

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

Non-Repossession of Leased Equipment/Aircraft



# POLITICAL RISK INSURANCE



## Non-Repossession of Leased Equipment/ Aircraft

Leasing organisations or finance houses which lease equipment or aircraft to foreign territories are exposed to the potential loss resulting from their inability to repossess the aircraft following default under the lease contract, resulting in loss of the value of the aircraft.

Cover will respond to:

- Confiscation, expropriation, nationalisation and requisition by the foreign government
- Refusal of the foreign government to permit rights of repossession or access
- Refusal of the foreign government to permit removal of equipment
- Exchange transfer of funds following compulsory local sale of equipment / aircraft
- Refusal of the foreign government to de-register aircraft from the aviation register

Claims are paid after an agreed waiting period has elapsed. Contingent war coverage protects against damage to the aircraft during the waiting period.

It is common for the additional cost of such Repossession Insurance, required by the Lessor to protect their asset, to be passed on to the Lessee. Such costs therefore reflect the country risk where the asset is located/exposed.

### Confiscation of Aircraft by Government of Registry

Cover is available against straightforward expropriation of aircraft by the government of the country in which the aircraft is registered. This cover is primarily designed to reflect a recently introduced exclusion to the standard market aviation policy (LSW555B).

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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