

Kidnap & Ransom

XL Group
Insurance



Crisis Management



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We understand that protecting your business means protecting your employees. This duty of care requires more than an insurance policy.

Whether it is a kidnapping in Nigeria, a product extortion in France, a wrongful detention in China, a political evacuation from Libya or a hijacking in the Indian Ocean, companies and individuals face security risks wherever they operate or live.

In today's global business economy, serious threats to personal and corporate security are frequent. Incidents are difficult to predict and when they occur they require a swift, organised and expert response. XL Group's specialist Kidnap & Ransom product helps companies and individuals navigate through these dynamic, complex and constantly changing scenarios. We offer specialised knowledge and a wide range of insurance coverages to help clients manage their risk landscape.

XL Group exclusively retains the services of crisis management advisers Terra Firma Risk Management LLP. As part of our product, Terra Firma's services are immediately available to XL clients when they have suffered an incident. We will also contribute a portion of your policy premium towards pre-incident support for additional training, advice and planning from Terra Firma.

Why use XL Group?

XL Group offers a global underwriting capability supported by local knowledge and experience. Our teams of underwriters in London, New York and Guernsey have a combined experience of over 50 years in handling Kidnap & Ransom insurance. Our innovative and client-focused approach to underwriting, backed up by market leading security analysis and combined with a fast and efficient service provides our clients with a first class insurance product supported by best-in-class Crisis Response services from Terra Firma Risk Management.

Who is at risk?

You do not have to be a billionaire or a foreigner working in a war zone to be a target for kidnap and ransom related events. Companies or individuals can find themselves at risk through their travel exposures, the location of their permanent operations, their specific industry or their public profile. XL Group offers worldwide coverage to all industries. Some sectors find themselves at higher risk due to the nature of their business and the locations that they tend to work in, such as the following:

- Oil & gas
- Mining
- Construction
- Engineering
- Media and journalists
- Humanitarian and aid agencies
- Telecommunications
- Aviation
- Finance
- Security
- Maritime

Focus on: Sahel region

The Sahel region of Africa comprises a number of African countries including Mauritania, Algeria, Mali and Niger which has seen a number of high profile kidnappings of foreigners in recent years. The greatest threat comes from al-Qaeda in the Islamic Maghreb (AQIM) who have openly declared their intention to target Europeans and Americans. Kidnappings in this region tend to be politically complex, long and expensive with a high level of physical danger to the victims.



Prevention

At XL Group we encourage our clients not just to obtain an insurance policy but also to actively examine their risk profile and do what they can to reduce these risks. Our Kidnap & Ransom policy is just the starting point in this process. We ensure that Terra Firma is available to all our clients for pre-incident consulting which can include the following services:

Crisis management preparedness and planning

- Crisis management documentation (checking / drafting)
- Crisis Management Team creation and training
- Scenario-driven discussions for Boards or Crisis Management Teams

Assessment and Reviews

- Physical security assessments
- Reviews of security systems
- Reviews of political security at local, national, regional and global levels

Briefings

- By telephone or Skype
- Face-to-face
- Informal discussions
- Formal presentations
- Briefing papers

Desk and field-based training

- Travel Security
- Kidnap avoidance
- Hostage survival
- Personal / family security
- Hostile Environment Awareness Training (HEAT)

Focus on: Pakistan

Both criminal gangs and militant groups such as Tehrik-i-Taliban Pakistan have caused kidnapping in Pakistan to be rife in both urban areas such as Karachi, Peshawar, Lahore and Quetta, and in more remote rural areas in the Federally Administered Tribal Areas (FATA), Balochistan and Khyber Pakhtunkhwa, particularly in areas bordering with Afghanistan. Targets tend to be urban professionals, aid workers, lawyers, doctors and there has been a growing trend of attacks on journalists.

Risk Transfer

The financial impact of a crisis can be severe on any company or family: XL's Kidnap & Ransom policy aims to take away this burden by reimbursing all associated costs incurred both during and after the event.

We seek to provide the most comprehensive cover in the market by covering all the following events within our main policy wording:

