

An Overview of Jardine Lloyd Thompson Group and Political Violence Insurance

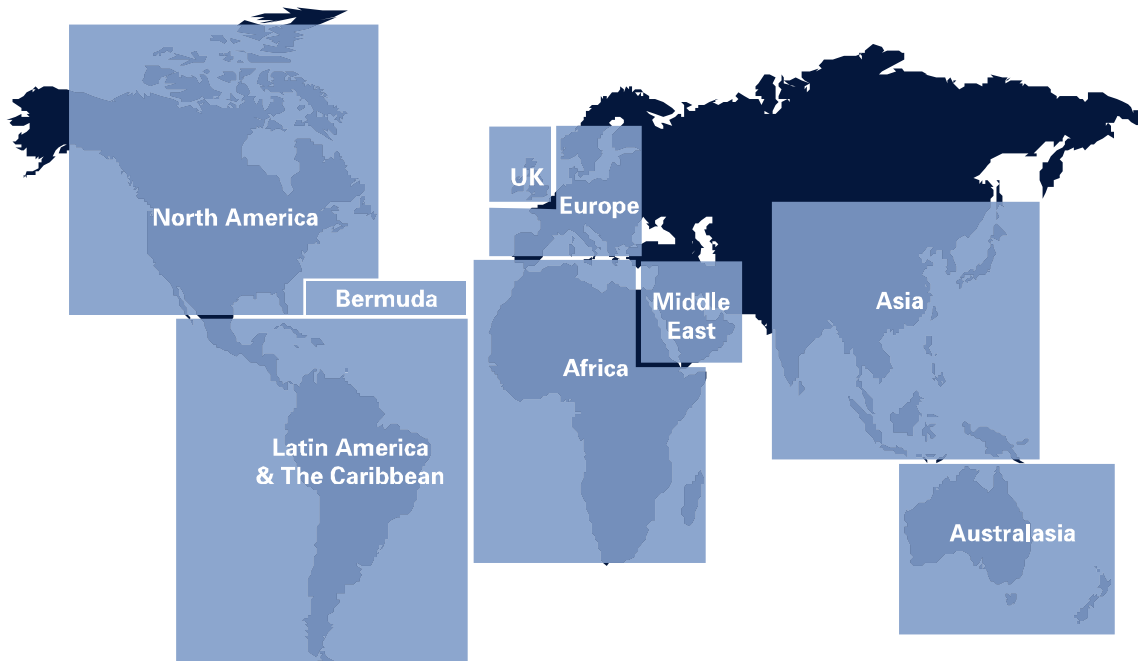
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Why Jardine Lloyd Thompson Group?

- Largest European-headquartered insurance/reinsurance broker and risk management advisor
- FTSE 250 Company with a history over 150 years
- Part of Jardine Matheson Group (>30% of JLT Group shares)
- Operate in 30 countries with 5,500 personnel and revenues approaching USD 1 Billion
- Of particular benefit to our clients is that we:
 - recruit the most talented people in the market
 - play to our strengths
 - have critical mass to leverage markets but not the “bulk” to slow decisions
 - have integrity and transparency
 - operate Industry Focus Groups
 - involve our senior partners in the day-to-day servicing of our clients

Why Jardine Lloyd Thompson Group?



- Regional office in Dubai
- JLT Network
 - Comprehensive service in 120 countries through partner brokers
- Pakistan
 - Excel Consulting

Major Areas of Expertise

1. Energy – Oil and Gas, Power and Utilities
2. Construction
3. Marine
4. Aviation
5. Financial Institutions / Political Risks
6. Employee Benefits
7. Re-insurance
8. Claims Management – Echelon Claims Consultants Ltd

Terrorism & PV

- What is it?

Events	Property	Terrorism	Political Violence
Strikes	Covered	Excluded	Covered
Riots	Covered	Excluded	Covered
Civil Commotion	Covered	Excluded	Covered
Malicious Damage	Covered	Excluded	Covered
Terrorism	Excluded	Covered	Covered
Sabotage	Excluded	Covered	Covered
Revolution	Excluded	Excluded	Covered
Coup d'Etat	Excluded	Excluded	Covered
Rebellion	Excluded	Excluded	Covered
Civil War	Excluded	Excluded	Covered
War	Excluded	Excluded	Covered

Terrorism & PV

- What does it cover?
 - Property damage
 - Business interruption
 - Contingent business interruption
 - Services interruption
 - Suppliers/ customers disruption
 - Denial of access
 - Liability
 - Contamination & clean up
 - Nuclear, Chemical, Biological & Radiological acts

Terrorism & PV

- Key Issue: Analyse the risk
 - Is terrorism the greatest threat?
 - How precisely can you assess what “terrorism” is in different territories?
 - Where there is uncertainty terrorism is probably not the right product.
 - Is there a liability exposure?

