

optio



Political Risk

Marine Specialty

Political Violence and Terrorism

future thinking
people. technology. innovation

Optio at a Glance

Optio is a scaled platform with a track record of exceptional performance

Scale

\$172m+
GWP (2021 plan)

**11 product
lines**

Top 3
Independent
UK MGA

Performance

**>8,500
Policyholders in
2020**

**Strong growth
patterns across all
core products**

**70% historical
combined ratio**

Quality

**Experienced
executive and
underwriting team**

>80%
Retention rate
(on all lines of business)

**In-house claims
and actuarial
services**

Platform

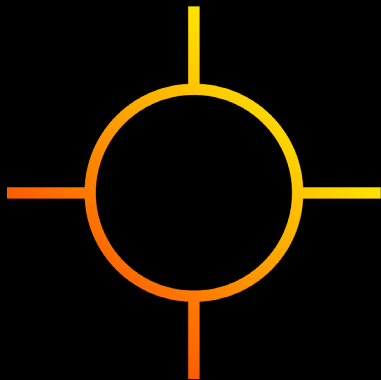
93
Employees

Single
Technology platform and
governance structure

**Dual UK/US
Platform**

Political Risk

Nick Hedley



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Political Risk

- Exclusive focus on **Corporate Assureds**, in a market where 85% of business comes from banks (i.e. manufacturers, contractors, engineers, foreign direct equity investors)
- **Product innovation** to bring the PRI offering up-to-date, making it relevant for investors and asset owners / contractors in the 2020's.
- Fusion of **Crisis Management Support** with **Political Risk** Insurance, creating a unique product offering aimed at mid size Assureds who will not have in-depth crisis management competencies in house.
- **Enhanced Business Interruption cover** including for non-physical perils such as abandonment and licence cancellation.
- Traditional **Pre-and-Post-Shipment Contract Frustration** business for (e.g.) contractors & engineers working for Public Bodies such as railways, port authorities, civil aviation authorities, government agencies and ministries. A niche of the market that has largely been abandoned by PRI brokers and underwriters in London (less so in the EEA).

The PRISM product

Crisis Management Support

Fusion of **Crisis Management Support** with **Political Risk** Insurance, creating a unique product offering aimed at mid size Assureds who will not have in-depth crisis management competencies in house.

- Crisis management support provided by **Control Risks**, the most credible and most experienced firm, in the field.
- Crisis Management Support designed to manage and eliminate threats before they become existential.

Relevant and updated cover

Crisis Management Response for perils that are relevant in the 2020's not just the 1980's. Crisis Management Support is provided both for the "usual" PRI perils as well as perils the following.

1. **Malicious Prosecution** of executives (a favored tactic employed by the Russians to make foreign investors leave the country)
2. **Wrongful Detention** of Insured Persons (a recurring theme in a coup- d'état scenario).
3. **Illegal Occupation**
4. **Blockade**
5. **Emergency Political Evacuation.**

Additional Information

1. **Wide applicability.**
Relevant both for Foreign Direct Investment as well as Mobile Assets & CCP.
2. **Non Damage Business Interruption**
cover that does not have to be attributable to physical damage (e.g. abandonment without damage or destruction)

Political Risk Appetite

Primary focus on Foreign Direct Investment but also in the following.

- Mobile assets, such as contractors' plant & equipment
- Repossession of leased assets cover (aircraft, construction equipment, vehicles)
- Mortgage Rights Insurance (vessels, in particular)
- .

Some examples of business written 2021.

- Factory in Belarus making industrial hosing.
- Gold Mine in Costa Rica
- Broadcasting company with assets and staff being employed world-wide
- Water Treatment plant in Egypt.
- LNG storage and regasification facility in Ghana
- Mobile power generators in Russia
- Concession to operate tugboat services at Kribi Port in Cameroun
- Honduran factory making industrial textiles.
- Solar power in Egypt
- Data Centre in Nigeria
- Downstream energy in Angola
- Tobacco stocks in Africa.

