

Property & Casualty Insurance



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An Interview With Our P&C Insurance Consultant

Why companies should seriously consider Business Insurance?

In today's world, companies are encountering not just natural hazards and accidents which are increasingly threatening the safety of businesses every year, but also various liabilities complying with local legislations and regulations as a supplier, an employer and a business owner.

One single natural hazard or accident may cause a large loss and impact the regular operation for the business. One legal claim could realistically put a business under such financial strain that maintaining cash flow, paying employees, or even staying in business, could be an impossibility.

A well designed business insurance package, as a good long term investment, will offer companies with sufficient protection and peace of mind on reasonable and stable costs so that businesses can focus on production and profits gaining without keeping a huge amount of reserve or worrying about future uncertainties.

What is a full risk exposure analysis?

In this fast and furious world, all businesses, individuals or families are exposed to many different kinds of risks such as natural hazards, unforeseen accidents, crimes, etc.. It's unlikely and certainly not realistic to have all exposures covered by insurance due to our client's budget and limitations of insurance. Therefore, a thorough risk & exposure analysis from the start over our client's nature of business, industry, country and city economic and legal environment, business volume and so on is very necessary to identify and prioritize those essential and important exposures our clients may face.

How can you help companies?

We, as client's appointed insurance advisor, we never show favoritism for any particular insurer or its products. Quite the opposite, we first help find out what the most essential and important exposures are for each of our specific clients by talking to them and conducting a risk analysis for them.

We then research into the market and create an insurance package with competing quotes from carefully selected carriers or even design innovative insurance solutions by working with insurers if traditional products cannot meet our client's demand.

Next, optimizing client's budget and resources for best coverage, we assist with the placement of policies and facilitate all claims that may happen through the policy year.

Lastly, we repeat the procedure for client's policy renewal to make sure of continued coverage, protection and sustainable development of insurance policies.



Property Line

Property Insurance

Why do we need Property Insurance?

Natural hazards and accidents are increasingly threatening the safety of our businesses every year. One single natural hazard or accident may cause a large loss and impact the regular operation for the business.

What can be insured by Property Insurance?

We help our clients find the right property insurance coverage for manufacturing, hotel, apartment, shops, hospitals, schools, offices and many other business operations to cover our following properties:

- Building;
- Machinery and Equipment;
- Furniture and Fixture and;
- Stock, etc..

Scope of Cover

We help our clients find the right property insurance coverage for manufacturing, hotel, apartment, shops, hospitals, schools, offices and many other business operations to cover our following properties:

- Fire, explosion and lightning;
- Storm, hailstorm, tempest, flood, typhoon and tornado;
- Landslide and/or subsidence of ground;
- Impact by aircraft, articles falling from aircraft or other flying objects;
- Burst of water tank or pipe, etc..

Machinery Breakdown

Why do we need Machinery Breakdown Insurance?

Equipments and machineries are very important for certain industries during their daily production. Many types of equipments cost millions of RMB. When we enjoy the convenience they bring, we must also face the problems they cause when the equipments are broken up during the production, which will then stop the operation and may delay the delivery of products on time.

What can be insured by Machinery Breakdown Insurance?

- Machinery tools;
- Power generation equipments;
- Electrical equipments;
- Air condition equipments.

Scope of Cover

- Faulty design, faults at workshop or in erection, defects in casting and material;
- Faulty operation, lack of skills, bad workmanship, negligence, faults and malicious acts on the part of workers or technicians;
- Tearing apart on account of centrifugal force;
- Overloading, overvoltage, electric arc, electrical faults, short-circuit, atmospheric discharge, inductive electricity and other electric phenomena, etc..

Business Interruption

Why do we need Business Interruption Insurance?

When accidents happened, profit losses always follow the property damage. Property damage may cause the decreasing production capability of the business, and fixed costs such as salary, rental, and management fees continue to be paid by us, and these issues may further decrease our gross profit, sometimes the loss of gross profit may be many times than the property damage, and it will take us a long time to recover.

Indemnity Period

The maximum indemnity period when insurers will pay is determined by us and listed in the insurance contract, for example, losses of 12 months gross profit or losses of 24 months gross profit.

