

# International Insurance Program Coverage Scenarios

*Delivering greater value with the international protection you need*

Today, nearly every company faces some type of international exposure. The Hartford, in alliance with the ACE Group of Companies, gives you the ability to offer your clients a complete insurance program that includes the international protection they need. Take a look at these examples of coverage we can provide and see for yourself.

## The Coverage

### Commercial General Liability

Bodily Injury Liability in Columbia

## The Event

- U.S. based contractor visits prospective client at construction site in Bogotá.
- Contractor trips, causing chain of events ending with suspended beam crashing into a group of Bogotá firm's workers.
- Four employees are seriously injured and bring suit in Colombian courts against the U.S. firm.
- Foreign suits/foreign occurrence is not covered under U.S. General Liability policy and its basic coverage territory.

## The Solution

The ACE USA International Advantage policy covers defense costs and judgment against U.S. firm.

Products Liability in Germany

- U.S. metal goods manufacturer exports round metal disks made to specifications for German soda bottler.
- Bottler uses disks to make bottle caps and one blows off glass bottle, blinding a child.
- Both bottler and U.S. manufacturer are sued in German court.
- Foreign suit/foreign occurrence is not covered under manufacturers U.S. General Liability policy.

The ACE USA International Advantage policy insures the U.S. manufacturer against costly settlement. While the case is dismissed, U.S. manufacturer's court costs are paid through this policy.

Premises Legal Damages in South Africa

- After a 12-hour flight to South Africa, employee draws a bath at a rented corporate apartment and lies down to rest as tub fills.
- Employee dozes off and tub overflows, causing damage not only to apartment, but to three floors below.
- Claim for substantial premises legal damages and suit brought in South Africa against the U.S. firm.
- Coverage territory of domestic General Liability policy does not provide coverage for this suit.

The ACE USA International Advantage policy covers premises damage to the rented apartment resulting from ALL perils.



## The Coverage

### Commercial General Liability *(continued)*

Contractors Liability in Russia

## The Event

- U.S. Contractor is hired to install equipment at Russian customer's location.
- Contractor uses sub-contractor with low limits of insurance.
- Loss occurs and suit is brought against U.S. contractor in Russia. Foreign suits/foreign occurrence is not covered under U.S. General Liability policy.

## The Solution

The ACE USA International Advantage policy covers losses occurring in Russia and majority of other countries.

### Commercial Auto

U.S. Driver not covered under Japanese policy

- U.S. based on-line brokerage firm sends American manager to open new branch office in Japan.
- Manager loans his leased vehicle to employee, another American.
- Employee, not covered by rental company's policy, causes accident with car carrying a Japanese family, resulting in serious injury and lawsuit against the brokerage firm.

The ACE USA International Advantage DIC coverage responds to the lawsuit, provided the vehicle is used in the firm's business.

### Employers' Responsibility

#### Voluntary Compensation:

Mexican National traveling in South America

- U.S. Distributor and newly-hired Mexican salesperson make joint business calls in Chile and Brazil.
- While in Brazil, the salesperson trips and falls down a flight of stairs.
- Mexican Social Security system provides no medical coverage for work injury sustained outside Mexico.

The ACE USA International Advantage policy provides Mexican Work Injury benefits when injury occurs while employee is working.

#### Employers' Liability:

Australian Employee Suing U.S. based Employer

- Australian heavy equipment operator is hired by U.S. contractor for Middle East pipeline project.
- Australian is injured when equipment jams and collects comp benefits, but files multi-million dollar suit against employer for negligent equipment maintenance.

The ACE USA International Advantage policy covers employer for defense against employee's suit.

#### Repatriation:

U.S. National requiring evacuation after illness

- U.S. citizen on business trip to China suffers a broken hip and sustains other life-threatening injuries.
- To receive proper medical treatment, she is medically evacuated to Hong Kong.

The ACE USA International Advantage policy pays repatriation costs under Executive Assistance service.

#### Voluntary Compensation:

U.S. based Executive traveling in Asia

- Executive officer who is a U.S. citizen travels to Vietnam to explore new business opportunity and is involved in a serious auto accident.
- Since he is not subject to U.S. workers' compensation laws because of status as an executive officer, domestic workers' compensation policy affords him no coverage.

