

Statutory Liability Endorsement

Coverage Highlights

CHUBB®



Chubb in Australia provides Public and Products Liability Insurance to a diverse range of businesses, from SME's through to multinational clients.

The new Statutory Liability Endorsement attaches to and complements our new and improved Broadform Public and Products Liability Policy.

Benefits of the Endorsement

Australian Businesses are facing increased exposure to statutory fines and penalties handed down for breaches of legislations such as:

- Workplace Health and Safety Acts
- Employment Practices Laws
- Environmental Protection Authority (EPA) Legislation
- Spam and Privacy Laws

The Chubb Statutory Liability endorsement has been tailored to provide businesses broad coverage from a wide range of penalties triggered by these laws.

Coverage Highlights

- Broad definition of Defence Costs, and Advancement of Defence Costs
- Broad Definition of Statutory Liability Loss and Statutory Penalty
- Positive Cover Extensions for;
 - Investigations
 - Workplace Audits
 - Subsidiaries, including former Subsidiaries
 - Discovery Period of 30 days after the expiry of the Policy Period
 - Return to work assistance
 - Benefits for transport to & from work
 - Outside Directorship

Claims Examples

The following examples highlight the fines and penalties that would be covered under the Chubb Statutory Liability endorsement.

Example 1

Act: Occupational Safety & Health Act 1984 (WA)

Offense: Failed to provide and maintain a working environment in which any persons employed or engaged by contractor to carry out or assist in work were not exposed to hazards, and by that failure caused serious harm to such a person.

Casualty

Penalty: \$100,000 which was reduced by 25% for a guilty plea and reduced again for other mitigating factors to \$70,000.

Example 2

Act: Food Safety Practices and General Requirements

Offence: Non-compliance with Standard 3.2.2

- Maintenance and cleanliness of food premises
- Maintenance and cleanliness of food equipment
- Prevention of pests entering the food premises
- Eradication of pests and prevention of harbourage of pests on food premises.

Penalty: Fine of \$80,000 plus costs of \$1,577.70.

Example 3

Act: Occupational Safety and Health Act 1984 (WA)

Offence: Failure to maintain a safe work environment

Penalty: \$120,000 reduced by 25% for guilty plea and reduced again for other mitigating factors to \$80,000.

Example 4

Act: Section 80(2) of the Environmental Protection Act 1993

Offence: Material environmental harm by discharging 40,000 litres of aluminium sulphate into Yetti Creek when a PVC fitting on pipe work failed at the Barossa Water Treatment Plant.

Penalty: Convicted and fined \$80,000.

About Chubb in Australia

Chubb is the world's largest publicly traded property and casualty insurer. Chubb, via acquisitions by its predecessor companies, has been present in Australia for 100 years. Its operation in Australia (Chubb Insurance Australia Limited) provides specialised and customised coverages including Business Package, Marine, Property, Liability, Energy, Professional Indemnity, Directors & Officers, Financial Lines, Utilities as well as Accident & Health, to a broad client base, including many of the country's largest companies. Chubb also serves successful individuals with substantial assets to protect and individuals purchasing travel and personal accident insurance.

More information can be found at www.chubb.com/au.

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