



Cyber crime

*How to protect your business
from reputational harm:
Jonathan Hemus, Insignia
Peter Erceg, Lockton*



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Crisis management training, planning & consultancy

Overview

It is no longer a matter of if but when a data breach happens and no industry nor company is immune

Millions of cyber attacks per day

72% of all cyber attacks are financially motivated

2015 Lloyd's estimates that cyber attacks cost businesses as much as \$400 billion a year globally

Top industries in the US that are targeted are:

- Healthcare
- Manufacturing
- Finance



Type of Cyber Attacks



Ransomware
Encryption,
Countdown etc.



CEO Fraud/
Whaling



Phishing –
W2 fraud



Malware



Targeted
Hack



Perceived
Breach



IP Theft

Pre

It is no longer a matter of if but when a data breach happens and no industry nor company is immune

Assess your cyber risk and mitigate as appropriate. This includes tools, processes and staff

Create a Incident Response Plan:

- Test it!
- Make sure it covers all areas of the business
- Make sure people are empowered to make decisions and they have backups
- Make sure you have the right outside support in place



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Post

When an incident happens you have lost control. The critical part is regaining that control as quickly and efficiently as possible

Don't panic, prioritise actions, make the decisions that are right for your business and customers

Engage experts if needed but remember you need to drive the process

Don't rush to tell customers if you don't have too. Having a clear consistent story is better than a confused and changing one



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Fallout



Social Media



Reporters



Upset Clients/
Customers



Upset Staff
(Seagate)



Regulatory



The logo for INSignia, featuring the word "INSIGNIA" in a serif font. The letter "i" is lowercase and stylized with a blue dot above it and a blue swoosh that extends to the right, underlining the "G".

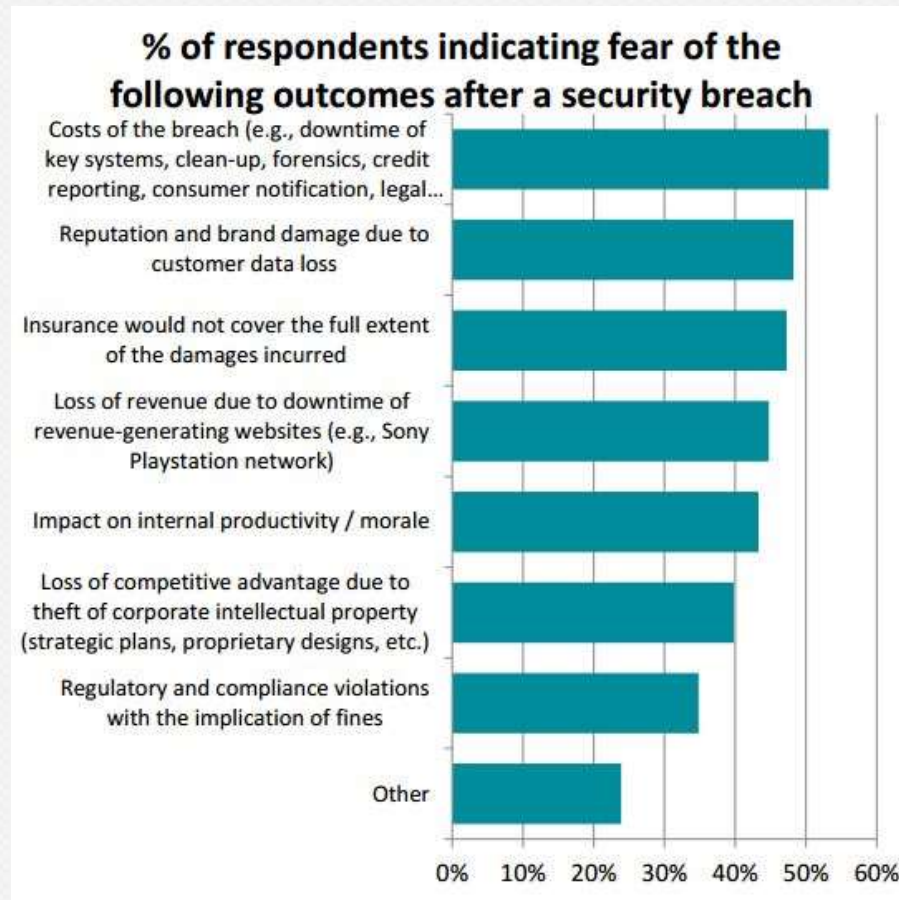
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Cyber crime communication: planning a successful response

