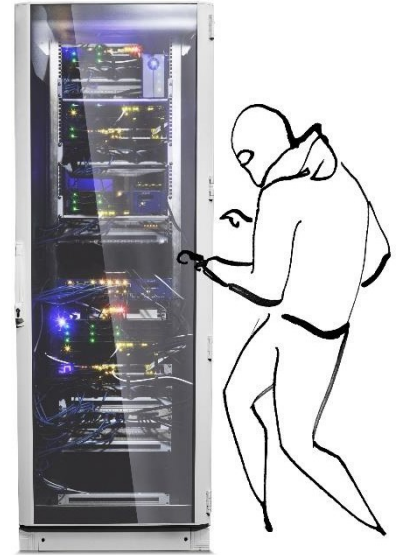


- Cyber risks - but only for others?
  - Small market development
- Examples of damage
- Possible solutions

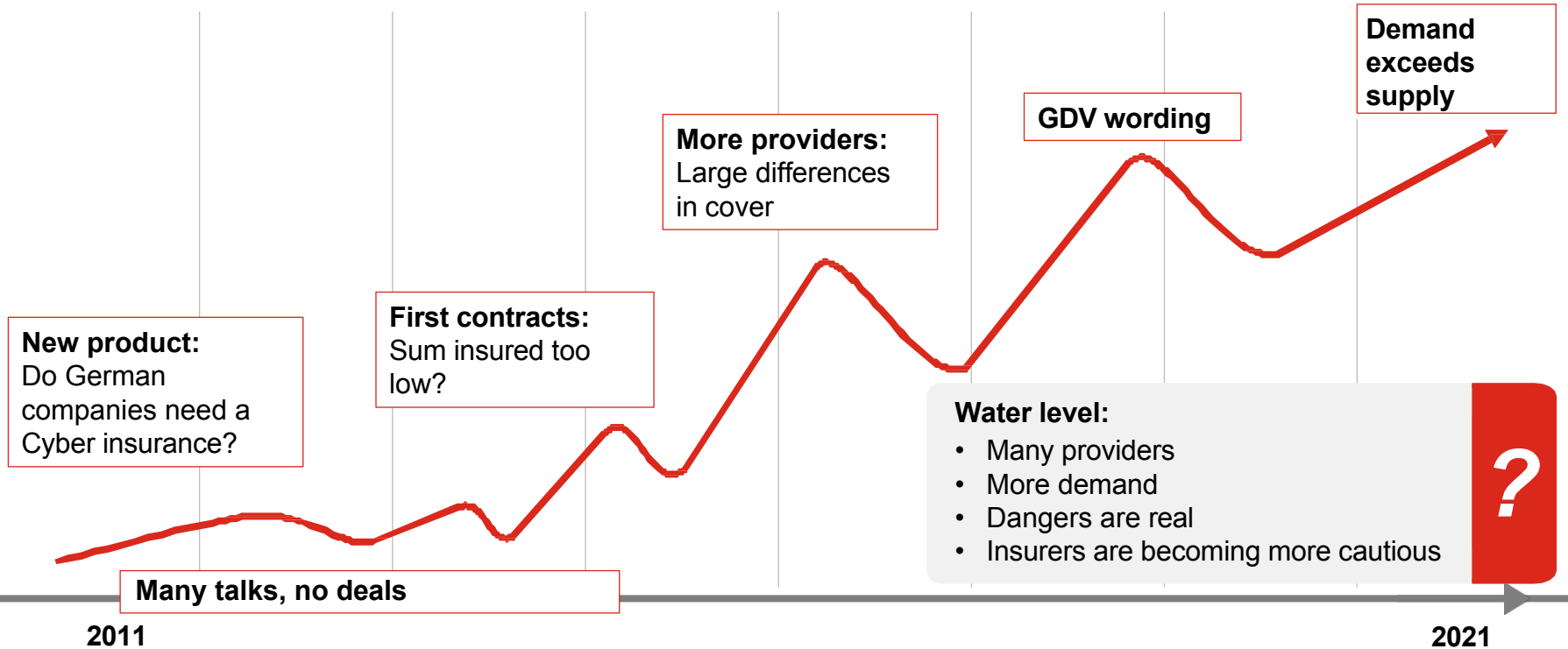


# DO YOU KNOW THAT?



# CYBER INSURANCE MARKET

## A DECADE IN GERMANY

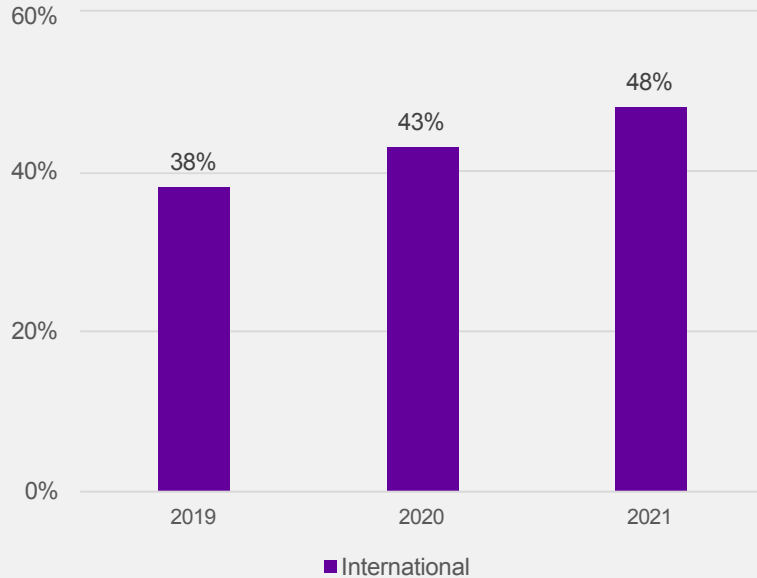


# CYBER ATTACKS ON THE RISE INTERNATIONALLY

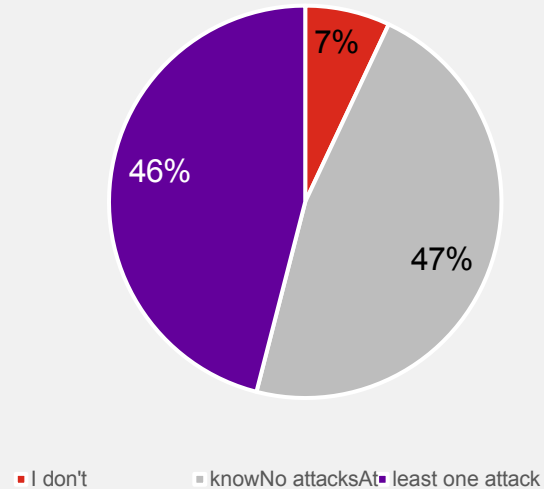
ZILKENS | FINE ART  
INSURANCE BROKER

## IN GERMANY CONSISTENTLY HIGH AS IN THE PREVIOUS YEAR

Companies that reported at least one cyber attack



Number of German companies that were victims of at least one cyber attack in the last 12 months



