

Cyber Matters Newsletter

April 2023

Welcome to the Spring edition of our newsletter.

4 Pillars Cybersecurity Baseline Framework for SME's



In our January issue we mentioned our involvement in a project being undertaken by Cyber Ireland, which will enable SME's companies to improve their cyber-security posture by following four straightforward steps. Those who do so should then be able to avail of discounted Cyber Insurance premiums. Our pilot programme has now been

completed and we are looking to open this out to other businesses in the not-too-distant future—watch this space! To read more about the pilot and those that took part, please follow this link to the Cyber Ireland website: [Cyber Ireland 4 Pillars: A Cyber Security Baseline Framework for SME's](#).

Cyber claim statistics

In January we chatted with Cyber Insurance provider CFC about some high-level claim statistics, which we found to be quite informative and can now share with you.

Cybercrime (loss of monies to cyber criminals) accounted for 35% numerically of all claims in 2022. Interestingly, while **Ransomware** claims were second at 33%, they accounted for a whopping 77% of the overall cost of claims. The average cost of a ransomware claim was over €270,000, and adding to the cost of these claims has been a trend towards data exfiltration threats, i.e. the criminals want a ransom payment in order to release system access, but they also threaten to release the data they have accessed, which brings additional pressure to the victims. This trend was seen in 86% of cases.

These were followed by **Business Email Compromise** claims at 28%, with **Data Breaches**, **Distributed Denial of Service attacks** and other types of loss making up the final 4%.



Read on for an examples of cyber attacks in Ireland as well as for some trends as highlighted by the National Cybersecurity Centre

Food for thought

Ireland leading the way in privacy-related fines

The Irish Data Protection Commission is often pilloried by other European watchdogs for being slow to impose GDPR fines.

However, a 2023 Survey by law firm DLA Piper in January highlighted that the Irish DPC accounts for over €1 billion of fines in 2022. This was from a total of €2.9 billion in GDPR / data breach fines across the EU's 27 member states, plus the UK, Norway, Iceland and Liechtenstein. Ireland imposed five of the top ten such fines issued last year.

Interestingly, the number of notifications to regulators dropped from 120,000 in 2021 to 109,000 last year—DLA Piper speculated this could suggest that organisations are becoming more wary of notifying such breaches, due to the enforcement that will follow.

MTU cyber attack



Munster Technological University was the victim of a cyber attack earlier

this year. The National Cyber Security Centre advised MTU that some of the data stolen by criminals had been made available online.

Some news articles have speculated that MTU managed to detect the attack while it took place, which enabled it to protect some of its core functions and systems. Regardless, MTU was thankfully able to open relatively quickly after the attack, although it was forced to close its campus for two days.

See below an example of how Cyber insurers look to protect their policyholders from similar attacks.

Pro-active Cyber Insurance threat monitoring

See below an example of an alert received in March from a Cyber Insurer relating to one of their policyholders:

The following message is a high priority alert and we would be grateful if you could read and action the message below as soon as possible...As part of the service under the policy we actively monitor our clients for potential security threats and vulnerabilities that are unfortunately all too common.

*The Royal ransomware group, responsible for many significant and serious attacks in the last year, has created a list of targets for a phishing campaign **which includes users from (policyholder name redacted)**. This campaign has been sent in batches on Monday 20th and Tuesday 21st of March 2023.*

The phishing emails contain a randomly-generated string which is unique to every target, and can be used to block and detect these emails in your email filtering software. The targets in your organisation are as follows (redacted). We strongly advise that you search for the unique tracking strings to see if any phishing e-mails have been received already, and to block future e-mails from being received.



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National Cyber-Security Centre (NCSC) mid-term Cyber review

We had the privilege of sitting in on the NSCS's mid-term Cyber review. See below some of the key learnings for businesses.

We are cognisant that the NCSC is naturally quite limited in what it can say in an open forum. However, below are some high-level items that were raised.

While many would be common knowledge to the cybersecurity profession, they certainly carry significant weight given that our own NCSC themselves highlight these issues.

Possible trends for 2023:

1. **Email servers** – many still vulnerable (unpatched)
2. **Ransomware** – trend to continue upward
3. **VPN / Firewall Exploits** – poor patching policy
4. **Spearphishing**– targeted and more sophisticated lures
5. **Zero Day Use** – difficult to defend

While much of the language used here is somewhat technical, it may form part of your next conversation with your cybersecurity provider, or it may even prompt you to engage with them to ensure you are prepared / aware of how these instances may occur.

The NCSC recommends the below mitigation measures:

- Controlled Use of Administrator Privileges
- Maintenance, Monitoring & Analysis of Security Audit Logs
- Controlled Access Based on the Need to Know
- Account Monitoring & Control

With thanks to the NSCS and to Cyber Ireland for the opportunity to observe the webinar and to spread the message to our readers.

Feel free to reach out to us if you wish to discuss Cyber Insurance or Directors & Officers Liability insurances.

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Cyber Matters 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>

Recent case studies of cyber incidents

Charity identity theft

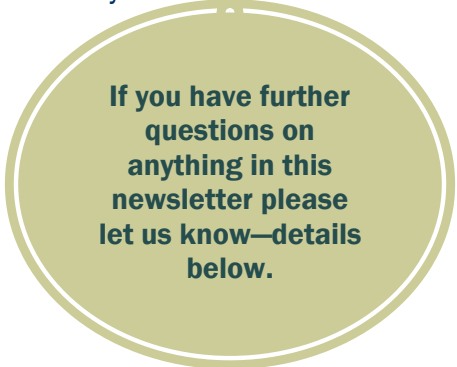
A charity was targeted by cybercriminals who routed fraudulent credit card details through their account. The criminals seemed to be trying to verify the various credit cards by making small payments. The cost of reversing hundreds of thousands of these payments was significant, and the charity had to negotiate on same with their payment providers.

Technology company cybercrime

A complex scam ended up in an initial loss of just over €50,000 to a technology company. It involved being contacted by the criminals, directing all correspondence to WhatsApp, a follow up call from an alleged law firm and finally the employee in question transferring the amount out of the company's accounts. Thankfully the funds were recovered due to quick action by the authorities and banks in question.

Accountant data breach

A temporary member of staff accidentally posted correspondence to the letting agent of a client. The agent opened the post, which included P60s and bank statements. A claim followed and their insurer settled this matter for €20,000. It is important to note that a loss does not have to be proven under GDPR, simply that a breach has occurred.



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About O'Leary Insurances – Insurance Brokers & Consultants

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. The O'Leary Insurances group of companies are all wholly owned subsidiaries of Brown & Brown, Inc. one of the largest and most respected independent insurance intermediaries in the United States of America (NYSE BRO). You can find out more about us at www.olearyinsurances.ie.

Cyber Risk is now recognised as a top threat to all types of businesses. We at O'Leary Insurances were quick to realise the potential risk to our clients, and have acted accordingly. We have recruited and researched so that we can advise and provide our clients with up-to-date details of the exposure, and our ability to engage with organisations in this space is only possible because of our determination to do everything we can to protect our clients.

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.

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