

▶ *Hanover Fidelity & Crime Advantage*

Real Claims, Real Trouble*

Falsified Expenses

A manager at a major healthcare laboratory managed to get personally reimbursed for falsified expenses by creating fake companies and producing fake invoices and expense reports for the payments he had supposedly made to other companies.

**COST TO EMPLOYER:
\$1.2 Million**

Employee Theft

Over the course of seven years, a municipal transit cashier took an average of \$200 in quarters, dimes and nickels home with him every day by hiding them in his bag.

**ORGANIZATIONAL COSTS:
\$375,000**

Inventory Theft

Over time, a ring of employees stole copper from a scrap yard to sell to outside buyers and falsified inventory records to hide the crime.

**TOTAL LOSS:
Over \$5 Million**

Employee Forgery

A security expert, hired as a theft prevention specialist, found and exploited a hole in a communication company's internal controls, and began writing himself checks on company stock, and signing with the signature stamp of a co-worker. He made false entries in the company's books to cover his tracks.

**AMOUNT STOLEN:
Over \$1 Million**

Payroll Fraud

A regional manager responsible for hiring janitorial workers for a manufacturer added over 50 ghost employees to his payroll, all real people he knew, forged timesheets, and authorized payroll payments to the fraudulent employees who cashed the checks and split the proceeds with him.

**THEFT TOTAL:
\$800,000**

Non-profit Funds Transfer Fraud

For over four years, a former employee diverted money from a reputable non-profit organization's account to her personal account and accounts of family members.

**TOTAL EMBEZZLED:
\$1.6 Million**

*These scenarios are based on actual claims. Insurance policy coverage depends on the facts of each case and the terms, exclusions, and limitations of each policy.

Fraudulent Returns

An employee issued himself refunds for purchases made by customers and altered inventory records to hide the crime.

COST TO EMPLOYER:

\$400,000

Warehouse Theft

A warehouse worker for a manufacturer and distributor was caught loading scrap material into the trunk of his car that he had staged outside the building during his shift.

TOTAL LOSS:

Over \$175,000

Employee Embezzlement

Over a period of eight years, a trusted woman working in the accounts payable department of a major religious institution wrote hundreds of checks to herself to cover minor expenses, such as office supplies and utilities, which no one questioned. It was later revealed she had simply stolen the funds and had a prior conviction for grand larceny.

COST TO ORGANIZATION:

Over \$1 Million



Is your organization protected from employee theft?

In this era of computer proliferation, mergers, downsizing, and restructuring, no business is immune from employee theft. Hanover Fidelity & Crime Advantage is the solution to financially protect your company. Contact your Hanover Agent to learn more today!



Why The Hanover?

The Hanover is a leading property and casualty insurance company dedicated to achieving world-class performance. Our commitment is to deliver the products, services, and technology offered by the best national companies with the responsiveness, market focus, and local decision making of the best regional companies. This powerful combination has been a proven success since our founding in 1852, and all insurance company subsidiaries are rated "A" (Excellent) by A. M. Best Company.

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