# AVERAGE TOTAL CYBER LOSS COSTS ARE HIGHEST IN GERMANY

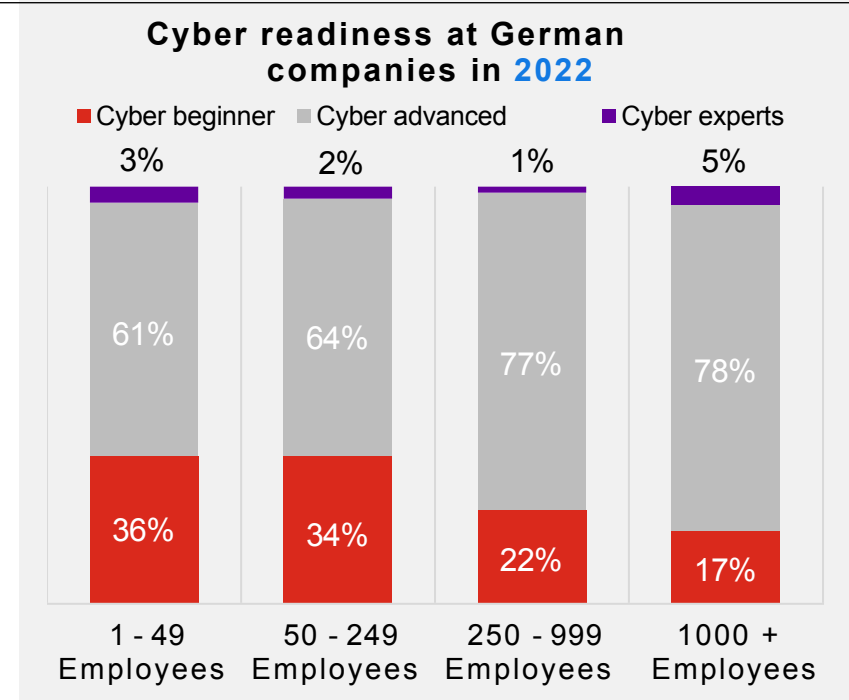
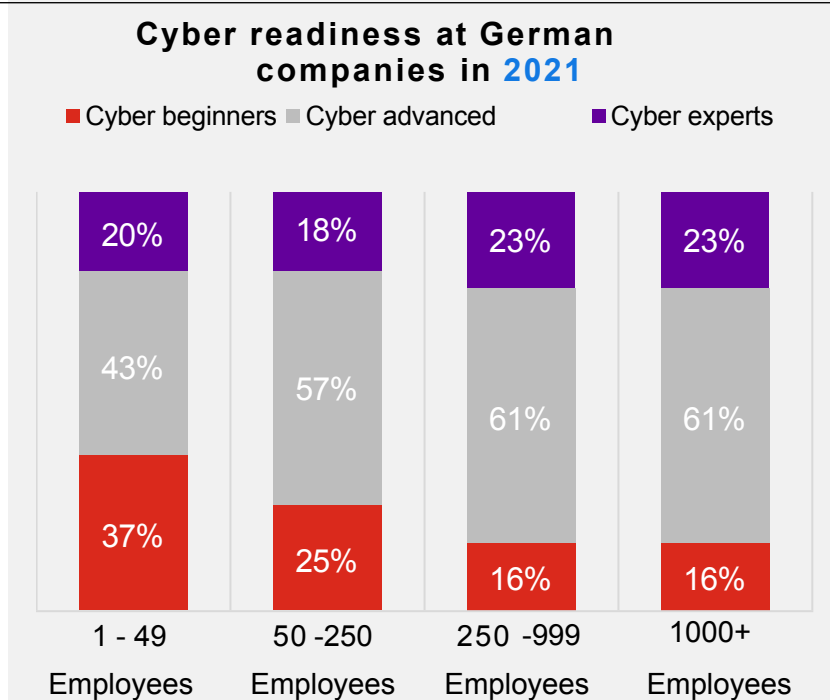
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German companies recorded the **highest average total cost of cyber attacks in 2022**



