UK / Crisis Management & Special Risks

Active Assailant, Loss of Attraction and Threat (ALT): FAQ’s

Does my standard policy cover this already?
Stand-alone terrorism policies do cover terrorist assailant scenarios, but the policies are only triggered by property damage, and coverage would be limited to property damage, business interruption and extra expense coverage specified. Extra expense coverage under these extensions are much broader. Stand-alone terrorism policies would not pay out for many recent events. This extension removes any grey area surrounding the motive of the attack. Loss of Attraction and Threat are typically excluded or sub-limited to small amounts.

How is my policy triggered?
- Coverage will be triggered if an active assailant event causes physical damage to your property, or if it causes bodily injury or death which affects three or more persons physically present during the attack.
- Loss of attraction cover will trigger if an insured peril occurs at a scheduled attraction property or at a location within 1km of the insured property, which subsequently results in a measurable downturn at the Insured’s premises.
- Threat cover will trigger if there is a specific threat against the Insured to inflict bodily injury to any employee, or contractor, or threat to damage, destroy, or contaminate any property at the scheduled location. Cover can also be triggered if there is a threat against any director, partner or officer of the Insured to inflict bodily injury or threaten to damage, destroy, or contaminate any personal property of such person.

Is an active assailant a terrorist?
An Active Assailant may or may not be affiliated with a terrorist organization. In the US many active assailant events have been lone-shooter driven by factors other than terrorism. For the purposes of our policy it does not matter whether or not the active assailant is ideologically driven.

Does my policy have to be triggered by an act of terrorism?
Our definition is broader than an act of terrorism as active assailant and threat are triggered by a malicious act. Loss of attraction is triggered by an act of terrorism, sabotage or an active assailant event.

Why would I buy this?
- To protect your business against multiple risks included within a single extension wording.
- Assurance that if your business is protected following a downturn in its operations due to an incident or a threat of a malicious act.

Does the weapon have to be a gun?
No. The weapon can be any other hand-held instrument or hand-held explosive device or explosive device worn on the body that is used by the active assailant to cause direct physical damage and/or bodily injury or death. Our definition of hand-held weapon includes any road vehicle that is used by the active assailant to cause physical damage or bodily injury.

What is included in ‘extra expense’?
Extra expense can include but is not restricted to public relations consultancy costs, relocation expenses, counselling and/or psychiatric care costs, medical expenses, job retraining costs, recruitment costs, forensic accounting and temporary security costs.
Who is covered for ‘extra expense’?
The coverage is designed for the benefit of the insured and is a first party coverage; therefore any claims should be made by the insured only. However, certain extra expenses such as counselling, psychiatric care costs, medical expenses, and job retraining costs can be used for employees, contractors, customers or visitors present during the attack. The intention is that this coverage will assist in rehabilitating any damage to brand and to ensure duty of care responsibilities are met.

Does an active assailant event cover gang-related crime, organised crime or armed robbery?
No. The above events are excluded from the active assailant coverage.

How is the combined policy structured?
The policy can be offered as an extension to a Political Violence or Terrorism policy or on a stand-alone basis.

What if I don’t want all of the coverages?
This is a modular wording and offers a unique ‘tailor-made’ benefit to the client, so the client can decide what coverage to opt for.

What information do I need to obtain a quote?
To obtain a quote we will need the location or number of locations, sector, footfall, limit requested and excess, and any claims history.

How many “attraction properties” can be named in the policy?
As many as the client wishes to add. There is no limit to how many can be added, but must be agreed prior to binding stage.

If the building next door to my company receives a threat and I have taken steps to evacuate (verified or ordered by a Relevant Authority) can I still claim?
Yes as your business could potentially be under threat also, and you have taken reasonable steps to ensure safety/security.

If my business receives a specific threat to one of the locations and the decision has been made a substantial time afterwards to evacuate other locations, how does the 2 hour deductible work?
The 2 hour deductible would be applied from the time that the original location suffered a threat.