



GENLIB

SPECIALISED INSURANCE & INNOVATIVE SOLUTIONS
FOR BROKERS

PUBLIC LIABILITY (PL)

BROADFORM LIABILITY

Insured through:

Santam Ltd.

Western National Insurance Company Ltd.

New National Assurance Company

Lombard Insurance Company Ltd.

Compass Insurance Company Ltd, Lloyds, Bryte

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WHAT IS BROADFORM LIABILITY

Broadform liability insurance protects the insured's company against claims by third parties for bodily injury or property damage as a result of the insured's business activities.

This includes liability for products manufactured, supplied or distributed, as well as for sudden and accidental pollution damage and defective workmanship.

Note: Not all Insurers noted in this document offer the full Broadform Public Liability and may only offer General Public Liability with varying extensions.

Who is exposed ?

Any person, company, organisation or entity operating in today's business environment.

What is at risk ?

The financial safety and well-being of the company or organisation.

Where could claims arise

- Any third party with whom the client enters into a contract
- Any third party where injury or damage has been caused or, alleged to have been caused, by the insured
- Depending upon the Insured's type of operation the source of the claim could originate anywhere in the world

WHAT IS BROADFORM LIABILITY (CONTINUED)

**3RD PARTY INJURY OR
DEATH**

**3RD PARTY PROPERTY
DAMAGE OR LOSS**

**3RD PARTY FINANCIAL
LOSS**

ALLEGEDLY CAUSED

**BY THE INSURED'S
EMPLOYEES**

**ON THE INSURED'S
PREMISES**

**BY THE INSURED'S
PRODUCTS**

WHY BUSINESSES NEED TO CONSIDER THIS COVER

You're in business but you're wondering Why do I need public liability ? Whenever your business comes into contact with the public you are at risk of a public liability claim.

Do you visit your clients ?

Even a visit by you or your employees to a client's office has a liability risk, something as simple as a laptop bag left in the wrong place.

Perhaps you are a contractor and you fire your nail gun through the wall taking out the power supply to the building.

Do clients visit you ?

A courier dropping off a package trips over equipment injuring themselves. Or you're a hairdresser and you forget your client under the hair dryer.

Do you supply food or drink ?

You accidentally use outdated food, or you burn someone with a hot drink.

Do you sell products ?

What if the product you sell causes an injury, or someone dies ? Without products liability cover you won't be covered.

THE DIFFERENCE BETWEEN PUBLIC & PRODUCTS LIABILITY

Public liability insurance covers you for property damage or personal injury suffered by a third party where you are deemed to be responsible.

In some ways you could say that it is more about the physical actions (or consequences) of your business activities.

Products liability on the other hand covers damage or injury caused by the products you provide to your clients.

Products liability only responds after the product or work has been handed over to the customer

Some sources of product liability claims :-

1. Safety Equipment and Recreational Items

There are many companies that design safety equipment to protect people from death and injury, but if these products malfunction or do not perform under the intended circumstances, then you may be able to sue the company for damages.

Product liability claims are particularly common with sporting and recreational safety gear, such as helmets, safety goggles and protective guards.

2. Prescription Drugs

Defective prescription drugs or supplements can cause serious health conditions.

In these cases, the patient may have grounds for a liability claim against the drug manufacturer.

It may also be possible to file a claim if the drugs did not come with adequate warnings, had insufficient instructions, were contaminated or made false claims about their efficacy.

DOES PUBLIC LIABILITY INCLUDE ADVICE

Does your occupation include offering advice ?

When your occupation or product is the advice you offer i.e. accountants, health services, financial planners etc. [Professional indemnity](#) insurance will be required as additional cover for claims arising out of actual or alleged breaches of your professional duty.

*This would **not** be covered in your public liability insurance policy.**

THE SECTIONS THAT MAKE UP A BROADFORM POLICY

Public Liability

Injury or Damage to others arising in the general course of business. Many claims, if not most, are paid in terms of this section.

Pollution Liability

The accidental release of pollutants into the environment.

Products Liability and Defective Workmanship

Injury or Damage arising out of the harmful nature of the Insured's products or out of the Insured's negligence while working on a product.

STANDARD BROADFORM POLICY EXTENSIONS

Statutory Defence Costs

Legal expenses in defence of a criminal action.

Wrongful Arrest

Wrongful arrest, false imprisonment and any related assault caused by the Insured.

Defamation

Defamatory statements whether written or verbal.

Employers Liability

Employees injured in the workplace.

Negligent Gratuitous Advice

Injury or Damage arising out of free advice given in promotion of the Insured's products or services.

NON-STANDARD BROADFORM POLICY EXTENSIONS

Errors & Omissions

Any negligent act, error or omission in the conduct of your Professional Services.

Excess Motor Liability

Your legal liability for and/or arising out of Injury and/or Damage caused by or through or in connection with any event for which indemnity is provided in terms of the Underlying Motor Third Party Liability Insurance "Underlying Insurance".

Contractors Liability

Any amount you become liable to pay a Third Party arising from your construction works and activities happening on or in the immediate vicinity of a contract site.

Motor Passenger Liability

Your legal liability for and/or arising out of Injury to any person carried in or upon or entering or getting onto or alighting from any Vehicle as a result of an accident caused by or through or in connection with such Vehicle.

Security Services

Damage that results from Security Services.

Lateral Support

Loss that results from unforeseen consequences following the removal, weakening of or interference with Lateral Support by you.

Care, Custody & Control

Your legal liability for and/or arising out of Damage to tangible property or premises belonging to a Third Party temporarily in your possession or which should have been temporarily in your possession for the purposes of the Business.

Incidental Medical Malpractice

Any negligent act, error or omission in the professional services rendered or which should have been rendered by any medical practitioner, nurse or other medical official in your full or part time service in an emergency situation which results in the death, bodily injury, illness or disease of or to any Third Party.

PRODUCT LIABILITY EXTENSIONS

Please note that not all Insurers offer the same extensions

Product Inefficacy

This extension is similar to Products Liability in that it covers losses caused by the Insured's Products. The big difference is that Products Liability covers claims where people are harmed, or their property is damaged.

By contrast Products Inefficacy covers those claims where there was no such harm or damage.

Products Inefficacy covers pure financial losses caused when the Insured's Product does not perform as well as promised.

Product Recall and Guarantee

Product Recall and Guarantee Insurance can protect your business from the costs incurred when recalling defective products, as well as the costs of replacing, recovering, repairing and altering products that are defective due to faulty design, manufacture or installation.

A product recall can devastate a company's brand name and profitability.

Note: Where a quote may be on a General PL basis, additional extensions are available on request.

EXCLUSIONS

- Deliberate Acts
- Alcohol and/or Drugs
- Hazardous Sports
- Contractual Liability
- Fines, Penalties and Punitive Damages
- War and Civil War Exclusion Clause
- Terrorism Exclusion Clause
- Radioactive Contamination and Explosive Nuclear Assemblies
- Prior Events

Please note that this list is not exhaustive, you would need to refer to your policy wording.



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