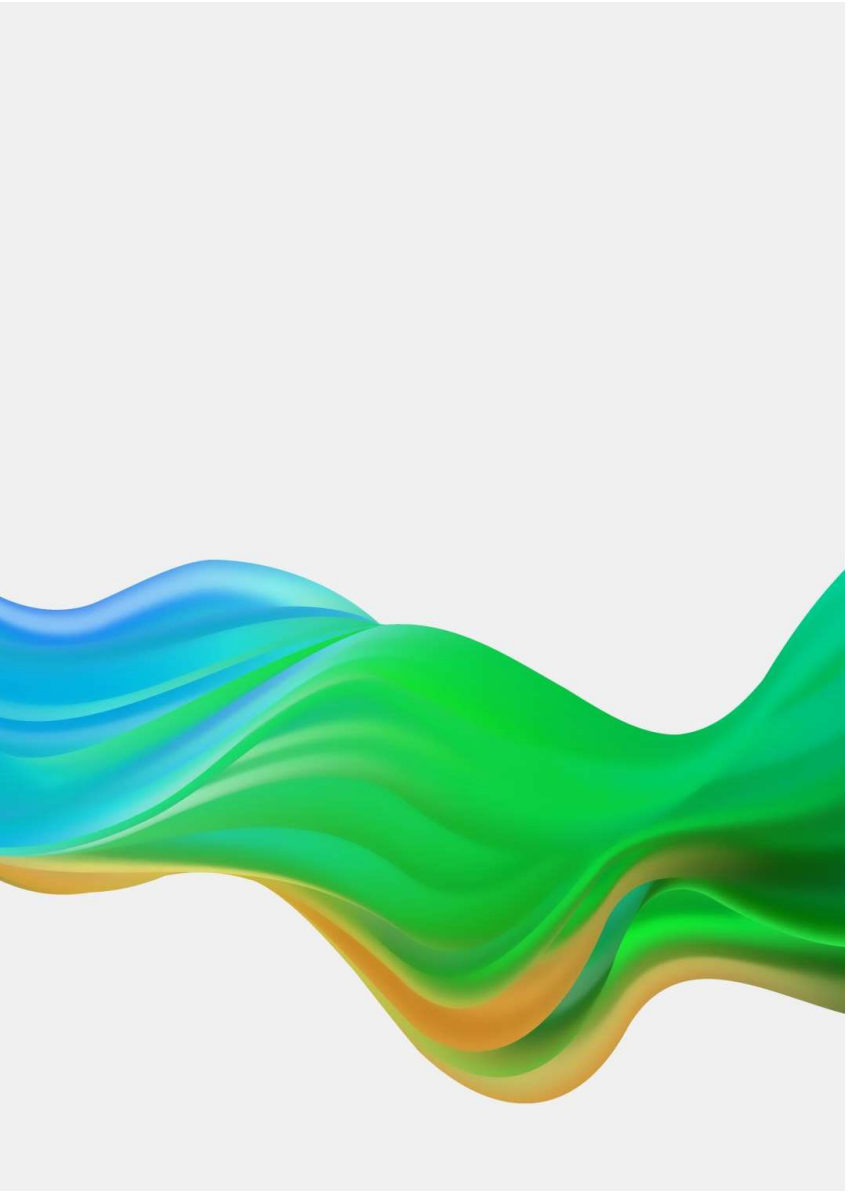


UNDERSTANDING CYBER RISK

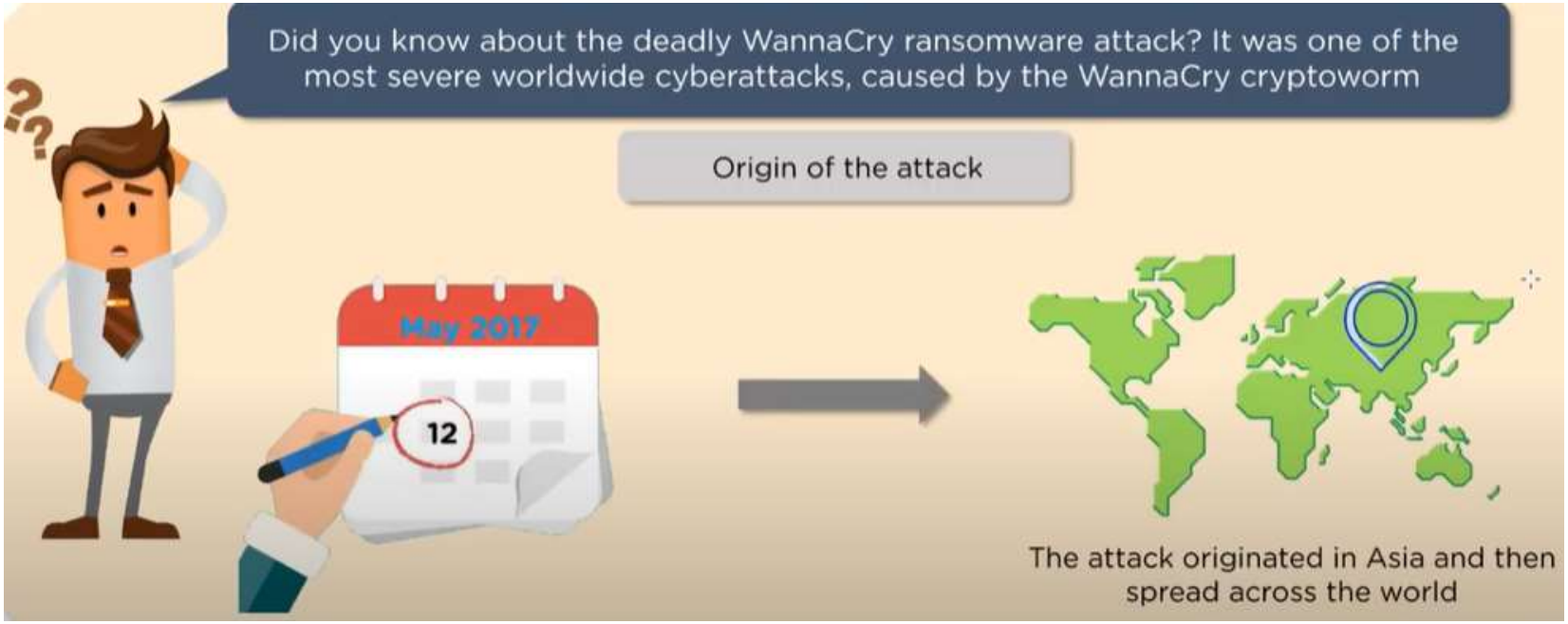
-The most disruptive risk of next decade

