

CYBER LIABILITY INSURANCE

Paul Clancy
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Major Coverage Areas

- Liability
 - Provides coverage to pay claims made by third parties alleging damages as a result of a security failure or privacy leak
- Privacy Notification
 - Covers the cost to provide notice to all individuals affected in a privacy breach



Major Coverage Areas

- Credit Monitoring
 - Covers the cost of providing credit monitoring services to those affected individuals who elect to receive this service
- Electronic Data Recovery/Restoration
 - First party coverage for institution's cost to restore data assets that were damaged as the result of a security breach



Major Coverage Areas

- Miscellaneous Coverages
 - Crisis Management
 - Legal and Forensic
 - Regulatory Defense
 - Regulatory Fines & Penalties
 - Network Extortion



Application Subject Areas

- Management of Privacy Exposures
 - Corporate Privacy Policy
 - PCI Compliance status, and estimated date of completion
 - Credit Cards: % of revenues, # transactions
 - Employee and third party access to personally identifiable information
 - History of privacy breaches



Application Subject Areas

- Computer Systems Controls
 - Distribution of policies and procedures
 - Plan for Disaster Recovery and Business Continuity
 - Testing of plans
 - Data backup
 - Encryption
 - Virus controls
 - Security patches



Application Subject Areas

- Computer Systems Controls (cont)
 - Network infrastructure
 - Wireless networks
 - Requirements for computer service providers to demonstrate adequate security policies and procedures



Application Subject Areas

- Website Content Controls
 - Procedure for responding to allegations of libel, privacy, etc.
 - Is all content reviewed prior to posting?
 - If not, then description of procedures to avoid posting of improper or infringing content
 - Trademark screening
 - History of complaints (trademark, copyright, privacy, defamation, etc,) from website content



Service Providers

- All carriers require use of specific service providers for Privacy Notification and Credit Monitoring
 - IT should be comfortable using carrier-required service providers
 - Check references with past data breaches for use of these service providers
 - Large breaches are a more reliable indicator
 - Industry specific preferred



SUMMARY

- Coverage
 - Distinct and separate coverage areas
 - What is important to your institution
 - Use of required vendors
- Application Process
 - Lengthy and detailed
 - Interviews
- Proposals
 - Tough to analyze on an apples-to-apples basis