

# HELPING YOU UNDERSTAND, QUANTIFY, AND MANAGE CYBER RISK



Understand — what could happen.

Quantify — what it could cost.

Manage — reduce risk.

Transfer — consider insurance.

# UNDERSTAND

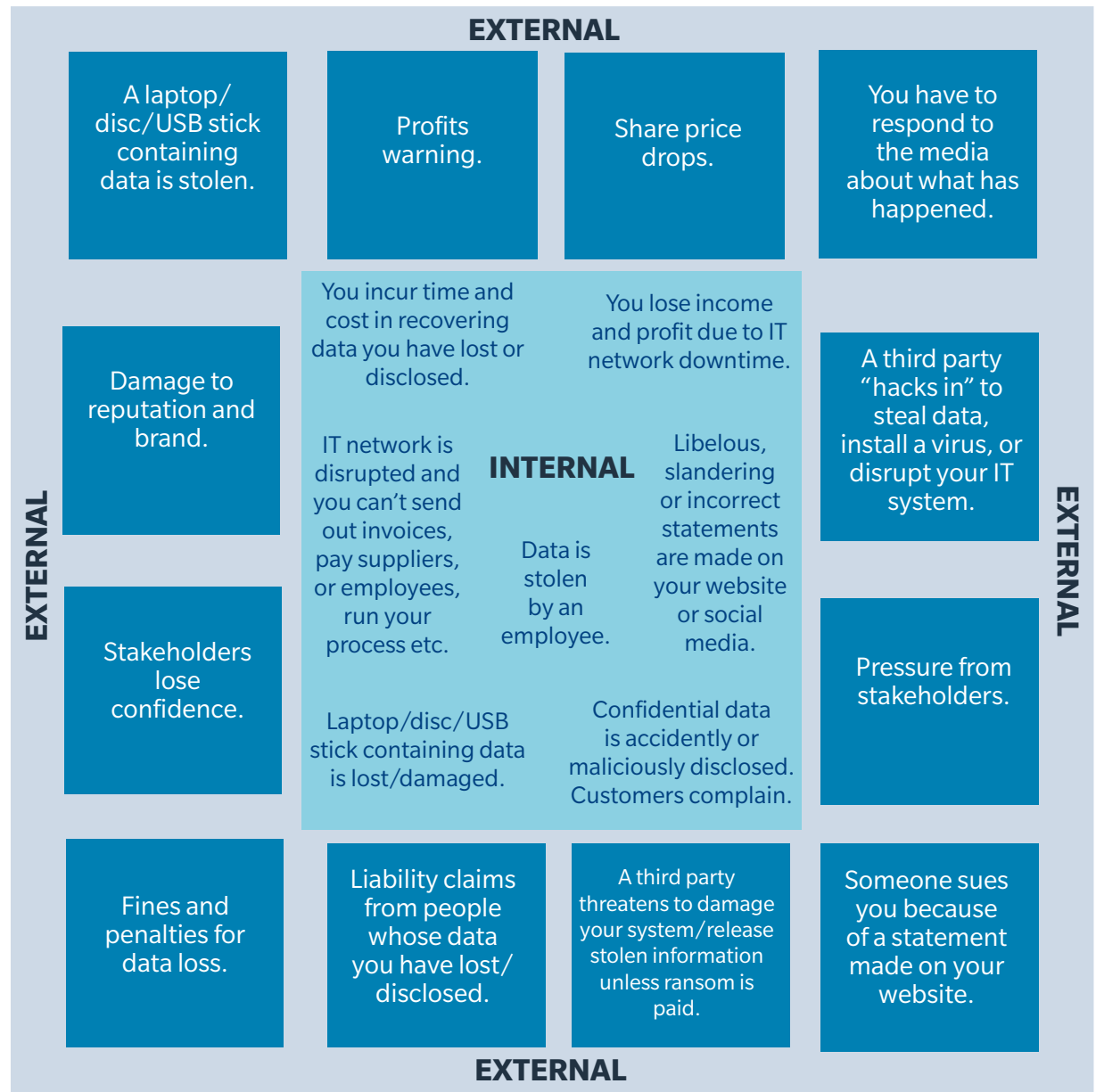
Today, it is difficult to bring to mind a type of business that does not depend upon IT to run critical business functions, for example accounts in and out, payroll, e mail, and often manufacturing process, online payments, and a company website.

Recent press coverage of data breaches and virus attacks demonstrates that this use of IT can expose a business to a wide range of cyber risks with the potential to cause significant financial loss and damage to reputation.

The diagram opposite highlights some of the internal and external cyber risks and their potential impacts. You may want to use this to think through how your business could be affected.

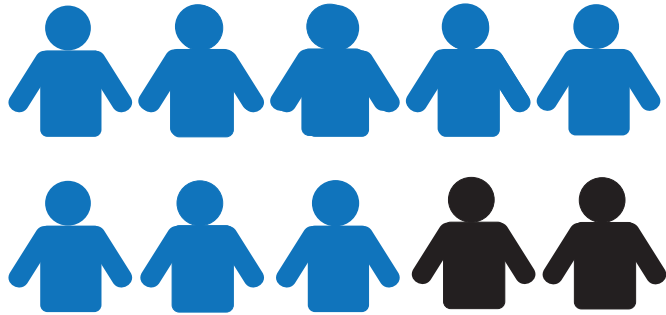
Think about your employee and payroll data, your customer records and supplier information.

