



CYBERPOSTURE INTELLIGENCE FOR CYBER INSURANCE

For most companies, the cost of mitigating cyber risk to zero is prohibitive, so a cyber insurance program, in combination with robust security measures and risk management, is critical to cybersecurity.

Katherine Henry
Partner
Bradley Arant Boult Cummings LLP

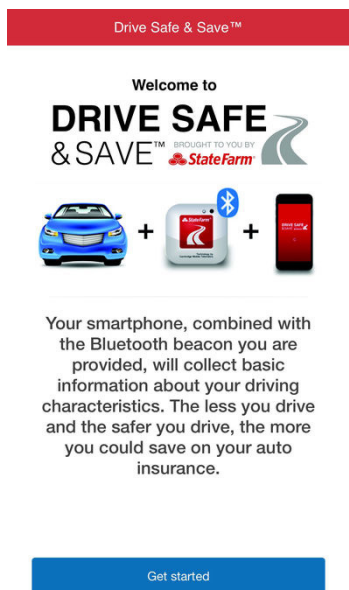
THE ENTERPRISE CHALLENGE

In the evolving world of cybersecurity, enterprises need access to cyber insurance that accurately reflects their current security posture and that covers both direct and indirect expenses. The same challenge, of course, applies to the insurers issuing the policies. Unfortunately, the evolving threat landscape and rising incidents of attacks has created difficulty in matching packages with premiums, and as one CISO has stated, the current state of risk modeling is like “trying to use the count of arrests for a crime to figure out the dollar losses from theft.”

This, in an industry that could grow to over \$17B in just five years (P&S Market Research / BenefitsPRO). But today, coverage is still at less than 50%, and varies widely by industry. And the state of coverage is even lower across the mid-market, a sector subject to 62% of cyberattacks but that does not always have the budget or expertise to deploy market-leading solutions. The result? A proverbial accident waiting to happen, as enterprises are increasingly valued on their intangible assets. Assets that can be compromised and even destroyed in a matter of minutes. In fact, between 1975 and 2015, the value of these assets, mostly uninsured, climbed from 17% to 84%. (KPMG’s 2016 Global Consumer Loss Barometer).

The traditional way of sending out in-depth questionnaires no longer meets the strategy of the digital enterprise, and in fact, prospects are many times hesitant to answer unclear technical questions they fear may lead to denial of coverage, higher rates, or even denial of future claims. How can enterprises quickly, automatically, and without error or ambiguity provide evidence of the maturity of their information technology and information security programs?

Looking to other industries, an analogy is the increasing use of black-boxes by auto insurers, tracking customer behavior and raising or lowering premiums accordingly. If the customer has a history of risky behavior, mandating tracking can both avoid further rate increases and lower the chance of another incident. Or, a safe driver can further lower his or her rates by keeping to distance and speed restrictions. Some insurers such as Prudential® have gone as far as to integrate other metrics into their underwriting, using the FICO®* Score to identify more or less risky applicants. There is real logic in this, as the FICO® Score is more of an ‘insurance’ score than a credit score, capturing the risk level of a potential loan. The same approach is now taking hold in health insurance, and with increasing use of big-data analytics, will surely see use in other industries as well.



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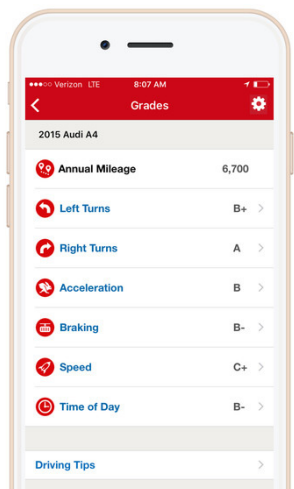


