# Cyber Risk Management Overview

October 3, 2025

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Thomas DePaulo, Vice Pres. Sales

**MIIA/Cabot Risk Strategies**

*thomas.depaulo@cabotrisk.com*

- Thom joined Cabot Risk Strategies LLC in 2017 and is Vice President of Operations. In this role he oversees Cabot's Insurance Operations group which includes Personal lines, Commercial Lines, Underwriting Management, and Employee Benefits. A graduate of Northeastern University, Thom comes to Cabot with more than 20 years of experience in agency management and operations where he has developed an expertise in designing, implementing and monitoring work flows, reporting, quality control measures and professional standards. Thom is a board member of and is the Legislation Committee Chair of the Massachusetts Association of Insurance Agents (MAIA). He was appointed by Massachusetts Governor, Deval Patrick to the Governing Committee Board of Commonwealth Automobile Reinsurers (C.A.R.) where he currently serves as the Vice Chairman.

Todd Ohanesian, CIC, CRM, Sr. Acct. Exec.

**MIIA/Cabot Risk Strategies**

*todd.ohanesian@cabotrisk.com*

- Todd joined Cabot Risk Strategies in 2009 and is currently a Senior Account Executive. His primary focus is the coordination of risk management and insurance services for municipal, non-profit and medium to large accounts.

Todd has over 15 years of insurance/risk management related experience. He serves clients with needs ranging from Property and Casualty, Workers Comp, Professional Liability, Employee Benefits, Health and Life Insurance.

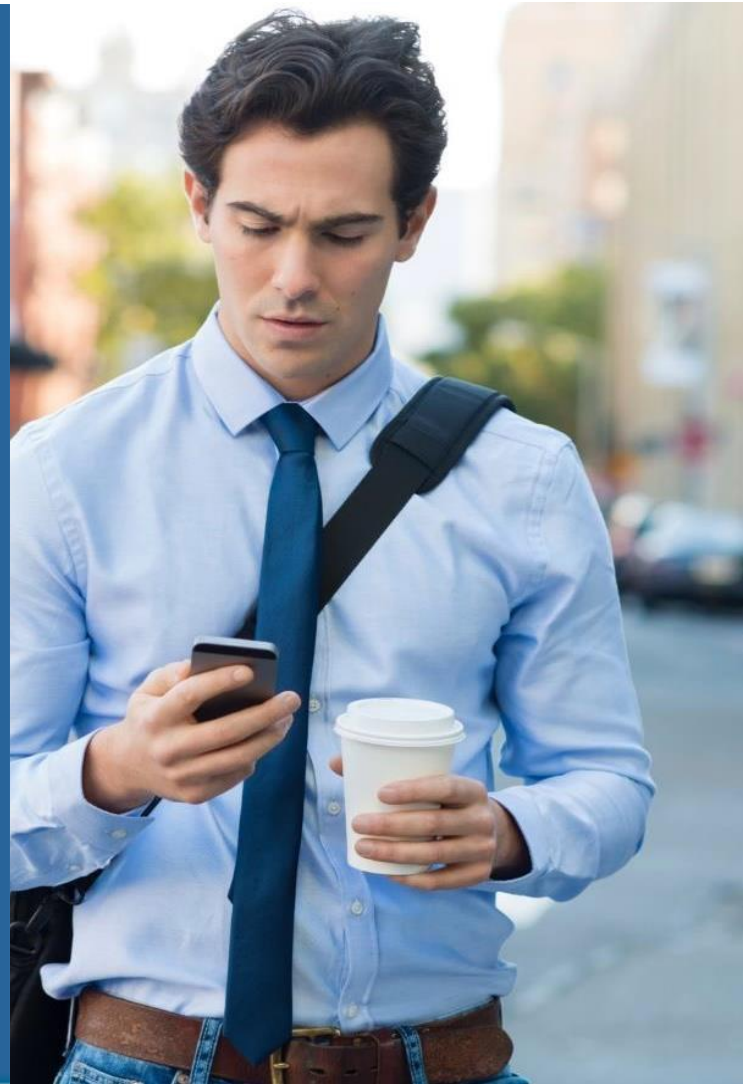
- Todd earned his Bachelor of Arts in Communications from Boston College. He is a licensed Massachusetts Property, Casualty, Life, Accident, and Health broker with a Certified Insurance Counselor Designation and Certified Risk Manager Designation (CRM).

