



## News

### Scott Seaman Discusses Prospect of Significant Indirect Exposures to Insurance Carriers from Russia's War on Ukraine

March 28, 2022

Scott Seaman, the Chicago-based co-chair of Hinshaw's global Insurance Services Practice Group, discussed with *Law360* the various indirect exposures insurance carriers are confronting as a result of Russia's war on Ukraine. AM Best has predicted that indirect exposures to U.S. insurance carriers from the war could be significant.

Seaman said he was skeptical about media reports suggesting a relatively low dollar risk to insurers with ties to Russia and Ukraine. He pointed to estimates that insurers and reinsurers could deal with as much as \$5 billion to \$10 billion claims under aviation insurance policies because of the grounding of more than 500 planes in Russia alone.

"It is difficult to 'pin the donkey' on the overall loss potential, particularly as the war rages on and events are transpiring, but it will be very large," Seaman said. "When you consider cyber events; criminal activity; property damage, injury and death claims; supply interruptions; and supply chain issues, the numbers will turn out to be attention-getting although not likely balance sheet-busting."

Sanctions aren't new to Russia, which has dealt with them for a long time, so compliance "is an important and continuing function," Hinshaw's Seaman said. "No one has perfect cyber thief-proof security."

[Read the full \*Law360\* article \(subscription required\)](#)

"Russia War's Indirect Exposures Loom Over Insurers" was published by *Law360* on March 23, 2022.

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