

## MULTINATIONAL PROPERTY AND CASUALTY CLAIM SCENARIOS

As the number of organizations conducting business outside the United States continues to rapidly grow, the need for U.S.-based entities to minimize international exposures has never been more critical. In response, Westchester offers International Advantage® to protect our customers against the many risks that these exposures present.

Scenarios like those found below happen every day. Are you and your clients prepared to handle the potential consequences?

### Commercial General Liability – Third-Party Property Damage

#### Problem:

- U.S. employee travels to Belize on business and accidentally leaves the water running in the hotel room bathtub.
- The bathtub overflows, causing water damage to the floors below, including the hotel lobby. The hotel owner demands payment for the damage.
- The claim may not be covered under the U.S. company's domestic general liability policy because the event happened outside of the policy's coverage territory.

#### Solution:

- An International Advantage® policy can provide third-party property damage liability coverage outside of the U.S.

### Products Liability – Coverage Jurisdiction

#### Problem:

- U.S. company manufactures burners in the U.S. that are sold to a distributor in France. Distributor sells burners to third-party customer in Germany who uses them in an industrial furnace.
- Burner suffers premature failure and damages third-party customer's furnace resulting in a suit brought in Germany against the U.S. company and the distributor.
- The domestic general liability insurer may deny coverage because the suit has been filed outside of the standard coverage territory.

#### Solution:

- An International Advantage® policy can provide products liability and defense of suits coverage in foreign territories.

### Contingent Auto Liability – Difference in Limits

#### Problem:

- U.S. company employee travels to Mexico on business and rents a car. The local rental car agency carries a local Mexican auto liability policy with limits of MXN 750,000 / USD \$40,000 (Mexico requires compulsory third-party auto liability insurance on all vehicles).
- Employee is involved in a serious auto accident in Mexico resulting in the death of a passenger in the other vehicle and a serious injury to the driver of the other vehicle; the claims could exceed the equivalent of USD \$40,000 under Mexican law.
- The U.S. employer and the driver could be held directly responsible for a judgment in excess of the local policy limit.

#### Solution:

- An International Advantage® policy can provide contingent auto liability coverage outside of the U.S. with limits of \$1,000,000 per accident and can extend coverage to U.S. entities and their employees.

### Executive Assistance Services – Trip Travel

#### Problem:

- U.S. based charitable organization takes a mission trip to a village in Zimbabwe and one of the volunteers contracts malaria, an endemic disease.
- There are no qualified medical facilities within a reasonable distance from the charity's campsite to treat the volunteer.
- The volunteer's only option is to be evacuated to a qualified medical facility in Johannesburg, South Africa at a cost of \$50,000.

#### Solution:

- An International Advantage® policy with Executive Assistance services can pay for the cost of emergency medical evacuation to the nearest adequate medical facility.

## Foreign Voluntary Compensation – State of Hire Benefits

### Problem:

- A U.S.-based manufacturer has sent employees to work in a warehouse in a remote area of Botswana for six months.
- During the course and scope of work, an employee falls from a forklift, breaks his leg, and is disabled for forty days.

### Solution:

- An International Advantage® policy can provide foreign voluntary compensation coverage that extends the equivalent of state of hire or country of origin benefits.

## Accidental Death & Dismemberment – Non-Occupational Injury

### Problem:

- U.S. company's employee temporarily working in Mexico City arranges to visit several tourist attractions on her day off.
- While sightseeing at the local pyramids, the employee breaks her arm and requires medical treatment after stumbling down a stairway.
- Since the injuries were not sustained while working, the incident may not be covered by the U.S. company's worker's compensation program.

### Solution:

- An International Advantage® policy can provide Accidental Death & Dismemberment benefits and non-occupational medical expense coverage. Coupling our AD&D/Medical Expense and Employer's Responsibility coverage parts provides true 24-hour protection for international travelers.

## Kidnap & Extortion – Kidnapping

### Problem:

- Executive of U.S.-based retailer travels to Ecuador to visit company-owned facility.
- On her way from the airport to the hotel by taxi, she is abducted and held for \$500,000 ransom.

### Solution:

- An International Advantage® policy responds to the cost associated with kidnap, extortion and detention events if employees or their families are kidnapped and provides valuable services of expert crisis management consultant.

## Property – Theft

### Problem:

- U.S. based missionaries travel to Africa to help implement modern agricultural techniques.
- Leased farming equipment is stolen soon after their arrival.

### Solution:

- An International Advantage® policy can respond to the loss of owned or leased equipment by theft under the Property Coverage form.

## CONTACT US

**Kristin Swineford**

302-287-4173

kristin.swineford@westchester.com

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