



NEW JERSEY CYBER RISK MANAGEMENT FUND

MEETING AGENDA Thursday, May 21, 2026 - 1:30PM Via Zoom Audio/Video

Please choose 1 Option to join:

1. Zoom Link: <https://permainc.zoom.us/j/97482447647>
2. Dial-In: 309 205 3325 Meeting ID: 974 8244 7647
3. One tap mobile: +13092053325,,974 8244 7647#

STATEMENT OF COMPLIANCE WITH OPEN PUBLIC MEETINGS ACT

The NJ Cyber Risk Management Fund will conduct this meeting in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq. Notice of this meeting was given by (1) sending sufficient notice herewith to the Star Ledger and Courier Post; (2) sending notice of this meeting with member joint insurance funds and (3) posting this notice on the public bulletin board of all members.

NEW JERSEY CYBER RISK MANAGEMENT FUND
Thursday May 21, 2026 – 1:30PM
Via Zoom Audio/Video

- Meeting Called to Order – Open Public Notice to be Read
- Pledge of Allegiance
- Roll Call of Fund Commissioners
- March 19, 2026 Open Minutes **Appendix I**
- Correspondence: None
- Executive Director
Report Page 1
- Treasurer
April 2026 Bills List – Resolution 30-26 Page 25
May 2026 Bills List – Resolution 31-26 Page 26

**MOTION TO ADOPT RESOLUTION 30-26 CONFIRMING THE APRIL 2026
PAYMENTS AND TO ADOPT RESOLUTION 31-26 APPROVING THE MAY 2026
PAYMENS, AS SUBMITTED**

- Underwriting Manager
Report Verbal
- Attorney
Report Verbal
- New Business
- Old Business
- Public Comment
- Executive Session – For Certain Specified Purposes - Personnel -Safety & Property Of Public –
Litigation

Next Meeting is scheduled for June 18, 2026 at 1:30 PM via Zoom

- Adjournment



NEW JERSEY CYBER RISK MANAGEMENT FUND

9 Campus Drive – Suite 216

Parsippany, NJ 07054

Tel 201.881.7632

Date: Thursday, May 21, 2026

To: Board of Fund Commissioners
New Jersey Cyber Risk Management Fund

From: Perma Risk Management Services

Claims Committee: The Committee will meet virtually at 10:00am before the Board meeting to discuss Payment Authority Requests (PARs).

Motion to Approve the Payment Authority Requests Recommended by the Claims Committee.

3rd Party Risk Assessment Tool: Underwriting Manager submitted a revised 3rd Party Risk Assessment Tool in March (copy attached separately) and was asked to see if he could revisit to reduce some redundancies, but he was not able to accommodate.

Motion to Approve the Amended 3rd Party Risk Assessment Tool.

Operations Committee: The Committee met virtually on May 18th at 11:30 a.m.; included on pages 4-6 are the minutes. The Committee discussed the following:

Cyber Claims: At the March 19th Fund meeting, Underwriting Manager reported members have experienced difficulties complying with local public contract laws and/or organizing their council quickly enough to rapidly engage cyber legal counsel and forensic vendors.

Recognizing this challenge, the Underwriting Manager worked on a solution. Specific to the cyber legal counsel, we have come to an agreement in principle with Mullen Coughlin on a solution through a Master Service Agreement. Underwriting Manager consulted with the Fund Attorney and several QPAs and presented a copy of the agreement to the operations committee. The committee agreed to present it to the Board of Fund Commissioners for approval. Included on pages 7-14 is the agreement.

Motion to Approve the Master Service Agreement with Mullen Coughlin, LLC as presented.

Amending Deductible Controls: At the March 19th Fund meeting, the Board of Fund Commissioners were presented with amended deductible control options where basic deductible is reduced to \$25,000, intermediate the deductible is reduced to \$0 and advanced there is a premium reduction of 20%.

Committee reviewed the proposed amendments to the deductible incentive structure and recommend adopting effective June 1, 2026. In addition, Committee recommends the advanced premium incentive of 20% be effective retroactive to January 1, 2026 for those members fully compliant and have provided supporting documentation to the Underwriting Manager.

Included on **page 15** is **Resolution 29-26** Amending Deductible Controls for 2026 Renewal of Excess Cyber Coverage drafted by the Fund Attorney.

❑ Motion to Approve Resolution 29-26 Amending Deductible Controls for 2026 Renewal of Excess Cyber Coverage

❑ Educational Programs:

❑ Cyber JIF Accreditation Program: Executive Director provided an update on the accreditation program that was approved by the Board of Fund Commissioners at the March 19th Fund meeting. The program has been tentatively scheduled for Friday October 2nd and Friday October 9th from 9am – 2pm at the National Conference Center. Underwriting Manager will begin refining the program and finalizing speakers. Executive Director’s office will send out a “save the date”.

❑ 2026 Webinar Series: Underwriting Manager provided an update on the Cyber Educational Series noting the (1) Artificial Intelligence and (2) Cybersecurity Insights in 2026: Emerging Risks, JCMi Banking Controls, and Framework Fundamentals are scheduled for Tuesday June 23, 2026 at 10am and Wednesday, August 5th at 10am. Registration links will be sent following the meeting.

❑ Risk Control Services: In March, the board appointed a task force to prepare the Competitive Contracting RFP for cyber training/phishing simulation & vulnerability scanning; current contract expires in September. The task force, comprised of the Executive Director, Deputy Executive Director, Planning Consultant and Underwriting Manager have met twice to review the scope of services and will submit their draft to the Chertoff Group and several municipal IT professionals prior to presenting a final draft to the operations committee. Executive Director expects the RFPs to be issued in July.

❑ Cyber Risk Alert: Outsourced Vendor Break: Committee discussed a notice that was issued by the Underwriting Manager via email alerting members and risk managers of a breach to SDL, aka GovPilot, a common outsourced vendor used by large numbers of members. Underwriting Manager is coordinating with AXA XL to set up a mass report for affected members. Members are encouraged to call the AXA XL hotline to begin working through actual or potential issues. The email is included on **pages 16-17**.

❑ Technology E&O Coverage Option: Underwriting Manager renewed this coverage for a short term expiring 1/1/27 for Ho-Ho-Kus Borough, Vineland Housing Authority, City of Camden, Woodbridge Township, Allentown Borough, Oceanport Borough, Madison Borough and Riverside Township.

❑ Cyber Risk Alert: Included on **pages 18-21** is an email blast with a copy of two communications on cyber risk alerts and scams distributed by the Fund Office on behalf of Edward Cooney.

❑ Financial Disclosures: All JIF Commissioners and required professionals completed the online filing of the Financial Disclosure forms by the April 30th filing deadline.

❑ Auditor & Actuary Year-End Reports: The financial audit for the period ending December 31, 2025 will be ready for review and approval at the June meeting and will be filed with the Departments of Insurance and Community Affairs by the June 30th deadline.

❑ Due Diligence:

- ❑ Financial Fast Track report as of March 31, 2026 (pages 22-23)
- ❑ Loss Ratio Report as of March 31, 2026 (page 24)

- ❑ Next meeting:** The next Cyber JIF meeting is scheduled for June 18, 2026 at 1:30 PM via audio / video teleconference.

NJ Cyber Risk Management Fund
Operations Committee – Meeting via Zoom
Monday May 18, 2026 11:30 am
Minutes

Committee Members:

Michael Razzo, Committee Chairman
Joy Tozzi, Committee Commissioner
Casey Wagner, Committee Commissioner (alt.)

