

CHUBB®

Cyber Risk Management Guide for Brokers



This guide includes information on:



1. Why is Cyber Important?



2. Exposures by Industry



3. Small Businesses



4. Middle Market



5. Large Businesses



6. Key Selling Points



7. Loss Mitigation Services



8. Incident Response Services



9. Coverage - Cyber Enterprise Risk Management



10. Appetite

Why is Cyber Important?



The information and digital age allows us to collect more data, collaborate more efficiently, streamline business processes, and extract information around the globe 24/7.

Increased reliance on computer systems and access to information can significantly increase a company's vulnerability to cyber security threats. Outages, mistakes, or attacks on these new processes can result in significant out-of-pocket costs that can devastate an organisation's bottom line. When it comes to a data security breach or privacy loss, it isn't a matter of if it will happen as when it will happen. So when it does happen, you'll need comprehensive protection from an insurer that specialises in handling cyber risks, offers a full suite of integrated insurance solutions to help minimise gaps in coverage, and understands how to tailor coverage to your business. **Chubb has been committed to providing our insureds with cyber solutions since 1998.**

Gaps in Traditional Insurance

Businesses may be operating under the belief that their existing insurance policies are enough to cover their data security and privacy exposures. Unfortunately, this is not the case and traditional insurance policies may be inadequate to respond to the exposures organisations face today. Consider these traditional policies:

General Liability

General Liability policies are typically triggered in response to Bodily Injury (BI) and Property Damage (PD) claims. A cyber event will not usually involve either BI or PD and General Liability policies typically don't offer cover for any first party costs.

Property

Property policies typically respond to destruction or damage to tangible property resulting from a physical peril. The tangible loss then permits the business interruption and extra expense cover to respond. A cyber event, on its own, may not result in physical damage, yet the event can shut down a business resulting in substantial expense costs and loss of income.

Crime

Crime policies typically respond to direct losses from employee theft of money, securities, or tangible property. Computer crime extensions usually exclude any third-party liability cover and may not sufficiently cover the loss of confidential information.

Exposures by Industry



Financial Institutions

Financial institutions are highly exposed to cyber risk due to a combination of factors. Cyber crime, hacktivism and **sophisticated attackers** carrying out espionage on behalf of a beneficiary are just some of the risks to consider. Vulnerabilities to cyber event can be high as many financial institutions are dependent on highly interconnected networks and **critical infrastructures**. With a high dependency on technology, most financial institutions will continue to see increased exposure to cyber risk.

Common claims:
Social - Phishing and Human Error



Healthcare

A broad movement towards digitisation of medical records has resulted in the increased reliance of Healthcare companies on computer systems to collect and transact **highly sensitive personal health and medical data**. There is a high exposure to administrative errors due to the reliance on employees to input accurate information into systems. Legacy computer systems are often unsegregated, which increases the potential that one event could have a severe impact on operations.

Common claims:
Human Error and Misuse



Retail

Whether online or brick and mortar, Chubb's claims data shows that the retail industry is significantly exposed to cyber losses. Retail companies often have **many locations** that may or may not operate on centralised IT systems, a reliance on a **complicated network of critical IT** service providers, a potential **dependency on websites** due to the increasing number of online sales, and an aggregated amount of **sensitive personal information** due to high frequency of financial transactions and loyalty programmes.

Common claims:
Hacking and Social - Phishing



Hospitality

The hospitality sector covers a wide range of operations from hotels to bars and restaurants. Across the industry, cyber related exposures include **large volumes of consumer and employee information**, often heavy reliance on **websites** for customer bookings, and **loyalty program** information can lead to privacy issues as it can be a target of social engineering and phishing attacks.

Common claims:
Social - Phishing and Hacking



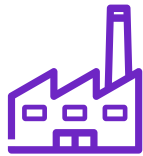
Pro Services

With the amount of confidential data collected, the professional services sector is a popular target for cyber attacks. For example, the information and funds a law firm or an accountant holds can be lucrative for an attacker, and the **reputational consequences** for a firm suffering a breach can be highly damaging. The aggregation of sensitive client information has fuelled an increase in cyber events impacting professional service firms in recent years.

Common claims:
Human Error and Hacking

*Common causes of cyber claims come from Chubb's Cyber Risk IndexSM

Exposures by Industry



Manufacturing

Manufacturing is one of the largest industries being **targeted by cyber criminals**. Significant technology integration is changing how manufacturers operate their businesses. To improve productivity and cost efficiencies, many manufacturers are leveraging the Internet of Things (IoT), digitalisation, and cloud services, which all increase the impact of certain cyber events. Recent events impacting Industrial Control Systems (ICS) and Supervisory Control and Data Acquisition (SCADA) systems have had crippling effects on operations.

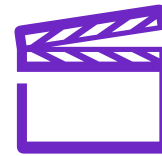
Common claims:
Malware and Social - Phishing



Education

Educational establishments are at risk due to the **sensitive data** they hold on students and staff. Schools and universities often have limited IT budget and resources. Threats are both external and internal, whether it is from a student introducing malware into their network either maliciously or inadvertently, or a staff member not following protocol leading to a data breach.

Common claims:
Social - Phishing and Hacking



Media/Entertainment

Media and Entertainment companies often face **cyber extortion threats** that may target sensitive material and content. Distributed **Denial of Service (DDoS) attacks** or computer system outages may significantly impact broadcasting activities and timely content delivery. The possession of **sensitive personal information** of subscribers compounds the exposure.

Common claims:
Human Error and Social - Phishing



Technology

Technology companies are trusted by their clients and customers to be industry leaders in the cyber security and protection of data, increasing the **reputational damage** that could follow a cyber event. Cyber events at technology providers can also have an impact on **Technology Errors and Omissions** coverage - please reach out to your Chubb underwriter to find out more information on our market-leading combined Tech E&O and Cyber insurance offering.

