

LS Prime[®] Political Risk Insurance

"What Would Happen?' Series

Claims Scenario # 2 - Delayed Access Peril

The Scenario

Pursuant to a supply agreement, a U.S. based company ships \$60,000 worth of pharmaceutical product to a customer in Asia. Upon the product's arrival in the customer's country, customs officials inexplicably refuse to recognize the U.S. firm's customs documentation, thereby preventing release of the shipment to the customer. This causes the product to sit for several months in the customs warehouse. The governmental delay in access to the product requires the U.S. firm to replace the shipment - at its own expense - to satisfy the customer's contractual demand.

The Solution

Berkley Life Sciences' political risk insurance for life science companies addresses the life science specific peril of "delayed access." "Delayed access" coverage protects an insured when foreign government action prevents a company from meeting delivery requirements, or satisfying contractual obligations. Coverage applies anywhere a policyholder has a foreign enterprise as well as in countries where the insured's life science products are stored, in use or in transit, without the need to schedule such countries.

The Claim Resolution

In the scenario above, LS Prime[®] Political Risk Insurance would pay the U.S. company policyholder the increased cost it incurred to replace the product. This allows the policyholder to fulfill its contractual obligations, and also preserves its ongoing business relationship with its customer.

This new coverage is unavailable in the standard political risk market, has been specifically crafted for life science companies, and is available only through LS Prime[®]. [Click here](#) for more information on this leading-edge coverage or contact your Berkley Life Sciences underwriter.

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