

CYBER LIABILITY COVERAGE

HOW NOT TO LOSE YOUR INSURANCE

2022 Ohio GFOA Annual Conference

DISCLAIMER

Implementation of any practices suggested is at your sole discretion. Wichert Insurance assumes no liability to any party for any damages arising out of or in connection with the information. This information is a summary of complex issues and may not cover all the finer points of a specific topic. Accordingly, this information is not intended to be legal advice, which should be obtained in consultation with an attorney.

BIOS



Janie L. Geis, CIPA
Principal

Direct: (330) 920-8640
Fax: (800) 531-7167

janie@wichert.com

Responsibilities and Areas of Expertise

Joining the agency in 2005, Janie is a fourth generation Principal at Wichert Insurance. She specializes in the placement of insurance for Public Entities including but not limited to: Counties, Cities, Villages, Townships, Volunteer Fire Departments, Public Schools, Parks and Water & Sewer Districts.

While Janie serves as the Lead Contact for many of our Public Sector accounts, she also focuses on fostering the growth of Wichert's client-base through agency marketing, technology, products, services, and communication.

Janie exemplifies Wichert's deep commitment to the community with her support of and dedication to social services organizations, schools and professional associations. She has a passion for grass root efforts in supporting the Independent Agency channel at both the Local Level & National Level.

In her spare time, she enjoys spending time with her son and daughter, traveling, and an occasional round of golf. She is a High School Football Fanatic. During fall Friday nights, she can be found under the lights, cheering on her husband's team.

Education and Licenses

- Kent State University, B.A. in Business Administration
- Anderson University, SC Studied Business Administration for 3 Years
- Member of an NCAA Women's Golf Team for 4 years
- Property and Casualty Insurance License
- Certified Professional Insurance Agent Designation (CPIA)

Professional and Community Affiliations

- Ohio Insurance Agents, Legislative Committee Member
- Independent Insurance Agents & Brokers of America, Member
- American Insurance Marketing and Sales Society, Member
- Cuyahoga Falls Chamber of Commerce, Member
- Village of Silver Lake, Former Councilwoman (4 years)
- The Chapel in Green, Member



Aly Larson
CPCU, ARM, CIC, CRM
Director of Marketing
Senior Account
Executive
Commercial Lines

Direct: (330) 920-8643
Fax: (800) 531-7167

aly@wichert.com

Responsibilities and Areas of Expertise

Aly brings more than 25 years insurance industry experience to the Wichert team of professionals, as well as an extensive background in risk management.

As the outsourced risk manager to a Chicago based REIT, Aly's experience included the oversight and direct placement of high valued property insurance, including locations in natural catastrophe zones. Her experience also includes the placement of first dollar and loss sensitive casualty programs.

Aly's primary responsibilities at Wichert involve underwriting of large accounts, particularly municipalities, as well as assisting in new business development for the overall agency. Aly also has a lead role in the servicing of our municipal pooling accounts.

Some of Aly's hobbies include gardening, stained glass and ballroom dancing.

Education and Licenses

- Oakland University, Rochester Hills MI, Business Marketing
- Property and Casualty Insurance License
- Chartered Property Casualty Underwriter (CPCU) Designation
- Associate in Risk Management (ARM) Designation
- Certified Insurance Counselor (CIC) Designation
- Certified Risk Manager (CRM) Designation
- OSHA Certified