Jonathan Hemus, November 2016

The threat of cyber crime



Centre for Economics and Business Research

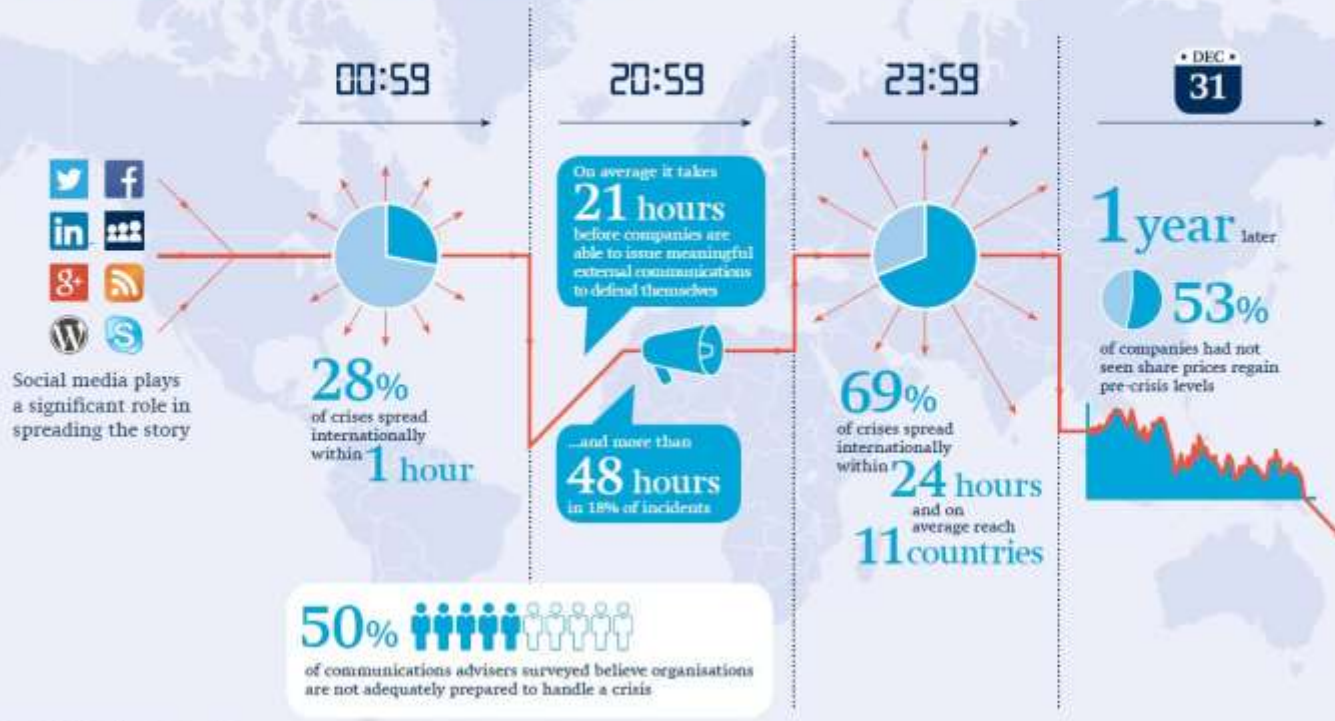
The new battleground for reputational risk



Bad news spreads VERY fast

Containing a crisis in a digital age

More than one-quarter of crises spread to international media within an hour and over two-thirds within 24 hours. Despite six out of 10 cases providing days if not months of notice, it still takes an average of 21 hours for companies to respond, leaving them open to 'trial by Twitter'.



