Coalition®

Technology and the Evolution of Cyber Risk

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Coalition and Big I

Solving Cyber Pain Thru Technology

The Three Primary Pain Points in Selling Cyber:

- Communicating the Need
- Investing the Time
- Delivering the Service

Cyber Pain Point - Communicating the Need

- **Insured's *Know* they need the cover - The challenge agents face is quantifying the specific cyber risk a specific Insured faces**
- **Technology Solution - underwriting/scan**
  - Assesses the public facing infrastructure of each Insured and rates/underwrites/reports based on identified vulnerabilities
  - Benchmarking / Quantifying Insured against industry and peers
- **Technology Solution - Risk Assessment Report**
  - Detailed report identifying vulnerabilities specific to the Insured
  - Provides recommendations for remediation/improvement
  - Empowering non-technology professionals to directly address cyber risk management with clients

Communicating the Need continued

- **Technology solution - enabling Account Specific Underwriting/Focus**
  - o Underwriting was more actuarial study than account-specific
    - ■ Significant disconnect between price and Insured
    - ■ 'Application' was a formality vs. an asset
  - o Early solutions provided benchmark reports
    - ■ Valuable improvement - but more valuable to carrier side
    - ■ Benchmarks were difficult to quantify and often not helpful...
  - o Active network presence scan/review underwriting process
    - ■ Final evolution in Cyber Insurance
    - ■ Driven by Technology and introduction of new expertise into the space

Cyber Pain Point - Investing the Time

- **Cyber Insurance is important - But Time and Labor Intensive**
- **Technology Solution - Application / Portal**
  - Name, Address, URL, Revenue - Core data needed
  - Web Portal enabling submission, quote and even bind in minutes
- **Coalition Cyber Quote Options**
  - Industry unique limit/deductible sliders and coverage selection ability
  - Evolution of Broker Portal developments
- **Bulk / Book Quote Capabilities - streamlining production**
  - Hugely valuable development in cyber production

Investing the Time continued

- **Technology Solution - Customer support**
  - o New tools enable 24/7 instant support on anything
  - o Web portal tools improve customer experience and functionality
  - o Drastically reduce time spent servicing client
- **Technology Solution on Underwriting side - Platform and Internal Tools**
  - o Dramatic increase in efficiency to meet demand
  - o Underwriting performance / speed - personal example Industry goals ~20 quotes a week for much of my career - currently our team averages 350 - 450 a week each

Cyber Pain Point - Delivering the Service

- **Cyber Risk Management is a never-ending process - risks evolve constantly**
  - o Time delay between product development/launch and risk evolution create significant perceived value/impact gap
- **Cyber insurance markets were simply missing the mark…**
  - o Web portal / educational content with very low click thru rates
  - o Services requiring additional cost or additional effort to register…low click thru rates
- **Solution is blend of Technology and Expertise**
  - o The wrong people (insurance underwriters) were trying to solve Cyber Risk
  - o Identifying services that actually provide value and impact
  - o Delivering the services with NO additional effort on part of Agent or Insured

Delivering the Service continued

- **Valuable Services available**
  - Credential Monitoring
  - Domain Monitoring
  - Vulnerability Monitoring
  - Ransomware Prevention/Protection
  - DDoS Mitigation
  - Active Threat Monitoring/Reporting
  - Security Awareness Training
  - Vulnerability Testing

Delivering the Service continued

- **Claims team support and performance**
  - o Traditional carriers lack the expertise and 24/7 connection ability
  - o Concept of outsourced legal services with 24/7 access - but limited/no authority
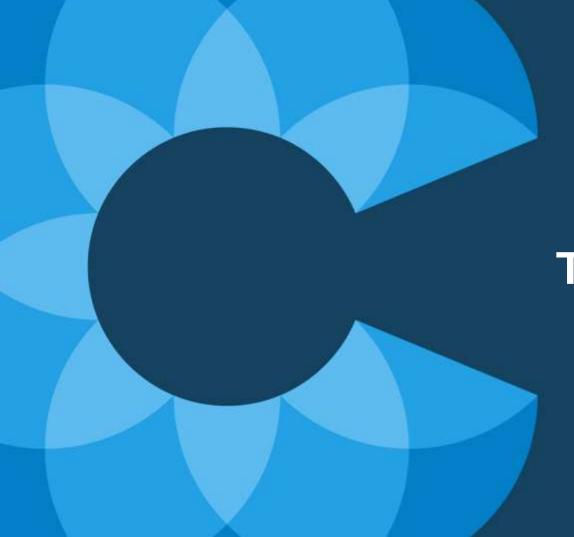 - o Creates significant time delay and friction to a stressful situation
- **Solution (again) is combination of Technology and Expertise**
  - o Placing experienced forensic professionals into claims team greatly expedites critical decisions/actions in response to a cyber event
  - o Active cyber monitoring provides valuable data instantly to improve decision making in response to a reported cyber event

Coalition and Big I - Solving Cyber Pain

- **Innovative cyber insurance solution paired with leading agent association**
- **Seamless portal and support access**
- **Powerful member agent support and advocacy**
- **Appointment with rapidly growing and innovative cyber insurance solutions provider - delivering Technology and unique Expertise**

Thank You