The ACE USA International Advantage policy provides workers' compensation on voluntary basis, if employer chooses to provide such benefits prior to accident.

## The Coverage

### Employers' Responsibility *(continued)*

#### Voluntary Compensation:

U.S. National stationed in Latin America

### International Medical and AD&D

U.S. Based employee traveling to Australia

Israeli National traveling to Japan

British National traveling to the U.S.

### Commercial Property & Business Income

High Winds strike Sales Office in France

Samples stolen at Tokyo conference

Europe-bound cargo destroyed in heavy seas

## The Event

- While working in Latin America, U.S. based chief engineer contracts Hepatitis B.
- Employer has no coverage for endemic disease under his home state domestic workers' compensation policy.

- Employee of U.S. based information technology firm travels to Australia to do an audit.
- After suffering a heart attack in his hotel room, he is treated at a local hospital, but required to pay bills by credit card.
- Back in the U.S., he files claim with local HMO, only to find he is not covered for extra-territorial medical reimbursement.

- While visiting a Japanese work site for his employer, a U.S.-based semiconductor company, Israeli national slips in hotel bathtub, severely injuring back and spine.
- Worker is taken to Japanese hospital, but has no coverage under his home country's national health plan.

- U.K. based executive of U.S. firm travels to New York for international trade show and is hospitalized for pulmonary embolism.
- Employee's individual medical plan does not extend coverage outside the U.K.

- U.S. based service company maintains a sales office in France.
- During a severe thunderstorm, building's windows are blown out and office equipment is damaged by rain.

- U.S. based employee travels to Tokyo for industry trade show.
- As salesman attends opening reception, thief enters hotel room and steals samples worth \$5,000.

- U.S. based manufacturer ships approximately \$1 million in goods to Europe annually.
- Cargo ship carrying \$25,000 shipment for company is crippled by high seas and takes on water; all merchandise aboard is destroyed.

## The Solution

Provided Hepatitis B is contracted in Latin America as a result of employment, voluntary compensation applies under the International Advantage policy.

The ACE USA International Advantage policy covers expenses and/or outside-of-network charges if individual's plan does not, and guarantees payments to hospital.

Because Israeli man's employer has International Advantage policy, ACE office in Japan makes payment directly to the hospital.

The ACE USA International Advantage policy pays all incurred expenses, less deductible.

The ACE USA International Advantage policy pays for property damage at covered location (subject to applicable deductible, policy limits and policy terms and conditions).

Because the salesman's employer has an International Advantage policy, company is reimbursed for loss of samples (subject to applicable deductible, policy limits and policy terms and conditions).

The ACE USA International Advantage policy pays for all cargo losses in course of shipment (subject to applicable deductible, policy limits and policy terms and conditions).

## The Coverage

### Kidnap & Extortion

U.S. based employee is abducted in Panama

Spanish terrorists seek \$1 million payment from American firm

## The Event

- Executive of U.S. based retailer travels to Panama for two-week business trip.
- On way from airport to hotel by taxi, she is abducted and held for \$500,000 ransom.

- U.S. based manufacturer generates 25 percent of revenues from products sold in Europe.
- Terrorist organization in Spain contacts New York headquarters and threatens to contaminate goods in European supply chain unless it receives \$1 million.

## The Solution

The ACE USA International Advantage policy covers ransom money and related expenses resulting from kidnapping incident. ACE USA, in partnership with Control Risks Group, provides expert security consultant to evaluate situation, advise on possible options and coordinate crisis management.

The ACE-USA International Advantage policy reimburses extortion money paid by insured directly following incident.

ACE USA, in partnership with Control Risks Group, provides priority crisis response and expert advice to help manage and resolve incident as quickly as possible.

This document provides an overview of coverages and services. Coverages may differ in availability by state. All coverages are individually underwritten. For a complete description of all coverages, terms, and conditions, refer to the insurance policy. In the event of a conflict, the terms and conditions of the policy prevail.

The Hartford has entered into a strategic alliance with a unit of the ACE Group of Companies to provide The Hartford's U.S.-based business clients with insurance protection for a wide range of international exposures. This protection is offered by the ACE Group of Companies through the ACE USA International Advantage Policy. The Hartford has no liability with respect to the prompt claim or provision of coverages under the ACE USA International Advantage Policy.