

# Risk Management Newsletter

## January 2021

Happy New Year to all, and here's to better times ahead. Our first newsletter of 2021 is crammed with food for thought and valuable lessons for Irish businesses. Sometimes clients can despair at the inherent risks in how business is transacted these days. Our view is that the benefits of technology outweigh the risks. Any security issues should be considered and decisions then taken on how best to mitigate them, so that you can focus on growing your business.

In the following pages you will see how a couple of our clients were affected by significant Cyber Crime losses in late 2020, totalling almost €1.9m. It is worth reminding ourselves why this newsletter came into existence – to make Irish business better equipped to deal with cyber criminality.

We are privileged to have access to companies of all sizes across the whole island of Ireland, and in a variety of industries. We see how they respond to such devastating losses, and how resilient businesses really are. There are lessons to be shared with all of our readers. With that in mind, we hope you continue to find our content both relevant and educational.



### Brown & Brown acquisition

Our newsletter is 6 years old, but we're about quite a bit longer – 2021 marks our 60th year in business! O'Leary Insurances has been the largest independent broker in Ireland for some time with over 200 employees. In December it was confirmed that we have entered into an agreement to be acquired by leading international company Brown & Brown.

*"We are delighted to join the Brown & Brown group of companies and view this progression as a huge positive for both the O'Leary Insurances team and our valued customers. We view Brown & Brown's choice of an Irish company as their European gateway to be a strong endorsement of this country, and O'Leary Insurances are delighted to join an organisation whose culture and values are so similar to our own in so many respects. We are particularly pleased to bring the strength and experience of one of the world's largest insurance brokers to the Irish market and are confident that this will be of immense benefit to all in the years ahead."* - Anthony O'Leary, Managing Director

### In this issue:

- Food for thought including the GMIT Data breach and a good news story for Cyber Insurance policyholders—page 2
- Cyber crime summary—page 3
- Detail on Data Subject Access Request white paper—page 4
- Cyber incident examples—page 5

O'Leary Insurances Ltd. is regulated by the Central Bank of Ireland. O'Leary Insurances (Dublin) Ltd. is regulated by the Central Bank of Ireland. O'Leary Insurances (Galway) Ltd. is regulated by the Central Bank of Ireland. O'Leary Insurances (Waterford) Ltd. is regulated by the Central Bank of Ireland.

### Food for thought

Please find below items which may be of interest to you. If you have any queries on anything please contact us to discuss – our details are on the last page.



#### GMIT data breach

Galway-Mayo Institute of Technology had to deal with negative publicity in

December, related to embarrassing comments made by lecturers after an online presentation. The staff involved thought that they were the only individuals left on the call, yet the footage was recorded and widely circulated afterwards. It was disparaging towards some of the students present.

Many of us are now routinely using such applications for meetings. It is crucial that staff are reminded of the need to maintain professional standards on such calls, as they would if such a meeting was held in person.

#### LinkedIn Upgrade

In this new feature we recommend individuals for you to follow on social media. We will focus on those who go above and beyond to educate people on IT security and data protection issues. This should add expert knowledge to your LinkedIn feed – for free!

First up is **Marie Murphy** of Fort Privacy. Marie is a self-confessed **Data Protection** nerd. Her insights on issues such as website cookies are invaluable, and her thoughts are always well received by those in the know.



Marie's LinkedIn: <https://www.linkedin.com/in/marie-murphy/>

Fort Privacy website: <https://www.fortprivacy.ie/>

#### Cyber Insurance going above and beyond

We were particularly impressed to have received the message below from a Cyber Insurance provider, for the benefit of a mutual client. (The language used below is tailored toward the company's IT department / providers.)

*"As part of our efforts to prevent cyber attacks on our Insureds, we routinely perform enrichment of the data that we hold on customers including working with data scientists to capture IP addresses and web domains which we can passively monitor for vulnerabilities and signs in various threat intelligence platforms of compromise. Their monitoring has highlighted this insured as potentially having open RDP ports associated with the IP address"*

This was for a relatively inexpensive policy and goes to show how insurers are adapting to protect both themselves and their clients from what is an ever-present threat.

### Cyber Crime strikes again

2020 was, by any stretch of the imagination, an *annus horribilis* for many companies. Two clients of our office experienced the added stress of large Cyber Crime losses late in the year.

In November, a company realised that a number of bank transfers had been lost to Cyber Crime over a two day period. This company had verified all bank details received by email correctly, but their bookkeeper's emails had been hacked and were being monitored. When the partners emailed the bank instructions over, criminals took over the email chain, inserting their own bank details.

In December another company failed to carry out verification of bank details received by email from a third party related to a large transaction. The company in question had such procedures, but failed to carry them out due to being under time constraints.

In total just under €1.9m was stolen across both incidents. In one case a lot of the monies were recovered, but there was a shortfall of well over €100,000. In the other most funds have not yet been recovered. Our Gardaí and banks do a wonderful job when notified promptly of such losses, but matters are often outside of their control. For example, in the case of the first incident the losses took place over a two day period. It seems the funds from the first day were not recovered as the criminals had a 24 hour head start; these just happened to be the smaller amounts stolen.



