

DATA BREACH / CYBER LIABILITY

Actual release or disclosure of information to an unauthorized individual / entity that relates to a person AND that:

- May cause THE PERSON inconvenience or harm (financial/reputational)
 - Personally Identifiable Information (PII)
 - Protected Healthcare Information (PHI)

Actual release or disclosure of information to an unauthorized individual/entity that relates to a person AND that:

- May cause YOUR COMPANY inconvenience or harm (financial/reputational)
 - Customer Data, Applicant Data
 - Current/Former Employee Data, Applicant Data
 - Corporate Information/Intellectual Property

DATA BREACH / CYBER LIABILITY

Improper Disposal of Data

- Paper - Un-shredded Documents, File cabinets without checking for contents, X-Ray Images
- Electronic assets - computers, smart phones, backup tapes, hard drives, servers, copiers, fax machines, scanners, printers

Phishing / Spear Phishing Attacks – emails from familiar businesses or individuals
Network Intrusions / Hacks / Malware Viruses / Lost / Missing / Rogue Employees

Responding to a Breach

- Perception is half the battle - people use “breach” too frequently and you don’t want your customers or regulators to think you are subject to numerous breaches
- Train your Incident Response Team to not use “Breach” within internal communications as you vet out or investigate the “Security Incident”
- Evaluate and investigate the event – forensics firm (impartial, defensible position)
- Manage the short term crisis – credit monitoring, public relations
- Handling the crisis long term – lawsuits, fines, penalties

DATA BREACH / CYBER LIABILITY

Landscape

- 47 states have notification laws, but Alabama is not one
- Notification addresses timeliness, content awareness to regulatory agencies and AG

Best practices – Preparedness / Response

- Written Incident Response Plan
- Exercises (drills)
- Legislative updates

- Notify quickly and correctly
- Investigate
- Leverage external resources (Privacy attorney, forensics)

Cyber liability coverage

- Indemnity – reimburses expenses incurred
- Breach service – same as indemnity but carrier takes control

DATA BREACH / CYBER LIABILITY – TOP COMPANIES

ACE Group
AIG
Allied World Assurance Co.
American Alternative Insurance Co.
AmTrust Group
Arch Specialty Insurance Co.
Argo Group US Inc.
Argonaut Insurance Company
Aspen U.S.
Atlantic Specialty Insurance Co.
Beazley Insurance Co. Inc.
Chubb Group of Insurance Cos.
CNA Insurance Cos
Great American Insurance Cos.
Hanover Insurance Group Inc.
Hartford Steam Boiler Inspect. & Ins. Co.
Healthcare Providers Insurance Exchange
Hiscox Insurance Co. Inc.
Homeland Insurance Company of Delaware
Homeland Insurance Company of New York
Hudson Specialty Insurance Co.

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DATA BREACH / CYBER LIABILITY – TOP COMPANIES (CONT'D)

Ironshore Inc.

Lloyd's of London

Markel Corp.

Medical Protective Co.

Munich Reinsurance America Inc.

OBI National Insurance Co.

OneBeacon Insurance Co.

Philadelphia Insurance Co.

RLI Insurance Co.

Rockhill Insurance Co.

StarNet Insurance Co.

The Navigators Group Inc.

Travelers Cos.

United Specialty Insurance Co.

W.R. Berkley Corp.

XL Insurance Co.

Zurich

Zurich American Insurance Co.



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