Terrorism & PV

- Why buy standalone?
 - Tailored product
 - Expert program design and wordings
 - Limits, deductibles and coverage extensions to suit
 - Global programmes
 - Fit around other placements/ government schemes

Kidnap and Ransom Insurance

- What is covered?
 - the risk
 - types of losses
- Who is at risk?
- Why buy K & R insurance?

World Risk Review

- A unique foundation to underpin the risk analysis process.
- Independently verifiable data from 53 international sources.
- Nine perils rated in 197 countries and territories.
- Three broad categories: Political Violence, Investment Environment and Trading Environment
- Data drawn from Europe, Asia, Africa, the Americas and the Middle East.

World Risk Review

Political Violence	Trading Environment	Investment Environment
<p>Strikes, Riots & Civil Commotion A disturbance of the public peace by three or more private persons assembled together and acting with common intent, including worker or student demonstrations, general strikes and riots.</p>	<p>Country Economic Risk An indicator of the propensity for economic adjustment including significant devaluation and/or high inflation and increases in the level of credit defaults among domestic businesses.</p>	<p>Expropriation Government action or inaction, which has the effect of depriving the owner of an asset of all or some of their rights and benefits, whether due to a single measure or to a series of measures.</p>
<p>Terrorism The use of force or violence by one or more persons or of any organisation, the object of which includes the intimidation or coercion of a government and/or the civil population for political and/or religious and/or ideological objectives.</p>	<p>Currency Inconvertibility and Transfer Risk An indicator of foreign exchange reserves and government (including central bank) action or conditions that may prevent an investor or entity trading with the country from converting local currency (capital, interest, principal, profits, royalties, payment obligations and other remittances) into foreign exchange and/or transferring foreign currency outside the host country.</p>	<p>Contractual Agreement Repudiation The failure of a government entity to honour, or the repudiation by a government entity of, its obligations under an operating agreement or licence that sets out the rights of or terms upon which a foreign investor conducts business in a territory.</p>
<p>War & Civil War Declared or undeclared hostile action between states or different sections or parties of the same country or nation. These events include military invasion and/or aerial bombardment by sovereign and/or international armed forces or a state of hostility among opposing citizens of the same country or nation.</p>	<p>Sovereign Credit Risk The risk that the government of a country will default on its payment or delivery obligations in local or foreign currency.</p>	<p>Legal/Regulatory Risk An indicator of the effectiveness of the legal system, the freedom of the judiciary, the possibility of adverse or discriminatory legal or regulatory decisions. This is also an indicator of transparency, levels of corporate governance and corruption.</p>



World Risk Review

Country	Political Violence			Trading Environment			Investment Environment		
	Strikes Riots & Civil Commotion	Terrorism	War & Civil War	Country Economic Risk	Currency Inconvertibility & Transfer Risk	Sovereign Credit Risk	Expropriation	Contractual Agreement Repudiation	Legal & Regulatory Risk
Afghanistan	7	9	8	8	9	9	9	8	9
Albania	5	4	3	5	6	7	5	5	5
Algeria	6	7	5	4	5	6	6	6	7
Andorra	2	1	1	2	2	3	1	2	3
Angola	6	4	6	5	7	7	6	7	7
Anguilla (Great Britain)	2	1	1	3	5	5	1	2	2
Antigua and Barbuda	2	1	1	4	5	8	1	4	4
Argentina	5	4	2	4	6	9	5	6	6
Armenia	5	3	6	5	6	6	6	6	6
Aruba (Netherlands)	2	1	1	4	3	5	1	2	2
Australia	4	3	1	3	2	2	2	2	2
Austria	2	2	1	3	2	1	2	1	2
Azerbaijan	6	4	4	5	6	6	6	7	7
Bahamas	2	1	1	3	2	4	2	2	2
Bahrain	5	5	3	2	3	4	3	5	4
Bangladesh	7	7	6	6	6	7	7	7	7
Barbados	3	1	1	4	5	4	1	3	2
Belarus	6	2	4	5	7	8	8	7	8
Belgium	3	3	1	2	2	2	2	2	2
Belize	3	1	1	8	7	9	3	5	5