# Cyber Risk

## DO YOU KNOW WHERE YOUR DATA HAS BEEN TODAY?

*Causes of Data Breaches*

| | |
|---|---|
| Hacking (includes skimming/phishing /malware/ransomware) | 59.5% |
| Employee Negligence | 10.4% |
| Accidental Exposure | 6.4% |
| 3rd Party Theft | 7.5% |
| Insider Theft | 5.3% |
| Physical Theft | 4.5% |



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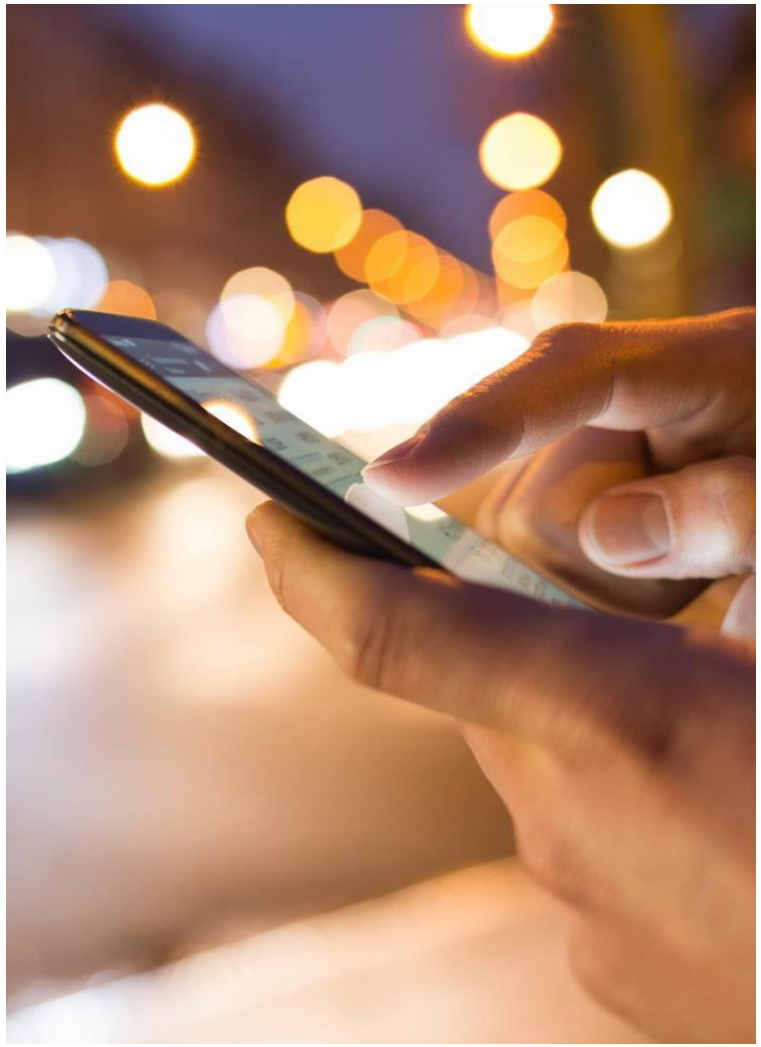
# Cyber Risk



## TYPES OF BREACHES:

- Employees & Social Media
- Employee carelessness/negligence
- Ransomware (i.e. CryptoLocker, etc.)
- Rogue employees
- Phishing Schemes
- Lost/stolen devices

