

QBE General Liability

2023 Agency & FA Presentation



Overview of a Company's Liability Exposures



Product Liability



Automobile Liability



Public Liability



Professional
Indemnity



**Overview of a Company's
Liability Exposures**



Advertising Liability



Contractual Liability



Employer's
Liability



Cyber Liability



Directors & Officers

Agenda



Public Liability

Intro in 1 Sentence
Claims Example
Important Concepts



Product Liability

Intro in 1 Sentence
Claims Example
Common Misconception
Completed Operation



Combined General Liability

Identity Problem..
Coverage
Identifying a Good CGL Cover
Who Needs It?

Public Liability



Public Liability

The legal liability a **business** incurred while **carrying out their business activities**, and being **held responsible** for the **injury/damage** that **arise out from their negligence**.

Public Liability

Who should consider this cover?

Who should consider this cover?

If your client has any of the following traits

- They have walk-in customers in their premises
- Most of their work activities took place in other people' s premises
- The business requires the use of machinery/equipment
- The business activity is considered hazardous in nature

Important Concepts

Under Public Liability

Important Concepts

- **Property in the Care, Custody and Control (CCC)**

Refers to (tangible) Property that insured does not own, but is in their possession or custody.

Important Concepts

- **Additional Insured vs Main Insured**
(Principal) Customer of the Insured
Landlord
Vendors

Main Insured – Policy Holder

Additional Insured – Requires
Insurable Interest to be added.

Important Concepts

- **Territorial/Geographical Limit**

Incident must happen within the territorial limit stated in the Policy

Where take place

Product Liability



Product Liability

The legal liability a **manufacturer/seller** incurred for **producing** or **selling** a faulty product, and being **held responsible** for the **injuries** that product caused.

