CYBER TIMES

Insider Tips To Make Your Business Run Faster, Easier And More Profitably

4 THINGS TO DO NOW TO PREVENT YOUR CYBER INSURANCE CLAIM FROM BEING DENIED

"Thank goodness" is probably what Illinois-based manufacturing company ICS thought about having a cyber insurance policy with Travelers Insurance after a data breach in 2022. But after claims investigators pulled out their microscopes, they found that ICS failed to use multi-factor authentication (MFA) across all digital assets, which they had agreed to do in their policy. Travelers sued ICS *and won*. The policy was rescinded, and so were ICS's feelings of gratitude, which likely evolved into worried whispers of "Oh, crap."

Smart businesses like yours are adding cyber insurance to their policies because they know good security hygiene is just as much a competitive advantage as a way to reduce business risk. But with cyber insurance premiums steadily increasing – they rose 62% last year alone – you want to make sure your claim is paid when you need it most.

Why Claims Get Denied

"Most claims that get denied are self-inflicted wounds," says Rusty Goodwin, the Organized Efficiency Consultant at Mid-State Group, an independent insurance agency in Virginia.

Though we like to paint insurance companies as malicious money-grubbers hovering oversize "DENIED" stamps over claims, denials are usually the result of an accidental but fatal misrepresentation or omission by businesses or simply not letting an insurer know about changes in their security practices. However, there are simple steps you can take to prevent a claim-denial doomsday.

4 Ways To Make Sure Your Claim Doesn't Get Denied

1. Find a broker to help you understand your policy.

There's no doubt that insurance policies are tedious, filled with legal lingo that makes even the Aflac Duck sweat. Nevertheless, there are several parts to an insurance contract you must understand,

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GOOGLE ATTACK

This alert is so serious that Google has stamped it with their highest severity rating: a solid 10/10. (CVE-2023-5129)

But the bigger issue is that this vulnerability has been found in a software library known as libwebp–and libwebp is used by all kinds of software:1Password, Signal, Safari, Mozilla Firefox, Microsoft Edge, Opera, native Android web browsers, and more. So it is urgent that you identify and remediate this vulnerability wherever it exists in your environment.

Please contact me right away if you have any questions about this issue and/or how you can most effectively protect your business from the significant and immediate danger it presents to you and your customers.

This monthly publication is provided courtesy of Rick Rusch, CEO of Secure ERP, Inc.

OUR MISSION:

Too many businesses are exposed and vulnerable to cyber attacks. With a unique Guardian Angel Protection solution, our clients get back to their business and sleep better knowing their data is secure.

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including the deck pages (the first pages that talk about your deductible, total costs and the limits of liability), the insuring agreements (a list of all the promises the insurance company is making to you) and the conditions (what you are promising to do).

"If your broker can help you understand them and you can govern yourself according to the conditions of that contract, you will never have a problem having a claim paid," says Goodwin. Some brokers don't specialize in cyber insurance but will take your money anyway. Be wary of those, Goodwin warns. "If an agent doesn't want to talk about cyber liability, then they either don't know anything about it or they don't care because they won't make a lot of money off it." If that's the case, he says, "take all your business elsewhere."

2. Understand the conditions.

Insurance companies are happy to write a check if you're breached *if* and only if you make certain promises. These promises are called the conditions of the contract. Today, insurance companies expect you to promise things like using MFA and password managers, making regular data backups, and hosting phishing simulation and cyber security awareness training with your employees.

Understanding the conditions is critical, but this is where most companies go wrong and wind up with a denied claim.

> **Smart businesses like yours are adding cyber insurance to their policies because they know good security hygiene is just as much a competitive advantage as a way to reduce business risk.**

3. Make good on the promises.

If you've ever filled out a homeowners insurance application, you know you'll get a nifty discount on your premium if you have a security alarm. If you don't have one, you might tick "Yes," with good intentions to call ADT or Telus to schedule an installation. You enjoy your cheaper premium but are busy and forget to install the alarm (nobody comes around to check anyway).

Then, your home gets broken into. "Guess whose insurance claim is not going to be paid?" Goodwin says. "The power is in our hands to ensure our claim gets paid. There's really nothing to be afraid of as long as you understand the promises that you're making."

