

# an<sup>o</sup>gel<sup>®</sup>

intelligent online insurance solutions  
for small to medium sized businesses

## CYBER LIABILITY INSURANCE

Presented by Gary Green  
Regional Sales and Business Development



Q: How many of you .....

a. ...sell Liability Insurance?

Q: ... sell Property Insurance?

Q: ... sell Cyber Insurance?



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6 X

YOUR CLIENT'S BUSINESS  
IS **SIX TIMES** MORE LIKELY  
TO SUFFER A CYBER  
ATTACK THAN A FIRE!!

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# CYBER RELATED FRAUD PROBLEM

**4.7M**

reported business  
cybercrimes in  
2017 (+67%)

**1.18bn**

reported fraud and  
computer misuse  
incidents in the UK  
2015/16

**68%**

Year on year rise  
in reported cyber  
crime

**47,000**

Reports each  
month to UK  
action fraud

**1,300%**

Rise in the last 18  
months in  
reported email  
scams (FBI)

**US\$3.1bn**

Lost to scams in  
the last 18 months  
(FBI)

# What's covered?

- **Multimedia Internet Liability**  
Claims made against you arising out of the performance of media activities
- **Security and Privacy Liability**  
Claims made against you arising out of a privacy and security breach
- **Privacy Notification and Crisis Management Costs** that you incur following a data breach
- **Emergency Response Costs**
- **Extortion Demands**
- **Regulatory Investigations**
- **Business Interruption**  
Loss of profit and/or operational expenses caused by a network compromise to the computer system
- **Loss of Electronic Data**  
costs of replacing, updating or restoring your electronic data which has been destroyed, lost, damaged, or altered during a network compromise  
costs incurred in remedying the issue which allowed your electronic data to be destroyed, lost, damaged, or altered during a network compromise



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# .....and what's **NOT** covered?

- Claims or circumstances you know about prior to buying the policy
- Fraud and dishonesty
- Fines and Assessments
- Claims arising from any failure to install and maintain automatically provided updates from the software provider for business critical software
- Wear and tear or failure of any electrical equipment in normal use
- Any actual or alleged physical damage or destruction of any tangible property, including resulting loss of use
- Crime



# Who is it for?

- Companies registered in the United Kingdom with no business or clients based in the USA or Canada
- Companies with turnover up to £10,000,000
- Companies that do not transact, process or store more than 10,000 records containing personal data
- Companies who do not operate as:
  - a government department or agency, council, local authority or public body
  - a payment card processor or gateway, payroll processor
  - a social or professional networking site or service; dating site or service
- Companies who do not undertake data warehousing, direct marketing, data aggregation, information broker, mobile app or video game developing/publishing, financial institutions ((including but not limited to banks and buildings societies), gambling, healthcare or medical diagnosis/treatment , family planning, substance abuse, adoption, abortion, franchising, pornography

# Who is it for?

- Companies who always encrypt/password protect mobile computing devices (for example laptops, tablets, mobiles, PDAs) and portable data storage media (USB sticks, flash drives, magnetic tapes) which store, process or have access to personal data
- Companies who are compliant with the Payment Card Industry Data Security Standards (PCI/DSS) if they accept, transmit or store any payment cardholder data
- Companies that have a Firewall and Anti-Virus Protection Software installed and active on all of their Computers &/or Servers
- Companies that have not had any regulatory, governmental or administrative action, or any investigation or information request concerning any handling of personal data been brought against
- Companies that have not had any previous Cyber claims



