

# Commercial Crime

A Commercial Crime policy is designed to cover your company's financial losses in the event of a crime committed against you. This includes money, stock, goods, property or funds being stolen by employees.

## Why do I need it?

Even the best internal controls are not always enough to protect your company against fraudulent activity. Employee fraud, in particular, is on the increase, with UK businesses losing an estimated £40m to their staff in 2016. This is particularly dangerous because employees often know a company's systems best, and therefore know how to circumvent them.

External risks, such as social engineering, are also rife. Social engineering is gaining access to systems and data by exploiting human psychology rather than by breaking in, such as fake bank messages seeking your financial details or sending false invoices.

A flexible insurance policy, usually called an All Risks policy, will cover theft, computer violation, telephone fraud, public relations costs, malicious data damage and commercial disruption. Some policies we offer also include access to investigative experts to establish the extent of the loss and how it was done.

## What claims would be covered under a Commercial Crime policy?

- A senior manager at a manufacturing firm was discovered to have deliberately over-ordered the stock she was responsible for. This was not monitored by her directors and over six months, she stole £30,000 worth of stock.
- Someone purporting to be from a supplier emailed to advise of a change in bank details. The accounts team action this without verifying on the phone with their usual contact and pay the invoice to the new bank details. At a later date the actual suppliers call chasing the invoice payment.

As with many insurance policies, there is no one size fits all. But Centor's Commercial division will talk you through all your options. **Call 0207 256 7300 for more information.**

