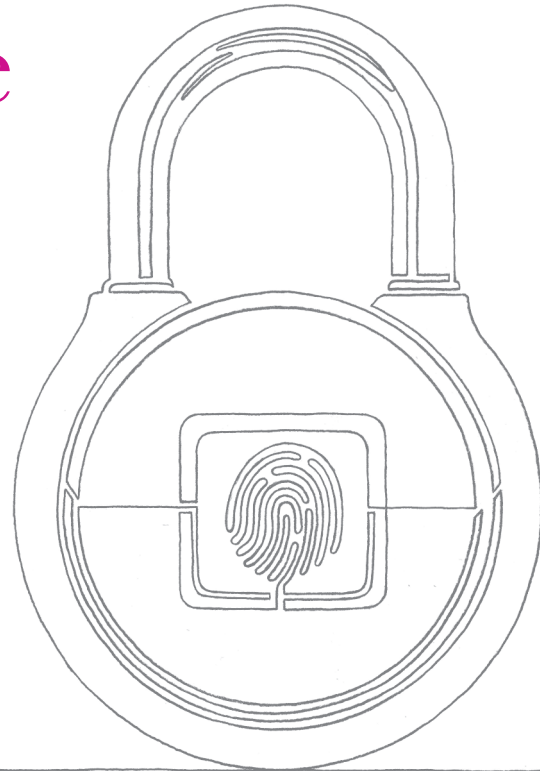


Beazley Breach Response

Beautifully designed cyber protection
for a dangerous world.





Sheer carelessness

With vast amounts of data storable on smaller and smaller devices, the risk of data breaches due to theft or sheer carelessness is huge. Between 2005 and 2017, portable devices carrying more than 185 million personally identifiable records were lost or stolen, according to the Privacy Rights Clearinghouse.

A world of risk

917m

Personal records breached in the US since 2005.¹

75%

The proportion of breaches attributable to malware or hacking since 2005.²

50bn

The estimated number of devices and processes that will be connected to the internet by 2020.³

66%

The percentage of malware attacks that were installed via a malicious email attachment.⁴

200,000

The number of computer systems worldwide impacted by the WannaCry malware.³

2 minutes

The time it takes for an IoT device to be compromised.⁵

Sources

1. www.privacyrights.org as of December 31, 2016
2. www.privacyrights.org as of December 31, 2017
3. Lloyd's June 2017 Report Closing the gap, Insuring your business against evolving cyber threats
4. 2017 Verizon Data Breach Investigations Report
5. Symantec 2017 Internet Security Threat Report



Not if, but when.

Any business handling customer data will, sooner or later, be confronted with the challenge of a cyber breach. It's not a matter of "if" but "when".

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In the last decade the cyber threat landscape has changed. While the loss or disclosure of personal or sensitive data used to be a company's primary concern in assessing its cyber risk, businesses are increasingly facing threats to their ability to conduct normal operations.

Malicious threats like zero-day malware, ransomware, spyware and scareware are on the rise, but businesses cannot ignore unintended disclosure and human error risks. Business interruption, cyber extortion, loss of critical operational data and electronic crime present cumulative risks that businesses must address.

Businesses must protect themselves on all fronts. With Beazley's 360° approach, companies have access to a comprehensive set of solutions created to protect their business from the dangerous world of cyber risks.

In addressing these risks, one insurance policy stands apart. BBR provides breach response services for up to five million persons along with coverage for payment card industry costs, regulatory defense and penalties, and first-party and crime coverage.

All BBR policyholders have access to pre-breach and risk management services and in the event of a cyber breach, BBR policyholders will work directly with Beazley's in-house breach response team, BBR Services, and Beazley's claim team to resolve the incident.

Our 360° approach to cyber risk makes BBR, quite simply, the world's best-designed cyber insurance solution.

First-party and crime coverage

Our policy form is streamlined and comprehensive to cover your organization seamlessly in the event of a cyber breach.

