

# What Have We Paid Lately

## Cyber Claims Scenarios

It's important to believe in how your insurance carrier responds to and manages your claim. We understand that when you purchase insurance, you are really buying peace of mind. Chubb's guiding claims principle is to handle claims with integrity, empathy, promptness, expertise and fairness.

Risk	Industry	Business	Claim Difference
Biometric Cases	All	Commercial	Top-tier cyber defense counsel utilized
Physician Impersonation	Healthcare	Commercial	Expert claims investigation
BitPaymer Ransomware	Financial Institutions	Commercial	Technical expertise
Business Interruption	Retail	Commercial	Superior coverage

### Claim Scenario Details

#### ✔ Biometric Cases

Companies that collect their employees' biometric information, including fingerprints, retinal scans, and facial recognition, are being sued in Illinois under the state's Biometric Information Privacy Act (BIPA). These lawsuits are usually brought as class actions and seek damages under BIPA. BIPA is an informed consent statute that protects a person's biometric information and creates a private right of action for individuals harmed by BIPA violations. Under the statute, plaintiffs can seek the greater of \$1,000 or actual damages for each negligent violation, and the greater of \$5,000 or actual damages for each intentional or reckless violation. A key BIPA case will be heard by the Illinois Supreme Court later this year and will have an impact on these matters.

#### ✔ Physician Impersonation

An Insured healthcare organization was notified by an outside firm that one of its doctors was being impersonated by an unlicensed physician posing as him. This imposter was able to review several medical files as part of a physician peer review process. Once the Insured became aware of the situation, it had to notify patients whose PHI (personal health information) was inappropriately exposed to this person. Several of the affected individuals have brought third party claims against the Insured for failing to safeguard their PHI.

## Claim Scenario Details

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### ✔ BitPaymer Ransomware

A financial service firm was the victim of a new strain of ransomware called BitPaymer. This type of ransomware encrypted the Insured's data, rendering it unusable. The bad actor also claimed to know that the Insured had the financial ability to pay the ransom. BitPaymer is characterized by large ransom demands (in the six-figures) and in this instance, the demand was more than \$500,000. Additionally, BitPaymer is usually accompanied by the presence of a banking Trojan, which is a type of malware designed to steal a victim's financial information. In the present instance, the Insured's back-ups were also corrupted. Accordingly, after consulting with the Chubb cyber claims representative and incident response coach, the decision was made to pay the ransom, which was covered under the Chubb cyber policy.

After comparing the Insured's sales from the time of the attack to records of previous sales, Chubb paid a BI loss of more than \$200,000.

### ✔ Business Interruption

An Insured that sells retail goods was struck with a virulent strain of ransomware that encrypted its data, crippled its systems, and demanded \$25,000 in Bitcoin. After consulting with their Chubb cyber claims representative, as well as an incident response coach and forensic expert from Chubb's cyber panel, the Insured decided to pay the ransom. The Insured received a decryption key that permitted access to the once-encrypted data. A forensic accountant was also retained from the Chubb panel and assisted in the calculation of the Insured's business interruption (BI) loss. After comparing the Insured's sales from the time of the attack to records of previous sales, Chubb paid a BI loss of more than \$200,000.

## Contact Us

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For more information on Chubb Cyber insurance solutions, visit [www.chubb.com/cyber](http://www.chubb.com/cyber).

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