



Claim Scenarios CyberEdge

Cyber risk has become a real liability risk for business around the world. Our CyberEdge® claims specialists are ready to assist a company's IT department with managing the aftermath of a cyber attack the moment it occurs.

In a recent scenario, CyberEdge protected a small professional services firm from significant loss:

Background

- › The insured was a professional services firm which operated a computer network comprising 22 desktop workstations, two virtual servers and ancillary devices including printers.
- › Trend Micro Anti-virus software was installed on servers and all desktop workstations. Anti-virus definitions were up-to-date (according to IT provider). An overnight virus scan ran once a week, although most desktop computers were switched off when it was scheduled.
- › Real-time anti-virus protection* - usually enabled by default when the anti-virus software is installed - had been disabled. Satisfactory risk management and preventative measures were in place.

* the anti-virus software scanning any file that is about to be read from or written to.

Incident Overview

- › On 12 October 2012, a virus infection was discovered on the computers and the Insured's IT service provider dispatched staff to assist.
- › Multiple computers were infected and the virus was spreading via the Insured's network.
- › Initial attempts to eradicate the virus were unsuccessful; the infection was present the following week. Eventually, the infection was eradicated by wiping and reinstalling all computers on the network.
- › The insured incurred service costs and was unable to operate for several days.

Damage

- › The virus left the Insured's computer systems impaired, requiring clean-up work to restore normal operation.
- › There was no apparent loss of data or privacy breach.
- › The incident was contained by quick action / solution in conjunction with the CyberEdge Data Crisis Response Team.
- › AIG's quick response time prevented subsequent reputational damage or harm.
- › The insured may have missed business opportunities and income during the period of business interruption (3 days).

Recovery

- › The initial recovery steps (from 12 October) were focused on cleaning the subset of workstations known to be infected.
- › The virus was still present on 16 October; all computer workstations rebuilt, with electronic data restored, recollected and recreated in the process.

Incident Costs

This incident was minor relative to many cyber claims, due in part to the speed of response. No legal or reputational costs were incurred but costs related to data restoration and business interruption were still significant given the size of the company.

Costs covered by AIG ¹:

Restoration of data including fees for forensic partners: \$15,265
Estimated Network Loss ²: >\$20,000

¹ Gross of excess

² As defined by the Policy Wording, calculated by independent loss adjusters.

For more information on CyberEdge, please contact our Professional Indemnity underwriting team.



Bring on tomorrow

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