



CYBERSECURITY

[FERC Requires New NERC Reliability Standards for Reporting Cyber Incidents](#)

The Federal Energy Regulatory Commission (FERC) announced on July 19, 2018, that it is directing the North American Electric Reliability Corporation (NERC) "to develop and submit modifications to the NERC Reliability Standards to augment the mandatory reporting of cybersecurity incidents, including incidents that might facilitate subsequent efforts to harm the reliable operation of the Bulk Electric System (BES)." The rule will become effective 60 days after it is published in the Federal Register. [*Read more*](#)

[Virginia Bank Hacked Twice with Phishing Schemes Losing \\$2.4 Million](#)

In a lawsuit against its insurance company requesting reimbursement for close to \$2.4 million from two different hacking incidents, National Bank of Blacksburg detailed the intrusions, which are instructive of a sophisticated scheme against the financial services industry.

According to the lawsuit, the first theft took place on Memorial Day weekend of 2016. In that incident, an employee of the bank clicked on a phishing email (which reportedly was an infected Microsoft Word document) that was targeted to the employee. The opening of the document allowed malware to be introduced into the bank's system, allowing the intruders access to a network that handles debit card transactions. The hackers were then able to disable security protections and used hundreds of Automatic Teller Machines (ATMs) across North America to steal from customer accounts to the tune of approximately \$569,000. [*Read more*](#)

[Air Force Drone Program Documents For Sale on Dark Web](#)

It is being reported that a hacker is attempting to sell on the dark web classified U.S. Air Force documents related to the MQ-9 drone program. The reports state that a single hacker with moderate technical skills was able to infiltrate the computer of "a captain at the

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432nd Aircraft Maintenance Squadron Reaper AMU OIC" to obtain highly sensitive information about the capabilities of the drone program. The hacker seeks payment of up to \$200 for the information. [Read more](#)

VIRTUAL CURRENCY

[States Race to Embrace Blockchain Technology](#)

Add Connecticut, Ohio, and Vermont to the list of states passing legislation focused on the potential disruptive impact of blockchain – the technology underlying cryptocurrencies such as Bitcoin. As federal regulators continue to monitor and offer guidance in the cryptocurrency space, with particular focus on Initial Coin Offerings (ICOs), state legislatures around the country are looking to favorably position their respective states to attract businesses developing blockchain-based applications. [Read more](#)

[U.S. Moves Ahead with Federal “Fintech Sandbox” CFPB Announces Creation of Office of Innovation](#)

In an effort to promote the development of new financial technology (fintech) products, Mick Mulvaney, Acting Director of the Consumer Financial Protection Bureau (CFPB), announced last week the creation of the Office of Innovation. Mulvaney said the new division, to be run by Paul Watkins under the umbrella of the CFPB, is designed to foster an “environment where companies can advance new products and services without being unduly restricted by red tape that belongs in the 20th century.” A CFPB press release stated that the new office will focus on creating policies to facilitate innovation, engaging with entrepreneurs and regulators, and reviewing outdated or unnecessary regulations. [Read more](#)

DRONES

[Uniform Law Commission Proposes New Drone Legislation](#)

New model legislation introduced by the National Conference of Commissioners on Uniform State Laws (Uniform Law Commission) seeks to give property owners the right to the airspace above their property from 200 feet and below. In 1946, the U.S. Supreme Court decided that the airspace belonged to the federal government; in 1962, a court decision affirmed that federal law pre-empted local laws when it comes to aviation. [Read more](#)

PRIVACY TIP #149

[LifeLock Customers Could be Targeted with Phishing Campaign](#)

LifeLock customers may wish to be extra vigilant about emails and phishing campaigns due to this vulnerability exposing their email addresses. [Read more](#)



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