

# MARKET UPDATE

Personal Insurance and Risk Management Update for Successful Individuals, Families and Trusted Advisors

April 2019

# CAL INSURANCE

## Protecting Personal Assets From Cybercrime

A **cyberattack** is a malicious and deliberate attempt by an organization or individual to breach the information system of another organization or information. A common crime is to hold systems and personal information hostage until a ransom is paid.

**Social Engineering** is the act of obtaining another person's personal information. Many successful individuals do work from home computers and do NOT usually have robust system security.

**Identity fraud** is the use by one person of another person's personal information, without authorization, to commit a crime, or to deceive or defraud that other person or a third person. Personal information may be surreptitiously obtained, commonly described as **identity theft**, in a variety of ways. The most common crimes are government benefits fraud, credit card fraud and filing false tax returns.

A whopping 30% of consumers were notified of a breach in 2017. This past year was even more alarming, with *breaches from major companies exposing information on 14 million credit cards and 158 million social security numbers*. Many consumers had their data breached multiple times. An affected consumer spends an average of 15 hours to resolve their situation. Fortunately, many insurance companies now offer some form of identity-theft coverage or restoration services.

But what about the person who is the victim of social engineering and inadvertently authorizes the transfer of a large sum of money to a criminal's bank account? The bank will say proper authorization protocols were followed. The policyholder did, in fact, "give" the funds willingly. Historically, there has been no insurance coverage for this type of financial loss. As corporations beef up their system security, wealthy individuals become a much easier target, due to missing or ineffective home and personal security systems.

Individuals with well-funded bank and retirement accounts can now look to top-tier insurers Chubb, PURE and AIG for additional protection. Follow these links to learn more about the new coverages available to protect your personal assets from a cybercrime: [CHUBB](#) [PURE](#) [AIG](#)

**And don't forget the little ones:** According to the Javelin Strategy Research Report 2018, *more than 1 million children were victims of identity theft or fraud in 2017*, and two-thirds of those were age 7 or younger. Fraud against children totaled a stunning \$2.6 billion in 2017 losses, with 6 out of 10 children knowing their predator personally. Click here for resources to discuss system security with your family. [www.puresituationroom.com/cyber](http://www.puresituationroom.com/cyber)



## HAVE YOU DONE THE BASICS?

**Change default router credentials.** The default username and password of routers can be easily found online, so a hacker could gain access to your network simply by seeing the username on your WiFi signal.

**Give your network a strong password,** so only users you trust can connect.

**Be alert for spoofed WiFi networks.** Before logging on to any WiFi network (public or private), be sure it's not an imposter whose name closely matches yours.

**Turn off Universal Plug and Play (UPnP).** It allows devices and applications to communicate with each other without additional configuration by bypassing security controls. It is a common way for attackers to exploit your network.

**Create a "guest" WiFi network for your home,** in addition to your highly secured "main" network. Guest networks can be secured with a separate password. Ask your internet service provider to help you create a guest network on a separate subnet (VLAN) to truly segment the two. Never share your "main" network's credentials.

## CAL Welcomes Cincinnati Insurance to the Firm!

Last month, CAL finalized a contract to represent the Cincinnati Insurance Companies for clients with personal insurance needs. Cincinnati offers home, auto, valuables and personal umbrella products and services in over 40 U.S. states, and CAL is pleased to have a such a well-respected insurer to assist our clients. Founded in 1950, Cincinnati is the 20th largest U.S. property and casualty insurer by market share. [www.cinfin.com](http://www.cinfin.com)

### ALWAYS LOOKING OUT FOR YOU

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*Watch for our next  
Market Update  
in August.*

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