



## THINK YOU DON'T NEED CYBER INSURANCE AS A CONTRACTOR?

### CHECK OUT THESE CYBER CLAIMS SCENARIOS

1

#### Data Breach

An attacker caused significant damage, infecting the system with malware and erasing all information at an electrical contractor. Though cyber security was installed, a hacker was able to access a remote server, log in and set up as a system administrator. Once in control, the intruder turned off the antivirus and anti-malware programs, stopped all backups, installed ransomware and removed hard drive partitions, effectively erasing all information on the system. Evidence showed the attacker had been there for months. The contractor did not pay the thief but did pay the breach notifications that went out to all the individuals whose data was exposed. The company also paid for credit monitoring services for affected employees, as well as forensic IT services, system and data restoration and remediation. Downtime to restore systems and data cost the company further potential income.

**Total Cost: \$32,750** under Computer Attack (for System Restoration and Data Restoration) + Data Breach Response Expenses (for Forensic IT Review, Notification to Affected Individuals and Services to Affected Individuals/credit monitoring services). Ransom not paid.

2

#### Phishing Scheme

A phishing scheme delivered a ransomware virus to a drywall contractor, damaging systems and stalling business. A drywall contractor fell prey to phishing, a common scheme using emails that appear to be from a trusted sender to trick the user into clicking on a virus-carrying link or disclosing confidential information. The owner unwittingly gave cyber thieves access to the business's systems. The attackers installed ransomware, which infected systems and held data hostage, and demanded payment from the company. The contractor did not pay the ransom but did pay a sizeable amount to restore operations. The damaged customer database had to be rekeyed from paper files. A server and computer had to be rebuilt. Business was down for a week while damage was remediated, causing the contractor to lose a contract and other business income.

**Total Cost: \$15,000** under Computer Attack (for System Restoration and Loss of Business). Ransom not paid.

3

#### Email Attack

An HR employee's email account, containing sensitive employee and client data, was breached. An unknown third party used a phishing email scheme to deceive an HR employee for a small commercial landscaper. The tactic—which fooled the employee into thinking the email was from a legitimate source—allowed outsiders to gain the employee's email log-in credentials. For several days, attackers accessed the email account along with all the information stored there. This included personal data for all employees and sensitive materials for some customers. The commercial landscaper notified all affected individuals regarding the data breach and offered services to address potential fraud. The landscaper faced the threat of litigation, which caused the business to incur legal expenses. Also, the breach damaged the landscaper's image, harming the trust of both employees and customers.

**Total Cost: \$11,150** under Data Breach Response Expenses (for Legal Review, Notification to Affected Individuals, Services to Affected Individuals and Reputational Harm) + Privacy Incident Liability (for defense)