This happens all the time in cyber insurance. Businesses promise to use MFA or host training but don't enforce it. As in the case of ICS, this is how claims get denied.

4. Don't assume the right hand knows what the left hand is doing.

Goodwin sees companies make one big mistake with their insurance policies: making assumptions. "I see CFOs, CEOs or business owners assume their MSP is keeping all these promises they've just made, even though they never told their MSP about the policy," he says. MSPs are good at what they do, "but they aren't mind readers," Goodwin points out.

Regularly review your policy and have an open and transparent line of communication with your IT department or MSP so they can help you keep those promises.

"We're the architect of our own problems," Goodwin says. And the agents of our own salvation if we're prepared to work with a quality broker and make good on our promises.

FREE REPORT:

12 Little-Known Facts Every Business Owner Must Know About Data Backup And Disaster Recovery

You Will Learn:

- The only way to know for SURE your data can be recovered if lost, corrupted or deleted – yet fewer than 10% of businesses have this in place.
- Seven things you should absolutely demand from any off-site backup service.
- Where many backups fail and give you a false sense of security.
- The #1 cause of data loss that businesses don't even think about until their data is erased.

PROTECT YOUR DATA

"12 Little-Known Facts Every Business Owner Must Know About Data Backup, Security And Disaster Recovery"

Discover What Most IT Consultants Don't Know Or Won't Tell You About Backing Up Your Data And Recovering It After A Disaster

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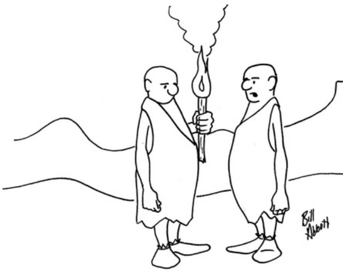
CARTOON OF THE MONTH



"Congratulations on the discovery. Good luck getting it insured."

LEAD WITH YOUR HEART

How Kindness Transforms Workplace Culture And Boosts Profits

I firmly believe the key to sustained success lies in cultivating kindness within organizations. When leaders lead with compassion, they create an environment where employees thrive and overall business performance improves, elevating your bottom line. In recent years, we've been working on creating a more positive and kind culture in my workplace. Here are a few areas we've focused on and how it's panned out for us.

Positive Work Environment

Kindness sets the tone for a positive work environment – somewhere your employees feel valued, respected and supported – and that helps us support you! Leaders who lead with kindness create a sense of psychological safety, encouraging employees to voice their ideas, take risks and collaborate effectively. As a result, team morale improves, and employees become more engaged, leading to increased productivity and innovation.

Well-Being

Kindness in leadership extends beyond your day-to-day delegation because it also bolsters the well-being of employees. By demonstrating empathy, understanding and compassion, leaders can create a culture that prioritizes work-life balance, mental health and personal growth. When employees feel cared for and supported, their job satisfaction increases. Think about it: When you feel satisfied and cared for, you have it in you to go that extra mile. That's what your employees will do for you, too, which only improves the performance of your business.

Relationship-Building

Kindness fosters strong relationships, both within your company and with customers. When leaders prioritize kindness, they build trust and rapport with their employees, creating a supportive and cohesive team. Additionally, kind leaders understand the value of customer relationships and prioritize exceptional customer service. By treating customers with kindness and empathy, businesses can establish long-lasting relationships, boost customer loyalty and generate positive word-of-mouth referrals. Best of all, when you lead with kindness, the rest of your team follows your example.

Increased Innovation

A kind leader promotes an inclusive culture that values diverse perspectives and encourages open communication. When employees feel comfortable sharing their ideas, they collaborate more effectively, leading to moments where they feel innovative and creative while also solving problems. That can tap into the collective brain trust, enabling them to drive growth.

After decades of experience, I've seen firsthand how leading with kindness is a powerful differentiator for small businesses. Small businesses that prioritize kindness and being human are financially successful and leave a lasting, positive impact on their employees, customers and communities.

***Mike Michalowicz** has always believed that he had the formula to success and has proven it on multiple occasions. He is the creator of the Profit First method, which hundreds of thousands of companies across the globe use to drive profit. He is the author of multiple books, including* Get Different *and* The Toilet Paper Entrepreneur. *Mike is a former small-business columnist for the* Wall Street Journal *and currently leads two new multimillion-dollar ventures as he puts his latest research to the test.*

EXIT INTERVIEWS:

A Goldmine Of Information For Your Company

Are you conducting exit interviews with your employees whenever they quit? An exit interview gives you a chance to hear an honest opinion from one of your employees about various aspects of your business.