# Who is it for?

## **A BROAD RANGE OF INDUSTRIES:**

Academic Consultancy, Access / Disability Consultant, Accommodation Agency  
Accountancy, Accountancy - Chartered or Certified (Accounting), Accountancy (Non  
Chartered or Certified), Accountancy (non-ICA), Accountancy Company Tax for  
Unquoted Companies (Accounting), Accountant Assistant, Accountant Assistant (non-  
ICA), Administration, Administration and Secretarial Services, Administrative Services,  
Adult Learning Inspector, Advertising Agency, Advertising Consultancy, Advocacy and  
Immigration Consultancy, Aerial & Satellite Dish Erector (D&C), Aerial Erector (D&C),  
Air Conditioning & Ventilation (D&C), Appliance Repair (D&C), Apprenticeship  
Training, Arbitrators, Audit Work (Accounting), Auditor, Ventilation, Plumbing &  
Heating (D&C), Verification &/or Assessment Consultant, Video Inventory Service,  
Video Production, Video/Film Production, Videographer, Web Design (IT), Web  
Design, UX Design, Graphics Design, Web Development (IT), Web Marketing, Web Site  
Design (IT), Web Site Development (IT), Wedding Planner, Wedding Services  
Consultancy, Wildlife Consultancy, Woodworking, Machinist (D&C), Workshop  
Facilitation, Zoology Consultancy.....

**AND MANY MANY MORE!**



# How much does it cost?

- Companies with turnover up to £5,000,000
- Limit of liability, minimum £50,000
- Premium **£112.50**

OR

- Limit of liability £250,000 will cost **£187.50** plus IPT
- Limit of liability £500,000 will cost **£225.50** plus IPT
- Limit of liability £1,000,000 will cost **£300.00** plus IPT

# How do you get a quote?

- Must be done using the Angel online QuickQuote system
- Cases that do not fit will be declined\*
- Watch our “how to...” video on YouTube

*\*If you can't find the exact industry you are looking for we can often update this for you before you bind it*



How do you get a quote?

[CLICK HERE TO VIEW THE VIDEO ON  
HOW TO GET A CYBER QUOTE USING  
THE ANGEL RISK MANAGEMENT  
ONLINE QUOTE PORTAL](#)



X<sup>L</sup> Insurance  
Reinsurance

# Angel Cyber

Cyber + TMT

March 2019

# Agenda

Angel Cyber | March 2019

1. An Introduction to the Cyber Product
2. Cyber Coverages
3. UK SME Cyber Attacks
4. Claims Examples
5. Questions



# 1

## An Introduction to Cyber

# Cyber Introduction

## What Is Cyber Risk?

- ➔ The liabilities and costs that ensue due to the failure of a company's I.T. infrastructure, hardware, software or security to keep their services and data secure, available and accurate at all times, whether or not caused by internal error or a malicious action against the company or the I.T. service provider to the company



# Cyber Introduction

## Why Do We Need Cyber Insurance?

- ➔ Technology is all pervasive... at home and at work
  - ➔ Operational efficiencies
  - ➔ Marketing/Advertising
  - ➔ Online or POS payment processing
  
- ➔ We use data all the time...
  
- ➔ We're not all IT specialists...
  
- ➔ Cost of insecurity is high...
  - ➔ Fines and penalties
  - ➔ Business risk
  - ➔ Reputational harm

# Cyber Introduction

## Why Do We Need Cyber Insurance?

Cause of Loss	Frequency	Prevention
Malicious Insider	Rare	Mitigated through process
Targeted Hack	Rare	Hard to stop
Non-Targeted Hack	Common	Easy to stop
Negligence	Rare	Can be mitigated
System Failure	Almost inevitable	Can't stop



# 2 Cyber Coverages

# Cyber Coverages

## Third Party & First Party Coverage

- Multimedia Internet Liability
- Security and Privacy Liability
  
- Privacy Notification and Crisis Management Costs
- Emergency Response Costs
- Extortion Demands
- Business Interruption
- Regulatory Investigations and Fines – Pursuant to a Privacy and Security Wrongful Act
- Loss of Electronic Data

**This is not cyber 'lite' for SMEs...**

# Cyber Coverages

## What's Excluded?

- ➔ Crime/theft – if it can be done without a computer, it isn't cyber
- ➔ Bodily injury – except mental anguish following publication/data breach
- ➔ Property damage – data is not tangible property
- ➔ Infrastructure failure



# 3 UK SME CYBER ATTACKS

# Cyber Breaches & UK SMEs

## UK SME Cyber Attack Stats

- UK SMEs are targeted with 65,000 attempted cyber attacks per day
- Of these attacks, one UK SME is successfully hacked every 19 seconds
- In 2018 almost 1 in 3 UK SMEs fell victim to a cyber attack
- 21% of UK SMEs suffered losses of more than £10,000 and 11% suffered losses in excess of £50,000
- The average cost of a cyber breach for a UK SME is £25,700 in direct basic 'clear up' costs – this excludes indirect costs such as damage to reputation, losing customers etc



