HOUSE HEARING HIGHLIGHTS IMPORTANCE OF CYBER INSURANCE FOR SMALL BUSINESS

WASHINGTON, DC (July 26, 2017) – In a hearing before the House Small Business Committee hearing on “Protecting Small Businesses from Cyber Attacks: The Cybersecurity Insurance Option,” Eric Cernak, Vice President, U.S. Cyber and Privacy Risk Practice Leader at Munich Re, US, testified that there is an urgency to raise awareness in the small business community about the importance of cyber insurance as both a risk management tool and a critical safety net should a cyber event occur.

Testifying on behalf of the Reinsurance Association of America and the Property Casualty Insurers Association of America, Mr. Cernak commented, “With cyber risks forecast to continue to grow, the public and private sectors have a role to play in helping businesses, small and large alike, overcome the “it-won’t-happen-to me” mentality. It is essential for businesses, which are increasingly connected, to be prepared, protected and resilient and cyber insurance can help with all three.”

In concluding his testimony, Mr. Cernak suggested, “It is important for federal and state lawmakers, regulators, and other entities who are focused on cybersecurity and evaluating potential regulatory changes, to develop clear, consistent requirements and to avoid a patchwork of different requirements and standards.”

The Reinsurance Association of America is the leading trade association of property and casualty reinsurers doing business in the United States. RAA membership is diverse, including reinsurance underwriters and intermediaries licensed in the U.S. and those that conduct business on a cross-border basis. The RAA represents its members before state, federal and international bodies.

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