

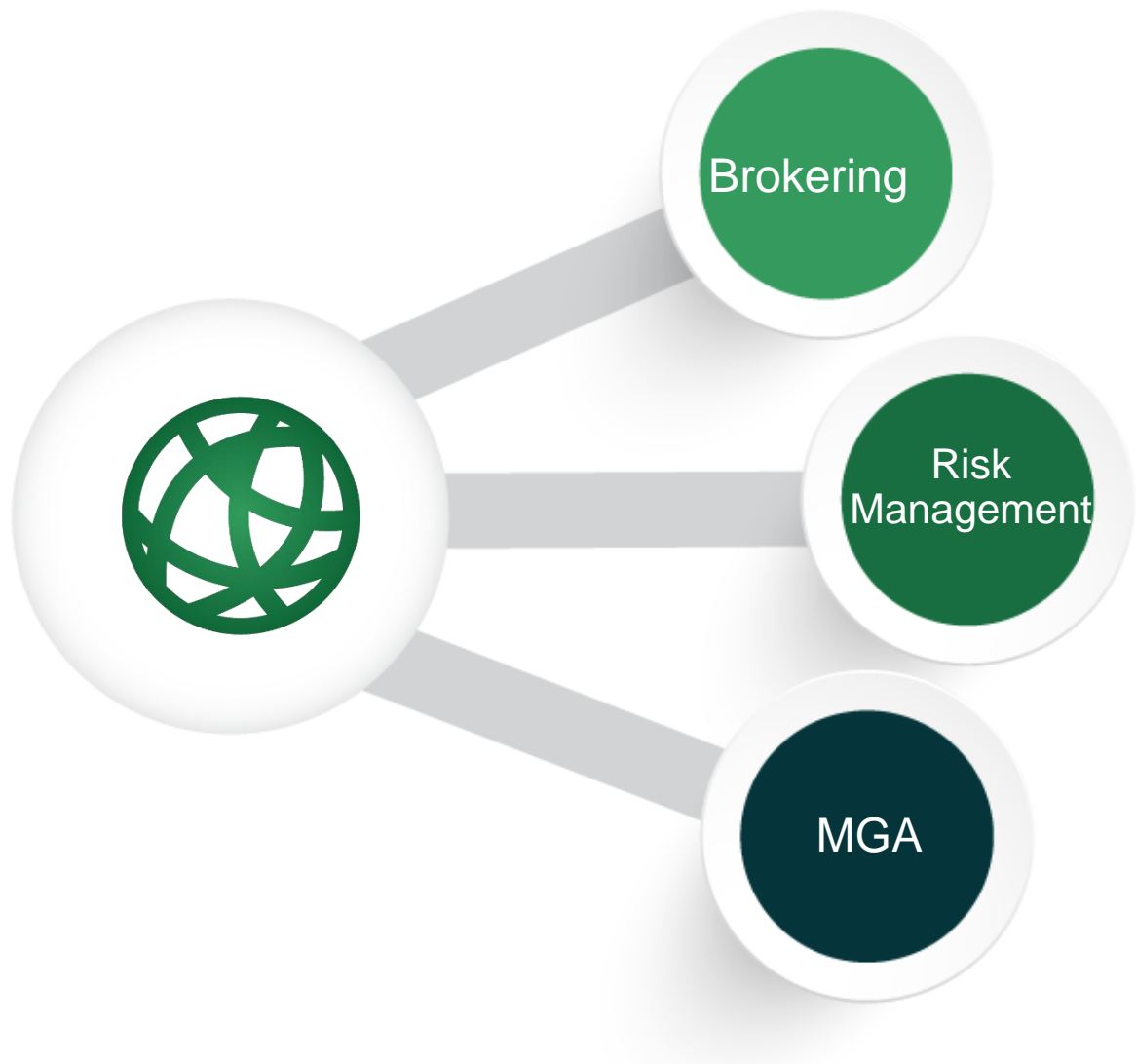


Cyber Insurance

The Guide to Being a Good Risk in Today's Market

2022





Who is INSUREtrust?

INSUREtrust, headquartered in the Atlanta metro area, is the insurance industry's leading, specialty insurance brokerage for emerging risks. In April 1997, INSUREtrust pioneered the Cyber Insurance Industry by manuscripting a unique policy form designed to explicitly cover exposures associated with the internet's emerging, digital risks. This would later become known as the Cyber Insurance Industry. For the past 25 years, INSUREtrust has continued to lead the insurance industry with their unique innovation and expertise focused heavily in cyber insurance and related risk management. .



Making Cyber Simple. Really.



CURRENT STATE OF THE MARKET

Ransomware Trends Overview

Estimated one group (Revil) collected \$100M alone in first half of 2021. Then they vanished from the Internet overnight in July '21. Their code has recently reappeared.

Average Payment in Q3 of 2022 was \$258k

For Mullen Coughlin, avg payment in 2021 was \$521k with avg demand of \$2.1M through over 1,100+ incidents.

Average downtime from an attack has grown to 25 days and is the largest source of losses.

Exposed RDP and phishing continue to be the lead causes for over 60% of attacks.

86% of attacks involve Data Exfiltration.

32% of attacks are on companies with 1-100 employees.

