



Cyber Claims Scenarios

Cyber threats can take many forms and can have a devastating effect on your business. The following scenarios from Aviva show some typical examples of different types of cyber attacks.

They show how losses can quickly accumulate, as well as how being quick to identify and report an incident can help to reduce the damaging impacts of an event and therefore any eventual claim outcome.

These are just a few typical examples to help show you what different types of cyber threats can look like. Importantly, it also shows how Aviva could help reduce the damaging impact of events.

Please note the scenarios are fictitious examples based on our claims experiences, and the resolutions stated are not definitive but one feasible response to the issue described. The scenarios used represent general information and guidance only and should not be construed as giving advice or recommendation. You should obtain specific advice relevant to your circumstances.



Phishing

Fraser is a small business owner and receives an email from one of his suppliers requesting a BACS payment of £5,000. Fraser emails the supplier to verify the bank details are correct and receives a reply confirming all is in order to proceed with the payment. He makes the payment.

Four days later, Fraser then receives another email from the same supplier querying where the payment is as it is now overdue.

Fraser notifies Aviva and our investigators work with the company's IT team. They are able to identify a suspicious spam email which has led to Fraser's email account being compromised. The investigators discover the rules for the account have been set up to forward emails to an unknown external account. This means the original supplier email has been intercepted and incorrect bank details provided to Fraser.

Fraser notifies the relevant authorities and the business' bank, but unfortunately the money cannot be traced.

Total cost of loss is £4,000.



Ransomware

With ransomware attacks, time is of the essence, as these two examples demonstrate.

Vanessa is a managing director of a retail company and receives an email from a third party informing her they have access to the company network. The third party is demanding a ransom payment of 2 Bitcoin (equivalent to around £50,000) be paid or they will leak customer data.

She immediately contacts Aviva. Upon receiving the call, our response team act straight away, appointing IT forensic specialists, reviewing policy coverage, and offering mitigation advice. Within 48 hours solutions are in progress.

Total cost of loss is less than £10,000.

Contrast this with another case where the computer systems of a manufacturer are compromised. The attack halts production and there is a ransom demand for £30,000 issued to release the decryption key.

The company's IT team work for five days to manage the attack before notifying Aviva. Once Aviva are notified Aviva begin supporting the IT team and investigating the incident.

Due to the delay in notifying Aviva the total cost of loss is over £80,000.



Negligent Employee

Sam works in HR at an estate agency and inadvertently sends an email to a colleague in another branch which includes personal information of a large number of staff members, including payroll data and home addresses.

Once the data breach is identified, Aviva investigates the incident and works with the company to notify the ICO within the 72-hour timeframe. Around 200 of the employees pursue the matter and sue the company for material distress as a result of the data leak.

The employees are awarded £1,000 each for emotional distress and significant third party legal costs are incurred.

Total cost of loss is £227,000.

It takes you, It takes us, It takes Aviva.

Melville Burbage Insurance Services Ltd. and Aviva are working together to make protecting your business from cyber threats a simple and easy process, as well as providing you with the tools to help mitigate the risk.

For more information, please contact us on **0163543880** or **info@melvilleburbage.co.uk**

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