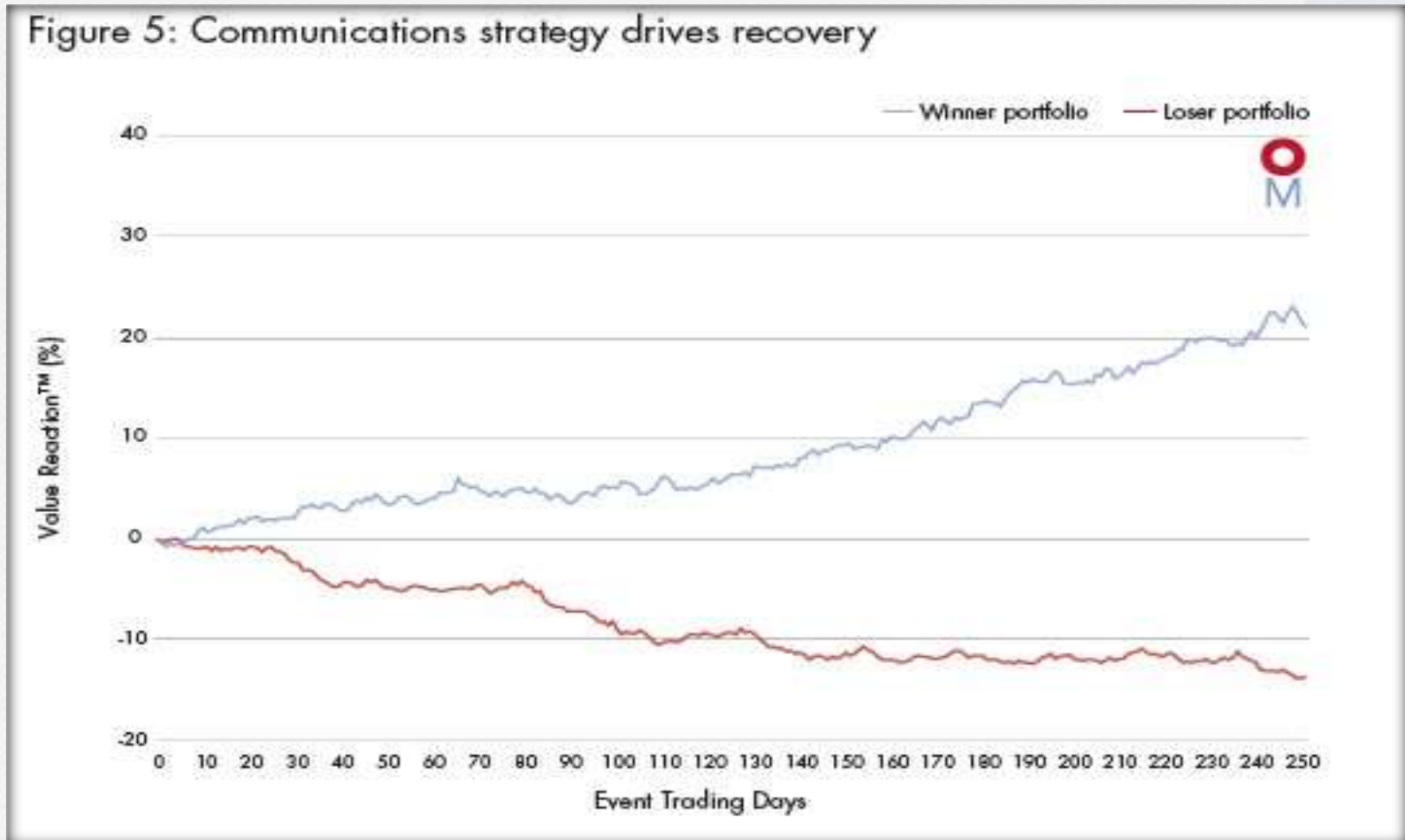
Freshfields Bruckhaus Deringer LLP

“It takes 20 years to build a reputation and five minutes to ruin it. If you think about that, you'll do things differently”

Warren Buffett



How you communicate shapes your recovery



Predictors of value protection

- Disclose promptly
- Demonstrate candour and transparency in disclosure
- Take responsibility for actions or those of your agents
- Demonstrate credible follow up behaviours

