

Because every breach is different.



Cyber Insurance as a Customer Privacy Protection Tool

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Coverholder at LLOYD'S

Data Everywhere



The Market of Stolen Personal Information

- Credit card information (name, billing address, card-number, CVV2 code, and expiration date) = \$1.50 – \$3.00 per file.
- Social security numbers = \$1 – \$6 per number, depending on availability of corresponding date of birth and/or mother's maiden name.
- Online banking log-in details = \$50 – \$1,000.

- See, RSA Anti-Fraud Command Center, RSA Online Fraud Report, August 2010:
[www.rsa.com/solutions/consumer_authentication/intelreport/11068_Online_Fraud_report_0810 .pdf](http://www.rsa.com/solutions/consumer_authentication/intelreport/11068_Online_Fraud_report_0810.pdf)



Health insurance companies prime targets for hackers



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NEWS

Anthem Hack: Personal Data Stolen Sells for 10X Price of Stolen Credit Card Numbers

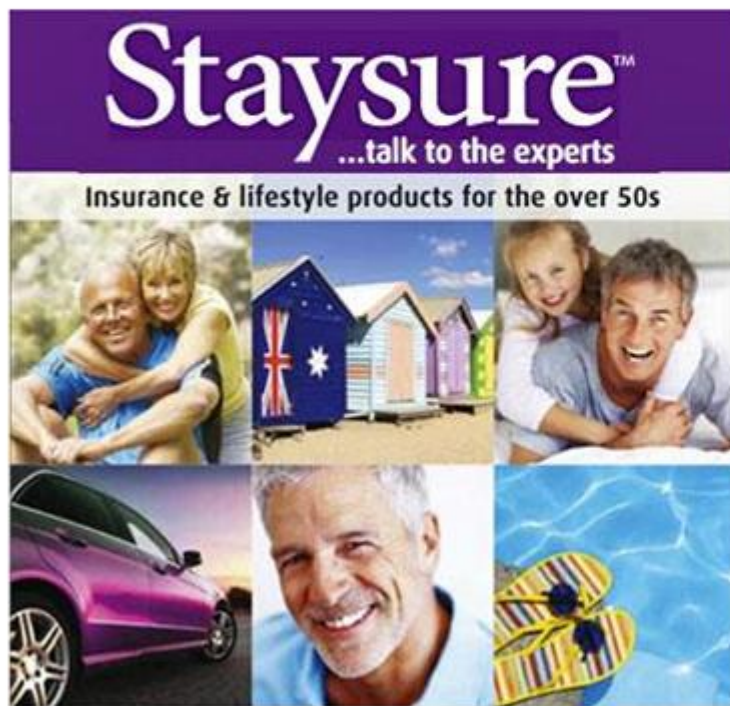
NEWS

Health records are the new credit cards

Broker fined £175,000 by information watchdog after cyber criminals raid customer records

25 February 2015 | By Newsdesk

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Top 50 broker Staysure slammed by Information Commissioner's Office for 'unbelievable' security failures

The Information Commissioner's Office (ICO) has hit over-50s personal lines broker Staysure with a £175,000 fine after its customer records were hacked and used for fraud.

More than 5,000 customers had their credit cards used by fraudsters.

Hackers potentially had access to more than 100,000 live credit card details and customer medical records. The ICO was especially critical of the way credit card security numbers were exposed, despite industry rules that they should not be kept at all.

The ICO investigation found that Staysure had breached the Data Protection Act by failing to keep the personal information secure.

