



Crisis Management Solutions

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INTRODUCING CRISIS MANAGEMENT SOLUTIONS

At a time when perpetrators are adapting their methods, supply chains are becoming more complex and a brand’s reputation can hang on a single tweet, emergency situations can develop rapidly. Often, businesses are forced to respond at a moment’s notice and in areas that are outside their expertise. In light of all these factors, it’s clear that traditional insurance solutions do not provide the broad and responsive cover that businesses now require.

We will act as your strategic partner, working closely with you to understand the pressures that you are dealing with, in order to manage your specific exposures. Our specialist in-house Political Violence, Special Contingency and Product Recall teams have deep knowledge and expertise in this area and they have developed innovative methods of presenting your crisis risk to insurers. As a result, we are able to deliver bespoke insurance solutions, formulated to manage the precise risks that your individual organisation is likely to face.

Lockton Crisis Management Solutions offer:

- Cover that responds to the current threat or exposure
- A flexible and modular approach, tailoring coverage and limits to a client’s needs
- A competitively priced product, leveraging economies of scale
- Access to subject matter experts in Political Violence, Special Contingency, Product Recall and Reputational Risk.

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| <ul style="list-style-type: none">• Crisis Management Response
Up to 120 days indemnity• Active Assailant/Shooter
Limit up to USD 100m• Workplace Violence & Stalking Threat
Limit up to USD 25m• Reputational Risk
Limit up to USD 25m• Product Recall
Limit up to USD 250m• Special Contingency / Special Crime / Kidnap & Ransom
Limit up to USD 100m• Marine Piracy
Limit up to USD 25m• Sabotage & Terrorism
Limit up to USD 3bn | <ul style="list-style-type: none">• Full Political Violence, Riots, Strikes, Civil Commotion and Malicious Damage cover• Combined Sabotage & Terrorism
Limit up to USD 1bn• Loss of Attraction
Limit up to USD 100m• Threat of Malicious Act
Limit up to USD 100m• Nuclear, Chemical, Biological & Radiological Malicious Acts (NCBR)
Limit up to USD 250m |
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This is a guide only, for full details please review the policy wording and discuss with your Lockton broker.

MEET THE CRISIS MANAGEMENT TEAM

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CRISIS MANAGEMENT RESPONSE

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Lockton works with leading insurers to design bespoke crisis response policies, enabling you to respond immediately and recover quickly from even the most unexpected events. We offer direct access to prominent global risk consultancy firms with the capabilities and experience to help you act on a threat from the moment it occurs.

Our solution offers 24/7, year-round access to consultants for a fixed annual premium. There is no limit to the amount of times that our crisis policies can be triggered, and no policy deductible.

Covered Incidents

- Up to 56 insured events, including:
 - Continuity and property, personal, political, compliance, fraud and reputation, cyber and information, extortive risks
 - and many more

Covered Losses

- Up to 120 days of global risk consultancy response
- Additional 250k per insured event for extra expenses following a policy trigger, including additional security/department costs/wages, etc.

Proposal information required

- Headcount split by country of operation
- Travel pattern
- Company turnover

Policy Trigger

- On the occurrence of an insured event
- On the suspicion of an insured event
- Where there is an imminent threat of an insured event occurring
- On the allegation of an insured event having occurred

Policy Benefits

- Expert-led global risk consultancy, allowing insureds to fulfil their duty of care to employees, while providing security, communications and crisis response capabilities
- Immediate, 24-hour access to world-leading crisis response experts on a global basis, for a fixed annual premium
- A single point of contact for all crisis situations through the emergency response hub
- Support and reinforcement of all existing risk management structures, including insurance policies
- Peace of mind for your business, in the knowledge that resources are in place to handle and respond to unforeseen events
- Up to 20% policy premium available for pre-crisis training and planning

ACTIVE ASSAILANT /SHOOTER

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Property Damage, Business Interruption, Liability & Extra Expense

Coverage can include:

- Broader coverage for non-terrorism related perils
- Third and First party liability coverage
- Business interruption, closure of premises, time element loss and denial of access
- Physical loss and/or damage to property
- Crisis Management
- Extra expenses involved in managing and recovering from an incident, including:
 - Public relations costs/brand rehabilitation
 - Relocation expenses
 - Counselling costs and/or psychiatric care
 - Medical expenses
 - Job retraining
 - Additional security measures
 - Emergency travel, including for immediate family members
 - Forensic clean-up
 - Any other costs which the underwriter agrees are reasonable
 - Pre- and Post-Incident consultation with industry experts

Limit Available Up To

- USD 100m annual aggregate per policy

Trigger

- Coverage is triggered by the occurrence of an actual violent act or threat thereof

Proposal information required

- Schedule of values and locations, including zip codes
- Number of employees
- Any information on losses, threats or incidents that could give rise to a claim in the past five years
- Payroll figures