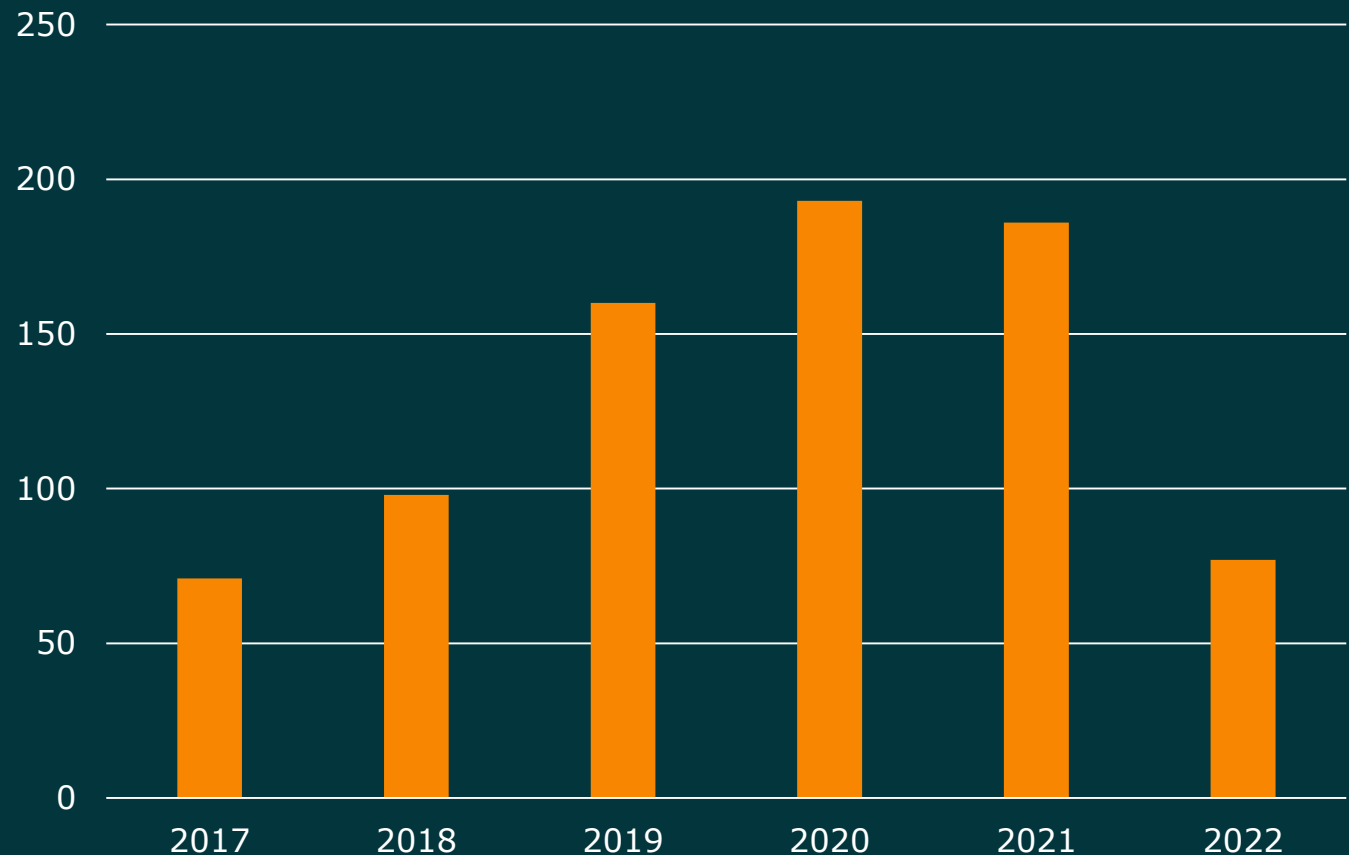
Another 48% are with 101-1,000 employees.

Top attack sectors are professional services (18%), tech (16%), healthcare (16%) and public sector (12%).

Insuretrust Claims Data

- 2019-21 – claims spiked to double prior levels
- 2020 – more ransomware than social engineering
- 2021 – equal amounts ransomware and social engineering
- 2022 – double social engineering vs ransomware

Total Claims by Year




What Changed?




Factors Influencing the Market

- Direct Carrier Loss Ratio Cycle
- Reinsurance Markets & Capacity
- Old Pricing Model Structure
- Focused Underwriting Questions
- Rigid Underwriting Guidelines
- Is Your Risk Insurable?



Today's Cyber Underwrite



1 Detailed Questions

2 Use of Scanning Technology

3 Stricter Underwriting

4 Class of Business Changes

✓ Public
Entities

✓ Blue Collar

✓ Healthcare

✓ Managed Service
Providers

✓ Education

✓ Law Firms



How to be Viewed as a Good Risk

Timeline & Partnerships



Midterm Discussion on Controls



Application Review & Discussion on
Scanning Technology



Put Your Best Foot Forward



Need for Diversity in Markets



Required Controls

What Determines Your Insurability & Price?

Multifactor Authentication (MFA)

- Remote Access to Network
- Remote Access to Email
- Privileged Accounts
- Backups

Backups

- Disconnected
- In the Cloud
- Encrypted
- Restricted Access
- Tested

Endpoint Detection & Response (EDR)

- True EDR – Isolate & Contain
- Servers and workstations
- How is it monitored?
 - SOC & SIEM

Employee Training

- Consistent Messaging
- Testing of Employee
- Response to Failed Tests

Patching

- Standard Cadence
- Scanning for Success
- Critical Patches

BC / DR / IR

- Documented Plan
- Tested
- Established RTO's

What to Expect in a Claim

1 Ransomware

- Reporting the Claim
- Determining the Response
- Engaging the Attacker
- Respond & Recover

2 Social Engineering

- Engaging the Bank
- Engaging Law Enforcement
- Reporting the Claim
- Respond & Recover





Hunter Maskill

Managing Director

(770) 354-8586

hmaskill@insuretrust.com



[Insuretrust.com](https://insuretrust.com)