Fund Professionals:

Executive Director	Joseph Hrubash, PERMA	Present
Asst. Executive Director	Cate Kiernan, PERMA	Present
Deputy Executive Director	Paul Forlenza, RPA	Present
Planning Consultant	Barbara Murphy, RLM	Present
Underwriting Manager	Ed Cooney, Conner Strong	Present
Attorney	Fred Semrau & Susan Sharpe, Dorsey & Semrau	Present

In Attendance:

Steve Sacco, PERMA
Brad Stokes, PERMA
David Grubb, PERMA
Kamini Patel, RPA
Kelly Machu, PEGAS
Robyn Walcoff, PERMA
Zareena Majeed, PERMA
Brandon Tracy, PERMA

The NJ Cyber Operations Committee met to discuss and recommend several items. The following discussion and recommendations ensued.

Cyber JIF Alert – Outsourced Vendor Breach: Underwriting Manager said an email was distributed to members of the Cyber Fund including risk management consultants alerting those to a breach to a common outsourced vendor used by large numbers of members: SDL (Spatial Data Logic) aka GovPilot. Below is what we know at this time, including SDL’s email to customers.

Vendor: SDL (aka GovPilot) <https://getsdl.com/>

Timeline: Unaware when breach started, but platform was down for the last 72 hours (allegedly up and running again yesterday)

Potential Impacts: Each organization using SDL products will have a different situation, but there is potential for at least personally identifiable information (PII), customer credit card data, and interruption of operations

Mr. Cooney said he worked with the Cyber insurer to mass report potentially affected members and asked those affected members to notify his office. Members are encouraged to reach out with questions or if they need assistance on next steps and to also call the AXA XL hotline to begin working through the actual or potential issues. Ms. Kiernan noted that Mullen & Coughlin will not

be assigned to any claim resulting from this breach. Ms. Walcoff said Cipriano and Werner and possibly McDonald Tompkins will be used instead. In response to Ms. Patel, Mr. Cooney said the deductible will be applied to the individual member towns for this scenario.

Until we know more, members are encouraged to ensure they are utilizing unique passwords as work than those used on the SDL platform. Also, be wary of the data continuously being shared. Most importantly, reach out to SDL for information about the event. Committee Chair Razze thanked Mr. Cooney for being proactive in getting all parties at the table and opening the discussion immediately.

Educational Programs: Asst. Executive Director provided updates on the educational program.
Cyber JIF Accreditation Program: The accreditation program, approved by the Board of Fund Commissioners at the March 19th Fund meeting, has been tentatively scheduled for Friday October 2nd and Friday October 9th from 9am – 2pm at the National Conference Center in East Windsor. Underwriting Manager said now that the venue is locked in the curriculum will be finalized and speakers brought in. Ms. Keirnan said the Executive Director’s office will be sending a save the date. The program is intended for risk managers, but Fund Commissioners are welcome to attend.

2026 Webinar Series: Mr. Cooney said the following Cyber Educational Series topics (1) Artificial Intelligence and (2) Cybersecurity Insights in 2026: Emerging Risks, JCFI Banking Controls, and Framework Fundamentals will be held on Tuesday June 23rd at 10am and Wednesday, August 5th at 10am. Registration links will be sent following the May Fund meeting.

Risk Control Services: Executive Director, Deputy Executive Director, Planning Consultant and Underwriting Manager have met twice since the last operations committee meeting to review the current Xcitium contract. The taskforce consulted with the Chertoff Group and several municipal IT professionals. A draft scope of services is being finalized for cyber training/phishing simulation and vulnerability scanning which will be presented to the committee. Ms. Kiernan said the group aims to finalize the scope of services in time for the June Fund meeting and issue a CCRFP in July or August as the current contract expires in September.

Cyber Claims: Mr. Cooney explained current concerns from members regarding local public contracts law and the assignment cyber legal and forensic services from the insurance company. Mr. Cooney and the Fund Attorney found a solution through a master service agreement between Mullen-Coughlin and the Cyber JIF to guarantee payments and retention with individual short contracts for members to address confidentiality. The agreement would not contain dollar amounts. Included in the agenda for the committees review was the final draft agreement.

Fund Attorney emphasized the importance of this agreement while still maintaining the establishment of attorney-client privilege adding the solution is a good fit for members’ needs. Mr. Cooney said key commissioners reviewed and approved of the agreement. Deputy Executive Director Forlenza said this resolves a longstanding issue for many towns. Operations committee recommended presenting the final draft to the Board for approval.

Amending Deductible Controls: Mr. Cooney said that at the March 19th Fund meeting the Board of Fund Commissioners were presented with amended deductible control options where basic deductible is reduced to \$25,000, intermediate the deductible is reduced to \$0 and advanced gets premium reduction of 20%. In response to Ms. Kiernan, Underwriting Manager said to qualify for the advanced tier, member must also meet basic and intermediate. Before processing premiums credit, members will have to provide supporting documentation. Currently, supporting documentation is only required when a member has a claim. The committee agreed that advanced

tier compliance review would be annual. Discussion ensued and it was clarified that the amended structure will be for claims incurred after June 1, 2026 and the premium reduction would not be dependent on a claim. Ms. Kiernan and Ms. Walcoff clarified that the premium reduction is for effort and expense at the time of review, not dependent on claims.

Deputy Executive Director Patel asked about scenarios where members lose compliance after receiving a premium reduction and it was agreed on annual reviews of compliance rather than retroactive collection. Commissioner Wagner suggested if the administrative burden of reviewing the documentation becomes too much the task can be added into the cyber scope of services. The operations committee supported the structure, noting the need to balance incentives with administrative feasibility and Underwriting Manager will develop concrete guidelines for rollout.



MULLEN
COUGHLIN^{LLC}
ATTORNEYS AT LAW

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426 W. Lancaster Avenue, Suite 200
Devon, PA 19333

April 9, 2026

VIA ELECTRONIC MAIL

New Jersey Cyber Risk Management Fund
c/o PERMA Risk Management Services
9 Campus Drive, Suite 216
Parsippany, NJ 07054

Re: New Jersey Cyber Risk Management Fund - Terms of Engagement

Dear Sir or Madam:

Thank you for your interest in retaining Mullen Coughlin LLC as your attorneys. The purpose of this correspondence is to establish the terms and conditions of future representation of New Jersey Cyber Risk Management Fund (“You”) and the Member which is a member of Your organization that will be specified in an Acknowledgment Letter (“Member”) by Mullen Coughlin LLC (“Mullen Coughlin” or “the Firm”), including but not limited to the financial terms. This correspondence may be referred to as “Terms of Engagement” or the “Agreement.”

If You engage us in connection with a claim submitted to an insurance carrier, the insurance policy may provide that, among other things, You may be responsible for a Self-Insured Retention (“SIR”).

Please read the Terms of Engagement with care. By accepting these Terms, You are agreeing that they will be incorporated by reference into any future representation of You by the Firm.

1. **PARTIES TO THE TERMS OF ENGAGEMENT**

The parties are Mullen Coughlin, You, and the Member specified in an Acknowledgment Letter. No other person or entity shall be entitled to claim an attorney-client relationship with the Firm with respect to the legal services to be provided pursuant to the terms of the Agreement.

2. INCEPTION OF ATTORNEY CLIENT RELATIONSHIP

The information that was shared with us during our initial period of consultation with You and/or the Member was shared within a representation limited to the consultation. That attorney-client relationship was finite. It does not continue to exist, and Mullen Coughlin is not obligated to provide legal services described, until You have returned a signed copy of this Agreement and You and the Member have returned a signed copy of an Acknowledgment Letter describing a specific undertaking by the Firm to provide representation.

