

+ Cyber Security & Risk Management



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Looking Past the Traps

Telergee Alliance 2017 Executive & Financial Conference

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Cyber Threat Basics



Cyber Threat Basics



- **Why does cybersecurity matter?**
 - More than half a billion personal records were stolen or lost *in just one year.*
 - Attacks cost American companies *\$246 for each compromised record.*
 - 15% of all legitimate websites have critical vulnerabilities, leaving us all at risk.
 - 43% of all cyberattacks in 2015 targeted small businesses.
 - Number of ransomware attacks grew 35%.
- **...And these are just the attacks that we know about.**

+ Who Is Attacking Us...And Why? (Follow the Money)

- A black market has emerged around the acquisition of and sale of information.
- **Individuals/Criminal Groups can sell PII, intellectual property, and financial data.**

The **hacker economy** is one of the most lucrative in the black market:

- **Stolen Smartphones: \$30 Billion**
- **Stolen Vehicles: \$56 Billion**
- **Cocaine Drug Trade: \$85 Billion**
- **Stolen Credit Cards: \$114 Billion**
- **Total Global Cybercrime: \$288 Billion**

Information	Price/Record
Fresh credit card data	\$20-25
Stale credit card data	\$2-7
Medical record	\$50
Hijacked email account	\$10-100
Bank account credentials	\$10-1000

Oracle, Securing Information in the New Digital Economy, 2015



How Does This Happen?

- **Target:** In December 2013, Target confirmed that criminals had infiltrated its system, installed malware on its point-of-sale network infiltrating through the HVC system, and potentially gained access to guest payment and credit card data. More than 100 million people could have been affected.
- **OMB:** Officials believe that this 2015 hack by the Chinese government compromised sensitive personal information, including Social Security numbers, of roughly 21.5 million people from both inside and outside the government.
- **Veterans Affairs:** A 2006 laptop theft exposed unencrypted information for 26.5 million people.

+ What Does the Cyber Threat Mean to Rural Telecom Operators?

- **No entity is too small for a cyber attack.** Cyber criminals view individuals and small organizations as easy targets due to limited defenses and cybersecurity resources.
- **Theft of subscriber information.** Personally Identifiable Information (PII), Personal Credit Card Information (PCI).
- **Erosion of business reputation.**
- **Impact on network performance.**
- **Costly.** Breaches are detrimental to an entity's bottom line.
- **A prerequisite to enter new business?** Your customers may already be asking you what kind cybersecurity and procedures you have in place.
- The question is not **whether** your firewalls, anti-virus, and anti-malware software will be breached. The question is **when**.



Cyber Risk Management

From: Delta Air Lines [<mailto:orders@deltaa.com>]

Sent: Tuesday, April 18, 2017 12:46 PM

To:

Subject: Your order 34112471 with Delta Air Lines has been confirmed!



Your order on Delta.com website is now complete and your credit card has been charged. Your flight number , seat number and other important details can be found on your ticket, below:

https://www.delta.com/orders/viewTicketOnline.do?name=jcao&flight_no=NY0841737571

To check your flight status , please visit : <http://www.delta.com/flightinfo/viewFlightStatusSetup>
You can do the check-in online, here: <https://www.delta.com/PCCOciWeb/findBy.action>

Thank you for flying with us

From: Vincent R. Cappucci [<mailto:vcappucci@ent-law.com>]

Sent: Thursday, March 16, 2017 2:53 PM

To:

Subject: RE: divorce papers



My name is Vincent Cappucci and I am a senior partner at ENTWISTLE & CAPPUCCI LLP
Your spouse has contracted me to prepare the divorce papers.
Here is the first draft , please contact me as soon as possible:

http://www.entwistle-law.com/papers/divorce_mbennet.doc

Thank you

Vincent R. Cappucci

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