The communication conundrum

TECH FORTUNE 500 See the Fortune 500 list

Why Yahoo Is Under Fire About Cyber Hack Timeline

by Reuters SEPTEMBER 23, 2016, 4:59 PM EDT



The communication conundrum



Cyber crime – preparing your communication response



1) Information and analysis

- Confirm legal and regulatory requirements
- Conduct a cyber threat analysis (based on likelihood AND reputational impact)

2) Communication planning

- Conduct scenario planning
- Create an incident response plan (or include as part of your existing crisis communication plan)
- Agree message themes
- Develop materials to be tailored and used in the event of an incident
- Identify stakeholders with whom you would need to communicate (or whose expertise you would need)
- Plan your communications channels to reach stakeholders (and contingencies for lack of email or internet)

Cyber crime response - messaging

- **Facts** – what you know to be true
- **Action** – what you are doing to address the breach
- **Restitution** – what you are doing to make the situation right (or better) for those affected
- **Prevention** – what you are doing to reduce the possibility of a repeat incident

3) Build your team

- Determine your cyber incident response team
- Align legal, HR, communication and IT colleagues **ahead of** an incident

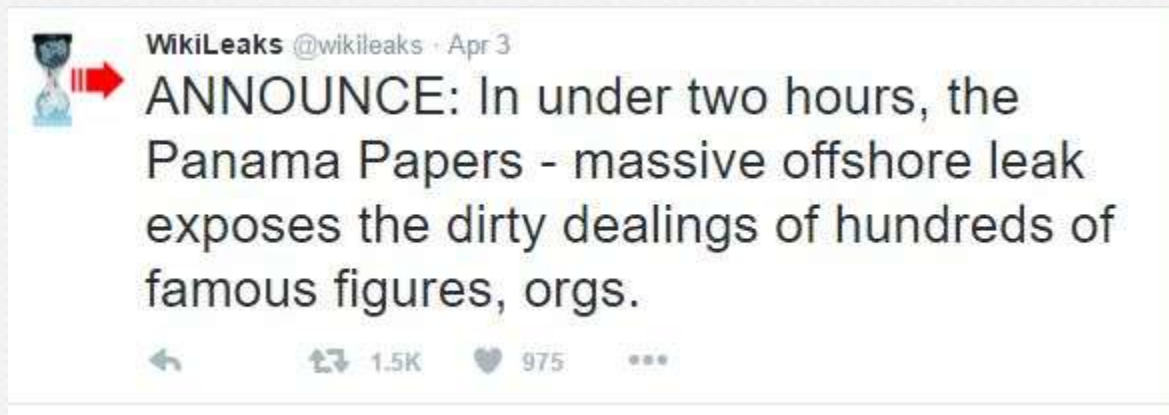
4) Train and rehearse – media training



4) Train and rehearse – cyber exercise



Panama Papers: Mossack Fonseca



Panama Papers: Mossack Fonseca



Client Announcement

Important Information

April 1, 2016

Dear Clients:

This is to inform you that we are in the process of an in-depth investigation with experts who have now confirmed that unfortunately we have been subject to an unauthorized breach of our email server. If you have not heard from us until now, that means that we have reason to believe that your information was not compromised. We sincerely regret this event and have taken all necessary measures to prevent this from happening again.

At the moment, we are working with the help of outside consultants to determine the extent to which our system was accessed by unauthorized persons, what specific information those persons have obtained and the number of parties affected.

Below is additional information on this event and the actions we are taking. Rest assured that we accord the highest priority to the safety and confidentiality of your information. We employ multiple layers of electronic security and limit access to files to selected individuals within our firm in order to prevent breaches. As a result of this event, we have taken additional measures to further strengthen our systems.



