

# Case Study

## Hylant Risk Management

### CYBER CRIME

#### Challenge

An employee at a large manufacturing company received what appeared to be a routine email from the company's philanthropist president. It included a request for a \$21,000 wire transfer to the accounting department. Emails were exchanged between the accounts payable department and the email sender, and the funds were ultimately transferred.

Three weeks later, a similar request was submitted, this time for \$98,000. Accounting advised the CFO, who called the president to confirm the request. The president said she had not sent the request. When the CFO asked if she had sent the prior request for \$21,000, the president said she knew nothing about it.

#### Resolution

Hylant was informed of the fraudulent activity, which also was reported to the FBI and local authorities. Fortunately, one week prior to the discovery, we had negotiated coverage for "social engineering" losses as part of the company's renewal program.

We reviewed the policy for coverage. Although the crime had occurred two weeks prior to the renewal policy taking effect, the fraud was discovered five



days afterward. By negotiating an appropriate "Discovery Date" within the renewal, we were able to ensure the claim could be filed under the new policy. The claim was reported to the carrier, and the \$21,000 was paid to the manufacturing company within a week, less the deductible.

According to Forbes, social engineering attacks are used in more than two-thirds of all hacking incidents. Yet typically, social engineering coverage is not included in crime policies and is only available through a handful of carriers. This emphasizes the importance of working with a broker with expertise in risk management solutions.

*Hylant specializes in providing unique risk management protection options for large corporations in a variety of emerging risks, such as social engineering.*

# HYLANT

#### Service

Risk Management

#### Industry

Manufacturing

#### Revenue

\$20 Million

#### Scope

We specialize in protecting our clients from emerging risks as well as existing risks.

#### Results

## \$21,000

Claim Reimbursement Secured

## Protection

The value in working with a partner who has the expertise to help you anticipate and prepare for risks before problems arise.

**Contact a Hylant risk expert:**

[www.hylant.com/contact](http://www.hylant.com/contact)