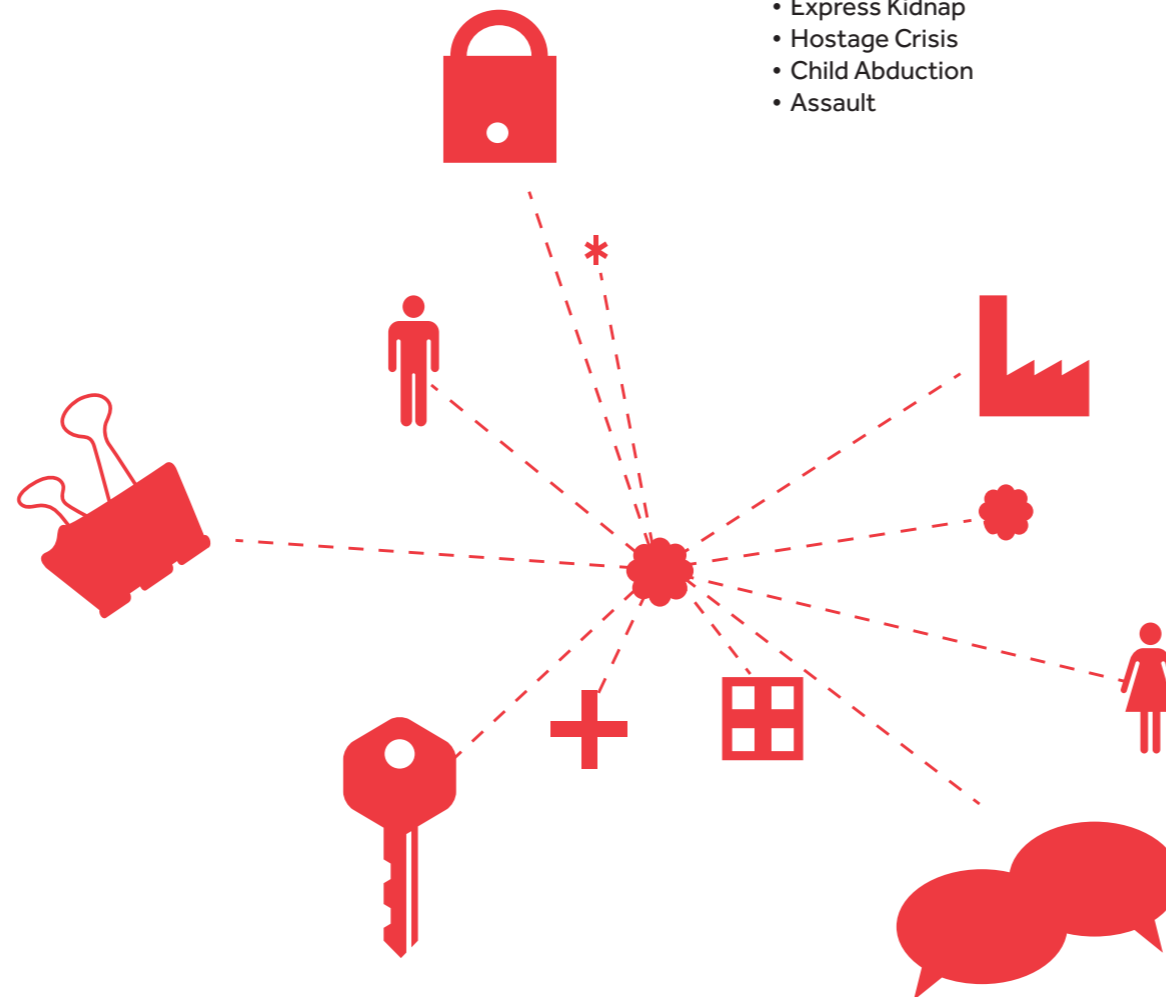
- Kidnap
- Extortion
- Products Extortion
- Hijack
- Wrongful Detention
- Threat
- Disappearance
- Express Kidnap
- Hostage Crisis
- Child Abduction
- Assault

We are also able to offer the following coverages as extensions:

- Business Interruption
- Cyber Extortion Business Interruption
- Emergency Security Evacuation
- Product Recall Expenses

We reimburse all financial costs incurred by the Insured which can include (but are not limited to):

- Ransom
- Ransom in transit
- Legal liability
- Personal accident
- Salaries of the victim(s)
- Temporary security measures
- All travel and accommodation costs
- Interest on loans
- Medical and legal costs
- Psychological counselling costs
- Public Relations costs
- Rest and rehabilitation costs
- Unlimited Crisis Consultants' costs



Focus on: Mexico

According to official statistics the kidnap rate in Mexico has increased 245% in the last 10 years leaving it as the country with the highest levels of kidnappings in the world with over 1,700 reported in 2013. The official figures only tell half the story as it is conservatively estimated that only 1 in 10 kidnaps are actually reported. These epidemic levels of kidnapping as well as extortion have increased with the crackdown on drug cartels by security forces. The highest risk areas tend to be those on key strategic drug trafficking routes such as Mexico City and State, Michoacan, Tamaulipas, Morelos, Guerrero and Zacatecas states amongst others. Virtual and express kidnaps are also increasingly common.

Response and post-event care

Response

Expert assistance is vital when handling a high pressure, stressful situation such as the kidnapping of a colleague or loved one. Immediate access to independent, experienced advisers to help at such a time can be invaluable, and is often the driving factor when purchasing a Kidnap & Ransom policy.

Terra Firma is an established and well-respected crisis management partnership who provide essential advice and support to XL Group's clients around the world. Their advisors are trusted professionals who combine depth of knowledge and experience with the ability to think critically and deliver clear, coherent guidance to our clients at the most critical of times.

Terra Firma's advisors have handled over 600 cases of kidnap, wrongful detention, extortion, product contamination and piracy all over the world. Their core team is spread across five continents supported by a broad network of associates providing full worldwide coverage. Languages spoken by the core team include Arabic, Cantonese, Dari, English, French, German, Hindi, Italian, Mandarin, Nepali, Pashto, Portuguese, Spanish and Urdu.

Post-event care

Terra Firma's specialist advice and assistance are available throughout the duration of an incident but XL Group's responsibility to our clients does not end there, just as an employer's duty of care towards their employees does not end upon their release from captivity.

The policy also includes cover for Terra Firma to help the insured and family with any post-incident care that might be necessary. This includes psychological support and critical incident stress debriefing to victims and their families using highly experienced professionals.

Focus on: Nigeria

There was no significant kidnapping problem in Nigeria until the mid-2000s when militant groups such as the Movement for the Emancipation of the Niger Delta (MEND) began to target the oil industry in the oil-producing Niger Delta region. A campaign of kidnapping, largely against foreign oil workers, made the Niger Delta one of the highest risk regions in the world, however these risks are now no longer confined to the Delta region but are country-wide with criminal gangs targeting locals and foreigners alike, from all walks of life. More recently, Islamic militant groups in Nigeria's northern states, such as Boko Haram, have also started to use kidnapping as a tool to raise funds for their activities and seek political concessions.

Terra Firma's global network



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