Fidelity / Crime from Travelers Wrap+

What constitutes employee fraud? We’re not talking about stealing a pen or pad of Post-its… but this issue affects businesses to the tune of millions per year. Here are a few stats to share with your client:

- The typical organization loses 5 percent of its revenues to fraud each year.*
- The average loss caused by employee dishonesty is $140,000 with one in every five cases reporting a loss of at least $1M.*
- Background checks, even when they are used, are of little help to employers to mitigate fraud.* Most occupational fraudsters are first-time offenders with clean employment histories.
- Technological advances can be both good and bad. Increased ease of doing business can leave businesses exposed to new and complex funds transfer fraud and computer fraud threats.

Travelers fidelity and crime coverage offers multiple insuring agreements to provide protection for exposures such as loss from forgery or alteration, loss of money and securities and reimbursement for claim expenses. Additionally, funds transfer fraud and computer fraud are threats that every organization must consider. These perils may include malicious software, such as Trojan horse programs, and spoofing techniques designed to circumvent online authentication methods.

Social engineering fraud is a confidence scheme that intentionally misleads an employee into sending money or diverting a payment based on fraudulent information that is provided to the employee in a written or verbal communication such as an email, fax, letter or even a phone call. Travelers offers coverage that can protect your assets against what can be complex and unique perils.

Travelers put together a quick (under two minutes!) video to help explain it. Watch "Fidelity and Crime - Demystify Management Liability" now and feel free to share this with your clients.

Fidelity/Crime from Travelers covers employers for direct loss as well identity fraud reimbursement and reasonable claim expenses. Fidelity Crime can be obtained singly or as part of Wrap+ for Executive Liability for Private Companies. You can pick and choose the coverages your client needs and leave off what they don't. In the future you can add new or drop old coverage as needed.

Features Common to All Liability Coverages:

- Additional Defense Coverage
  - Additional Defense Limit of Liability
  - Survives exhaustion of base limit
  - Available for each liability coverage elected or shared
- Defense options
  - Duty to Defend (100 percent predetermined allocation)
  - Reimbursement
- Single retention for claim triggering multiple liability coverages and no retention if unable or not permitted to indemnify
- Worldwide coverage - claims made or occurring
- Foreign parent corporation coverage as co-defendant

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