

Cargo Undercover  
Smart. Tailored. Flexible.



## One policy, one solution

- Transits
- Storage
- Terrorism
- War on land
- Political violence
- Revolution
- Rebellion
- Insurrection

# Smart

In today's complex world, where war and political unrest are frequently reported, it is important to consider the evolving needs of our clients.



## Geopolitical threat At a glance



1 in 4 global organisations experienced a political violence event in the past 6 months – this is a **56%** increase from last year

Source: [www.clements.com/riskindex](http://www.clements.com/riskindex)



“The world has moved into a new and unsettling geopolitical phase. It is not just multipolar, but multiconceptual.”

World Economic Forum July 2018

The years since the global financial crisis have been tumultuous, not only in emerging markets but also as a result of unexpected results in the developed markets. Low and negative growth since the financial crisis has created an environment of uncertainty and regulatory reaction to inequality, which has lead companies to respond to the rising volatility and geopolitical risk levels.

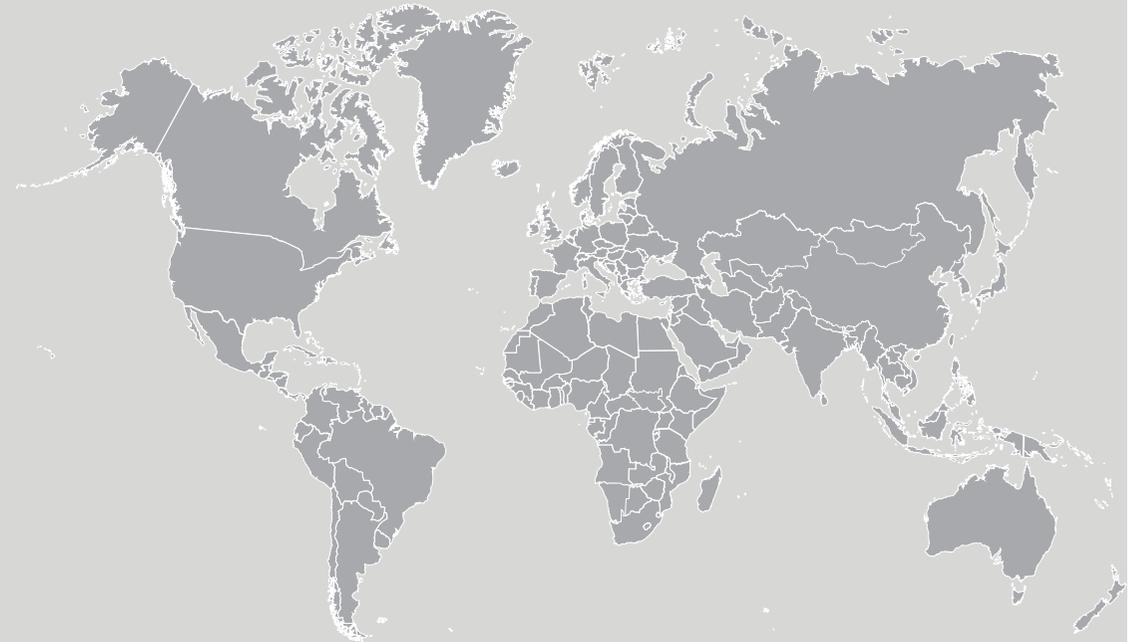
Politically motivated risks are not a new concern. But the forces behind political change have become more active and feel less predictable, producing a new level of geopolitical threat.

*Cargo Undercover provides a one policy solution for cargo, political violence, war on land and confiscation.*

## Global risk index

Stable

Unstable



Source: Special Contingency Risks, 'Inform Platform' 29 June 2018

## Tailored and flexible

Willis Towers Watson has created a policy specifically tailored to your cargo risks, combining exposures which would usually need to be covered separately.

- **Transits** by sea, land or air
- **Goods in store** including stock where no transit is involved
- **Political violence** whilst in storage and during transit
- **Terrorism** whilst in storage and during transit
- **Looting** whether politically motivated or otherwise
- **War on land** extended to include storage exposures
- **Revolution, rebellion and insurrection** whilst in transit or in store
- **Confiscation, appropriation, expropriation, seizure, requisition for title, detention and nationalisation**
- **Deprivation**
- **Forced abandonment**

Clients have the flexibility to choose the sections of cover they need, to accommodate current insurance arrangements where required.

Additionally, clients can be selective, purchasing cover for named countries purely for their transit exposures or alternatively just for their stock.

However, purchasing cover on a global basis means the pricing for countries is locked in and does not increase if the status of the country changes from low to high risk.



Undercover  
**One policy, one solution**

**Tailored:** Bespoke cover to suit your operations and risk profile

**Flexible:** Can work in conjunction with your current policy arrangements

# Benefits

This smart, tailored and flexible solution covers multiple risks in one policy which:

1. **minimises** the potential of **gaps in coverage**
2. **reduces the likelihood of possible disputes** that may arise in the recovery of claims and also **removes the need to establish the motivation** behind an event (which can prove difficult during political uncertainty)
3. can prove to be **more cost-effective**
4. is **flexible**: there is no requirement to purchase all sections of cover, giving cargo owners the flexibility to choose the specific cover their businesses need
5. provides **protection from rising insurance costs** when the country's risk rating changes, as cover is purchased on a global basis



## Undercover Claims scenarios

### Scenario 1

#### Missile attack on convoy

In September 2016, a cargo convoy was attacked by a missile. As a result a claim was notified by a local humanitarian agency, who advised that cargoes had been destroyed and prompt reimbursement was required.

The Willis Towers Watson Cargo team immediately advised insurers of the loss. Our specialists were able to secure an early confirmation of coverage, providing a rapid interim payment, followed by the final payment to the client.

Teamwork ensured that the final payment was made approximately 60 days after the initial report of damage.

#### Comment

Having a single policy, reduced the potential for gaps in coverage and potential claim disputes. As a result insurers were able to agree with minimal discussion, shortening the overall time taken to settle the claim.

The client received the financial injection needed to help them continue their humanitarian work, ensuring minimal disruption to their operations in the region.

### Scenario 2

#### Warehouse looting

Goods exported to the Middle East were stored in a warehouse. The warehouse was looted and later set on fire. At the time the troubles in the country were unclassified. During the investigation it transpired that the warehouse was also used for the storage of government goods. Due to the turmoil in the country it was not possible to identify if the goods had been taken during the looting or whether they were destroyed in the fire.

#### Comment

Cover for looting whether politically motivated or not is recoverable under Cargo Undercover, as is loss due to the fire. The claim was recoverable under the policy and as there was only one policy in force, there was no dispute as to which policy should respond. Undercover minimised protracted claims negotiations and facilitated a smooth payment process, ensuring minimal disruption to the clients' supply chain.

# Contact

If you would like a quotation, please fill in our [Application form](#)

Alternatively for more information please contact one of our cargo specialists below:

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## About Willis Towers Watson

Willis Towers Watson (NASDAQ: WLTW) is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. With roots dating to 1828, Willis Towers Watson has 40,000 employees serving more than 140 countries. We design and deliver solutions that manage risk, optimise benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals. Our unique perspective allows us to see the critical intersections between talent, assets and ideas – the dynamic formula that drives business performance. Together, we unlock potential. Learn more at [willistowerswatson.com](http://willistowerswatson.com).



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