

# RPS Cyber Liability: Claims Examples



## Cyberterrorism

The insured's employee noticed that the corporate Twitter feed was broadcasting pro-ISIS propaganda. Following a call to the Baker Hostetler hotline and the involvement of external forensic teams, they identified that the corporate website, email system and Twitter feed had been compromised by an ISIS-affiliate or web supporter. The method of intrusion was closed down by the insured's internal teams, but two weeks later similar postings appeared. The external forensic team then conducted a full system analysis, restoring the security of the insured. Over \$80K of forensic costs were incurred by insurers. Baker Hostetler continued to provide breach response support post-incident to ensure the insured experienced no disruption to their operations.

## Compromised Employee Information

The insured became aware that a number of its employees were being subject to tax fraud – tax refunds had already been secured in their names. Supported by Baker Hostetler and external forensic teams, the insured confirmed their systems were secure and the cause was likely an external provider. Baker Hostetler provided notification advice and credit monitoring services to the affected employees, with each receiving Experian's credit protection product for one year.

## Trademark

The insured received a lawsuit regarding a trading name they used, indicating it was a violation of a third party's trademark. Cover was granted under media liability coverage and Baker Hostetler were instructed to defend the litigation, which was settled prior to court. The program covered all costs after the retention.

## Ransomware

The insured's employee clicked on a malicious link which resulted in the downloading of a cryptolocker ransomware—malware that encrypts the system it attacks and demands payment to release. Assisted by Baker Hostetler and forensic teams, the insured's internal team was able to restore elements of the compromised data, but had to pay over \$5,000 in extortion payments using a cryptocurrency.

## TCPA Claims

The insured received class actions in two states for breaches of the federal TCPA law relating to a fax advertising campaign. Our policy immediately responded to these allegations, which due to statutory penalties totalled over \$754,000 in exposure to the insured. Our defense counsel was able to reduce the settlement of one of the class actions from \$350,000 to \$5,500, and is actively defending the second.



**RPS EXECUTIVE LINES**

RPSExecutiveLines@RPSins.com  
RPSins.com