Common claims:
Hacking and Human Error

*Common causes of cyber claims come from Chubb's Cyber Risk IndexSM

See what Chubb can offer to small, medium, and large businesses to address these exposures:



Small Businesses - Overview

Despite greater media attention given to cyber events at large organisations, SME's are frequently impacted by cyber threats and vulnerabilities. Small businesses are often seen as easier targets for cyber criminals due to often limited IT resourcing and investment.

In addition they may be more likely to neglect measures such as staff training on data security, guidance on password setting and two factor authentication. SME's often represent a lucrative opportunity for cyber criminals compared to larger organisations that may be harder to crack. They also have to consider they may not be the initial target, but can simply be impacted by an event experienced by an outsourced IT provider or a commercial business partner.

Small Business Claims - Chubb Cyber IndexSM

The best way to illustrate the cyber risk that small businesses face is with data. Chubb has handled cyber claims for more than two decades. As part of the claims process, we track key metrics such as actions causing a cyber loss, whether a cyber event was caused by an internal or external actor, the number of impacted records, and the size and industry of the affected insured. We have published the Chubb Cyber IndexSM to share this useful cyber claims data with our clients and brokers.

The Chubb Cyber IndexSM provides users with a means of identifying the leading cyber risks their business may face based on the real world examples of cyber attacks and data breaches. Users can set parameters and view historical trends based on type of threat, size of a company and which industry that company operates within.

To find out more visit the Chubb Cyber IndexSM at: <https://chubbcyberindex.com>



Small Businesses - Claims Scenarios



Ransomware

Our insured, a construction company, was the victim of a targeted ransomware attack. The insured's systems were breached following an employee clicking a malicious link on an email. The insured's systems and servers were encrypted and a demand for \$800k of bitcoin followed. The insured utilised Chubb's incident response managers to instruct IT forensics to establish the method and scope of the attack. Despite not paying the ransom, the total business operations were disrupted for more than six months.

Applicable coverage section:

Data and System Recovery, Business Interruption, Incident Response Expenses and Cyber Extortion.

Mitigation

Regular review of IT security, employee training, regular back up of data and have Disaster Recovery Plan and Business Continuity Plan in place.



Disgruntled Employee

Our insured was the victim of a rogue employee who stole in excess of 700 clients' personal data records, including names, addresses and contact details. They were supplied to the new employer for the new employer's benefit. As this event occurred post GDPR, notice had to be provided to the local regulator's office and the affected data subjects.

Applicable coverage section:

Privacy Liability and Incident Response Expenses.

Mitigation

It's incredibly difficult to prevent rogue employees seeking to cause harm. More often than not they have the requisite system access to enable theft of either personal or corporate sensitive data. On current case law, it is likely a company would be liable to their clients. A Chubb cyber insurance solution provides the tools needed to respond when this occurs.



Employee Error

Our insured, a regional UK housing association, inadvertently suffered a data breach as a result of an employee error. When posting a new advert for a vacant property, the employee mistakenly included an image of a separate client's medical records within the online property brochure.

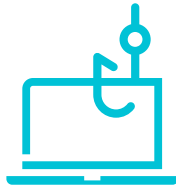
Applicable coverage section:

Privacy Liability and Incident Response Expenses.

Mitigation

It is important to have an enterprise-wide privacy policy detailing protocol for handling sensitive information. Employees should be accountable for understanding and acknowledging compliance with the policy at least annually.

Small Businesses - Claims Scenarios



Unauthorised access - Phishing

Our insured, a logistics firm, was the victim of a malware phishing attack. An employee in the insured's HR team had a pop-up on their computer after clicking a malicious link within an email. The pop-up stated the computer was infected and to call the number provided. Fraudsters then gained remote access to the employee's computer by further deceiving the employee during the call.

Applicable coverage section:

Privacy Liability, Network Security Liability and Incident Response Expenses.

Mitigation

Even with the best security technology and systems, an insured's most vulnerable asset is often its staff. Staff can be duped into surrendering passwords or providing access. Regular phishing training is advised, and having an insurance policy that will provide the relevant expertise is essential.



Physical data record loss

Our insured, a law firm, contacted the Chubb incident response hotline when it came to light an employee of the firm had broken company protocol by taking client records from the office and storing them in their car. The car was subsequently stolen and the client records lost.

Applicable coverage section:

Privacy Liability and Incident Response Expenses.

Mitigation

Have a clear process in place for both digital and physical data storage. Regular data back-up is important to be able to recover quickly. Create an enterprise wide privacy policy that employees are required to acknowledge and adhere to.



Small Businesses - A bespoke cyber solution

1 Loss Mitigation Services for Small Businesses

To help our SME insureds mitigate common cyber claims trends, Chubb offers a number of complimentary and highly discounted services to our policyholders.

Password Management Solutions are free for up to 100 employees of each policyholder.

- Effective password management can help minimise the unauthorised use of stolen credentials.

Phishing Training Simulations are available to policyholders.

- Phishing is one of the fastest growing causes for cyber losses, and simple training for employees can be an effective tool to minimise a phishing attack penetrating SMEs.

2 Incident Response Services for Small Businesses

Chubb understands that not all events can be avoided. When something does occur, **our cyber policies provide an expert panel of incident response service providers at a nil deductible for our SME clients.**

These specialists are available 24/7/365 and are prepared to guide you in recovering from any cyber event.

- Experts include incident response management, IT forensics, legal resources, public relations, and more.
- Access to the provider network is included as part of the policy.
- Available 24/7/365 via the Cyber Alert app®, freephone, or web.
- Can provide assistance following any actual **or suspected** cyber event - they are there to help in any emergency.

