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# CYBER INSURANCE FOR CITIES: WHAT YOU NEED TO KNOW



**Do you have cyber insurance?**

**Do you need cyber insurance?**



# OMAG's Old Coverage

- 🌐 **Third-party insurer and claims handling**
- 🌐 **Law firm and Digital Forensics & Incident Response (DFIR) in another State**
- 🌐 **Sublimits and exclusions**
- 🌐 **Theft and eCrime through Property only**
- 🌐 **Denied claims**



## OMAG's New Coverage

- **Up to \$50k annually in coverage**
- **Deductible of \$2,000**
- **Pool-wide annual limit of \$2.5M**
- **Utilizes OMAG's preferred partners for legal and Digital Forensics/Incident Response (DFIR).**
- **First-Party Coverage & Liability (Third-Party Coverage)**
- **Claims-Made, not occurrence.**



# First-Party Coverage

- 🌐 **Cyber extortion (ransomware)**
- 🌐 **E-Crime, including:**
  - 🌐 **Phishing**
  - 🌐 **Hacking**
  - 🌐 **Fraudulent Instruction**
  - 🌐 **Identity Theft**





# Third-Party Coverage

- 🌐 **Breach Notice**
- 🌐 **Breach Response**
- 🌐 **Credit Monitoring Costs**
- 🌐 **Defense**



**Have you read your policy?**





# Moral Hazard

- 🌐 The tendency for an insured to be less cautious because “the insurer will take care of it”.





