



New heights for **business travel cover**

Like the difference between business class and economy on a plane, there are also substantial variations in business travel insurance. However while it is obvious to travellers if they are flying business class, the standard of travel cover may not be immediately apparent.

Would your business travel insurance cover a major search and rescue operation? Business travel insurance coverage is evolving. In 2011, corporate travellers are finding coverage which could see their benefits increase.

Smart brokers are catching on to the changes within business travel insurance to access protection for their clients against a broader range of risks. The days of a simple policy covering personal accident and sickness expenses, cancellations and theft are fast disappearing. A policy being relaunched by ACE Insurance Limited (ACE) illustrates an important state in the evolution. It is a policy which is designed to benefit the insured company, its employees and their families. It provides flexible coverage options to suit business needs and includes upgrades from previous ACE policies.

Search and Rescue Expenses are a good example of a new coverage available. In its updated policy, ACE provides financial protection

if an insured person is reported missing and it becomes necessary for a rescue provider or police authorities to instigate a search and rescue operation. ACE would reimburse the policyholder up to \$20,000 per insured person, up to a maximum of \$100,000, in respect of certain costs incurred by a recognised rescue provider or the police authorities.

Does your travel cover include these features?

- Search and rescue cover
- Cover for cancellation and curtailment due to sickness or death arising from pre-existing medical conditions
- Rental vehicle excess waiver for cars and motorcycles
- Corporate image protection
- Rehabilitation expenses
- Education fund supplement
- Coins and bank notes
- Tools of trade (courier costs)

Matt Bouzaid, ACE NZ Accident & Health Manager, said: "We've updated our cover in response to requests from brokers and clients, and after consultation with the ACE Claims

Tips for travellers

The following are some ways to mitigate risk and minimise inconvenience while on the road.

- Save receipts to expedite claims
- Keep a copy of your passport
- Store money in two locations
- Carry a spare credit card
- Know your policy number and insurer's details
- Keep a spare change of clothes in carry-on luggage in the event your checked baggage is delayed
- Contact your airline as well as the insurer if property is lost
- Make use of the insurer's assistance provider in the event of a loss



“When tragedy falls upon a loved one, or when your colleague is struck down with an illness, you need to have the confidence that your insurer will cover the cancellation expenses. This takes one less stress away from what can be a highly distressing situation. **Matt Bouzaid**

team. New covers have been developed and existing covers enhanced to meet evolving needs. For business travel insurance policies bound or renewed after 1 June 2011, we are pleased to extend our policy in a number of areas, such as covering the costs associated with search and rescue operations.”

Another new feature relates to coverage for the cancellation or curtailment of travel due to the unexpected death or serious sickness or injury of an insured person’s close relative, business associate or travelling companion. Some policies may exclude this coverage if the death or sickness is a result of a pre-existing medical condition. However, if the event is unexpected the ACE Business Travel Insurance policy will cover the cancellation or curtailment expenses in this situation.

“When tragedy falls upon a loved one, or when your colleague is struck down with an illness, you need to have the confidence that your insurer will cover the cancellation expenses. This takes one less stress away from what can be a highly distressing situation,” said Bouzaid. Please refer to ACE’s website at www.aceinsurance.co.nz for the most updated financial strength rating.

Myth busters

Myth 1 – all travel insurance is the same

Fact – business travel products generally have far wider scope than leisure products and cover things such as business-related property and pre-existing medical conditions.

Myth 2 – business travel insurance is cost prohibitive

Fact – business travellers represent a lower risk than tourists who engage in activities such as scuba diving and skiing, and premiums should reflect this fact.

Myth 3 – travel insurance only provides for repatriation of employees

Fact – in general, business travel insurance covers an alternative employee being sent to a foreign location after a colleague gets repatriated.

Myth 4 – policies cover all rental vehicle claims

Fact – travel insurance will generally include cover for the excess you are liable to pay on rental car claims, but this will be conditional on the traveller purchasing comprehensive vehicle insurance from the rental company.

Myth 5 – laptops are covered no matter what

Fact – travel insurance policies will generally exclude laptops when they are placed as checked baggage, such items should be carried as cabin baggage.

Myth 6 – additional accommodation or travel costs are covered if a traveller knows in advance

of booking a trip that a disruption is likely

Fact – if a loss is foreseeable at the time of booking, then it generally would not be covered.

Myth 7 – coverage includes stolen items which were unattended – in an unlocked car or visible in a locked car

Fact – if reasonable care has not been taken to secure and/or conceal property left unattended or in a car, most travel insurance policies will generally exclude cover.

[Source: ACE Insurance Limited]

Travel cover essentials

- Personal Accident and Sickness Cover
- Kidnap and Ransom/Extortion Cover
- Hijack and Detention
- Medical and Additional Expenses and Cancellation and Curtailment Expenses
- Emergency Travel Assistance
- Loss of Deposits
- Baggage/Business Property, Electronic Equipment, Deprivation of Baggage and Money/Travel Documents
- Alternative Employee/Resumption of Assignment Expenses
- Personal Liability
- Rental Vehicle Excess Waiver
- Political & Natural Disaster Evacuation
- Missed Transport Connection

Choosing the right cover

Following are some factors to consider when selecting an insurance policy.

- Unlimited medical cover is important, especially in expensive destinations such as North America
- Ensure adequate level of coverage for electronic equipment to account for devices such as phones and laptops

- Know your destination risks and select appropriate cover (for example, kidnap and ransom events are more prevalent in areas such as South and Central America)
- Allow for the cost of an evacuation in the case of an event such as a natural disaster

- Factor in the business cost of incidents such as strikes, protests and civil disruptions
- If you have tools of trade specific to conducting your business which cannot be replaced in the country you are travelling to, then ensure cover for costs of couriering replacements