

Private Company Loss Scenarios from Chubb



Nonexistent Employees

COVERAGE SECTION	Crime
Cause of action	Employee Theft (Payroll)
Type of organization	Waste Management Firm
Number of employees	More than 200
Annual revenue	More than \$100 million

DESCRIPTION OF EVENT

The payroll clerk for a waste management firm added several relatives to the payroll. He faithfully deposited paychecks into the phony employees' bank accounts for nearly three years before he left the company and the new payroll clerk discovered the scheme.

RESOLUTION

The company determined that the crooked clerk had made phony payroll payments totaling more than \$300,000 to his relatives.



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Could this happen to your organization? Contact your trusted Chubb agent or broker.

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