Professional & Community Affiliations

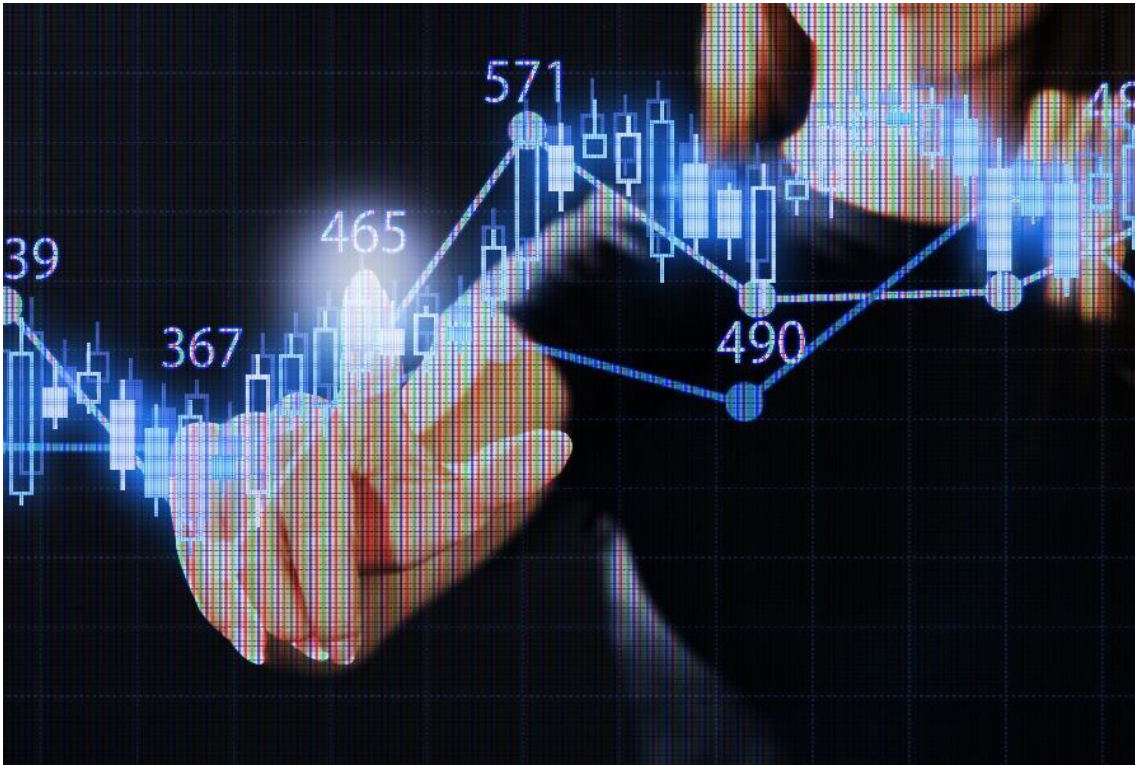
- Ohio Insurance Agents, Member
- Independent Insurance Agents & Brokers of America, Member
- Cuyahoga Falls Chamber of Commerce, Member

MINDSETS

❖ Two Mindsets:

- I have Cyber Insurance so I don't have to worry.
- We don't have cyber insurance, but we don't have exposure or we will self-insure if it happens to us.

TALKING POINTS



- Market Conditions
- Cyber Security Prerequisites
- Ongoing Cyber Security Plan
- Insurance and Risk Transfer

MARKET CONDITIONS



CHANGING DAILY

Things to expect:

1. Federal Backstop
2. Standard Policy Language and Coverage Definitions
3. Leveling in Pricing

WHAT YOU SHOULD EXPECT AT YOUR NEXT CYBER RENEWAL

- Non-Renewals
- Increased Cyber Insurance Premiums
- Decreased Limits
- Increased Retentions
- Attitude Toward Public Entities
 - Fewer Markets offering the Cyber Extortion/Ransomware

WHAT YOU SHOULD EXPECT AT YOUR NEXT CYBER RENEWAL - CONTINUED

- Concerns regarding outdated software
- Concerns regarding Open Ports
- Multi-Factor Authentication (MFA)
- Detailed Applications and Supplements

TYPICAL TYPES OF ATTACKS AND PATHWAYS

- Social Engineering
 - Phishing/Vishing
 - Email Links/Attachments
 - Schemes of Confidence
 - Threats
- Web Browsing
- Network Vulnerabilities
- Malware
- Ransomware

HIDDEN COSTS

- Opportunity Cost
- System Downtime
- Reduced Efficiency
- Brand Damage or Loss of Trust
- Incident Response Costs/Overtime
- Outside Assistance
- Consultants
- Legal Assistance
- Damage to Employee Morale
- Physical Threats

CYBERSECURITY PREREQUISITES



GET YOUR IT PERSONNEL INVOLVED

- Let IT take ownership
- Be sure he/she understands the big picture
- Make sure IT develops a rapport with staff.
- Employees should not fear their IT folks and should feel comfortable advising if they have questions or if a mistake has been made
- Connect IT Staff with your Insurance Company
Cyber Loss Prevention Team
- Regular communications from IT

SYSTEMS AND DATA SHOULD BE CENTRALLY MANAGED

- Reduces Hardware Costs
- Security - Limits access to only specific users
- Data integrity without duplication
- Ease of tracking activities of users
- Ease of training
- Improves IT Department productivity

HARDWARE AND SOFTWARE

- Maintain an inventory of owned hardware and software
- Should be easily accessible if a cyber event were to occur

DISASTER RECOVERY PLAN

- Implement a Disaster Recovery Plan which includes:
 - Detailed and prioritized incident Response Plan which includes the action steps in the event of a Ransomware Attack
 - Business Continuity by Department
 - Perform tests quarterly to determine incident response capabilities

BACKUPS

- Should be performed daily
- A separate copy of the backup should be kept off-site

EMAILS SHOULD BE ENCRYPTED

- Prevents unauthorized users from intercepting and capturing login credentials, email messages (information) being sent or received.
- Some email services automatically include encryption
- Without encryption Personal Health Information or non-public Personal Information may be accessed by unintended viewers
- Helps identify authenticity of senders when used in conjunction with digital signing.

