

TABLE OF CONTENTS

ABBREVIATIONS ix

EXECUTIVE SUMMARY xiii

CHAPTER ONE: Oversight of Cyber Risks: It Is Your Job 1

D&O Fiduciary Duties 1

Fiduciary Duties and the Business Judgment Rule 3

D&O Cyber Governance Responsibilities 5

Shareholder Derivative Actions 8

Suits Alleging Securities Law Violations 17

Board Committee Structure for Cyber Governance 24

Cyber Due Diligence in M&A 28

CHAPTER TWO: Cyber Risk Management: Getting Your Arms Around It 43

The Current Threat Environment 43

Privacy & Cybersecurity Compliance Requirements 50

Key Elements of a Cybersecurity Program 61

CHAPTER THREE: Establishing a Cyber Governance Framework 73

Cyber Governance: What Is Required of D&Os by Best Practices and Standards 74

Distilling It Down: Developing a Cyber Governance Framework 80

CHAPTER FOUR: Managing a Cyber Incident 91

Best Practices for Incident Response 91

Key Governance Responsibilities in Incident Response 98

APPENDIX A: Cyber Governance Checklist 103

APPENDIX B: Cyber Lingo Cheat Sheet 107

ABOUT THE AUTHOR 167

INDEX 171