

Increasing Use of Cyber Insurance Requirements in Contracts

As the risk of cyber threats to all businesses grows, there is a corresponding interest in managing and shifting cyber risks by contract and through cyber insurance, write **Branwen Buckley** and **Corby J. Baumann** of **Thompson Hine**.

“Insurance requirements are common in commercial contracts, and many contracts now include a sub-clause regarding cyber insurance. Whether a company is asking for a contracting party to provide cyber insurance or is on the receiving end of such a request, there are some important background considerations to remember,” the authors explain in their article.

They list some issues to consider when evaluating contractual requirements for cyber coverage: cyber insurance can never be a substitute for proper preventive measures, keep cyber insurance provisions specific, consider asking to see the policy, and be realistic in your expectations.

Read the article.