**Moral Hazard means you trade insurance premiums for true security investment.**

**And on the Internet, this means everyone is less safe.**

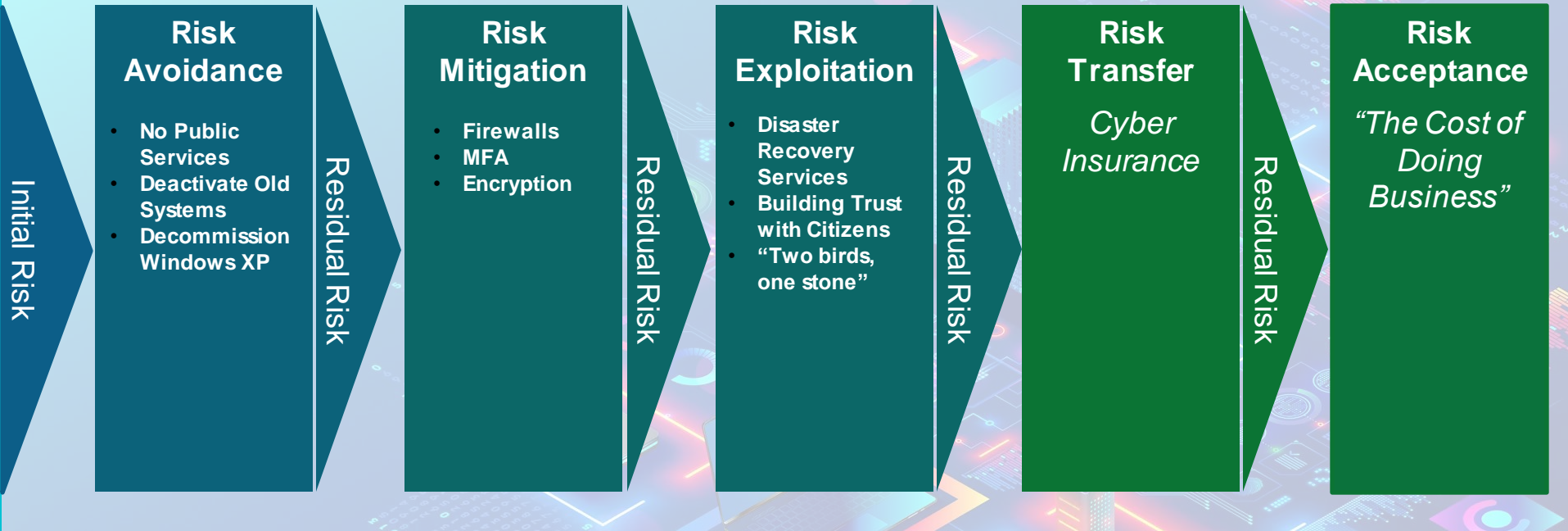