Panama Papers: Mossack Fonseca

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LEGAL SERVICES | TRUST SERVICES | COMPANY FORMATION & FOUNDATIONS | INTELLECTUAL PROPERTY | OTHER BUSINESS UNITS

Complete Statement Regarding
Recent Media Coverage at:

mossfonmedia.com

FEATURED SERVICES

			
<p>Companies & Foundations</p> <p>Our team of executives can quickly help you find the option that best suits your needs...</p>	<p>Trust Services</p> <p>A fiduciary entity regulated by the Banking Superintendence of Panama since 1993...</p>	<p>Vessels & Yachts</p> <p>A wide range of maritime services, including: registration of yachts and vessels...</p>	<p>Exclusive Online Services</p> <p>A secure online account that enables you to access your corporate information anywhere...</p>

Panama Papers: Mossack Fonseca

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Statement

Resources

Facts

Due Diligence & KYC

Responses

Contact

Español

Statement Regarding Recent Media Coverage

Recent media reports have portrayed an inaccurate view of the services that we provide and, despite our efforts to correct the record, misrepresented the nature of our work and its role in global financial markets.

These reports rely on supposition and stereotypes, and play on the public's lack of familiarity with the work of firms like ours.

[Read our complete Statement Regarding Recent Media Coverage \(PDF\)](#)

Tweets by @Mossfon

 Mossack Fonseca @Mossfon
¿A quién beneficia la filtración de los papeles de Panamá? cnnespanol.cnn.com/video/cnnee-co...



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These reports rely on supposition and stereotypes, and play on the public's lack of familiarity with the work of firms like ours. The unfortunate irony is that the materials on which these reports are based actually show the high standards we operate under, specifically that:

- we conduct due diligence on clients at the outset of a potential engagement and on an ongoing basis;
- we routinely deny services to individuals who are compromised or who fail to provide information we need in order to comply with "know your client" obligations or when we identify other red flags through our due diligence;
- we routinely resign from client engagements when ongoing due diligence and/or updates to sanctions lists reveals that a party to a company for which we provide services been either convicted or listed by a sanctioning body;
- we routinely comply with requests from authorities investigating companies or individuals for whom we are providing services; and
- we work with established intermediaries, such as investment banks, accountancies and law firms, as part of the regulated global financial system.

We would like to take this opportunity to address some specific misconceptions about our work and clarify the inaccuracies that are rife in the recent media reports.

We provide company incorporation and related administrative services that are widely available and commonly used worldwide.

Incorporating companies is the normal activity of lawyers and agents around the world. Services such as company formations, registered agent, and others are frequently used and provided in many worldwide jurisdictions, including the United States and the United Kingdom.

Moreover, it is legal and common for companies to establish commercial entities in different jurisdictions for a variety of legitimate reasons, including conducting cross-border mergers and acquisitions, bankruptcies, estate planning, personal safety, and restructurings and pooling of investment capital from investors residing in different jurisdictions who want a neutral legal and tax regime that does not benefit or disadvantage any one investor.

Our registered agent and corporate secretarial services are limited to a narrow set of administrative services.

These services are related to facilitating document filings before the authorities and registry of a company's jurisdiction, and helping a company register for taxes and file for licenses, manage patents and trademarks, file tax returns and other documentation.

Panama Papers: Mossack Fonseca

News > World > Americas

Mossack Fonseca statement in full as law firm responds to Panama papers report and defends its 'high standards'

Company attacks 'inaccurate reports'

Staff | Tuesday 5 April 2016 |  2 comments



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Mossack Fonseca & Co., Panama's first ISO 9001 certified #LawFirm - Statement Regarding Recent Media Coverage mossfon.com/media/

📍 Panama
🌐 mossfon.com
📅 Joined November 2010

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Mossack Fonseca @Mossfon · Apr 4