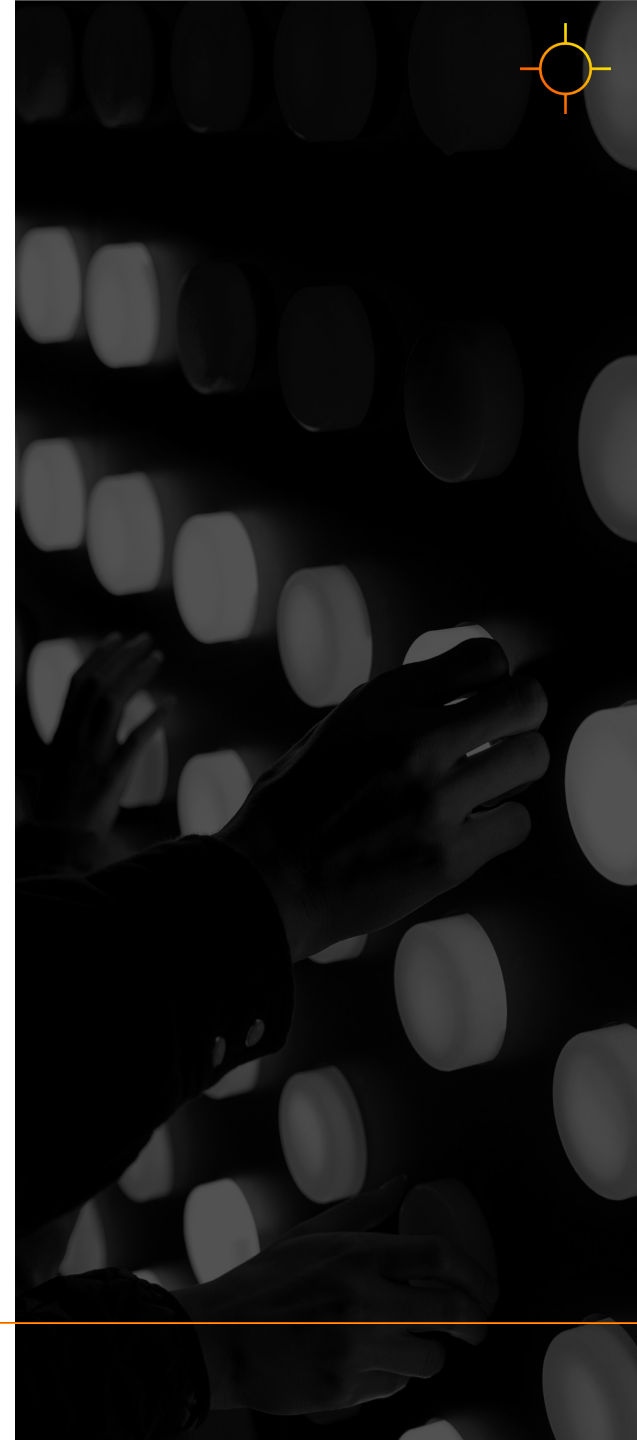
Rising levels of Political Violence and insurrection

Forced Abandonment and Political Violence losses have been much more prevalent in 2021 than historically.

1. Mozambique
2. Chile
3. South Africa
4. Afghanistan
5. Ethiopia.

Rising levels of political instability

1. State sponsored thuggery in Belarus and elsewhere.
2. Gabon coup attempt 2019
3. Arrest of Saudi princes Marc 2020 for planning a coup./
4. Coup attempt Zimbabwe 2017
5. Coup in Myanmar 2021
6. Coup in Guinea 2021
7. Threatened coup in Armenia February 2021
8. Nigerian coup attempt Marsh 2021
9. Mail coup 24 May 2021



Marine Specialty

Angus Bailey



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Marine Specialty

The team established in 2020 specialises in Marine War, Kidnap & Ransom and Piracy risks.

Backed by A rated security and led by Lloyd's markets, Optio protects some of the world's largest fleets and global companies. Offering bespoke coverages which efficiently cater for the marine market.

Optio's Marine Specialty coverage offers an efficient and simplified solution for the marine market. We offer a one stop shop for War and Piracy Perils for shipowners, operators and charterers and can create bespoke solutions for our clients across the following selection of key coverages.

optio CONNECT Our Technology

Optio Connect is a multi-dimensional proprietary underwriting platform.

- Global quote & bind insurance portal
- Underwriting workflow that enhances efficiency and accuracy
- Claims portal allowing real-time access to claims information
- MI platform giving real-time reports to users

We designed and built Optio Connect to give brokers an easy and efficient way to obtain high-quality, highly regarded speciality cover for their clients.