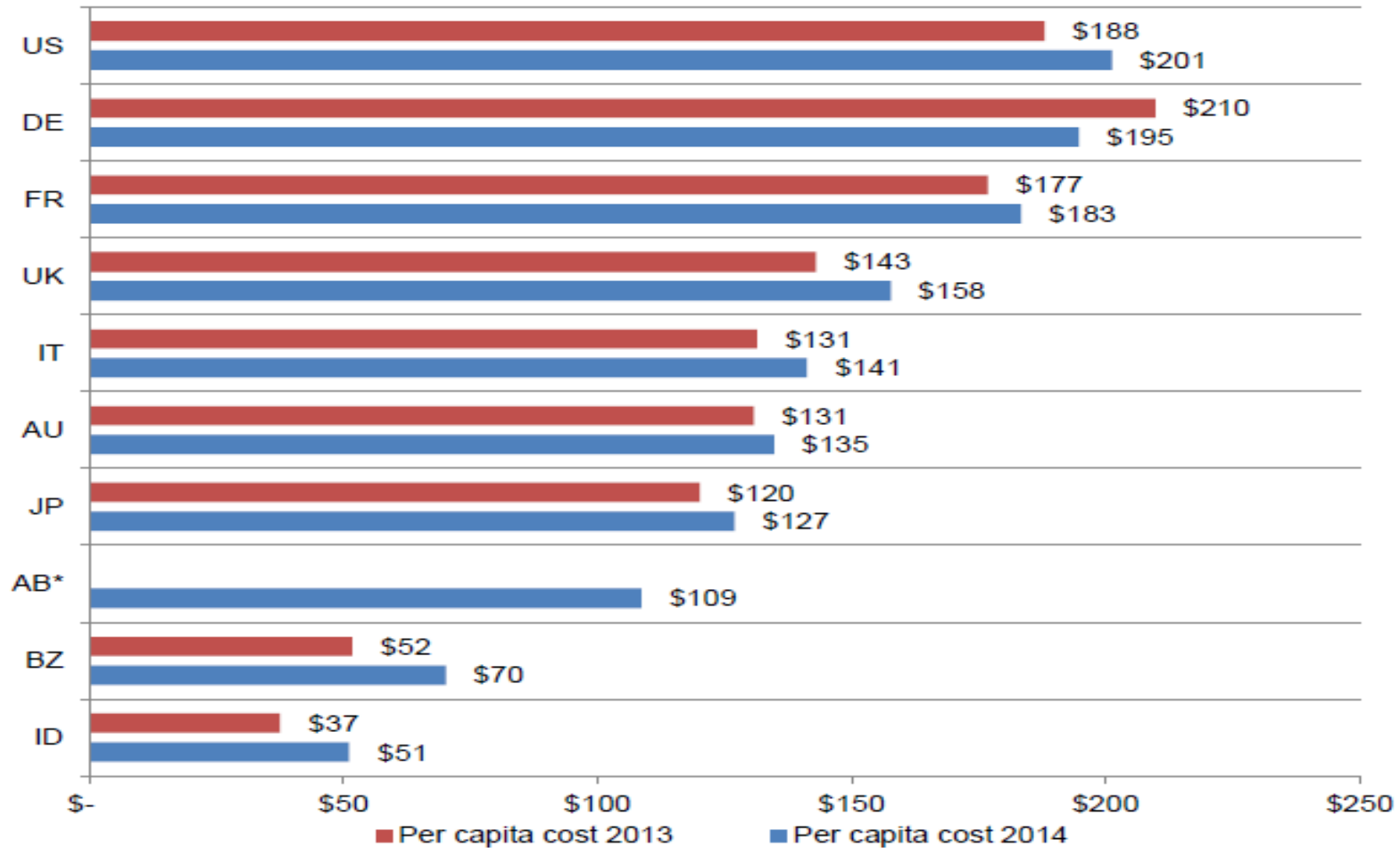
The company had no policy or procedures in place to review and update IT security systems, and had twice failed to update database software that could have prevented the incident.

How Do Data Breaches Occur?



- Employee loses an **unencrypted portable device** (smartphones, laptop, thumb drive, backup tape)
- Property crimes (computers prime targets)
- Inside job (**employee steals information**)
- Stray faxes, emails
- **Phishing** scams and increasingly, **Social Engineering**
- **Malware** / virus attacks (especially when working remotely on an unsecured network)
- Failure to purge/scrub computing devices scheduled for destruction

