

Cyber Insurance & Reinsurance



Cyber security threats are among the top concerns of all companies, insurers and reinsurers worldwide. “Bad actors” are constantly attacking all aspects of society, including retailers, medical providers, schools, the entertainment industry, defense contractors and subcontractors, Fortune 1000 companies and governmental institutions. The current exposure to insurers and reinsurers to one coordinated catastrophic cyber-attack is in excess of \$85 billion, according to one forecaster. A 2014 study by the Center for Strategic and International Studies estimates the annual cost of cybercrime to be more than \$400 billion.

Weber Gallagher understands that cyber insurance and reinsurance is an evolving market, both on a first-party and third-party basis. Clarity regarding coverage on risks such as business interruption, data restoration, cyber extortion, credit monitoring and privacy liability is key to understanding potential exposure and defenses.

Our attorneys have assisted underwriters and carriers with policy wordings, coverage determinations and defense in matters involving cyber insurance. They understand how the industry is responding to this new and dangerous exposure with specialty policies and wordings. Our attorneys recognize that proactive steps are needed to manage the expectations of our clients’ customers to ensure consistency in application of policy wordings and to mitigate litigation. We continue to counsel and defend companies, insurers and reinsurers on cyber issues from the smallest breach to those that may adversely affect their balance sheets and credit ratings.