



Cyber – Affirmative & Silent

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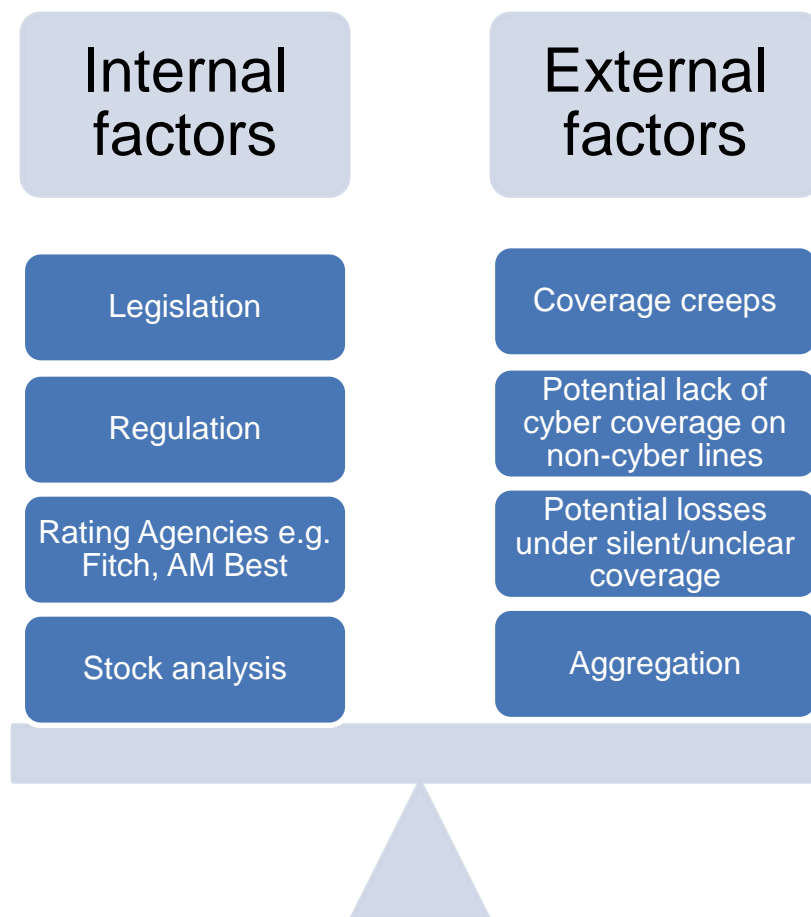
**The only single
event which can have
a worldwide impact**

The market - It's a Jungle out there!!!

Hundreds of variations of cyber insurance policies – means comparing is ultra challenging for a client

Insurers requiring different information to cover the same risk – causing client challenges

Clients are seeking an insurance partner who has the expertise to assist but its hard to come by – despite the marketing



*The risks of today were the not the risks of yesterday and will not be the risks of tomorrow, therefore, all insurers must embark upon the journey of assessing and understating the current and future portfolios.
The market tends to be reactive rather than proactive.*

Market and Insurer evolution

Current State

- Demand growing for cyber coverage, either on a standalone or add on basis
- Various policy types
- Highly publicized losses

Challenges

- Lack of data,
- Lack of experienced cyber underwriters and claims professionals
- Lack of premium being charged for affirmative coverage grants

Change is required

- Adequate premium for the capacity provided:
 - Standalone
 - Add on
 - Exclusion write backs
- Without adequate premium sustainable profitability will not be achieved, which in turn will reduce or stop innovation in the class
- Increased regulatory requirements

Do we know we are on risk?

Data

Exclusions

Group centralization

System coding

- Standalone
- Endorsement (split first and third or combined)

Ground Up and Top Down

Coverage clarity

- Country by Country
- Line by Line
- Product by Product
- Exclusion by Exclusion

Increase and UW expertise

Aggregation

We are all on a journey and this won't happen overnight



Thank you