

Understanding the financial basics of Cybersecurity, changing the outlook of the IT Department Budget strategy.

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Agenda

- Concepts to better discuss budget requirements; therefore ensuring constituents' safety.
- Current cyber -threats and their potential risks.
- Reviewing the human and financial impact of getting disrupted by a cyberattack.
- Let's start taking seriously "Risk Mitigation" funds as part of the Annual IT budget.
- Wrapping up

Concepts to better discuss budget requirements; therefore ensuring constituents' safety.



Concepts

Terminology	Description
Cyber-Insurance	Coverage provided by cyber-insurance policies may include first-party coverage against losses such as <u>data destruction</u> , <u>extortion</u> , <u>theft</u> , <u>hacking</u> , liability coverage indemnifying companies for losses to others caused, for example, by errors and omissions, failure to safeguard data, or defamation; and other benefits including regular security-audit, post-incident public relations and investigative expenses, and criminal reward funds.
Backups	Process of copying into an archive file of a device data that is already in secondary storage—so that it may be used to restore the original after a data loss event.
BYOD	Bring your own device - refers to being allowed to use one's personally owned device (Computer, Phone) rather than being required to use an officially provided device.
Artificial Intelligence (AI)	Describe machines that mimic "cognitive" functions that humans associate with the human mind, such as "learning" and "problem solving".
Encryption	process of encoding a message or information in such a way that only authorized parties can access it

Concepts cont...

Terminology	Description
Bitcoins	is a cryptocurrency. It is a decentralized digital currency without a central bank or single administrator that can be sent from user to user on the peer-to-peer bitcoin network without the need for intermediaries.
Ransomware	A Cryptoviral extortion, in which it encrypts the victim's files, making them inaccessible, and demands a ransom payment to decrypt them.
Phishing	is the fraudulent attempt to obtain sensitive information such as usernames, passwords and credit card details by disguising oneself as a trustworthy entity in an electronic communication.
Cloud	Data centers available to many users over the Internet

Changing the perceptions



Teenager hacks into US Pentagon websites and gets **THANKED** for finding gaps in security

School student David Dworken, 18, found six 'bugs' in the US Defense Department websites



