

Cyber pricing for SMEs

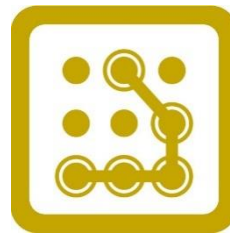
An all-around carefree package against digital dangers

Cyber attacks are becoming more frequent by the day, but at the same time the amount of available data and consequently the possibilities offered by insurance mathematics have also increased. This allows for legitimate pricing in cyber.

The E+S reinsurance group and Meyerthole Siems Kohlruss have developed an all-around carefree package for insurers which includes recommendations on terms and conditions, a risk questionnaire, acceptance guidelines, an industry classification and a modular calculation of claims requirements. These recommendations can be adapted in close cooperation with the insurer to best suit individual needs and client segments.

Tailor-made pricing

- > A plausible basis for calculations: In addition to extensive research, including numerous studies and statistics, we have obtained information from the authorities and conducted interviews with experts in order to form the basis of our pricing.
- > Modular pricing: Within the three relevant components service costs, first and third party losses we have identified the (sub) components that are relevant for claims and individually evaluated them. This allows us to calculate a wide variety of products.
- > Actuarial principles: Each component has been valued using a severity/frequency approach. The risk of change has mostly been accounted for by, among other things, applying security and tendency surcharges.
- > Influences on pricing: The influence of company size, sum insured, deductible and further optional influences on pricing (like backup intervals and the number of stored data records) are taken into consideration.
- > Protection from large and cumulative claims: In addition to a recommendation on the design of the acceptance guidelines, sublimits are provided for some components, the amount of which is agreed individually with the insurer.
- > Cost parameters, especially the daily rates of service providers in the claims handling network, can be easily added.



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The product

- > The developed product is based on the noncommittal general insurance terms cyber of the GDV (general association of the German insurance industry).
- > In addition to the inclusions listed in these general insurance terms cyber of the GDV, a comprehensive synopsis of the terms and conditions of existing cyber insurance providers has identified other standard market inclusions which have been incorporated into the product proposal.
- > In addition, a compact risk questionnaire was developed, which is particularly suitable for underwriting small companies.
- > Based on a variety of studies on the vulnerability of different industries we have developed a differentiated classification.

Your benefits

- > Enhance your know-how and benefit from the guidance of the experts from E+S Rück and Meyerthole Siems Kohlruss when launching your product.
- > Customized pricing that takes the specifics of your business into account, such as the unique needs of your target customers.
- > Regular assessment of the underlying calculation parameters in the separate cyber data pool.

Meyerthole Siems Kohlruss

Meyerthole Siems Kohlruss was founded in Cologne in 1998 as the first German actuarial consulting firm. It supports insurers in strategic decisions and operative processes. Our areas of focus include data pooling, pricing, assessment of reserves, risk modelling and Solvency II.

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