WORKPLACE VIOLENCE & STALKING THREAT

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Legal Liability, Expenses & Business Interruption

Coverage can include:

- Legal liability coverage to address legal expenses from lawsuits that may result from a covered event
- Expenses related to:
 - Public relations counselling
 - Psychiatric care
 - Medical or dental care
 - Employee counselling
 - Temporary security measures
 - Rehabilitation expenses
 - Personal accident expenses
 - Business interruption expenses for an act of workplace violence or a stalking threat
 - Consultant expenses (crisis management)

Additional Coverage

- Off-site extension endorsement available to provide companies and their employees coverage for an 'offsite incident', such as an act of workplace violence that occurs at a client or vendor's facility

Limit Available Up To

- USD 100m annual aggregate per policy

Trigger

- A deliberate physical attack by an Active Assailant at an insured location, whether present or not
- Includes cover for hand-held weapons, road vehicles, corrosive substances, drones and remote detonations

Proposal information required

- Schedule of values and locations, including zip codes
- Employee count
- Any information on losses, threats or incidents that could give rise to a claim in the past five years
- Payroll figures

REPUTATIONAL RISK

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Reputational harm is now one of the key emerging risks that a firm can face. The acceleration and amplification of news media means that reputational damage can be inflicted faster than ever before, so responses need to be urgent and coordinated. Executives and boards require real-time intelligence to identify threats, alongside protection against financial loss and crisis mitigation.

Triggering event

- Reputational harm refers to any loss of or damage to the reputation, standing or status of the insured organisation, or to the respect, goodwill or favour rendered to the insured organisation.
- Pre-agreed drop in revenue threshold

Coverage

- Real-time intelligence platform – enables a policyholder to practice proactive reputational risk management
- Pre-loss crisis sublimit of \$250,000 to mitigate potential reputational harm
- Business Interruption (BI) triggered by a drop in revenue
- A predetermined calculation ensures speed of payment without the need for a loss adjuster
- \$1 million sublimit for additional crisis costs
- Coverage for costs incurred once the pre-loss sublimit is exhausted and only after BI trigger is reached.

Available limit

- \$25m (additional capacity TBC)
- **Target market** – Available for all sized businesses, specifically targeting public-facing companies operating in competitive environments from the following industries: healthcare, leisure and hospitality, manufacturing, retail, transportation and technology
- **Exclusions** – Crises deriving from cyber, fraud/intentional criminal acts, corporate strategic decisions, systemic and macro-economic declines
- **Proposal information required** – Indications available using public information or annual revenue and operating profit for private organisations. A short application form is required for a bindable quote.

PRODUCT RECALL

Brands, manufacturers and food service clientele all have exposures to product defects and contamination events, that can lead to recalls. These can have a catastrophic effect on the economic viability of a business, as well as on its reputation for stakeholders.

Available coverage (product dependant)

- 1st & 3rd party recall & replacement costs
- Crisis Consultancy costs
- Extra Expense
- Rehabilitation
- 1st party Loss of Profits
- 3rd party financial loss
- Defence Costs

For more information please contact a member of the Product Recall & Brand Damage team or:

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We can put forward Product Recall solutions for a variety of different industries:

- **Contaminated Products** – food & drink industry, cosmetics and topical products
 - Limit up to USD250m
- **Product Safety** – consumer goods
 - Limit up to USD200m
- **Packagers Protection** – packaging manufacturers
 - Limit up to USD100m
- **Product Guarantee** – component part manufacturers
 - Limit up to USD200m
- **Trade Name Restoration/Restaurant Contamination** – foodservice
 - Limit up to USD150m



SPECIAL CONTINGENCY / SPECIAL CRIME / KIDNAP & RANSOM

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Covered Incidents

- Kidnap, Extortion, Detention, Hijack
- Loss of Earnings/Business Interruption
- Threat Expenses, Disappearance Investigation Expense, Hostage Crisis
- Emergency Political Repatriation, Express Kidnap, Products Loss, Assault Expense

Covered Losses

- Reimbursement of ransom payment, ransom lost in transit, additional expenses incurred by the policyholder and legal liability
- Personal accident

Crisis Response

- Special Contingency policy provides unlimited access to crisis response consultants, following an insured event
- Consultants highly qualified – backgrounds in hostage negotiation and crisis management – FBI, MI5 and DEA
- Each insurer retains the services of a dedicated response consultancy firm
- Policyholder has 24-hour access via emergency hotline
- Response consultants will always act independently of insurance

Limit Available Up To

- Up to USD 100M

Proposal information required

- Headcount split by country of operation
- Travel pattern
- Company turnover

MARINE PIRACY

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Covered Incidents

- Kidnap – Illegal Seizure
- Loss of Hire

Covered Losses

- Reimbursement of ransom payment, ransom lost in transit, additional expenses incurred by the policyholder and legal liability
- Personal accident