3 Small Enterprise Platforms

Chubb's online platforms (available in select countries) have been designed specifically for brokers to quote and bind preferred small business insurance online. By combining intuitive design with a customer-centric experience, brokers can arrange their client's cyber insurance in a matter of minutes before issuing documentation on the spot.

Arrange cover quickly and easily; includes the same policy benefits as offline:

- Simple question set
- Wide risk appetite for SME businesses
- Same cyber policy language as offline business
- Access to Chubb's Cyber Loss Mitigation Services
- Edit policy dates, limits, commission rates and contact details without the need to contact an underwriter
- Quote and bind risks within a few minutes

See here for more information on our full suite of cyber services, including cyber security and more.



See here for more information on how Chubb's Incident Response solution operates.



Chubb's online platform for Cyber ERM Version 2 in Australia is available at marketplace.chubb.com/au
Contact your local Chubb underwriter for access details.

Middle Market - Overview

Middle market enterprises face the same cyber security issues as large enterprises but with less of a budget to spend, and not as many specialist staff to manage this risk. They often take the same view as many SME clients, believing that only large global businesses have a significant risk. As malicious activity has become more sophisticated, the struggle for middle market businesses to defend themselves is now tougher than it's ever been.

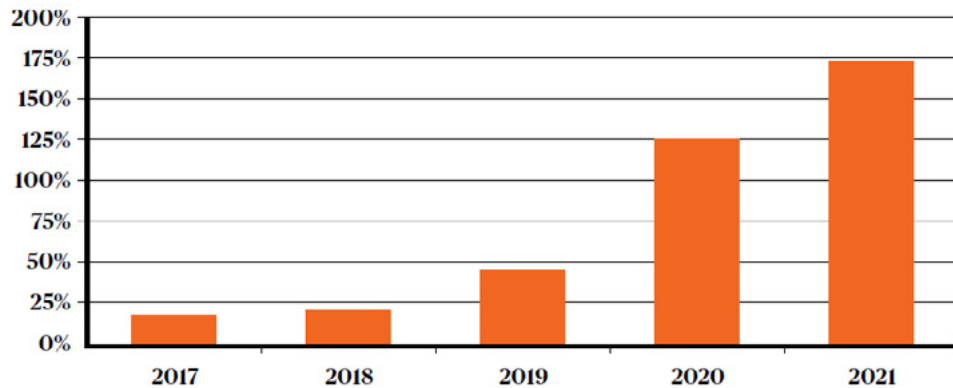
Chubb Cyber IndexSM

The Index provides users with a means of identifying the leading cyber risks their business may face based on the real-world examples of cyber attacks and data breaches. Users can set parameters and view historical trends based on type of threat, size of a company and which industry that company operates within.

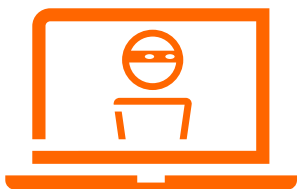
To find out more visit the Chubb Cyber IndexSM at: <https://chubbcyberindex.com>

Chubb Claims Compared to 2016 (Percentage Growth)

Middle Market - All Industries



Middle Market - Claims Scenarios



Ransomware

An assisted living facility experienced a “brute force” ransomware attack and had several of its files encrypted. A ransom of approximately \$26,000 was initially demanded. After paying a small amount of the ransom demand to obtain a sampling of the decryption tool, the company decided to instead rely on its backups to restore its systems.

Applicable coverage section:

Data and System Recovery, Business Interruption, Incident Response Expenses and Cyber Extortion.

Mitigation

Investing in security technology, whilst essential to help prevent unauthorised access, is not foolproof. Attackers are constantly evolving their attack methods, and any business has to review their security and procedures regularly to keep pace with the threat.



Employee Error

An employee at a hardware retailer ignored internal policies and procedures and opened a seemingly innocuous file attached to an email. The next day the hardware store’s stock order and cash registers started to malfunction and business trade was impaired as a result of the network failing.

Applicable coverage section:

Data and System Recovery, Network Security Liability, Business Interruption and Incident Response Expenses.

Mitigation

Regular training to ensure staff are aware of what to look for in suspicious email attachments, and what process to follow should they have suspicions. In addition, immediate access to an incident manager and a network of responders will enable a swift response.



Data Breach

A hotelier’s network was hacked, leaving potentially all records belonging to both employees and customers compromised, including payment card information from customers.

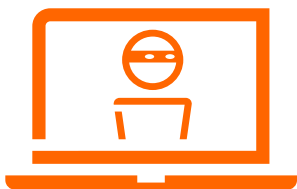
Applicable coverage section:

Incident Response Expenses, Data and System Recovery, and Privacy and Network Security.

Mitigation

Detection awareness security is a useful tool for combating a hacker. This allows any suspicious activity to be picked up quickly. Encryption of data is also paramount to ensure breached data cannot be easily removed and used.

Middle Market - Claims Scenarios



Cryptomining

A manufacturing company experienced a ransomware attack that resulted in the encryption of several of their files. After the Insured contacted Chubb through the 24/7 incident response hotline, we offered a consultation with an incident response manager and forensic experts from our cyber panel. As a result of these discussions, the Insured chose not to pay the ransom. However, once the forensic firm began working on remediating the ransomware attack, they discovered that the Insured was also the victim of Cryptomining. The attackers had installed software in the Insured's system that was mining Bitcoin. Cryptomining occurs when an unsuspecting party's computer system is being used for cryptocurrency mining without their knowledge.

Applicable coverage section:

Incident Response Expenses, Business Interruption, Data and System Recovery and Privacy and Network Security.

