



Insurance // Political Risk, Credit & Bond

## Political Risk & Credit Insurance

**Political unrest and credit risk headlines are in the news every day, adding to businesses' global risk management concerns. Our highly experienced underwriting and analytical team helps businesses manage the complex and ever-changing risks of a global marketplace. We design special risk mitigation solutions that help enterprises to trade and invest with greater confidence and certainty.**

In collaboration with brokers, we offer clients a wide range of coverage to help manage their global risks.

### Political Risk

Coverage for traditional political risk perils on a stand-alone basis for fixed / mobile assets, equity holdings, shareholder loans, dividends, and lender's political risks, such as:

- Confiscation / Expropriation / Nationalization / Deprivation
- Forced abandonment / Divestiture
- Currency inconvertibility / Exchange transfer
- Political violence / War / Terrorism
- Contract frustration (in respect of public sector buyers / obligors), including non-payment, license cancellation, import / export embargo, unfair / fair calling of advance payment / performance guarantees

### Credit

Non-payment coverage for private sector buyers/obligors on single-risk, trade-related and non-trade related transactions such as capex/general corporate loans, mobile asset-backed financing, pre-export, export, import, project, and bank-to-bank financing (documentary trade).

### Trade Receivables

Coverage for receivables due from revolving single or multiple private sector buyers on trade-related transactions.

- Comprehensive non-payment coverage
- Typically deductible or excess layer structure
- Discretionary Credit Limits with key account underwriting
- Non-cancellable credit limits
- Policy periods generally up to one year
- Whole Turnover, Named Buyer Portfolios and Single Risk transactions

### Client Profile

We support a wide range of business sectors involved in cross-border & domestic trade lending, infrastructure / energy / mining projects and foreign direct investments in both developed and emerging markets across a variety of industries. Clients include:

- Exporters / Manufacturers / Fortune 1000
- Global financial institutions
- Export Credit Agencies and Development Financial Institutions
- Commodity traders with domestic and foreign sales
- Engineering / Procurement / Construction contractors

### Global Reach

To accommodate each client's licensing / geographical location requirements, we utilize a global underwriting platform, including access points in New York, Washington, DC, Toronto, Bermuda, London, Singapore and Sydney.

### Ratings

XL Group Ltd's core operating subsidiaries hold a financial strength rating of 'A+' by Standard and Poor's, 'A+' by Fitch, 'A' by A.M. Best and 'A2' by Moody's.

## Summary of Coverage and Capacity Guidelines

Product	Perils	Coverage Summary	Maximum Line	Maximum Period
Political Risk	Confiscation, expropriation, nationalization, deprivation (CEND), forced abandonment / divestiture	Losses resulting from host government actions affecting fixed, mobile or equity assets. May include CI/ET in respect of dividends or loans. Lender's form also available.	USD 200 million	15 – 20 years
	Currency inconvertibility (CI) & exchange transfer (ET)	Losses resulting from inability to convert and/or transfer foreign exchange.	USD 200 million	15 – 20 years
	Political violence (PV)	Losses resulting from strikes, riots, civil commotion, terrorism and war. Available only as part of a package policy including CEND.	USD 200 million	15 – 20 years
	Contract frustration	Losses resulting from non-payment of individual transactions, short, medium or long-term, generally covering sovereign or non-sovereign public sector payment obligations.	USD 200 million	15 – 20 years (sovereign) 10 – 20 years (non-sovereign)
Project, Infrastructure, and Structured Finance/Trade & Non-Trade	Trade credit	Losses resulting from non-payment of individual transactions, short, medium or long-term, covering private sector payment obligations.	USD 150 million	10 – 20 years mobile asset-backed (aircraft or vessels)
	Trade receivables	Losses resulting from receivables residing with revolving single or multiple private sector buyers on trade-related transactions	USD 200 million per policy USD 150 million individual buyer risk	1 – 2 years

**Talk to us.**  
**We can help manage your risks.**

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