Administrative Accounts

- Keep an inventory including name and user names
- Users should be validated quarterly
- “Special Access” should be as few as possible
- All privileged accounts should have a minimum of 25 character passwords for access and passwords should be changed quarterly.
- Admins must have separate credentials for their special access that is different from their everyday access to emails, etc.
- Prefer separate server that grants temporary special access

Multi-Factor Authentication (MFA)

- Remote Access to Information Systems
- Administrative Access
- Remote Access to Email

Patches and Security Updates

□ Patches and Updates should be given priority and should be installed as immediately!!!

Security Training

- Users should be trained on the use of passwords
- Users should be trained not to open unexpected emails
- Users should be trained not to click on links if source is unknown

Cyber Training Resource:

<https://zcybersecurity.com/cyber-security-awareness-training-software-solution-vendors/>

File Message Acrobat Tell me what you want to do...

Ignore Delete Reply Reply All Forward More

Junk

Cincinnati To Manager Done Create New

Team Email

Reply & Delete

Move

Rules Actions

Mark Unread

Categorize

Follow Up

Translate

Find Related Select

Zoom

Save Attachments

Google Drive



Wed 9/28/2022 9:46 AM

Macy's <noreply@macys-onlineshop.net>

Your order has shipped

To janie@wichert.com

If there are problems with how this message is displayed, click here to view it in a web browser.



Hi Janie,

We're happy to let you know your order has shipped. Remember, if you bought multiple items, they may ship separately.

Please note: you may not be able to track your package(s) right away. It can take 24-48 hours for the carrier to update their records with your shipping information. You can use the button below to track your package.

Track Package

Order #: 58620573
Order date: September 25, 2022
Payment method: Visa

Click to add speaker notes

ENDPOINT SECURITY

- Endpoint software should be installed to help protect your network
- Cyber carriers prefer that clients use larger vendors

Endpoint Resource:

<https://solutionsreview.com/endpoint-security/the-best-endpoint-security-vendors-and-solutions/>



QUESTIONS TO BE ASKING

QUESTIONS TO BE CONSIDERED

- Is there a statute or mandate that we have a cybersecurity program?
- Is my insurance representative keeping me posted of changes in the cyber marketplace?
- What steps do I need to take 3-6 months in advance of my cyber renewal to ensure I get the best terms possible?

WHAT QUESTIONS TOPICS SHOULD I BE ASKING MY IT DIRECTOR?

1. Backups and are they accessible to hackers?
2. Network Security - Including MFA, Encryption, Antivirus, Firewalls, Endpoint Security
3. User Education (bolster against Social Engineering)
4. Endpoint Vendors we are using
5. Disaster Recovery Plan

WHAT SHOULD I BE ASKING MY IT DIRECTOR?

6. Do we employ the following services?
 - Secure DNS
 - Penetration testing
 - Security consulting
 - SEIM (Security Information and Event Management)



INSURANCE/ RISK TRANSFER

CRIME	CYBER – 1st PARTY	CYBER – 3RD PARTY
Computer Crime	Computer Fraud (Crime or Cyber)	Network & Information Security/ Consultants & Incident Response
Funds Transfer Fraud	Funds Transfer Fraud (Crime or Cyber)	Communications & Media/ Incident Response & Brand Damage
Employee Theft	Crisis Mgmt. Exp./ Outside Assistance & Consultants	Regulatory Defense/ Legal Asst. & Incident Response
Forgery Alteration	Security Breach Remediation/ Incident Response	
On Premises Theft	Computer Program Data Rest./ Downtime	
In Transit	Social Engineering (Payment to Bad Guys)	
Counterfeit Money	Business Interruption/ Reduced Efficiency & Downtime	
Claim Expense		

COVERAGE CONSIDERATIONS

- Claims Made Basis
- Retro Date
 - Full Prior Acts
 - Specified Date
- Continuity Date
- Insurance Company Resources/Loss Control





QUESTIONS?



THANK YOU

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