# 4 CLAIMS EXAMPLES



# Common Types Of Claims

## What Do We See A Lot Of?

- ➔ Social Engineering
- ➔ Phishing
- ➔ Fraudulent transactions
- ➔ Ransomware – It's never been easier to make your own ransomware. In 2019 it's predicted that businesses will fall victim to a ransomware attack every 14 seconds
- ➔ Theft of Credit card details/POS compromise
- ➔ Data breach (often from poor cyber hygiene and or human error)

# UK Claims Example

## Phishing Attack

- ➔ A member of the admissions team within a school clicked on a link in a phishing email and inputted details for their school account
- ➔ This enabled the hacker to access the email account and insert rules so that genuine emails sent by the employee were also being sent to an unidentified email address
- ➔ Information obtained from the copied emails was then used by the hacker to send emails to parents pretending to be a school business manager
- ➔ Several parents paid amounts over to the hacker

**Cost of the Claim: £220,000**

**AXA XL ANGEL CYBER  
CRAWFORD CYBER INCIDENT RESPONSE**

**Mark Harris BA(Hons) FCCA ACILA**

UK Cyber Technical Lead • Major & Complex Loss Accountant • Global Technical Services  
Crawford & Company Adjusters (UK) Limited

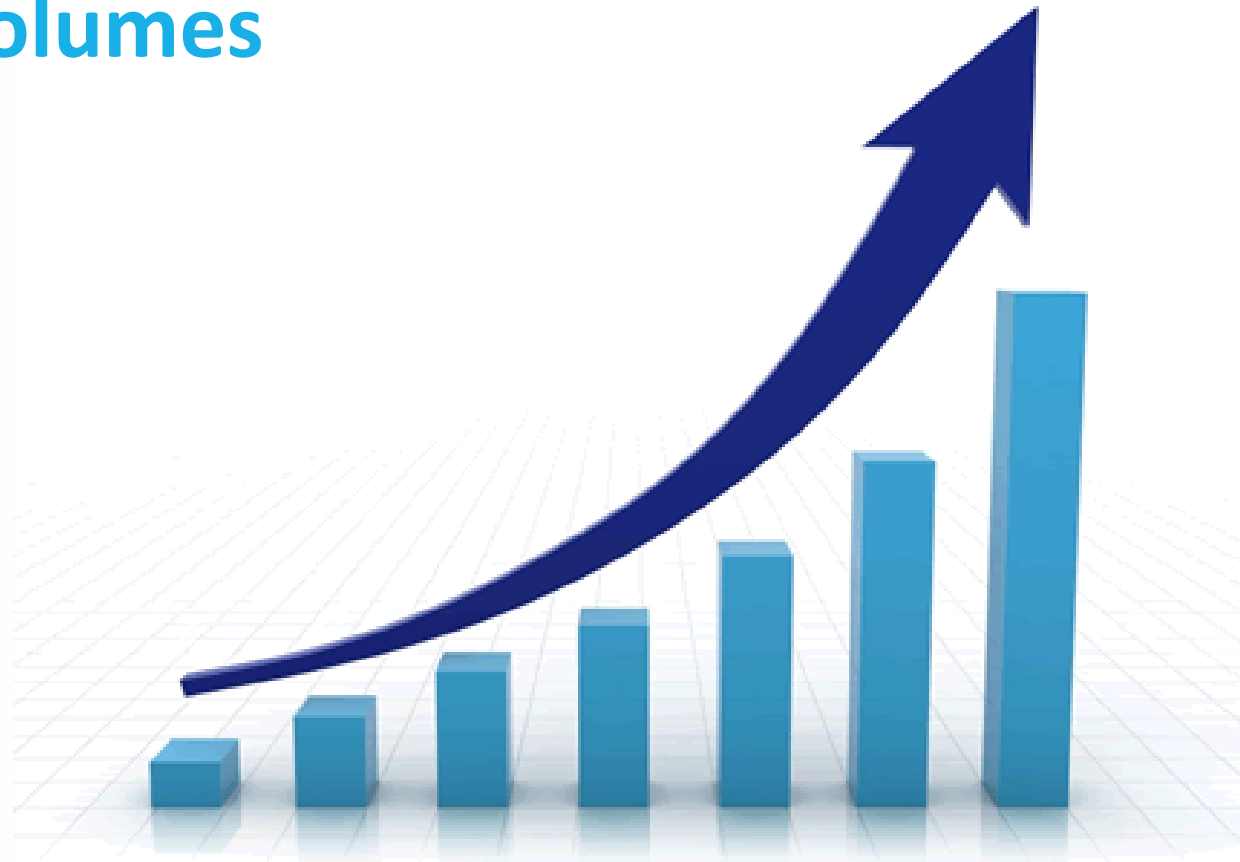
Tuesday 26 March 2019

# Crawford Cyber Incident Response

## Crawford Cyber Global Contact List



# Crawford Cyber Incident Response – Claims Volumes



# Crawford Cyber Incident Response and Loss Adjusting

Complete end to end Turnkey Solution



Backed with a £50m Liability

# Cyber Incident Response

MANDIANT

DLA PIPER

