A Review of Ransomware Attacks and its Impact on the Bank Sector

Merikh Ahadi¹, Eronimus A²

¹PhD Scholar, Central University of Punjab
²Assistant Professor, Central University of Punjab

Abstract
Ransomware is an online attack perpetrated by cybercriminals who demand ransom to release hold on encrypted or stolen data. In the past few years, ransomware attacks have evolved to complex malware with advanced encryption capabilities that now primarily target public and private sector organizations such as banks.
This paper covers ransomware basics including how this malware works and its known attack vectors, type of damages caused by ransomware attacks to banks, and explanation of bank’s strategies in order to prevent, detect and eradicate ransomware inceptions.

Keywords: Ransomware, cyber threats, financial sector

Introduction
Ransomware is a type of malware that prevents or limits users from accessing their system, often encrypting data in an unrecoverable fashion. Ransomware forces its victims to pay the ransom through certain online payment methods in order to grant access to their systems, or to get their data back. Ransomware is one of cybercrime's strongest business models today and it has crippled organizations like banks across the globe.
In a ransomware attack cyber criminals use malware with encryption to hold victim’s critical data ransom preventing them from being able to access their systems until the victim pays. Cyber criminals will often start a ransomware attack through email tricking users into clicking a malicious link or opening a weaponized attachment that spreads malware on an organization's network. It's becoming much easier for cybercriminals to execute ransomware attacks through ransomware as a service and cryptocurrency is enabling the smooth money transaction.
The best strategy is one that prevents banks from ever having to decide whether to pay the ransom or not the first place to start is email which continues to be the top Attack vector. Organizations must block malicious emails with a secure email gateway that provides advanced inbound outbound and internal scanning that use machine learning to continuously improve the detection of sophisticated attacks can even further enhance protection. Banks should take a look at their data protections in the worst-case scenario of a successful ransomware attack the ability to recover important data can give banks greater control to protect and preserve corporate data while reducing exposure to risk.
In the following sections, I have reviewed ransomware basics and I have provided suggestions to help banks to better prepare for ransomware attack and I have highlighted important steps that should be taken before and after a ransomware attack.
Research Methodology
For this paper, I have performed my research based on specific criteria related to ransomware. First, my research is based on recent studies, from year 2015 onwards. Additionally, my sources include only scientific journals and conference papers; this is to ensure that the collected information is authentic. Finally, I only focus on my topic of interest: the threats caused by ransomware to Banking Sector.

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Research Gap
In the reviewed papers, there is not enough information about ransomware attack vectors. In the reviewed papers, there is no effective suggestion that can help Banks to prepare for ransomware attacks.

Research Contribution
In the following sections, I have tried to review ransomware basics and provide suggestions to help banks to better prepare for ransomware attack and I have highlighted important steps that should be taken before and after a ransomware attack.

Common ransomware attack vectors
Ransomware attacks involved a variety of infection vectors. Even so, ransomware actors prefer some methods over others. Below are some of the most important and popular attack vectors [7].

**Unsecured remote desktop protocol connections:** Remote Desktop Protocol (RDP) is a proprietary protocol developed by Microsoft which provides a user with a graphical interface to connect to another computer over a network connection.

**Email Phishing:** Phishing is a type of social engineering attack often used to steal user data, including login credentials and credit card numbers. It occurs when an attacker, masquerading as a trusted entity, dupes a victim into opening an email, instant message, or text message.

**Exploitation of software vulnerabilities:** Software vulnerabilities are weaknesses or flaws present in software codes.

**Unsafe web browsing:** Unsafe browsing involves overlooking important actions that are intended to secure our online sessions. The most persistent unsafe browsing habits by users, however, are visiting sites that are not securely encrypted.

**Social engineering:** Social engineering is the act of exploiting human weaknesses to gain access to
personal information and protected systems. Social engineering relies on manipulating individuals rather than hacking computer systems to penetrate a target's account.

How does ransomware work and what type of damage it can do to banks?
Ransomware can originate from a malicious website that exploits a known vulnerability, phishing email campaigns, social engineering, or web-based drive by malware injections. When the exploit is executed a downloader is placed on the system. The downloader silently communicates with control servers to download and install ransomware and secure an encryption key. The contacted C&C server responds by sending back the requested Encryption Key and provide payment methods then the ransomware starts to encrypt the entire hard disk content, personal files and sensitive information. A warning is displayed on the screen with instructions on how to pay for the decryption key.

Most ransomware attacks appear to have a financial motive. In some cases, what initially appears to be a ransomware attack can be a destructive attack that’s designed to destroy digital assets and data rather than release them unharmed to their rightful owners. A destructive attack uses malware to wipe system components, corrupt data and render enterprise devices inoperable.