Presented by :
Harsh Jaitak

POLL 1: HAVE YOU EVER WORKED ON CYBER INSURANCE PRODUCTS?

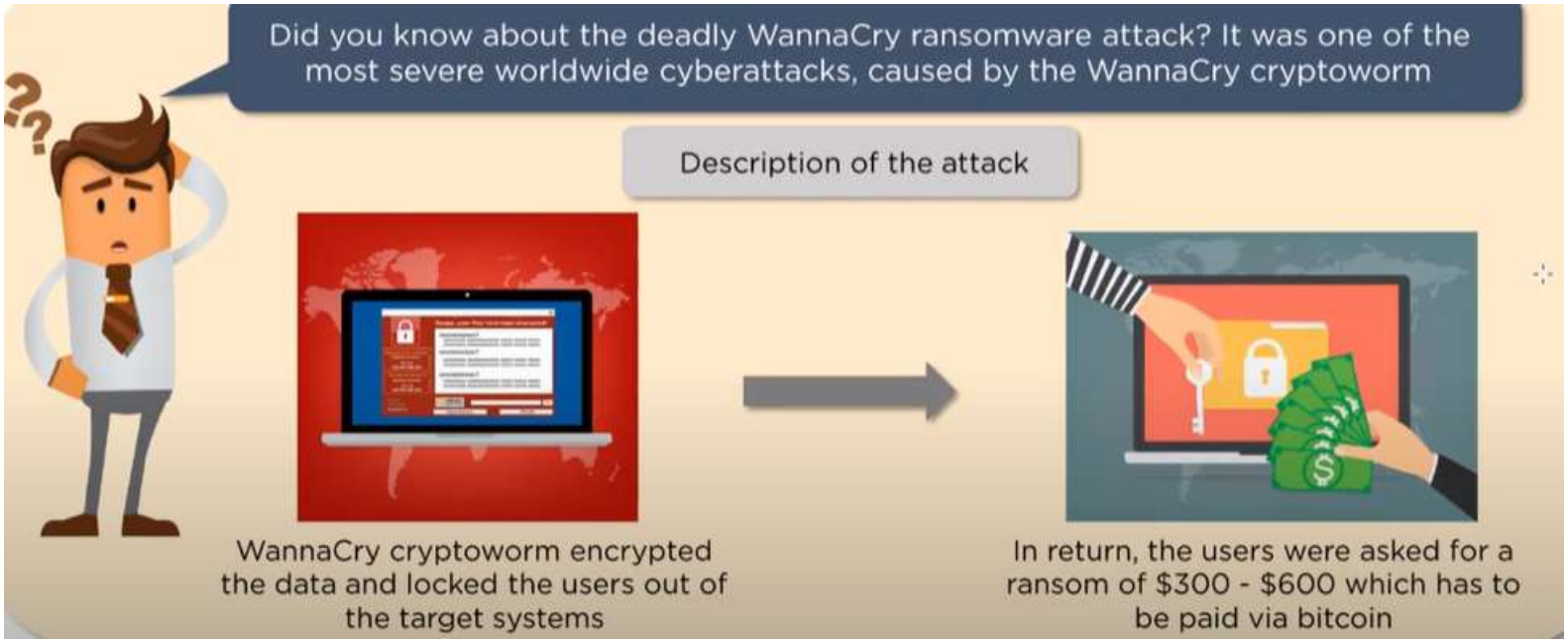
- Yes
- No

RISE OF CYBERCRIME



More than 230,000 computers were affected across 150 countries

RISE OF CYBERCRIME



Both private and government organizations were hit.Nissan and Renault had to put their business on hold.

RISE OF CYBERCRIME

Personal Identifiable information stolen.

