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CONTENTS

1. Aon
2. Geopolitical View 2019 – 2020
3. Political Violence Market Update 2019
4. Political Risk & Structured Credit – Insurance Market Capacity
5. Aviation Finance – Insurance Market Solutions for Political Risks & Non-Payment (Credit)

1. AON

Aon is a leading global professional services firm providing *advice and solutions in Risk, Retirement and Health* at a time when those topics have never been more important to the global economy. Aon develops insights – *driven by data and delivered by experts* – that reduce the volatility our clients face and help them maximize their performance



Risk

Aon provides a wide range of commercial risk and reinsurance solutions to help clients better identify, quantify and manage their risk exposure



\$120B

of risk premium placed annually

Retirement

Aon provides actuarial, investment and bundled retirement solutions to help clients design and implement secure, equitable and sustainable retirement programs



\$3.3T

in assets under advisement¹

Health

Aon provides consulting, global benefits and exchange solutions to help clients mitigate rising health care costs and improve employee health and well-being



\$180B

of health care premiums directed annually

ENABLED BY

Data & Analytics

Aon combines proprietary data, technology and advisory services to develop insights that help clients reduce volatility and improve performance



¹As of 6/30/2017, includes non-discretionary assets advised by AHIC and its global affiliates which includes retainer clients and clients in which AHIC and its global affiliates have performed project services for over the past 12 months. Project clients may not currently engage AHIC at the time of the calculation of assets under advisement as the project may have concluded earlier during preceding 12-month period.

