



Placing global coverage in specific countries

7 KEY THINGS TO KNOW

Navigating hundreds of countries around the world with different customs and changing regulations can be difficult. At Travelers we give you peace of mind to ensure compliance. Here are seven key things to know when placing global coverage in specific countries to help you set expectations with your customers.

Topic	Description	Countries where applicable (not exclusive)
<p>1. Required regulatory documents</p>	<p>Some countries require standard documentation and information prior to issuing any insurance documents. Some governments require local insurance carriers to track this information, which can aid in anti-money laundering and anti-fraud efforts. Examples of this documentation include:</p> <ul style="list-style-type: none"> • Know your customer (KYC) – documents that the insured provides, fills out and signs. • Attestations/documents reporting past results to aid in local workers compensation requirements. In some countries, this can be due 21 days before the policy effective date. • Additional policy issuance applications – documents that need to be signed by the local insured before policies can be issued. • Draft policies – local insured needs to review and approve a draft policy before the final policy is issued. 	<ul style="list-style-type: none"> • Hong Kong • India • Japan • Mexico • Philippines • Poland • Singapore • United Arab Emirates
<p>2. Cash before cover</p>	<p>These countries require the local premium to be paid in full before the policy incepts. For example, if the requested effective date is Jan. 1 through Dec. 31, but the premium is not received until Jan. 15, the policy period will be Jan. 15 through Dec. 31. Backdating is not allowed.</p>	<ul style="list-style-type: none"> • India • Japan • South Korea
<p>3. Local broker</p>	<p>A couple of countries, as shown here, require a local broker, but for those countries that don't, a local broker can provide significant support. Examples of support include:</p> <ul style="list-style-type: none"> • Obtaining local required regulatory documents • Coordinating claims • Obtaining renewal documentation 	<ul style="list-style-type: none"> • Brazil • Japan

Challenge	Description	Countries where applicable (not exclusive)
4. Compulsory coverages and good local standard limits	<p>Many countries have some coverages that are mandatory and must be issued in-country to protect the common interest of their residents. Examples of these coverages include auto liability and workers compensation.</p> <p>In certain countries, good local standard limits can differ greatly from the United States. For example, Australia typically issues AUD \$20M limits for companies that lease property.</p>	<ul style="list-style-type: none"> • Most countries for auto liability • Hong Kong for employee compensation • Singapore for workers compensation • United Kingdom for employers liability
5. Tariff-rated coverages	<p>Like the United States, several countries have rates for lines of business that are mandated by the government, which can lead to pricing inflexibility and quoting delays.</p>	<ul style="list-style-type: none"> • Most countries for local workers compensation • India • Malaysia • South Korea
6. Premium collection	<p>Some countries will not allow parent/home country collections. Premium payments must be received by the local carrier in the country. Local collections can often result in quicker policy issuance and streamlined local broker commission.</p>	<ul style="list-style-type: none"> • Japan • South Korea
7. Terrorism coverage	<p>While terrorism is often excluded on the U.S. master policy, local countries have different approaches to how terrorism events will be covered. This includes automatic terrorism pools, optional terrorism coverage purchases and more.</p>	<ul style="list-style-type: none"> • United Kingdom Terrorism pool – optional coverage paid by policyholder • France GAREAT pool – mandatory coverage paid by policyholder with premium amounts depending on property values

If you have questions, please contact your Global Accounts representative.



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