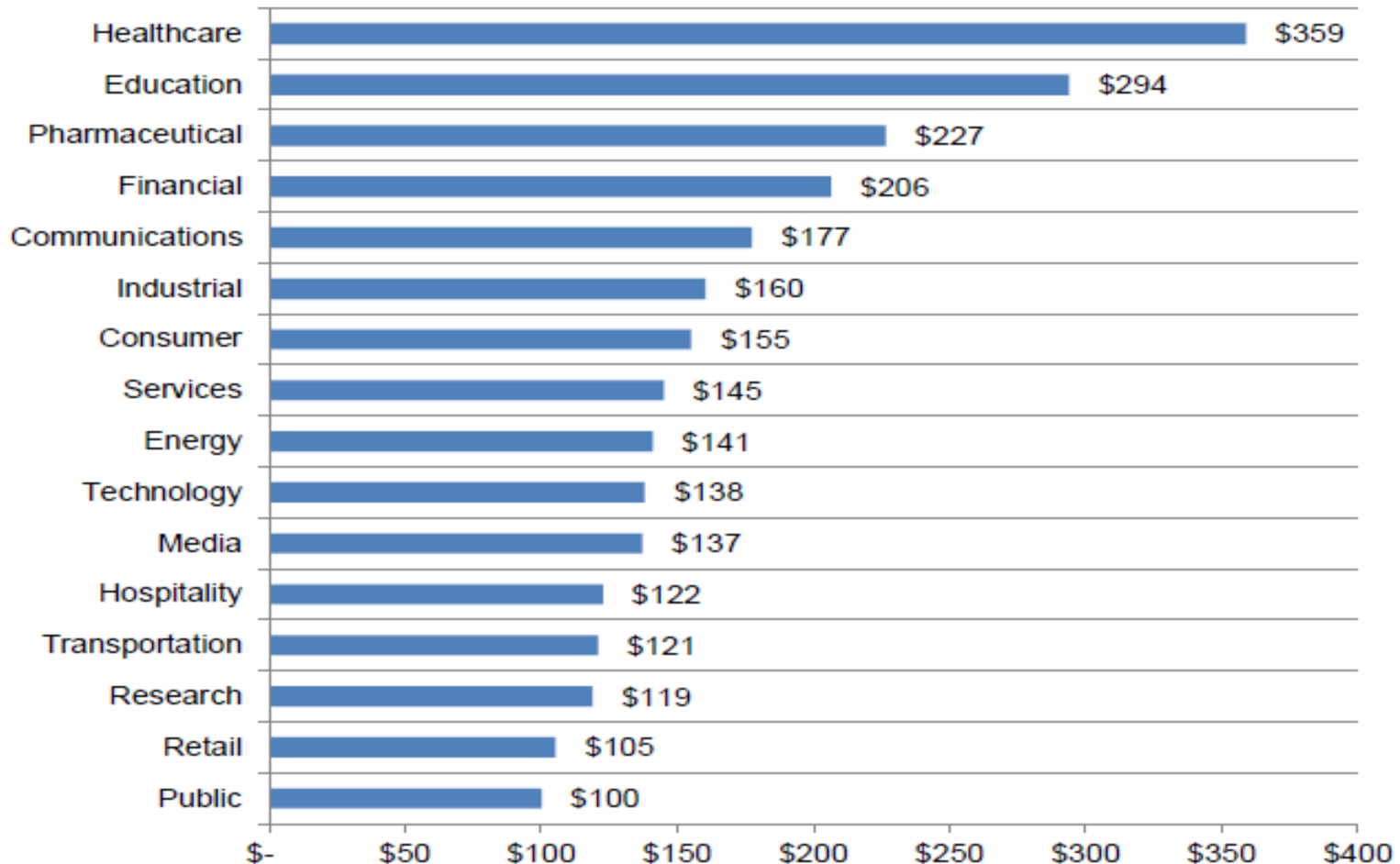
The Average per Capita Cost of Data Breach



