



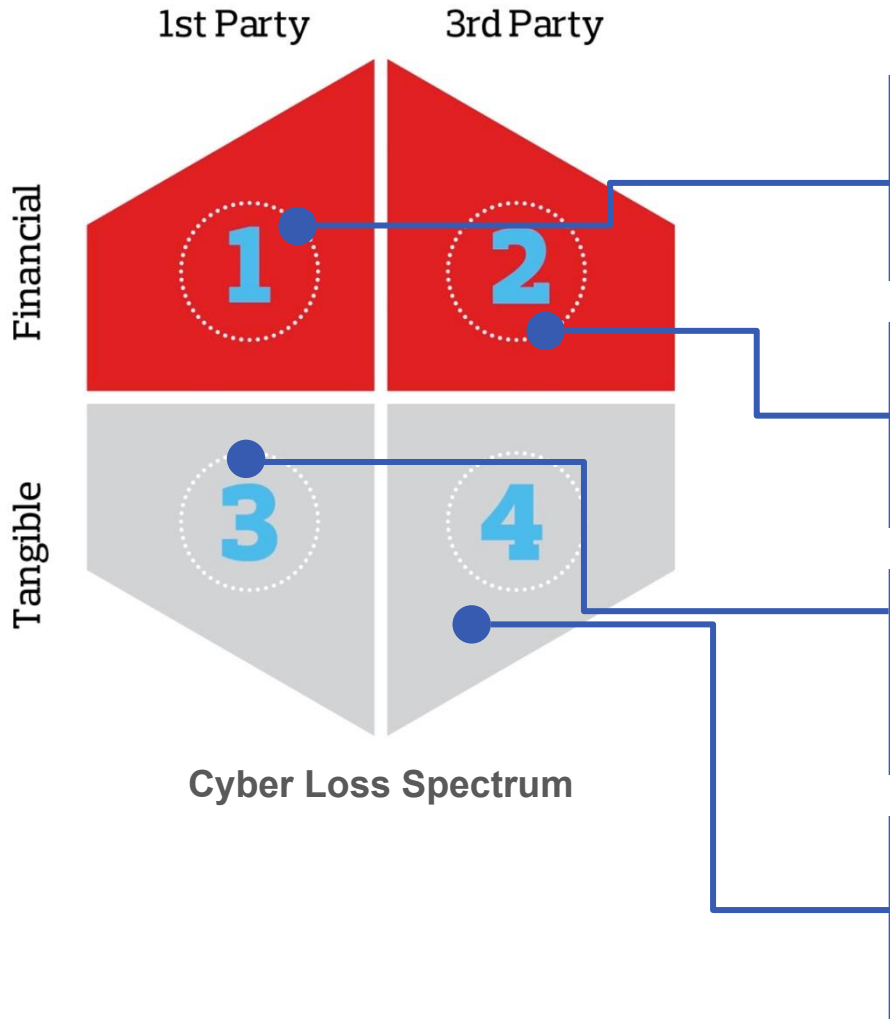
Cyber risk: legal challenges

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Prepared by Aon Risk Solutions