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# Cyber Risk

## COVERAGE FORM A-J


Multimedia Liability


Security and Privacy Liability


Privacy Regulatory Defense and Penalties PCI DSS Liability


Breach Event Costs BrandGuard®


Network Asset Protection Cyber Extortion


Cyber Crime


Dependent System Failure

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# MIIA Cyber Risk

**Cyber Highlights – 3 Coverage Parts**

- ✓ **Liability**
  - Care + Custody of Data
  - Regulatory Compliance
  - Monitoring of Credit
- ✓ **Property**
  - Destruction of Data
- ✓ **Time Element**
  - Loss of Revenue and Extra Expense to
  - Rebuild and Restore Data

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# Cyber Risk

## Coverage Descriptions

### COVERAGE A: Multimedia Liability

- Coverage for third party claims alleging liability resulting from the dissemination of online or offline media material, including claims alleging copyright/trademark infringement, libel/slander, plagiarism, or personal injury.

### COVERAGE B: Security & Privacy Liability

- Coverage for claims alleging liability resulting from a security breach or privacy breach, including claims alleging failure to safeguard personal information.

### COVERAGE C: Privacy Regulatory Defense & Penalties

- Coverage for regulatory fines and penalties and regulatory compensatory awards incurred in privacy regulatory proceedings/investigations brought by federal, state, or local governmental agencies.

### COVERAGE D: PCI DSS Liability

- Coverage for assessments, fines, or penalties imposed by banks or credit card companies due to non-compliance with the Payment Card Industry Data Security Standard (PCI DSS) or payment card company rules.

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# Cyber Risk

## Coverage Descriptions

### COVERAGE E: Breach Event Costs

- Coverage for mitigation costs and expenses incurred because of a privacy breach, security breach or adverse media report, including legal expenses, public relations expenses, IT forensic expenses, and costs to provide credit monitoring and identity theft assistance to affected individuals.

### COVERAGE F: BrandGuard®

- Coverage for loss of net profit incurred as a direct result of an adverse media report or notification to affected individuals following a security breach or privacy breach.

### COVERAGE G: Network Asset Protection

- Coverage for reasonable and necessary amounts incurred to recover and/or replace electronic data that is compromised, damaged, lost, erased or corrupted due to (1) accidental damage or destruction of electronic media or computer hardware, (2) administrative or operational mistakes in the handling of electronic data, or (3) computer crime/attacks including malicious code and denial of service attacks. Coverage also extends to business income loss and interruption expenses incurred because of a total or partial interruption of an insured computer system directly caused by any of the above events.

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# Cyber Risk

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# Cyber Risk

## Coverage Descriptions

### COVERAGE H: Cyber Extortion

- Coverage for extortion expenses incurred and extortion monies paid as a direct result of a credible cyber extortion threat.

### COVERAGE I: Cyber Crime

- Coverage for loss of money or securities incurred due to financial fraud, including wire transfer fraud; charges incurred for unauthorized calls resulting from fraudulent use of an Insured's telephone system; expenses incurred to notify customers of phishing schemes that impersonate the Insured or the Insured's brands, products or services, and the costs of reimbursing customers for loss they sustain as a result of such phishing schemes.

### COVERAGE J: Dependent System Failure

- Coverage for a business' loss of income and interruption expenses incurred as a result of a third-party service provider's system going down.

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# Cyber Risk

## Cyber Claims Expertise

- 2400 Cyber Claims
- 50+ IT & Legal
- 20 In-house claims team
- 24/7 Cyber Hotline

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# Cyber Response Resources

The Insurance Carriers team of incident response experts are leaders in their field and are here to help you with notification and credit monitoring services, assistance in data recovery, and much more. From the moment a claim is reported, service providers are engaged to support and quickly resolve any issues that may arise.

## Breach Counsel

- *Develops response plan in the case of a cybersecurity breach that will minimize both potential reputational damage and monetary vulnerability.*
- *Execute an investigation, produce notifications for clients, manage the investigation, and more.*

## Forensic Firms

*Forensic investigation to evaluate the source of the breach and secure your information*

## Notification & Credit Monitoring

*To keep your information protected, each of our top-of-the-line specially selected group of vendors offer unparalleled credit monitoring and notification services.*

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