Cyber, Media & Tech Risks

Meeting the ever-evolving digital risk landscape with innovative insurance solutions

founded 1987

10 UIB Holdings (UK) Ltd Top 10 largest reinsurance broker

Independent Privately-owned

UIB Group 27 offices 16 countries

LLOYD'S broker

Specialist in complex risks

Claims In-house CLAIMS management

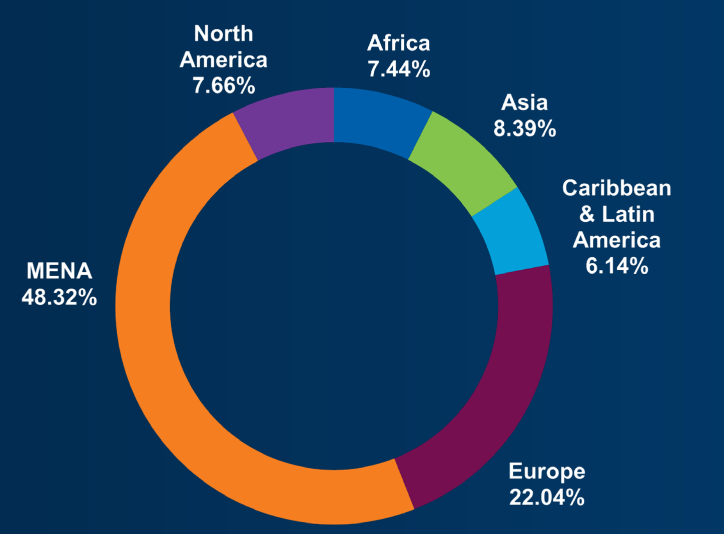
About UIB

INTRODUCTION

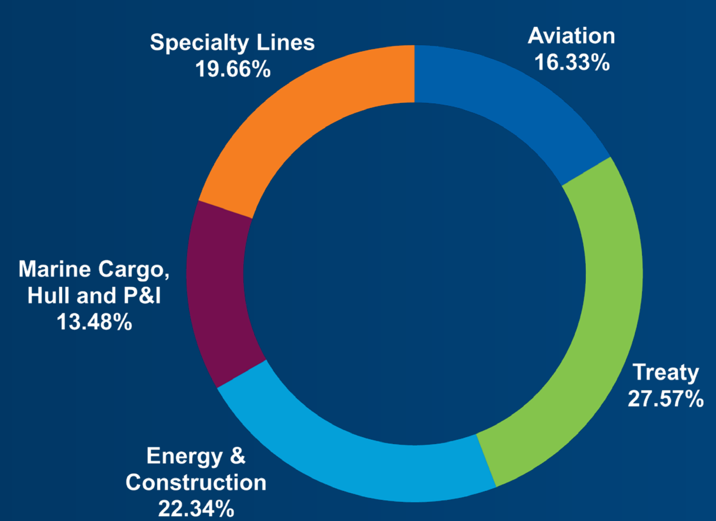
As a specialist in Complex Risks, UIB* works with clients, producers and (re)insurers to develop solutions through tailored placement strategies accessing international markets whether industry or region focused through our network of UIB Group offices and placement hubs. As a multicultural, multilingual global broker with access to a team in excess of 750 people across the group embracing over 30 nationalities, UIB prides itself in communicating with its clients in their preferred language.

Our UIB Group locations:

UIB 2023 GEOGRAPHICAL BUSINESS SPREAD



UIB 2023 SPLIT OF BUSINESS BY CLASS

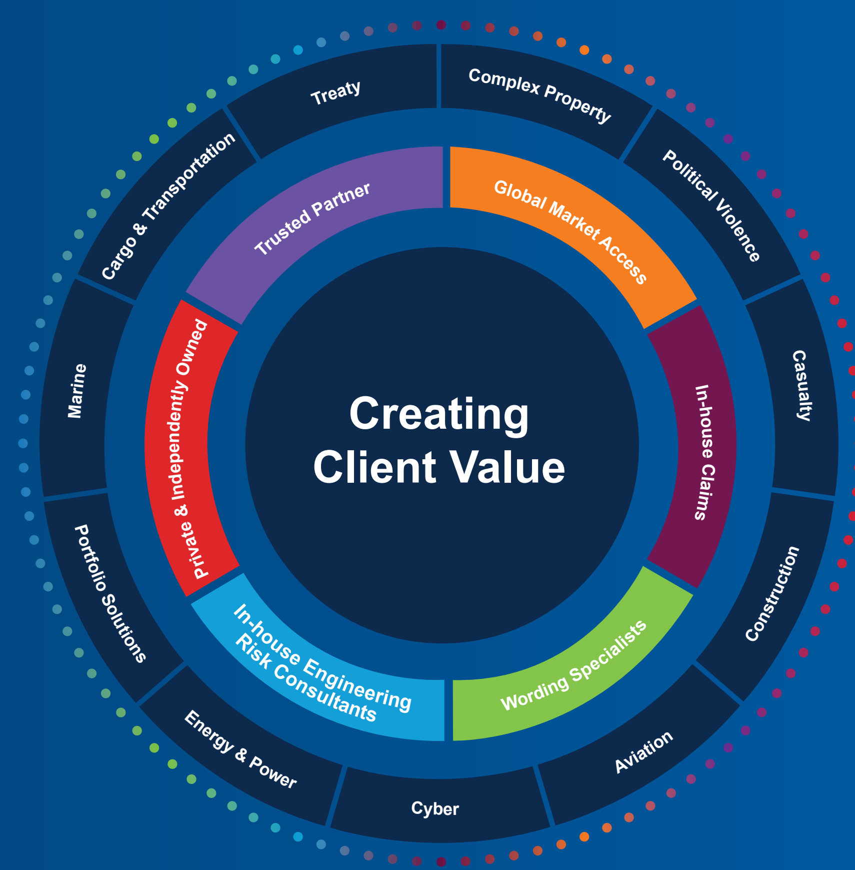


Bassem Kabban
Chairman

Shaun Barrington
Chief Executive Officer

- **Aviation** — Marek Ambrozewski, Managing Director
- **Energy & Construction** — Robert Brundrett, Managing Director
- **Marine Cargo, Hull and P&I** — David Waller, Managing Director
- **Specialty Lines** — Robert Brundrett, Managing Director
- **Treaty** — Mohamed Kotb, Managing Director

UIB'S OFFERING



*In this document, references to UIB in this document are to United Insurance Brokers Limited ("UIBL"). References to UIB Group are to the UIB group of companies which includes UIBL

Cyber, Media & Tech Risks

Cyber, Media & Tech Risk policies are designed to respond to new and ever-emerging threats facing the global digital economy.

These specialist insurance solutions manage uncertainty, reduce financial risk and allow modern day businesses to continue to innovate.

A comprehensive set of proactive and reactive coverages creates an all-inclusive risk-transfer proposition that enable businesses to scale and compete in the rapidly changing digital ecosystem.

KEY CONTACT

+44 (0)788 707 266

+44 (0)20 7338 1649

dimaggio.rigby@uib.co.uk

Dimaggio Rigby, CISMP
Head of Cyber and Fin Pro Lines

Dimaggio has over 10 years' experience, having held both Senior Broker and Underwriter roles, he possesses deep expertise in structuring innovative, specialist (re) insurance solutions and has worked with clients in many industry sectors globally. He enjoys working with clients to develop cutting edge policies for the modern business world, especially within Cyber physical property damage. Dimaggio is a member of the London Market Forum's Cyber Leaders Exec Practice Group and a constant presenter within the Cyber Insurance market.

OVERVIEW

INDUSTRY SECTORS SERVED

- Aviation
- Cryptocurrency
- Financial Services
- Healthcare & Pharmaceutical
- Infrastructure
- Manufacturing
- Marine
- Payment Exchange
- Real Estate
- Renewables & Energy
- Retail & Leisure
- Sport

PRODUCTS OVERVIEW/ CONTENTS

Cyber Security Data and Privacy Breach
Coverage in respect of first- or third-party costs, expenses or damages due to a breach (or threatened breach) of cyber security and/or privacy of data.

Cyber Security Property Damage
This policy covers physical damage caused by cyberattacks, this is often targeted at replacing cyber cover excluded from marine & property insurance policies.

Media (E&O)
Also known as Media Errors & Omissions (E&O) provides coverage against defamation, invasion of privacy, copyright infringement, plagiarism, intentional torts and related liabilities.

Tech (E&O)
Also known as Technology Errors & Omissions (E&O) is designed to cover providers of technology services or products from claims brought by third parties with regards to negligence, breach of contract & product failures.

