



Cyber: Risk & Insurance, Graeme Newman

In association with



**“The Internet?
We’re not interested.”**

Bill Gates, Microsoft Founder, 1993

78%

Percentage of Americans
who are online

4

Number of years it took the
Internet to reach 50 million users.
It took radio 38 and television 13.

4+

Average number of hours
spent online each day

16%

Percentage of the world's
population now using Facebook

1 in 8

Number of US married
couples who met online

1 Exabyte =

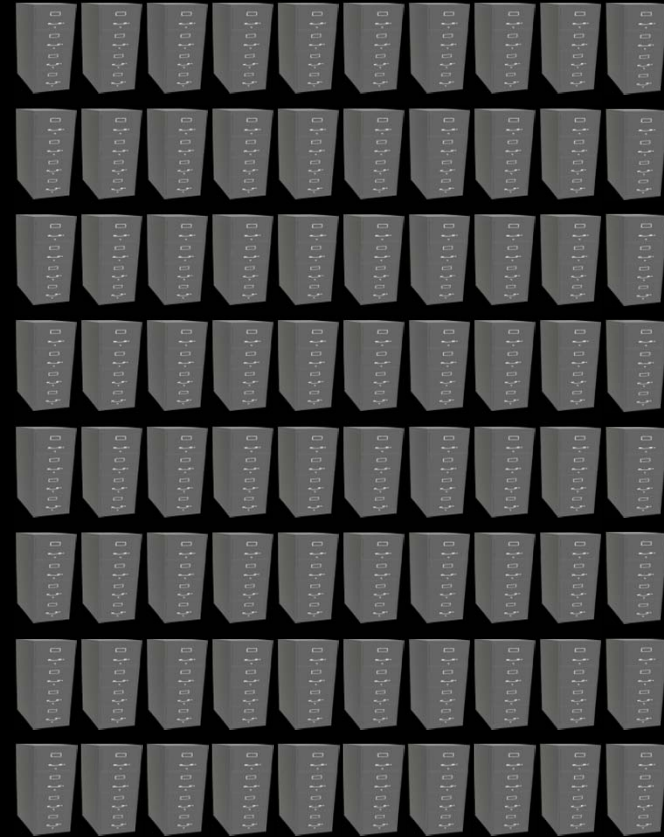
1,000,000,000,000,000,000

Bytes

File storage through time...



The 1950s...



=1GB of information

The 1970s...



=2GB of information

Today...



**=64GB of information
(or 5,000 filing cabinets)**

“Smart meters”

“Smart grids”

“Payment solutions”

“Online customer service”

“SCADA”

“Remote monitoring”

“System maintenance”





“The cyber threat is one of the most serious economic and national security challenges we face...”

President Obama, July 2012

\$338bn Total cost of global cyber crime

Symantec, 2011 Cybercrime Report

37% of breaches involve malicious attacks **39%** are just simple accidents.....

