Political Violence and War

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Risks of incorrect Coverage

Incorrect Coverage

- Claims Declined
- Underinsurance
- Cover is defined by wordings

- Coverage ambiguity
- Incorrect extensions
- Stressed relationships

- Reputational Damage
- E&O Claims

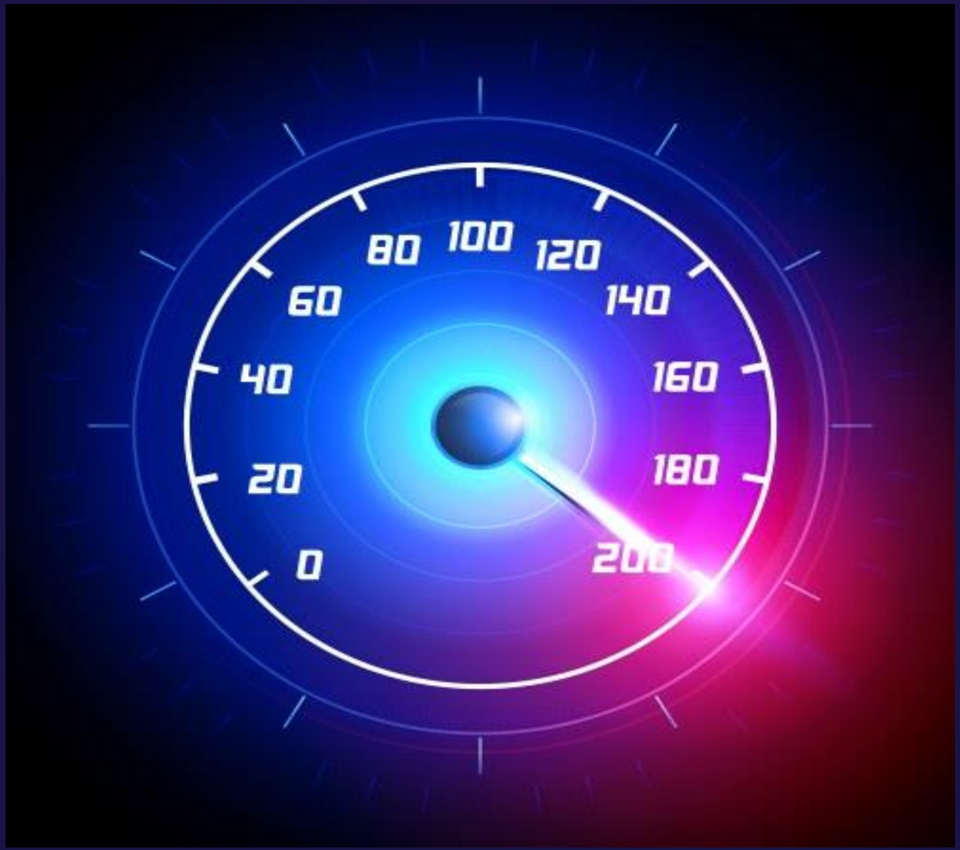
Main Covers Offered in the Market

LMA3030/5039	Terrorism		
	Sabotage		
LMA3092/5039	Terrorism	Strike, Riot & Civil Commotion	
	Sabotage	Malicious Damage	
AFB PV 1-7/ Hiscox 1-5	Terrorism	Strike, Riot & Civil Commotion	Insurrection revolution or rebellion
	Sabotage	Malicious Damage	Mutiny and or coup D'état
			War and or civil War

Accepted wordings

- LMA3030 (****)
- LMA3092 (****)
- MRE 001 for construction (Munich re standard wording for Srcc)
- T3
- T3/A
- LPO437
- AIG PTS
- HIS 1-5 (****)
- AFB PV 1-8 (****)
- T3L
- T3EL
- Manuscripted wordings are to be reviewed and agreed by Senior Underwriter

Pricing- what Affects our pricing?



Questions to Ask when you receive a risk!

- Is the entity sanctioned ?
- Is the country sanctioned ?
- Who is the insured, contractor?
- Territory + Elections , current situation
- Location + surroundings
- Security (Not only CCTV and a man with a stick)
- One location or spread?
- What is the occupation?
- Evaluate occupation vs country
- Full value or first loss (All limits aggregated)
- Deductibles (always each and every loss or any one occurrence)
- Losses
- Extensions requested (Effect on the Territory)

Absolute NO in a slip unless proper agreement

- No reinstatement of Limit
- No unamed customer suppliers
- No unammed locations
- No threat
- No bombscare
- No suicide
- No cyber
- No radioactive
- No nuclear
- No property extensions
- No deletion of material damage
- No Political risks extensions

Excluded Properties

- \- Land
- \- Transmission
- \- Vacant , silent risks
- \- Aircraft and Watercrafts
- \- Animals, plants
- \- Transit
- \- Offshore
- \- Underground mines
- \- Dams

