

# Network Asset Protection - Protecting your Critical Assets

## Operational Risks of the 21st Century Business

Today's businesses increasingly rely upon external and internal communications networks, which are deemed critical assets. Critical Assets is a term used to define a company's electronic data (business and customer information); software applications; computer programs, systems and processes; networks and IT infrastructure; that are vital to an organisation's operations. Loss of use or damage to critical assets may have catastrophic consequences to a 21st century organisation's balance sheet as well as your reputation.

What happens if an organisation's critical network is disrupted? What if this network is out for a substantial period of time? Computer attacks, operational mistakes, and network outages can completely paralyze an organisation by bringing down the information infrastructure and communication lines. These issues are further complicated by a network of outsourced and offshore third party providers who increasingly provide critical IT and business process services.

### What if I have Business Continuity Plan?

To properly face the challenges of IT downtime and damage to critical assets, such as software applications and data, organisations are investing in business continuity. This is a popular trend for heavily regulated industries, such as financial services and power/energy, which are under regulatory pressure to focus on recovery plans. No matter how robust an organisation's prevention strategies are, there is no absolute guarantee of safety from threats such as viruses and denial of service, terrorist attacks, or operational mistakes. For some industries, corruption of data or network outages during a high peak season seriously erodes financial performance and concern investors.

### How does traditional insurance cover compare?

Most companies have little or no insurance to cover operational risks related to electronic data, applications, and computer networks. Property insurance markets have either not offered or withdrawn coverage for non-physical events. Property policies have not offered coverage for non-tangible assets, such as electronic data. Other cyber risk policies have offered limited coverage, uncertain methods of determining loss amount capping limits of liability per hour. Often these policies also contain inadequate limits for contingent business interruption or exclusions that limit coverage for rogue employees involved in computer crime.



## Broad Protection through Kiln and JLT Network Asset Protection Policy

Kiln, a managing general agency with five syndicates at Lloyd's, in association with JLT has developed an innovative insurance product called Network Asset Protection, designed specifically for business organisations anywhere in the world which addresses first party risk associated with critical assets.

### The insuring agreements are as follows:

- A. Loss Digital Assets - coverage for costs of restoring or replacing digital assets damaged, destroyed or corrupted resulting from computer attacks, criminal attacks, introduction of viruses, human error and other related perils.
- B. Non-physical Business Interruption/Extra Expense/Special Expenses- coverage cost of income loss, interruption expenses, resulting from failure of computer attacks, criminal attacks, introduction of viruses, human error and other related perils.
- C. Cyber Extortion Threat - covers for extortion expenses and monies resulting from threats including to commit computer attacks, introduction of viruses, destruction of digital assets.

### Coverage Highlights:

- Accidental damage or destruction of digital assets
- Administrative or operational mistakes (human error)
- Broad terrorism coverage available
- Clear methods and alternatives of determining loss, including agreed amount
- Worldwide coverage
- Expanded coverage for special expenses, such as, forensic expenses, customer notification expenses and public relations
- Contingent/Outsourcing coverage for covered causes of loss arising from business process and IT sourcing

- Low minimum hourly time retention and no internal hour limitation for time of recovery
- Broad coverage for malicious or criminal attacks, including rogue employees.

### About JLT

JLT is an international group of Risk Specialists and Employee Benefits Consultants and one of the largest companies of its type in the world. We offer a distinctive choice to our clients and partners through our combination of independence, scale and specialism.

Our experienced Technology & CyberRisks team specialise in advising organisations on Technology and Cyber Risks insurance products and provide access for our clients to the London insurance market. We have developed a range of Technology and Cyber Risk products providing third party liability, first loss property and business interruption coverage.

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