

## Global Data Privacy and Security Team

# Cyber Insurance At A Glance

Most businesses know they need insurance to cover risks to the business's property like fire or theft or the risk of liability if someone is injured at the business. But, a substantial portion of businesses don't carry coverage for a rapidly expanding area of risk – data breaches. Despite numerous high profile breaches in the past year, many business do not have a cyber insurance policy.

Many insurance companies now offer cyber insurance, but not all policies are created equal. This brief guide is intended to help you start thinking about your cyber insurance needs.



Bryan Cave's Global Data Privacy and Security Team has responded to hundreds of data security breaches and routinely helps clients, before a breach happens, analyze and improve upon their ability to respond to a breach if (or when) one occurs.

For more Information  
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### Why Is It So Hard to Buy the Right Cyber Insurance Policy?

Little standardization among competing policies — hard to comparison shop.

Policies' exclusions often swallow coverage — value of policy is difficult to gauge.

Policies often cover security but not privacy — multiple policies may be necessary

### Items to Review When Shopping for a Cyber Insurance Policy:

- ✓ Are there sub-limits on coverage amounts that don't match risks?
- ✓ Does the policy include sub-retentions (sub-deductibles) that will likely never be reached?
- ✓ Do the exclusions prevent payment for the largest risks, *e.g.*, PCI Fines, UDAP class actions, regulatory investigations?
- ✓ Is voluntary notification of affected consumers covered?
- ✓ Who are the panel counsel? Are their fees covered?
- ✓ Will credit monitoring for affected consumers be covered?
- ✓ Will the policy pay for a crisis management firm or PR firm?
- ✓ How many forensic investigators will the policy pay for? (Two are often used in PCI breaches.)