

# TOP 5 THINGS TO KNOW WHEN BUYING CYBER INSURANCE



# Speaker Intro

## Jason McNew, CISSP

### Principal Solutions Advisor

- **Veteran, United States Air Force**
- **White House Communications Agency, 2003-2014. Held Presidential Access clearance (Yankee White)**
- **Founded Stronghold Cyber Security 2017**
- **Master of Professional Studies (MPS) – Information Sciences, Cybersecurity & Information Assurance, Penn State**



**1998:**

- Don't get into strangers' cars
- Don't meet people from the internet

**2017:**

- Literally summon strangers from the internet to get into their car

# What is Cybersecurity?

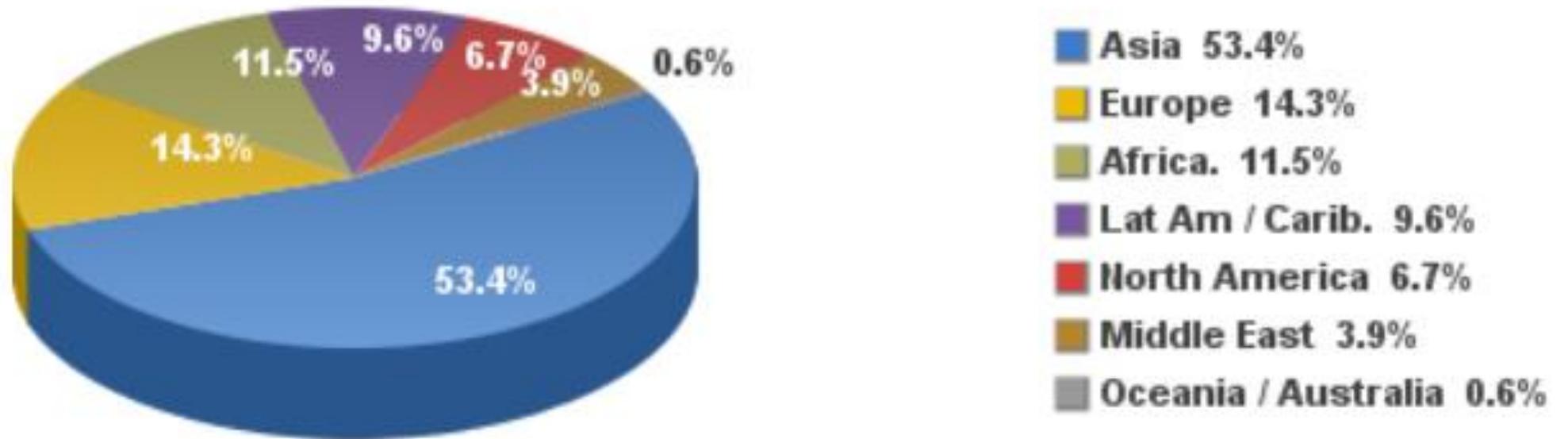
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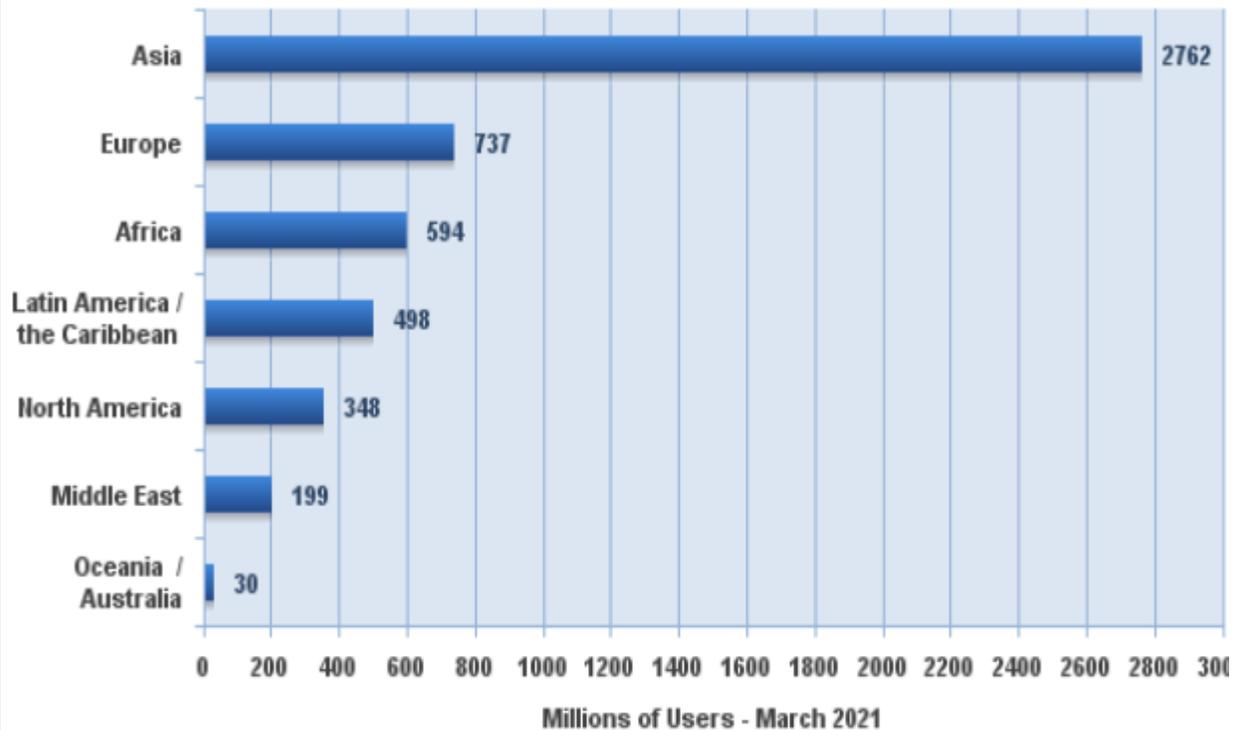
*Cyber security is the BUSINESS of managing risk. For most businesses, security is a cost center, so security only makes sense to the extent that it reduces business risk or saves money.*

