



OPIC Products

OPIC Offers Stand-Alone Terrorism Insurance to Protect U.S. Businesses Overseas

OPIC announced in July 2003 that it would offer stand-alone terrorism insurance to support the international war against terrorism and further protect American businesses abroad. Previously, terrorism coverage was only available under OPIC's broader political violence coverage.

OPIC's terrorism insurance will cover violent acts with the primary intent of achieving a political objective, undertaken by individuals or groups that do not constitute a national or international armed force. In addition, coverage will include protection against threats posed by weapons of mass destruction, including chemical, biological, radiological and nuclear. OPIC will offer tenors of up to 10 years and will cover countries for which private sector insurance is not readily available.

In an effort to provide the most comprehensive coverage possible for U.S. investors, OPIC will work with private insurers to ease gaps in existing terrorism coverage.

Under the stand-alone terrorism insurance, OPIC will provide assets coverage to compensate for the loss of or damage to tangible property caused by terrorism. Business income coverage also will be provided to protect the investor's share of income losses resulting from damage to or loss of use of the assets of the foreign enterprise caused by terrorism.

WHAT IS OPIC?

The Overseas Private Investment Corporation (OPIC) was established as an independent agency of the U.S. government in 1971. OPIC helps U.S. businesses invest overseas, fosters economic development in new and emerging markets, complements the private sector in managing risks associated with foreign direct investment, and supports U.S. foreign policy. Because OPIC charges market-based fees for its products, it operates on a self-sustaining basis at no net cost to taxpayers.

WHAT DOES OPIC DO?

OPIC helps U.S. businesses compete in emerging markets and meet the challenges of investing overseas when private sector support is not available. OPIC offers up to \$250 million in long term financing and/or political risk insurance to U.S. companies investing in over 140 emerging markets and developing countries. Backed by the full faith and credit of the U.S. government, OPIC advocates for U.S. investment, offers experience in risk management, and draws on an outstanding record of success.

WHY IS OPIC IMPORTANT?

OPIC mobilizes America's private sector to advance U.S. foreign policy and development initiatives. Projects supported by OPIC expand economic development, which encourages political stability and free market reforms. OPIC supported projects also

support American jobs and exports — 264,000 U.S. jobs and \$69 billion in exports since 1971. OPIC promotes U.S. best practices by requiring projects to adhere to international standards on the environment, worker rights, and human rights.

WHAT IS OPIC POLITICAL RISK INSURANCE?

OPIC insures U.S. investors, contractors, exporters, and financial institutions against political violence, expropriation of assets by foreign governments, and the inability to convert local currencies into U.S. dollars. OPIC can insure up to \$250 million per project and has no minimum investment size requirements. Insurance is available for investments in new ventures, expansions of existing enterprises, privatizations, and acquisitions with positive developmental benefits.

HOW DOES OPIC HELP SMALL BUSINESS?

Helping America's small businesses grow through investments in emerging markets is an important OPIC priority. OPIC provides direct loans to U.S. small businesses, and offers insurance products to meet the special needs of small businesses. Other client services include streamlined applications and processing procedures, a web-based interactive training program and, a small business hotline. For more information, please call OPIC's Small Business Center at 800-225-5722.



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