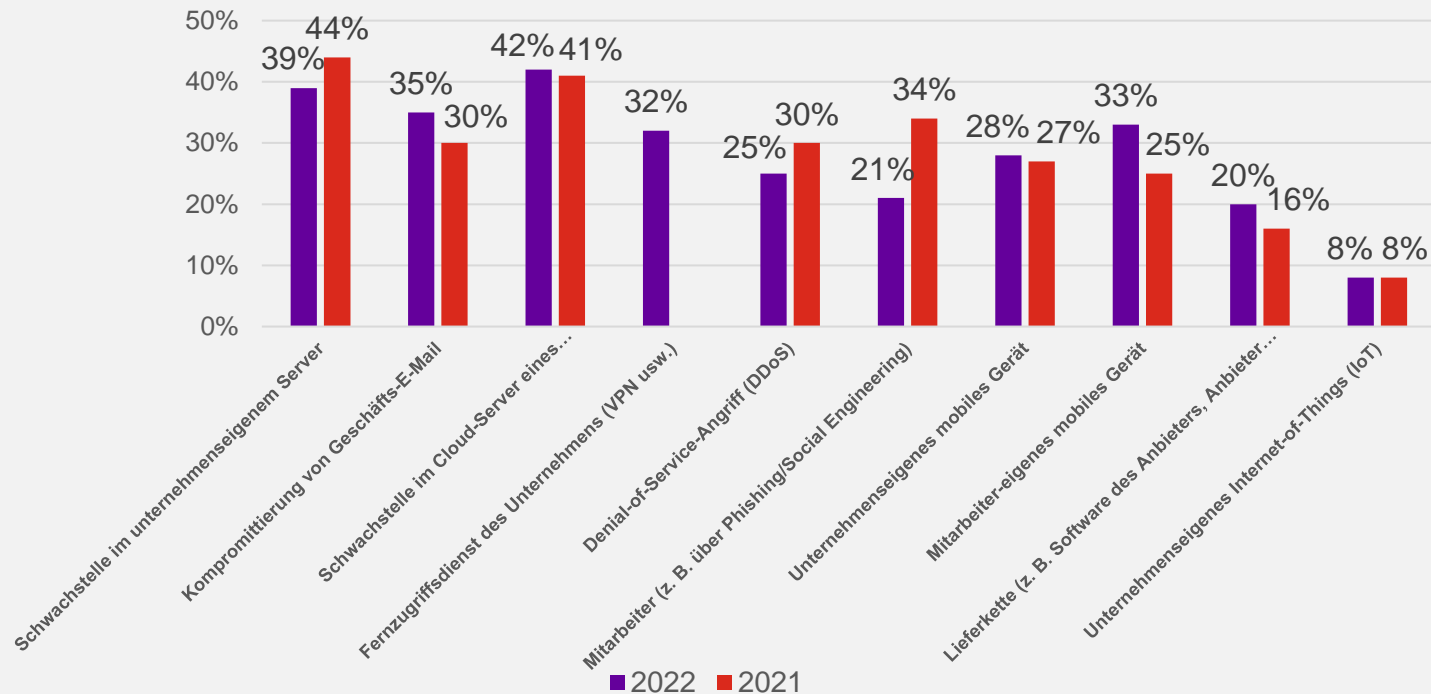
**Insurers report high loss ratios  
> 100%**

# DRAMATIC SLUMP IN THE CYBER SELF-ASSESSMENT OF THE COMPANIES



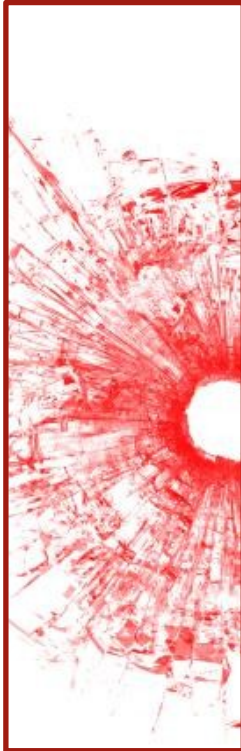
Base: 5,181 professionals responsible for or involved in their organisation's cybersecurity strategy  
Source: A study by Forrester Consulting on behalf of Hiscox, 2021/2022

# MOST COMMON ENTRY POINT FOR HACKERS IS CORPORATE CLOUD SERVER



# CYBER CRISIS SITUATION

## WHAT ELSE CAN LEAD TO THIS?



### Self-inflicted

- Erroneous sending of data/documents in a letter
- Losing a laptop, USB stick, smartphone, etc.
- Email is sent to the wrong recipient
- Documents with sensitive data end up in the recycle bin (physical)

### Third-party fault

- Viruses, Trojans etc.
- Theft of computers
- Hacker attacks, possibly supported by criminal organisations
- Denial of service attacks



# ZERO DAYS THE NEW THREAT OF A COLLECTIVE ATTACK ON MICROSOFT EXCHANGE

Several professional hacker groups gain control of the Microsoft Exchange e-mail server in an automated wave of attacks.

The damage: potentially 60,000 affected installations in Germany.