CLYDE&Co

STROZ FRIEDBERG

大成 DENTONS

FLEISHMANHILLARD

FOX IT  
part of nccgroup

Experian

C/M/S/  
Law. Tax



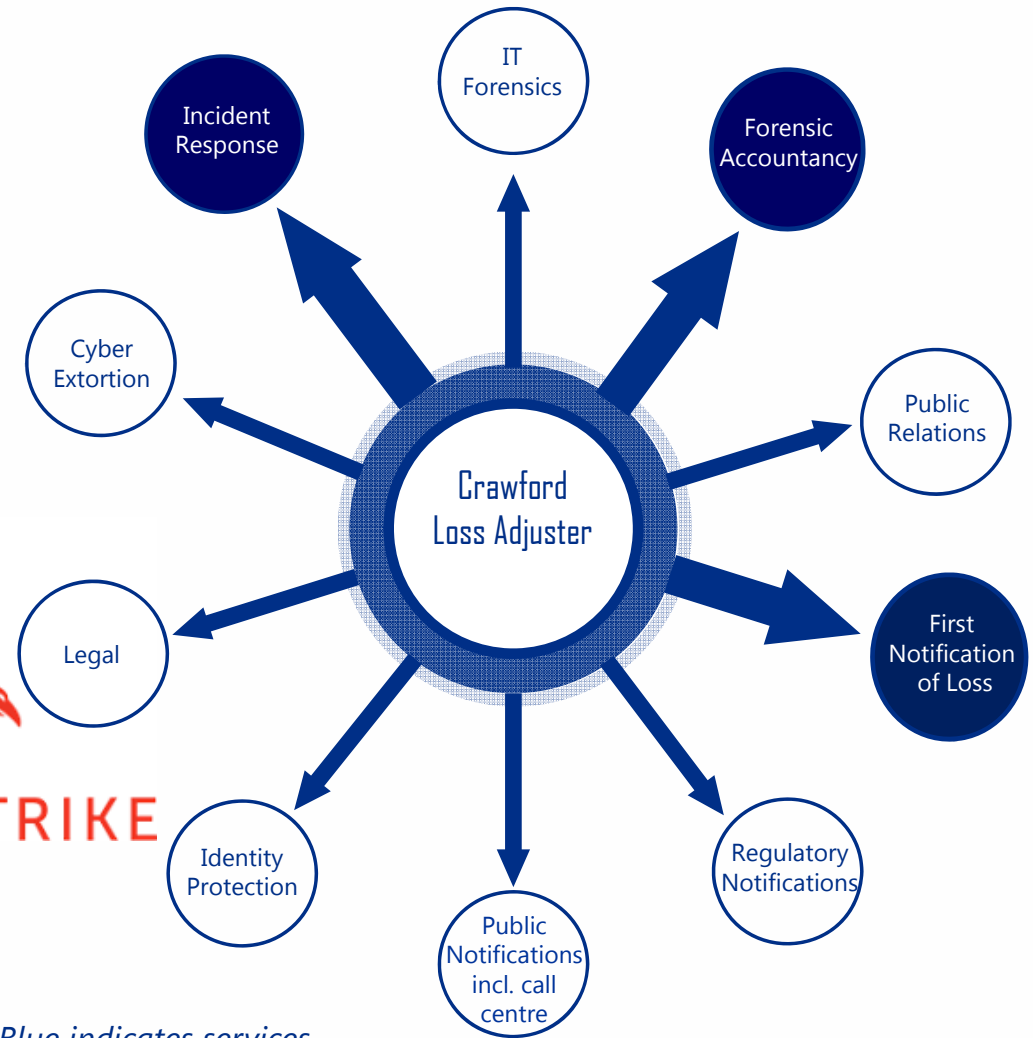
CROWDSTRIKE

Grant Thornton

CCL  
future thinking technology  
GROUP

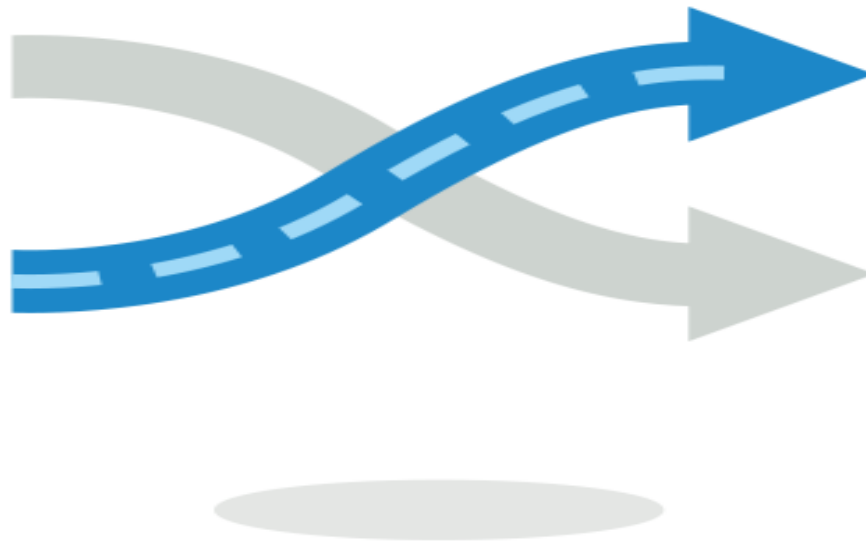
NORTHWAVE  
Intelligent Security Operations

Control Risks



Blue indicates services performed directly by Crawford

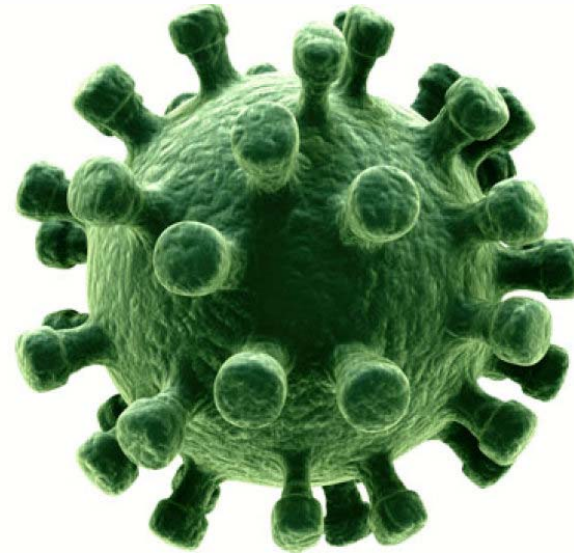
# Crawford Cyber Incident Response – A Flexible and Tailored Response





# Cyber Incident Types

- Ransomware
- Phishing
- Spear Phishing
- Vishing
- SMishing
- Malware
- Denial of Service (DoS/DDoS)



# Crawford Cyber Incident Response – The Common O365 Phishing Attack



# OFFICE 365 PHISHING ATTACK



**AXA XL ANGEL CYBER  
CRAWFORD CYBER INCIDENT RESPONSE**

Thank you