Mitigation

Regularly reviewing IT security is important for a manufacturer to ensure production isn't affected by an attack. They need to consider a disaster recovery plan, and business continuity plan should they be caught up in an attack to allow them to minimise the disruption. Unauthorised access is not foolproof. Attackers are constantly evolving their attack methods, and all businesses must review their security and procedures regularly to keep pace with the threats.



Data Theft Results in Extortion, Business Interruption and Extra Expense

An unknown organisation hacked a law firm's network and may have gained access to sensitive client information, including a public company's acquisition target, another public company's prospective patent technology, the draft prospectus of a venture capital client, and a significant number of class-action lists containing plaintiffs' Personally Identifiable Information (PII). A forensic technician hired by the law firm determined that malware had been planted in its network. Soon after, the firm received a call from the intruder seeking \$10 million to not place the stolen information online. The law firm incurred \$2 million in expenses associated with a forensic investigation, extortion-related negotiations, a ransom payment, notification, credit and identity monitoring, restoration services and independent counsel fees.

Applicable coverage section:

Cyber Extortion, Privacy and Network Security, Business Interruption and Incident Response Expenses.

Mitigation

Training of staff to attempt to prevent opening malicious email is important. In addition having IT security in place to catch malware should it slip through the net should be implemented.

Middle Market - A bespoke cyber solution

1 Loss Mitigation Services for Middle Market

To help our Middle Market insureds mitigate common cyber claims trends, Chubb offers a number of complimentary and highly discounted services to our policyholders.

Password Management Solutions are free for up to 100 employees of each policyholder.

- Effective password management can help minimise the unauthorised use of stolen credentials.

Phishing Training Simulations are available to policyholders.

- Phishing is one of the fastest growing causes for cyber losses, and simple training for employees can be an effective tool to minimise a phishing attack penetrating Middle Market companies.

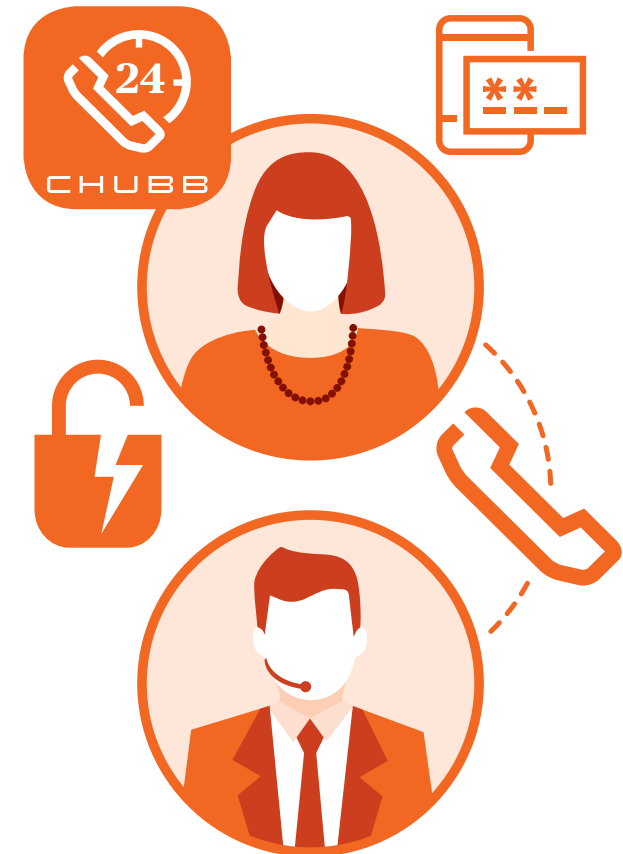
[See here for more information on our full suite of cyber services, including cyber security and more.](#)

2 Incident Response Services for Middle Market

Responding quickly and effectively to a cyber event is key to minimising impact and losses - for when something does occur, our cyber policies provide an expert panel of incident response service providers for our Middle Market clients. These specialists are available 24/7/365 and are prepared to guide you in recovering from any cyber event.

- Experts include incident response management, IT forensics, legal resource, public relations experts and cyber extortion negotiators.
- Flexible to use our panel of providers or any vendors that you have already contracted with as part of a cyber incident response plan.
- Available 24/7/365 via the Cyber Alert® app, freephone, or web.
- "Emergency Incident Response" provides assistance following any actual **or suspected** cyber event - they are there to help in any cyber emergency at a **nil deductible** for 48 hours.

[See here for more information on how Chubb's Incident Response solution operates.](#)



Middle Market - A bespoke cyber solution

3 Risk Engineering Services

How each client operates and the technology they use can be different in every circumstance. Our Cyber Risk Engineers help clients identify and understand their technological vulnerabilities and assist them in preventing a future cyber event even before a policy incept.

Key Benefits



Direct engagement with clients to gain a deep understanding of the risk and exposures



Flexibility for engagements pre-bind or on-risk



Risk recommendations with guidance on how clients can improve their overall cyber risk management profile