Bloomberg Businessweek

February 7, 2018, 4:00 PM EST

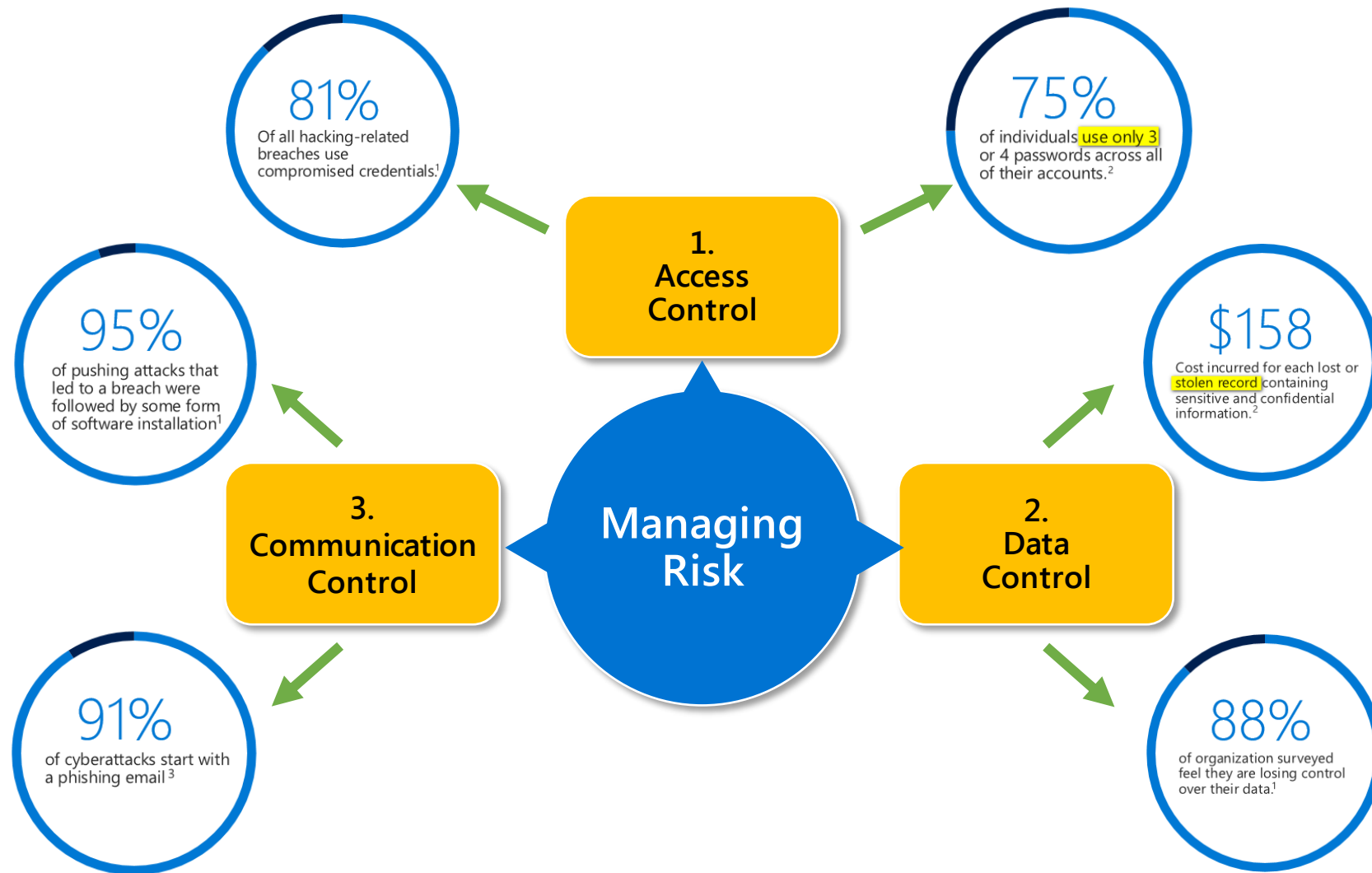
Inside North Korea's Hacker Army

The regime in Pyongyang has sent hundreds of programmers to other countries. Their mission: Make money by any means necessary. Here's what their lives are like.

Current Cyber-Threats and Their Potential Risks.



How Threats Originate?



Reviewing the human and financial impact of getting disrupted by a Cyberattack



Ransomware is a BIG Business now!

North Korea cyber attacks reap almost \$3b for weapons programs, UN report says

Ransomware continues to be the fastest growing malware threat, targeting users of all types—from the home user to the corporate network. On average, more than 4,000 ransomware attacks have occurred daily since January 1, 2016. This is a 300-percent increase over the approximately 1,000 attacks per day seen in 2015.



Business Case: Florida City held Hostage

March 2019, Lake City computer shutdown by hacker

- Lake City network data is Encrypted by ransomware
 - ✗ City has been down for weeks
 - ✗ Emergency Services (Fire, Police, etc.) not impacted, separate servers
 - ✗ Director of information technology was fired

The New York Times

A City Paid a Hefty Ransom to Hackers. But Its Pains Are Far From Over.

More than 100 years' worth of municipal records, painstakingly digitized by Audrey Sikes, the city clerk for Lake City, Fla., and her team have been locked away after a cyberattack. Eve Edelheit for The New York Times

Five Hundred thousand dollars spent just in ransom! City paid only the deductible.



Business Case: Are we learning? Second City

June 2019, Riviera Beach computer shutdown by hacker

- Riviera Beach network data is Encrypted by malware email
 - ✗ City has been down for two weeks - Emergency Services (Fire, Police, etc.)
 - ✗ City and Court Files and System frozen
 - ✗ Thousands of hours of employee's work lost

By KRISTEN CHAPMAN
WPEC-CBS 12 | JUN 19, 2019 | 9:52 AM

RIVIERA BEACH OUTAGE

- > Council Approves Payment
- > \$600K Ransom
- > Insurance Policy



(WPEC-CBS12/courtesy)

Six Hundred thousand dollars spent just in ransom! City paid only the deductible.

What can we do about it?

