

Political Risk Insurance enables Banks, Traders and Corporates to engage in foreign trade and investment, without the threat of country risk or political violence. Not only does this encourage companies to rapidly expand their overseas operations – it also allows them to operate in high margin emerging markets, and so dramatically increase their ability to compete.

Political Risk Insurance can enable customers to obtain cheaper financing. It can allow them to remove liabilities from their balance sheets. And it can ensure the viability of trade and projects which would not otherwise be workable.

The Political Risks team at Benfield has great depth of experience in Structured Trade and Project Finance, together with Trade Credit and Terrorism. We stay alert to developments in all relevant markets, including banking, trading and insurance.



## POLITICAL RISK INSURANCE

Expropriation – Permanent Assets

# POLITICAL RISK INSURANCE



## Expropriation – Permanent Assets

Coverage protects against government theft of overseas investments, which could potentially result in the loss of equity held by parent company, Intercompany loans, bank loans to subsidiary/joint venture and receivables and stocks.

Cover can protect against the following perils:

- An expropriatory act, which:
  - Permanently deprives the assured of their shareholding in the foreign enterprise
  - Permanently deprives the foreign enterprise of all or part of its fixed or current assets
  - Expressly and selectively prevents or restricts the operation of the foreign enterprise so as to cause the total cessation of its activities
- Forced Divestiture - an action of the Assured's own government which prevents or restricts involvement in the foreign enterprise/project
- Forced Abandonment - abandonment of a foreign enterprise/project due to action of the host government (or the Assured's own government), or from war and civil war in the host country
- Currency Inconvertibility - the inability to repatriate profits / dividends from the host country
- Business Interruption - loss of revenue resulting from expropriation, forced divestiture or forced abandonment
- Import/Export Embargo - loss of revenue arising from the imposition of import and/or export embargoes by the host government or the Assured's own government
- Concession Abrogation - covers losses arising from abrogation of any concession agreement signed with the host government or a government entity
- Political Violence, including:
  - Strikes, riots, civil commotion
  - Malicious damage/terrorism
  - War on land

Unlike export credit agencies, underwriters are willing to consider both existing as well as new investments for Assureds of any nationality, and can insure single or worldwide exposures or provide first loss policies.

Atlanta, USA  
Auckland, New Zealand  
Boston, USA  
Bratislava, Slovak Republic  
Brussels, Belgium  
Buenos Aires, Argentina  
Dallas, USA  
Hamilton, Bermuda  
Istanbul, Turkey  
Johannesburg, South Africa  
Kansas, USA  
London, UK  
Los Angeles, USA  
Madrid, Spain  
Melbourne, Australia  
Mexico City, Mexico  
Minneapolis, USA  
Mumbai, India  
Munich, Germany  
New York, USA  
Paris, France  
Philadelphia, USA  
Pittsburg, USA  
Prague, Czech Republic  
Rio de Janeiro, Brazil  
Rome, Italy  
San Francisco, USA  
Santiago, Chile  
Shanghai, China  
Singapore, Singapore  
Sydney, Australia  
Tokyo, Japan  
Toronto, Canada  
Vancouver, Canada  
Westport, USA

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