WFCA
CYBER SECURITY OVERVIEW

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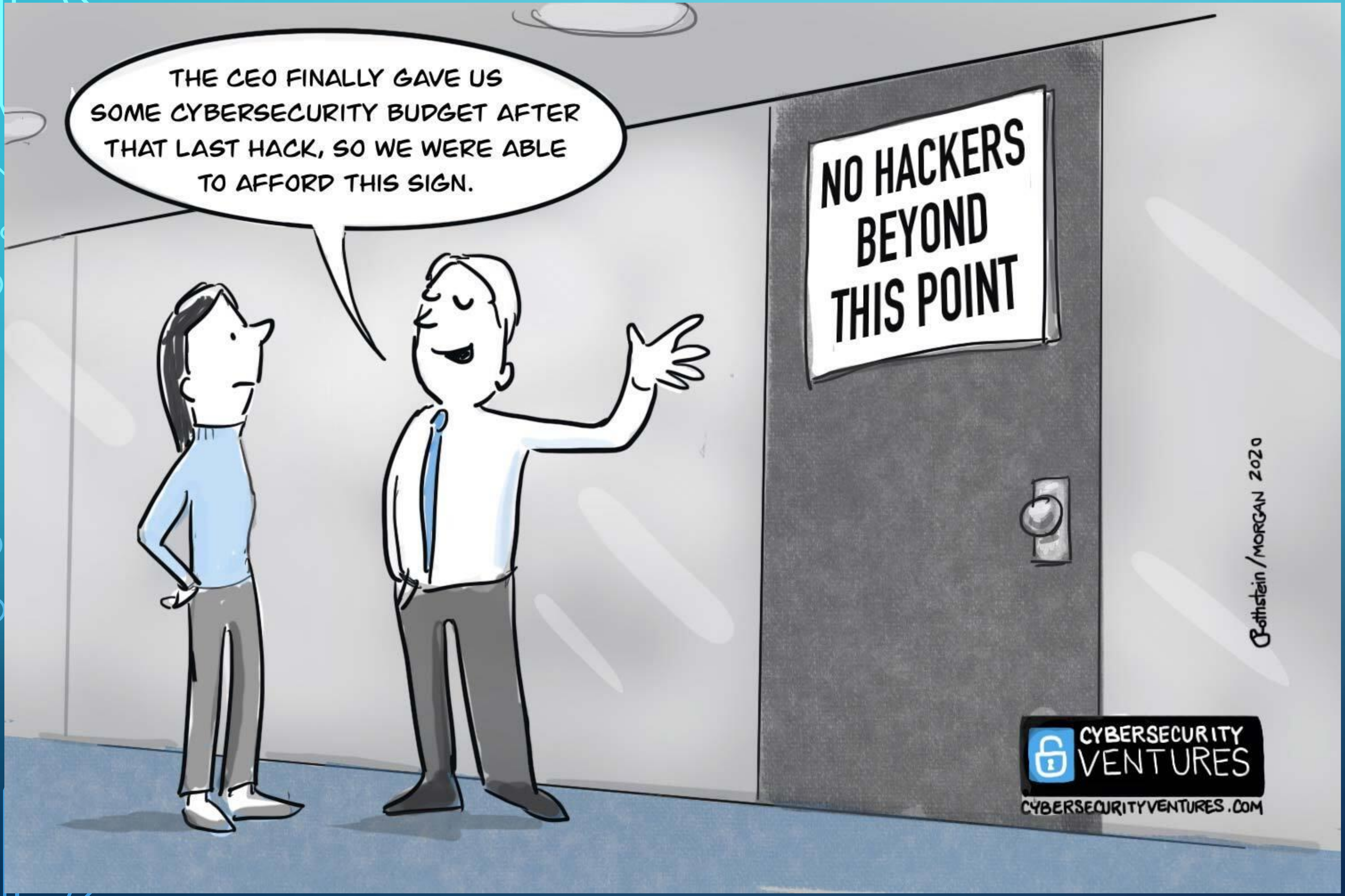
THE CEO FINALLY GAVE US SOME CYBERSECURITY BUDGET AFTER THAT LAST HACK, SO WE WERE ABLE TO AFFORD THIS SIGN.
NO HACKERS BEYOND THIS POINT
Rothstein / MORGAN 2020
CYBERSECURITY VENTURES
CYBERSECURITYVENTURES.COM

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WHAT ARE CYBER CRIMES?