3. SCOPE OF REPRESENTATION: ACKNOWLEDGMENT LETTERS

Mullen Coughlin will perform only those legal services set forth in separate Acknowledgment Letters, sample forms of which are attached as Exhibit A. You agree that You have no expectation that the Firm will provide legal services beyond those set forth in an Acknowledgment Letter, unless Mullen Coughlin and You amend the Terms of Engagement in writing or execute a separate agreement with respect to any such additional legal services. When services set forth in Acknowledgment Letters are completed, our representation of You and the Member shall end. When no services are being performed pursuant to an Acknowledgment Letter, You and the relevant Member will be considered former clients for purposes of conflicts of interests. The attorney-client relationship will resume upon execution of the next Acknowledgment Letter. Nothing in this Section shall in any way limit Your obligation to pay for, or the Firm's right to receive payment for any services provided by the Firm at Your request.

4. INFORMATION RETENTION

You and the Member are generally required by law to retain documents, including electronically stored information ("ESI"), which may be relevant to a legal matter which is the subject of a representation. Preservation of documents including ESI is Your and the Member's responsibility, and it is important that You and the Member take all necessary and reasonable steps to preserve this information. The Firm is available to discuss the scope of Your and the Member's obligations and to provide advice or recommendations in this regard.

5. DUTIES OF CLIENT/YOU

You agree to provide Mullen Coughlin with complete and accurate information and documents, cooperate, keep us informed of relevant developments, abide by the Terms of Engagement, any applicable Acknowledgment Letter and pay our statements on time. In addition, You will advise us of any changes to Your address or other contact information as well as any change of applicable insurer.

6. LEGAL FEES

We will charge You for the services provided pursuant to the Terms of Engagement and Acknowledgment Letters based on the amount of time (including travel) we devote to the matter at the prevailing hourly rates for the particular professionals. For claims which You submit to an insurance carrier, our rates are subject to change in the future, but will always reflect our then-

current preferred rates with your insurance carrier only. Rates applying to any specific engagement will be provided to you in an Acknowledgment Letter. We reserve the right to reasonable annual rate increases, subject to Your consent, which shall not be unreasonably withheld.

We bill in minimum units of 6 minutes, or .1 hour. We reserve the right to staff the handling of the matter with the partners, associates, paralegals and/or other personnel of our choice, at the rate we establish for each such timekeeper, although we will discuss the staffing of Your matter with You at any time and consider Your input in the staffing of the matter.

7. COSTS, EXPENSES AND OTHER CHARGES

a. COSTS AND EXPENSES: EXHIBIT B

We will incur on Your behalf various costs and expenses in performing legal services under the Terms of Engagement and Acknowledgment Letters. You agree to pay for those costs and expenses in addition to the hourly fees. Exhibit B, attached, includes a non-exhaustive list of costs we may incur on Your behalf.

b. OUTSIDE CONSULTANTS/OTHER VENDORS

In addition to costs of the type set forth in Exhibit B, it may become necessary to hire persons or entities outside Mullen Coughlin, including but not limited to consultants, forensics and other experts, investigators, or other professional service providers. We will select any consultants or investigators to be hired after notice to and consultation with You, and You agree to honor the terms and conditions of any agreement with any such outside person or entity that we enter into on Your behalf and with Your consent.

c. REIMBURSEMENT OR DIRECT PAY

We reserve the right in our sole discretion to either pay directly any of the costs incurred such as those set forth in Exhibit B, and/or for outside consultants or other vendors, or to ask You to pay any such expense directly. If we pay costs directly You agree to reimburse us as stated in Section 8. If we exercise our right to require You to pay an outside vendor invoice directly, and You fail to do so, You agree to defend and indemnify the Firm with respect to any claims, demands or suit brought against the Firm as a result of Your failure to pay such invoice. Payment directly by the Firm of any such expense shall not be construed as a waiver of our right to require You in the future to pay any similar expense directly.

8. PERIODIC STATEMENTS AND BILLING TERMS

Our practice is to send periodic statements for services rendered and for costs incurred during the previous month or months. The detail in the periodic statement will inform You of both the nature and progress of work and of the fees and costs being incurred.

Our fee structure is based upon Your promise to pay all statements no later than 30 days after receipt.

We do our best to see that our clients are satisfied not only with our services, but also with the reasonableness of the fees and costs. While we urge You to raise any question about or objection to a fee statement, You must do so promptly. Such inquiry shall be timely only if made, in writing, within thirty (30) days after the date of the invoice. In the absence of a timely written inquiry, You will be deemed to have accepted the invoice and to have acknowledged that You are satisfied with it, in the absence of good cause for not having objected more timely.

In the event You fail to pay any invoice within thirty (30) days of the statement date, You agree to pay interest at the maximum rate allowed by law on the amount of such invoice, from the statement date until paid in full. If we accept late payment of any invoice without interest, we shall not be deemed to have waived any claim in the future for interest on other invoices. If You timely object in writing to a portion of a statement, You agree to pay the remainder of the statement which is not in dispute. We agree to accept such partial payment without claiming You have waived Your right to contest the unpaid portion of the bill.

Failure to pay the undisputed amount of any invoice in full within 30 days shall constitute grounds for termination of this Agreement and withdrawal of the Firm from representation, as more fully discussed in Section 11.

9. TERMINATION OF THE FIRM BY YOU

You shall have the right to terminate this Agreement and discharge the Firm at any time. However, to be effective, termination or discharge of the Firm must be in writing. In such event, You authorize the Firm to make and retain a duplicate of Your file.

You shall bear all reasonable costs of transferring the new matter to counsel chosen by You.

The attorney/client relationship between the Firm and You shall end upon discharge of the Firm by You pursuant to this Section. However, such discharge shall not relieve You of any obligation to pay fees and costs incurred prior to the discharge, as well as any fees and costs expended after the discharge to the extent reasonably required in the Firm's sole discretion to protect Your interests or in the event of litigation, until a court order is entered permitting the Firm to withdraw.

10. WITHDRAWAL FROM REPRESENTATION BY THE FIRM

The Firm shall be permitted to withdraw from representation whenever required or permitted to do so by law. In addition, the Firm may withdraw as counsel at any time if withdrawal can be accomplished without material adverse effects on the interests of You, or if: 1) You persist in a

course of action involving a lawyer's services that the lawyer reasonably believes to be criminal or fraudulent; 2) You have used the lawyer's services to perpetrate a crime or fraud; 3) You insist upon pursuing an objective that the lawyer considers repugnant or imprudent; 4) You fail substantially to fulfill an obligation to Mullen Coughlin regarding the Firm's services (including, but not limited to, Your financial obligations under these Terms of Engagement) after reasonable warning from the lawyer that the lawyer will withdraw unless the obligation is fulfilled; 5) the representation will result in an unreasonable financial burden on the lawyer or has been rendered unreasonably difficult by You; or 6) where other good cause for withdrawal exists.

11. DOCUMENT RETENTION POLICY

If, during the course of a representation, You or the Members provide the Firm with Personally Identifiable Information (“PII”) or Protected Health Information (“PHI”), You and the Members should retain a copy of what was sent to us. We may not incorporate PII or PHI into Your Mullen Coughlin file or preserve it as part of Your file. PII or PHI may be held by us in a manner distinct from Your file and may be eliminated from our records as soon as the need for it has been satisfied. This may mean that it will be deleted even while Your matter is ongoing. If the PII or PHI is required again we will make another request. **The copy that You retain may be the only copy available in the future.** It should be preserved as required by law including any applicable litigation holds.

On termination of a matter, the Firm will maintain file documents for 6 years, or any alternate period as determined by the State of New Jersey. Upon termination of the matter, You have the right to take possession of the file. If You choose to take possession of the file, the Firm may copy all or any part of the file. If You choose not to take possession of the file, the Firm will retain the file pursuant to its document storage policy stated above.

