



Cyber Security Panel

Insurance & Risk Management Considerations

WTA Spring Meeting - May 2015



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Agenda



Cyber / Data Breach / Network Security

Evaluating Your Data Privacy Exposures

Understanding Loss Potential



Private/Confidential Information of Others

- Personal Information
- Corporate Sensitive Information

Financial Impact to Insureds

- 3rd Party Liability
- First Party Expenses

First Party Expense



Negligence Resulting In

- Improper Dissemination of Non-Public Personal Information
- Breach of a Data Privacy Law

Type of First Party Expenses

- Crisis Management
- Notification
- Data Privacy Regulatory
- Credit Monitoring
- Cyber Investigation
- Cyber Extortion



Evaluating Data Privacy Exposures



Personal / Confidential Information Basics

- What
- Where
- When
- Why
- Who
- How

Understanding Loss Potential



First Party Expense Estimates

Records	Average (Lower)	Average (Upper)
100	\$18,120	\$35,730
1,000	\$52,260	\$87,140
10,000	\$143,360	\$223,400
100,000	\$366,500	\$614,600
1,000,000	\$892,400	\$1,775,530
10,000,000	\$2,125,900	\$5,241,300
100,000,000	\$5,016,200	\$15,622,700

Source – 2015 Verizon Data Breach Incident Report
Figure 23. Range of Expectations
Analysis based on 191 Insurance Claims

