

Cyber Security Meeting Minutes

December 2, 2020 @ 10:00 am

Chair Andrea Somers, Florida Agency Network
Vice Chair Shelly Mannebach, Investors Title Insurance Company

1. Welcome and Introductions – Email Jena@FLTA.org for attendance.

- a. Andrea introduced herself and the chairs.

- b. Surveys – Andrea thanked everyone for completing the surveys and explained that her and Shelly went through them and stated that there are three initiatives they are going to be focusing on and that they would like to create three sub-committees.

2. 2021 Initiatives and Subcommittee Discussion

- a) First Initiative – Cyber Security Library – This would have tools, articles, videos, links, etc... The subcommittee would be responsible for keeping it up to date, and robust. It would be a place for FLTA members to go to stay up to date and to get information on all things cyber security related. This committee would make sure that this was staying relative with what is going on within the industry. Possibly share updates via newsletters

- b) Second Initiative – Education – This would be a committee that would help educate on matters of insurance needs, remote location, etc... It would be a deeper dive into the topics. Looking to get 6 qualified speakers, not necessarily CE credits but possibly some. 45-50 minutes for the speakers and have them recorded so it could be added to the library. It could also be used for agents to use for staff training.

- c) Third Initiative – Create a Cyber Security Best Practices – Sub Committee would be putting their heads together to figure out what the best practices would be. It would be broken into parts and coming out with an outline of suggested practices. Adding why types of insurance is needed and what types of verbiage do you need to make sure is in your policy. Making sure a set of standards for communication

is set. Going a bit further and creating a culture of awareness and making sure suggested practices are in place for agents and their staff.

- Each subcommittee would meet monthly/individually and come up with action plans and assign tasks to their subcommittee members.
- Shelly suggested maybe offer a type of certification for completion. Andrea said it might be possible and it would be nice to look at an incentive for agents to complete. Scott said he needs to be cautious due to liability. Scott said it will need to be brought up for discussion.
- Andrea will send out an email and we need to email her to let her know if anyone wants to join a subcommittee.
- Elyce Schweitzer said that she received an email with templates for written cyber security plan, a communication plan, etc...., she is going to pull it and share it with everyone.

3. Article - [Title Insurance Agent Denied Coverage of Email Scam Loss](#)

- A case of wire fraud where federal judge ruled the E&O Insurance Company did not have to cover Agent's loss after it was tricked into sending mortgage loan funds to a fraudster who posed as the lender's employees in emails. They ruled that Exclusion 14(a) of the E&O policy covered this scenario.
- Andrea suggested making sure you have an insurance agent that can explain the insurance verbiage and make sure you truly understand everything in your insurance and that you are fully covered.

4. Roundtable Examples of Cyber Fraud

- Crystal Curran shared about payoff wire fraud locally and explained a local situation. Andrea went on to explain that she has seen it happen with a friend. On the one she knew there was a payoff that was received via fax and it was still a fraudulent document and their office just did not catch it. Andrea had her office update their offices policies to update office procedure of payoffs. Payoff fraud is hard to catch right away because normally it is found weeks or months after closing. Make sure that payoffs are being verified and that every wire is being verified. Not only doing it but also documenting it. Does your file prove that you did it?

- Len Prescott also said that the trend he is seeing is with non-institutional lenders. Verifying that the person giving you a payoff has the original Note.
- John LaJoie with First American said that they had someone email a change in wiring instructions from a CFO of a company, but it was fraudulent. Also sometimes the seller does not know better and are genuinely passing along incorrect information. They were able to get most of the funds back luckily. He suggests getting a third-party servicer to potentially help verify the systems in place and verifying the instructions and companies are correct.
- Marty Landers said that business emails are something that most people use. That is where most of the fraud happens or starts. Andrea suggested that maybe their email should be where they are getting notifications but not the main form of communication. Emails and phones have a high rate of fraud and spoofing.
- Robert Cohen wanted to follow up on John's comments and said that banking and our industry are having the same issues. Said we need to put some pressure on banks to ensure that matching account name to numbers is happening. John LaJoie said they have a service that verifies that the seller you are sending the money to matches the account you are wiring it to. They also verify payoffs based on a list of known bank accounts. Andrea asked him to send information on the services.
- Shelly Mannebach said an article was released that they believe the secure iCloud platforms and the video conferencing platforms will be the next big fraud in 2021. Scott asked where the harm would come from, and Shelly said they have everyone's contact info and for people working remotely it's helping them get into individual people's computers while they are on the video. Marty Landers said that people need to understand security protocols for these types of situations and explained how zoom had to update their settings and have locked down rooms. Chris said that they could also get private information off shared screens.

5. Adjourn – Andrea reminded everyone to let her know what subcommittee you want to be on and that she will see you in 2021! “Only the paranoid survive!”

****Next Meeting - Wednesday, January 6, 2021 at 10:00 a.m.****