



## Kidnap and Ransom Coverage

### COVERAGE HIGHLIGHTS

#### Essential protection when seconds count

The possibility of kidnapping, extortion or illegal detention is a very real threat facing individuals, businesses and organizations of all sizes. Some estimates suggest that over 30,000 such incidents occur each year, and are on the rise.\* Business owners and employees are not only at risk when at work, or traveling domestically or internationally, but even at home with the risk of a home invasion. Is your company prepared?

Consider the costs of an event. Even an incident where no ransom demand is paid, or even made, can create unexpected costs and have a significant impact on your business's balance sheet. Expenses may include the fees of negotiators, investigators, attorneys, public relations professionals, forensic analysts, security guards and consultants. In addition, there may be reward money, interest on loans and additional salaries to be paid, or extensive medical costs not covered by traditional insurance plans. Add that all up, and your business may face a significant financial drain, with or without paying any ransom monies.

Travelers' Kidnap and Ransom (K&R) Coverage is designed to minimize the financial impact of an incident on your business.

#### Crisis response support included

One of the most important benefits of our policy is the immediate priority access to Olive Group Crisis Response when an incident occurs, as their sole priority is the hostage's safe release. Their consultants have many years' experience in dealing with crisis situations, and this combined with their local knowledge allows for informed decisions to be made.

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## Claim scenarios

### Kidnaped for ransom – \$663,500

The president of a company was kidnapped in the company's parking lot and held for five days before a ransom demand was paid. The company incurred interest costs of one percent over prime to secure a loan for the \$650,000 ransom demand. In addition, they had to pay a \$2,000 per day fee plus expenses for an independent negotiator, \$500 per day for the recording equipment used in securing the president's release, and \$200 per day for extra security guards hired to protect the president's family.

### Threat of violence – \$4,000,000

A company received a series of threats, including a photocopy of a gun, notes containing threats of violence against specific employees, and phone calls including recordings of gunshot sounds. The perpetrator(s) initially demanded as much as \$50,000 to stop the threats. In addition, a private security consultant was hired to analyze the notes, protect the premises and the threatened individuals, and set up a drop site for the money demanded. The threats continued for over three years without any occurrence of violence. The cost of the private security firm's activities eventually exceeded \$4 million.

## Why Travelers

- We've provided effective insurance solutions for more than 150 years and address the needs of a wide range of industries
- We consistently receive high marks from independent ratings agencies for our financial strength and claims-paying ability
- With offices in every U.S. state, we possess national strength and local presence
- Our dedicated underwriters, risk control specialists and claim professionals offer extensive industry and product knowledge

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## Travelers knows kidnap and ransom coverage.

To learn more, talk to your independent insurance agent or visit [travelersbond.com](http://travelersbond.com).

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\* Ransom: The Untold Story of International Kidnapping, by Ann Hagedorn Auerbach



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