12. CHOICE OF LAW/FORUM SELECTION

Any dispute arising from this Agreement shall be governed by the laws of New Jersey.

13. NO PROMISES OR GUARANTEES

You understand that Mullen Coughlin has not and will not make promises or guarantees concerning the outcome of any representation or matter set forth in the Acknowledgment Letters.

14. RIGHT TO SEPARATE COUNSEL

You acknowledge having had the opportunity to seek the advice of separate counsel with respect to this Agreement.

15. LEGAL MALPRACTICE INSURANCE

As of the date of this letter, Mullen Coughlin has errors and omissions (legal malpractice) insurance applicable to the services to be rendered pursuant to this Agreement and subsequent Acknowledgment Letters, subject to any applicable deductible or SIR.

16. MODIFICATION IN WRITING ONLY

No change to this Agreement shall be effective unless and until confirmed in writing and signed and acknowledged by the Firm and You making express reference to this Agreement. The Terms of Engagement together with an Acknowledgment Letter will embody the whole agreement of the parties with respect to any representation undertaken by the Firm. There are no promises, terms, conditions or obligations other than those contained herein, and this contract shall supersede all previous communications, representations, or other agreements, either oral or written, between the Firm and You.

17. COUNTERPARTS AND FACSIMILES EFFECTIVE

This Terms of Engagement may be signed in counterpart. Facsimile or imaged signature pages executed by the Firm or You shall be effective as original signatures.

Thank You for choosing Mullen Coughlin as Your counsel.

We look forward to working with You and thank You once again for the opportunity to serve You.

Dated: _____

Accepted and agreed to:

By: _____

Name: _____

Company: _____

Title: _____

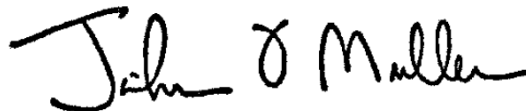
Address: _____

Phone: _____

Fax: _____

E-mail: _____

Very truly yours,



John F. Mullen of
MULLEN COUGHLIN LLC

JFM:mdb

EXHIBIT "A":
Sample Incident Response Acknowledgment Letter

VIA ELECTRONIC MAIL

New Jersey Cyber Risk Management Fund
c/o PERMA Risk Management Services
9 Campus Drive, Suite 216
Parsippany, NJ 07054
E-mail: jhrubash@permainc.com

And
[MEMBER INFORMATION]

Re: Acknowledgment of New Assignment

Dear:

This Acknowledgment Letter is issued pursuant to the Terms of Engagement between New Jersey Cyber Risk Management Fund ("You"), the organization named herein (the "Member"), and Mullen Coughlin LLC ("Mullen Coughlin"), dated April 9, 2026 ("Terms of Engagement") which are incorporated by reference as though fully set forth at length. By signing this Acknowledgment Letter, You and the Member agree that the Terms of Engagement apply to Mullen Coughlin's representation of them and that they are authorized to bind You and the Member, respectively, to same.

Scope of Work

[Insert Scope of Work description for relevant matter].

You and/or the Member have made an insurance claim with [CARRIER] for this matter. The claim number associated with this incident is [CLAIM NUMBER]. The Insurance Policy provided through [CARRIER] provides that, among other things, You may be responsible for a Self-Insured Retention ("SIR") in the amount of \$[SIR AMOUNT].

Incident Response Engagements - Hourly rates for legal personnel based on the date of execution of the Acknowledgment Letter are as follows:

\$[X] Partner
\$[X] Associate
\$[X] Paralegal

Kindly indicate your agreement by signing below and returning an executed copy.

Very truly yours,
John F. Mullen of
MULLEN COUGHLIN LLC

Mullen.law

RESOLUTION NO: 29-26
NEW JERSEY CYBER RISK MANAGEMENT FUND
(hereafter referred to as the “FUND”)
AMENDING DEDUCTIBLE CONTROLS FOR 2026 RENEWAL
OF EXCESS CYBER COVERAGE

WHEREAS, the FUND is duly constituted as a Joint Insurance Fund, as permitted under the laws promulgated by the State of New Jersey, (N.J.S.A. 40A-36, et seq.); and

WHEREAS, the FUND is authorized to establish deductible controls for cyber renewals; and

WHEREAS, the Underwriting Manager has recommended the following changes to deductible incentives for the 2026 renewal. Effective June 1, 2026:

- For Basic level, reduce deductible from \$35,000 to \$25,000;
- For Intermediate level, reduce deductible from \$20,000 to \$0; and
- For Advanced level, provide a premium reduction of 20%; and

WHEREAS, the Operations Committee has reviewed the proposed changes and recommends adoption by the Board of Fund Commissioners.

NOW, THEREFORE BE IT RESOLVED, by the NJ Cyber Risk Manager Fund hereby approves the following changes to deductible incentives for the 2026 renewal, effective June 1, 2026:

Deductible Reductions Groups

Basic: Deductible reduced to \$25,000

Intermediate: Deductible reduced to \$0

Advanced: Premium reduction of 20%

ADOPTED: this 21st day of May 2026 before the Governing Body:

Joy Tozzi, Chair

Adam Brewer, Secretary

From: [Jaine Testa](#)
To:
Cc:
Subject: Cyber JIF: ALERT - Outsourced Vendor Breach
Date: Friday, May 15, 2026 12:43:27 PM

Ed Cooney has issued an important email regarding a cyber breach.

The email below was sent today to PERMA JIF fund commissioners and their risk managers.

Memo to: Fund Commissioners
Risk Management Consultants
Joint Insurance Funds

From: Edward Cooney
Underwriting Manager

Yesterday we learned of a breach to a common outsourced vendor used by large numbers of members: SDL (Spatial Data Logic) aka GovPilot. **We have worked with the Cyber insurer to mass report potentially affected members. Please let us know if you have been affected.** We encourage members with questions or who need assistance on next steps to also call the AXA XL hotline to begin working through the actual or potential issues.

Below is what we know at this time, including SDL's email to customers.

- **Vendor:** SDL (aka GovPilot) <https://getsdl.com/>
- **Timeline:** Unaware when breach started, but platform was down for the last 72 hours (allegedly up and running again yesterday)
- **Potential Impacts:** Each organization using SDL products will have a different situation, but there is potential for at least personally identifiable information (PII), customer credit card data, and interruption of operations

Until we know more, we strongly encourage members to ensure they are utilizing unique passwords as work than those used on the SDL platform. Also, be wary of the data continuously being shared. Most importantly, reach out to SDL for information about the event.

SDL CEO's Email
May 14, 2026

Dear SDL Customers,

Before anything else, I want to acknowledge that the last few days have been stressful and exhausting; and that falls on me. While our team has worked hard to restore systems, I have spoken with a number of you directly and I recognize that my communication throughout this has been lacking. For many of you, that has had a greater negative impact than the outage itself. That's on me to fix, and I'm committed to doing better from here forward, starting with this letter.

I am writing to inform you of a recent security incident affecting the SDL Hosted Desktop Environment and to share what we know at this time.

On May 11, 2026, we became aware of irregular activity within the SDL Hosted Desktop Environment. In response, we promptly shut down the affected systems and launched an investigation to determine the nature and scope of the event. We have engaged experienced third-party cybersecurity specialists to assist with the investigation and are working in coordination with law enforcement. Our investigators are currently assessing the full scope of the incident, and that work is ongoing.

We are committed to being as transparent as possible with you. At the same time, investigations of this type are complex and take time, and it is important that we allow the investigation to run its course so that we do not share information that later proves to be inaccurate or incomplete. We appreciate your patience as we work through this carefully.

Please know that if the investigation identifies any information that would require notification to carriers or that raises privacy concerns affecting you, we are committed to communicating that to you as promptly as possible. We will continue to provide relevant updates as the investigation progresses.