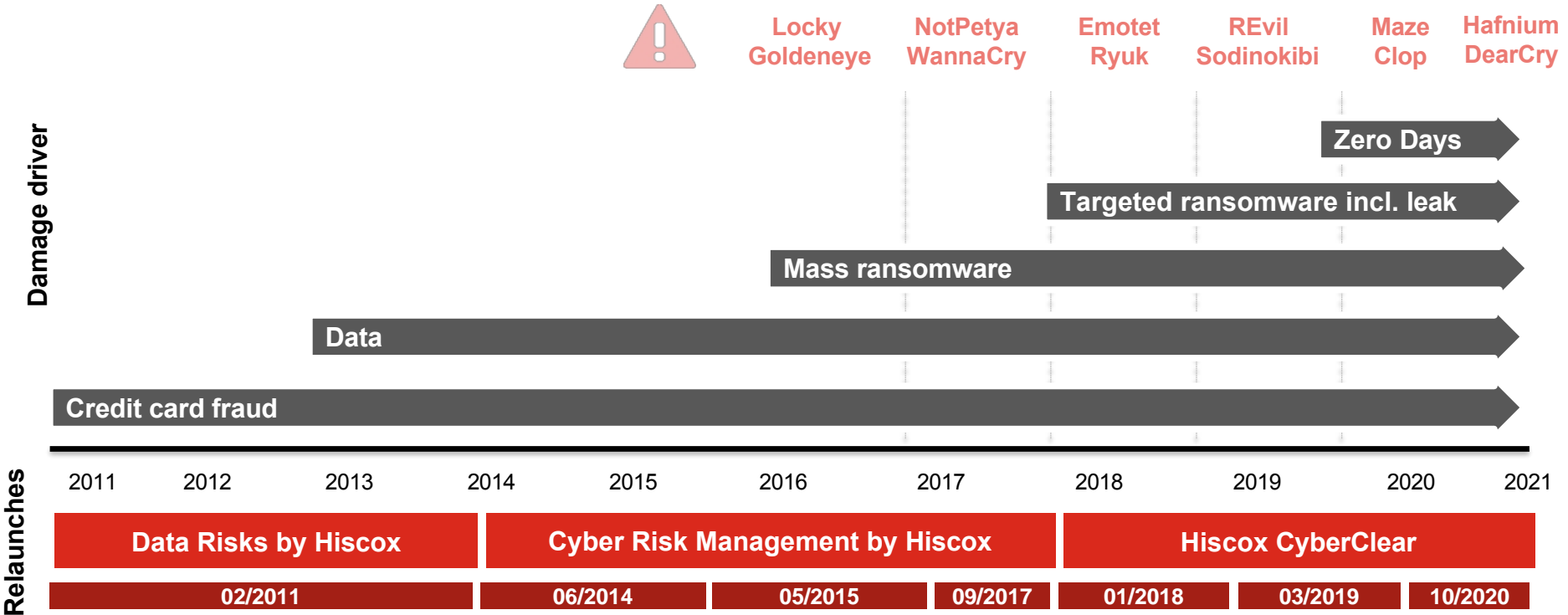
## Claims handling

- More than 45 claims within 48 hours alone
- IT forensic audit of those affected
- Instructions for cleaning up the infected environments

