



# Cybersecurity Insurance

The Unknown Risks

# Types of Cyber Insurance Policies

As the Cyber Insurance Market continues to evolve, there is an explosion of policy types; however, there are few base models:

- General Business Insurance with a Cyber Insurance Rider added on.
- Cyber Specific Insurance Policies
- Hybrid

# Adding Insult to Injury

The Cyber Insurance Companies are trying to limit their payouts for events by:

- Classifying events as Nation Based Attacks and not paying out on these because it is an Act of War.
- Finding issues with your cybersecurity program and classifying the incident as non-compliance with the policy requirements.
- Forcing you to pay the ransomware amount against the recommendations of your Legal Department, FBI and US Treasury.
  - US Treasury Department can fine you and your insurance company up to \$20 million on top of the ransomware payment.
- Noting that the event was not addressed in your policy – you failed to read the fine print.

# Questions to Ask the Insurance Company

What you should do if you have a policy or you are shopping for a policy.

- Ask like businesses about their providers (the good, the bad and the ugly)
- Get a pre-assessment done on your environment before you go insurance shopping, renewing your policy or you just want to try to lower your premiums.
- Always have your key departments (Finance, Legal, Operations and IT) on the calls with you and your Insurance Company.
- Read the policy's fine print - all of it with your Legal and IT Teams.

# Questions to Ask the Insurance Company

What you should do if you have a policy or you are shopping for a policy.

- Ask the underwriters scenarios and hypotheticals about possible cyber events and what they would do or not do.
- Ask if you will be forced to use their IR teams/service or your own teams.
- Ask if they advise you to pay a ransomware, will they cover any possible fines, penalties or sanctions against your company.
- Try to get any and all answers from them IN WRITING!

# How Main Sail Can Assist Your Organization

- We will conduct a comprehensive review of your policy to determine if the coverage will meet your needs and reduce your risks.
- Our Team has years of experience in working with clients to help evaluate the options in the marketplace.
- We understand the best practices organizations should use when evaluating a policy.
- We will bring an agnostic approach to an engagement with your organization.