



Liability Insurance and COVID-19

The Importance of Continuity of Cover - General Advice



Personal Service, Quality Advice

This document is intended to provide you with an overview of the standard terms of insurance policies in the New Zealand market and is only general advice.

Please contact your broker if you have any questions or would like to discuss further.

Our full team is available either by email or by phone as we work from home and remain committed to assisting you throughout these changing times.

All of our individual contact details are available at www.rothbury.co.nz/contact-us.



The risks of a gap in cover

Public Liability



Insured (Period A)

Not insured (Period B)

Any damage or injury arising from your work or your products is not insured if it occurs during this period.

This is the case regardless of when the work was done, or when the products were created / sold / supplied.

Resumption of insurance (Period C)

Sometimes it is unclear when damage or injury occurred. If there is a possibility that damage or injury might have occurred during the uninsured time (Period B), this will cause problems with a claim.

If something has arisen during Period B, you may not be able to resume your insurance.

Recommendation:
Maintain continuous cover

The risks of a gap in cover

Professional Indemnity, Statutory and Employers Liability



Insured (Period A)

Not insured (Period B)

There is no ability to claim for anything which arises during this period.

You cannot claim during Period B, or in the future.

This includes matters related to any prior work, or activities.

Resumption of insurance (Period C)

If something has arisen during Period B, you may not be able to resume your insurance.

If nothing has arisen during Period B, you may still have to pay an additional amount for 'retroactive' cover (to have cover apply continuously for Periods A through C).

Recommendation:
Maintain continuous
cover

Where to go for more information

We know that this is an incredibly stressful time for business owners.

If you would like to discuss this in more detail, or if you have any questions, please get in touch with your Rothbury broker www.rothbury.co.nz/contact-us

We encourage you to utilise the Government Employer Support and Business Finance Support schemes, and to also seek support from your banking and finance providers <https://covid19.govt.nz/government-actions/financial-support/>

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