Consider your manufacturing process, any web based tools or processes, and your internal and external communication platforms.



## QUANTIFY

Many businesses find it difficult to quantify the financial impact of a cyber attack.



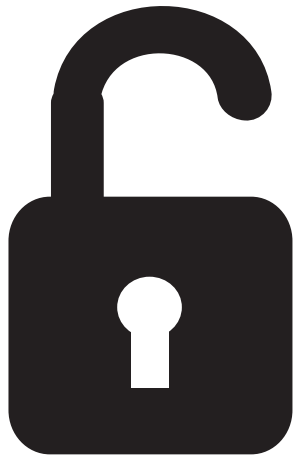
68%

The percentage of Marsh's 2014 UK and Ireland Cyber Risk Survey respondents who had not done so.

Of those who had quantified their cyber risks, 63% put the figure at

**GBP2**  
**million**

or more.



**USD388**  
**billion**

That amount that cyber criminals obtained globally in 2012 (Norton Cyber Crime Report).



Average cost of a data breach in the UK, according to the Ponemon Institute, 2014.

# MANAGE

Management of cyber risk involves both good risk management and consideration of specialist insurance protection to mitigate the financial impact if an incident occurs. Marsh is providing the following support for our clients:



Access to our free online cyber risk self-assessment tool to help you understand your level of risk. Visit <http://www.marsh-stresstest.eu/groups/1/surveys/1>



Cyber insurance cover options for those clients who ask us to seek quotations on their behalf.



A range of consultancy services to help you understand and qualify your cyber risks and analyse gaps in your existing insurance programme.

Companies from SMEs to multinationals are beginning to buy cyber insurance, with insurance limits available from GBP250,000 to in excess of GBP100 million.

The table overleaf sets out the insurance cover that is typically available under a cyber insurance policy. Contact your Marsh client executive for more information.

## TRANSFER RISK BY INSURANCE

The following is a summary of the main areas of cover typically included in a cyber insurance policy, although the cover offered by each insurers' policy could be different. Marsh's cyber team can provide a detailed quote upon request.

WHAT CAN BE INSURED	TYPICAL CYBER POLICY
Costs to reinstate digital assets following a cyber attack.	✓
Business interruption due to a system outage following a cyber attack.	✓
Business interruption due to a system outage following a negligent act by your staff.	✓
Liability arising from the unauthorised disclosure of personal or commercial confidential information.	✓
Defence of regulatory actions and payment of fines (where applicable law allows) related to the unauthorised disclosure of personal information.	✓
Cost to notify affected data subjects following the unauthorised disclosure of personal information where legally compelled to do so or subject to insurers approval.	✓
Cost to provide credit monitoring or ID theft protection following the unauthorised disclosure of personal information that creates a threat of financial harm.	✓
Public relations advice following an insured event.	✓
Liability for payment card industry fines arising from the unauthorised disclosure of payment card information.	✓
Liability arising from the failure to prevent a breach of network security that damages a third party's data assets under your control.	✓
Liability arising from your negligent transmission of a computer virus.	✓
Liability arising from the prevention of authorised access to a computer system caused by the failure of your network security to prevent a breach.	✓
Cyber extortion related to a threat to release personal or confidential information.	✓
Cyber extortion related to a threat to interrupt your IT systems.	✓
Liability arising from your media content which is defamatory.	✓
Liability arising from digital media content that infringes another's intellectual property rights (with exception of patent and trade secret).	✓
Value of money or goods stolen by or transferred to a third party.	✗
Damage to tangible property.	✗
Bodily injury, illness, or death.	✗
The failure of utility services including telecommunications.	✗
Wilful, dishonest, or reckless acts of directors and executive officers.	✗

✓ = Generally covered (sub limits may apply).

✗ = Generally excluded from cover.

Note: the descriptions of risks, insurance cover, and limits contained in this document are outlines only. Terms, conditions, and limits apply. Full details are available on request.



## CONTACT US

For further information, please contact your usual Marsh representative or

email: [national.enquiries@marsh.com](mailto:national.enquiries@marsh.com)

## ABOUT MARSH'S CYBER RISK PRACTICE

Marsh's dedicated Cyber Risk Practice brings together experts from across the organisation to deliver against our clients' requirements. Core to our purpose is to deliver cyber insurance products and risk consulting services that will help our clients to better understand what cyber risk means in the context of their own organisation and to make an informed decision with regard to the transfer of that risk to the insurance market. Where a need for cyber insurance has been identified, our specialist placement capability enables Marsh to negotiate coverage that is tailored to our clients' requirements. From initial evaluation through to tailored insurance placement, Marsh is well placed to deliver a holistic approach to cyber risk.

The information contained herein is based on sources we believe reliable and should be understood to be general risk management and insurance information only. The information is not intended to be taken as advice with respect to any individual situation and cannot be relied upon as such.

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