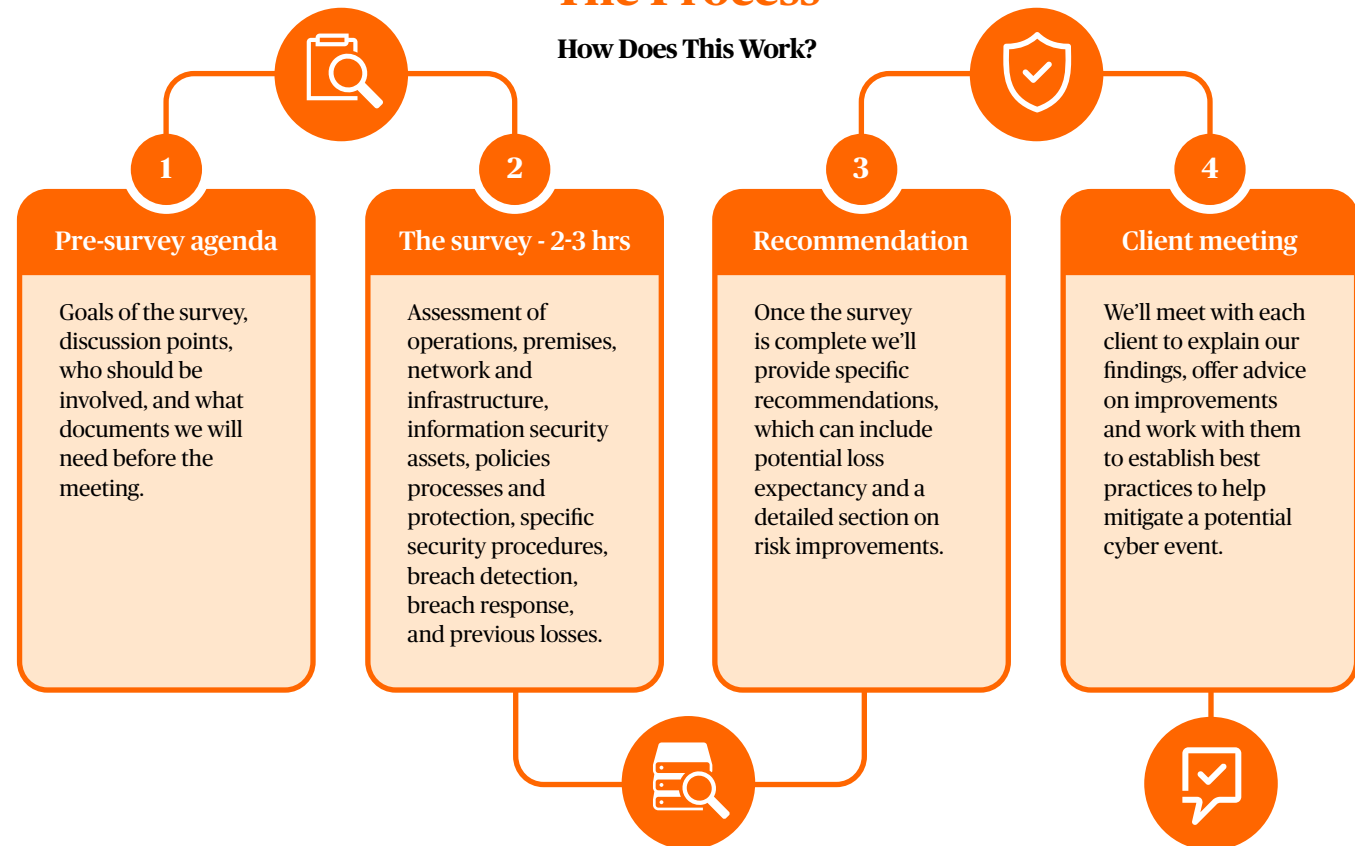


Additional direct technical training is available for clients and brokers

While this service is specifically designed for Middle Market customers, it can be considered for any size company.

The Process

How Does This Work?



Large Businesses - Overview

As the number of highly publicised cyber attacks on large and multinational companies has increased in recent years, the demand for cyber insurance has escalated rapidly. The growing demand has been fuelled by intensified pressure on boards to demonstrate an accurate assessment of cyber risk, increased regulatory oversight, and an expanded need for information sharing amongst colleagues and partners. Boards and risk managers recognise that cyber insurance should be more than just risk transfer. Chubb's offering for Large Businesses provides a global-yet-flexible incident response solution, extensive multinational programme options, captive fronting abilities, and meaningful capacity through our Global Cyber Facility.

Incident Response Services for Large Businesses

Cyber incident response plans are very often established and frequently tested by larger organisations - Chubb's cyber incident response services are intended to supplement what is already in place. Our team of incident response managers are prepared to work with an insured's preferred specialist vendors, even if they are not part of the Chubb panel.

- Policy includes the use of vendors with whom our customers have already contracted as part of a cyber incident response plan.
- Our global network of local incident response teams are designed to meet the needs of multinational risks.
- Chubb's Cyber Alert® app, designed for a risk manager or IT manager, connects to our incident response and claims team to streamline expert assistance and policy response.
- "Emergency Incident Response" provides assistance following a cyber event.

[See here for more information on how Chubb's Incident Response solution operates.](#)



Large Businesses

1 Multinational Programmes

The global nature of cyber risk has requires companies to understand how their policies can respond to an international event, and what restrictions might apply. Structuring an efficient, cost-effective multinational insurance programme requires a close understanding of the evolving cyber regulatory environment.

Some specific questions when considering a multinational insurance programme:

- Where are the entities located? Restrictions may differ between countries.
- Do countries allow a non-admitted insurer to pay losses directly to the local entity? What are the specific country restrictions?
- Does the client want to protect insureds locally? Benefits from a local policy include: local claims payments, local policy language, and local claims handling.



Chubb's multinational cyber capabilities:

Chubb can offer multinational cyber programmes to locally and responsibly cover over 35 countries around the world, serviced by Chubb's fully staffed global services team with the expertise and specialists prepared to assist with any multinational insurance needs.

2 Global Cyber Facility

A comprehensive cyber risk management solution for Large Businesses.

Who do we work with?

- Organisations with over US\$1Bn in annual revenue.
- All industry classes, including retailers, financial institutions and manufacturers.

Components to the offering:

- Pre-event loss control services from globally recognised cyber defence organisations to address cyber deficiencies identified during risk assessment.
- Bespoke risk transfer policy.
- Post-event response and claims management.

Key policy coverage:

- **Primary limits available from \$30M to \$100M of Chubb capital** accretive to the market to support large towers.
- **DIC/DIL endorsements available to fill gaps** between an organization's cyber, casualty, and property policies.
- Bespoke, flexible policy form available.