Scope of Cover

- Faulty design, faults at workshop or in erection, defects in casting and material;
- Faulty operation, lack of skills, bad workmanship, negligence, faults and malicious acts on the part of workers or technicians;
- Tearing apart on account of centrifugal force;
- Overloading, overvoltage, electric arc, electrical faults, short-circuit, atmospheric discharge, inductive electricity and other electric phenomena, etc..



Casualty Line

Public Liability

Why do we need Public Liability Insurance?

Even when a business does everything right there is always the chance of an accident happening. Public liability insurance safeguards our customers and our staff and the business can go about its working day knowing that if a problem does arise, it need not cause the business to go bankrupt. It also offers assurance to customers, who otherwise may not feel comfortable using our business.

What does Public Liability Insurance cover?

Indemnifies us for sums we would legally have to pay a third party for property damage or bodily injury resulting from our business operations on or in the vicinity of our premises.

Rich Additional Extensions

- Fire and explosion liability;
- Food and drink clause;
- Car park liability;
- Advertising signs and decorations liability;
- Elevator and escalator liability, etc..

Employer's Liability

Why do we need Employer's Liability?

When an insured's worker is seriously injured, it has great impact on businesses. Loss of certain key personnel imposes legal liabilities on us. It also negatively affect the operations of the business as well.

What does Employer's Liability Insurance cover?

Indemnifies us as an employer against our legal liability assumed under a contract of employment to pay compensation to any employees for death or bodily injury sustained in the normal course of employment. Specifically it can include:

- Multiple times of salary compensation in case of accidental death and disability;
- Loss of income due to temporary disablement;
- Accidental medical expenses;
- Hospital cash allowances;
- Employer's legal liability.

Professional Indemnity

Why do we need Professional Indemnity Insurance?

As the service industry expands quickly in China, so do the challenges facing today's professionals: broadening contractual requirements, increasing demand of service qualities, and rising, sometimes unrealistic, expectations of clients are just a few. Professional indemnity insurance adds another extension on as it offers professionals extra insurance against negligence claims, whereas public liability will only apply to direct injury or damage. It gives protection against legal claims made against the business, such as negligence or misrepresentation. If we are in the service industry, or offer advice, then we should consider professional indemnity insurance as a standard cover requirement.

Main Features

- Claim made policy;
- Fully retrospective;
- Worldwide cover available upon request;
- Cover defense cost up to policy limit;
- Definition of claim includes written demand, civil proceeding, arbitral process, mediation and administrative or regulatory investigations;
- Additional insured not only includes applicant and its subsidiaries, but also our past, present or future principal, partners, directors, officers and employees;
- Cover vicarious liability of us for the act committed by our consultants, contractors, sub-contractors and agents;
- Cover unintentional infringement of intellectual property and reputation right or defamation.



Product Liability

Why do we need Product Liability Insurance?

In today's legal climate, where small claims court is full of civil law suits and persons asking for compensation for damages, it is crucial that businesses who have anything to do with product creation, refurbishing, distribution, packaging, fulfillment, or retailing have product liability insurance in place. One legal claim could realistically put a business under such financial strain that maintaining cash flow, paying employees, or even staying in business, could be an impossibility.

In North America, Europe, Australia, and even Asia, no matter how perfect your products present in design and manufacturing or how rigorous the products manual and warning label are drafted according to experts and lawyers' review, you may still suffer from a lawsuit. Despite all due diligence you have fulfilled, the lawsuit will drag you into a long and costly process to prove it.

Why do we need Product Liability Insurance?

- To meet the vendor's requirement;
- To transfer product liability risk exposure;
- To protect our overseas market presence and our reputation;
- To stabilize our business' finance.

Scope of Cover

- Bodily injury and property damage, including medical expense, repair expense, etc.;
- Defense costs, including investigation expense, attorney fee, etc.;
- Supplementary payments, including interests of indemnity, loss of income, etc.;
- Plus, Product Recall Insurance is available to indemnify costs for advertising, consulting, storage, transportation, disposal and any other reasonable fees.

Directors' & Officers' Liability

Why do we need D&O Liability Insurance?

