

Compliance & Risk

Volume 11 Issue 5

September/October 2022

Headlines

- Ofcom to investigate tech giants' market dominance, p.17
- Meta fined €405m over breaches in handling of teens' data, p.18
- ILO says number of people in modern slavery risen by 25% in six years, p.19

Contents

Trends and developments in modern slavery 2

Gender pay gap reporting in Ireland 6

Directors' responsibility for identifying inside information - Lessons to be learnt from the FCA's decision on Sir Christopher Gent 11

News & Views 15

FCA publishes review of Covid claims handling by insurers

A Financial Conduct Authority (FCA) review of business interruption claims handling, published on 4 October 2022, has highlighted examples of good practice, such as the swift payment of interim sums, but also expressed concerns that some insurers had "fallen short" of meeting regulatory requirements when handling coronavirus-related claims.

The FCA said that the key findings have been published "to assist firms in their approach to handling all claims to ensure customers are treated fairly throughout the

insurance claims process".

The regulator instigated a test case, intended to speed up decisions on thousands of claims by small and medium-sized businesses, to seek clarity on the meaning of certain insurance wordings. The case resulted in a UK Supreme Court judgment in January 2021, and recent data shows that £1.5 billion has now been paid out by insurers to over 36,000 small businesses as a direct result of the decision.

The FCA review identified good practice by insur-

ance firms, putting customers at the heart of the claims process. Practice that was commended included the issue of interim payments based on basic information, pending the detailed assessment of a full and final settlement, providing a wide range of communication channels for customers to contact firms, and proactive initiatives encouraging policyholders to provide information to progress their claims.

However, the review also identified key areas where firms did not meet FCA

[\(Continued on page 15\)](#)

Uber's ex-security chief found guilty in landmark trial over data breach

In September 2022, a US district court in San Francisco heard arguments in the action involving Uber's former security officer, Joe Sullivan, who stood trial in what is said to be the first case of an executive facing criminal charges in relation to a data breach.

The case, which could set an important precedent on the responsibility of US security executives for the way that cybersecurity breaches are handled,

relates to an incident in 2016 when Mr Sullivan failed to properly disclose a data breach affecting 57 million Uber riders and drivers around the world.

Prosecutors alleged that during the investigation of an initial breach by the regulator, the US Federal Trade Commission (FTC), Mr Sullivan actively worked to keep the FTC from discovering a second breach, putting

his reputation in the cybersecurity world ahead of his obligation to report the breach to regulators.

In his closing remarks to the jury, Assistant U.S. Attorney Ben Kingsley said that Mr Sullivan decided to deal with the situation quietly, by paying the two hackers involved in the breach \$100,000 in Bitcoin

[\(Continued on page 15\)](#)