

ISO Cyber Risk Solutions



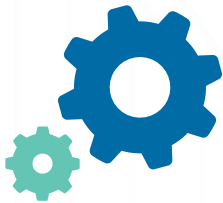
To help address a major issue facing today's cyber insurance market—the need for more detailed underwriting and rating related information—ISO developed loss costs informed by its analysis of cyber loss data* including:



1.7 million
unique risks



\$2.5 billion
in loss-causing events



1K+
industry classes



32K
historical cases

A cyber attack can be devastating to businesses of all sizes.

Sales can slow. Customers can leave. Lawsuits can ensue. And as the investigation unfolds, the damage can turn out worse than anyone had thought.

The ever-changing landscape of cyber risk coupled with a lack of access to industrywide exposure data has left many insurers struggling with fundamental questions:

- *What coverages can we offer to address the growing world of cyber risk?*
- *What information do I need to evaluate cyber risks effectively?*
- *How can I develop pricing that accounts for key risk factors, including size and age of company?*

ISO's cyber risk suite can help insurers and their customers address cyber exposures that are potentially catastrophic. ISO's program enables you to tailor coverage to the specific needs of your customer with a series of separate insuring agreements, including:

First-party coverages

- Replacement or restoration of electronic data
- Security breach expense
- Extortion threats
- Business income and extra expense
- Public relations expense

Third-party coverages

- Website publishing and media liability
- Programming errors and omissions liability
- Security breach liability

**Cyber
insurance**
is one of the fastest-
growing segments
of insurance.*

Cyber Insurance Programs for Companies of All Sizes

ISO's robust suite of cyber insurance product offerings enables you to underwrite coverage based on the specific risk characteristics of your policyholders.

Small and Midsize Businesses

Small and midsize businesses are frequently a primary target of cyber criminals seeking financial gain, but such businesses are often unprepared to thwart and respond to an attack.

Robust Coverage for Small to Medium-Sized Businesses

It can take a while for a business to discover and understand the full extent of a cyber attack. This discovery-triggered policy form can help protect businesses if they uncover an incident, even if it began before the policy was in effect. Designed primarily to address the specific needs of companies with up to \$250 million in annual revenue, our policy form provides a set of insuring agreements to address cyber exposures these businesses often face. These agreements are available under a simplified limit and deductible structure with a base \$100,000 limit and flexibility to adjust from \$50,000 to \$1 million of coverage.

Our short-form SME-specific advisory application addresses the questions relevant to small to midsize businesses.



64%

of cyber breach victims are small to midsize businesses.*

Larger Commercial Enterprises

Designed primarily to address the needs of larger organizations and institutions, our information security protection cyber suite of policy forms offers a “menu-based” set with separate limits available by insuring agreement. This ISO program can be tailored to suit the individual needs of an insured.

