



Product: General Liability

Manufacturer Information

Product information

General liability is a form of insurance which protects against risks incurred by businesses/entities in relation to liabilities to third parties including (but not limited to) injury, illness, property damage, and financial loss.

The product is designed to be purchased in a modular format, so that customers can attain tailored covers required for their particular business activities. The proposition allows the customer the ability to extend coverage where required through exclusion 'write backs,' and is able to provide cover in a wide range of potential liability scenarios.

Common coverage can include:

- 1) Public Liability** - the legal liability of the insured to pay damages and/or compensation to any party other than the insured or its employees, in respect of personal injury or property damage arising out of any act or default of the insured in the conduct of its business within the territorial limits.
- 2) Property damage** - as described under public liability, including physical damage to or loss / destruction of tangible property, including any consequential loss arising therefrom.
- 3) Product Liability** - the legal liability of the insured to pay damages and/or compensation to any party, other than the insured or its employees, in respect of personal injury and or property damage arising out of or from the insured's products within the territorial limits.
- 4) Completed Operations** - covers a contractor's liability for property damage or bodily injury to a third party after the point in time that contracted operations have ceased.

It is noted that the product can cover a range of optional exclusion write backs / additional extras, and customers commonly purchase a range of different covers to cater to their individual liability needs. Other examples include (but are not limited to):

- **Advertising Liability** offers coverage to protect a company in the event that they are sued for slander, defamation, libel or copyright infringement.
- **Auto or Motor Liability** offers to customers on an excess basis to protect against claims arising from injury or damage to third parties only.
- **Care, Custody, and Control** provides coverage to a customer in respect of non-owned property that suffered damage whilst in the care, custody or control of the insured.
- **Cyber Liability** covers third party bodily injury and/or property damage arising from a cyber breach.
- **Employers Liability** covers a business in the event of bodily injury sustained by an employee within the course of their employment.
- **Failure to supply** provides coverage in respect of any third-party property damage or bodily injury arising out of the failure or fluctuation in supply of a utility.
- **Financial Loss (consequential)** covers monetary loss that the insured is legally liable to pay because of bodily injury or property damage.
- **Medical Malpractice Liability** covers the provision of medical or paramedical services or the failure to render thereof. The provision of prescription drugs, the provision of diagnostic equipment and clinical trials.
- **Sudden and Accidental Pollution Liability** covers a business for a pollution loss as a result of a sudden and accidental pollution event. This does not provide coverage for gradual pollution events.
- **Product Recall** covers a business for the expenses related to a withdrawal of a product from the marketplace. This can include costs for shipping and disposal.
- **Professional Liability** covers liability arising from any act, error, omission, malpractice, or mistake of a professional nature committed by the insured and for which the insured is legally liable.



- **Terrorism Liability** covers bodily injury, property damage, personal injury or advertising liability arising directly or indirectly in whole or in part by Terrorism.

Target market

This product has been designed to meet the needs of businesses of any size and across a wide range of industries/professions, that wish to insure themselves against the risk of incurring liabilities to third parties including but not limited to injury, illness, property damage, and financial loss.

The target market includes:

- Private and public companies;
- Charities and non-profits;
- Clubs, associations and other similar groups undertaking common purposes;
- Micro-enterprises, SMEs and other larger businesses/entities.

Types of customer for whom the product would be unsuitable

The product is not appropriate to be sold to:

- Individual consumers i.e. natural persons acting in a private capacity;
- Businesses undertaking activities or seeking cover for liability risks that are outside the scope of General Liability cover, for example marine/aviation liability insurances, or those seeking environmental liability cover for gradual operating causes.

Any notable exclusions or circumstances where the product will not respond

(i) Exclusions (available as write-backs upon request and approval):

- Advertising Liability
- Auto or Motor Liability
- Care, Custody, and Control
- Cyber Liability
- Employers Liability
- Failure to supply
- Financial Loss (consequential)
- Medical Malpractice Liability
- Sudden and Accidental Pollution Liability
- Product Recall
- Professional Liability
- Terrorism Liability

(ia) Exclusions (general)

- Deliberate, conscious or intentional disregard of the insured, and/or failure to take steps to prevent injury/damage;
- Injury to any person under a contract of employment with the insured;
- Liability arising out of liquidated damages clauses, penalty clauses or performance warranties;
- War, invasion act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection and military/usurped power;
- Liability arising from radiation, contamination, nuclear waste, nuclear combustion;
- Liabilities covered under another contract of insurance held by the insured;
- Punitive or exemplary awards / damages.

(ii) Limits of liability:

Each section of cover, additional extra(s) and/or extension(s) will be offered with their own limit of liability (and sub-limits where applicable), as requested by the customer to reflect their exposure to risk, and as stated in the policy schedule.

(iii) Excesses

Each section of cover, additional extra(s) and/or extension(s) will be offered with their own applicable excesses and stated in the policy schedule.

Other information which may be relevant to distributors

This product should be sold in line with FCA regulations and can only be sold by a regulated insurance distributor.

Where Distributor 1 sells this Product via multiple other distributors (via sub-delegations or sub-brokering), it is their responsibility to ensure all distributors have been provided this document, have reviewed it and understand the content. If there is any additional remuneration, including commissions, fees or other 'non-standard' remuneration charge to the customer by other distributors, it is the responsibility of Distributor 1 to inform TMK of these details accurately and in full.

Sales journeys must identify customer eligibility and ensure that key information and choices to be made are presented to customers in a way that supports a customer through the process of understanding core cover and configuring optional elements of insurance to suit their specific demands and needs.

This product can be sold face to face, via telephone, electronic communications or a mix of these methods, as long as customers are provided with sufficient information to make an informed decision regarding the suitability of the product.

This product can be sold with or without advice in line with FCA regulations or local regulations if the distributor is regulated outside of the UK.

Commission & Fees

If there is a coverholder in the chain, they are expected to ensure that maximum commission rates do not exceed those stipulated within the Binding Authority Agreement.

The coverholder is expected to maintain oversight of all broker commissions (where applicable) and, where there may be a risk to product value, remedial action should be taken immediately including notification to Tokio Marine Kiln.

Brokers are reminded of their own regulatory obligations in relation to remuneration under PROD 4.3.6 as well as the requirements to make all necessary disclosures to the customer.

Where there are any fees charged by any member of the distribution chain these should be:

- commensurate with the service provided by the distribution.
- not have an adverse impact on customer value; and
- distributor should ensure that TMKS is made aware of the fee amount and/ or method of calculation.

How value is assessed

Value is assessed based on a number of metrics, including underwriting, claims and complaints information as well as through broker and coverholder engagement.

Remuneration paid as set out in our agreements with distributors has been considered as part of the value assessment.

If additional add-ons (including premium finance) are sold alongside this product or additional remuneration is charged, this may affect the value for the customer.

Further information on our product approval processes can be obtained on request.

Date Fair Value assessment completed	September 2023
Expected date of next assessment	September 2024