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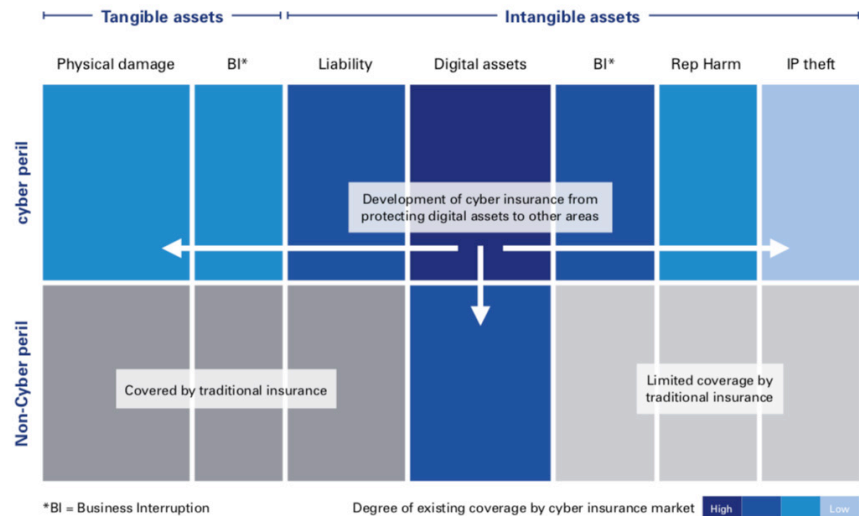
2015 Audi A4	
Annual Mileage	6,700
Left Turns	B+ >
Right Turns	A >
Acceleration	B >
Braking	B- >
Speed	C+ >
Time of Day	B- >
Driving Tips >	

For cyber insurance, an automated underwriting process that is based on the actual security posture of the enterprise, and potentially changing dynamically, could be a game-changer. It will create a win-win by matching the enterprise’s compliance reporting requirements (i.e., PCI, HIPAA), their hybrid cloud security posture, and other metrics to the underwriting policies of their insurer. This posture will also permit the policy to better reflect risk across both intangible and tangible assets, the whole spectrum of ‘cyber peril,’ partially neglected by most policies today but increasingly under threat.

*The example referring to the FICO® Score is an opinion of Cavirin Systems and not endorsed by FICO.

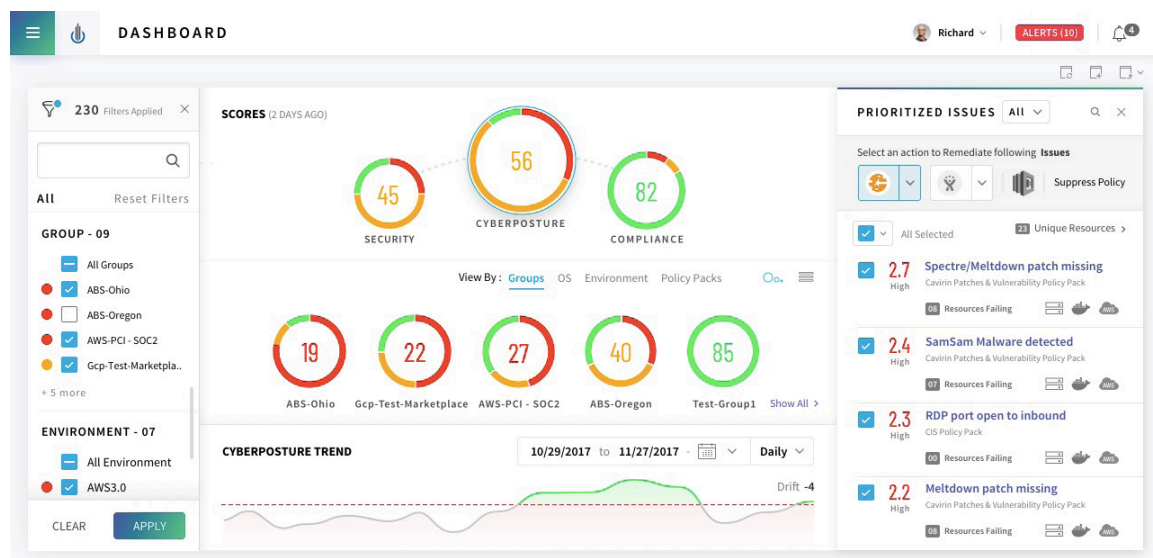
It is estimated that 60 percent of Fortune 500 companies currently lack any insurance against cyber incidents.