PRODUCT OVERVIEW/ CONTENTS

The partnership between UIB and CyberCube delivers data-driven insights into corporate cyber vulnerabilities as well as probabilistic financial models of exposure across multiple cyber threat scenarios. It allows businesses to quantify their cybersecurity risks in exact monetary terms rather than abstract technical metrics

CyberCube

CYBER SECURITY DATA AND PRIVACY BREACH

Cyber Security Data and Privacy Breach

CASE STUDY

A regional retail computer system was compromised when a third party sent a malware program via email to a number of employees.

The invasive malware allowed the third party to access the system and capture the names, addresses and credit card numbers for more than 500,000 customers.

The retailer suffered reputational damage, large legal fees and costs to notify affected individuals.

Cyber Security Data and Privacy Breach coverage has evolved to include non-physical network & business interruption. Policy triggers have also expanded to include voluntary shutdown and human error coverage. While this policy's main value was previously its third party privacy and security liability coverage, it has developed into a comprehensive offering via its first party Incident response and broad business interruption coverage solutions. It is an essential part of a firm's risk management strategy.

UIB only works with insurers who provide a 24/7 hotline to report data breaches and other cyber related insurance claims.

Network Security and Data privacy breach coverages are the bedrocks of Cyber Insurance. The origins of losses are increasingly traced back to these triggers.

Key Covers

- Incident Response Management
- Business Income Loss
- Cyber Extortion Threat and Reward Payments
- Contingent Business Income Loss
- Digital Asset Loss
- Network Security & Privacy Liability
- Media Liability
- Regulatory Proceedings (Fines & Penalties)
- Privacy Breach Costs

Costs & Policy

- Premiums are calculated using multiple factors including:
  - annual revenues
  - benchmarked IT security maturity
  - estimated business interruption loss figures
  - number of personally identifiable records held
- Discounts to premium can be given subject to business interruption waiting times and higher policy retentions

uib.co.uk

CYBER SECURITY PROPERTY DAMAGE

Cyber Security Property Damage

Following regulatory directives to address the issue of 'Silent Cyber', Insurers looked to codify coverage for exposed but excluded business assets.

Coverage is in respect of first and third party costs, expenses or damages due to a breach of cyber security that includes damage to physical property.

It looks to cover clients against property damage risks associated with the continued reliance on technology, expanding 5G coverage and an increase in automation and use of IoT (internet of things).

The increased convergence between IT and operational technology (OT) means insurance solutions need to be retooled to fill the gap created by the tangible digital revolution.

CASE STUDY

In 2019, the ransomware LockerGoga disabled an aluminium smelting firm's computer systems, forcing a switch to manual operations and workarounds.

The extruded solutions unit, which makes components for car manufacturing, construction and other industries, reduced its output by 50%.

Administrative systems, such as reporting, billing and invoicing also suffered delays.

It took the firm several weeks to restore operations back to normal.

Lost margins and lower production volumes were estimated to cost up to USD 70 million.

A large amount of information technology software and operational technology hardware were rendered unusable, leading to a large Cyber Security Property Damage and ensuing Business Interruption loss.

Key Covers

- Physical damage to port infrastructure and technology equipment.
- Business interruption from physical damage events
- Cyber defence & remediation (including public relations costs).
- IT assets physical damage and non-damage costs
- Replacements or cost reimbursement for physical components of computer systems and IoT devices

Specialist Sectors

- Energy
  - Renewables
  - Liquid Natural Gas
  - Traditional Oil
  - Gas power generation operations
- Manufacturing
- Supply and logistics
- Marine - Port and terminals
- Pharmaceuticals
- Rail transportation industry

Specialist Endorsements

- Marine cyber endorsement
- LMA5400/5401/5402/5403/5426 Buy back
- CL380 Buyback
- NMA 2914/2915

Costs & Policy

Policies are priced using a range of:

- IT security benchmarks
- Operational technology equipment & property values
- Coverage can be offered as carve back via endorsement or as a standalone Cyber security property damage policy.

uib.co.uk

Media

Media Errors & Omissions (Media E&O) is a specialized errors and omissions policy specifically designed for firms within the mass communication's industry who are at risk from liability actions such as copyright, patent and intellectual property infringement claims brought by third parties.