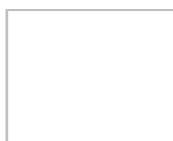
I recognize that the level of detail we are able to share at this stage is likely less than what you are hoping for. If you have concerns about specific information, files, or other matters that may impact you, I would welcome the opportunity for a one-on-one conversation. Please reach out to our Customer Success team, who is serving as our single point of contact for customer inquiries related to this matter, at success@getsdl.com, and we will set up time to talk through your specific concerns directly.

Maximizing the security of the information in our care remains a top priority. Based on what we learn through this investigation, we will take action as needed to further enhance our existing security policies and procedures.

Thank you for your patience, your partnership, and your continued trust in SDL/GovPilot.

*Sincerely,
Javier Muniz
Chief Executive Officer
SDL/GovPilot*

Edward Cooney, MBA, CCIC
Partner



Managing Account Executive



9 Campus Drive | Suite 216 | Parsippany, NJ 07054
P [973-659-6424](tel:973-659-6424)
ecooney@connerstrong.com | connerstrong.com

Memo To: Joint Insurance Fund Commissioners (via bcc)
Cyber JIF Members

CC: Risk Management Consultants Edward

From: Cooney, Underwriting Manager Cyber

Subject: Risk Alerts & Scams

Attached are 2 Cyber Risk Alerts:

1. Summarizes an actual scam emailed to a member mirroring a joint insurance fund billing communication.
2. Outlines recent scam communications sent to residents mimicking town procedures. Towns can distribute this attachment as a warning to its residents.
(Can edit specific town information at the bottom.)

For more information or details, contact the Underwriting Manager or your local JIF Executive Director.

Thank you.



SCAM ALERT: CYBER CRIMINALS ARE IMPERSONATING OUR TOWN

Scammers are posing as our Town to trick residents into paying fake bills—such as Board of Adjustment fees and tax bills.



WHAT TO KNOW

- Scammers may send emails, texts, calls, or letters that look official.
- They may use our Town’s name, logo, and even official-looking seals.
- Their goal is to steal your money or personal information.

The Town will **NEVER** demand immediate payment or payment by gift card, wire transfer, or cryptocurrency.

HOW TO PROTECT YOURSELF



VERIFY BEFORE YOU PAY

If you receive a bill or payment request, contact the Town directly using a phone number or email from our official website—not the contact information in the message or bill.



CHECK FOR RED FLAGS

Be suspicious of:

- Unexpected bills
- Urgent payment demands
- Threats of penalties or legal action
- Poor grammar or spelling
- Links or attachments in emails or texts



DON'T CLICK. DON'T OPEN.

Do not click on links or open attachments in emails or texts about bills.

Visit our official website directly to make a payment or check your account.



CONTACT THE TOWN DIRECTLY

When in doubt, call the Town using the official number listed on our website or a recent statement you trust.



PROTECT YOUR INFORMATION

The Town will never ask for your full SSN, bank account, or credit card information by email, text, or phone.



REPORT IT

If you believe you've been targeted by a scam:

- Contact the Town Office
- Report it to local law enforcement
- File a complaint with the Federal Trade Commission (FTC) [ReportFraud.ftc.gov](https://www.ftc.gov/report-fraud)



WHEN IN DOUBT, REACH OUT.

We're here to help keep our community safe.



YOUR TOWN. YOUR COMMUNITY. OUR PRIORITY.

Thank you for helping us protect our community.



Visit our official website:

[YOURTOWNWEBSITE.GOV]



When Routine Becomes Risky

“It looked exactly like every other email.....until it didn’t.”

Our Joint Insurance Fund members and professionals operate collaboratively, relying on consistent, trusted communication for everything from risk management advice to assessments. These processes are routine, predictable, and – under normal circumstances – reliable. That predictability is exactly what made the member vulnerable.

The Situation

A cyber attacker gained visibility into email communications between the JIF and one of its members. This was not a loud or disruptive breach. There was no ransomware, no system outage – just quiet observation. The attacker likely compromised an email account of the member, allowing them to monitor real correspondence over time. They studied:

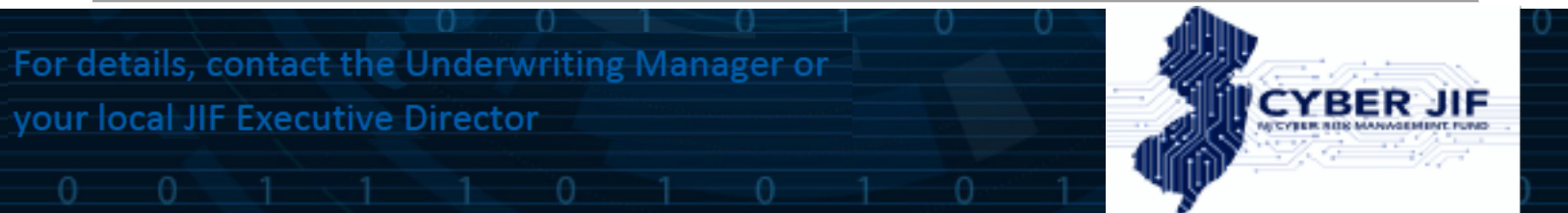
- ✓ The tone and structure of assessment emails
- ✓ Timing and frequency of communications
- ✓ Names, titles, and signature blocks
- ✓ Payment expectations and workflows

With this intelligence, the attacker didn’t need to guess – they **replicated reality**.

The Attempt

At the right moment, the attacker inserted themselves into the process. They sent a fraudulent email that closely mirrored legitimate JIF communications. The message requested an additional or modified payment, using familiar language and formatting. It carried urgency, but not enough to raise immediate alarm. To an untrained eye, it was indistinguishable from prior legitimate requests.

This is a classic **Business Email Compromise (BEC)** scenario—where trust, not technology, is the primary target.





The Outcome

Fortunately, the attempt was identified before funds were transferred. Subtle inconsistencies triggered a closer look, and the request was halted. When the email instructed the member to change their payment method, they decided to contact the JIF office using the phone number they already have on hand to confirm the legitimacy of the email before funds were transferred.

But the near miss exposed a critical reality: **The attacker didn't break the system – they blended into it.**

Key Takeaways

- ✓ **Email is not inherently trustworthy**, even when it appears internal or familiar
- ✓ **Attackers study behavior**, not just systems
- ✓ **Routine financial processes are prime targets** for manipulation
- ✓ **A single compromised account can expose an entire workflow**

Treat every financial request as untrusted until independently verified.

Implement immediate safeguards:

- ✓ Require **out-of-band verification** (phone call to a known contact) for any payment request or change
- ✓ Enforce **dual authorization** for all disbursements
- ✓ Deploy **multi-factor authentication (MFA)** across all email accounts
- ✓ Audit and monitor **email forwarding rules and login activity**
- ✓ Train staff to recognize **Business Email Compromise tactics**

For details, contact the Underwriting Manager or
your local JIF Executive Director



**NEW JERSEY CYBER RISK MANAGEMENT FUND
FINANCIAL FAST TRACK REPORT**

March 31, 2026

ALL YEARS COMBINED

	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
UNDERWRITING INCOME	1,723,565	19,597,602	21,321,167
CLAIM EXPENSES			
Paid Claims	71,411	1,533,301	1,604,713
Case Reserves	12,304	320,714	333,019
IBNR	25,847	2,309,559	2,335,406
Recoveries	-	(24,235)	(24,235)
Total Claims	109,562	4,139,340	4,248,902
EXPENSES			
Excess Premiums	520,251	6,679,327	7,199,578
Administrative	426,285	3,106,523	3,532,808
Total Expenses	946,535	9,785,850	10,732,386
UNDERWRITING SURPLUS	667,467	5,672,412	6,339,879
INVESTMENT INCOME	88,836	628,082	716,918
DIVIDEND EXPENSE	-		-
OPERATING SURPLUS	756,303	6,300,494	7,056,797
SURPLUS	756,303	6,300,494	7,056,797