TYPE OF CYBERATTACKS

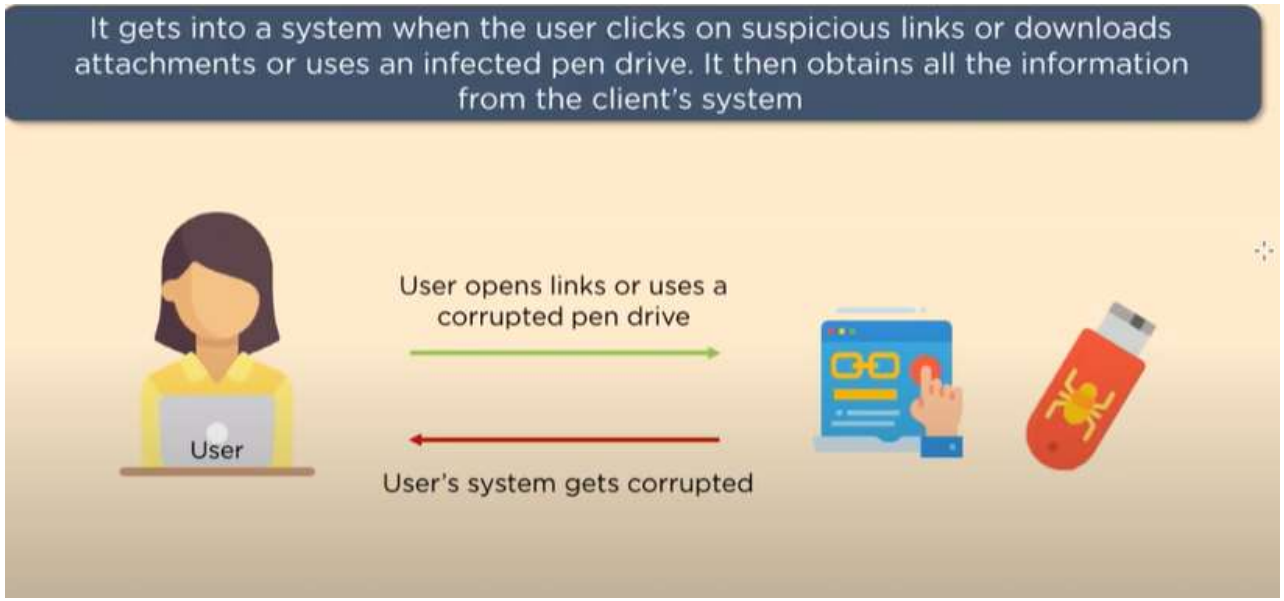
- Malware Attack
- Denial Of Service Attack
- Social Engineering Attack
- SQL Injection Attack
- Man in the middle attack
- Password Attack

POLL 3: WHICH OF THE FOLLOWING DO YOU KNOW LEAST ABOUT?

- Malware Attack
- Denial of Service Attack
- Social Engineering Attack
- SQL Injection Attack
- Man in the middle attack
- Password Attack