Data Breach is another ransomware attack model that has emerged in the past five years is the blended attack mode. It begins as a classic ransomware attack, demanding payment for encrypted files but behind the scenes, attackers have already exfiltrated data from the Bank. If payment of the ransom is resisted, attackers threaten to expose or auction it online. These blended attacks can circumvent backup strategies because they essentially extort the victim into payment even if backups are in place. Blended attacks can put immense pressure on organizations to pay extortion fees. Some damages caused by a ransomware attack is listed below [6]:

- Loss of Data and Information
- Employee Downtime and Loss of Production
- Ransom Costs
- IT Consultant Time and Labor
- Forensic Investigation Cost
- Data Leak and Compliance Issues
- Regulatory FINES (HIPPA, etc.)
- Impact on Reputation and Loss of Business Relationships
- IT Infrastructure Upgrades/Overhaul

How should banks prepare for ransomware attacks?
When a ransomware attack is discovered, every second counts. Uninterrupted, time is the ally of the attacker. As time passes, more data and files are encrypted, more devices are infected, ultimately driving up both cost and damage. Immediate—yet methodical and informed—action must be taken. Alerting IT security teams and allowing them to launch the incident response process that they have prepared to combat ransomware should be a first step.

If bank has an insurance contract with a 3rd party, it is advisable to engage them as well. Other parties to consider contacting are federal law enforcement and regulators, depending on the local requirements for the geographies in which Bank operates. The following image1 illustrates the main phases of bank’s ransomware preparation strategy [6]
Preparation

The preparation phase of the attack lifecycle involves preparing an organization for the types of events and incidents they are most likely to encounter given the sector.

1 Image depicted from IBM white paper: The definitive guide to ransomware: Readiness, response, and remediation (Authors: Limor Kessem, Mitch Mayne)

In which they operate, the systems they use, and applicable key risk indicators (KRI) as they evolve over time.

End-user education: Proactive end-user education and training continue to be critical in helping to prevent compromises of all types.

Maintain a good antivirus and endpoint protection: Endpoint antivirus solutions are not the sole protection mechanism for threat detection, but they are a common initial detection method that can be deployed to users across the organization.

Maintain an aggressive and current patch management policy: Attackers that aim to plant ransomware in IT networks often use system vulnerabilities to gain foothold within a network.

Enforce least privilege principles: With least privilege principles in place, admins can grant minimal permissions necessary for each user, based on requirements for their daily work.

Developing and rehearsing an incident response plan: An incident response plan is put into place to enable companies to act quickly and effectively during a stressful situation of threats, disruption, or disaster that can affect the organization’s operations on all levels, but specifically threatening to digital assets and the access to data.

Detection

The way by which an organization first detects ransomware infection can vary according to the situation, but in most cases, an employee will find it impossible to access files, receive a ransom note, or notice that a certain service is no longer accessible. The most time-sensitive issue at the onset of the attack is to identify any and all infected systems and those in imminent danger of becoming infected. The first goal is to contain the spread of the infection as soon as possible and help minimize the risk to the organization.
by isolating the infected systems.

Analysis
The Analysis phase largely focuses on two areas and the first goal is to contain the spread of the infection as soon as possible and help minimize the risk to the organization by isolating the infected systems.
1. Identifying the specific variant of ransomware in action
2. Determining how the malware entered the organization (root cause analysis)

Containment
The Containment phase is a critical part of the response plan. Once a system has been identified as potentially having ransomware, the suspected infected computer should be immediately removed from your networks (including WiFi connections), and either shut down, or ideally hibernated to assist in forensic and sample analysis while minimizing the risk of the ransomware continuing the encryption process.
Failure to quickly isolate infected systems from the network may contribute to augmenting the incident by allowing the malware to continue to encrypt more files on the local system or network shares, thereby increasing recovery efforts.

Eradication
The Eradication phase involves removing the ransomware from infected systems across the organization. Depending on the scope of the attack, this operation can be lengthy and may involve both user devices and more pivotal machines and services that have been impacted.
System that has been identified as infected with ransomware should be rebuilt from a trusted source, relying on trusted templates and safely-kept settings.

Recovery
Once a Bank has contained the ransomware and identified the root cause of the infection, there are several considerations an organization should examine when beginning the recovery phase.
- Patch vulnerabilities
- Restoring data from backups

Post incident activities
Post-incident activity is an important part of the response plan and should not be skipped. After any incident, large or small, it is recommended to meet with relevant stakeholders and discuss the elements that worked well and examine those that did not work. This kind of “lessons learned” analysis can help Banks improve processes over time and ensure that future incidents are handled more efficiently and thereby minimize potential impact.
Notify Authorities: Most organizations understand compliance and regulatory requirements that pertain to their company. In general, those requirements apply to all cases of a data breach and the loss of private information belonging to customers and individuals. Banks may have more specialized obligations to report.
Conclusion and recommendations

Ransomware has attracted great attention from cyber security experts in recent years because of the fast growth of its attacks and the creation of new variants capable of bypassing antiviruses and anti-malwares. It is a relatively new malware but has generated much interest from cybercriminals because of its successful attack and direct financial interest.

Ransomware objective is to block its victim from accessing their own resources by encrypting important files that seem valuable to the victim, such as images, spreadsheets and presentations.

Banks are one of the main targets of ransomware attacks.

Most common attack vectors to deploy a ransomware include phishing emails, infected USB storage, use of bank employee’s hacked accounts, visits to malicious websites, etc.

This paper’s recommendation is that Banks should employ a good protection framework (as explained in this paper) to be ready for ransomware attacks and to minimize ransomware damage.

References:
6. IBM white paper: The definitive guide to ransomware: Readiness, response, and remediation (Authors: Limor Kessem, Mitch Mayne)