

# International Insurance

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Firms entering into the international commerce field generally fall into one of three categories:

1. Companies with employees who make overseas visits or who maintain temporary residency outside of the U.S. and Canada. All varieties of companies involved in international commerce often send sales people overseas for extended periods. Manufacturers and contractors may need to send advisors, repairpersons or engineers to overseas installations.
2. Companies that have one or more contracts with foreign warehouses or distribution centers.
3. Companies with the most extensive foreign operation. Their businesses involve owning or leasing property in a foreign country, foreign subsidiaries and/or foreign-service operations.

Deciding on proper coverage is complex and care must be taken to consider each country's laws, customs and exposures. It is critical to work with an underwriter who has experience in the country where the customer has operations. Companies with foreign operations should consider the following coverages:

Aviation	Accident, Sickness and Health	Auto
Crime	Directors and Officers	Employment Practices
Employee Benefit	ERISA	Difference in Conditions
Difference in Limits	Kidnap and Ransom	Letters of Credit
Credit Insurance	Liability	Ocean Marine Cargo
Political Risk	Property and Time Element	Recall
Workers' Compensation		

Companies with employees who either travel to or temporarily live in foreign countries should consider additional insurance such as:

- Foreign Workers Compensation
- Accident, sickness and health insurance
- Nonowned auto coverage that applies on a worldwide, excess basis.
- General liability insurance that applies on a worldwide (non-U.S. or Canada) excess basis.

Further the following coverages might be critical for businesses that employ sales persons in foreign countries or who contract with foreign warehouses and/or distributors:

- Foreign Workers Compensation: add to the U.S. workers compensation contract.
- General liability on an excess basis.
- Property: coverage may be necessary for owned personal property, i.e., stock, salesperson samples and exhibition property.
- Automobile coverage on an excess basis.
- Transit coverage.

A permanent presence in a foreign country such as the ownership or long-term lease of real estate is the third category of foreign operations. Virtually all of the coverages referenced in this article need to be considered for these firms. Work with insurance professionals who understand local conditions and laws.

There are many international insurance companies including St. Paul/Travelers, Chubb, Zurich, American Insurance Group (AIG), ACE Group of Companies and the Hartford Insurance Group. Positive experiences may be achieved while dealing with the international markets by using professionalism, knowledge and cooperation.

Some international insurers have offices in every country where they sell insurance. Others are U.S.-based and provide coverage through agreements with affiliates which, typically, are not owned by the U.S. insurer. Some insurance agents prefer to work with an insurer that has its own offices in the foreign countries. Affiliate arrangements can be as effective as long as the U.S. underwriter and the affiliate have an open and candid channel of communication.

The international insurance market is growing. Many insurers have international facilities. Basic international insurance is very similar to coverages that are written in the U.S. A broad difference in conditions policy plus health insurance that includes endemic diseases is a sound base on which to build the insurance program for the client that is doing business in foreign countries.

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