SURPLUS (DEFICITS) BY FUND YEAR

2023	33,194	3,231,248	3,264,442
2024	99,920	1,857,371	1,957,291
2025	208,677	1,211,875	1,420,552
2026	414,511		414,511
TOTAL	756,303	6,300,494	7,056,797
TOTAL CASH			10,267,557

CLAIM ANALYSIS BY FUND YEAR

	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
FUND YEAR 2023			
Paid Claims	-	764,559	764,559
Case Reserves	-	(0)	(0)
IBNR	(6,933)	27,984	21,051
Recoveries	-	(24,235)	(24,235)
Total Claims	(6,933)	768,308	761,375
FUND YEAR 2024			
Paid Claims	(25,443)	418,033	392,590
Case Reserves	(7,402)	77,798	70,396
IBNR	(41,413)	720,219	678,806
Recoveries	-	-	-
Total Claims	(74,257)	1,216,049	1,141,792
FUND YEAR 2025			
Paid Claims	96,854	350,710	447,563
Case Reserves	19,706	242,917	262,623
IBNR	(300,112)	1,561,356	1,261,244
Recoveries	-	-	-
Total Claims	(183,553)	2,154,983	1,971,430
FUND YEAR 2026			
Paid Claims	-		-
Case Reserves	-		-
IBNR	374,305		374,305
Recoveries	-		-
Total Claims	374,305	-	374,305
COMBINED TOTAL CLAIMS	109,562	4,139,340	4,248,902

*This report is based upon information which has not been audited nor certified
by an actuary and as such may not truly represent the condition of the fund.

Cyber Risk Management Fund

Loss Ratios By JIF

Valued as of : 3/31/2026

Fund Year 2026

JIF Name	Loss Fund	# of Claims	Total Paid (Net Recoveries)	Total Incurred	Loss Ratio	Profit/Loss
ATL	186,122	0	0	0	0.00%	186,122
BER	232,454	0	0	0	0.00%	232,454
BURL	157,369	0	0	0	0.00%	157,369
CAM	211,685	1	0	0	0.00%	211,685
CNTRL	141,010	0	0	0	0.00%	141,010
FRESP	108,675	0	0	0	0.00%	108,675
MID JERSEY	110,284	0	0	0	0.00%	110,284
MON	214,939	0	0	0	0.00%	214,939
MOR	276,195	0	0	0	0.00%	276,195
NJPHA	360,523	1	0	0	0.00%	360,523
NJSI	25,052	0	0	0	0.00%	25,052
NJUA	300,001	1	0	0	0.00%	300,001
OCE	168,920	0	0	0	0.00%	168,920
PAIC	92,023	0	0	0	0.00%	92,023
PMM	31,136	0	0	0	0.00%	31,136
SBER	151,522	0	0	0	0.00%	151,522
SBEX	71,582	0	0	0	0.00%	71,582
SBMU	74,396	0	0	0	0.00%	74,396
TRICO	190,194	0	0	0	0.00%	190,194
Totals	3,104,082	3	0	0	0.00%	3,104,082

Fund Year 2025

JIF Name	Loss Fund	# of Claims	Total Paid (Net Recoveries)	Total Incurred	Loss Ratio	Profit/Loss
ATL	182,676	3	264,050	375,000	205.28%	(192,324)
BER	210,315	1	0	0	0.00%	210,315
BURL	142,390	1	0	0	0.00%	142,390
CAM	191,563	1	0	0	0.00%	191,563
CNTRL	120,089	0	0	0	0.00%	120,089
FRESP	92,730	0	0	0	0.00%	92,730
MID JERSEY	99,779	2	0	0	0.00%	99,779
MON	194,108	2	2,608	25,000	12.88%	169,108
MOR	256,285	1	0	0	0.00%	256,285
NJPHA	328,319	1	6,773	25,000	7.61%	303,319
NJSI	29,427	0	0	0	0.00%	29,427
NJUA	271,418	1	38,218	75,000	27.63%	196,418
OCE	152,840	2	249,915	250,000	163.57%	(97,160)
PAIC	83,382	1	0	0	0.00%	83,382
PMM	28,173	0	0	0	0.00%	28,173
SBER	137,102	2	33,815	100,000	72.94%	37,102
SBEX	64,793	0	0	0	0.00%	64,793
SBMU	67,319	1	15,895	15,895	23.61%	51,424
TRICO	176,019	2	17,000	25,000	14.20%	151,019
Totals	2,828,727	21	628,272	890,895	31.49%	1,937,832

Fund Year 2024

JIF Name	Loss Fund	# of Claims	Total Paid (Net Recoveries)	Total Incurred	Loss Ratio	Profit/Loss
ATL	170,274	4	84,362	84,362	49.54%	85,913
BER	196,043	2	46,548	75,000	38.26%	121,043
BURL	132,720	0	0	0	0.00%	132,720
CAM	178,532	3	109,140	133,613	74.84%	44,919
CNTRL	111,904	2	230,970	248,441	222.01%	(136,537)
FRESP	89,012	0	0	0	0.00%	89,012
MID JERSEY	71,009	1	0	0	0.00%	71,009
MON	180,925	1	0	0	0.00%	180,925
MOR	232,591	0	0	0	0.00%	232,591
NJPHA	302,412	0	0	0	0.00%	302,412
NJSI	27,431	0	0	0	0.00%	27,431
NJUA	245,893	1	48,783	48,783	19.84%	197,111
OCE	142,443	2	0	0	0.00%	142,443
PAIC	84,330	1	0	0	0.00%	84,330
PMM	26,256	0	0	0	0.00%	26,256
SBER	127,795	2	0	0	0.00%	127,795
SBEX	60,335	0	0	0	0.00%	60,335
SBMU	62,745	0	0	0	0.00%	62,745
TRICO	167,085	3	52,420	52,420	31.37%	114,665
Totals	2,609,735	22	572,222	642,618	24.62%	1,967,117

Fund Year 2023

JIF Name	Loss Fund	# of Claims	Total Paid (Net Recoveries)	Total Incurred	Loss Ratio	Profit/Loss
ATL	183,567	2	13,786	13,786	7.51%	169,782
BER	177,293	1	0	0	0.00%	177,293
BURL	127,278	0	0	0	0.00%	127,278
CAM	173,376	0	0	0	0.00%	173,376
CNTRL	79,172	1	175,324	175,324	221.45%	(96,152)
FRESP	107,280	0	0	0	0.00%	107,280
MID JERSEY	63,258	1	0	0	0.00%	63,258
MON	182,479	1	33,278	33,278	18.24%	149,202
MOR	211,892	0	0	0	0.00%	211,892
NJPHA	319,465	0	0	0	0.00%	319,465
NJSI	24,246	0	0	0	0.00%	24,246
NJUA	236,526	0	0	0	0.00%	236,526
OCE	142,702	1	0	0	0.00%	142,702
PAIC	91,160	0	0	0	0.00%	91,160
PMM	21,575	0	0	0	0.00%	21,575
SBER	111,310	3	391,820	391,820	352.01%	(280,510)
SBEX	55,018	0	0	0	0.00%	55,018
SBMU	47,620	0	0	0	0.00%	47,620
TRICO	169,182	2	356,935	356,935	210.98%	(187,753)
Totals	2,524,399	12	971,142	971,142	38.47%	1,553,257