2014 – Cost of Data Breach Study global – Ponemon Institute Research Report

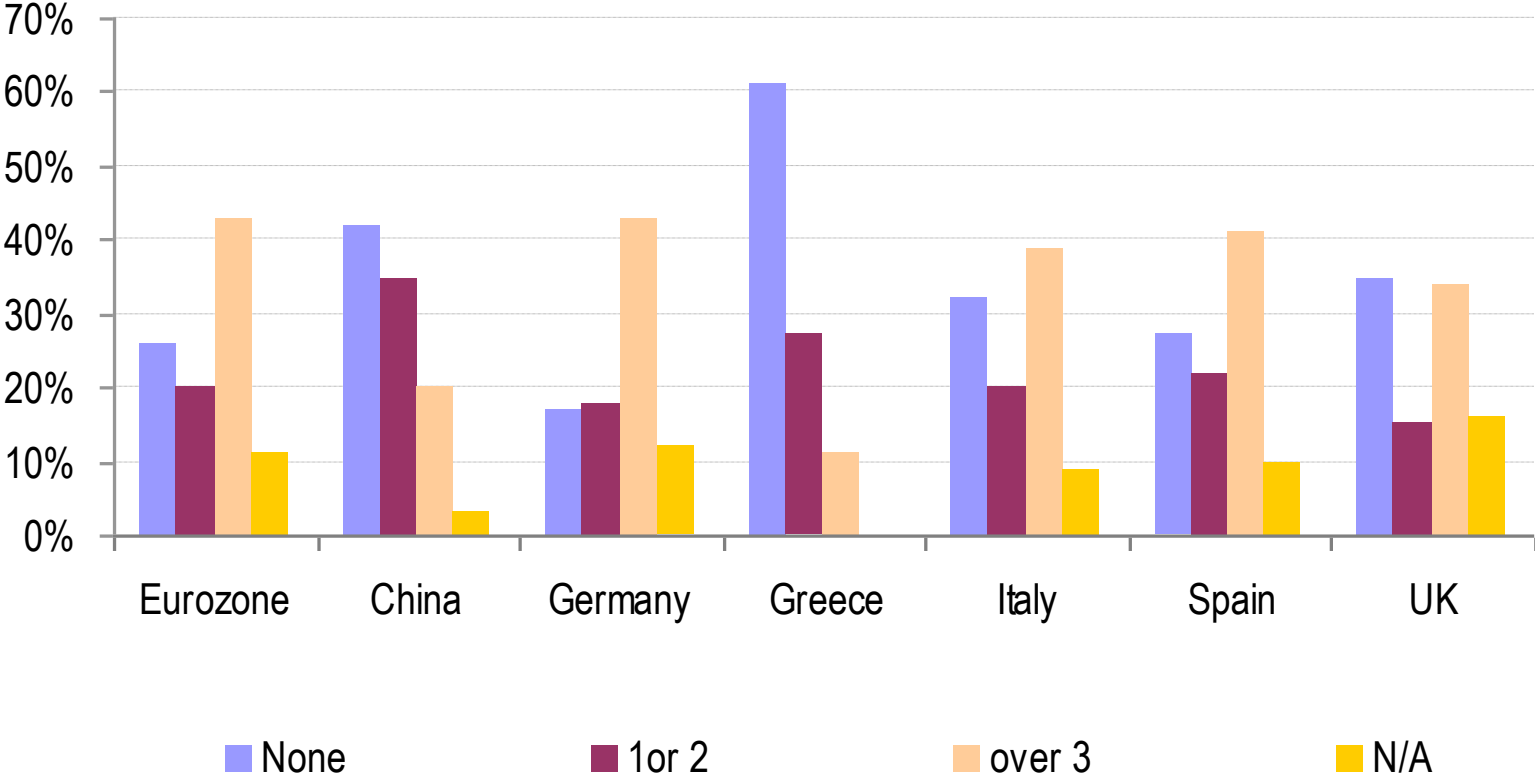


The Average per Capita Cost of Data Breach per Industry



Greek Market Vs Global Market – Security Incidents

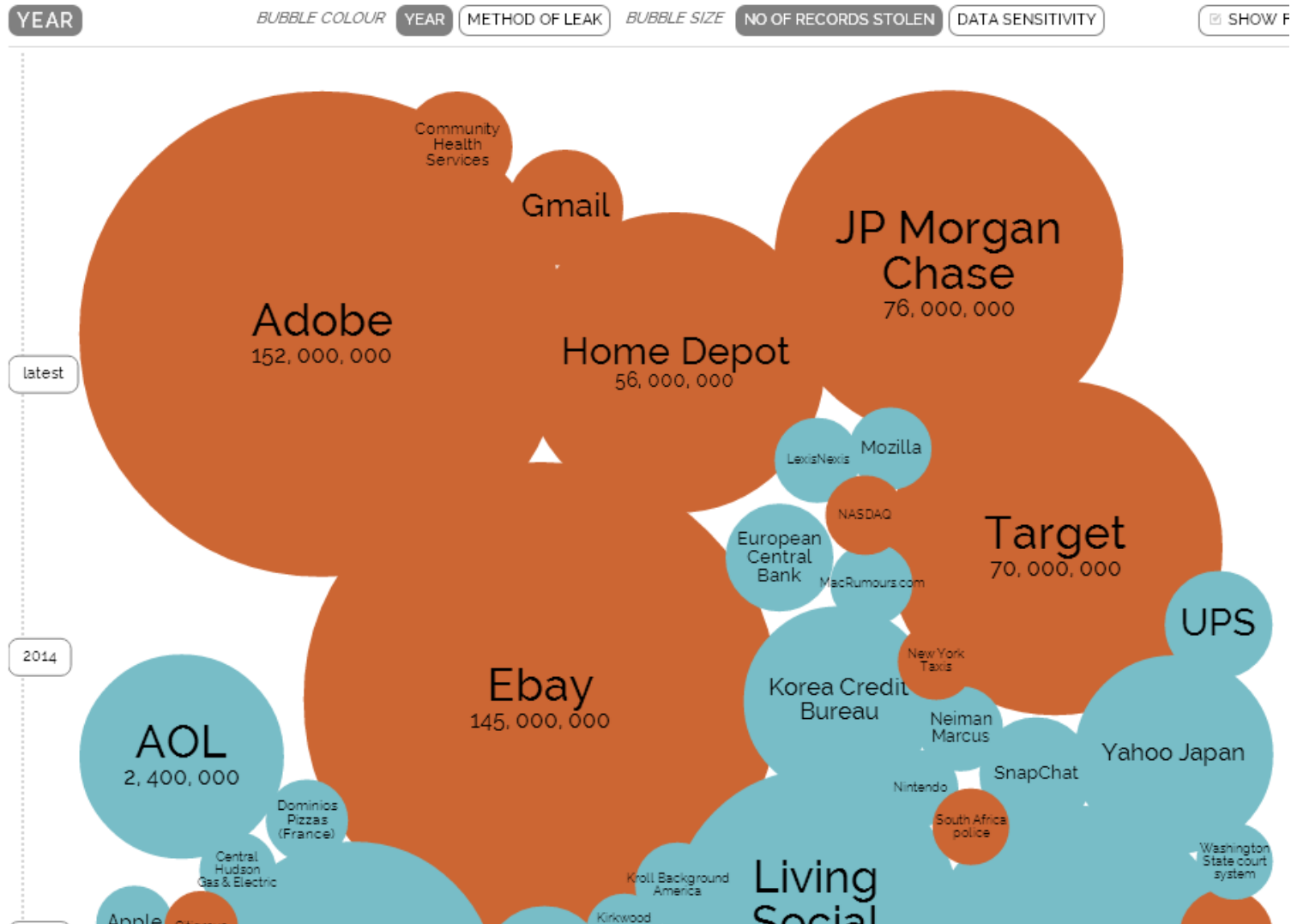
PWC – Information Security Survey 2013



Greek companies do not report Security Incidents



World's Biggest Data Breaches



Directive On Network and Information Security

- The Commission extends the obligation to report significant cyber incidents except **Internet and Telecommunications providers** to:
- **Key Internet companies** (e.g. large cloud providers, social networks, e-commerce platforms, search engines).
- **Banking sector, Stock Exchange, Insurance Industry**
- **Energy** (e.g. electricity and gas)
- **Transport** (operators of air, rail and maritime transport and logistics)
- **Health**

Obligation to notify Customers

Breach notification within 24 hours to the local regulator

Data Protection Officers for 250+ employee firms

Fine: up to €100m or 5% of global annual turnover

Manage Your Risk

- **Reduce Cyber Risks**

- Incident Handling Team
- Personnel Education
- Procedures & Policies
- Data Encryption
- BYOD managed policy
- Information Security Partners

