

AIG Cyber Claims Services



AIG's Cyber claims team is ready to assist clients as soon as they suspect a potential network breach. Our team has local presence supported by global resources, allowing our experts to manage unfolding events and quickly respond to inquiries. We help clients notify and support the recovery of affected customers, handle crisis communications, and determine exactly what happened.

We process approximately four cyber claims every business day, giving us the insight and expertise to understand complex cyber incidents. Our underwriting and claims teams partner to help create the best possible experience and avoid any miscommunication from the beginning to end of the process.

Unprecedented Experience

Our claims specialists are ready to help policyholders manage a cyber incident from the moment it occurs. Our team provides the additional layer of defense an IT department needs to face the issue and its consequences.

Rapid Support When Clients Need it Most

- Our claims specialists react quickly to guide our clients, from assessing their needs to processing their claim.
- Most coverage is written on a primary basis, enabling our claims specialists to be on the front line with the authority to make decisions.
- Our network of legal firms, forensic investigators, and public relations firms offer immediate support for insureds managing the consequences of a breach.

Rapid Technical Support

- Our Cyber Claims Hotline is available 24/7. Once a call is made, the claims team will coordinate with the client to implement their response plan, engage any necessary vendors including breach counsel and forensics firms to identify immediate threats (such as a hacker inside a network), and start the restoration and recovery processes.
- Our expert network of information security vendors, legal firms, forensic investigators, and public relations firms offer immediate support for our insureds facing a cyber attack, anytime and anywhere.

After calling the AIG Cyber Claims Hotline, clients may expect:



AIG Cyber Claims Services

AIG has helped more than 22,000 companies and 20 million individuals face a cyber attack. Here are a few scenarios that demonstrate our claims expertise in action.

Data Theft

An insured hospital was notified of a potential HIPAA breach involving protected health information (PHI) of over 40,000 patients. AIG quickly engaged with the insured to retain breach counsel and the further retention of a forensic investigator. Based on the ensuing investigation, we coordinated with the insured and breach counsel on the selection and retention of vendors to handle the required notification to regulators and patients, offered patients access to identify monitoring protection, and established a call center to handle inquiries and registration for the identity monitoring protection. AIG reimbursed the insured \$450,000 for Credit Monitoring and ID Theft Insurance; \$175,000 in notification and call center costs; \$25,000 in forensic costs; and \$90,000 in legal costs. The policy also covered \$500,000 in regulatory fines assessed on the insured.

Malware Attack

Hackers gained entry to an insured's point of sale system, and before they were detected were able to access over five million customer credit and debit card numbers. AIG quickly engaged with the insured to retain breach counsel and the further retention of a forensic investigator and a payment card industry (PCI) forensic investigator. Based on the ensuing investigation, we coordinated with the insured and breach counsel on the selection and retention of vendors to manage the public relations messaging and the necessary notification to regulators and consumers, offered consumers access to credit monitoring protection, and established a call center to handle inquiries and registration for the credit monitoring protection. Breach counsel was utilized to handle the defense of a dozen class action lawsuits and Federal and State regulatory investigations. The CyberEdge policy provided coverage for this activity, including event management expenses of \$750,000 for forensics, \$3 million for the credit monitoring, notification, and call center, and \$50,000 for public relations. The CyberEdge policy provided further coverage of \$1.5 million for breach counsel, \$1.2 million in regulatory fines, and \$2 million in PCI fines.

Cyber Extortion

Malware was placed on the network of a law firm when an employee fell victim to a phishing scheme. The malware was downloaded when the employee opened what appeared to be a valid video conference invitation. The extortionist threatened to shut down the system and prevented the insured from accessing its data unless the insured paid 10 Bitcoin. The extortionist indicated that the demand would increase each week until payment was made. AIG quickly engaged with the insured to retain breach counsel and the further retention of a forensic investigator. Breach counsel and the insured reported the matter to the FBI. The forensic investigation determined that the extortionist had the capability to fulfill the threatened action and confirmed that the insured did not have a reliable back up source for its data. The CyberEdge policy provided coverage for the ransom payment as well as \$25,000 for breach counsel and \$85,000 for the forensic investigator to assess the threat and to ensure that the malware was eradicated.

Network Interruption

Hackers accessed the insured's system through a targeted spear-phishing attack. The hackers placed ransomware on the system, which once activated encrypted all the data on the insured's systems. Seven servers and hundreds of PCs were affected. The hackers demanded 12 Bitcoin for the encryption keys. The insured engaged with AIG's cyber claims specialists to coordinate the retention of breach privacy counsel and a forensics firm to respond to the event. AIG and breach counsel coordinated efforts with law enforcement. The insured and the forensics firm were unable to unencrypt the insured's data and, after consultation with AIG and law enforcement, the insured made the decision to pay the ransom. We facilitated the retention of vendors to procure the necessary Bitcoin for payment of the ransom. Once paid, the insured received the necessary encryption keys. The systems were then gradually brought back online over the course of several days. Ultimately the insured's business systems were offline for 2.5 business days. AIG reimbursed the insured \$4,500 for the ransom, \$2,500 in Bitcoin procurement expenses and payment, \$950,000 in forensic investigation and remediation, \$65,000 in legal costs, and \$32,000 in public relations costs. In addition, AIG reimbursed the insured \$1.1 million for its lost income and \$850,000 for additional expenses associated with the outage.

For more information on AIG's Cyber solutions, including claims handling services, email us at cyberedge@aig.com.



The scenarios described herein are offered only as examples. Coverage depends on the actual facts of each case and the terms, conditions and exclusions of each individual policy. Anyone interested in the above product(s) should request a copy of the policy itself for a description of the scope and limitations of coverage.

American International Group, Inc. (AIG) is a leading global insurance organization. Founded in 1919, today AIG member companies provide a wide range of property casualty insurance, life insurance, retirement products, and other financial services to customers in more than 80 countries and jurisdictions. These diverse offerings include products and services that help businesses and individuals protect their assets, manage risks and provide for retirement security. AIG common stock is listed on the New York Stock Exchange and the Tokyo Stock Exchange.

Additional information about AIG can be found at www.aig.com | YouTube: www.youtube.com/aig | Twitter: [@AIGinsurance](https://twitter.com/AIGinsurance) www.twitter.com/AIGinsurance | LinkedIn: www.linkedin.com/company/aig. These references with additional information about AIG have been provided as a convenience, and the information contained on such websites is not incorporated by reference into this material.

AIG is the marketing name for the worldwide property-casualty, life and retirement, and general insurance operations of American International Group, Inc. For additional information, please visit our website at www.aig.com. All products and services are written or provided by subsidiaries or affiliates of American International Group, Inc. Products or services may not be available in all countries, and coverage is subject to actual policy language. Non-insurance products and services may be provided by independent third parties. Certain property-casualty coverages may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds, and insureds are therefore not protected by such funds. © 2018 American International Group, Inc. All rights reserved. 0518