Prepare

Comprehensive
IT Insurance

IT Security
Budget

Educate Staff
and
Constituents

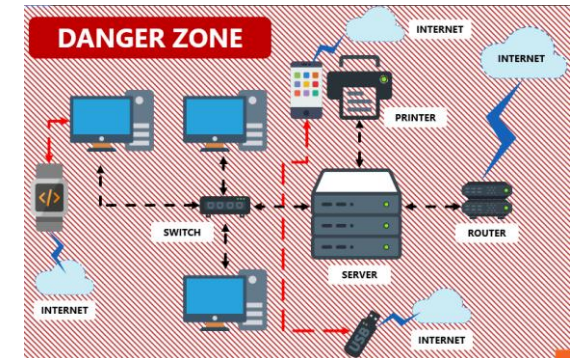
Delay

~~Prevent~~

Limit Vendor
foothold

Leverage
External
Resources

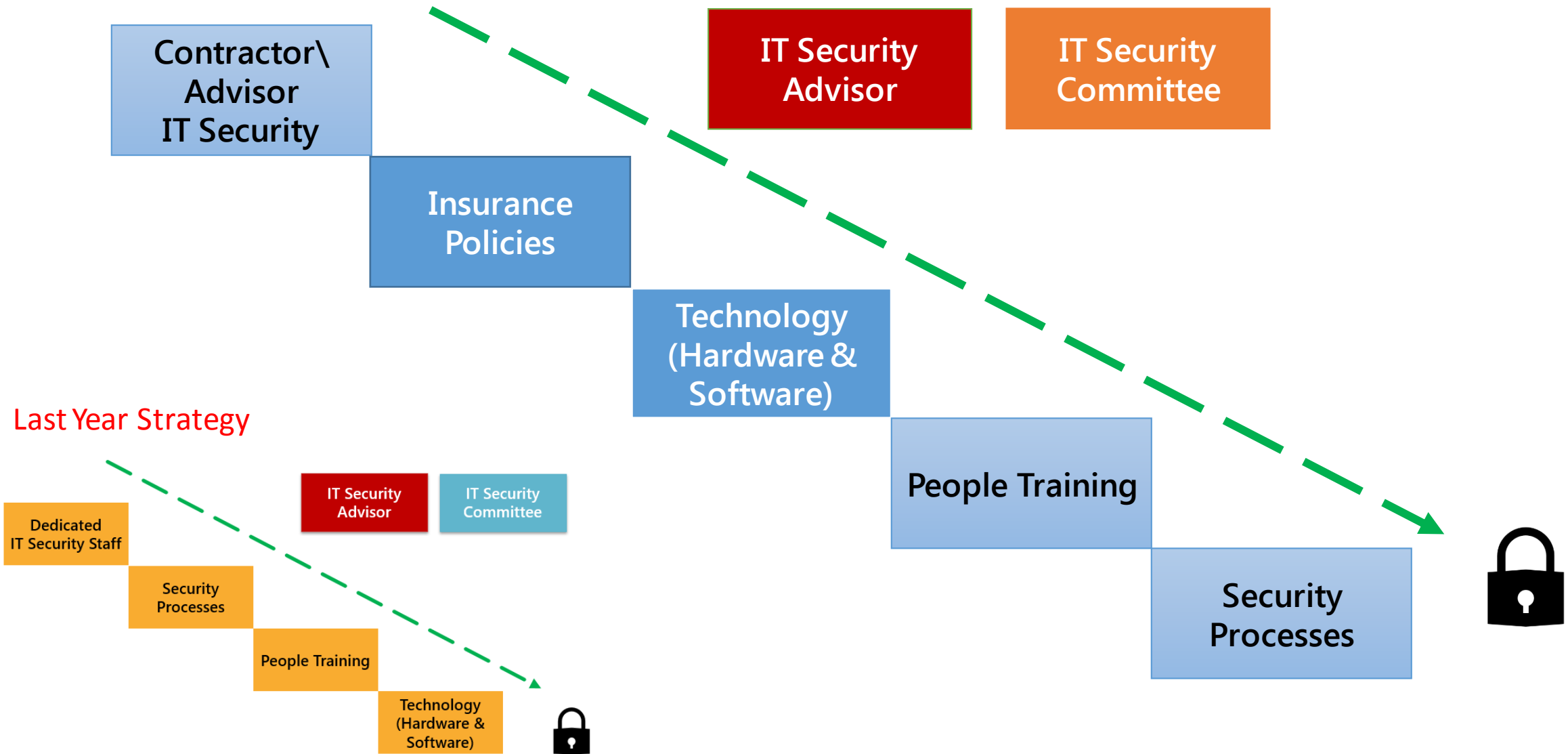
Build a Security
Maintenance
Plan



Let's start taking seriously "Risk Mitigation" funds as part of the Annual IT budget



"Risk Mitigation" funds as a part of Annual IT Budget



WRAPPING UP!

**QUESTIONS ?
&
ANSWERS !**



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Thank You