# Internet Users Distribution in the World - 2021

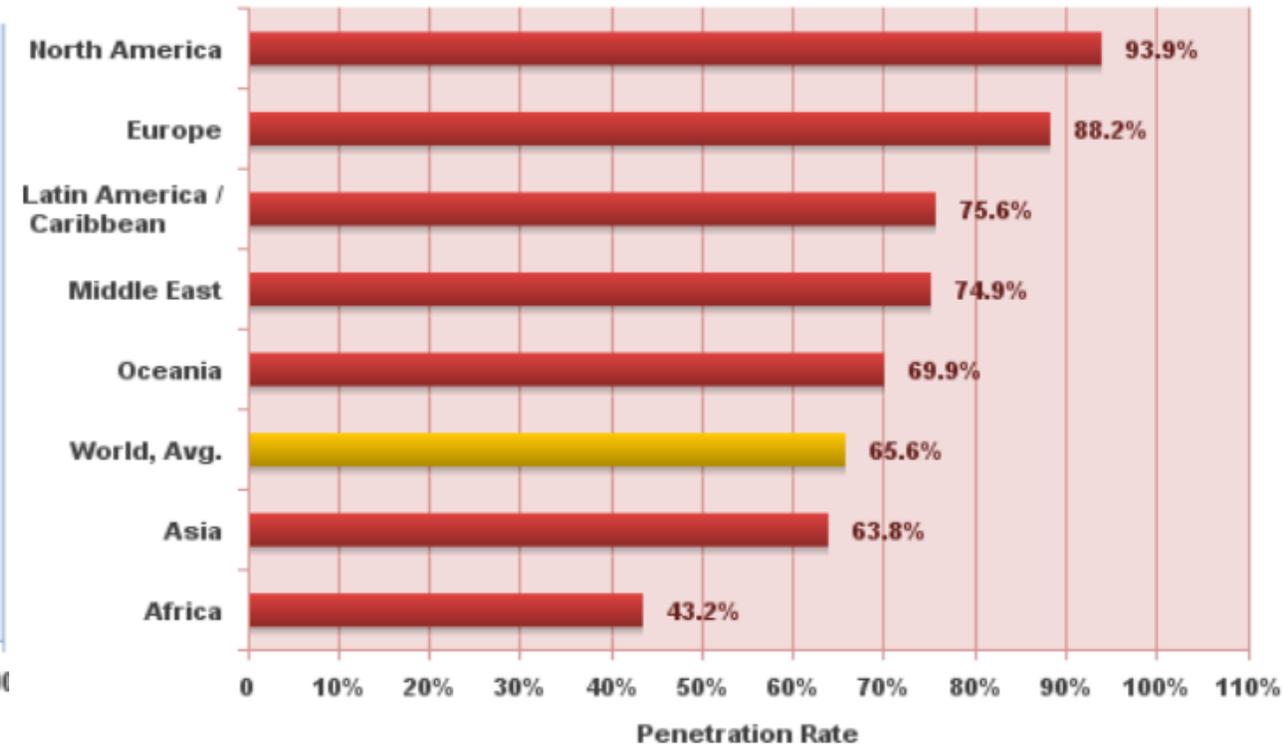


Source: Internet World Stats - [www.internetworldstats.com/stats.htm](http://www.internetworldstats.com/stats.htm)  
Basis: 5,168,780,607 Internet users in March 31, 2021  
