

Cyber Insurance: Understanding The Risk



Cohen Partners LLC

Daniel Cohen *Commercial Executive*

DISCLAIMER

- This presentation is advisory in nature and necessarily general in content. No liability is assumed by reason of the information provided. Whether or not or to what extent a particular loss is covered depends on the facts and circumstances of the loss and the terms and conditions of the policy as issued. The precise coverage afforded is subject to the terms and conditions of the policies as issued.

WHERE DOES CYBER INSURANCE FIT?

General Liability

Directors & Officers

Errors & Omissions

WHERE DOES CYBER INSURANCE FIT?

General Liability – Bodily
Injury & Property
Damage

Directors & Officers –
Management Liability

Errors & Omissions – Error
in your service

Cyber Liability –
Privacy Liability &
Network Security
Liability i.e. data
theft/damage
from a network
intrusion,
AND FIRST PARTY
coverage

Network Data Breach

Privacy Liability

- Unauthorized access to private information
- Theft of physical (papers, laptops or mobile devices) or electronic data



Network Security Breach

Network Security Liability

- Virus transmission via your website or email
- Denial of service from a network shutdown



**Traditional policies start at \$1,000,000 limit*

>

Cyber Insurance First Party Expenses

"87% of claims over three years include costs for one or more components of crisis services" - 2017 NetDiligence Claims Study

- **Breach Expenses**

1. Expenses for determining what data/identity information was accessed (IT Forensics)
2. Notification expenses
3. Credit monitoring
4. Call center
5. Business Interruption
6. Network Restoration
7. Cyber Extortion (Ransomware)
8. Electronic Theft



Application & Underwriting

1. Company information - financials, operations, data type and volume
2. Information security Controls –
 - A. Administrative – Limit employee access
 - B. Physical Security
 - C. Technical controls – Encryption, Anti-Virus Software etc.
3. Compliance and procedures – Regulatory compliance (PCI, HIPAA), **privacy policies and incident response plans**, vendor risk management
4. Security audits, assessments, and employee training

The Value of Cyber Insurance

- Risk Financing
- Business Continuity
- Risk Prevention and Crisis Management
- Cyber Insurance companies provide educational tools to policyholders, and connections to crisis management resources such as legal and technology experts

The End

Please visit cpcyberinsurance.com for more information on cyber insurance!