Volume 6, Issue 4

Risk Management Newsletter October 2021

This is our final newsletter of this year. It corresponds with a marked uptick in cyber incidents affecting our client base. Staff education remains key; we hope this newsletter serves you and your colleagues well in highlighting cyber security trends in an easy to understand manner.

Cyber Ireland membership

O'Leary Insurances are delighted to have renewed our membership of Cyber Ireland for another year. We have been members since it's inception in 2019.

Cyber Ireland is Ireland's Cyber-security cluster, and consists of a wide cross-section of members from academia, government and industry. It's aims are to build a community via collaboration, ensure a pipeline of talent and skills, enhance research and development and aid business development for the sector here in Ireland. With a 0% unemployment rate in the sector, it is a commendable endeavour.

Upcoming webinar—Multi-Factor Authentication explained

We will be running a short informative session in the near future on the topic of Multi-Factor Authentication (MFA - sometimes referred to as Two / Dual Factor Authentication). This will be in conjunction with the claims team from one of the leading Cyber Insurers.

As well as explaining why it is considered good cyber security risk management, this webinar will include a real-life case study of criminals circumnavigating MFA. This is a common theme of Cyber Security—every time a risk management measure is enacted Cyber Criminals will try to find a vulnerability.

Knowledge is power, so we will send the invite to everyone on our mailing list closer to the time—we hope you can make it.

In this issue:

Food for thought

Cyber Insurance market developments

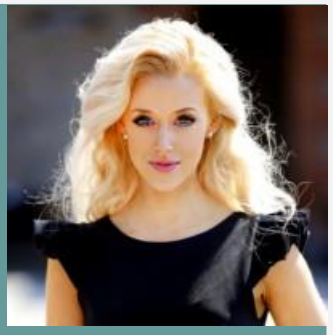
Cyber Insurance has seen a large increase in claims paid out globally over the past 18 months or so. The primary area of loss has been Ransomware. Certain sectors such as manufacturers are considered high-risk, particularly those involved in critical supply chains. However the simple fact is that Ransomware can happen to any type of business.

As a result, insurers are now very much focusing on profitability and on insuring companies with what they deem to be adequate risk management measures in place. For the customer, this means that insurers are being much more selective, with examples of companies being told that they cannot obtain policy cover until they improve their cyber security measures.

For the majority cover can be obtained but premiums are on the rise. As usual we recommend that you engage early with your broker for the best possible results.

LinkedIn Upgrade

Each quarter we suggest a LinkedIn connection who offers thought leadership in their space, to boost your News Feed.



Emerald de Leeuw is the Global Head of Privacy at Logitech.

Based in Cork, Emerald is one of the most prominent voices internationally in the privacy and data protection space, and is a keen advocate for female leaders.

Emerald speaks regularly at leading conferences, and has presented a TEDx talk as well as to MIT Sloan School of Business and the European Parliament. She was recommended by Forbes as the Top 100 EU female founders to follow.

Emerald's LinkedIn is here: click link

Her Twitter is @EmeraldDeLeeuw

Another Irish GDPR fine

The Irish Credit Bureau DAC became the first recipient of a GDPR fine from the Irish Data Protection Commissioner this calendar year. It related to just over 15,000 closed accounts being inaccurately updated on their database, which ultimately changed credit scores for some customers.

Interestingly, while the DPC noted that *"the level of damage suffered by most of those (affected) data subjects was minimal"*, she nonetheless found that *"the gravity of the ICB's infringement of Article 25 (1) was severe"*. An initial fine of €220,000 was reduced to €90,000 due to a number of mitigating factors.

In defence of older workers

A thought provoking piece in the Financial Times caught our eye, and it makes an interesting case for the older generation within the workforce.

A quick online search of 'older workers cyber attacks' would lead one to believe that individuals of a certain vintage need to be protected from themselves. You will find plenty of results for common attacks against older people, articles which aim to make the mysterious world of cyber crime easy to understand, tips for others on how to protect their elderly relatives, and stats on how this generation is most susceptible to cyber attacks.

However we came across a very interesting counterpoint in the Financial Times. The article argues that older workers are proving to be critical in the fight against cyber attacks. Why? Because they are familiar with the operational side of a company, whereas the newer generations have lost this skillset.

