

**To: Our valued SBC clients,**

**RE: CHANGE IN POLICY WORDING  
SANCTIONS LIMITATION  
EFFECTIVE: ON RENEWAL**

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Markel Canada has implemented a **Sanctions Limitation** to the policy via an endorsement (following this letter). You will now find this endorsement added to the policy. More details about this limitation can be found below:

What is it?

Sanctions are commercial and financial penalties applied by one or more countries against a targeted self-governing state, group, or individual and are often a ban on trade. Sanctions may be imposed by a country (ie. Canada, the UK, European Union, the US) or an intergovernmental body (ie. United Nations).

Sanctions include a range of restrictions, such as:

- Freezing of assets of designated entities and/or individuals
- Prohibitions on financing of state-owned organizations/infrastructure projects
- Targeting a particular industry, such as banning the supply of petroleum
- Restrictions on exports/imports

Financial Crime is defined by the Financial Conduct Authority (“FCA”) as “any kind of criminal conduct relating to money or to financial services or markets, including any offence involving:

- Fraud or dishonesty
- Misconduct in, or misuse of information relating to, a financial market
- Handling the proceeds of crime
- The financing of terrorism

**In other words – Markel will not extend cover while policyholders are in any sanctioned countries.** To name a few sanctioned countries: **Afghanistan, Bosnia, Brazil, China, Columbia, Cuba, Iran, Iraq, Nigeria, North Korea, Russia, Syria, and Venezuela.**

All Lloyd’s syndicates globally now include a Sanctions Limitation endorsement in their wording. Markel Syndicate 3000 has just recently followed suit to align with other Lloyds Syndicates. We liked to remind your clients, regardless of which Lloyds syndicate your client moves too, the sanction limitation will continue to exist and apply.

**A WORD FROM the MARKEL VICE-PRESIDENT**

- Please be mindful about what countries you may visit as part of the sport activity or the event.
- It is likely your organization or sporting organization will not send athletes to sanctioned countries since there is no trade or business being conducted.
- However, if your organization IS in fact conducting trade or business in sanctioned countries, please note, they will NOT be covered (no coverage).



**Endorsement Ref :**     SANCT

**Sanction Limitation**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

In consideration of the premium charged, it is agreed that the policy is amended by adding the following:

It is understood and agreed that the insurer will not be deemed to provide cover and shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade and economic sanctions, laws, or regulations of Canada, United Kingdom, European Union or United States of America.

All other terms, conditions, exclusions and definitions remain unchanged.

**Dated:** January 16, 2020