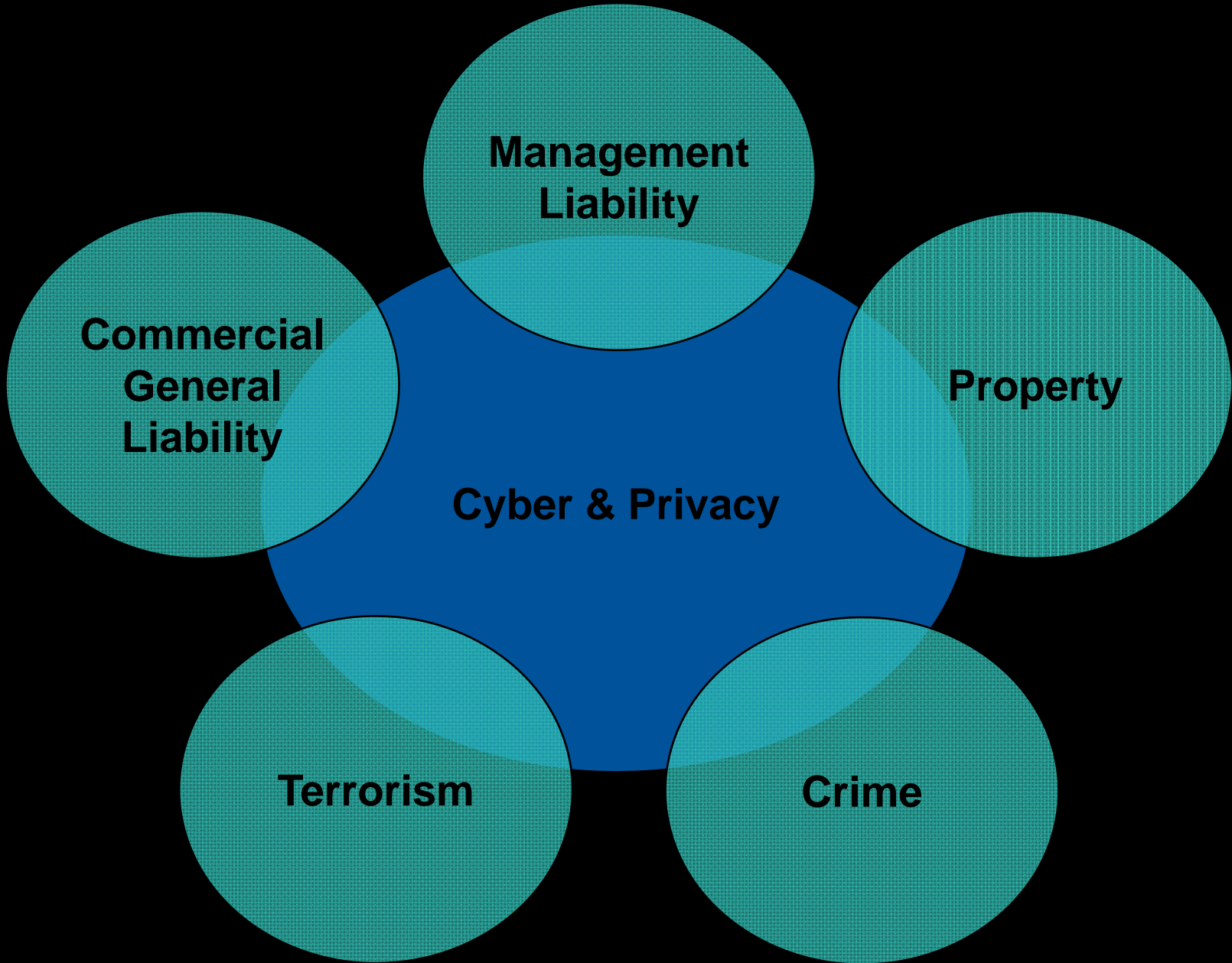
Ponemon Institute, 2012 Data Breach Report

198 security incidents against power and utility companies

US Department of Homeland Security, 2012

40% of last year's cyber attacks against energy companies

Wall Street Journal, Jan 2013



CYBER LIABILITY

PRIVACY LIABILITY

MEDIA LIABILITY



Third party liability



PRIVACY BREACH NOTIFICATION

SYSTEM DAMAGE & RESTORATION

SYSTEM BUSINESS INTERRUPTION



First party (own loss)

CYBER CRIME & CYBER TERRORISM




BRAND PROTECTION

| | BRONZE | SILVER | GOLD |
|---------------------|--------------|--------------|--------------|
| PRIVACY LIABILITY | ✓ | ✓ | ✓ |
| NOTIFICATION COSTS | ✓ | ✓ | ✓ |
| CYBER LIABILITY | | ✓ | ✓ |
| IPR INFRINGEMENT | | ✓ | ✓ |
| DEFAMATION | | ✓ | ✓ |
| SYSTEM DAMAGE | | | ✓ |
| SYSTEM INTERRUPTION | | | ✓ |
| COMPUTER CRIME | | | ✓ |
| BRAND PROTECTION | | | ✓ |
| | FROM \$4,000 | FROM \$5,000 | FROM \$7,000 |

* All packages provide access to our 24/7 breach hotline

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