# The Risk Managers RoadMap





# The Risk Managers RoadMap



Don't Let Them Take the Corvette

Send them to Driver Training

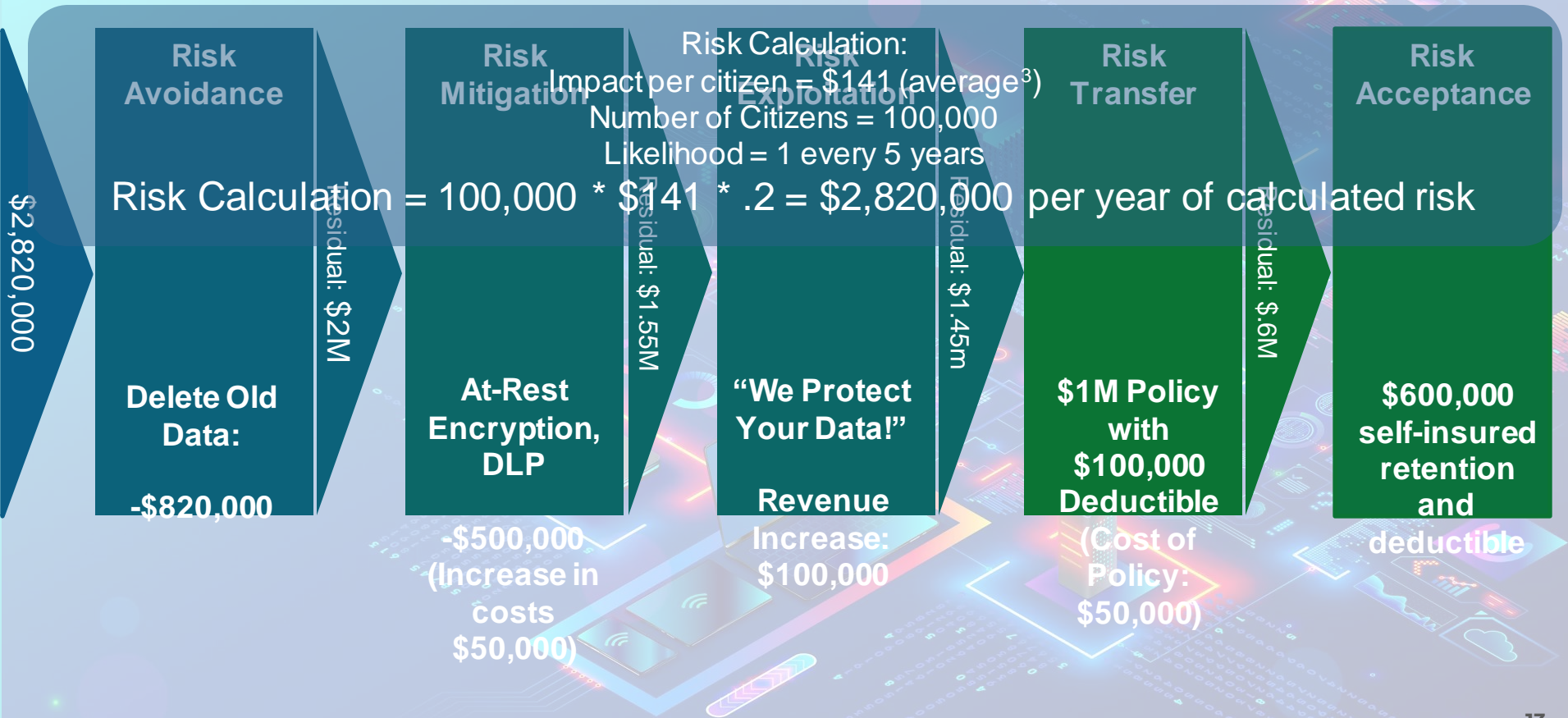
Take the keys if they fail classes