Since 2011 in America, a series of financial scandals involving some famous company such as Enron Corp and WorldCom lead to huge economic loss and increased corporation collapse, which resulted in the world economic shock and meanwhile brought about huge financial burden to those directors and officers. In 2002 America released "Sarbanes-Oxley Act" and in 2003 HK released the new version of "Securities and Futures Ordinance". The worldwide legal environment has increased liabilities to an extent never been before seen. As a result, personal liability for being a corporate director or officer is now at the historical high.

Directors and Officers of companies in China also may exposed to the risk of breach of duty, not timely information disclosure, misrepresentation and so on. The "company law" revised in 2006, on the one hand define the duty of diligence and the duty of loyalty for our directors and officers, on the other hand give the shareholders the right of suing in the name of shareholder deputy or themselves when their interests or the company's interests are damaged.

A wide range of actions can be brought against directors and officers by any number of parties: shareholders, customers, creditors, competitors and government regulators such as US SEC, China Securities Regulatory Committee. Your directors and officers could therefore be personally liable and have their personal assets at risk in litigations which could be for substantial damages and last several years. Claims against directors and officers may be brought for a variety of reasons including misstatement, misleading statement, breach of duty, breach of trust, etc.

Scope of Cover

- Advanced defense costs;
- The amount of the claims damages, judgments and settlement in accordance with the law, including plaintiff's legal costs;
- Cover the civil fines and the administrative penalties;
- Cover outside directors and officers;
- To include defense costs, bail bond costs, crisis costs, public relation expenses and reputation protection expenses;
- Securities claim and entity employment practice liability.



Engineering Line

Contractors'/Erection All Risks

Why do we need Contractors'/Erection All Risks Insurance?

There are many uncertain factors that may happen in any construction work, any natural hazard (eg, Earthquake, heavy rainfall, etc.) or accidents (eg, fire and explosion) that may cause project principals and contractors to suffer large amounts of loss.

What can be insured by Contractors'/Erection All Risks Insurance?

The properties and costs related to the construction contract and situated in the specified worksite.

Scope of Cover

- Physical loss or damage to the property insured during the period of insurance within the specified worksite arising from any natural hazard or accident;
- Indemnify the third party for the physical loss or bodily injury to the third party caused by performance of the contract works.





Cargo Line

Cargo Insurance

Why do we need Cargo Insurance?

With the rapid development of international and domestic trade, huge amounts of commodities are transited around the world. The cargo, however, has to face different kinds of risks such as natural hazards, traffic accidents, robbery, theft, collision, etc.. Properly arranged insurance plan can relieve cargo owners from the damage of loss whatsoever caused as well as resume business in time.

Main Features

- Extensions of coverage to include DSU and short-term warehousing at destination;
- Open cover: pre-arranged rates and conditions, saving our time and effort in negotiation for single shipment;
- E-Cargo system: tailor-made insurance plan with 24/7 internet policy-issuing/enquiring/statistics/validating on one's own;
- Accident prevention, risk management, on-site supervision.





Special Line

Specie Insurance

Why do we need Specie Insurance?

Species which in other words valuable items under collection, exhibition, transportation, loading and unloading are facing many hazards. Taking Fine Art for example, according to past research, 40% of Fine Art loss happened during transportation, 38% under theft, 18% under fire or water damage and smoking, 4% under other reasons such as lightning, humidity damage, fraud, earthquake, wind storm.

What can be insured by Specie Insurance?

- Fine Art;
- Jeweler's Block;
- General Specie Accounts;
- Fine Wine and other high value items.

Yacht Insurance

Scope of Cover

- Natural hazards, including perils of the sea, river, lake or other navigable waters, earthquake, lightning and volcanic eruption;
- Accidents including contact with dock or harbor equipment or installation, collision, fire, explosion, piracy and malicious acts;
- Third party liability, our liabilities to other vessels or to third party's property and bodily injury or death;
- Extensions of coverage to personal efforts, racing risk, transit and machinery damage.



Our Key Partners

Pacific Prime works with prestigious first tier P&C insurers in China including both foreign and local insurers.



Above list may grow at this very moment as Pacific Prime never stops looking for good insurance providers in the market.

*This brochure is intended to provide a general description of the insurance and service only. It does not construe as policy.



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