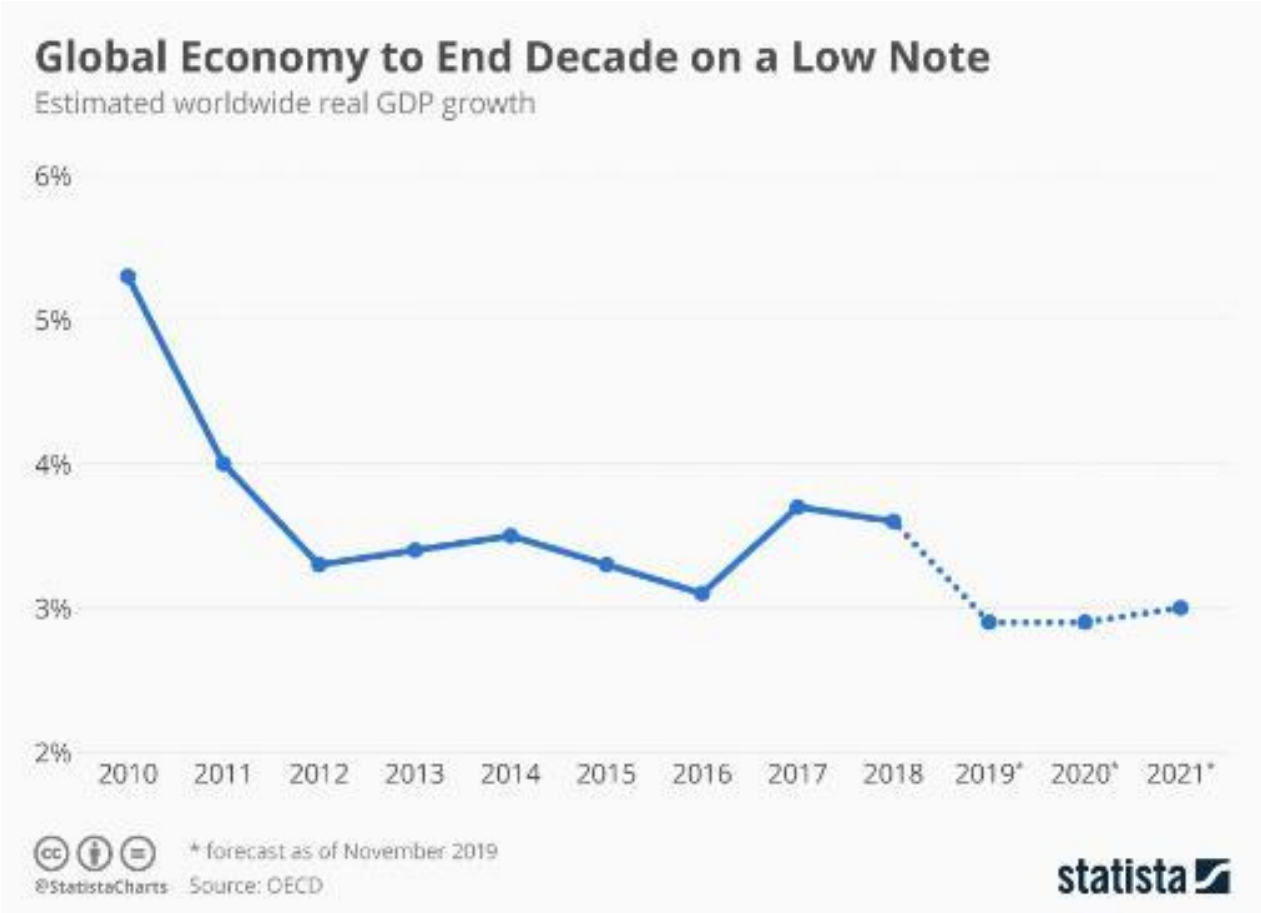
2. GEOPOLITICAL VIEW 2020

- Political
- Economic
- Social and Security
- Technology
- Legal

POLITICAL: A WORLD IN TRANSITION



ECONOMIC: SYNCHRONIZED DECELERATION

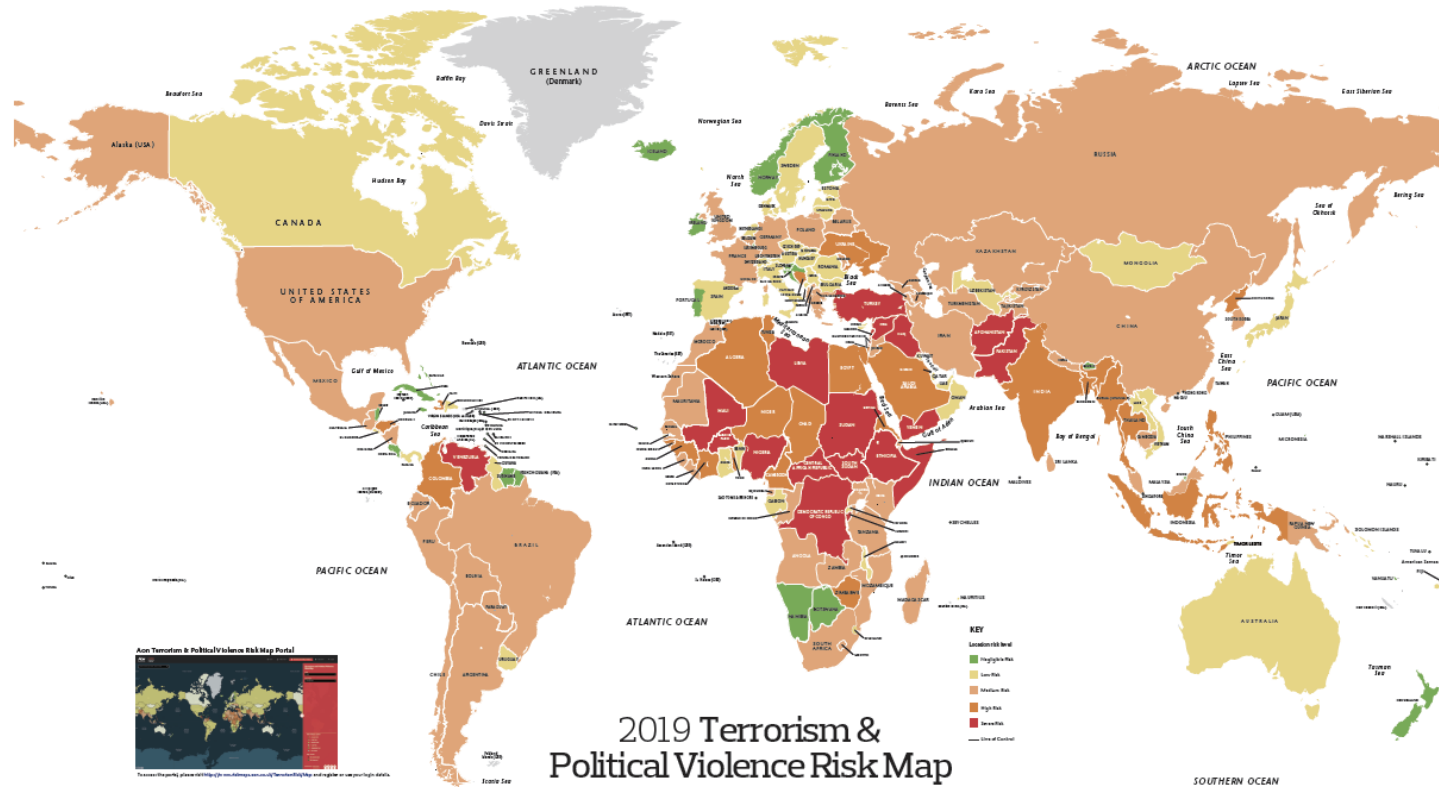


SOCIAL: BROKEN CONTRACTS

- Rise of social unrest
- Issues more difficult to resolve

SECURITY: VIOLENCE ON THE RISE

- Increased global insecurity
- International flashpoints
- Political violence
- Criminal violence



Aon's approach to terrorism and political violence risk management combines threat assessment, impact analysis and crisis management consulting, with individually structured insurance programmes. For further information, visit aon.com/terrorismmap



About The Risk Advisory Group
Risk Advisory provides intelligence, investigations, screening and security management to support organisations dealing with complex international threats. Our guidance, intelligence and analysis help many of the world's foremost businesses negotiate challenging and uncertain environments to choose the right opportunities, in the right markets, with the right partners.

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TECHNOLOGY: DIGITAL BATTLESPACE