- **Transfer**

- Buy Cyber Insurance for Residual Risk



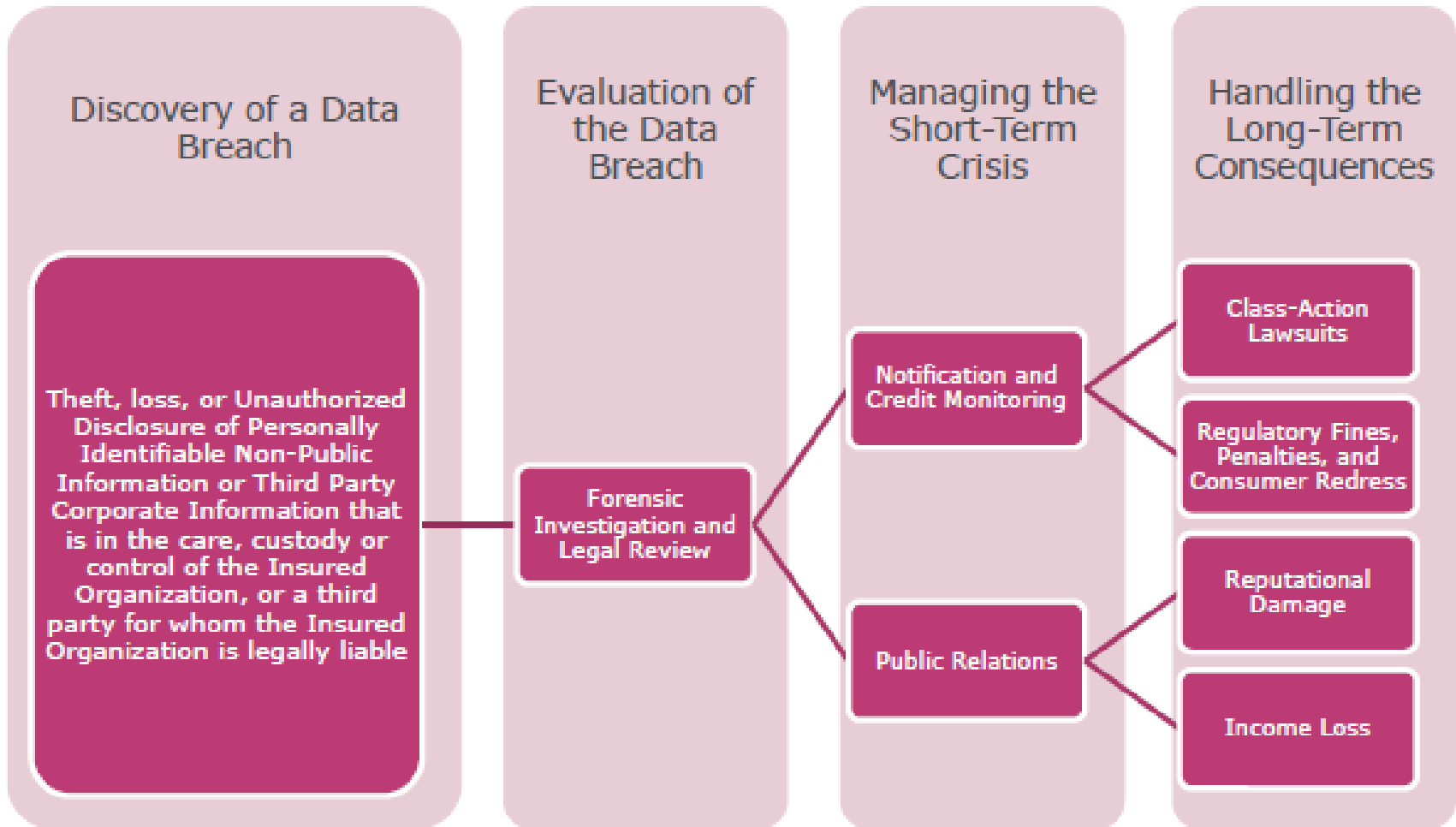
Risk Management Issues

Privacy (Cyber) Insurance Insure Intangible Assets



<http://www.youtube.com/watch?v=4cn5DwpkYLA>

Data Breach Reactive Management



Cyber Attacks Financial Impact

Privacy Expenses



Liability



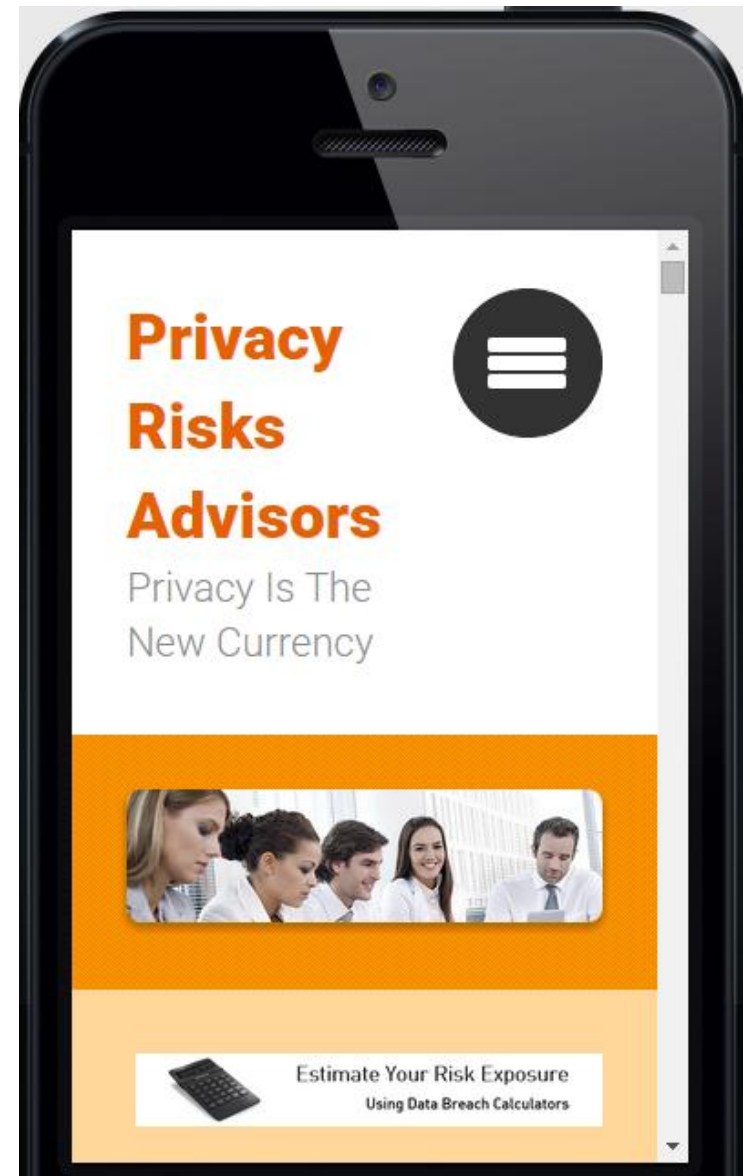
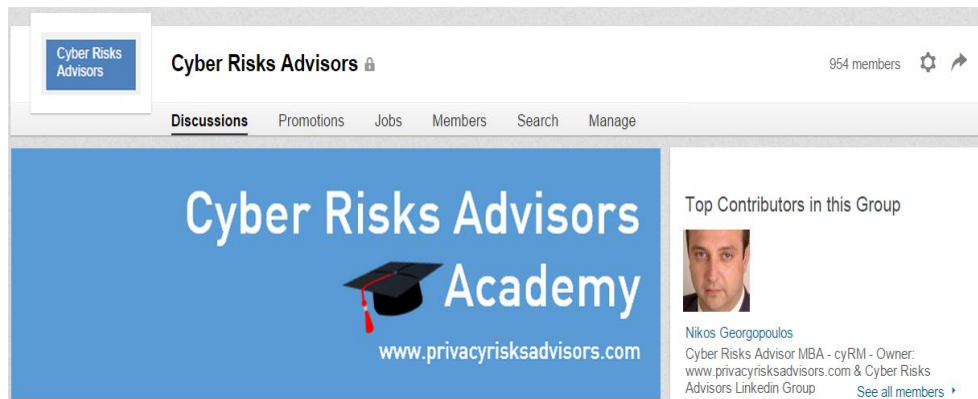
1st Party



| Privacy Expenses | Privacy Liability | Other Liability | 1 st Party |
|-------------------|-------------------|------------------|-----------------------|
| Forensics | Defense Costs | Network Security | Data Restoration |
| Notice/Monitoring | Regulatory Fines | Media | Business Interruption |
| Call Centers | PCI Fines | | System/Admin Failure |
| Crisis Expenses | | | Extortion |

Cyber Risks Advisors

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More Information



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