The BBR policy includes:

- First-party coverage for cyber extortion;
- Data recovery costs;
- Business interruption resulting from security breaches and system failures;
- Contingent business interruption from incidents occurring at the policyholder's vendors and suppliers; and
- eCrime coverage.

In expanding our coverage, we have built on the unique policy design that has made Beazley a leader in cyber insurance since 2009. BBR offers more coverage per dollar of premium, through multiple towers of coverage that ensures the breach response costs covered under the policy do not erode your third-party limits.

BBR Services – a dedicated team of experts

A cyber breach isn't always a disaster. Mishandling it is. Beazley is unique among insurers in having a dedicated business unit, BBR Services, that focuses exclusively on helping clients manage cyber incidents successfully.

BBR Services is a dedicated team of cyber breach professionals who assist BBR policyholders at every stage of incident investigation and breach response. They coordinate the carefully vetted forensics experts and specialized lawyers to help you establish what's been compromised; assess your responsibility; and notify those individuals affected. In addition, BBR Services coordinates credit or identity monitoring for your customers and offers PR advice to help you safeguard your reputation.

We also, of course, indemnify your losses from lawsuits or regulatory actions, the risk of which may be reduced by a well-coordinated breach response but can never be completely eliminated. Beazley's claims team has been at the forefront of defending clients in the developing and evolving legal arena of privacy class actions and regulatory investigations arising from cyber breaches.

Beazley invented this comprehensive approach. We do more of it than anybody else. To date we have helped thousands of clients manage breaches swiftly and successfully.

Pre-breach and risk management

We recognize that preparing for and preventing breaches have become inseparable from insuring a cyber loss. Beazley offers a full suite of pre-breach breach and risk management services through our in-house BBR Services team and Lodestone.

BBR Services provides a full range of resources to help mitigate risks before an incident occurs. On our Beazley owned and managed risk management portal, beazleybreacholutions.com, you will find resources for incident response planning, employee training, compliance, and security best practices. Newsletters and live expert webinars educate you about the latest threats, preventive steps, and regulatory developments. BBR Services also coordinates a variety of pre-breach services such as onboarding calls, incident response plan reviews and on-site workshops, so you can improve the robustness of your cybersecurity.

With the increasing need for pre-breach and cyber-security services, Beazley has established Lodestone to offer both strategic and tactical services and expertise to enhance their clients' cyber defenses because you shouldn't have to be a Fortune 500 company to afford rigorous cybersecurity. Smaller organizations are targeted as frequently as major corporations, but often lack access to the internal expertise and resources that large businesses can draw upon.

BBR policyholders will have access to services from Lodestone at negotiated rates.



Beazley Breach Response is unique in offering a comprehensive services-based solution to cyber breaches.

Coverage includes:

Breach response

- Legal services
- Computer forensic services
- Notification services for up to five million affected individuals
- Call center services
- Credit monitoring, identity monitoring or other personal fraud or loss prevention solutions
- Public relations and crisis management expenses
- All of the policy's multiple limits will be available for breach response.

First-party

- Business interruption loss from security breach or system failure
- Dependent business interruption loss from security breach or system failure
- Cyber extortion loss
- Data recovery loss
- Data and network liability.

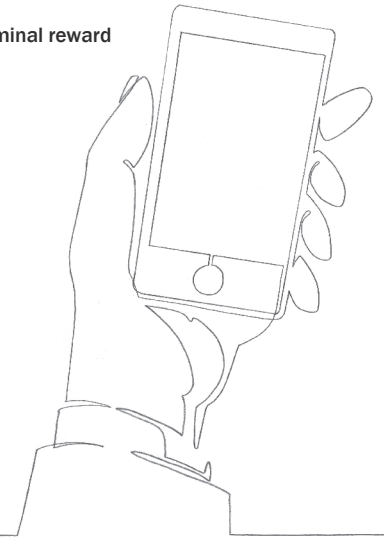
Third-party

- Third-party information security and privacy coverage up to \$15 million
- Full media liability
- Regulatory defense and penalties
- Payment card liability and costs.

eCrime

- Fraudulent instruction
- Funds transfer
- Telephone fraud.

Criminal reward



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