

Shields up: Prepare your Cyberdefenses, *PIA Magazine*, by Marc S. Voses

Marc Voses, partner in the Kaufman Dolowich and Voluck New York City office, wrote an article on cyber insurance trends which was published by PIA Magazine in the December 2017 issue.

If Target, Home Depot, Sony and Equifax are unable to defend against a cyberattack with their resources, what chance do insurance agents and brokers have against a similar attack? Well, given the right preparation and corporate culture, you stand a fair chance, but only if you can learn from others' mistakes and take action quickly to shore up your defenses.

A treasure trove of information

When it comes to insurance producers, we must consider the nature of the information that is shared during the application process. Names, addresses, financials, contracts, blueprints, descriptions of internal controls, ownership structures, proprietary information and other highly confidential and nonpublic information is voluntarily shared by prospective insureds with insurance agents and brokers, which is then shared with third parties.

What are your security protocols for protecting this nonpublic information? What security protocols do your third parties have in place? For those who do know the answers, it is most likely, "We don't have any security protocols that I'm aware of, and I've never asked the third parties that we send client information about their security protocols."

Your company's computer system also holds additional valuable information (i.e., your employee records, which includes names, addresses, Social Security numbers, health-care information, bank routing numbers and W-2 forms). They deserve as much protection as the information that belongs to your clients.