

Product Recall coverage on Component Parts

A unique product offering to complement Aerospace policies

CHUBB®



Product recalls are occurring on a regular basis making the need for the coverage critical. A recall event can potentially be debilitating to a company's balance sheet, jeopardizing its viability. Product Recall Insurance is a first-party coverage that reimburses the insured for expenses and other financial loss relating to a product recall which are typically excluded on a General Liability policy.

Why Does a Business Need Product Recall Insurance?

Preplanning for recall events and addressing risk transfer capabilities through product recall insurance are now being viewed in a similar light as workplace safety programs, business continuity practices, and product safety protocols (with each such program having been developed to mitigate loss and ultimately protect the integrity of the business).

In the aviation industry, component suppliers may have legal liability exposure for costs associated with a faulty part they may have supplied to their customers.

An error in manufacturing or design can lead to extensive recall costs, including the supplier's own expenses and expenses incurred by third parties.

Areas of Expertise

With our expertise and available capacity, we are a product recall market leader and have the flexibility to underwrite hundreds of different classes of business, making our risk appetite one of the broadest in the market today. Target risks are component parts which are used in the aviation industry and complements our Aerospace Component Manufacturing Products Liability offering.

Contact

To learn more about Product Recall insurance for the aerospace industry, please contact Arthur Meerdink, arthur.meerdink@chubb.com.

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