What is the process?

- Proactively begin sales process three months prior to market tender.
- Proprietary Chubb assessment to analyse an organisation's risk profile.
- Direct engagement between client and Chubb underwriting (risk engineering available too).



Large Businesses

3 Captives

Managing cyber risk within a captive is becoming increasingly relevant for multinational companies that find a combination of risk transfer and risk retention meaningful. Captives are becoming a common solution to maintain adequate but manageable premiums, or to carve out local policy deductibles into a consolidated structure.

A captive can also provide more comprehensive cover than what is available in the commercial insurance market for the parent company. This allows a company to gain an understanding of the exposures and to capture loss information so that an insurer or reinsurer will thereafter be able to take on the risk at an appropriate limit and premium.



Why

- Optimise risk transfer
- Provide diversification
- Act as incubator
- Access to add-on services

How

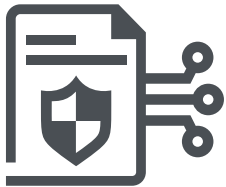
- Various structures possible
- Small primary/large deductible layers
- Quota share of large programs
- Peril specific

Challenges

- Uncertainty/exposure understanding
- Pricing of retention layer
- Aggregation with other lines

Key Selling Points

Not all of your clients will understand the importance of a cyber insurance policy, or all of the benefits that one can provide. We've put a few key knowledge points together to help you explain these main benefits to your clients.



Affirmative protection

Traditional insurance policies may be inadequate to respond to cyber exposures. A cyber policy is specifically designed to address these gaps and give you affirmative protection against exposure that can be difficult to grasp.



You don't have to be the target to be affected

Cyber attacks can spread through your suppliers or your outsourced technology providers, leading to significant impact even when you aren't the target. Chubb has seen significant collateral damage from cyber events originating at separate companies. What if your data storage provider is the target, and your data is compromised in the process?



Insurance covers response and recovery expenses, not just data compromise

Liability arising from the loss or misuse of sensitive data is only one potential outcome of a cyber event. Business interruption, incident response, and recovery costs make up a significant portion of Chubb's claims payments, even without liability claims.



Complement to existing IT teams

Cyber insurance does not undermine the effectiveness of IT security teams - it supplements their skills and protects a business from the unknown.

Key Selling Points



Multinational threats

Cyber losses are not only in the United States. Chubb helps companies recover from cyber events around the world, including where we see data breaches, ransomware, and other events around the world.

All businesses can be affected

Cyber events can impact any company, regardless of size and industry. Events can be targeted, employee mistakes can be made, or collateral damage losses can be experienced from a wider event. Chubb has flexible solutions depending on your needs, maturity level and size of business.

Responding to evolving regulation

New privacy regulations have increasingly higher standards and penalties - cyber insurance can help you through these changes. Chubb's policy adjusts to these regulations.

Adapting to emerging cyber risks

Chubb delivers emerging cyber claims trends on a quarterly basis, keeping you aware of new risks as we see them. Chubb's Cyber IndexSM also gives you up-to-date information on recent and historical trends.

Loss Mitigation Services

Our assessment of common claims trends has shown common themes across multiple industries and customer segments. Human Error, misuse, and social attacks like phishing are common causes of cyber losses, but they can be avoided or minimised with the proper awareness and training.



As part of Chubb's cyber insurance solution, we offer Loss Mitigation Services specifically designed to mitigate the common causes of cyber losses. Chubb's policyholders have access to a number of services including **password security, phishing training, employee awareness**, and more.

Our enterprise risk management philosophy proves our commitment to improving our clients' cyber risk management. By partnering with expert third parties, we provide our clients with access to easy to apply cyber risk improvement services, many of which are complimentary.

To find out more information, please visit the Chubb Cyber Services website:

www.chubb.com/au-cyber-services

Loss Mitigation Services



1. Password management from Dashlane

Passwords are the foundation of sound online security practices. Chubb's claims data shows that poor password management can lead to damaging cyber losses. Dashlane's password management tool is complimentary for Chubb's cyber insureds.



2. Phishing awareness assessment from Cofense

This phishing training programme is designed to identify susceptibility and risk to phishing attacks - a significant weak point that has led to many cyber losses.



3. Cyber Alert® app from Chubb

Responding to a cyber event can be very difficult, and not having specialist expert support can increase losses from an event. Chubb's complimentary Cyber Alert® app gives insureds efficient and immediate means to report a claim and get in contact with our cyber incident response specialists.



4. Other Services

Cyber security education training, risk assessments, planning exercises, and other cyber loss mitigation services are available for policyholders in certain regions. Find out what is available in your country here:

www.chubb.com/au-cyber-services



Read about our incident response services for the times when cyber events can't be avoided.

[Find out more](#)



Incident Response Services - Overview

While Chubb's Cyber Loss Mitigation Services can help decrease the chances of a cyber event, the reality is that no level of protection is perfect against cyber threats. Chubb's cyber policies include our network of Incident Response specialists that are available 24/7/365 and prepared to help our insureds recover from any cyber event.

Highlights



Chubb helps three to five companies recover from a cyber incident every day around the globe.



When insureds notify a cyber incident through the Chubb Cyber Incident Response Centre, they will receive **immediate assistance** from a cyber reporting specialist to collect important details to get the right experts together. 90% of these insureds will receive a call back from an expert cyber incident response manager within 15 minutes.



Flexible providers - we realise that some companies would like to use providers that are not part of our network. Chubb offers flexibility for insureds to use specialists of their choosing in many territories, and these can be seamlessly included in our incident response network.

See how our incident response process works here:

Next



Incident Response Services - How it Works

This guide details how to access the Chubb Cyber Incident Response Team, how to report a claim, and what to expect from our Incident Response Platform.