- Tech as geopolitical competition
- Vulnerabilities
- Opportunities

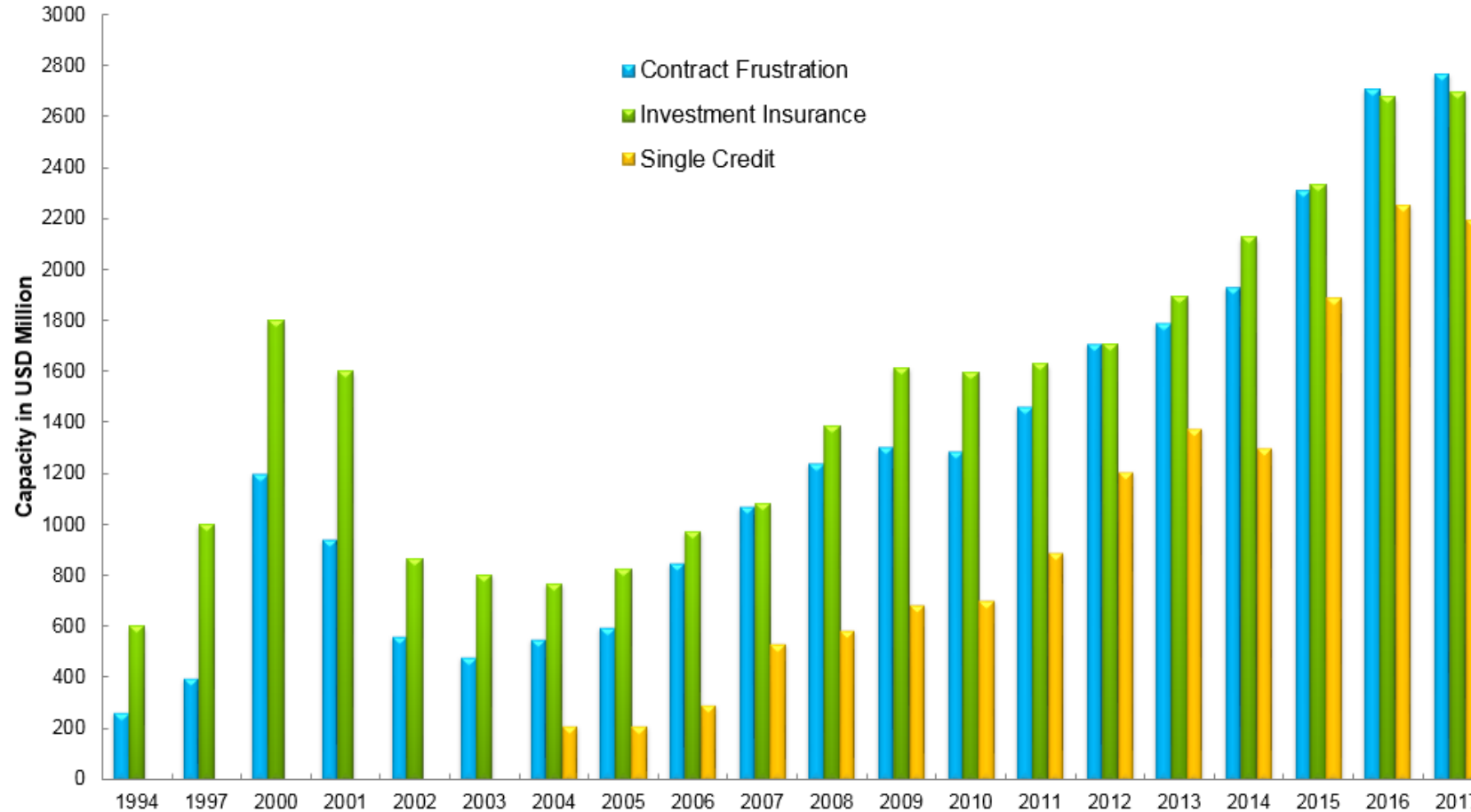
LEGAL: CHALLENGING REGULATORY SLOPE

- As mediating institutions diminish,
regulatory competition grows
- WTO role in question

3. POLITICAL VIOLENCE MARKET UPDATE 2019

Political Violence Events			
Territory	Industry	Loss Type	Quant um USD
1. Chile	Retail	Riots / Civil Commotion	>3 Billion
2. Hong-Kong	Retail / Transport / Hospitality	Riots / Civil Commotion	500m
3. Sri Lanka	Hospitality	Terrorism	50m
4. Colombia	Various	Riots / Civil Commotion	20m

4. POLITICAL RISK & STRUCTURED CREDIT INSURANCE MARKET CAPACITY



5. AVIATION FINANCE - INSURANCE MARKET SOLUTIONS FOR POLITICAL RISK & NON-PAYMENT (CREDIT)

The political risks insurance market covers aviation finance for political risk (confiscation) and non-payment risk (credit). Banks, lessors, financiers, aircraft manufacturers look to private market insurance solutions to support aircraft and lessor transactions, as well as the provision of 100% insurance to protect investments.

Sovereign non-payment, in the case of flag carriers and state confiscation, is increasingly seen as the most significant risk facing airline lessors. Combined with the potential for insolvencies resulting from overambitious growth strategies, the sector faces rising exposures in parts of the world with considerable political risk.

The acquisition or lease of multiple aircraft in a high-risk country comes with significant political risk that needs to be addressed.