> *"Workers over 50 are often overlooked in favour of younger workers with more modern skills. Yet as the ransomware attacks have shown, a digital bias has left some companies exposed. Older workers often began their careers before computer systems were introduced. By acknowledging their under-appreciated expertise of manual operations, economies would be better equipped to withstand disruption from cyber attacks and natural disasters such as earthquakes, heatwaves or flooding."*

The piece gave the example of Norwegian metals and electricity company Norsk Hydro, who were able to ignore a ransom demand in 2019 because some veteran workers were able to switch their operations over from electronic to manual. According to Norsk Hydro's spokesperson, *"They had knowledge that existed 20 years ago but not today, and fortunately some are still employed by us while others returned from retirement to help."*

The article goes on to suggest that governments and companies will have to train some staff to be able to work without systems in a worst case scenario. The US Navy are already training sailors to use celestial navigation. After a policy review in March, the UK government are planning to have a multi-sectoral "civilian reserve" in place.

Many companies could benefit from bearing the above in mind in their hiring policies, and their incident response / business continuity plans.

The link to the full article is here: Older workers are a secret weapon against cyber attacks | Financial Times (ft.com)

Will passwords become a thing of the past?

In our last issue we put forward a guest blog on why passwords should be changed less frequently. Microsoft are now providing the option to it's users to be rid of passwords altogether, as they move to what they deem to be a more secure system.

What is happening?

Microsoft is allowing users to stop using passwords to access their systems.

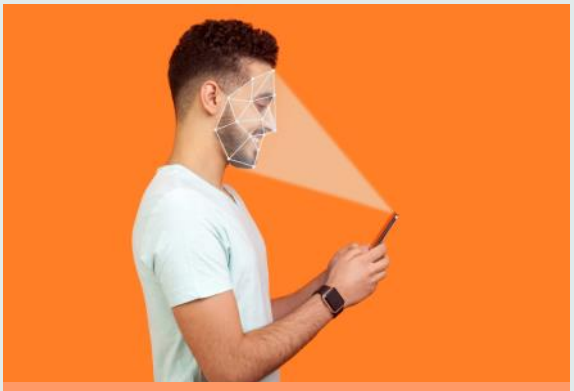
Why would they do that?

There is a general consensus among the cyber security profession that passwords are no longer fit for purpose. They are considered a weak link in an organisation's cyber security defences — refer to annual reminders in the news of the weakest passwords used globally, and the sheer number of cyber attacks that emanate from poor controls around password protection.

How will users access their account without a password?

By using one or more of:

- ⇒ Microsoft Authenticator App
- ⇒ Windows Hello biometric authentication
- ⇒ A security key
- ⇒ A verification code sent to email or phone



Biometric authentication in action

Are these new methods fool-proof?

In a word—no. Nothing is when it comes to Cyber security, for example human error still exists. Are they better overall than passwords? Probably, yes. However criminals can clone phones and hack email addresses—they will likely find ways around some or all of the above methods also.

Is this the beginning of the end for passwords?

Not for now. Firstly, you will need a password to set up your 'password-free' account!

Secondly, this move only applies to Microsoft. Once you are logged in to your account you will likely still have passwords for the various other accounts you access e.g. banking. The jury is still out, and it will be interesting to see if others follow suit.

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.

Religious —Cyber Crime

An individual member of a Religious Order was moving home from overseas. The Order was transferring money to the individual in question. The email chain between both was taken over by cyber-criminals, which Gardaí believe to be African-based. They were in the Order's IT systems for 2-3 days, and they inserted their bank details on the email chain when time came to transfer. The money, a five-figure sum, was transferred out of the criminals account within two hours.

Manufacturer —data breach

Gardaí contacted the company in question to advise that some of their files were posted online. On investigation these included email archives relating to some individuals. As such a notification had to be made to the Data Protection Commissioner within 72 hours, as per GDPR requirements.

If you have further questions on anything in this newsletter please let us know—details below.

Solicitor — Ransomware

A Ransomware attack was caught by the firms IT department. Cyber Insurers appointed expert forensics to investigate and ensure that the system was not compromised further.

Office	Contact	Phone	Email
Cork	Brian O'Mara	021 453 6860	bomara@oli.ie
Dublin	Carman Devlin	01 6630604	cdevlin@olid.ie
Galway	Joanna O'Donnell	091 454 031	jodonnell@olg.ie
Waterford	Fiona Fitzgerald	051 309 130	ffitzgerald@oliw.ie

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".

With over two hundred and fifty insurance professionals operating from seven 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.