Due to increasing digitalization and the amalgamation of technology services within content distribution and production, extensions to cover including Technology E&O, Cyber Security Data and Privacy Breach, as well as personal and bodily injury arising out of content distribution and subcontractors' vicarious liability are available.

MEDIA

As content usage and ownership becomes more complex, apt and comprehensive insurance solutions are increasingly needed.

CASE STUDY

An advertising company developed a commercial for their client that compared their client's product to a competitor's product.

The commercial put the competitor's product in an unfair light and resulted in a loss of revenue for that competitor.

The competitor filed legal action against the advertising company for product disparagement.

Defense and legal fees incurred in this case would be covered under a specialist Media E&O policy.

Key Covers

- Libel and slander
- Breach of confidentiality, privacy or right of publicity
- Intellectual property infringement (e.g. copyright or trademark)
- Misappropriation of name or likeness
- Infliction of emotional distress
- Breach of licence agreements
- Misappropriation of ideas under implied contract
- Product disparagement

Specialist Sectors

- Marketing, Advertising and Communications sector
- Television Film, Webisodes & Theatre Producers
- Publishing and Broadcasting sector
- Music
- Podcast
- Investigative Journalism

Costs & Policy

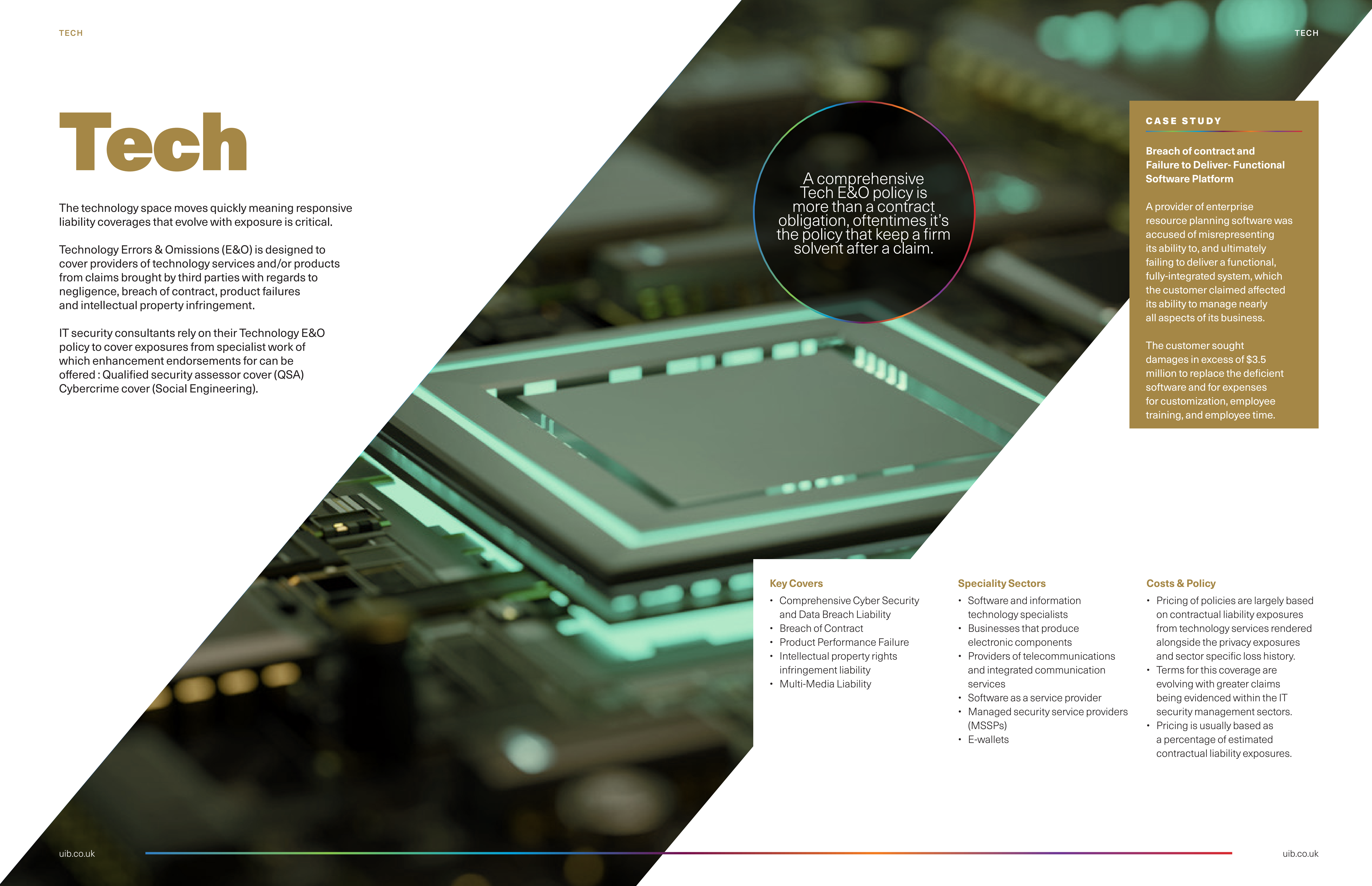
- Pricing of policies are largely based on:
  - historical claims activity of industry peers
  - contractual liability exposures of the client
  - underlying activities
  - jurisdictions of those activities.
- Polices can be negotiated on a claims made and/or occurrence basis.

