



Cover Employee Theft with Travelers



Employee theft can take many forms. Consider these scenarios:

An insured's employee and an outside accomplice stole copper pipes from inventory, which was subsequently discovered at a local salvage yard.

A vice president of finance created false invoices from a vendor, then substituted the check that was issued payable to the vendor with a check payable to himself in the same amount. When the cancelled checks came in, he replaced the cancelled check payable to him with the un-cashed check payable to the vendor for the false invoice. The usual review of the bank statements and cancelled checks failed to reveal the scheme. The VP was caught when the bank noticed that the checks started matching in code.

Here are some statistics for your consideration:

- The typical organization loses five 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.
- It averages 18 months to discover a fraud scheme.
- 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.
- Up to 75% of all employees steal at least once and half of those steal multiple times. 55% of employee theft is done by managers

Fidelity/Crime from Travelers covers employers for direct loss as well as identity fraud reimbursement and reasonable claim expenses. Travelers has also put together a very brief video (under two minutes!) to help explain it. Watch "**Fidelity and Crime - Demystify Management Liability**" now and feel free to share this message with your clients.

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 coverages as needed.

Click the links below to learn more about available options, access highlight and sell sheets, and more:

- [Directors and Officers Liability Insurance](#)
- [Employment Practices Liability Insurance](#)
- [Fiduciary Liability Insurance](#)
- [Miscellaneous Professional Liability \(E&O\) Insurance](#)
- [CyberRisk](#)
- [Kidnap and Ransom](#)
- [Identity Fraud Expense Reimbursement](#)

As part of the coverage, your clients receive access to **Risk Management Plus+ Online**, a one-stop resource that provides a comprehensive set of tools to help protect their organization from costly litigation. To learn more, visit www.rmplusonline.com.

To access Wrap+, log into [Big "I" Markets](#) and select **Wrap+ Executive Liability** from the commercial product listing.

Please note that the Community Homeowners Associations and Healthcare Organization are not currently available through Big "I" Markets.

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