

Insuring via a Freedom of Services Policy

Today, many companies have international operations inside a European Economic Area (EEA) member state. One approach that may help simplify your EEA coverages is a Freedom of Services (FoS) policy.



How does a FoS policy work?

- A FoS policy is issued out of an EEA country to cover a company's EEA related risks
- The FoS policy is treated as admitted coverage for the EEA risks
- This is possible because the EEA provides for the free movement of goods, services, people and capital through the EEA states
- The EEA is currently comprised of the EU member states, Iceland, Norway and Liechtenstein
- A FoS policy is possible for most non-life coverages regardless of whether the parent company is domiciled in the EEA



How can a FoS policy simplify my international program?

- Incorporating a FoS approach may simplify your overall international program by reducing the number of policies needed to address your EEA related insurance needs
- Transparency is increased because FoS master policy wording for all EEA markets you are conducting business in can be written in English
- The FoS master policy aligns with the U.S. master policy to reduce coverage gaps and enhance alignment and compliance of your overall program
- If you do experience a claim in one of these markets, you have a central contact that can help manage the claim

Does Financial Interest Coverage (FInC) provide the same coverage benefits?

While a FInC approach can help you mitigate risk at the parent level, it does have limitations that a FoS policy can address. A FoS policy:

- allows claims to be paid directly to the customer in the local country
- allows premium to be paid in the local country
- helps facilitate compliant tax transfers and payments
- provides access to local catastrophe pools, such as the Consorcio in Spain, for local events
- permits Zurich to represent an insured on a claim
- allows for Risk Engineering services

A Zurich FoS policy can help with:

Control → A FoS policy can provide greater transparency and control through a single EEA policy

Coverage → Identify and eliminate coverage gaps or redundancies

Compliance → Facilitates payment of non-admitted and ground-up taxes where applicable in the EEA

Convenience → Ability to scale and adjust quickly as your business grows

Visit us at zurichna.com/international or talk to your broker about how Zurich can help you craft a global solution for today and as your company grows.

Sample international program with a FoS policy

When requested, Zurich can insure all EEA affiliates of a given insured through the issuance of a FoS policy.

FoS structure example

Program Facts

Producing country

United States

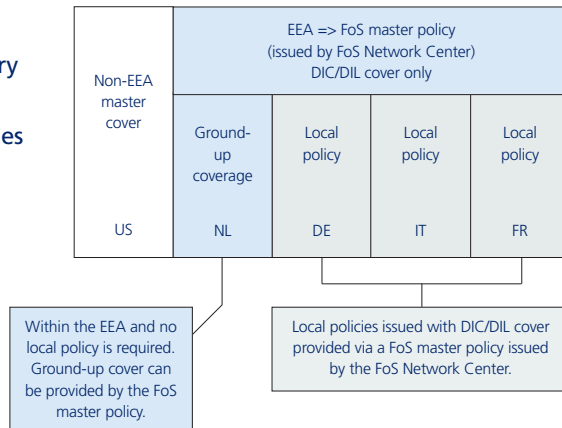
Receiving countries

Netherlands (NL)

Germany (DE)

Italy (IT)

France (FR)



Key features

- U.S. master policy governs global International Program
- The FoS master policy governs EEA countries where you do business
- The FoS policy is managed out of Zurich FoS Network Center in Spain
- Payment may be made in USD, EUR, CHF or GBP and can be handled via local collection or central premium collection
- A FoS policy can employ DIC/DIL and ground up approaches to address your risk appropriately
- Non-EEA countries managed on admitted or non-admitted basis
- FoS Network Center handles all losses covered by an FoS master policy

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