

Risk Management Newsletter

Network Interruption

While ransomware receives a lot of media attention, our experience is that it is actually the resultant downtime that affect clients the most. In this issue we offer suggestions on what to do to prevent such interruption to your network and what you can do to ensure that your time isn't totally wasted if such downtime does occur.

Despite the huge publicity generated by the WannaCry ransomware in May, few companies actually lost money; globally, just over \$110,000 (€100,000) was paid to the criminals' account according to various media reports. The fallout from Petya/NotPetya, which happened in late June, will become clear over time. Locky ransomware severely affected many Irish companies last year and caused much greater damage on these shores.

However, these incidents do have knock-on effects for companies such as:

- ◆ **Network interruption** - We came across companies losing up to 4 days due to downtime. All the while they were losing out on bringing in turnover.
- ◆ **Loss of productivity** - these incidents often require the involvement of senior management, which has a knock-on effect as it reduces productivity.
- ◆ **IT costs** - whether you have the resources to solve the issue in-house or if you need outside assistance, these incidents take time and money to resolve and to try and ensure they aren't repeated. If IT need to come in over the course of a weekend rates could be even higher.
- ◆ **System repair** - the recommendation from IT experts is generally not to pay any ransoms and to instead focus on recovering your data, from backups for example. The cost of discovering what data has been lost / damaged and restoring same can be considerable.



WannaCry - ransomware payments totalled just \$110,000 globally

In this issue we focus on tips to reduce the fallout from a network interruption event if and when one occurs.

Cyber Insurance quotations are quite straightforward for most companies - insurers do not require much information to indicate pricing. If it is of interest please contact whoever you normally deal with, email cyber@oli.ie or call us on 021 453 6860.

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Most companies will lose some time to network interruption at some stage. Spending some time now in putting a plan in place to reduce the negative effects of interruption can be beneficial in future.

Victims of WannaCry included hospitals, police forces, universities, telecommunications and manufacturers. We have come across several companies that fell victim to ransomware over the past couple of years, from sole traders and practitioners to some of Ireland's largest companies.



Let's pretend that the worst has come to pass. It might have been an accident or it may have been a malicious attempt at disrupting your business for profit or personal gain, but the result is the same - your systems are down and IT are working on it. You might be back by lunchtime, you might be offline for quite a while - no-one knows. What do you do?

Set your defences

In the event of malware taking over one computer, there may still be time to protect the wider network and isolate the damage. It might simply be a case of yanking the network cable from the back of a PC - but do your employees know what a network cable looks like? Employee training is useful and can be enhanced if employees have something to refer to. Drafting a Cyber Security Manual needn't be that hard - brevity and simplicity are good things in an emergency. If an incident happens and it affects the systems, the less confusion about what steps to take and who to contact the better. You can have IT review the plan to ensure what you say is correct.

Did you know?

Most Irish companies purchase Business Interruption cover of some form. However, that policy is designed to respond to physical damage such as from fire or flood. An incident which affects your network but where the actual premises is not physically damaged would almost certainly not be covered by this policy.

Cyber Insurance specifically includes network interruption cover and is tailored for such incidents.



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Cyber Insurance assists in becoming fully operational after an incident. Below are some benefits that comes with buying a policy - it could be an invaluable investment if something does go wrong.

Preparation is half the battle

In past issues we discussed the importance of backing up systems and testing that those backups are working. But what can you do to minimise the drop in productivity while systems are being restored? Tidying a workspace only takes so long! Some suggestions are included below.

<u>Party Work like it's 1999</u>	If phones are still working, call those customers you need to speak with anyway. It might be a good time to contact clients or prospective clients.
<u>Continuous Professional Development</u>	Many industries have CPD requirements. If there is someone in-house with authority to carry out a lecture why not print off enough copies and set them aside.
<u>Internal training</u>	It could be a useful opportunity to carry out internal training, whether CPD is required or not. It doesn't even have to be overly formal - it could be one of your more experienced staff giving a refresher on an important topic to your business.
<u>Inventory / stock take</u>	Certain businesses undertake stock takes throughout the year, often outside of working hours. If one is due it could be an opportune time to get one out of the way.
<u>Team building</u>	If your business is too reliant on IT to operate, you could find a suitable table quiz online and have some spot prizes. It beats sitting around looking at the clock!

The key is to have the preparation done **before** network interruption occurs - one or two people working on this could benefit all staff at some stage.

If you are preparing for a down day, make sure that you print off and set aside what is needed beforehand. It's not much good if you can't access your systems!

It might be worth storing presentations on a USB - on the off chance a projector is available for use.



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

Lost income and lost opportunity

A client in the was locked out of their systems via a Ransomware attack. This was the third such time it had happened, with minimal effect to their business. However, the attack coincided with the date that the firm was due to submit an eTender for a large project. Not only could they not do so, they have been excluded from the panel for all tenders since - it seems that the potential client saw them as the weakest link in their IT chain.

Fraudulent invoices

Two clients of ours were caught out by fake invoices in quick succession. The losses involved were €38,000 and €19,000 respectively. The invoices were from emails that appeared to be from suppliers, however on further investigation they were fake. Simply picking up the phone when new bank details were received by email could have prevented these losses.

Rogue employee

Employees of our client take details of individuals over the phone. It came to light that an individual employee had requested (and received) a number of credit card details from individuals. The incident brought unwelcome media attention - under the proposed new GDPR legislation it could attract fines and further punishment from regulators.

If you wish to discuss further please contact us. For new clients please contact cyber@oli.ie - we have 9 offices around Ireland to respond to your needs.

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 employees now operating from nine 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.