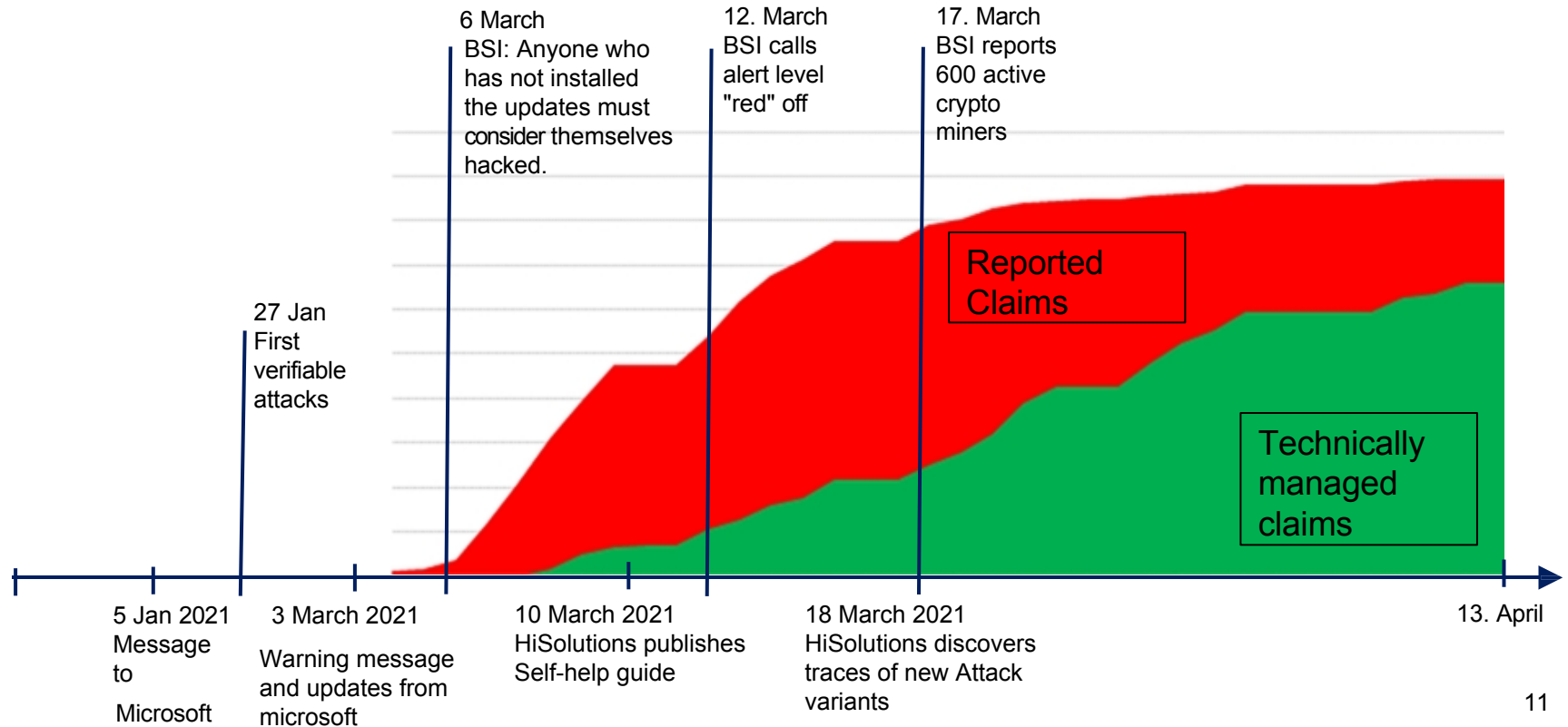
## Total amount of loss

Over € 1,000,000

# THE DYNAMIC RISK SITUATION REQUIRES CONSTANT **PRODUCT INNOVATIONS**



# ZERO DAYS THE NEW THREAT OF A COLLECTIVE ATTACK ON MICROSOFT EXCHANGE



# SUPPLY CHAIN ATTACKS

## ATTACK ON SERVICE PROVIDER "KASEYA"



Attack on patch and  
vulnerability  
management tool

60 customers directly  
Affected → 1,500  
downstream  
customers

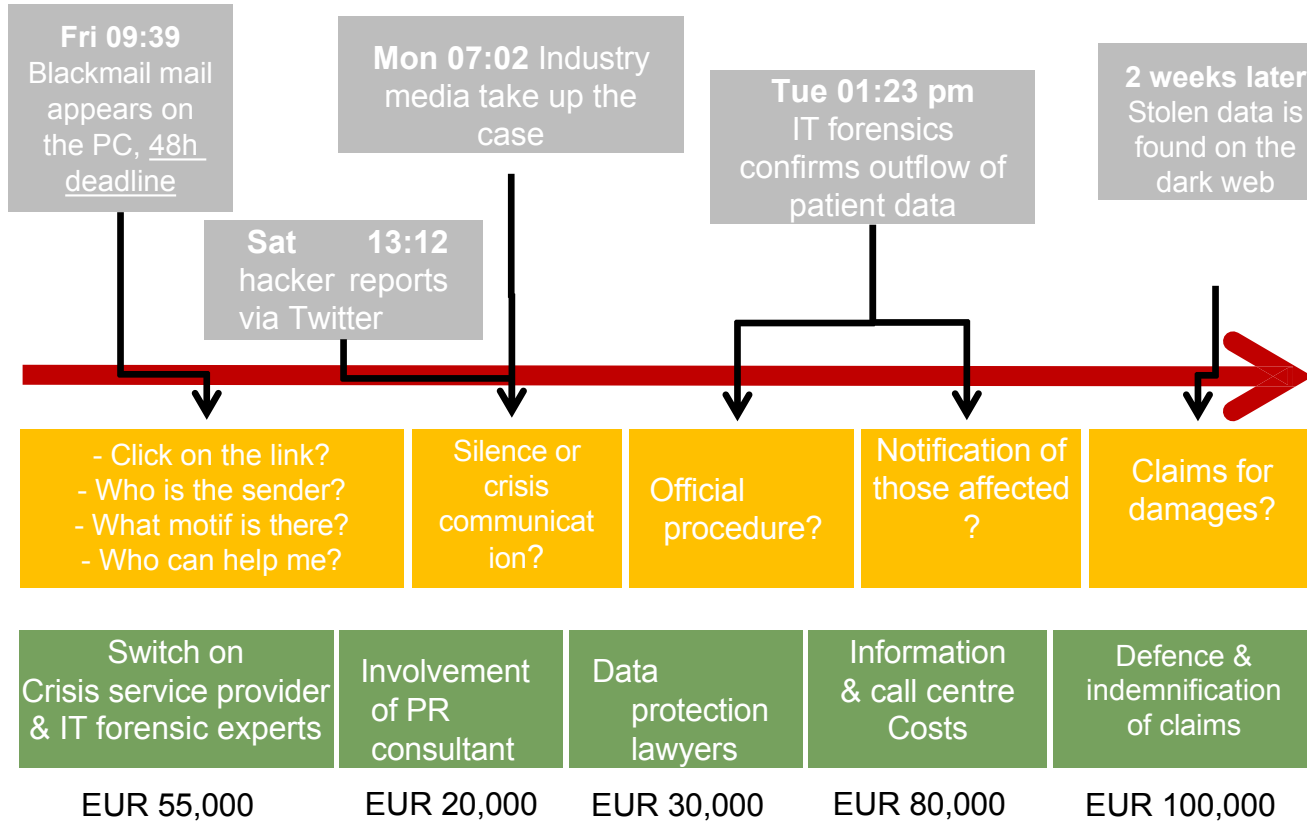
Ransom demand  
EUR 70 million

# THE ART MARKET IS NOT SPARED

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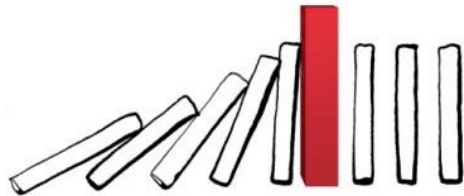
- Boared Ape - Theft from Wallet
- Fake accounting - falsification of bank details on invoices
- Theft of cryptocurrency from crypto trader Wintermute
- Theft of customer data - violation of the BDSG?
- Fake mails from your own e-mail address (captured mail)

# PROCESS OF A TYPICAL RANSOMWARE CLAIM



**Risk transfer**

**Assistance**



**Insurance**

**Prevention**

**Immediate**

# WHAT SHOULD A CYBER COVER INCLUDE?

## **Insurance cover:**

Comprehensive services

as a preventive measure, in the middle of the crisis, during claims settlement and in the subsequent safety analysis



### **Cyber own damage insurance:**

- Support from IT crisis experts, PR consultants, data protection lawyers
- Restoration of the IT system and the data
- Notification of those affected

### **Cyber liability insurance:**

- Protection against third-party claims in connection with cyber damage
- Insurer as the policyholder's lawyer:
  - Examination of the liability of the policyholder
  - Defence against unauthorised/ Satisfaction of justified claims

### **Cyber business interruption:**

- Assumption of lost operating profit and ongoing fixed costs in the event of interruption of business operations by the Failure of IT systems as a result of a cyber incident



### **Services**

1. Immediate help in an emergency
2. Cyber training
3. Cyber crisis plan



# WHAT YOU SHOULD PAY ATTENTION TO MARKET COMPARISON

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Exclusions (e.g. wilful intent, outdated technology, non-targeted Attack, trade secrets)

Obligations (e.g. state of the art, emergency plan)

Sublimits (e.g. for forensics or information costs)

Limited intrinsic damage components



# THANK YOU FOR YOUR ATTENTION

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