Tech

The technology space moves quickly meaning responsive liability coverages that evolve with exposure is critical.

Technology Errors & Omissions (E&O) is designed to cover providers of technology services and/or products from claims brought by third parties with regards to negligence, breach of contract, product failures and intellectual property infringement.

IT security consultants rely on their Technology E&O policy to cover exposures from specialist work of which enhancement endorsements for can be offered : Qualified security assessor cover (QSA) Cybercrime cover (Social Engineering).



> A comprehensive Tech E&O policy is more than a contract obligation, oftentimes it's the policy that keep a firm solvent after a claim.

CASE STUDY

Breach of contract and Failure to Deliver- Functional Software Platform

A provider of enterprise resource planning software was accused of misrepresenting its ability to, and ultimately failing to deliver a functional, fully-integrated system, which the customer claimed affected its ability to manage nearly all aspects of its business.

The customer sought damages in excess of $3.5 million to replace the deficient software and for expenses for customization, employee training, and employee time.

Key Covers

- Comprehensive Cyber Security and Data Breach Liability
- Breach of Contract
- Product Performance Failure
- Intellectual property rights infringement liability
- Multi-Media Liability

Speciality Sectors

- Software and information technology specialists
- Businesses that produce electronic components
- Providers of telecommunications and integrated communication services
- Software as a service provider
- Managed security service providers (MSSPs)
- E-wallets

Costs & Policy

- Pricing of policies are largely based on contractual liability exposures from technology services rendered alongside the privacy exposures and sector specific loss history.
- Terms for this coverage are evolving with greater claims being evidenced within the IT security management sectors.
- Pricing is usually based as a percentage of estimated contractual liability exposures.

Cyber, Media & Tech Risks Team

UIB understands that every exposure is unique, so clients need insurance advisers who listen and quickly understand the crux of the challenges faced in that particular situation. We are experts in risk assessment and risk removal, combining our deep and wide experience with a tailored, personal and friendly approach.

Our team of senior professionals work closely with clients to provide a complete intermediary service; from initial enquiry, to policy inception and continuous monitoring post placement. At UIB we specialise in arranging (re)insurance solutions to address new and emerging risks which enable clients to reduce potential risks and manage any future operational exposures as well.

We offer a comprehensive service; including identification and quantification of risk, structuring (re) insurance policies tailored to each client's exposures and the negotiation and settlement of claims. Our team's driving force is innovation and client satisfaction, and we are passionate about excellence.

We assist clients in all industry sectors; utilising best in class cyber exposure modelling software, our diverse backgrounds in underwriting, broking and industry, to understand a client's exposure landscape and mitigate potential liabilities. UIB is big enough to offer a global reach with a team of experts combining vast experience and expertise, yet small enough to provide a personal, consultancy approach.

Our team have the right resources, instead of the most and we offer a professional, yet personalised service.

Big enough to deliver. Small enough to care.

UIB Group

The UIB Group can access many insurance markets around the world, including the renowned **Lloyd's of London** market through its UK member and Lloyd's broker, United Insurance Brokers Limited.

Today, we have c.**500 professionals** in 19 offices across 16 countries offering insurance solutions for all industry sectors across the globe.

The UIB Group's ethos is one based on close client relationships and offering a comprehensive professional, yet personal service and always acting in a client's best interest.

United Insurance Brokers Ltd

The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AB | +44 (0)20 7488 0551 | uib.co.uk