

CASE STUDY

Union recovers \$5.5M from funds transfer fraud



INDUSTRY

Construction

EMPLOYEES

26-50

COVERAGES

- Funds Transfer Fraud
- Breach Response

A union fell victim to a phishing scheme that eventually led to funds transfer fraud (FTF) of \$6.4M. Instead of sending the money to an investment fund as they intended, the money went straight into a threat actor's account. When the union called the Coalition emergency hotline, we set the wheels in motion to hunt down the wire transfer and start a forensic investigation¹ with Coalition Incident Response (CIR).²

Working closely with U.S. law enforcement, Coalition was able to track the funds to a fraudulent Chinese bank account. After assisting the policyholder with reports for both the FBI and the Hong Kong police department, \$5.5M of the funds were frozen, diverted into a secure account, and ultimately seized by U.S. law enforcement. The Union's FTF coverage³ kicked in for the funds that were not recovered, and the full cost of the forensics investigation was covered under the Policy's Breach Response coverage. In just a few days, the Union's \$6.4+ million loss was reduced to around \$500K.

Coalition² brings together active monitoring, incident response, and comprehensive insurance to solve cyber risk. To learn more, visit coalitioninc.com.

¹ The claim scenarios described here are intended to show the types of situations that may result in claims. These scenarios should not be compared to any other claim. Whether or to what extent a particular loss is covered depends on the facts and circumstances of the loss, the terms and conditions of the policy as issued and applicable law.

² Breach response included the engagement of an incident response firm; the insured selected Coalition Incident Response.