

# Cyber specialists were key to ransomware cost savings

## Cyber incident

An employee at a machine shop became aware of a ransomware attack when she tried to log into the server. A message stated that the shop's files were encrypted and demanded \$50,000 in Bitcoin to regain access to them. She immediately called the owner, who reported the incident to their cyber insurance carrier.

## Cyber insurance

Their claims adjuster brought in an attorney and a ransomware specialist who quickly identified the ransomware strain. The specialist negotiated with the cyber criminal to cut the ransom in half, get the decryption keys, test them and arrange the payment. A digital forensics team determined that there was no data breach and the attack originated with stolen remote desktop credentials. The system was fully restored, though the business closed temporarily. The insured paid these expenses, but was reimbursed by the cyber policy, less the deductible.

## No cyber insurance

If the insured did not have a cyber policy, they could have paid nearly \$200,000 in remediation costs, a higher ransom and the additional costs for longer business interruption. Instead, the claims team connected the insured with the right resources quickly, significantly reducing the cost and time to handle the incident and get the insured back in business.

Ransom payment	\$25,000.00
Forensic IT	\$35,173.00
Legal	\$7,265.00
System Restoration	\$67,860.00
Business Interruption	\$48,175.00
<b>Total Paid</b>	<b>\$183,473.00</b>

# Insurer's advice helps minimize ransomware disruption

## Cyber incident

When ransomware infected servers at a chain of gas stations and convenience stores, over 200 devices at 16 locations were impacted. However, because the insured's IT Director had read the cyber insurance company's advisories on what to do if his system was infected by ransomware, he knew what to do. Rather than pay the ransom demand of \$250,000, he opted to wipe the devices, reinstall software and restore data from recent backups. Because the insured had backups that were not affected by the infection, his business was only interrupted for a short time. The insured paid the following costs and was reimbursed by cyber policy, less its deductible:

Legal Counsel	\$14,926.00
Forensic IT	\$25,000.00
System Restoration	\$19,178.00
Data Restoration	\$30,307.00
Business Interruption	\$513.00
<b>Total Paid</b>	<b>\$89,924.00</b>

## No cyber insurance

Without a cyber insurance policy, the insured could have paid more than \$400,000 in costs and business interruption losses. By taking the insurance company's advice and frequently backing up important data, the insured was able to save time and money when faced with a ransomware situation. Through its cyber insurance company, the insured engaged experienced legal counsel, forensic IT specialists, and system and data restoration vendors who were on call 24/7 and able to get the business up and running quickly.

# Cyber policy covers cyber attack on IT provider

## Cyber incident

When a dental office could not access any of its data – including patient schedules, appointment confirmations, billing and insurance claim files, it discovered that the managed service provider (MSP) it used for information technology had suffered a ransomware attack. As a result, the dental office was forced to shut down its operations temporarily.

## Cyber insurance

The insured filed a claim with its cyber insurance company and was introduced to legal counsel and a digital forensics investigator to determine if any patient or employee personal or health information was compromised. They determined that patient data had been stolen, leading them to notify the 235 affected individuals, the state's attorney general and federal regulators. The insured's policy covered the cost of the investigation and notifications, as well as credit monitoring services for the affected patients:

Forensic IT	\$32,377.00
Legal Counsel	\$8,516.00
System Restoration	\$4,640.00
Business Interruption	\$13,767.00
Notification Expenses	\$4,645.00
Credit Monitoring (one year)	\$6,200.00
<b>Total Paid</b>	<b>\$70,145.00</b>

## No cyber insurance

Without a cyber policy, the insured may not have been able to afford the expense of the business interruption loss, recovery from the incident, or the notification requirements. The insured's policy helped connect them to expert resources that directed the investigation, data recovery and compliance notification requirements. The prompt response salvaged the dental office's reputation and they were able to resume services quickly and with minimal loss of patient confidence.

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## Cyber incident

All 27 employees in a financial consulting firm received a phishing email. Unfortunately, one of them clicked on the malicious link and entered her login credentials, allowing the cyber criminal to take over her email account and access personally identifying and confidential information of several of the firm's clients.

## Cyber insurance

When the insured called their cyber insurance carrier, their claims adjuster introduced the insured to a digital forensics firm that determined what happened and legal counsel who advised them to notify and arrange for credit monitoring and case management services for the affected individuals. The insured paid the following expenses to manage the incident and help the individuals whose information had been breached. Their policy covered \$50,000 and the insured ended up paying an additional \$12,000.

Legal Counsel	\$19,188.00
Forensic IT	\$19,285.00
Notification Expenses	\$7,694.00
Credit Monitoring	\$3,833.00
<b>Total Paid</b>	<b>\$50,000.00</b>

## No cyber insurance

While their policy didn't cover everything, it did help them tremendously. Without a cyber policy, they could have had to find the experts they needed to investigate the incident, repair the email account, notify the affected individuals and provide them with credit monitoring and identity restoration services – all on their own. The insured also could have had to pay the full amount to resolve the incident—over \$62,000. A major expense like that could have meant choosing between laying off at least one full time employee or indefinitely delaying necessary capital improvements.

# Quick cyber support helps management company recover

## Cyber incident

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An apartment building's management company had to scramble when the webhost company that processed their rental applications suffered a cyber attack. By contacting their cyber insurance carrier, they discovered that the cyber criminal stole applicants' personally identifying information and sent emails to them demanding \$100 in exchange for deleting their information.

## Cyber insurance

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The apartment building's management company's claims adjuster introduced the insured to legal counsel, who determined that there was a data breach and helped them quickly recover from it. The insured's cyber policy covered the cost of legal counsel, notification to affected individuals and regulators and credit monitoring as well as identity recovery case management, as shown below:

Legal Counsel	\$3,984.00
Notification Expenses	\$40,892.00
Credit Monitoring	\$2,245.00
<b>Total Paid</b>	<b>\$47,121.00</b>

## No cyber insurance

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Without a cyber policy, the insured could have had to research and interview appropriate legal counsel themselves, which could have delayed their response time dramatically. They would have also had to pay the entire loss out of pocket, including notification and credit monitoring expenses.