

The headline stories seen in the press are a constant reminder of the increasing and pervasive threat of corporate fraud faced by the business world today. And yet, this is by no means a new phenomenon – in fact it's reported that fraud costs companies untold billions in lost income every year. It seems that, regardless of size, territory and business sector, all commercial enterprises have something in common – a vulnerability to fraud inside the workplace carried out by dishonest employees, and unexpected assaults on the business by skilled criminals who look for opportunities to exploit any weakness in controls and systems for their own financial gain.

It's human nature to think that we have all our bases covered – but when employees have intricate knowledge of just how the business works, it's very easy for them to find a way to circumvent internal controls and anti-fraud measures. In the case of criminals targeting a company, there are countless risk exposures. These can include working in collusion with the company's employees or increasing instances of documentary fraud involving forgery or fraudulent alteration to documents of value. Generally these are invisible threats which only become apparent once the damage is done. And it's not just the large, one-off frauds that create shock waves throughout the business. Some frauds are initially small in value but, when left unchecked for an extended time-frame, the eventual adverse financial impact on a business can be devastating.

A company's first line of defence against fraud is its internal controls and procedures. But no matter how robust a company's controls are, they are only as effective as the individuals who are operating them. Whilst businesses do their best to minimise risk, this does not entirely eliminate the potential for fraud. Insurance protection seeks to act as a safeguard to an Insured's balance sheet in the event that, despite a company's best endeavours, something goes wrong.

Whether the misappropriation relates to cash, securities, stock or assets the resultant effect can mean a significant financial loss to the company. Having Crime insurance in place can minimise the detrimental effect on a company's bottom line when a fraud is exposed.

As specialists in Financial Lines insurance coverages, Pembroke and Ironshore recognise the crime related risks facing businesses today and have developed our CrimeSure coverage for Commercial organisations.

CrimeSure coverage highlights include:

- **Any Single Loss Protection**
Ensures no erosion of the policy limit for unrelated losses
- **Automatic Acquisition Coverage**
Automatic day one coverage for newly acquired and created companies within your organisation
- **Business Interruption**
Protection for additional costs of working following a covered loss
- **Computer & Funds Transfer Fraud**
Loss arising from unauthorised access to computer systems
- **Data Reconstitution Costs**
Costs of reproducing data following a covered loss

(over)

- **Documentary Fraud**
Forgery and fraudulent alteration to documents of value
- **Extensive Definition of Insured**
Includes subsidiary companies, associated companies and employee benefit plans
- **Interest**
Settlement includes value of interest that would have been earned over the period of loss
- **Internal Crime**
Provides indemnity protection against employee fraud and dishonesty, covering the company's property and that of its customers when in the company's care custody and control
- **Investigation**
Loss investigation costs following a claim
- **Money & Securities**
Physical loss of or damage to money or securities
- **Outsourced Support Functions**
Includes loss resulting from fraud or dishonesty by a company to which the Insured outsources administrative support functions
- **Limit of Indemnity up to £20,000,000**

Our initial underwriting considerations when assessing risk are

- Completed Pembroke proposal form
- Business activities
- Geographical spread
- Controls and procedures in place throughout the business
- Loss record

Contact

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