Aon Risk Solutions
Financial Services Group | Professional Risk Solutions

Financial Institutions
Cyber Risk Exposures and Solutions

While Financial Institutions remain a principal target for cybercriminals with motives of financial gain via theft of confidential information or money, cyber is a broader risk that organizations face by virtue of its reliance on information technology, connectivity and automated processes. While improved efficiency is derived from technology implementation, organizations face additional risk from the cyber exposures inherent in technology systems. In an increasingly punitive legal and regulatory environment, and in the face of more frequent contractual requirements for cyber liability insurance, forward-thinking companies are taking proactive steps to explore and transfer cyber risk.

Numerous factors contribute to an organization's cyber risk profile, including: actions by employees, system and program glitches, security measures, industry, nature and quantity of data collected, political or strategic significance, and reliance on technology.

Financial Institutions should be concerned about cyber risk due to:

- The care, custody or control of personally identifiable or corporate confidential information
- Potential theft of monies or securities
- A high degree of dependency on electronic processes and computer networks
- Significant cyber regulatory oversight
- Intentional acts committed by rogue employees
- Dependence on vendors, independent contractors or additional service providers

Financial Institution top cyber concerns:

- Fraudulent Account Takeover
- Mobile Banking Exploitation
- Cyber Regulatory Oversight (FINRA, GLBA, SEC, GDPR, FFIEC, State Attorney Generals)
- Network and Online Banking Disruption
- Third-Parties and Fourth-Parties including Payment Processors
- Social Engineering
- Securities and Market Trading Manipulation
- ATM Skimming
- Insider Access
- Reliance on IT and Supply Chain Vendors
- Internal Technology Innovation
- Vendor Contracting Process

We're here to empower results

If you have any questions about your specific coverage or are interested in obtaining coverage please contact your Aon broker or visit **aon.com.**

The Aon acquisition of **Stroz Friedberg** enhances the ability of Aon to support clients with leading digital forensics and incident response capabilities.

Empower Results®

Scope of cyber coverage available in the insurance marketplace

Third Party Coverage Elements

- **Security and privacy:** defense costs and damages suffered by others resulting from a failure of computer security, including liability caused by theft or wrongful disclosure of confidential information, unauthorized access, denial of service attack or transmission of a computer virus
- **Regulatory defense and fines:** defense costs for proceedings brought by a governmental agency in connection with a failure to protect private information and / or a failure of network security
- **Media liability:** defense costs and damages suffered by others for content-based injuries such as libel, slander, defamation, copyright infringement, trademark infringement, or invasion of privacy
- **PCI fines and assessments:** defense costs for investigations brought by the Payment Card Industry (PCI) in connection with a failure to protect private information and / or network security

First Party Coverage Elements

- **Breach response costs associated with:** breach notification, including the hiring of outside law firms and public relations consultants, forensic costs, credit monitoring / protection, notification hot-line / call center, identity theft resources
- **Network business interruption:** loss of income and extra expense due to network security failure
- **Dependent business interruption:** reimburses the insured for actual lost net income and extra expense incurred when the insured's IT service provider's computer system is interrupted / suspended due to a failure of network security
- **System failure:** coverage for business interruption due to an unintentional or unplanned system failure not caused by a failure of network security
- **Data restoration:** costs to restore / recreate data / software resulting from network security failure
- **Cyber extortion:** reimburses the insured for expenses incurred in the investigation of a threat and any extortion payments made to prevent or resolve the threat

How do organizations transfer cyber risk?

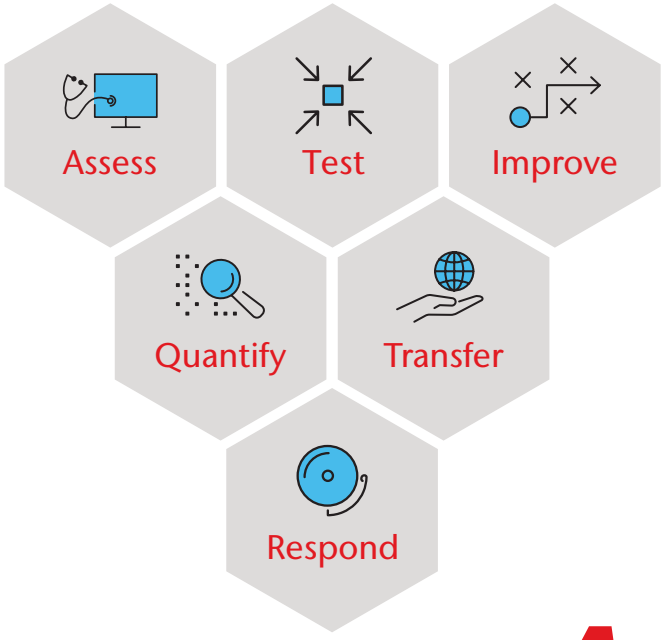
- The cyber insurance marketplace provides service solutions, including loss control resources, data breach coaches, dedicated claims resources, pre-approved panels of vendors and service providers to address each element of breach response
- Breach response coverage offering varies based on insurer and policy structure
- 60+ insurers provide cyber coverage with large capacity available

Aon Cyber Innovation

The Aon Cyber Enterprise Solution is the first of its kind policy that broadens the scope of cyber coverage to include: property damage arising out of a network security breach, business interruption and extra expense coverage arising out of a systems failure, contingent network business interruption for IT vendors and the supply chain, cyber terrorism coverage, etc. This product provides catastrophic limit in excess of $400M USD.

Aon Cyber Resilience Framework

Aligned with client's risk management approach to cyber security, Aon's approach helps identify and protect your critical assets and balance sheet by aligning your cyber enterprise risk management strategy with your corporate culture and risk tolerance. To achieve this, Aon recommends the following framework:



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