

# Zurich helps to close the coverage gap for manufacturing customers

## Could this happen to you?

- A conveyor belt manufacturer sells a new belt to a customer, who installs it on its conveyor belt system. When the production line starts, the belt immediately fails. No one is hurt, and no property is damaged other than the belt itself. The customer's production line, however, is out of service for one week and that results in **\$200,000 of lost business**.\*
- In the assembly of its final product, a manufacturer uses components supplied by third party vendors. A part fails in the assembled unit and the manufacturer's customer experiences **lost revenue due to halted operations**. The manufacturer is sued by the customer, on the grounds that the manufacturer did not exercise appropriate quality control on the supplied components and the final assembled product.\*
- A tool and die manufacturer is asked to produce a part to its customer's specifications that will be a component in an engine the customer is contracted to supply. The manufacturer is sued by the customer, who claims the part was not built to specifications and as a result the customer is **unable to produce the engine in time** to meet the contractually obligated deadline.\*

## Who will cover your third party claim for financial loss?

The insurance coverage gaps described in the above examples are not isolated incidents. A manufacturer's product can fail to perform for any number of reasons: product defects, faulty components or simply because it wasn't built to specifications.

A CGL responds to third party financial losses – **but many people don't realize that the CGL won't respond if there isn't any bodily injury or property damage.**

This means a manufacturer has a gap in coverage if a third party financial loss is claimed without any bodily injury or property damage, as in the above scenarios.

\*The examples above are general illustrations of the intent of the coverage. Each claim will be assessed on its own merits when it is presented as a claim.

### More information or a quote:

To find out if you qualify for our  
Manufacturers' E&O coverage,  
please contact your  
Zurich Broker.

## Zurich's new Manufacturers' E&O Liability Endorsement is here to help.

Zurich's Manufacturers' E&O Liability Endorsement is designed to respond to a claim of financial loss if a manufacturer's product failure results in a third party financial loss without bodily injury or property damage.

This endorsement is an important addition to Zurich's robust manufacturing offering and will be a valuable component of your manufacturing property and casualty insurance program under a Zurich Protect policy.

Zurich is here to help our manufacturing customers minimize their risk and close this gap.

### Zurich's Solution

Manufacturers' E&O Liability Endorsement is available as part of our Zurich Protect Liability Policy. By bringing the endorsement and CGL together with Zurich's customized Manufacturing and Processing property coverage, you benefit from the convenience and strength of Zurich's broad manufacturing solution.

### Coverage Highlights

- Available as an endorsement to qualifying customers with Zurich Protect CGL 3100 policies
- Coverage for third party financial loss when there is no bodily injury or property damage
- Worldwide coverage for products made or sold in Canada and/or the US.

### Limit of Liability

- Up to \$1 million Each Claim/Aggregate

### Application and wording

- Available on Zurich's Broker website: [www.zurichcanada.com](http://www.zurichcanada.com)
- Please contact your broker for more information.

### Commitment to manufacturing industry

At Zurich we're committed to delivering what matters to our customers, consistently and reliably. This promise is demonstrated through the guidance, service, products and solutions we offer. We've created our new Manufacturers' E&O Liability Endorsement as a direct result of our commitment to Canada's manufacturing sector. With Zurich's global strength and reputation, manufacturers can confidently purchase coverage that was developed with experience and expertise.

### Financial Strength

Zurich has a 130 year history and a strong future. With excellent third-party ratings, significant capacity and underlying financial strength, we provide coverage to meet our customers' needs and offer the peace of mind that comes from purchasing customized protection from one of the world's leading insurers.

Zurich

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