

Ernest Martin Jr. in D CEO: The Pros and Pitfalls of Cybersecurity Insurance

January 17, 2019 Ernest Martin

PRACTICES Insurance Recovery, Litigation

D CEO quoted Haynes Boone Partner [Ernest Martin Jr.](#) in an article about companies' growing interest in cybersecurity insurance.

Here is an excerpt:

Concern about digital crime is at an all-time high in local C-suites, with major data breaches at giants like Sabre and GameStop keeping cybersecurity top of mind. Large players like AT&T have come forward with insurance to offer protection and help companies recover in the wake of data disasters. But the relative novelty of the policies can make it difficult to know what they will and won't pay for.

On the other side, insurers are struggling to determine what damages they should cover from tech crimes and what they should charge for premiums. That's partly because corporate secrecy about hacks means nobody knows how often companies get hit—or what the bottom-line impact truly is.

The insurance industry is still working to understand and get a handle on the extent and variety of cyber risks, says Ernest Martin Jr., a Haynes Boone partner who chairs the firm's insurance recovery group. Martin has seen more companies buying this form of insurance in the last 18 months and says that contractual language in cyber policies can vary widely from one insurer to the next. "Purchasing them is not as easy as purchasing general liability insurance," he says.

To read the full article, click [here](#).