Through an exit interview, you'll learn if an employee enjoyed working for your company, what areas of your business could benefit from changes and more. If you like the employee and don't want to lose them, you can try to figure out how to make them stay based on what they've told you. Failing to conduct exit interviews is only hurting yourself and your business.

CLIENT SPOTLIGHT:

J. D. Gould Company, Inc.

Since we have allowed Secure ERP to help us with our network and hardware configurations we are secure. Our data is backed up continually on a 24 hour basis and our network runs very smoothly. I highly recommend their services.

Phillip Hubbs
Director of Operations

Would you like your company highlighted here in our "Client Spotlight"? Then give us a call today at 726-842-8702.

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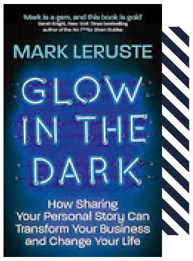
Guardian Angel Protection
by Secure ERP, Inc.

INSIDE THIS ISSUE

GLOW IN THE DARK

By Mark Leruste


MARK LERUSTE
GLOW IN THE DARK
How Sharing Your Personal Story Can Transform Your Business and Change Your Life

When entrepreneurs and business leaders share their stories in books, marketing efforts and social media posts, they don't always speak in their authentic voices. They want others to perceive them in a certain way, so they write or speak in a manner that strengthens that perception. This could prove counterproductive to your marketing efforts, however. Storytelling marketing is a great tactic to grow your business, but you have to do it properly to see results. *Glow in the Dark* by Mark Leruste helps teach readers how to share personal stories using a genuine voice that will help them connect with clients and improve various aspects of their business.

WILL THE FCC'S NEW "CYBER TRUST MARK" IMPROVE HOME CYBER SECURITY? *(UNLIKELY)*

You're at The Home Depot comparing two models of smart fridges. One has an aqua-colored logo that says, "Cyber Trust Mark." The other does not. Would you choose the one with the logo? The US government hopes so.

In July, the Federal Communications Commission announced a plan to roll out the "US Cyber Trust Mark" in 2024 to "provide Americans with greater assurances about the cyber security of the products they use and rely on in their everyday lives," according to a White House press release.

What Is The US Cyber Trust Mark?

The mark (available in five different colors, if you're interested) is intended to appear on Internet of Things (IoT) devices – connected devices like your smart fridge, microwave, thermostats and even fitness trackers – that meet specific cyber security standards. The logo appears next to a QR code that consumers can scan to see a list of security details, like what data the device collects and shares.

It's a voluntary program that companies can opt in to but isn't required. If they do bear the mark, however, their products might get pushed to the front of the store. Most homes have an average of 20.2 connected devices, so the incentive to stand out from the competition is valid. Several companies have already pledged their allegiance to the logo, including Amazon, Best Buy, Google, LG Electronics USA, Logitech and Samsung Electronics.

But Will It Improve Security?

When the Energy Star program was released in 1992, it promised to save consumers money. Companies earn the label only if their product leaves energy costs for consumers. Energy Star says the program saves an average household $450 a year. For example, TVs can only use three watts or less of power when turned off, which is about 50% lower than the average TV. But if you leave your TV on 24/7, you won't see those savings on your energy bill.

When the cyber security trust program rolls out, it will probably improve very basic standards for some IoT devices, particularly consumer-grade routers, which hackers use to eavesdrop and steal passwords. But it won't revolutionize home security, just like Energy Star only saves the average family enough to cover our annual Starbucks expenses. But hey, it's not nothing.

However, as the consumer, you still hold a big chunk of responsibility for your home's cyber security.

Safety Is Still Up To You (Sorry).

The program doesn't transfer security risk from you to your microwave manufacturer. It allows you to assess risk. The mark is intended to help consumers make informed choices about what devices they bring into their homes and businesses. Choose the WiFi-connected baby monitor with the Cyber Trust Mark (or don't); it's still on you to use a strong password (that's not "iloveyou1234") and update the software regularly. Sadly, the logo can't do that for you.