evolving with the risk

This new endorsement is part of Beazley's [Full Spectrum Cyber](#) approach, offering clients a cyber solution that continuously adapts and evolves as threats change.

Contact your usual cyber or property underwriter for more information. The endorsement is available for clients with over \$/£/€ 500m annual revenue with a Beazley InfoSec Cyber Liability policy.

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