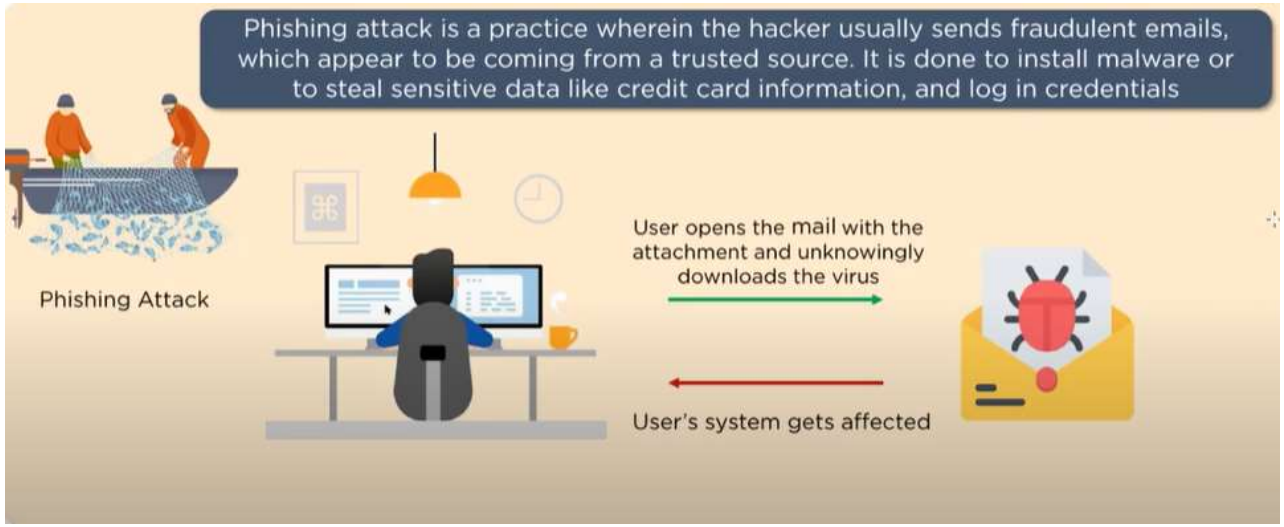
MALWARE ATTACK

MALWARE ATTACK



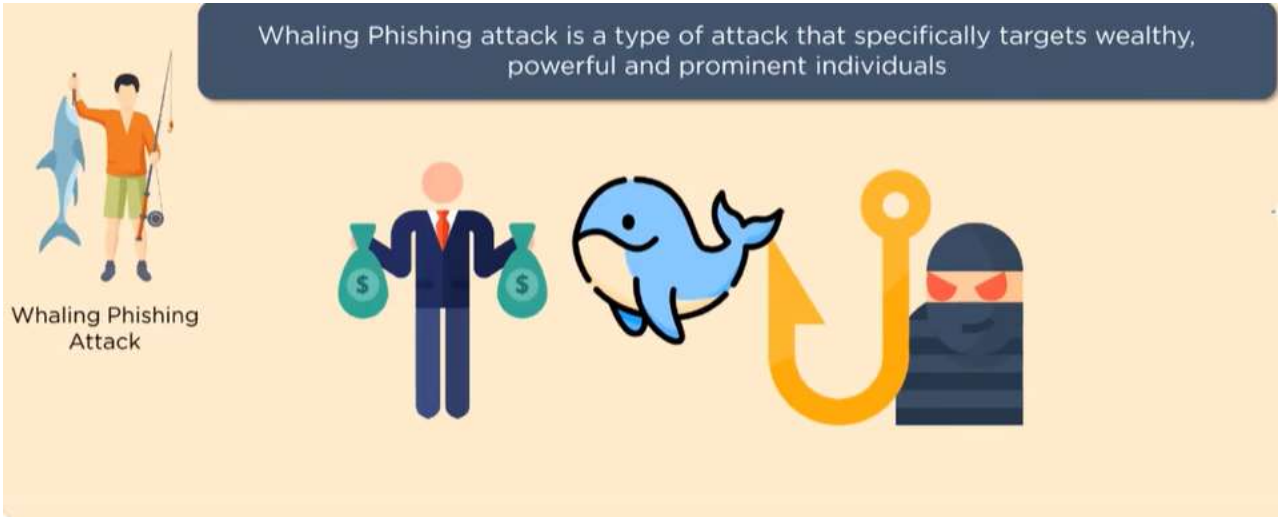
SOCIAL ENGINEERING ATTACK

PHISHING ATTACK

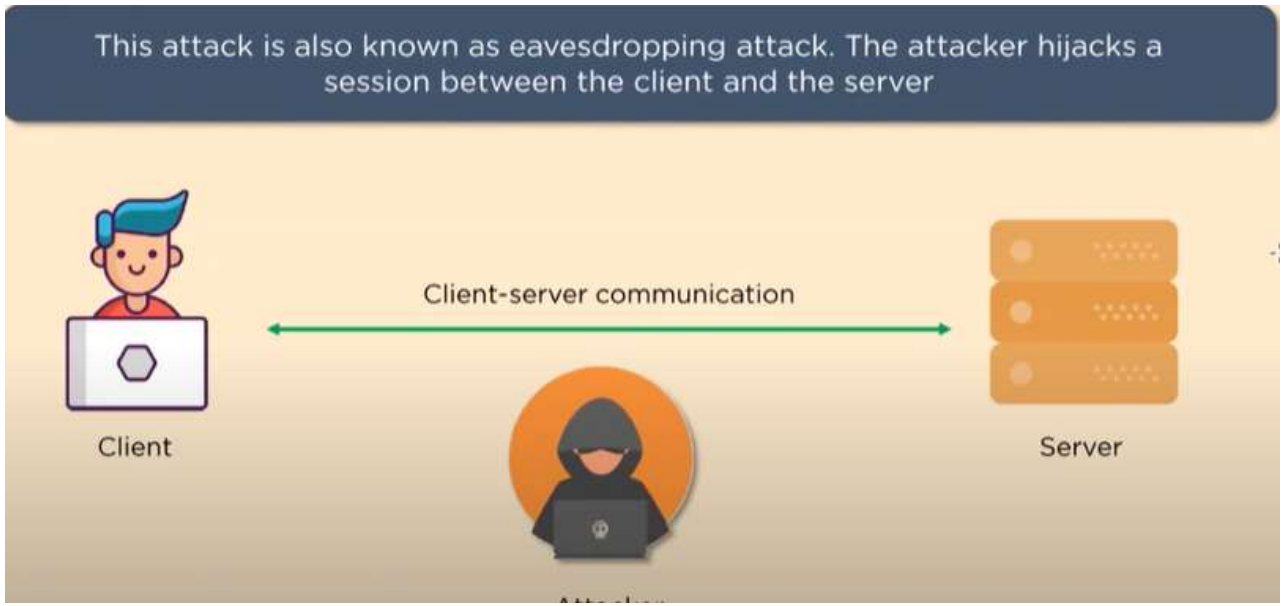


SPEAR PHISHING ATTACK

WHALING PHISHING ATTACK

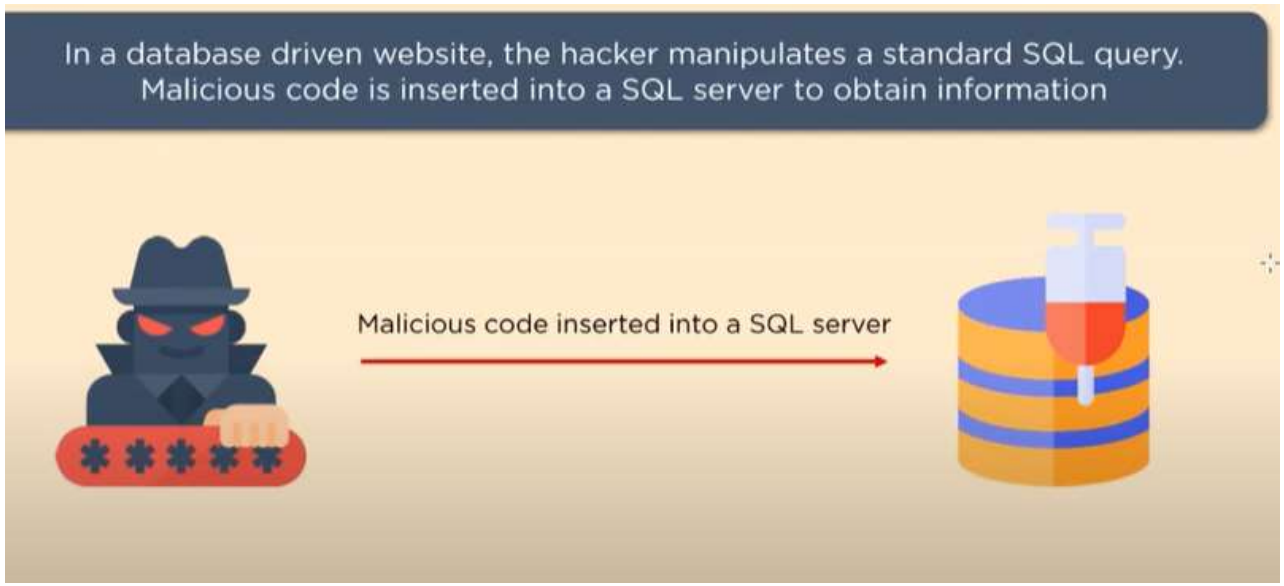


