

Hanover Cyber

Cyber claims scenarios

Small and midsize businesses are just as likely as larger corporations to experience a cyberattack. That's why The Hanover offers a suite of cyber solutions to help protect businesses of all sizes from a variety of cyberattacks and data breaches that can threaten a company's bottom line—and reputation. These scenarios help to show you how.

Ransomware attack

A manufacturing firm suffers a ransomware attack where its computers are taken over and data is encrypted. A \$10,000 extortion demand is made to restore access to the data. If the ransom is not paid, the firm risks losing access to its proprietary design drawings. The firm brings in a forensic information technology specialist who obtains proof that the data can and will be restored if the ransom is paid, and successfully negotiates the ransom down to \$7,500. **The total cost of paying the ransom and the specialist is \$35,000.**

HOW THE HANOVER CAN HELP

Our cyber extortion protection covers extortion monies and associated expenses, such as forensic investigations.

Data breach

A professional service firm's customer database is infiltrated by hackers and customer records are accessed and stolen. A consultant conducts a forensic analysis and determines that 60% of the 30,000 total database records have been breached. An attorney assesses the firm's notification obligations under various state data breach notification laws. Notification letters are sent to the 18,000 impacted customers, offering them access to a helpline and identity monitoring solutions. **The total cost of the breach is close to \$500,000.**

HOW THE HANOVER CAN HELP

Our data breach protection covers the direct costs faced when a breach occurs, such as notification, credit monitoring and cyber investigation expenses.



Denial-of-service attack

A wholesaler is hit by a denial-of-service (DDoS) attack that disrupts its ability to accept online orders which comprise approximately 70% of its business. The attackers make an extortion demand, saying they will 'turn-off' the DDoS attack in exchange for a \$20,000 ransom. The attack lasts for 36-hours, until negotiations with the attackers break down and the full ransom is paid. **The incident cost the wholesaler \$10,000 of net profits that would have been earned during the 36-hour attack period.**

HOW THE HANOVER CAN HELP

Our cyber business interruption and extra expense protection covers net profit or loss that would have been earned before income taxes once a specified waiting period is met.

Infringement

A local retailer launches a new marketing campaign. Looking to capitalize on the popularity of a major sporting event, the retailer creates several ads that include the name of the event and feature the ads on their website. The league sees the website and their attorney sends the retailer a cease and desist order. **The retailer hires an attorney to review the cease and desist order and negotiate with the league attorney, resulting in \$30,000 of attorney fees.**

HOW THE HANOVER CAN HELP

Our cyber media liability protection covers allegations of infringement of intellectual property.

Cyber theft

A cyber thief gains access to a contractor's computer through a known vulnerability in the operating system. Using keylogger software, the criminal captures the keystrokes that are typed on the keyboard and can 'see' the contractor's banking credentials. **The thief then uses these credentials to access the contractor's accounts and transfers \$50,000 to a new 'payee' that the attacker set up in the banking system.**

HOW THE HANOVER CAN HELP

Our cyber theft protection covers unauthorized transfer of funds by cyber thieves.

Privacy breach

A law firm hired to conduct due diligence on an acquisition target is hacked. The attackers obtain proprietary deal information which is then leaked to the press, resulting in the firm's client reducing its purchase price for the acquisition target. The acquisition target files suit against the firm seeking damages equivalent to purchase price reduction. **The total cost to defend the suit and settle is \$1 million.**

HOW THE HANOVER CAN HELP

Our cyber liability coverage offers protection for lawsuits that are brought against your company by a third-party because of a data breach, including legal fees and settlement costs.

Let's start a conversation

Contact your Hanover representative today to ensure the right cyber protection is in place.



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