A Common Misconception

A Common Misconception



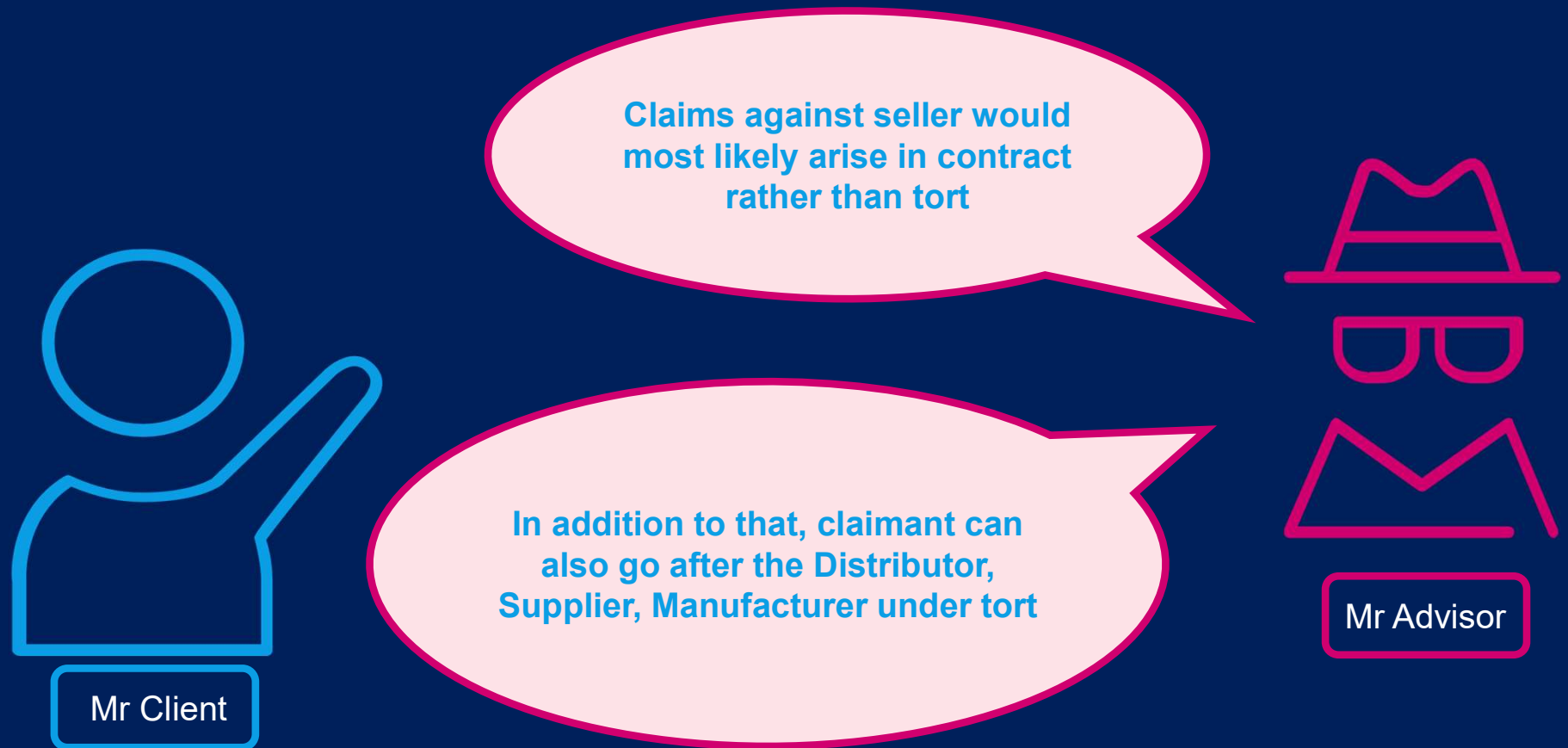
A Common Misconception

**Why should I be liable?
I'm not the manufacturer!**

**We are just a trading
company, not the
manufacturer.
We do not need Product
Liability**



A Common Misconception



Implication to our Client

No one can use the reason that they are not responsible for the product safety simply because they are not the **Brand Owner or Manufacturer** of the product.

Our Client could still **be held liable** even if they are just a distributor who has **no physical contact / control** on the goods they distribute

Who should consider this cover

Any entities along the **Product Supply Chain** (Manufacturer, Wholesaler, Retailer, Agents etc) could be held liable for placing a defective product into the hands of a consumer.

Pondering Time

What if.....

What if.....

What if my insured **do not sell any stuff?**

They only provide a service such **as installation, serviced, assembly.**

Do they still need Product Liability?

Product Liability is still required.

A good product liability cover is not just limited to product sold/supplied by insured.

It should also take into consideration the “**work**” performed by the insured.

This is also known as “**Completed Operation Cover**”

