

HELP PROTECT YOUR BUSINESS AGAINST EMPLOYEE THEFT WITH COMMERCIAL CRIME COVERAGE.



Employee theft costs businesses billions of dollars each year. With the widespread use of technology to run operations and the rapid growth of white collar crime, businesses face many threats to their property and other assets.

We offer an effective and economical solution against employee theft with our commercial crime insurance policy. This valuable protection:

- Covers a wide range of losses caused by dishonest acts, such as thefts and embezzlements.
- Helps protect against loss caused by non-employees through our optional crime coverages.

IMPORTANT THINGS TO KNOW ABOUT EMPLOYEE THEFT COVERAGE

- It's the foundation of commercial crime insurance.
- It's intended to help cover your money, securities and other property against loss that results directly from theft by your employees.
- The maximum recovery for any one loss occurrence is the limit of insurance that you select, regardless of the number of employees involved in the loss.

ACTUAL CLAIMS SCENARIOS

Consider these four real-life examples of employee theft.

CLAIM 1	
Cause of action	Deception fraud
Type of insured	Private company: Plastics manufacturer
Total employees	250 approx.
Total locations	4
Total revenue	\$75,000,000 approx.
Synopsis	<p>A member of the accounts payable staff received an email from a vendor requesting that payment for the last shipment of material be wired to an alternate bank account (since they chose to freeze their main account until the completion of an internal audit). The account and routing number were provided in the message. The accounts payable employee updated the payment system to reflect the new account information and initiated the transfer. The request was determined to be fraudulent when:</p> <ul style="list-style-type: none"> • The vendor followed up for payment 30 days after sending their original invoice • The insured realized that a payment was made to an individual posing as their vendor • Payment was still outstanding to the vendor for product received
Resolution	The total amount of loss was approximately \$275,000.



CLAIM 2

Cause of action	Employee dishonesty
Type of insured	Private company: Manufacturer and wholesaler
Total employees	150 approx.
Total locations	3
Total revenue	\$22,000,000 approx.
Synopsis	The insured discovered a scheme in which its purchasing manager created a fraudulent vendor for which the insured was the only customer. The vendor purchased supplies and services from the insured's former suppliers and resold these to the insured at inflated prices. In addition, many of the items ordered were never delivered. The purchasing manager was able to perpetrate the fraud with the assistance of other employees.
Resolution	The total amount of loss was almost \$400,000.



CLAIM 3

Cause of action	Third party
Type of insured	Janitorial service provider
Total employees	65 approx.
Total locations	1
Total revenue	\$1,200,000
Synopsis	A client of the insured's organization discovered a theft of new laptops and other electronic equipment by one of the insured's employees while they were cleaning the office overnight. Two employees had been assigned to that particular client, but the security camera footage allowed the client and the insured to identify the particular employee who perpetrated the theft.
Resolution	The total amount of loss was almost \$120,000.



CLAIM 4

Cause of action	Computer fraud
Type of insured	Accounting firm
Total employees	40
Total locations	2
Total revenue	\$2,150,000 approx.
Synopsis	The insured's computer system was hacked and a file containing account numbers and passwords was accessed. That information was then used to transfer funds from the insured's bank account without their knowledge over four separate transactions. The theft went undetected until the next day, when the bank called the insured to inquire about a couple of suspicious transfers. At that point, the money had already been transferred out of the account it had been moved to, and was unrecoverable.
Resolution	The total amount of loss was almost \$525,000.



LEARN MORE. Protect your business against employee theft with commercial crime insurance, visit [TheHartford.com/crime](https://www.TheHartford.com/crime)



Business Insurance
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Home

The scenarios summarized herein are offered only as examples. Coverage depends on the actual facts of each case and the terms, conditions, and exclusions of the issued policy. Please refer to the issued policy to determine all terms, conditions and exclusions of coverage. Coverage is provided by the property and casualty companies of The Hartford Financial Services Group, Inc. and may not be available to all insureds in all states. Hartford Financial Products is an underwriting unit of The Hartford.

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