Clauses Property damage

- - Escalation
- - Debris Removal
- - Fire Fighting and Service Charges
- - Local Authorities
- - Plans, Drawings and Document
- - Reproduction of Computer Record
- - Expediting Expenses
- - Temporary Repairs
- - Professional Fees
- - Pollution Clean-up Costs
- - Existing Property
- - Property in Storage
- - Extra Expense

Clauses BI damage

- - Suppliers and customers named and aggregated, List reviewed or no cover given
- - Utilities: up to 25% (first point)
- - Denial of access up to 25% radius and public authorities

• ALL POLICIES MUST HAVE:

- Claims Control Clause NMA2738
- Sanctions Limitations and Exclusion Clause LMA 3100
- LMA 5409 Cyber and Data Exclusion
- CL 370 Radioactive Exclusion
- Jurisdiction
- Payment Terms

72 hours Clause + LMA 5193

- Allows multiple related events to be treated as one for the purpose of:

- - deductibles
- - policy limits
- - adjusting claims (simplifies)

- Ex: Riot Monday 2pm , + TUE, WED
- and ends Thursday Noon. Then all losses will be one loss occurrence or one event.
- (reinstatement of cover plays a role here)

Contingent Business Interruption

Utilities expenses	Denial of access	Suppliers/Customers extension

- How dependent is your organization on another organization?
- No direct physical damage to the insured's assets.
- It is not mandatory that the customer/supplier be totally shut down.
- AP is charged and cover is usually given as a sublimit.

Loss of Attraction

limits are small usually up to say USD 5M. All LOA extensions are to be signed off by PZB, JB or Dipam Pandit

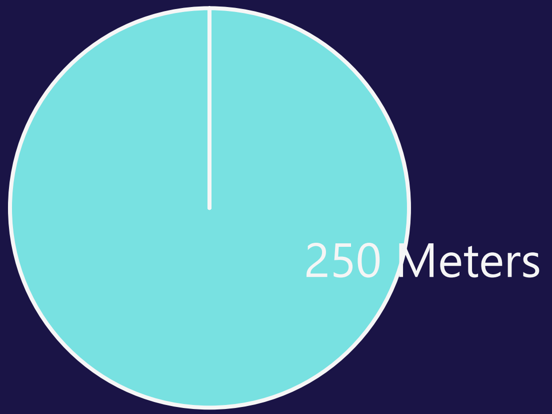
Physical Loss or Damage → Vicinity 1km → Named Locations → 12 months indemnity

Loss of attraction

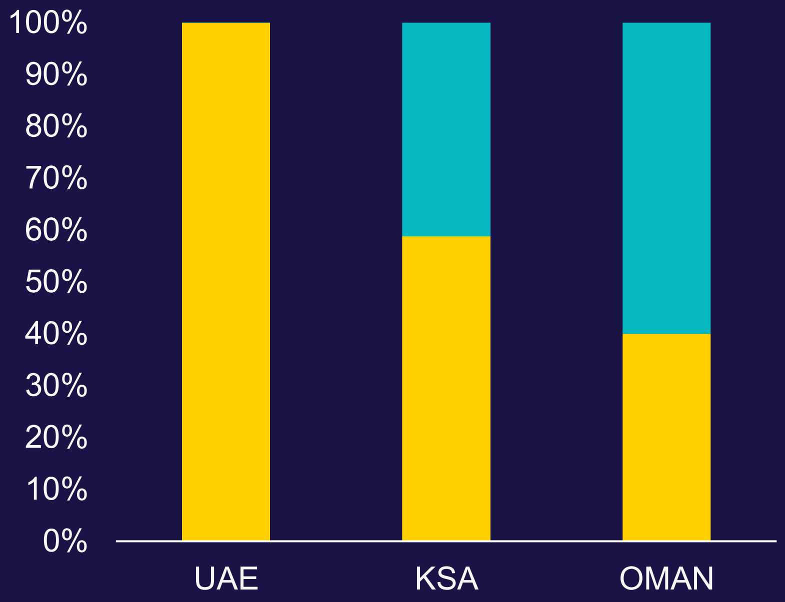
Aggregates

- A-

Terrorism & Sabotage risks, aggregates are monitored using Blast Zone Radius.



Political Violence and War risks, aggregates are monitored to country level.