MAN IN THE MIDDLE ATTACK

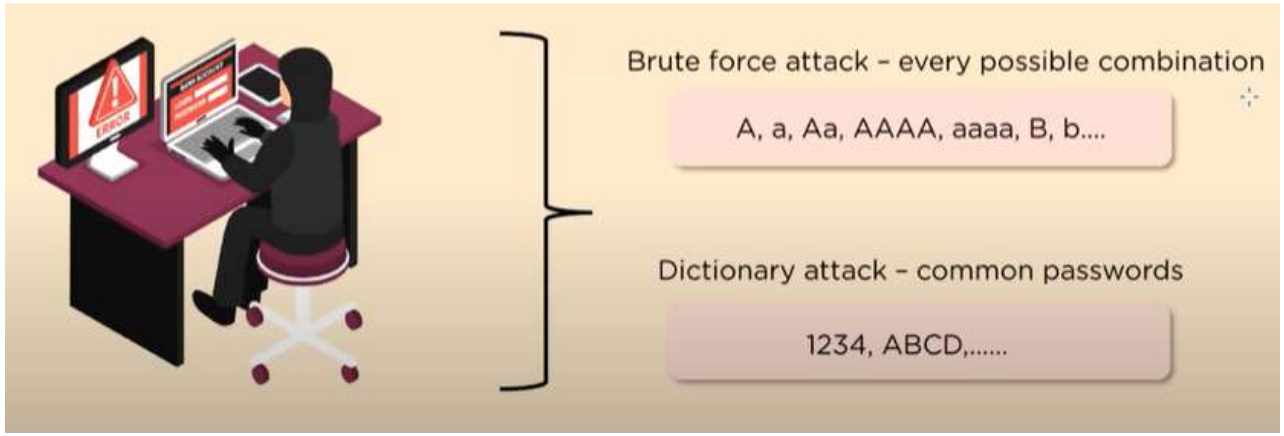


DENIAL OF SERVICE ATTACK

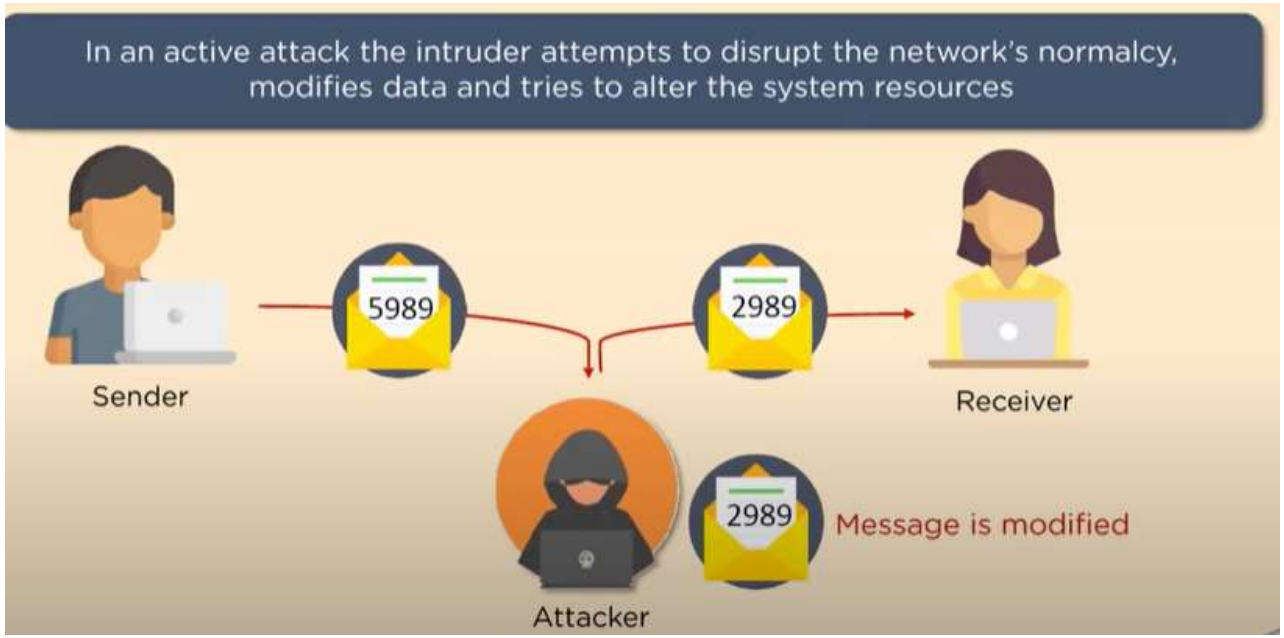
SQL INJECTION ATTACK



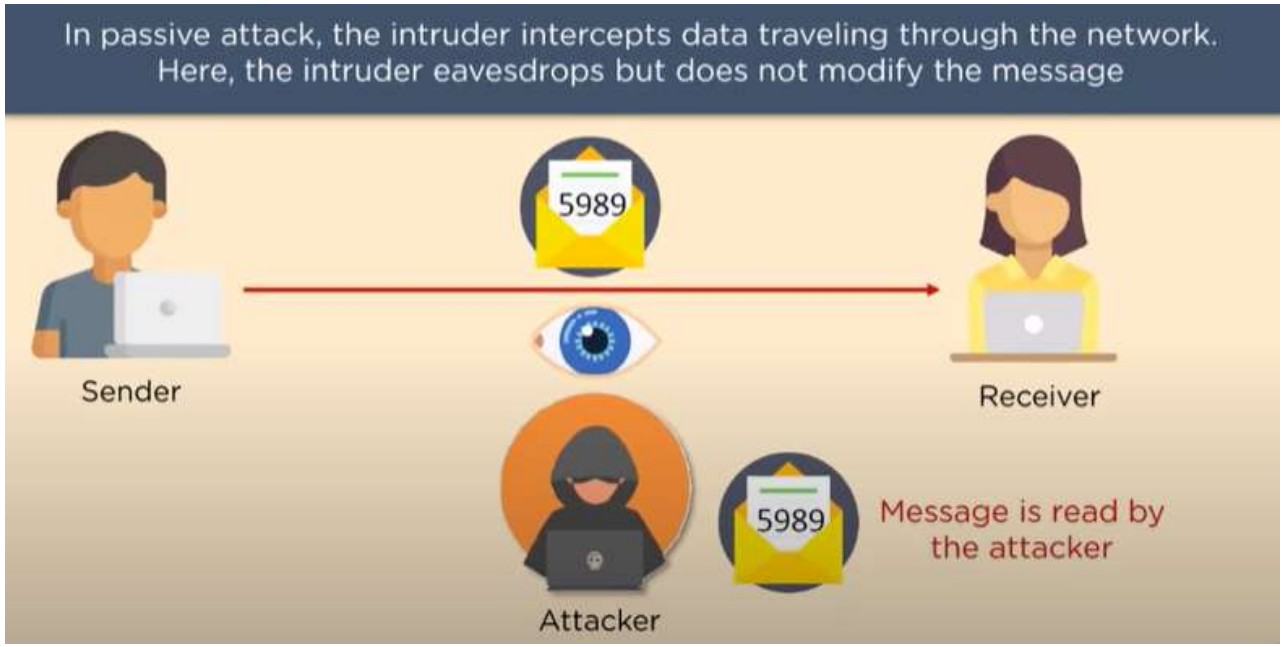
PASSWORD ATTACK



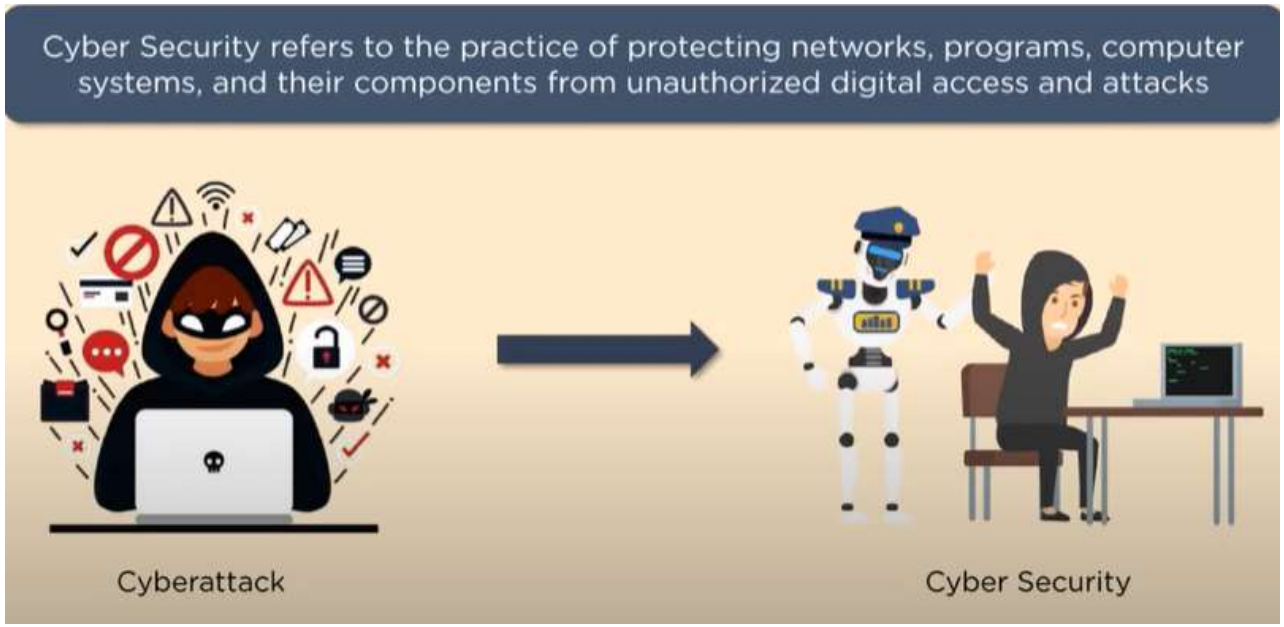