KPMG, 2017

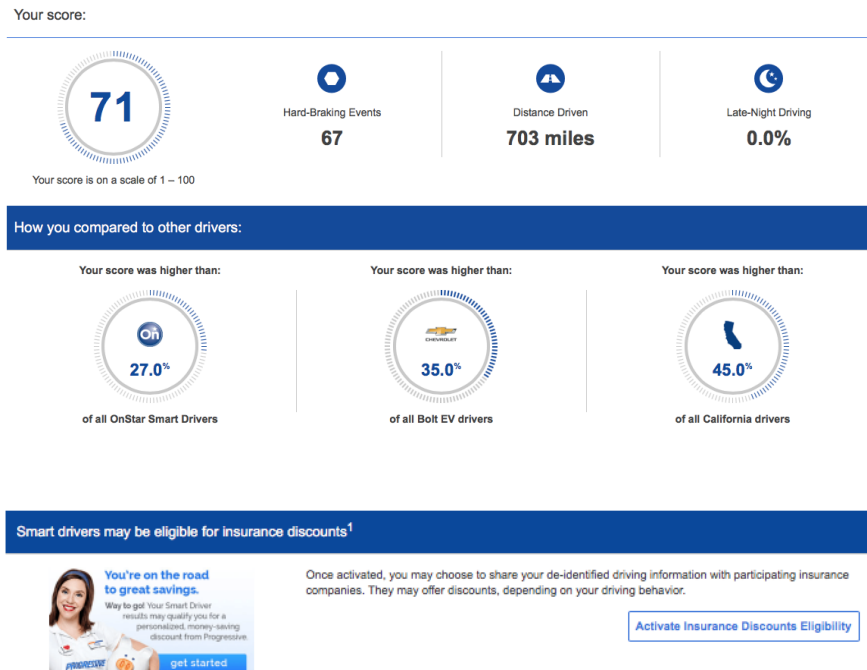


THE CAVIRIN SOLUTION

Cavirin's CyberPosture Intelligence delivers a CyberPosture score that reflects the organization's current security posture across the hybrid cloud, spanning on-premise, AWS, Azure, and Google Cloud. For underwriting, the cyber insurance broker will conduct an assessment of an enterprise client, generating this score based on an evaluation against a wide set of benchmarks and regulations, as well as live monitoring where applicable. Frameworks include ISO, SOC2, HIPAA, PCI, NIST, and in EMEA, where GDPR is now the law of the land, Cavirin's technical capabilities help assessors take this regulation into account as well. An enterprise receiving a score will have in-hand the necessary guidance to conduct remediation action to raise their score, much like a driver is provided with guidance to improve their habits.



An insurer may instruct the enterprise to deploy the Cavirin solution, generating a score and providing it as part of the underwriting process. Alternatively, the insurer will operate the system on behalf of their enterprise clients, periodically or continually re-assessing. Ultimately, Cavirin's solution as well as others in this space will help insurers better match their cyber insurance policies across the full spectrum of assets needing protection, with a goal of saving the enterprise money through better alignment to their business and their actual risk posture. Broad policy support includes all major compliance and best practice frameworks: NIST 800-53 r4, ISO/IEC 27002:2013, SOC 2 2016, AWS Security Hardening, Azure Security Benchmarks, PCI DSS 3.2, NIST Cybersecurity Framework, CIS Benchmarks, AWS CIS Foundation Benchmarks, Docker Hardening, HIPAA HITECH, CIS CSC 6.0, DISA STIGs, and Docker Image Scanning.



“Cyber security has become the single most important risk to company Boards of Directors around the world.”

AIG, “Achieving Cyber Resilience”

About Cavirin

Cavirin delivers cyberposture intelligence for the hybrid cloud by providing real-time risk & cybersecurity posture management, continuous compliance, and by integrating security into DevOps. The Cavirin platform combines automated discovery, infrastructure risk scoring, predictive analytics, and intelligent remediation to help organizations of all sizes leverage the cost savings and agility of the cloud without increasing operational risk or reducing their security posture. For more information, visit www.cavirin.com or follow us at www.twitter.com/cavirin.

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