



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. Estimates indicate there are between 12,500 and 25,000 kidnappings a year worldwide.* 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 a kidnapping, extortion or illegal detention. Even when no ransom demand is paid, or made, it 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 kidnapping, extortion or illegal detention on your business.

Crisis response support included

One of the most important benefits of our policy is the immediate priority access to Constellis 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 160 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 nationwide, we possess national strength and local presence.
- Our dedicated underwriters and claim professionals offer extensive industry and product knowledge.

Constellis is a leading provider of risk management and operational support services to government and commercial clients worldwide. From crisis management and training to security, logistics, and life support, Constellis helps clients understand and control their risk while conducting business safely and efficiently no matter where they are in the world.

We leverage our operational excellence, comprehensive expertise, world-class facilities and global network of partners to quickly deliver tailored, cost-effective and innovative services to our clients. With more than 8,000 personnel, we recruit and retain the industry's most experienced and top-trained employees, most of whom are military or law enforcement veterans. As a result, we share a willingness to support complex operations in some of the world's most demanding locations.

Travelers knows Kidnap and Ransom Coverage.

To learn more, talk to your independent agent or broker, or visit travelers.com.

* "Kidnapping for Ransom" by Frank Zuccarella, The Rough Notes Co. Inc., May 2011



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