

# Cybersecurity: New Tech, New Challenges

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# Cyber Insurance Topics for Today

- Cybersecurity Underwriting Trends
- Cyber Security Working Group - Cyber
- Privacy Protection

# Cybersecurity Insurance Underwriting

- Cybersecurity insurance has an important role to play in helping businesses mitigate risk.
- In the U.S., data breaches, for instance, in 2021 outpaced those in the prior year, increasing by 68%.
- Ransomware attacks continue to escalate, growing by nearly 93% in 2021.

# Cybersecurity Insurance Underwriting

- The Annual NAIC Report found that US total cyber underwriting market in 2021 was \$6.5 billion, an increase in 61% from the prior year
- Despite growth firms are facing a stricter underwriting process.

# NAIC Cybersecurity Working Group - Cyber Response Plan

- The NAIC Cybersecurity Working Group is developing a cybersecurity response plan
- The plan will guide states through the investigation/information gathering processes often associated with cybersecurity events, including communication among states and with federal regulators.
- The working group is currently implementing a survey of state practices

# NAIC Cybersecurity Working Group - Strengthening Cyber Oversight

- Tracking implementation of Insurance Data Security Model Law (2017) - adopted by 21 states.
- Updating Financial Condition Examiners Handbook with protocols to draw focus on cybersecurity issues during a financial crisis.

# NAIC Privacy Protection

- NAIC adopting new privacy model to replace decades old model.
- With current our draft, NAIC has attempted to modernize and streamline consumer data privacy notifications and disclosures with respect to the insurance processes of third-party service providers.

# Questions?