



Deep Dive Breakout Prepare For Global Cyber Trends

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How Prepared Are You?

From: johnny@broker.com

To: charles@insurer.com

Date: 30 May 2024

Congrats! You've been chosen to lead the primary Cyber insurance of UK Corp, incepting 1 July!

Still a few things to polish on some requests from the client, but they are aware it may take time and are cool with backdating cover if needed:

1. Explicit inclusion of BYOD and AI in Insured's Systems definition
2. Subjectivity on network controls in place (patching, CVE resilience, 3,2,1 back up posture etc) remaining as per risk presentation at all times
3. Language for Cyber War and Territorial exclusions TBA
4. Agreement on inclusion of non-IT OSPs for contingent BI and conditions applying.
5. Appropriate sub limits for cyber extortion coverage

Also, the client is asking to arrange local policies in the following countries (all English language please):

1. France (FOS)
2. Germany (local tied-in into FOS)
3. India
4. Argentina
5. Serbia
6. South Korea

(Limits, retentions, etc. as per Excel sheet attached).

- France, Germany and India are the client's main subs, so coverage to be aligned with Master please.
- Any policy wording you have will do for other countries.

Surely it's no problem as I remember you checked that your insurance network includes those territories. Thanks for confirming asap though.

Glad to work with you on this, thanks for your support.

Cheers

Johnty



The (Disappointing) Reply



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From: charles@insurer.com

To: johnty@broker.com

Date: 2 June 2024

Hi Johnty!

Great news! Thrilled for the opportunity to support UK Corp with you!

At first glance, I'm concerned however that we cannot address all of the remaining points and new requests as per your email.

As always, we'll do the impossible to accommodate as much as we can, but realistically I'd say we should **drop three (3) of those points/requests**.

Could you think of 3 points you'd be OK to advise the client to set aside? I'll do the same and identify 3 no-goes after looking into your email more in details.

Let's speak in **15 minutes**? We've got this!

Take care,

Charles

You're On!



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Which 3 points / requests are you keen to drop?

- **3 groups:** Insured, Broker, Insurer
- **15 minutes**
- **1 spokesperson** per group
- Let's talk!

Among The Many Pitfalls...

- **Main Cyber cover**

- Is it worth (if at all possible) getting into *all* the details?
- Can you reasonably expect or even desire IT security levels to remain at a given level? Or even control this?
- What do we do *together* to make Cyber Cat risks a reasonable talk?
- If I ask for more coverage, can I at least explain what I want? Accept it being given under conditions?
- Is the cover or cover restriction relevant to the given risk profile?

- **Cyber Global Programmes**

- Why do I want a LP in this and that country?
- Aligning v. not aligning local coverage:
 - Does it make sense, or is that feasible? Consider local constraints and subsidiary profiles
 - How do we want central/local event management, key covers, limits to work together (if at all)?
 - DIC/DIL + FINC are no shortcuts
- Language / wordings / trigger constraints may apply locally
- Timing: cash-before-cover, manuscript /bespoke coverage
- Data Protection – is aligned or good-local-standards good enough? Mandatory Liability Insurance?

Before We Go



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- Digital, nebulous risk (still) served by (enhanced-yet-limited) humans = pick the right fights, keep expectations real, take time to prepare or be ready for consequences
- More cover often means more questions, can we answer them?
- Tech-assisted RM, UWing, GP processing to help us increasingly (next: AI?)
- Coverage tends to standardize, yet local constraints and risk profiles may vary widely from one region to another
- Same applies for GP-awareness



Thanks!

