

MARSH JLT SPECIALTY

CYBER RISK MANAGEMENT

CyberPort: A Unique Cyber Insurance Facility for Portfolio Companies

Cyber threats have evolved well beyond data breaches to sophisticated attacks that disrupt operations, cripple supply chains, and extort monies — costing firms billions of dollars in lost revenue and expenses. For portfolio companies and their sponsors, cyber-attacks can have a material effect on balance sheets and asset value, eating into margins and diminishing returns for fund partners.

For fund sponsors, the acquisition of portfolio companies can also bring risks in the form of technological vulnerabilities, cybersecurity exposures, or compromised supply chains, which may not be discovered in the due diligence process. Such risks may result in losses that can significantly affect post-acquisition value.

Marsh's Proprietary Insurance Solution for Portfolio Companies

Marsh's one-of-a-kind CyberPortSM facility provides best-in-class coverage and premium savings on coverage of cyber and technology risks, all tailored

to the needs of small and mid-size portfolio companies. With CyberPort by MarshSM, portfolio companies benefit from tapping into a pre-structured insurance facility that offers premium savings of 20% or more to current buyers of cyber insurance. First-time cyber insurance purchasers who join CyberPort benefit from future savings through pre-negotiated rate reductions for claims-free companies, and rate increase caps for companies with cyber insurance claims.

Exclusively for private equity-backed companies, CyberPort provides a broad suite of coverages for losses, expenses, and liabilities resulting from cyber events — providing critical balance sheet protection for portfolio companies and their sponsors.

WHO IT'S FOR

U.S. domiciled portfolio companies in most industries that have:

- Revenues less than \$2.5 billion.
- Data record counts below 5 million.
- Revenues from technology services of less than \$500 million.
- Sponsor-ownership (private equity or venture capital).
- No paid losses above retention in past 5 years.

WHAT YOU GET

- Best-in-class, broad suite of first- and third-party cyber and technology E&O coverages.
- Typical participants have realized premium savings of 20% or more in the first year.
- Pricing options for new buyers, buyers new to CyberPort, and renewal buyers.
- First-time cyber insurance purchasers receive automatic retention and premium caps for \$2 million in cyber coverage.
- Current cyber insurance buyers, upon first or renewal participation, receive premium savings of 20% or more, assuming they have no paid cyber claims losses in five years, and no significant growth during policy period.
- Companies that experience losses after joining CyberPort will receive caps on rate increases.
- Efficient placement with three leading insurers.

CyberPort Insurance Coverages for Portfolio Companies

Marsh's CyberPort facility offers the following broad array of cyber and technology E&O coverages, which help to mitigate the economic impact of cyber events on revenue streams, balance sheets, and asset valuation. They include:

FIRST PARTY COVERAGES

- Breach management expenses.
- Cyber business interruption, including income loss.
- Cyber extortion expenses.
- Information asset expenses.
- Protection and preservation expenses.
- Claims preparation expenses.
- Cyber reputation income losses.
- Social engineering losses.
- Bricking loss.

THIRD PARTY COVERAGES

- Cyber and privacy liability.
- Multi-media liability.
- Professional service liability.
- Technology errors and omissions liability.
- Electronic data loss liability.

CONTACT MARSH TO UNDERSTAND, MEASURE, AND MANAGE YOUR CYBER RISK

Marsh's specialized team of cyber professionals can help assess your external and internal cyber threat environment, quantify the economic impact of your cyber exposures, and implement actions and solutions to help you secure and insure your risks and build cyber resilience.

CONTACT

For more information about CyberPort and Marsh's cyber risk management services, contact:

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Marsh is one of the Marsh & McLennan Companies, together with Guy Carpenter, Mercer, and Oliver Wyman.

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