Combined General Liability



Combined General Liability

**Public & Product
General Liability**

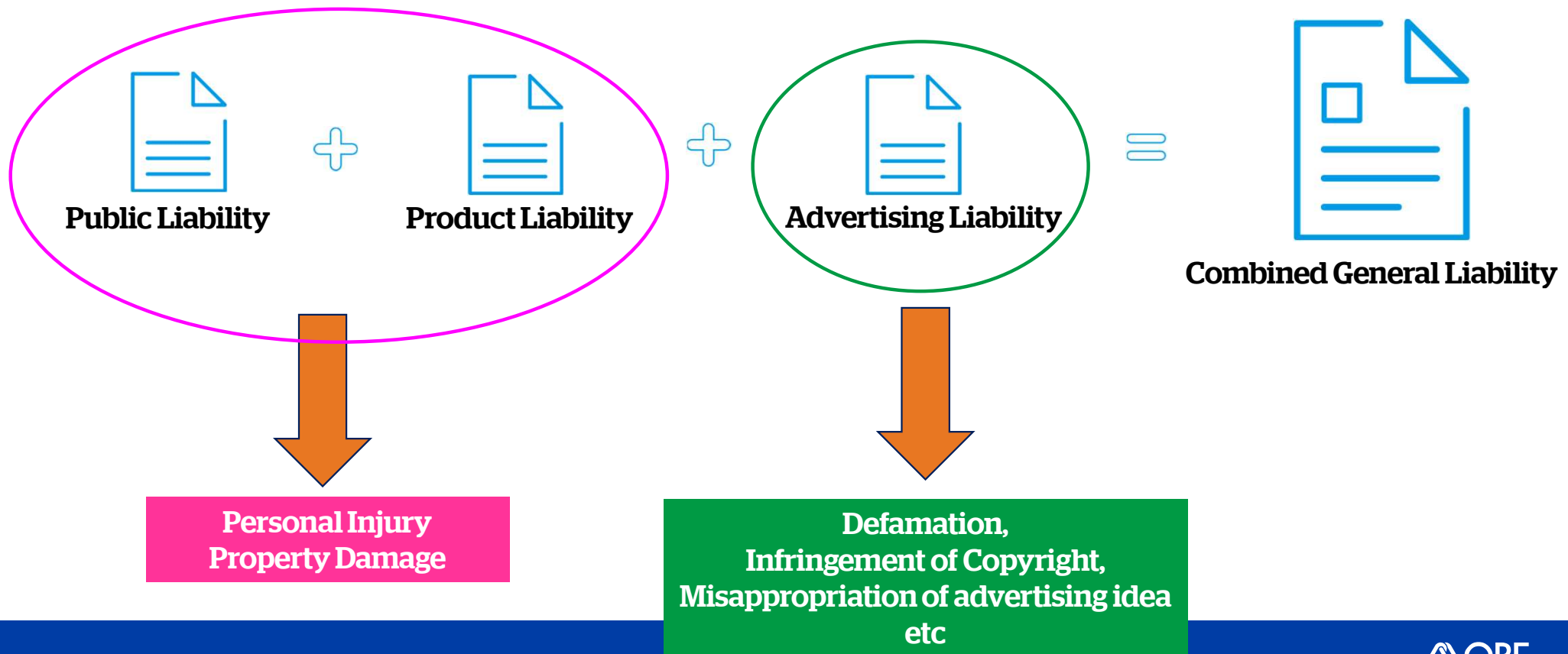
**Comprehensive
General Liability**

**Contractors
General Liability**

**Commercial
General Liability**

**Combined
General Liability**

CGL Coverage – Singapore Context



CGL Coverage – Singapore Context

Coverage	Public Liability	Product Liability	CGL
Premises Operation	✓	✗	✓
Product Liability/ Completed Ops	✗	✓	✓
Broadform Definition – Bodily Injury	?	✗	✓
Broadform Definition – Property Damage	?	✗	✓
Broadform Definition - Insured	?	✗	✓
Advertising Liability	?	✗	✓

Identifying a good CGL Cover



Identifying a good CGL Cover

1. What's in the **Business Definition**
2. How is **Product Defined** under the coverage
3. Ensure the **Defence Cost** is **in Addition to the limits**
(except for North American Jurisdiction)
4. Ensure it provides coverage for the 3 most common type of Product claim



PARTICIPATING

When participating in exhibition,
trade fairs conference



A&A WORKS

Repair, refurbishment of property
occupied



HIRING

Employment of Subcontractors
for performance of work by
Insured



DRONES

Usage of drones incidental to
business

Step (1) Insured's Business Definition

Step (2) Insured's Product Definition

QBE's Definition:-

Product means any goods, products or property manufactured, constructed, erected, installed, repaired, serviced, treated, grown, extracted, produced, processed, assembled, sold, supplied, distributed by the Insured, after they have ceased to be in the possession of the Insured

Some coverage in the market:

- does not cater for the portion in green; or
- exclude if the product are rented/leased and not sold; or
- exclude if the product is regarded as a real property

3 Things to Look Out

Under Defence Cost

1

Defend in the name of the insured – even if the lawsuit is **groundless, false or fraudulent**

2

Includes all expenses **incurred by the Insurer**

3

Reimburse the Insured all reasonable expenses (other than earnings)

All these expenses incurred will be treated as a **separate category** and does not eat into the limits purchased.

Defend in the name of the insured – even if the lawsuit is groundless, false or fraudulent

Includes all expenses incurred by the Insurer

Reimburse the Insured all reasonable expenses (other than earnings)

3 Types of Product Liability Claim



Manufacturing Defect:-

If you are injured because the particular bottle of cough syrup you bought happens to contain several drops of arsenic that fell into it by accident at the factory where it was made, your claim would be based on a manufacturing defect.



Design Defect:-

If taking that same brand of untampered-with cough syrup caused you to suffer a heart attack because of its normal ingredients, your claim would be based on a design defect.



Failure to Warn:-

If the cough syrup was made correctly and is generally safe for use, but you were injured because you combined it with aspirin and the label failed to warn that such a combination is dangerous, your claim would be based on a failure to warn.

That's the End!

