

# COVERAGE IN ACTION

## EXAMPLES OF INSURANCE AT WORK

### Kidnap and Ransom Insurance

Kidnapping, ransom and extortion may sound like threats straight out of a movie, but they are very real concerns for organizations of all kinds. Not only can a business's employees be abducted when traveling domestically or abroad, but malicious parties can also threaten an organization's property.

When kidnapping or extortion occurs, it can be incredibly costly. In fact, even if a ransom is not paid, businesses face expenses associated with negotiations, investigations, legal fees, forensics, security, consultations and public relations.

#### Claims Scenario: *Overseas and in Danger*

**The individual(s):** A salesperson for a large software company

**The challenge:** A man traveled to South America on business to close a deal on behalf of his company. While on his way to his hotel, both he and his driver were kidnapped. Within the first few days of the kidnapping, the abductee was moved to different locations frequently.

The captors then demanded a ransom of \$3.3 million. While the employee was returned home safely, the organization suffered significant financial losses as a result of the kidnapping.

**Kidnap and ransom insurance in action:** Kidnap and ransom insurance is particularly useful for businesses that frequently send employees abroad. Not only can this type of coverage provide financial protection in the event of extortion, it gives organizations access to a network of professionals who can help mediate tense situations.

In the claims example above, kidnap and ransom insurance would cover the cost of the ransom itself and any expenses related to enlisting the help of experts. What's more, a strong policy could include coverage for on-site audits, which can go a long way to preventing future kidnappings or extortion.

#### Claims Scenario: *Locked Up*

**The individual(s):** Two journalists for a high-circulation newspaper

**The challenge:** While overseas covering a story, two journalists were abducted and detained by a local government. The government was suspicious of the journalists' business in the country and felt it was within its right to imprison them.

During their imprisonment, the journalists were kept in unknown locations and subject to intense interrogations. The conditions at the prison facilities were poor, which resulted in both physical and mental anguish.

**Kidnap and ransom insurance in action:** One major benefit of kidnap and ransom insurance that many organizations are unaware of is that it can provide a response for wrongful detention. In the claims example above, the policy would have kicked in, and crisis consultants would have been contacted.

These consultants, through a connected network of experts, support their clients by providing intelligence and mediating the release of those captured. Certain policies may also provide a post-event risk assessment to ensure the health of the victims and that similar issues don't arise in the future.

## Learn More About Kidnap and Ransom Insurance

To protect their employees and assets at home and abroad, companies should consider purchasing kidnap and ransom insurance. This type of coverage is designed to minimize the financial impact of kidnapping, extortion or illegal detainment, and it offers a number of unique benefits.

To learn more about your policy options, contact Bowen, Miclette & Britt Insurance Agency, LLC today.

### Talk to an Expert

Bowen, Miclette & Britt Insurance Agency, LLC  
(713) 880-7100  
[www.bmbinc.com](http://www.bmbinc.com)

## Benefits of Kidnap and Ransom Insurance

- **Financial protection**—Kidnapping and extortion can cost organizations millions. Without insurance, organizations would have to pay any costs out of pocket. Financial protection is robust and includes coverage for the ransom and for expenses involved with bringing in third-party assistance to deal with the crisis.
- **Access to a network of professionals**—When kidnapping or extortion occurs, you will need outside experts to step in, assess the situation and plot the best course of action. Many kidnap and ransom policies provide organizations with immediate, priority access to consultants who have extensive experience in dealing with crises. These experts often have local knowledge and focus on remedying tense situations in the quickest and safest ways possible.
- **Global protection**—If your employees travel to different countries on a regular basis, you can't afford to be without insurance. In most cases, kidnap and ransom policies offer worldwide coverage, ensuring that your organization is protected wherever your workers conduct business.
- **Risk mitigation services**—Some kidnap and ransom policies provide organizations with the option to receive on-site audits and workplace training. These services aid in identifying potential exposures and remedying them to limit the risk of kidnapping or extortion.