

AFFIRMATIVE CYBER

Frequently Asked Questions

1. What is affirmative cyber?

- a. Affirmative cyber refers to insurance policy language that covers or excludes cyber-related losses.

2. Why is affirmative cyber important?

- a. Affirmative cyber is important for both policyholders and carriers.
 - i. Organizations want to clearly understand how their insurance policies will respond to a cyber event. They want to incorporate insurance in their cyber risk management plan to help be protected against evolving and significant cyber risks.
 - ii. Affirmative cyber helps AIG to adequately measure and understand the accumulation of their cyber exposure in order to provide sustainable solutions to the marketplace.

3. How is AIG handling affirmative cyber?

- a. AIG is focused on instilling a culture of underwriting excellence. We have made meaningful progress and implemented important changes that prioritize sustainable improvement in underwriting profitability and position AIG for long-term success.
- b. AIG has applied affirmative cyber underwriting strategies for multiple products in certain jurisdictions.
- c. By January 1, 2020, AIG will be one of the first insurance carriers to implement global affirmative cyber underwriting strategies.
- d. The strategies are implemented to affirmatively cover or exclude physical and non-physical cyber risk across Property, Casualty, Financial Lines and Specialty insurance policies.
- e. Affirmatively addressing physical and non-physical cyber risk helps:
 - i. Clients achieve certainty about what's covered and what's not if there is a cyber event; and
 - ii. AIG manage the aggregation of cyber risk across our portfolios so we can continue to provide sustainable solutions to the marketplace.

4. Are the same changes being made to all policy wordings?

- a. The changes vary by product and/or jurisdiction. Please contact your local underwriter for more information.

5. If changes are made to a client's policy wording, what is the impact to the insurance premium?
- a. Premium impact will vary by account and depend on a number of factors including, but not limited to, product line, policy wording and specific changes made.
 - b. Any changes will be communicated at the time of quoting, or earlier when required and/or feasible.
6. If I have questions, who should I contact?
- a. Contact your local underwriter or local management team.

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