- Merriam-Webster: criminal activity committed using a computer especially to illegally access, transmit, or manipulate data.
- Profit off individuals or companies
- Highly technically skilled organizations or individuals
- Rarely done to just cause damage

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TYPES OF CYBERCRIME

- Email fraud
- Identify fraud
- Theft of financial data or card payment data
- Ransomware

HOW CYBERCRIME HAPPENS

- Social Engineering
- Phishing
  - Spear Phishing
  - Whaling
- Vishing
- Smishing
- BEC – Business Email Compromise
- Malware attacks
- Denial of Service (DOS)

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STATISTICS

2021 Cyber Threat Report by SonicWall

- 304.7 mm Ransomware attacks occurred during the first half of 2021
- 304.6 mm in all of 2020 (151% increase YTD)
- Top Industries targeted
  - Government – 917%
  - Education – 615%
  - Healthcare – 594%
  - Retail – 264%

https://www.techradar.com/news/ransomware-attacks-in-2021-have-already-surpassed-last-year

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WAYS TO PREVENT

- Software and OS updates
- Anti-virus Software
- Don’t open attachments on spam emails
- Inspect links in suspicious emails
- Contact companies about suspicious requests
- 2 factor authentication (2FA)
- Multi-factor authentication (MFA)

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MORE WAYS TO PREVENT

- Strong passwords
  - At least 12 characters
  - Mix of uppercase, lowercase letters, numbers and symbols
- Password protect your phone or tablet
- Do not share your passwords
- If provided, make security questions difficult to guess

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PLANNING

- Identify your software
- Software access inventory
- Backup policy and storage location
- Process to do business without computers
- Communicate with customers
- Paper backup

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LIABILITY

The Basic Questions:

> "Am I on the hook for any loses sustained by that event, or is there a way to defend myself?"

LIABILITY

Two Main Ways That Liability for a Data Breach Arises.

- Before - What did you do to reduce risk?
  - implemented Safeguards
  - Ensure Compliant with Security Standards - OWASP, PCI-DSS or NIST
  - Complied with State Laws
- After - Did you do enough after the event to reduce harm?
  - Notified Customers
  - May be Mandated by State Laws

LIABILITY

State Laws

- Opt Outs - e.g. California and Nevada
- Permission to Use - e.g. Maine
- Notification of Breach - e.g. New York and Texas

LIABILITY

Can I Pass Liability to Others?

- The Company that stored the Data
- The Company that developed the Hardware or Software
- The Company the was supposed to Detect and Block

Customer Does Not Have Contract/Direct Relationship With Them

- Indemnity
- Contract Terms

LIABILITY

What Should a Retailer Do?

- Ensure Compliant with Security Standards
- No way to be 100% immune - SO
  - Have a response plan
- Contracts
  - Vendors
  - Customers
- Insurance - especially valuable for small-business owners

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INSURANCE

Cyber Insurance - What Should It Cover?

- Network Security & Privacy
  - Claims Against You Because of a Breach
- Breach Response
  - Forensic Investigation
  - Legal Services & Public Relations
  - Notification and Credit Monitoring

INSURANCE

Cyber Insurance - What Should It Cover?

- Cyber Extortion and Ransomware
  - Expenses or Payments to a Cyber Extortion Demand
- Loss of Income
  - Loss of Income Incurred as a Result of System Outage
  - Contingent Business Income or loss due to an outsourced providers' network outage

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INSURANCE

Cyber Insurance - What Should It Cover?

- Damage to Hardware and Digital Assets
- Cyber Crime/Social Engineering
- Regulatory Investigations Fines & Penalties
  - Civil Fines and Penalties Imposed by a Governmental Agency
- PCI DSS Fines & Penalties
  - Due to Non-Compliance with Payment Card Industry Data Security Standards

INSURANCE

Premium Determination

- Varies by Company Size and
- Number of Records Held
- Risk Management
  - Employee Training
  - Security Protocols
  - Multi factor Authentication
  - Software Updates

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Questions & Answers

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Thank you for attending.

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