Buy Insurance

Pray

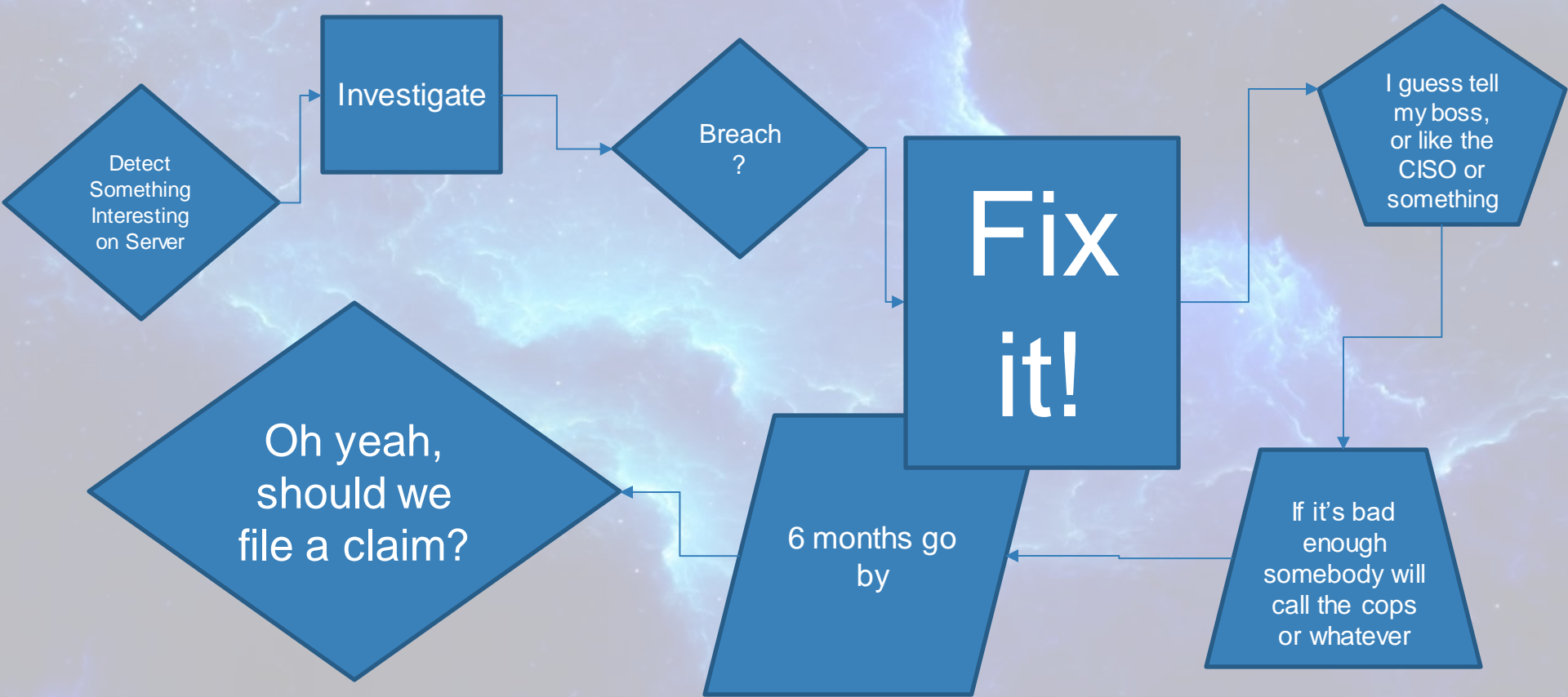


# Risk Transfer: Calculating Residual Risk





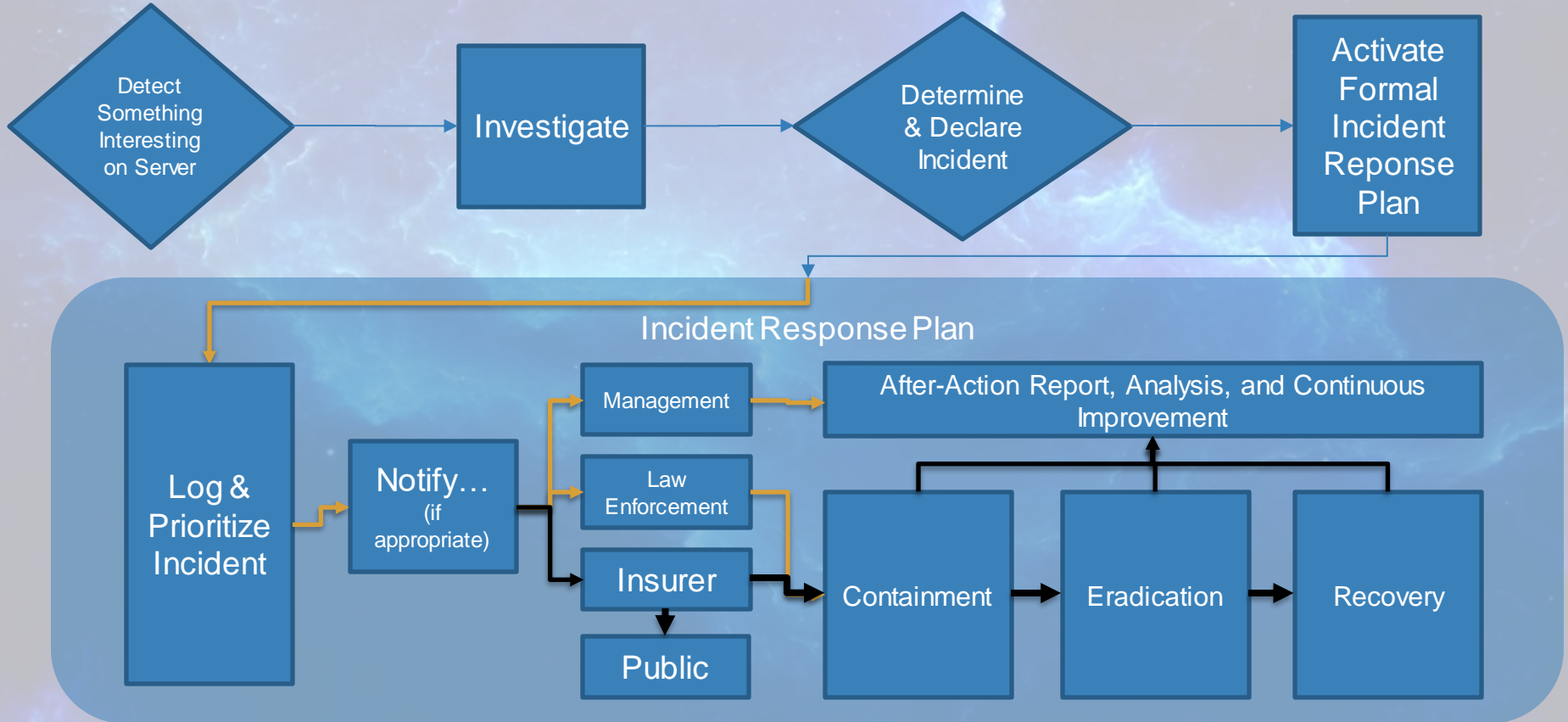
# Incident Response Plan (v1)

