



## EXTREMUS

Dirk Harbrucker, Member of the Executive Board

# IFTRIP

International Forum for Terrorism  
Risk (Re)Insurance Pools

Paris conference

June 28, 2017

## **EXTREMUS: Background**

- **Founded in September 2002 to offer material damage terrorism coverage for commercial and industrial risks (> €25 Million) incl. business interruption**
- **Limited company, run by 15 shareholders (insurance and reinsurance companies active on German market), none of them holding a dominant share**
- **Full limit covered + 10 % costs up to a maximum limit of €1.5 Billion per contract/client**
- **Coverage of terrorism not mandatory in Germany**
- **Cooperation with primary insurers on voluntary basis**

- **Reinsurance provided by domestic insurance and reinsurance companies and international reinsurers with top security and rating**
- **Backup by German Government in case of multitude of losses or high accumulation**

## **EXTREMUS: Coverage**

- **Wording and General Conditions correspond to conventional property policies**
- **ATB (General Conditions) adapted several times to follow the evolution of the property market, last in 2016**
- **Sublimits for covering BI losses due to**
  - **deny of access**
  - **failure of public power/energy suppliers (remote effects)**
  - **suppliers / customers contingency losses**

## **EXTREMUS: Benefits**

- **Underwriting done by EXTREMUS**
- **Deep knowledge of market and portfolio**
- **Data collection of all risk locations > €2 Million**
- **Monitoring of accumulation zones**
- **Fast reaction to clients, brokers**
- **Close cooperation with primary insurers**
- **pricing in competitive environment**

- **Implementation of a „Claims Settlement Advisory Committee“ involving representatives of capacity providers (reinsurers) and the leading primary insurer to ensure a prompt and adequate compensation of the insured**

## **EXTREMUS: Challenges**

- **To provide coverage for the multinational exposure of industrial clients incl. independency and suppliers / customers contingency losses**
- **To provide coverage for threat scenarios**