

# NEWSLETTER

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## Markey team wins "top fundraiser" at 2011 Relay For Life event

Myself and the team at Markey hope you had a safe and wonderful festive season. Like yourselves, we are gearing up for a great 2012.

It was definitely an eventful 2011, with perhaps the most memorable event from an insurance perspective being the devastating Queensland floods. The floods have been significant in shaping large increases in insurance premiums, and many insurers making the move to add Flood Cover to Household and Landlords policies following recommendations by the Natural Disaster Insurance Review (NDR).

Discussions about compulsory cover and opt-out clauses will be factors affecting further changes in insurance pricing. While it is uncertain how this will affect premiums,

Markeys is committed to providing you the most appropriate cover at the right price. We will continue to provide information on Flood Cover throughout 2012.

An event that was memorable for another reason was the 2011 Cancer Council's Relay for Life. We are proud to announce that our team won the Top Fundraiser award, for the second year in a row, raising \$10,310. I would like to say a big thankyou to all of our friends, family, clients and suppliers for supporting this great cause. A special mention goes to our own Richard Finlay, who, as part of the Relay for Life committee, organised a great event that raised more than \$177,000 in the fight against cancer.

Our purpose is to offer you advice to help you make the right choices in protecting your family and business against risk. We, as always, are committed to this purpose and are looking forward to working with you throughout the year. I wish you all the best for 2012 and I thank you for your ongoing support.

STEVE MARKEY  
Managing Director



## Client spotlight

Subzero Group has evolved today into a comprehensive offering of specialised services and comprehensive maintenance and engineering solutions.

Now located at eight sites and employing more than 350 persons, Subzero Group has expanded its offering into the mining and resources sector, power generation, engineering and production and the agricultural and medical sciences industries.

This valued client of the Markey Group has customised and purpose built its equipment to enable

it to provide solutions to the mining and engineering industry. This growth has led to the Subzero group of companies being recognised by many of its peers as an industry leader. The group has always employed the best of the best, it has always sought and attracted the best people in their respective fields.

Founder and Managing Director, Scott Farrell, says that the company began in 1999 and prides itself on adapting to the needs of the customer. That's what makes us so successful.



# Cyber Exposures in Your Business

## Sony – hackers breach customer privacy

In April 2011, Sony was forced to shut down its Playstation Network following a security breach that led to 77 million users' data being stolen. Aside from reputational cost, Sony has estimated the data breach will cost US\$170m. The losses to Sony will arise from a number of areas – direct losses due to the network downtime, potential liability to thousands of companies who rely on PSN to distribute their games, the costs to forensically investigate how the hackers gained access, and potential law suits from those whose privacy has been breached.

Cyberspace...has become an integral part of our personal and business lives...whether we like it or not. Some businesses exist solely in cyberspace, and others rely on it in some form or another. We simply cannot exist these days without emails, internet sites, on-line banking, and an ever increasing range of on-line transactions.

It is therefore important to recognise that as more and more business is conducted online, there exists a potential price tag ....the potential loss of privacy (to you or your customer) as well as a host of other risks.

## Do 'Cyber' Risks apply to Your Business?

If your organisation transacts business in any of the following ways, a range of potential risks may exist either to you directly, or to others you conduct business with:

- Your business has a web site.
- You transact business and generate revenue over the Internet.
- You host, store, share or transmit proprietary and confidential data.
- You may outsource storage, processing or sharing of confidential information with third party service providers.
- You publish any form of electronic content eg via your own web site.
- Your business operations would be impacted by a service disruption.
- You have an exposure to consumer identity theft.
- Your company has a high profile and as such is at risk from extortion.

## What type of 'Cyber' Risks apply?

Having established that your business is involved in internet

transactions, what are the risks?

### To Your Business (first party losses)

- Losses can arise if you transfer, pay or deliver any funds or property, or establish any credit, debit any account, or give any value, to the fraudulent input of data, either directly into your system, or through a network into your system.

eg. A data breach is perpetrated by one of your employees, or an employee misplaces a Blackberry or leaves their laptop in an unsecured location.

### Cyber Liability (third party losses)

- Losses sustained by a third party due to the actual or potential unauthorized access to their records.
- Losses sustained by a third party because of an actual or alleged defamation or violation of their rights or privacy or publicity.
- Losses sustained to a third party due to the actual or alleged infringement if a copyright or trademark.
- Losses sustained by your customer who is authorised to access your system and such access is impaired or denied due to fraudulent access or transmission.

## The Importance of Cyber Insurance

Cyber insurance provides cover for losses sustained by your organisation, or for your legal liability for losses sustained by others such as your customers for eg if their information is lost or stolen.

### The Future of Business Transactions is Online - Consider cyber insurance if you:

- Have access to private, confidential information about your customers
- Have a web presence
- Have a dependency on technology especially in relation to web based transactions.

The emerging insurance market for cyber insurance can address issues such as business interruption, system restoration, privacy breach notification and privacy liability.



## Burglars Prefer Portable Objects

Recent studies by the NSW Bureau of Crime Statistics has revealed that burglars are changing their stealing habits, preferring more portable consumer goods to heavier equipment such as power tools.

According to recent statistics, money and laptop computers are the most common items stolen from homes.

The following checklist comprises the most effective ways to improve your home security:

- Install keyed window locks on all windows.
- Install security screens on any windows which are hidden from view.
- Install double keyed deadlocks on all external doors and keyed patio bolts on all external sliding doors.
- Mark all electronic items so they can be identified later on.

- Store your luggage out of easy access from thieves.
- Install a fixed safe in a hidden place for storage of jewellery, money and important documents.
- Draw blinds and curtains during the day if no one is at home.
- Install an alarm.
- Hide laptop computers away when not in use.
- If cars are left in the garage when you go away, leave car keys with the neighbours.

Most importantly...make sure your household insurance coverage is up to date and adequate, and that you are fully aware of the security requirements of your home insurance policy. Our web site has a home building and contents calculator which might assist with your assessment of coverage requirements.



For more information please call 4925 6555 or visit our website [www.markeygroup.com.au](http://www.markeygroup.com.au)

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