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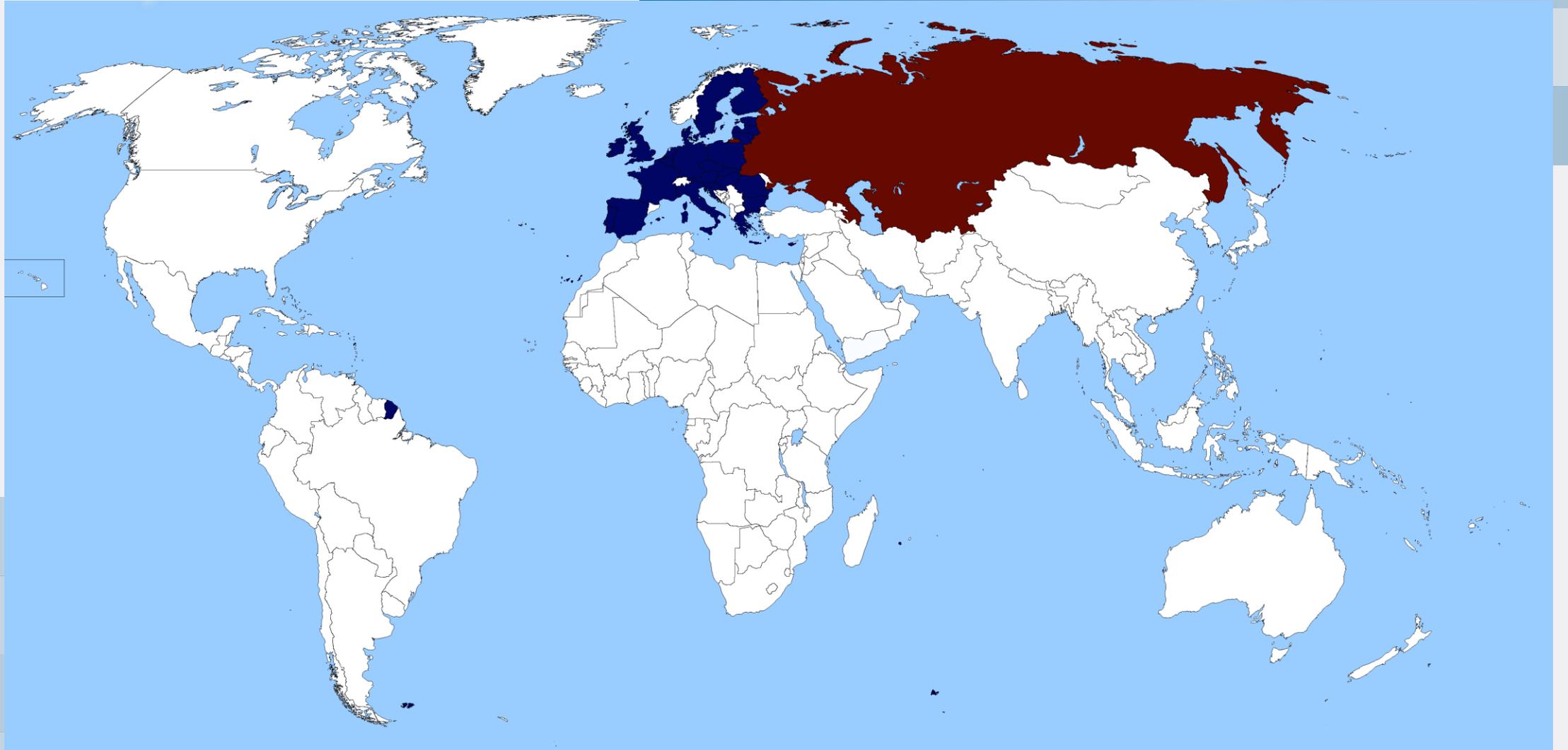
## Internet Users in the World by Geographic Regions - 2021



## Internet World Penetration Rates by Geographic Regions - 2021



# *Remember When... (ugh!!)*



# A Few Words on Cyber Insurance

One of these things is NOT like the  
others....