1 Client suffers a cyber event



The Chubb Incident Response Platform is available 24/7/365. It provides access to the Chubb Cyber Incident Response Centre and our Cyber Incident Response Team and offers a holistic approach to managing cyber events.

2 Client reports the cyber event using any of the following methods:



Chubb Cyber Alert® mobile application

Find in the Apple Store and the Google Play Store



Online

Access our platform:
www.chubbcyberalert.com



Telephone Hotline

Find your local number below:

Local Toll Free Numbers

Argentina	800 666 1967
Australia	1 800 027428
Austria	0800 005 376
Belgium	800 49 405
Brazil	0800 095 7346
Canada	1 866 561 8612
Chile	1 230 020 1212

China	400 120 5310
Colombia	01 800 518 2642
Czech Republic	800 142 853
Denmark	80 250 571
Finland	0 800 112382
France	08 05 10 12 80
Germany	0800 589 3743
Hong Kong	800 900 659
Indonesia	001 803 011 2974

Ireland	1 80 093 7331
Israel	1 80 921 3812
Italy	80 019 4721
Japan	00531 1 21575
Korea South	00798 14 800 6017
Malaysia	1 800 8 12541
Mexico	001 855 250 4580
Netherlands	0800 020 3267
New Zealand	0800 441402

Norway	800 12554
Panama	001 800 507 3360
Peru	0800 56006
Poland	00 800 121 4960
Portugal	800 8 14130
Singapore	800 120 6727
South Africa	080 09 82340
Spain	800 810 089
Sweden	020 088 3181

Switzerland	080 016 6223
Taiwan	00801 13 6828
Turkey	0811 213 0171 (landline)
Turkey	0812 213 0043 (mobile)
UAE	8000 444 4411
U. Kingdom	0800 279 7004
USA	1 844 740 9227
Vietnam	1203 2353 (VNPT)
Vietnam	1228 0688 (Viettel)

Incident Response Services - How it Works

3 Contact from Chubb's Incident Response Centre



Within 1 minute of reporting an event, the client will be connected to a consultant to collect:

- Insured name
- Location of policy
- Contact details
- Location of event

Information will be sent to local incident response management and can be sent to Chubb's claims department. Keeping Chubb informed will provide for the most efficient policy response.

4 Incident Response Management



Within 1 hour of reporting, the client will receive a phone call from a local Incident Response Manager where the event is occurring. Next steps include:

- Conduct initial investigation
- Develop response plan of action to contain event
- Appoint specialists to help with advice and recovery:



5 Recovery



With an expert panel of vendors working to contain the event, the Cyber Incident Response Team will support you in the recovery of your business activities.

6 Follow-up



Chubb's specialist vendors will then discuss the provision of additional services to assist you with your analysis of the event to include future remediation, a review of lessons learned and risk mitigation advice.

Coverage – Cyber Enterprise Risk Management (Version 2)

The Coverage

First Party

- **Incident Response** - from an actual or suspected cyber event - often nil deductible
- **Business Interruption** - loss of net profit and continuing operating expenses
- **Data and System Recovery** - increased cost of work, data recovery costs, additional business interruption mitigation
- **Cyber Extortion** - extortion payments and negotiation

Third Party

- **Privacy and Network Security Liability** liability following data breach or failure of network security:
 - **PCI DSS** contractual fines and penalties
 - **Consumer redress fund**
 - **Regulatory fines** and penalties (where legally insurable) - GDPR
- **Media Liability** - liability following defamation or infringement online

The Highlights

- **Contingent business interruption** for outsourced technology providers
- **System failure** triggers - human error, programming error, power failure
- **Standard extensions:**
 - **Emergency incident response** expenses within 48 hours for SME and Middle Market insureds - **nil deductible**
 - **Betterment costs** - improvement of software and applications
 - **Cyber crime** - direct financial loss following cyber theft
 - **Reward expenses**
 - **Telecommunications fraud**
- Pay on behalf for incident response expenses
- **Flexible incident response providers**
- **Rogue employee**
- **Voluntary notification**
- **Voluntary shutdown**
- By endorsement: **Reputational Harm Extension, Social Engineering Fraud**
- **Cyber terrorism**
- **Worldwide coverage**



Endorsements



Chubb addresses growing cyber risks with a flexible and sustainable approach. Policyholders may tailor cyber insurance coverage levels for Widespread Events, Ransomware Encounters, and Neglected Software Vulnerabilities.

1 Widespread Events

The world is becoming more digitised and interconnected every year. Widely used software programmes, communication platforms, and technology platforms are leveraged and often relied upon by thousands or millions of companies. A single attack upon and/or failure of one of these widely used platforms or technologies could create an aggregation risk that exceeds the insurance industry's capacity to insure. In order to provide policyholders with coverage clarity and market stability, Chubb provides affirmative and specific limits, retentions, and coinsurance for such Widespread Events.

Types of Widespread Event perils covered include:

- **Widespread Software Supply Chain Exploits**
These are attacks that allow bad actors to enter systems through trusted, certified software and are effectively a Trojan horse to a system.
- **Widespread Severe Zero-Day Exploits**
These are attacks arising from certain software vulnerabilities that are known by cyber criminals but not yet known by anyone else – vulnerabilities that can be easily exploited, are severe, and often lack protection.
- **Widespread Severe Known Vulnerability Exploits**
These are attacks arising from severe known software vulnerabilities that are not patched. The vulnerabilities are considered severe because they are easy to exploit, can be deployed remotely with limited access privileges, and can result in significant adverse impact.¹
- **All Other Widespread Events**
Certain types of cyber attacks can be carried out concurrently or automatically against a wide number of victims, ultimately causing a catastrophic cyber event. The Internet and some telecommunications services have risen to the level of critical societal infrastructure, and some large cloud computing firms are so widely used that an outage could impact the operations of thousands or even millions of companies.

