

CYBER RISK QUANTIFICATION IN ACTION

6 of 11 fields unanswered. Four mandatory conditions. A binding-ready quote in minutes.

A cyber liability applicant with no industry sector, no revenue, and no security framework disclosure. DeRISK UWA produced a fully structured, actuarially quantified recommendation — explicit \$266K EAL, eight per-line premiums, and four time-bound binding conditions with defined underwriting consequences.

ASSESSMENT DATE	REPORT ID	COVERAGE LINES	RUN TIME
April 7, 2026	3835320e - 0f96	8 lines structured	11 min 47 sec

UNDERWRITING VERDICT
Quote with Conditions
4 conditions precedent

RISK TIER
Medium-High
Conditional acceptance

DATA SUFFICIENCY
40% complete
6 of 11 fields unanswered

ACTUARIAL OUTPUT

What the model found

<p>Expected Annual Loss (EAL)</p> <p>\$266K</p> <p>Ind. median \$112K ↑ 80th pct</p>	<p>Average loss per breach</p> <p>\$950K</p> <p>Ind. median \$620K ↑ 75th pct</p>	<p>Annual breach probability</p> <p>28%</p> <p>Ind. median 18% ↑ 75th pct</p>	<p>Total annual premium</p> <p>\$79K - \$114K</p> <p>Span \$35K Tightest in set</p>
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"Applicant is above-average risk on operational metrics — but below-average risk on loss history. Governance improvements are required to achieve peer-level risk profile."

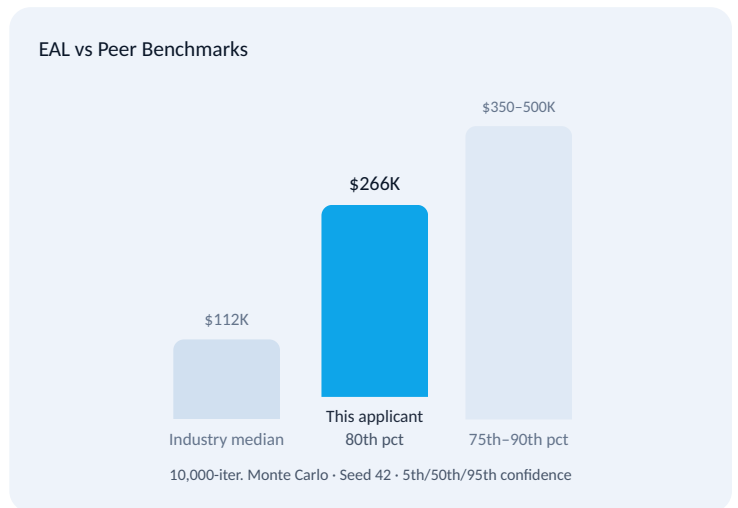
DeRISK UWA Actuarial Table · Section XI Conclusion & Risk Opinion · Report 3835320e-0f96-4b40

Cyber Maturity — NIST CSF Assessment

Identify	<div style="width: 100%; background-color: red;"></div>	CRITICAL
Protect	<div style="width: 100%; background-color: red;"></div>	CRITICAL
Detect	<div style="width: 75%; background-color: orange;"></div>	HIGH
Respond	<div style="width: 100%; background-color: red;"></div>	CRITICAL
Recover	<div style="width: 75%; background-color: orange;"></div>	HIGH

Overall NIST maturity: **UNKNOWN**

Identify, Protect and Respond rated CRITICAL; Detect and Recover rated HIGH. All maturity levels DATA NOT PROVIDED. Clean loss history and comprehensive coverage scope signal an insurable entity with remediation potential.



BUSINESS INTERRUPTION · KEY FINDING

72-hour waiting period

DeRISK UWA specified a 72-hour BI trigger on the \$1.5M Failure to Supply line — a critical parameter most tools leave undefined. Daily loss: Revenue ÷ 250/day.

Structured coverage — 8 lines, exact limits & retentions

Coverage recommendations	
Breach Liability (Privacy/Security)	\$2,000,000 \$50,000 ret. \$18,000 – \$24,000
Media Liability	\$1,000,000 \$25,000 ret. \$8,000 – \$12,000
PCI Assessment Coverage	\$500,000 \$10,000 ret. \$4,000 – \$6,000
Business Interruption 72hr WT	\$1,500,000 \$100,000 ret. \$12,000 – \$18,000
Cyber Extortion	\$500,000 \$25,000 ret. \$5,000 – \$8,000
Reputation Mitigation	\$250,000 \$10,000 ret. \$3,000 – \$5,000
Data Asset Restoration	\$500,000 \$25,000 ret. \$4,000 – \$6,000
Cyber Wrap / DIC	\$5,000,000 agg. \$250,000 ret. \$25,000 – \$35,000
<p>Total estimated annual premium \$79,000 – \$114,000</p>	

4 Mandatory Binding Conditions

<p>1</p> <p>Data Asset Classification Policy</p> <p>Documented, enforced policy — sensitivity tiers, storage requirements, employee compliance evidence.</p> <p>14 days - breach coverage blocked</p>	<p>2</p> <p>M&A Activity Disclosure</p> <p>Past 36 months + planned 12 months. Cyber integration risk assessment if applicable.</p> <p>10 days - affects premium & limits</p>
<p>3</p> <p>OT/ICS Inventory & Network Architecture</p> <p>Asset inventory, segmentation diagram, OT/ICS exposure confirmation or written denial.</p> <p>21 days - specialized coverage trigger</p>	<p>4</p> <p>Incident Response Plan</p> <p>Documented IRP with roles, escalation, recovery timelines, and tabletop exercise evidence.</p> <p>21 days - affects BI cost modeling</p>

Actuarial model parameters

Breach frequency (λ) 0.30/yr · Poisson	Iterations · Seed 10,000 · Seed 42
Breach size (μ) Log-normal ~5K rec.	Confidence pcts 5th / 50th / 95th
Response cost \$50/rec + \$100K fixed	Regulatory fine 15–25% resp. cost
BI loss driver Revenue ÷ 250/day	Severity ↔ BI corr. r = 0.30 (weak+)

WHY THIS MATTERS

What DeRISK UWA delivers — even with 40% data

\$266K

Explicit EAL — not a score

Most tools return a risk tier. DeRISK UWA returns a dollar figure benchmarked at the 80th percentile — giving underwriters a precise anchor for every limit and retention decision.

4 conditions

Deadlines, not requests

Each binding condition carries a specific deadline (10, 14, or 21 days) and an explicit underwriting impact — turning vague follow-up into a structured, trackable pre-bind workflow.

72 hours

BI trigger — auto-specified

The 72-hour waiting period on the \$1.5M BI line was derived from the loss model, not entered manually — the difference between a clean bind and a claim dispute at inception.