Crisis Response

- Piracy policy also provides unlimited access to crisis response consultants, following an insured event
- Consultants highly qualified in handling piracy cases which often have different elements to those found with a standard kidnap or extortion case
- Each insurer retains the services of a dedicated response consultancy firm
- Policyholder has 24-hour access via emergency hotline
- Response consultants will always act independently of insurance

Limit Available Up To

- Up to USD 25M

Proposal information required

- Vessel name and transit route
- Minimum freeboard and speed
- Security, including use of armed guards, citadel and razor wire



SABOTAGE & TERRORISM, RIOTS, STRIKES, CIVIL COMMOTION AND POLITICAL VIOLENCE

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Property Damage & Business Interruption

Coverage can include:

- Property damage
- Property damage as a result of a civil or military authority
- Business Interruption/Extra Expense
- Coverage responds to both certified and non-certified acts of sabotage and terrorism

Additional Coverage options

- Ability to follow and wrap around property forms
- DIC/DIL around government terrorism pools
- Riots, strikes and civil commotion cover, in addition to sabotage and terrorism or on a standalone basis
- Options to include full Political Violence Perils (War Perils)
- Can include Threat/Hoax sub-limit
- Can include Loss of Attraction sub-limit

Limit Available Up To

- USD 3bn annual aggregate per policy

Trigger

- Physical damage to an insured location from an act of sabotage and terrorism
- Denial of access is also triggered by physical damage. However, this is not limited to an insured location, but must be within a pre-agreed radius stated in the policy

Proposal information required

- Schedule of values and locations, including zip codes
- Insured name and head office address
- Any information on losses, threats or incidents that could give rise to a claim in the past five years

SABOTAGE & TERRORISM LIABILITY AND LOSS OF ATTRACTION

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Sabotage & Terrorism Liability

Combined Liability/General Liability/Employers Liability, Auto-Terror Protection

Coverage can include:

- Damages for bodily injury
- Damages for property damage
- Defence costs
- Claims expenses
- General Liability will respond as the primary liability cover
- Employers Liability will respond as an excess layer to the insured's workers compensation cover, where applicable
- First party damage to property insured, including owned vehicles and goods in transit
- Additional coverages to help respond to an incident, including public relations costs, counselling/psychiatric care costs, medical expenses, security costs, travel costs and funeral expenses

Trigger

- When the insured becomes legally liable to pay any claim(s) for bodily injury and/or property damage, directly related to a terrorist event
- Defence costs at the point the insured has a suit brought against them, for an insured peril

Loss of attraction

Non-Damage Business Interruption

Coverage can include:

- Indemnity for net profit loss where, as a direct result of an insured peril within a set radius, the insured suffers loss of attraction to an insured location
- Option to select additional 'trigger' locations that may have a direct relationship with the insured revenue
- Insured perils include sabotage and terrorism, riots, strikes and civil commotion
- Marauding terrorists attack
- Active Assailant/Shooter trigger available
- Threat and Hoax trigger available

Trigger

- The coverage will respond when the ascertained net loss, at a named location, is the result of an insured peril that occurs within a specified radius or at a predetermined trigger location(s), subject to a predetermined percentage reduction in the insured forecasted net profit

THREAT OF MALICIOUS ACT AND NCBR (NUCLEAR, CHEMICAL, BIOLOGICAL & RADIOLOGICAL)

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Threat of malicious act

Non-Damage Business Interruption

Coverage can include:

- Business interruption with no requirement for physical damage
- Post-loss assessment from security specialists, following a threat made against you
- Advice to insured on mitigating the risk of losses, whether a claim is made or not
- Not limited to sabotage and terrorism and includes malicious acts

Trigger

This extension would respond if, as a result of a threat or hoax:

- One or more of your premises are evacuated
- Staff or the public are prevented from leaving your premises
- Access to your premises is prevented by order of a civil or military authority

NCBR (Nuclear, Chemical, Biological & Radiological)

Property Damage, Business Interruption, Liability & Decontamination Clean-up Costs

Coverage can include:

- Blast damage
- Decontamination
- Clean up and/or removal costs
- Demolition, increased cost of construction and loss control
- Loss of net income and extra expense
- Denial of access business interruption
- Control risks consultation services
- Broader malicious acts cover, not limited to sabotage and terrorism
- No zonal limitation on the origin of attack

Additional Coverage

- NCBR combined General/Employers liability
- Damages for bodily injury
- Damages for property damage

- Defence costs
- Claims expenses
- General Liability will respond as the primary liability cover
- Employers Liability will respond as an excess layer to the insured's workers compensation cover, where applicable

Trigger

- Property blast damage to an insured location from a malicious NCBR attack
- A civil or military authority mitigating the consequences thereof
- Contamination clean up and/or removal costs at an insured property as a direct result of a malicious NCBR attack, whether the source of the attack was at a named or un-named location

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