Real-World examples of Widespread Event perils:

- Widespread Software Supply Chain Exploit: Solorigate (2020), NotPetya (2017)
- Widespread Zero-Day Exploit: Hafnium (2021)
- Widespread Severe Known Vulnerability Exploit: MSSP Attack (2021)
- Other Widespread Event: Virginia Cloud Outage (2020)

Chubb's Widespread Event Endorsement provides concise and sensible loss adjustment rules, including:

- Incident response expenses do not erode Widespread Event limits until after it is determined that an incident is a Widespread Event, with no return of expenses incurred prior to that determination.
- Policyholders can opt out of sharing certain types of investigatory data when it is mutually agreed that an incident is a Widespread Event.
- All cyber incidents are categorised as either Limited Impact Events (e.g., a local event with "business as usual" loss rules) or Widespread Events (e.g., a systematic event with structural loss adjustment differences such as limit, retention, and coinsurance), enabling policyholders to purchase the coverage that best meets the needs of their organisation.



Widespread Events



Other coverage sections

2 Ransomware

Ransomware attacks have grown dramatically in both frequency and severity. The loss implications to policyholders are far broader than just the value of the ransom amount. Whether the ransom is paid or not, policyholders often incur legal costs, forensic investigatory expenses, business interruption loss, digital data recovery costs, and, potentially, liability and legal defense costs.

The Ransomware section allows for tailoring of coverage limits, retention, and coinsurance for losses incurred as the result of a Ransomware incident.

3 Neglected Software Vulnerabilities

Keeping software up to date is an important aspect of good cyber risk hygiene. Many losses can be prevented by patching vulnerable software before cyber criminals have an opportunity to exploit it, but some organisations may not patch software right away. Sometimes there are legitimate reasons why software updates need to be tested before being rolled out, and compatibility, capacity, or simple logistics issues may prevent even a well-run information security organisation from deploying patches within the first day or week after they become available. For that reason, Chubb provides policyholders with a 45-day grace period to patch software vulnerabilities that are published as Common Vulnerabilities and Exposures (CVEs) within the National Vulnerability Database operated by the U.S. National Institute for Standards and Technology (NIST).

The Neglected Software Exploit section provides coverage after the 45-day grace period expires, with the risk-sharing between the policyholder and insurer incrementally shifting to the policyholder, who takes on progressively more of the risk if the vulnerability is not patched at the 45-, 90-, 180-, and 365-day points.



Neglected Software

Appetite

To help offer clarity for you and your client we have created the following summary of our appetite. This is not an exhaustive list, but provides some general guidance. For unique risks or industries not listed below, contact our underwriting team to discuss your requirements.

Preferred	Accepted	Selective	Opportunistic
<ul style="list-style-type: none"> Advertising* Agriculture Architects & Engineers Art Galleries & Museums Automotive Dealers & Service Stations Chemicals and Allied Products Communications* Non-Profit Printing and Publishing* Real Estate Small Schools / School Board Pre-K to 12 TV/Radio/Movie Production* Wholesalers 	<ul style="list-style-type: none"> Accountants Allied Health Providers Asset Managers Billing Services Colleges and Universities Computer Hardware / Software Construction Doctor's/Dentist's Offices Employment Agency / Personnel Agency General Contractors Law Firms - Corporate Based Management Consultants Marketing Consultants Mortgage Brokers Performing Arts & Theatres* Personal Services Professional Services - Not Otherwise Listed Technical Consultants Trade Associations Transportation Services - Not Otherwise Listed 	<ul style="list-style-type: none"> Assisted Living Facilities Broadcasting* Call Centers Collection Agencies Commodities Traders Currency Exchanges Depository Institutions Engineering and Management / Services Manufacturing Financial Institutions - Not Otherwise Listed Food Production / Manufacturing Industrial Manufacturing Hospitals Insurance - Non-Personal Lines Investment / Fund Managers Mining Notaries Nursing / Retirement Home Public Authority / Special District Products Manufacturing Restaurants / Hospitality Retail Retail Savings Bank Securities and Commodities Brokers Telecommunications Telemarketing Services* Title Agents 	<ul style="list-style-type: none"> Public Administration Casinos Critical Infrastructure Data Processing Direct Marketing* EMR Storage Factoring Companies Government Health Systems HMO / PPO Insurance Carriers - Personal Lines Online Gaming Platforms Online Media Streaming* Payment Card Processing Payroll Services Utilities
Prohibited			
<ul style="list-style-type: none"> Adult Content Airline Cryptocurrency Exchanges 	<ul style="list-style-type: none"> Initial Coin Offerings Data Aggregators Online Exchanges 	<ul style="list-style-type: none"> Social Networking Site / Application Trading Platforms 	

*Not including media E&O coverages



CHUBB®

For more information

Please contact our underwriters to find out more
on our cyber offering or visit www.chubb.com/au-cyber

[Return to start](#)



This brochure is intended to provide only a general description of the products and associated services offered by Chubb. Any advice in this brochure is general only and does not take into account a potential purchaser's objectives, financial situation or needs, or the prevailing laws and regulations in the relevant jurisdictions. Please review the full terms, conditions and exclusions of the relevant policy and consider whether the advice is right for you. Coverage is underwritten by Chubb Insurance Australia Limited, ABN 23 001 642 020, AFSL 239687. Coverages are subject to licensing requirements and sanctions restrictions. This document is neither an offer nor a solicitation of insurance or reinsurance products. Potential purchasers should contact their local broker or agent for advice. ©2022 Chubb Insurance Australia Limited. Chubb®, its logos, and Chubb. Insured.SM are protected trademarks of Chubb. Chubb10-607-0822.