NEW JERSEY CYBER RISK MANAGEMENT FUND BILLS LIST

Resolution No. 30-26

APRIL 2026

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the New Jersey Cyber Risk Management Fund’s Executive Board, hereby authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

FUND YEAR 2026

<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
APEX INSURANCE AGENCY, C/O XL INSURANCE	TECH. ERROR- OMISSION 2 OF 2 2026 04/26	846,588.50 846,588.50
CB CLAIMS LLC	CLAIMS ADMIN FEES 04/26	2,210.83 2,210.83
PERMA RISK MANAGEMENT PERMA RISK MANAGEMENT	POSTAGE 03/26 ADMIN FEES 04/26	8.88 11,054.25 11,063.13
THE ACTUARIAL ADVANTAGE	ACTUARY FEES 04/26	2,210.83 2,210.83
ARTHUR J GALLAGHER LLC dba	DEPUTY ADMINISTRATOR 04/26	4,421.67 4,421.67
CHARLES CUCCIA	TREASURER FEE 04/26	2,210.83 2,210.83
CONNER STRONG AND BUCKELEW	UNDERWRITING MGR 04/26	4,421.67 4,421.67
CHERTOFF GROUP LLC	CYBER PROGRAM SUPPORT 2/24/26-3/23/26	5,000.00 5,000.00
LARACY ASSOCIATES, LLC	INDEPENDENT ACCOUNTANT FEES 04/26	625.00 625.00
THE CANNING GROUP LLC	QPA SERVICES INV 2026-04/ADD. JAN-MAR	1,404.50 1,404.50
USA TODAY MEDIA CORP USA TODAY MEDIA CORP	A# 1120276 INV 7622163-12153499 3/12/26 A# 1120276 INV 7622163-12153322 3/13/26	6.88 32.68 39.56
	Total Payments FY 2026	880,196.52
	TOTAL PAYMENTS ALL FUND YEARS	880,196.52

Chairperson

Attest:

Dated: _____

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

**NEW JERSEY CYBER RISK MANAGEMENT FUND
BILLS LIST**

Resolution No. 31-26

MAY 2026

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the New Jersey Cyber Risk Management Fund’s Executive Board, hereby authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

FUND YEAR 2025

<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
JAMES GANT	2025 MEETING ATTENDANCE 5/26	1,200.00
		1,200.00
	Total Payments FY 2025	1,200.00

FUND YEAR 2026

<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
CB CLAIMS LLC	CLAIMS ADMIN FEES 05/26	2,210.83
		2,210.83
PERMA RISK MANAGEMENT	POSTAGE 04/26	7.40
PERMA RISK MANAGEMENT	ADMIN FEES 05/26	11,054.25
		11,061.65
THE ACTUARIAL ADVANTAGE	ACTUARY FEES 05/26	2,210.83
		2,210.83
ARTHUR J GALLAGHER LLC dba	DEPUTY ADMINISTRATOR 05/26	4,421.67
		4,421.67
DORSEY & SEMRAU	ATTORNEY FEES Q2 2026 05/26	13,265.10
		13,265.10
CHARLES CUCCIA	TREASURER FEE 05/26	2,210.83
		2,210.83
CONNER STRONG AND BUCKELEW	UNDERWRITING MGR 05/26	4,421.67
		4,421.67
CHERTOFF GROUP LLC	CYBER PROGRAM SUPPORT 3/24/26-4/28/26	5,000.00
		5,000.00
XCITIUM, INC	CYBER SEC. TRAIN/SCAN 3 OF 3 9/25-9/26	158,722.56
		158,722.56
LARACY ASSOCIATES, LLC	INDEPENDENT ACCOUNTANT FEES 05/26	625.00
		625.00
THE CANNING GROUP LLC	QPA SERVICES INV 2026-05 05/26	1,326.50
		1,326.50
HOLIDAY INN OF EAST WINDSOR	10/26 EVENT DEP. ORD 10844 & 10845 05/26	2,000.00
		2,000.00
	Total Payments FY 2026	207,476.64
	TOTAL PAYMENTS ALL FUND YEARS	208,676.64

Chairperson

Attest:

Dated: _____

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims

Treasurer

APPENDIX I

NEW JERSEY CYBER RISK MANAGEMENT FUND

OPEN MINUTES

MARCH 19, 2026

VIA TELECONFERENCE – 1:30 PM

Chairwoman Tozzi called the meeting to order and read the statement of compliance open public meeting act, followed by the Pledge of Allegiance.

ROLL CALL OF 2026 FUND COMMISSIONERS

Joy Tozzi - Chair	East Windsor - Mid-Jersey JIF	Present
Adam Brewer - Secretary	Pequannock Township – Morris JIF	Present
Megan Champney Kweselait	City of Summit- Suburban Municipal JIF	Present
James Gant	Sea Girt Borough – Monmouth JIF	Present
Michael Mevoli	Borough of Brooklawn - Camden JIF	Present
Bernard Rutkowski	Toms River MUA - NJUA JIF	Present
Marc Schrieks	Lodi Borough – South Bergen JIF	Absent
James Pacanowski	Ventnor City, Atlantic JIF	Present
Corey Gallo	Bergenfield - Bergen JIF	Present
Erin Provenzano	Delanco- Burlco JIF	Absent
Casey Wagner	Woodbridge - Central JIF	Present
Alan Pine	Mount Laurel Twp. FD#1 – FIRST JIF	Present
Matthew von der Hayden	Stafford Township – Ocean JIF	Present
Frank Elenio	Ridgefield Borough – PAIC JIF	Present
Kevin Aberant	Moorestown - PMM JIF	Absent
John Clarke	Princeton Housing Authority- NJPHA JIF	Present
James Ulrich	Clark Township – NJSI JIF	Present
Gary Jeffas	Secaucus – Suburban Metro JIF	Present
Michael Razze	Pittman Borough - Trico JIF	Present

PROFESSIONALS PRESENT:

Executive Director/Admin. PERMA Risk Management Services
Joseph Hrubash, Cathleen Kiernan

Deputy Executive Director Risk Program Administrators
Paul Forlenza, Kamini Patel

Claims Adjustor CB Claims LLC
Chris Botta, Esq.

Attorney Dorsey & Semrau
Sue Sharpe, Esq., Frederick Semrau, Esq.

Underwriting Manager Conner Strong & Buckelew
Edward Cooney

Cyber Security Training **Xcitium**
Alex Leonard

Treasurer **Chuck Cuccia**

ALSO PRESENT:

Joseph Capano, Cliffside Park Housing Authority, Alternate Fund Commissioner, NJPHA JIF

Justin Macko, Sea Girt Borough, Alternate Fund Commissioner, Monmouth JIF
Nate Clee, Clark Township
Diane Ambrosio, Ocean Township
Ezio Altamura, GJEM – Otterstedt Insurance Agency
Don Sciolaro, World Insurance Associates LLC
Tom Merchel, Conner Strong & Buckelew
Jonathon Tavares, Conner Strong & Buckelew
Dave Vozza, The Vozza Agency
Charles Casagrande, Danskin Insurance Agency
John Casagrande, Danskin Insurance Agency
Allison Kelly, Danskin Insurance Agency
Robin Racioppi, North American Insurance Agency
David Grubb, PERMA Risk Management Services
Brad Stokes, Perma Risk Management Services
Steve Sacco, Perma Risk Management Services
Jason Thorpe, Perma Risk Management Services
Pauline Kontomanolis, Perma Risk Management Services
Robyn Walcoff, Perma Risk Management Services
Tracy Lopez, Perma Risk Management Services
Brandon Tracy, Perma Risk Management Services

MINUTES: Included in the agenda were the open and closed minutes of January 15, 2026.

