

CASE STUDY

Ransomware gets real: bodily injury & property damage



INDUSTRY

Manufacturing

EMPLOYEES

51–250

COVERAGES

- Extortion
- Bodily injury and property damage - first party
- Business interruption
- Breach response

Sometimes digital risk meets the physical world. Cyber attacks, such as ransomware, can impact actual property and even people — not just an organisation's data. Unlike many other insurers, Coalition can cover business interruptions due to property damage resulting from a cyber incident, as well as employees' lost productivity.

When an alcohol manufacturer received an alert that the network at one of their plants was having issues, they called their processing engineer and saw a strange file: 'Name-WASTED.' The file directed them to click a link. Instead, they called their IT provider immediately. After realising they had been hit by a ransomware event, the policyholder contacted Coalition. We quickly reached out to a forensic firm and negotiation experts who contacted the threat actor to begin negotiating the ransom.

The threat actor initially demanded \$2.3 million. Coalition worked with the policyholder and the forensic firm to gather relevant information and confirm that the threat actor no longer had access to the system. At the same time, negotiators were able to reduce the ransom from \$2.3M to \$705,000 and, ultimately, \$609,000. That's a \$1.7 million difference.

Meanwhile, Coalition worked tirelessly to find a solution to allow the policyholder to bring some systems back up and continue working. The effort was urgent; when an industrial system is down, that downtime causes property damage. Ultimately, we were able to bring the computer system back online, but the machinery had suffered harm and could not come back online until parts were replaced and repaired.

Because the policyholder had the proper endorsement, we covered the cost of their business interruption and the extra expenses from the repair. Coalition coverage can include the losses you incur due to the impairment or loss of use of tangible property that results from a security failure. We won't cover the cost of the property itself, but we can help make up for the time lost while your organisation recovers from a cyber event.

Just when you think your policy covers everything, you need to think about all tangential losses that can occur. Coalition offers a broad cyber insurance policy that covers many things that some other insurers don't.

Coalition brings together active monitoring, incident response, and comprehensive insurance to solve cyber risk. To learn more, visit coalitioninc.com/uk-cyber.

I do not know what I would have done without Coalition. On behalf of the entire company, I really appreciate it.