Commercial Exposures

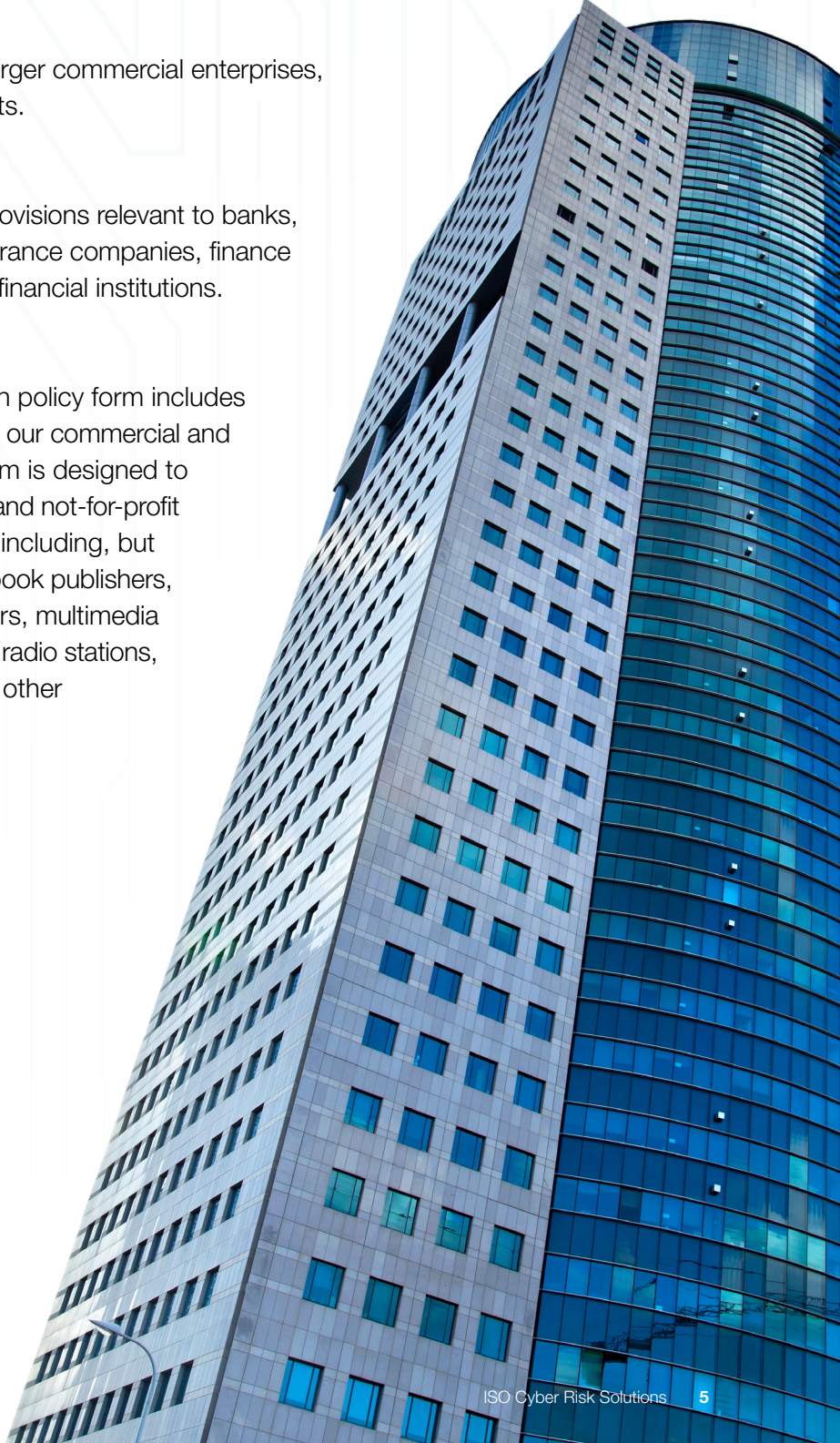
This ISO program is developed primarily for larger commercial enterprises, governmental organizations, and not-for-profits.

Financial Institutions

This ISO program is designed with specific provisions relevant to banks, savings institutions, brokers and dealers, insurance companies, finance companies, credit unions, and other kinds of financial institutions.

Media

The ISO media information security protection policy form includes holistic media liability coverage not included in our commercial and financial institutions programs. This policy form is designed to address the needs of commercial enterprises and not-for-profit organizations with a media liability exposure, including, but not limited to, advertising agencies, authors, book publishers, cable television operators, magazine publishers, multimedia organizations, newspaper publishers, printers, radio stations, television stations, electronic publishers, and other similar organizations.



Informed Pricing Decisions

One of the biggest challenges to underwriting cyber insurance is lack of access to data. Without access to the information you need to quantify and adequately price exposures, it can be difficult to build the deterministic and loss aggregation models to supplement your risk analysis.

ISO provides access to refined class-level pricing related information, enabling you to account for industry-specific differences in risk.



Frequency model based on more than **1.7 million distinct risks** representing **\$23 trillion in revenue**



Severity model based on **\$2.5 billion in losses**



Highly **granular class-level** segmentation—up to 4-digit NAICS codes



Increased limits factors for high and low hazard groups, providing strong fits **up to a \$50 million limit**

ISO advisory loss costs are also available for each insuring agreement and many endorsements and vary by company size (small businesses to \$100 billion in global revenue). Our rating variables include:

- Risk size
- Class
- Company type
- Average revenue per employee
- Limit
- Deductible
- Ten rating modifier categories

* ISO analysis of licensed third party data

ISO cyber risk solutions offer the critical tools and support services you need to serve your customers, including a robust cyber insurance program.



For more information

E-mail us at cyberinsurance@verisk.com or visit



us online at www.verisk.com/iso/cyber-risk.



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