5 Power Exclusion

Iraq, Iran,
Israel

Libya, Syria
KSA, Yemen

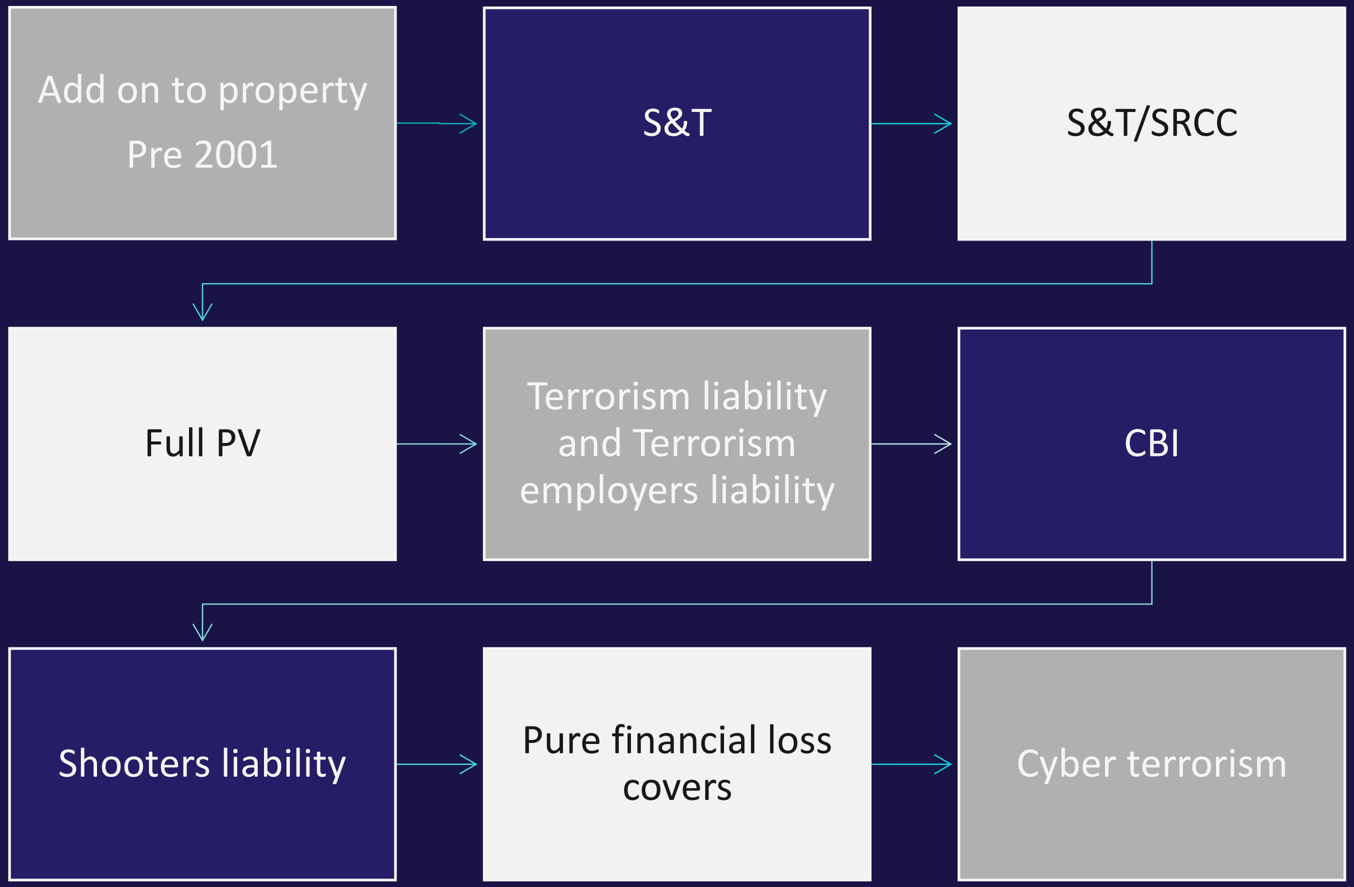
Armenia Georgia,
Azerbajian

Turkey, Lebanon

India, Pakistan
Israel,

Proxy Wars

Evolution of the Terrorism Cover



Claims

- Notification within 7 to 30 days
- Proof of the political motivation is required by the insured
- Loss adjuster is appointed
- Claims are subject to policy conditions
- Claims involving both SRCC and criminal looting
- Documentation gaps

Areas of Conflict

Claims

Food
Power
Medical Supplies

Recession
Unemployment
Government budgets

Strikes riots civil commotion
Change in governments

War
Civil war

- 2025 DRC
- 2025 Iraq
- 2022 Ukraine
- 2021 South Africa
- 2019 Chile
- 2020 U.S.A

Gilet Jaunes, Netherlands, Tesla Germany, India Pakistan, Israel, Sudan, Mozambique, burkina, Mali, Libya Iraq, Turkey

Industrial Cover

Utilities

Transit

Customers

BI

Employees

Third parties

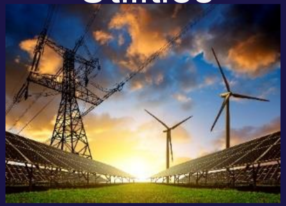
D.O.A

Suppliers

Cyber Terror

Commercial Properties

Utilities



Suppliers

Cyber Terror

Loss of Attraction

Employees

BI

D.O.A

Customers