

DESCARTES CASE STUDY

CYBER SHUTDOWN PARAMETRIC SOLUTION FOR A MANUFACTURING COMPANY

RISK COVERED

Cyber

CLIENT PROFILE

Mid-sized
manufacturing
company

INDEX

Malicious
intrusion

INSURED LOCATION

Europe

01 - Context

Cyber threats are ever-evolving and increasing. Cyber insurance, however, does not always bring the adequate solution for companies:

- In average, businesses must wait up to a few months to a few years before receiving an indemnification after a cyber attack.
- The policies can be difficult to read, with exclusions between them, and it is not evident to know the exact coverage perimeter.
- Companies know a lack of custom solutions for their specific business models, or the losses to which they are exposed.



02 - Problem statement

In 2024, a manufacturing company, with a yearly turnover of €200M, was a victim of a ransomware attack. A malicious intrusion in their IT systems was quickly identified and the client had to stop its business production lines during 30 days before solving the crisis and resuming its activity. This business interruption caused significant financial losses, and damaged its reputation towards its clients due to unexpected delays.



03 - Solution & key benefits

The solution would be Descartes' Cyber Shutdown Cover. Clients benefit from a 24/7 assistance for crisis resolution. After activity resumes, indemnification is automatically calculated and sent within days. Had the manufacturing company subscribed to Descartes' solution, it would have been compensated with more than €4 million.

PAYOUT STRUCTURE & CALCULATION

Descartes' standard solution

Days of shutdown	1 - 3	4 - 35
Crisis response	€0 / day	€10,000 / day
Business interruption	€0 / day	€146,250 / day

To be discussed with the broker and the customer:
waiting period & daily indemnity

The calculation of the indemnity is:

(days of shutdown - waiting period) * (daily indemnity)

$$(30-3) * (10,000+146,250) = 4,218,750$$

DESCARTES, GLOBAL LEADER IN PARAMETRIC INSURANCE

10

Countries

With offices around the world

20+

Perils covered

With best-in-class (re)insurers, written on A-paper

150+

Experts within the scientific team

Risks modelers, data scientists and software engineers

KEY BENEFITS OF PARAMETRIC INSURANCE

Added Transparency

With pre-agreed parameters and payout structures eliminating ambiguity

Bespoke Policies

Custom covers for one or multiple locations adapted to the client's existing coverage (e.g., traditional insurance, captive)

Swift payouts

In a matter of days or weeks after a loss event, no longer requiring on-site loss assessment

Financial Freedom

Covering any type of direct or indirect financial losses resulting from the event

PARAMETRIC COVERAGE IN 3 STEPS

1



The cover is based on **custom-made parameters** & **pre-agreed indemnity**



2



The **evolution of these parameters** is monitored using verified third-party data from reputable providers



3



When a triggering event occurs, the client notifies the insurer of their loss & **swiftly receives compensation**

INTERESTED IN LEARNING MORE?

Please reach out to our Commercial Team!

descartesunderwriting.com



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