ACTIVE NETWORK ATTACK



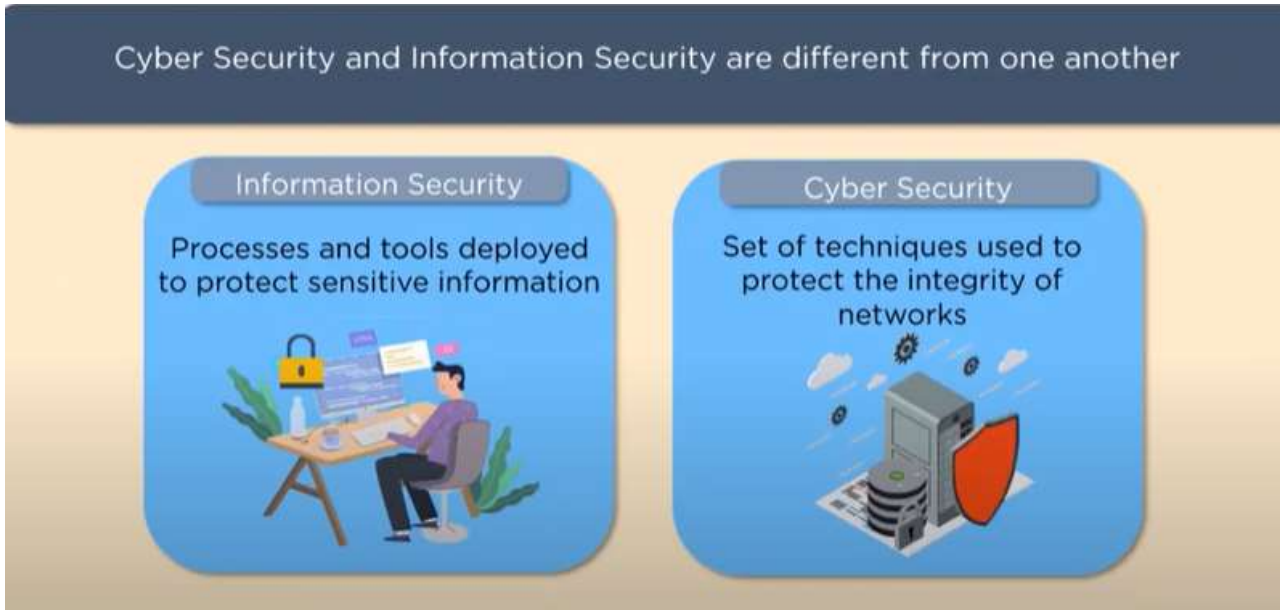
PASSIVE NETWORK ATTACK



CYBER SECURITY



CYBER SECURITY AND INFORMATION SECURITY



POLL 4: DO YOU KNOW THE VALUE OF YOUR DATA?

- Yes
- No

POLL 5: DO YOU KNOW WHERE YOUR DATA IS ?

- Yes
- No

POLL 6: DO YOU KNOW WH0 HAS THE ACCESS TO YOUR DATA ?

- Yes
- No

POLL 7: DO YOU KNOW WHO IS PROTECTING THE DATA ?

- Yes
- No

POLL 8: DO YOU KNOW HOW TO RESPOND IN CASE THE DATA IS COMPROMISED ?

- Yes
- No

ANSWER THESE 5 KEY QUESTIONS

Do you know value of your data ?