MOTION TO APPROVE JANUARY 15, 2026 OPEN MINUTES:

Moved: Commissioner Mevoli
Second: Commissioner Wagner
Vote: 16 Ayes – 0 Nays

Executive Director said there was no correspondence to review.

CLAIMS COMMITTEE: The Committee will meet virtually at 10:00am before the Board meeting to discuss Payment Authority Requests (PARs).

MOTION TO APPROVE THE PARS AS RECOMMENDED BY THE CLAIMS COMMITTEE.

Moved: Commissioner Wagner
Second: Commissioner Mevoli
Vote: 16 Ayes -0 Nays

OPERATIONS COMMITTEE: The Operations Committee met on February 17, 2026 via Zoom; minutes of the meeting were distributed in the agenda. The Committee discussed the following:

EDUCATIONAL PROGRAMS:

CYBER JIF ACCREDITATION PROGRAM: Committee recommended launching an accreditation program for risk managers similar to the MEL accreditation program for risk management consultants. The program would be held over two three-hour in-person sessions at a centrally located venue in October. Recommend a Fee of \$500 per Risk Management consultant firm and the Cyber JIF to cover the remaining expenses. Fund Commissioners are also encouraged to attend. A draft curriculum was presented for the board's review and consideration. Additionally, NJ-GMIS President offered their services to assist with the accreditation program. Board accepted the committee's recommendation to move forward with the Cyber accreditation program.

MOTION TO APPROVE THE LAUNCH OF THE ACCREDITATION PROGRAM FOR 2026 WITH CONTRIBUTIONS FROM CYBER JIF FUND.

Moved: Commissioner Razze
Second: Commissioner Mevoli
Vote: 16 Ayes – 0 Nays

2026 WEBINAR SERIES: Recommended the following Cyber Educational Series (1) Artificial Intelligence and (2) Cybersecurity Insights in 2026: Emerging Risks, JCMI Banking Controls, and Framework Fundamentals. The 2025 series included topics focusing on Cyber Incident Response and JCMI Banking Controls. Underwriting Manager will finalize dates and issue registration links when confirmed.

INFOGRAPHIC: Underwriting Manager, in conjunction with The Chertoff Group, developed an updated infographic for Incident Response and an amended graphic based on the Committee's recommendations was included in the agenda.

3RD PARTY RISK ASSESSMENT TOOL: Underwriting Manager will connect with the Fund Attorney to discuss the feasibility of performing reviews ahead of time for major vendors many of our members utilize so they don't need to be performed repeatedly. The updated version was provided as a separate attachment to the agenda email.

RISK CONTROL SERVICES: Executive Director said the Fund's contract with Xcitiium, Inc. will expire at the end of August and the Executive Director, Deputy Executive Director and Planning Consultant will meet to review their scope of services and report any findings to the Operations Committee – in preparation of issuing a Competitive Contracting RFP. Underwriting Manager is also considering the addition of several security tools to add to the proposal. Underwriting Manager will also meet with the Chertoff Group to find alternative solutions.

Commissioner Razze expressed his frustration with Xcitiium's response time on ticket requests. Commissioner Brewer agreed but acknowledged fast response times when contacting Alex Leonard. Mr. Leonard encouraged members to contact him with any questions and assured members Xcitiium is training new staff to address the demand and improve response times.

CYBER CLAIMS: Executive Director said Cyber incidents require expedient response via engagement of cyber legal counsel and forensic vendors. Members have experienced difficulties complying with local public contract laws and/or organizing their council quickly enough to rapidly engage such vendors. Recognizing this challenge, the Cyber JIF has been diligently working on a solution.

Underwriting Manager said specifically to the cyber legal counsel, we have come to an agreement in principle with Mullen Coughlin on a solution through a Master Service Agreement and each member will have a subcontract. Mr. Cooney is consulting with the Fund Attorney and several QPAs to avoid conflicts with the bidding process of the local public contracts law and will present a copy of the agreement when ready. A strategy is also being developed to address the forensic services.

CYBERSECURITY FRAMEWORK/AMENDING DEDUCTIBLE CONTROLS: Please note for the 2026 renewal the excess cyber attachment was reduced from \$350k to \$200k. Executive Director said an proposal to amend cybersecurity framework was reviewed reflecting the new attachment point, deductible incentive savings and max out of pocket - \$50,000 plus 20% coinsurance of the next \$150,000 (up to \$80,000 out of pocket). The amended framework was sent as a separate attachment to the agenda email and uploaded to cyberjif.org.

Underwriting Manager also submitted proposed deductible incentives that would change basic to \$25,000, Intermediate to \$0, and advanced change to a premium incentive of 20%. Deputy Executive Director said the premium incentive was set on the MEL side with the police accreditation and the percentage can be adjusted, also adding that the amendments can be effective the approval date but that is subject to change. The largest premium incentive would result in \$4,200. Operations Committee agreed to present this to the Board of Fund Commissioners for discussion. The Board discussed and agreed to table this for the next meeting. Fund Attorney will draft a resolution for the next meeting so action can be taken.

CYBER RISK ALERT: IRAN CYBER THREATS & RECOMMENDED MITIGATIONS: Fund office distributed a bulletin via email addressing the potential impact on cyber risks resulting from the situation in Iran, provided to us by the JIF’s partner, The Chertoff Group. The email was included in the agenda. Mr. Cooney said this notice was distributed within the first few weeks of the Iran war and has since released an updated letter reflecting the cyber-attack on Stryker.

GOVERNMENT ACCOUNTING STANDARDS BOARD (GASB): Executive Director said GASB has established requirement #102 which requires state and local governments to disclose information in financial statement notes regarding risks from specific concentrations or constraints that could significantly impact their ability to provide services. Included in the agenda was a memorandum prepared in conjunction with the Fund’s Auditor that satisfies the requirement.

FINANCIAL DISCLOSURES: JIF Commissioners should anticipate the online filing of the Financial Disclosure forms inclusive of any other municipal related positions that require filing. In the past the Division of Local Government Services distributed a notice with filing instruction with a deadline to file by April 30th.

DUE DILIGENCE: The Financial Fast Track report as of December 31, 2025 was included in the agenda and resulted in a surplus in the amount of \$6,00,494 picking up \$2.3 million. The loss ratio report as of February 28, 2026 was also included in the agenda.

NEXT MEETING: The next Cyber JIF meeting is scheduled for May 21, 2026 at 1:30 PM via audio / video teleconference.

TREASURER: Treasurer asked for a motion to confirm Resolution 25-26 February 2026 Bills List and approve Resolution 26-26 March 2026 Bills list:

February 2026	
2025	\$68.20
2026	\$1,463,926
Total	\$1,463,994.20

March 2026	
2026	\$79,225.63
Total	\$79,225.63

MOTION TO CONFIRM FEBRUARY 2026 BILLS LIST RESOLUTION 27-26

Moved: Commissioner Mevoli
 Second: Commissioner Clarke
 Roll Call Vote: 16 Ayes - 0 Nays

MOTION TO APPROVE MARCH 2026 BILLS LIST RESOLUTION 28-26 AS PRESENTED:

Moved: Commissioner Mevoli
Second: Commissioner Wagner
Roll Call Vote: 16 Ayes - 0 Nays

UNDERWRITING MANAGER: Mr. Cooney reported on MEL member's status of the MEL cyber framework compliance noting the entire MEL membership sits at 60% approval for basic and seven individual joint insurance funds are at 65% compliance for basic tier.

ATTORNEY:

None.

NEW BUSINESS:

None.

OLD BUSINESS:

None.

PUBLIC COMMENT:

None

CLOSED SESSION: There was not a need for closed session.

MEETING ADJOURNED: 2:05 PM

Brandon Tracy, Assisting Secretary for Adam Brewer, Secretary