Just under €1.9m was initially stolen in incidents affecting two separate companies

We are told quite frequently that companies have invested significantly in their IT security. With due respect, one can be sure that companies such as Solarwinds or government departments have likely invested more – yet they are still being hacked. The reality is that any company sending large amounts of money by bank transfer is worthy of attention from nefarious sources, and that no firm connected to the internet is truly impervious to being hacked.



In the case of the November incident, bank details received by email should never be accepted on their own – even when sent internally. Instead the email with bank details should be printed off and signed only when details have been confirmed over the phone or in person. With working from home some adjustments may have to be made, such as the staff member ringing their colleague and calling out the details by phone.

The second case goes back to the most common cause of loss—human error. The staff member involved would have been involved in drafting internal procedures around bank transfers. Care must be taken to follow the company procedure, even in stressful situations.



### White Paper on Data Subject Access Requests, the Freedom of Information Act and General Data Protection Regulation

Legislation such as GDPR has increased the burden on companies around how they store personal data. With increased responsibility comes increased cost. For example some organisations must find and produce data for legal or regulatory purposes, must enable employees to find their own information in the course of doing their work, or must reduce the amount of “live” storage to improve the efficiency of their systems and reduce risk.

#### Recent fines of note under GDPR

##### Cork University Maternity Hospital €65,000 (August)

Related to having insufficient security measures around information held— personal data of 78 patients’ was found in a public recycling facility.

##### Twitter €450,000 (December)

Due to delays in reporting personal data breaches.

O’Leary Insurances were delighted to contribute to a White Paper on the below topics, in conjunction with Waterford Technologies and also featuring commentary from top law firm Matheson. The document focuses on:

- ✓ The legal cost of non-compliance with GDPR, The Freedom of Information Act (FOIA) and other privacy regulations?
- ✓ How email and file management providers can help mitigate risk and easily satisfy eDiscovery and Legal requests in a compliant and prompt manner.
- ✓ Non-Compliance During Covid - what are the costs?
- ✓ How insurance brokers can play a critical role in a business’s planning and protection for GDPR and data breaches.



**WATERFORD  
TECHNOLOGIES**

The full paper is available on Waterford Technologies website, under Resources —> White Papers.

[The direct link is available here.](#)



## Risk Management Newsletter

Thank you for reading our newsletter. Below are links to our own social media pages. Follow these to keep abreast of important updates.

LinkedIn: <https://goo.gl/u06ncG>

Twitter: @OLearyInsurance

Facebook: <https://goo.gl/DILziV>

*Below are a selection of cyber incidents that we have come across recently. As usual, these are all real-life Irish cases.*

### Education – data breach

A student's file was accidentally left on another student's desk by a teacher. The latter student took it home thinking it related to them. The file contained sensitive information relating to the first student. Thankfully the file was returned, however we await to see if there are any negative outcomes for the student or for the school.

### Solicitor— Data Breach

While issuing correspondence related to a will, a document was attached in error by a solicitor. This included allegedly defamatory comments about one of the beneficiaries, relating to supposed theft of money in the past. We are monitoring developments.

**6 years and counting**

**of our newsletter. Thank you for continuing to read and for all the positive feedback!**

If you wish to discuss further with us please feel free to contact any of the team below.

Office	Contact	Phone	Email
Cork	Brian O'Mara	021 453 6860	<a href="mailto:bomara@oli.ie">bomara@oli.ie</a>
Dublin	Robert O'Leary	01 663 0618	<a href="mailto:roleary@olid.ie">roleary@olid.ie</a>
Galway	Joanna O'Donnell	091 454 031	<a href="mailto:jodonnell@olg.ie">jodonnell@olg.ie</a>
Waterford	Laura Elliot	051 309 130	<a href="mailto:lelliott@oliw.ie">lelliott@oliw.ie</a>

### About O'Leary Insurances

#### Insurance Brokers & Consultants, Est. 1961

From an initial complement of three staff in 1961, originally founded by Archie O'Leary, O'Leary Insurances has successfully grown & developed into an Insurance Brokerage which specialises in providing a high level of customer service throughout Ireland.

With over two hundred and fifty employees now operating from eight locations nationwide, O'Leary Insurances provides a comprehensive insurance broking service to all sectors of the Irish Economy. As part of this insurance broker service, we have consistently maintained our strong emphasis on professionalism and personal attention through all of our products, building on our hard-earned reputation for dependability and commitment.

Our highly trained and experienced personnel would be delighted to be of service to you and would welcome the opportunity to discuss both your Personal Insurance and Business Insurance requirements with you. We are confident that our knowledge and expertise can assist you in the management of your insurance needs and can assure you of our very best attention in meeting the challenges of the future.

**Disclaimer – as insurance brokers we cannot provide legal advice.**

Thank you for reading.