- Pump the brakes – NOT like other forms of insurance!
- Read, Read, Read the policy!
- Caveat Emptor (Buyer Beware!!)
- NOT a security blanket!



### **The Good:**

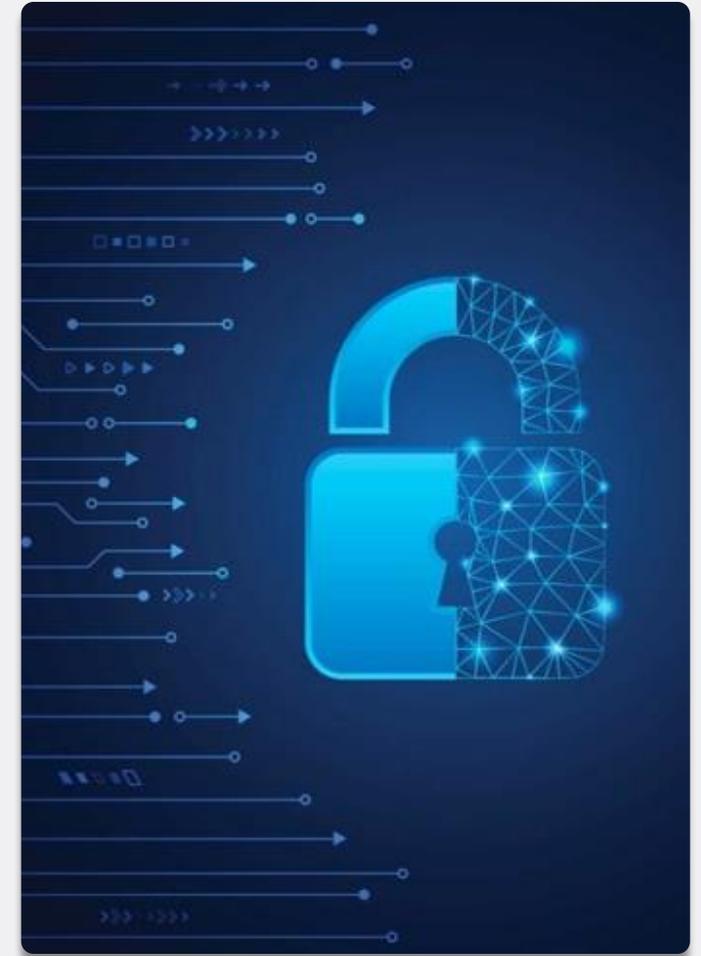
- Insurance carriers are starting to more thoroughly underwrite
- Leads to more pricing stability long term
- More support for insureds to address risks and exposures

### **The Bad:**

- Supply-side issues
- Not enough access to insurance

### **The Ugly:**

- Claims are more frequent, and more severe
- Causes pricing to go up market wide



# Side-by-Side Comparison (YOY)

Same firmographic information:

- \$18,000,000 in Annual Revenues (USD)
- Professional Services Firm – Law Office

•Same basic policy requirements

|                  | 2021     | 2022     |
|------------------|----------|----------|
| No EPP           | -        | Declined |
| No Training      | -        | Increase |
| Open RDP Port(s) | -        | Declined |
| Total            | \$12,000 | \$22,000 |

Applicant A

|                    | 2021    | 2022     |
|--------------------|---------|----------|
| EPP in place       | -       | Increase |
| Training in place  | -       | Increase |
| Closed RDP Port(s) | -       | -        |
| Total              | \$8,000 | \$14,000 |

Applicant B

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# Things to Watch for in Cyber Insurance

## Limit/Coverage Cuts

Coverage will likely continue to be further restricted, as well as limits and increased deductibles.

## Ransomware

Ransomware isn't going anywhere anytime soon. In fact, it's becoming more complex and resilient.

## Regulatory Changes

State of flux – CA, USA, EU, etc.

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- 3) Read and understand ALL the details on questionnaires!
- 4) Consider additional insurance to cover lost revenue – cyberattacks are EXPENSIVE!!
- 5) Understand policy exclusions. Don't get burned!!

# Q & A