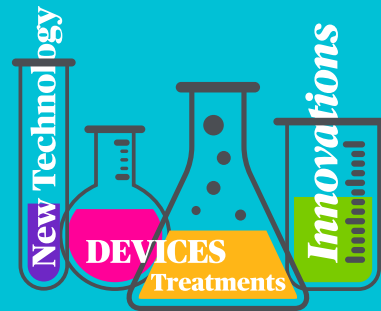


# Targeting Life Sciences Global Exposures



CHUBB®

## Cyber


Nearly **2/3** of pharmaceutical firms surveyed **have experienced serious data breaches**<sup>1</sup>

Corporate networks remain a favored target, **but mobile devices also face cyber attacks**

Possibilities like **remote tampering** with internet-connected **medical devices** could seriously endanger a patient

## Mergers & Acquisitions

**91%** of M&As valued at more than \$100M **led to litigation**<sup>2</sup>



**Acquirers may be held liable** for claims stemming from the defunct companies

**Traditional insurance policies may not respond**

~~GL POLICIES~~ ~~Product Liability Insurance Contracts~~

**Successor Liability and Reps and Warranties coverage may respond**

**Complex corporate structures** make life sciences M&As **especially vulnerable**

## Regulatory Risk

Conducting international clinical trials means **navigating complex legal, regulatory, and insurance environments**, country by country



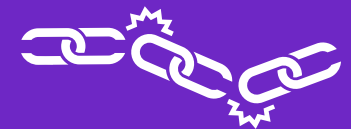
**100%** of the largest life science companies **rank federal, state, and local regulations a top risk factor**<sup>3</sup>

**Errors and omissions claims:**

**\$ Damages can reach tens of millions** including the cost to repeat a clinical trial

## Supply Chain

**Business interruption losses** caused by first- and second-tier suppliers **are considerable**



**Product liability can arise** from a supplier's contaminated raw materials or defective component part

**50%** of surveyed pharmaceutical executives **say company products have been counterfeited or diverted**<sup>4</sup>

By partnering with **an insurer that has the right expertise and global resources**, life sciences companies can effectively manage risks, wherever opportunities take them.



To learn more, visit [www.chubb.com](http://www.chubb.com)

<sup>1</sup> Cybercrime still hitting the pharmaceutical sector, Crown Records Management, July 22, 2016, [www.crownrms.com/intl/en-za/article/cybercrime-in-pharmaceutical-industry-](http://www.crownrms.com/intl/en-za/article/cybercrime-in-pharmaceutical-industry-)

<sup>2</sup> Mergers and acquisitions almost always trigger shareholder lawsuits, Business Insurance, [www.businessinsurance.com/article/99999999/news070107/399999637/mergers-and-acquisitions-almost-always-trigger-shareholder-lawsuits](http://www.businessinsurance.com/article/99999999/news070107/399999637/mergers-and-acquisitions-almost-always-trigger-shareholder-lawsuits)

<sup>3</sup> 2016 BDO Life Sciences Riskfactor Report, BDO, [www.bdo.com/insights/industries/tech-life-sciences/2016-bdo-life-sciences-riskfactor-report](http://www.bdo.com/insights/industries/tech-life-sciences/2016-bdo-life-sciences-riskfactor-report)

<sup>4</sup> Globalization of the Life Science Supply Chain, PwC, [www.pwc.com/us/en/health-industries/assets/pdf/globalization-of-the-life-sciences-supply-chain.pdf](http://www.pwc.com/us/en/health-industries/assets/pdf/globalization-of-the-life-sciences-supply-chain.pdf)