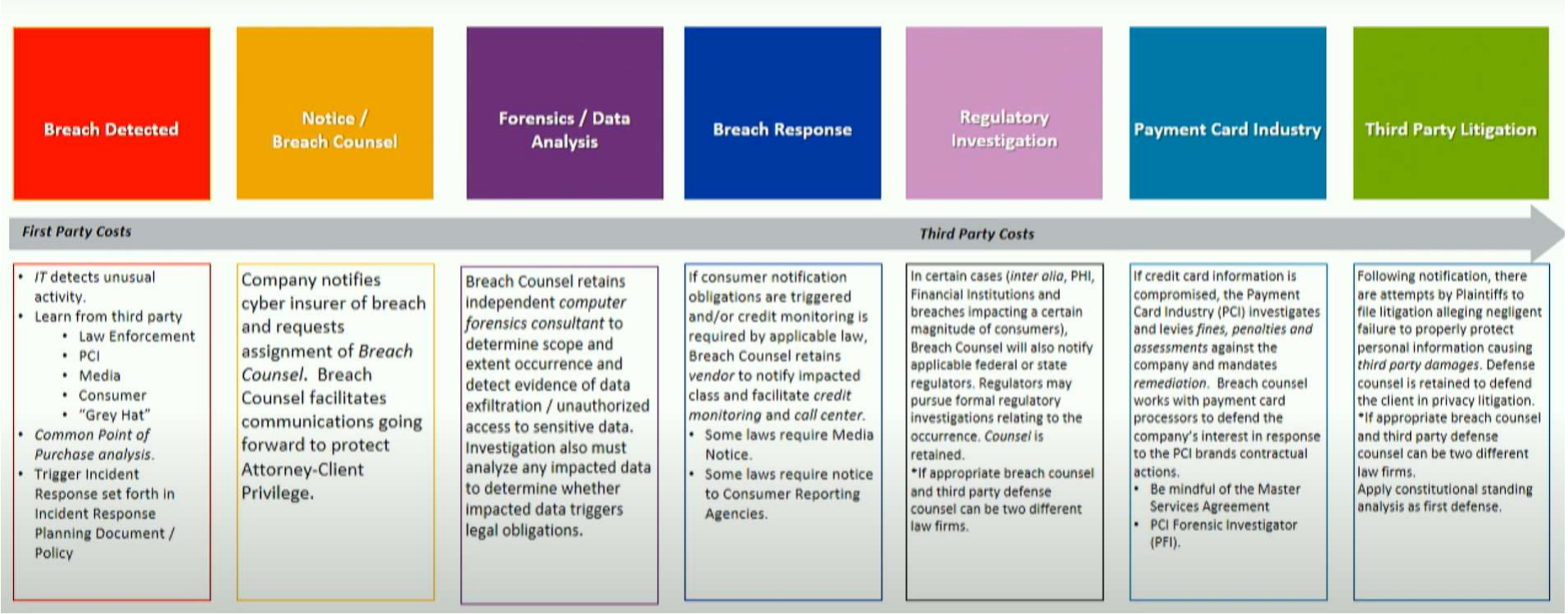
Do you know where your data is?

Do you know who has access to this data?

Do you know who is protecting the data ?

Do you know how to respond in case data is compromised ?

LIFECYCLE OF A DATA BREACH



Source:RSA

POLL : HAVE YOU EVER HEARD OF NATPETYA ATTACK?

- Yes
- No

STANDALONE CYBER POLICY COVERAGE

First Party

- Incident Response/ Crisis Management Costs
- Forensics / IT / Data Recovery / Systems Restoration / E-Discovery
- Legal
- Notification / Call-center
- Public Relations
- Business Interruption / Contingent Business Interruption
- Digital Extortion

Third Party

- Broad coverage for failure to protect data
- Vicarious liability coverage for vendors (Business Associates, Tech Providers (Saas, PaaS, etc).
- Regulatory fines & penalties
- Civil & Class Action Defense

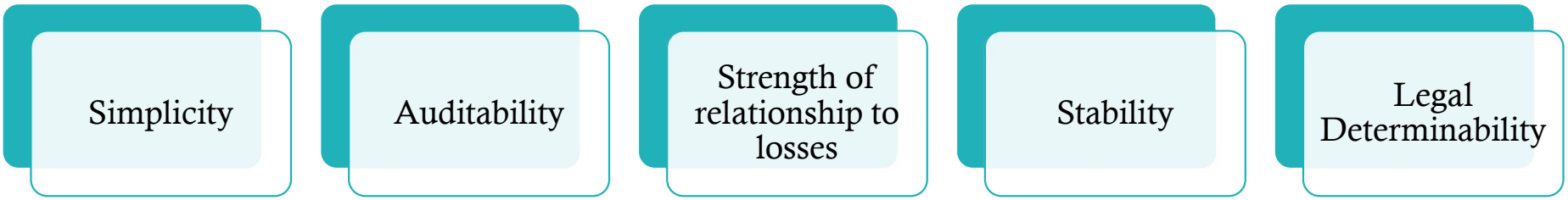
Other Benefits

- "Other Insurance" Clause may make professional liability policy primary
- Preserves Errors & Omissions policy limits for professional Liability claims rather than data breaches
- Cyber policies generally have lower deductibles
- "Primary / noncontributory" language is being added to some cyber policies to avoid coverage disputes

Source:RSA

POSSIBLE EXPOSURE MEASURES

CRITERIA FOR EXPOSURE



MAJOR COVERAGES

PRIVACY LIABILITY

NETWORK
SECURITY LIABILITY

CYBER EVENT
RESPONSE

FOCUS: PRIVACY LIABILITY COVERAGE

1

Losses : Damage, Defense Costs and Fines

2

Bad exposure measures : Harm Caused, Preventive measures

3

Possible Measures : Class Size or related proxy

CLASS SIZE

01

Two types: Service providers(Employees) and Service receivers(Customers)

02

Customers uniquely identified and those not uniquely identified .

03

Employee vs customer class size

ACTUARIAL CHALLENGES

- Data and standardization issues
- No geographical Limitation
- Network risk from External Perspective
- The Human element

ACTUARIAL CHALLENGES

- Correlation of attacks
- Actuarial Paradox
- Cyber Catastrophe
- Technology Evolution and Silent Coverage

QUESTIONS AND ANSWERS