Our Partners

Crisis24, a Gardaworld company are the market leading specialists in managing piracy situations with extensive resources to cater for incidents of this nature.

Our policy provides unlimited response consultant fees for their immediate response which can be accessed through a 24/7 hotline provided to policyholders.

Our People



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Key Coverage Sections



Marine War

- War Risks conventional cover, tailored to the individual assureds needs (ITC, Nordic and American wordings)
- Single transit breach cover and annual worldwide policies
- USD 100m limit with additional capacity for P&I up to the Hull Value (additional limits available on request).



Kidnap and Ransom / Piracy

- Single transit breach cover and annual worldwide policies
- Market leading wording
 - including limits for **Attempted** Kidnap, Extortion or Hijack
 - Including limits for cyber attack
- Kidnap and Ransom/ Piracy - USD 10 million limit each head of loss
- Other limits available upon request
- First class response consultants Crisis24, a Gardaworld Company.



Standalone War Loss of Hire / Piracy Loss of Hire

- This can cover charterers liabilities under a standard BIMCO charter party
- Provides cover for loss of income following an act of war or piracy/hijacking
- Limits as available under the respective covers (1. Marine War and 2. Kidnap & Ransom/Piracy).

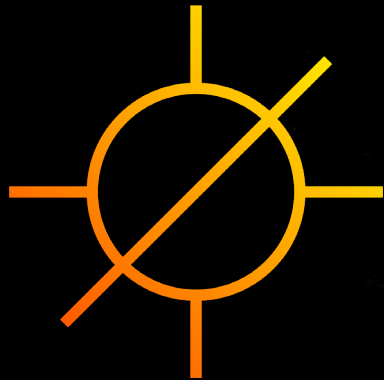


Non-Marine Kidnap and Ransom (Corporate & Family cover)

- Limits up to USD 50 million
- First class response consultants Crisis24, a Gardaworld Company.

Political Violence and Terrorism

Mark Kelsey



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Political Violence & Terrorism

As the threat of either S&T, SRCC, or Active Assailant increases so the lines between these events become narrower but the current insurance products available are designed for Fortune 500 businesses not SME's.

Optio realises that every business brings its own unique requirements, the solution is to present clients with a market leading suite of insurance coverages that enables them to tailor their program to the specific needs of their business.

PVT product and risk appetite		
Product	Risk Appetite	Additional Information
<ul style="list-style-type: none">○ Terrorism and Sabotage○ Riots, Strikes, Civil Commotion○ Looting○ Denial of Access○ Mutiny, Insurrection, Coup d'Etat○ Civil War, War○ Terrorism Liability & Employers Liability○ Active Assailant	<ul style="list-style-type: none">○ Residential and Commercial property○ Office buildings○ Retail○ Educational buildings○ Hotels and Hospitality○ Construction business○ Industrial zones and business parks○ Manufacturing facilities○ Energy and refining operations	<p>Limits</p> <ul style="list-style-type: none">○ USA USD 50,000,000○ UK GBP 50,000,000○ Europe EUR 30,000,000○ Active Assailant USD 5,000,000 <p>Territories</p> <ul style="list-style-type: none">○ Worldwide <p>Wordings</p> <ul style="list-style-type: none">○ Standard Market○ Bespoke



Active Assailant

The frequency of violent attacks by employees or random attacks of violence against property and individuals is unfortunately increasing. In response to this, Optio Underwriting Limited has developed a product in conjunction with a leading US law firm and R 3 Continuum, a well renowned and respected lead responder.

R3 CONTINUUM

Key Coverages

Armed Assailant & Workplace Violence protection attacks carried out using:

- Firearms
- Explosives (handheld or attached to the body)
- Vehicles
- Corrosive substances
- Handheld weapons

Covering:

- Physical damage
- Business Interruption
- Extra Cost and Expenses
- Third Party Liability

- Providing services for 30 years.
- Planning, procedure, audits, surveys, assessments, forecasting, intelligence, modelling, education, training, exercises, and response services
- Psychologically based crisis response firm
- Respond to approx. 18,000 cases per year (87 crisis responses yesterday)
- Respond to approx. 4,500 cases with a nexus to violence each year
- Respond to approx. 800 shooting cases per year
- Respond to approx. 600 threat cases per year
- 6,000 consultants in North America and another 6,000 consultants worldwide

Active Assailant Limit: USD 5, 000, 000

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Future thinking