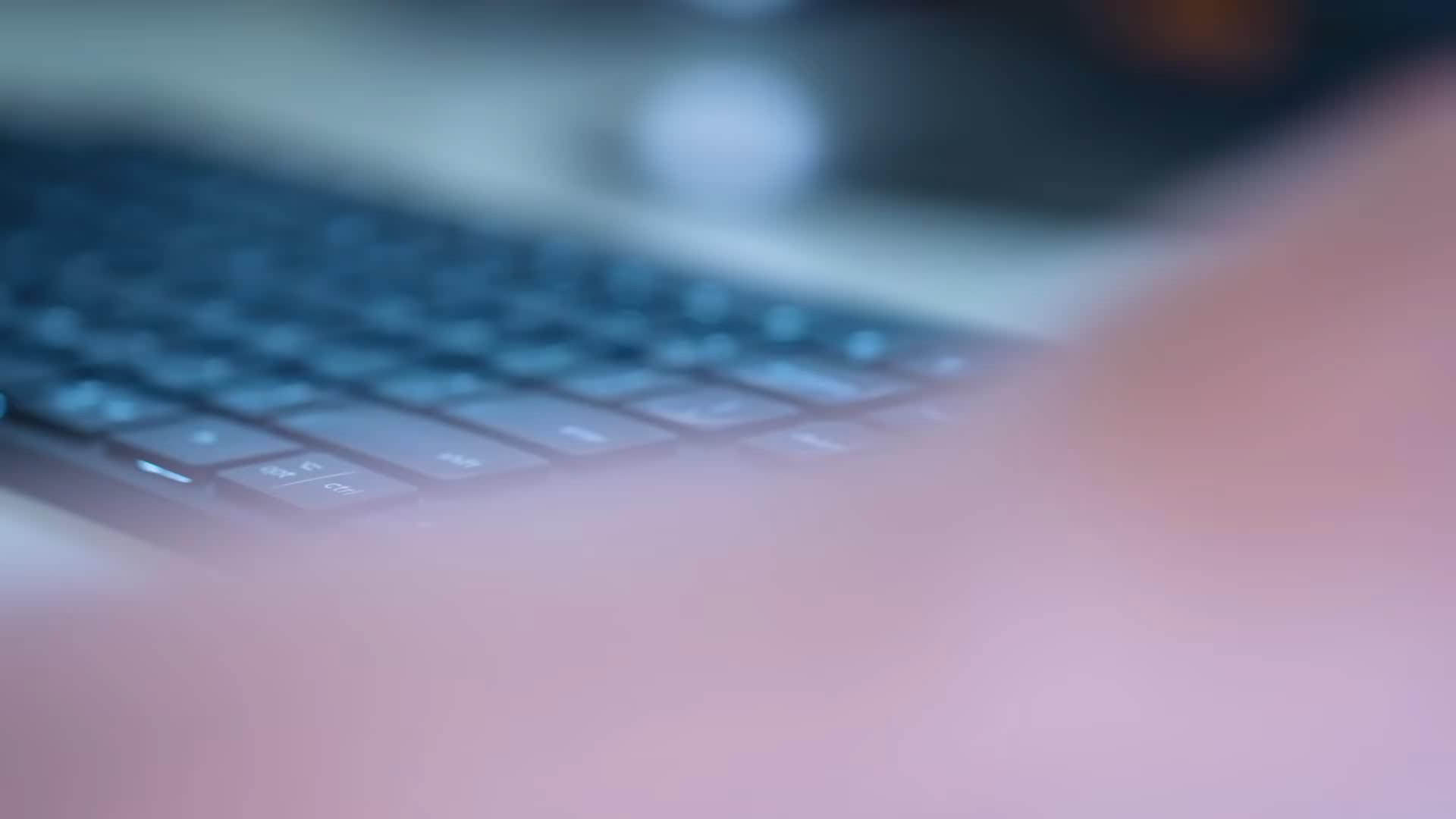






# Incident Response Plan (v2 – Now with Cyber Insurance)







**An ounce of prevention...**



## An ounce of prevention...

- 🌐 **Multi-factor authentication**
- 🌐 **Anti-virus (paid-for and monitored) on every workstation**
- 🌐 **Backups, backups, backups – of every file you can't afford to lose**
- 🌐 **Firewalls in front of every Internet connection**
- 🌐 **Staff trained on “not clicking”**
- 🌐 **Don't let staff have Administrator privileges – can't install software – on their own PCs.**



**Do you have cyber insurance?**

**Do you need cyber insurance?**





**Wealth of resources available at:**

**[www.omag.org/technology](http://www.omag.org/technology)**



The background of the slide is a dark blue gradient. On the left, there is a faint, semi-transparent image of a hand holding a pen, poised to write on a surface. On the right, there is a faint image of a laptop with two social media icons (Facebook and Pinterest) visible on its surface. A vertical white line is positioned to the left of the text area.

# OMAG

From ordinary people come extraordinary results.

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