Cyber Risk Impacts All Loss Quadrants

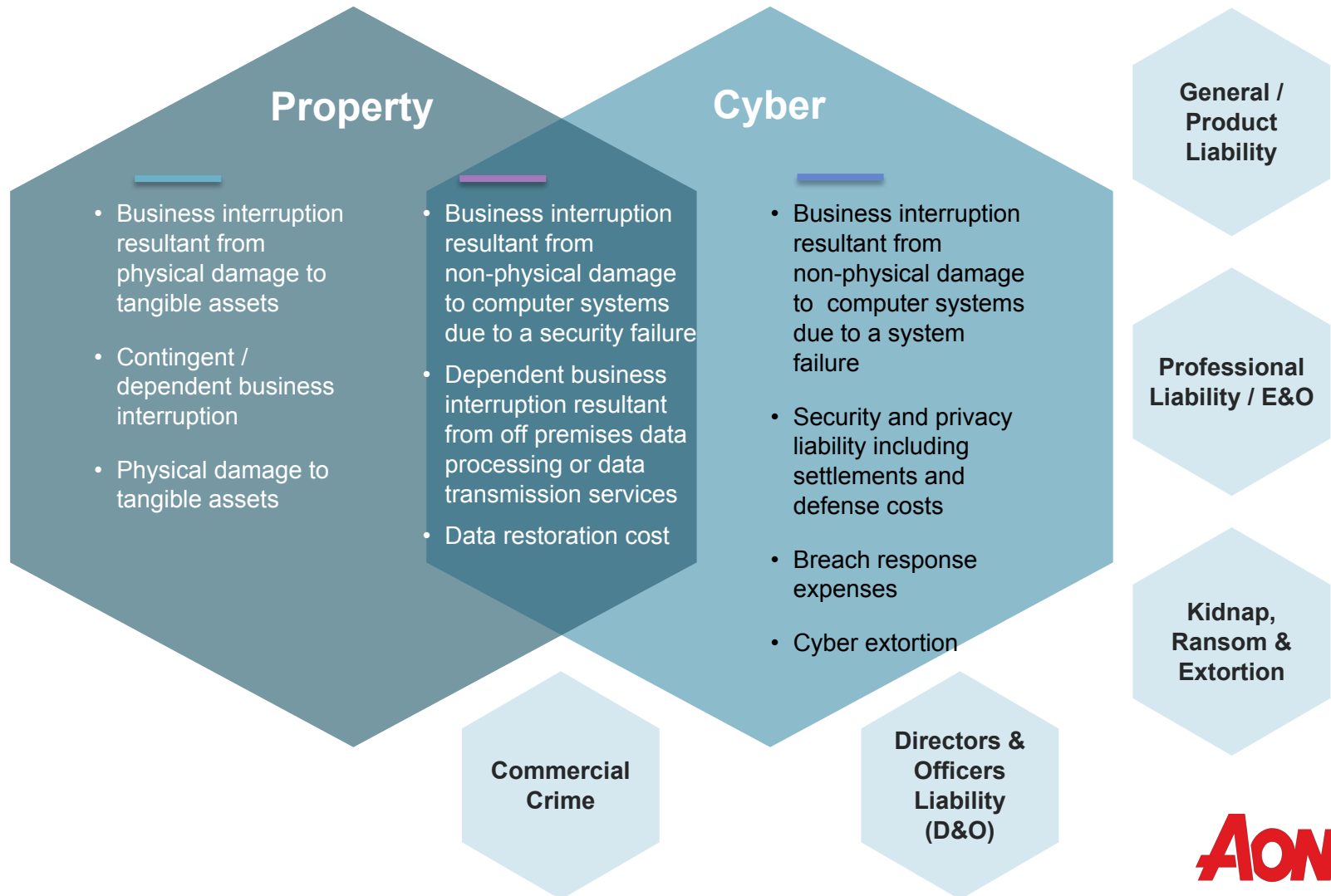


Scope of Traditional Cyber Insurance Coverage

Defense Costs + Damages + Regulator Fines	Insured's Loss	Expenses Paid to Vendors
<p>Liability Sections</p> <ul style="list-style-type: none"> • Failure of Network Security • Failure to Protect / Wrongful Disclosure of Information, including employee information • Privacy or Security related regulator investigation • All of the above when committed by an outsourcer • Wrongful Collection of Information (some policies) • Media content infringement / defamatory content 	<p>First Party Sections</p> <ul style="list-style-type: none"> • Network-related Business Interruption • Extra Expense • System Failure Business Interruption (some policies) • Dependent Business Interruption (some policies) • Data Restoration 	<p>Expense / Service Sections</p> <ul style="list-style-type: none"> • Crisis Management • Breach-related Legal Advice • Call Center • Credit Monitoring, Identity Monitoring, ID Theft Insurance • Cyber Extortion Payments

“Silent Cyber”: Potential Coverage Under Traditional Policies

Note that coverage in policy forms can vary materially from carrier to carrier, and base forms to manuscript policy forms



New technologies/Insuretech: legal issues

- Regulation
 - Is it insurance?
 - FCA regulatory ‘sandbox’
- Insurance law issues e.g.
 - duty of disclosure
 - Subrogation, etc
- Generic contractual law issues e.g.
 - Contract formation
 - Variations, renewal, etc
- Consumer rights issues e.g.
 - ‘cooling off’ periods
 - Unfair terms, etc

Cyber risk: some legal issues

- Privacy/data protection/consent
- GDPR
- Regulatory compliance ('systems and controls')
- Liability
- Causation/quantum
- Competition law
- Double insurance

Questions