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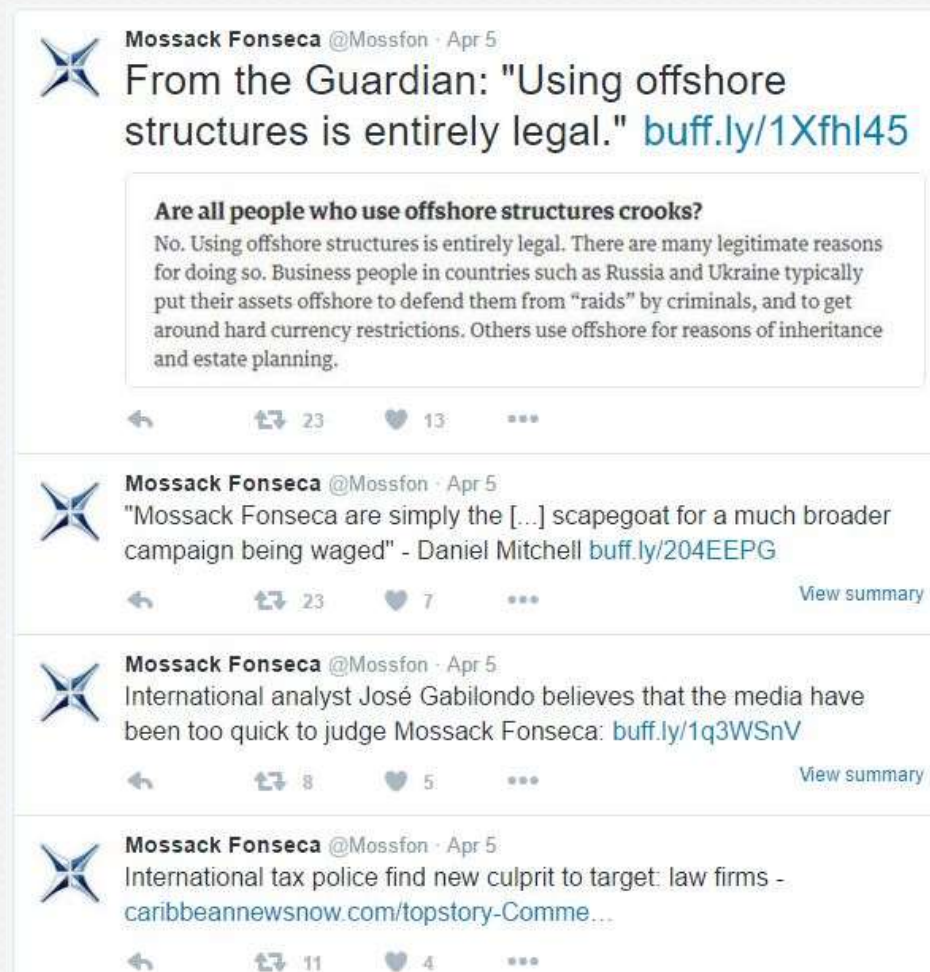
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👍 78 ❤️ 31 ⋮

Panama Papers: Mossack Fonseca



Mossack Fonseca @Mossfon · Apr 5
From the Guardian: "Using offshore structures is entirely legal." buff.ly/1Xfhl45

Are all people who use offshore structures crooks?
No. Using offshore structures is entirely legal. There are many legitimate reasons for doing so. Business people in countries such as Russia and Ukraine typically put their assets offshore to defend them from "raids" by criminals, and to get around hard currency restrictions. Others use offshore for reasons of inheritance and estate planning.

↳ 23 ♡ 13 ⋮

Mossack Fonseca @Mossfon · Apr 5
"Mossack Fonseca are simply the [...] scapegoat for a much broader campaign being waged" - Daniel Mitchell buff.ly/204EEPG

↳ 23 ♡ 7 ⋮ [View summary](#)

Mossack Fonseca @Mossfon · Apr 5
International analyst José Gabilondo believes that the media have been too quick to judge Mossack Fonseca: buff.ly/1q3WSnV

↳ 8 ♡ 5 ⋮ [View summary](#)

Mossack Fonseca @Mossfon · Apr 5
International tax police find new culprit to target: law firms - caribbeannewsnow.com/topstory-Comme...

↳ 11 ♡ 4 ⋮

Panama Papers: Mossack Fonseca



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Ernesto Alonso <https://www.youtube.com/watch?v=IdtKbq3Omkw>



why the fuck you lyin

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YOUTUBE.COM

Like Reply 8 · 10 hrs

Phil Roberts Help - I desparately need help hiding my illgotten gains from the taxman. Please help me as I know how corrupt you guys are!

Cyber crime communication planning

- Confirm your legal/regulatory requirements
- Assess the potential reputational impact
- Develop an incident response plan
- Prepare key elements of your communication response in advance
- Pre-identify, brief and align your team
- Conduct media training
- Rehearse your response
- Act on the learnings

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Questions



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