

# Kidnap, Ransom & Extortion

Chubb offers unparalleled coverage for commercial organisations and financial institutions against kidnap, ransom and extortion threats.

CHUBB®



Chubb's kidnap policy is distinctive in the market and is designed to provide maximum financial and security protection in the event of a kidnapping or extortion incident.

## **Why do your clients need kidnap, ransom and extortion insurance?**

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- Ransom-driven abduction is one of the fastest growing threats worldwide
- Approximately 30,000 kidnappings occur each year worldwide, and about 70 % are resolved by paying a ransom
- 90 % of all victims survive and the emotional impact can be traumatic

## **Policy Offering**

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Comprehensive cover for commercial companies and their employees and family members against:

- Ransom
- Kidnapping and hijacking
- Extortion
- Legal liability (due to negligence or incompetence)
- Emergency political repatriation
- Expenses to overcome psychological and physical impact

## **Appetite**

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### **We like to insure**

- All commercial companies, financial institutions and organisations (including not-for-profit) with satisfactory security procedures in place
- A personal kidnap, ransom and extortion policy is available for private individuals

### **We are cautious of**

- Oil and gas companies with remote or hostile location exposure
- Significant African, Middle Eastern and/or South American operations, particularly where subsidiary companies exist
- Companies with poor or no travel security procedures

## Why Choose Chubb?

**Expertise.** Chubb's specialist underwriters have in-depth kidnap, ransom and extortion experience.

**Global risk consultants.** Clients receive access to the expertise of Ackerman, one of the world's leading security and crisis response firms.

**Broad definitions.** Chubb has one of the broadest definitions of 'who is insured' in the market, providing comprehensive cover for the company, its employees and family members.

**Free from warranties and basis of contract clauses.**

**Award winning claims service.** Chubb's claim service is consistently acknowledged as the best in the market.

## Key Selling Points

Cover/ Service	Benefit
<b>No warranties and basis of contract clauses</b>	Chubb has none. This gives greater peace of mind to a client - knowing upfront that there are no basis clauses or warranties that may trip them up whilst making a claim.
<b>Choice of consultant</b>	The Chubb policy provides unlimited expenses for Ackerman. Ackerman is a leading global organisation in the field of hostage recovery and security. However, the policyholder is free to choose their own consultant if they so wish. Chubb is the only insurer that allows this freedom of choice.
<b>Cover for ransom payment and interest costs</b>	Unlike some insurers, Chubb's policy also covers the interest costs for a loan taken to pay the ransom or extortion payment.
<b>Broad extortion cover</b>	Chubb offers one of the broadest extortion covers in the market including threats to: <ul style="list-style-type: none"> <li>• Do bodily harm to an employee as well as his/her family (even when the threat is politically motivated)</li> <li>• Cause damage to any premises or tangible property located on the company's premises</li> <li>• Contaminate the products manufactured or distributed by the company</li> <li>• Disseminate, divulge or utilise the company's proprietary information</li> <li>• Introduce a computer virus against the company.</li> </ul>
<b>Cover for lost ransom</b>	Chubb's policy ensures your client is not left out of pocket for ransom money which is lost before it reaches its target and achieves its purpose.
<b>Cover for expenses and legal costs</b>	Chubb will extend cover for expenses and legal costs incurred to achieve the safe release of a hostage. These may include independent negotiators' fees, interest on loans taken out for a ransom payment, salary continuation, consequential personal financial loss and reasonable medical expenses.
<b>Cover for legal liability alleging negligence or incompetence</b>	Chubb protects your client from legal expenses in the event that the company is alleged to be negligent in a hostage retrieval.
<b>Limited excluded territories</b>	Chubb rarely excludes travel to specific areas so your client will have the security of broad cover, along with a no notification requirement for specific travel.
<b>Access to risk analysis/travel advice service (RISKNET™)</b>	Unlike many other insurers, Chubb provides 24 hour access to an online risk analysis service where your client can check local territory risks and gain advice on secure travel options.

## Case studies

### African abduction

The president of an Asian subsidiary of a Chubb insured company was kidnapped in Africa and a ransom demanded. Over several months, consultants negotiated a ransom payment and the president's safe release. He was treated for minor medical problems that developed during the incident.

- Chubb paid more than USD 1'000'000 for the ransom, consultants' costs and medical expenses
- Chubb paid the salary costs of the kidnap victim whilst he was being held (the limit is up to 60 months)

### Threats from an anonymous source

A hotel group's MD received an anonymous letter threatening to blow up several hotels unless GBP 1'000'000 was paid. The letter appeared to be from a radical political group. Risk consultants analysed the letter, advised it was to be taken seriously and provided appropriate guidance on how to manage the situation. Security measures were increased at the hotels.

- No extortion payment was made. Chubb paid GBP 50'000 for the consultants' expenses

#### Also available

Chubb has a broad package portfolio that can be combined with kidnap, ransom and extortion insurance including:

- Directors and officers liability
- Crime insurance
- Employment practices liability
- Cyber liability
- Professional Indemnity

#### Contact

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