

## **Case Study: Fraudulent Payment Incident**

### **How a \$1,400 Fraud Incident Sparked a Cybersecurity Overhaul with CyberMax Protects**

---

#### **Executive Summary**

When a small business detected a fraudulent \$1,400 funds transfer, they acted quickly—filing a Notice of Claim and launching an internal review. The situation was resolved without further issues, but it raised major concerns about cyber vulnerability. Fortunately, the business learned they were already protected through CyberMax Protects (CMP). That discovery turned a small financial hit into a much larger opportunity: the start of a smarter cyber strategy, backed by insurance, expert guidance, and prevention tools.

---

#### **The Challenge**

Even small, financial frauds can be red flags:

- \$1,400 transferred without authorization
- Business caught off guard—no formal fraud procedures in place
- Cybersecurity not a top priority before the incident
- Unsure of next steps when it came to legal or insurance reporting

#### **Why It Matters::**

- 43% of cybercrime targets small businesses
  - Funds transfer fraud is among the top 5 reported cyber incidents
  - Internal awareness and prevention are often the weakest links
- 

#### **The Solution: CyberMax Protects Was Already There**

Post-incident, the customer learned they were covered under CyberMax Protects:

- Funds Transfer Fraud insurance coverage
- Real-time access to cyber incident experts
- Staff awareness training and cyber risk education tools
- No hoops to jump through—coverage was already active

**They took full advantage of the resources and used the experience to improve internal protections.**

---

Key Benefits Realized

| Feature                     | Benefit                                                     |
|-----------------------------|-------------------------------------------------------------|
| Funds Transfer Fraud Policy | Provided insurance coverage against digital payment fraud   |
| Real-Time Expert Access     | Immediate guidance on reporting and securing financial data |
| Training Tools              | Helped educate staff to spot and stop suspicious activity   |
| Built-In Program Access     | Already enrolled through existing provider—no delays        |
| Future Risk Reduction       | Better policies, protocols, and people awareness            |

The Outcome

- Fraud incident resolved quickly and closed
- Claim filed under CyberMax with no issues
- Staff received cybersecurity training
- Enhanced internal procedures to detect and prevent future fraud
- Confidence restored across the team

Quote from Business Owner

“We thought \$1,400 was just a fluke—until we realized how easily it could have been more. Thankfully, CyberMax had our backs and helped us put real protections in place.”

Conclusion

Sometimes the smallest incidents make the biggest impact. For this business, a \$1,400 loss was the wake-up call they needed. With **CyberMax Protects**, they gained not just financial protection—but the tools and confidence to prevent future fraud and safeguard their operations long-term.

