



EXCESS PUBLIC, PRODUCT AND EMPLOYERS LIABILITY

Where your business is exposed to legal or contractual liability limits beyond those provided by the primary policy, consideration should be given to increasing or topping up those limits. This is even more relevant since the Ogden Discount Rate changes which will cause claims inflation for personal injury costs.

What are the best ways to do that?

- You can increase the limits on the current policies you hold, or;
- You can arrange top up covers; these are often at reduced costs as the Insurer is only involved on claims that exceed the primary level of cover you hold elsewhere thus reducing the number of claims they may have to investigate.

What is the basis of the cover and the Limit?

- Cover can be arranged for Public and Products Liability only, or for Employers Liability only.
- The policy wording normally follows the primary policy you hold using the same conditions and restrictions but just limiting cover to a set limit over and above the primary cover you already have.
- The limit is set by you to suit your requirements individually for either the Public and Products Liability (where we recommend a minimum limit of £5m is provided) or the Employers Liability.
- In arriving at your indemnity limit, you may want to consider any contractual requirements. For example, any business working 'airside' at an airport will be required to carry a specified Limit for Public and Products Liability due to the increased values and risk of aviation.
- Businesses whose products or processes create the potential for large claims may also consider an increased limit protects their balance sheet. For example, a business who use heat applications at premises risk serious damage in the event of a spreading fire, or a business who make critical parts for vehicles carry the potential for substantial personal injury claims.
- With regards to Employers Liability, where you have an accumulation of employees at one location who could suffer injury or disease the standard loss limit of £10m may be inadequate. An example of this could be where there is an explosive hazard like dust or fireworks or; an exposure to asbestos or other toxic substance which could quickly affect lots of staff working in a confined space or area.

Please contact your usual **Towergate Insurance Brokers** adviser