



Insurance

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Some key things to know
about insurance:

- Endorsements
- Incentives
- Regulation

About endorsements ...

- An obligation to procure insurance to cover someone ..
 - This can be worthless if breached - such as if the obligated firm is insolvent.
 - To protect client interests, you must follow through and get the endorsement - that way there's a claim against the insurance company.

POLICY NUMBER: 10 CSE C 1212
END. 87

THE HARTFORD 

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY

ADDITIONAL INSUREDS - EMPLOYEES ENDORSEMENT

IT IS AGREED THAT THE "PERSONS INSURED" PROVISION IS AMENDED TO INCLUDE ANY EMPLOYEE OF THE NAMED INSURED WHILE ACTING WITHIN THE SCOPE OF HIS DUTIES AS SUCH.

THE INSURANCE AFFORDED BY THIS ENDORSEMENT ALSO APPLIES TO ANY STUDENT OR STUDENT TEACHER WHILE ACTING AT THE DIRECTION OF THE NAMED INSURED AT THE NAMED INSURED'S HEALTH CARE FACILITIES OR OTHERWISE ACTING ON BEHALF OF THE NAMED INSURED.

This endorsement does not change the policy except as shown.
Form 88 12 01 11 88 Printed in U.S.A.

2040028060

TG INTERNATIONAL INSURANCE BROKERAGE, INC.
Policy GO-609

ENDORSEMENT #1
NAMED PERILS PROGRAM CERTIFICATE

The above referenced certificate is hereby endorsed to include the following:

TRANSIT CLAUSE: Coverage attaches from the time the goods leave the origin designated on the certificate for the commencement of the transit, and continues until the goods are delivered to consignee, consignee's residence, or other final warehouse or place of storage at the destination named on the certificate.

- (A) Insurance coverage terminates on the date/time shipment is accessed.
- (B) Insurance coverage terminates immediately if any of the insured property is released from the Through Bill of Lading Household Goods Carrier to named insured or their designated representative while shipment is enroute to destination.
- (C) Does not cover goods while in storage.

All other terms and conditions of coverage remain unchanged.

EFFECTIVE DATE OF THIS ENDORSEMENT IS: August 8, 2002

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF THE CERTIFICATE.

BROKER: TG INTERNATIONAL INSURANCE BROKERAGE, INC.

ADDRESS: 27352 CALLE ARROYO, SAN JUAN CAPISTRANO, CA U.S.A.

DATE OF ISSUANCE: August 8, 2002

AUTHORIZED SIGNATURE: Sandra S. Noonan
Sandra S. Noonan

太阳能电池生产企业产品责任保险证明
CERTIFICATE OF PRODUCTS LIABILITY
INSURANCE

Ref No: SDCLP000001595

有效期至	Valid to: May 7 th , 2010	产品类型	太阳能电池片, 太阳能组件
企业名称:	浙江绿能光伏科技有限公司	产品号	SOLAR CELL, SOLAR MODULE
Holder:	Zhejiang Shuangming Technology Co., Ltd.	Product	
生产基地	浙江省嘉兴南湖区经济开发区	追溯日期	From May 8 th , 2008
Manufacturing Plant	Nanyang Economics Development Zone, Xiaoshan Jiangsu, Zhejiang, China	Retractive Date of Product	
保证方式	产品责任险	保险公司	Sea Alliance Insurance (China) Limited
Warranty Style	Products Liability Insurance	Insurer	
保险范围	Scope of Cover (Liabilities which are insured)		

Legally liable to pay in respect of claims made against the Insured arising from bodily injury to or illness or death of or loss of or damage to property of one or more persons using, consuming or handling the insured products or goods, or of any other persons innocent upon an occurrence taking place in the territory of coverage within the period of insurance caused by products or goods manufactured or sold by the Insured stated in the Schedule.

In respect of any claim covered under this Policy, the Company shall in addition indemnify the Insured against the relevant legal costs payable by the Insured and other expenses incurred in the above mentioned occurrence with the prior written consent of the Company.

备注:
上述列明范围内生产、销售的产品已由上海绿能公司投保产品责任险。
All the aforementioned products of the Holder are covered by the Products Liability Insurance Policy issued by the Insurer above.

日期: 2009.5.8
Date: May 8th, 2009

授权签署
Authorized Signature: [Signature]
Chief Account Manager

请客户在保单背面或本行网站和证明文件背面详细阅读。请至绿能公司或上海绿能公司网站查询。
If you wish to find out more about our services or a list of members of the policy, please log onto our official website at www.shuangming.com

上海宝隆保险经纪公司 Allstate Insurance Brokers & Consultants Co., Ltd.
1047, Tower 11 China Tower, No. 310, Pudong Avenue, Shanghai 200122, P. R. C. Tel: (86 21) 5175 2171 Fax: (86 21) 5175 0545-428

About incentives ...

- Asymmetry of incentives and bargaining power
- Insurance companies have incentive to
 - Sell more policies
 - Avoid paying claims
- Insurance companies can do this by being clever about "fine print" and dragging feet on paying claims

About incentives ...

- Insurance customers have incentive to
 - Not buy insurance until they need it
 - Avoid seeming risky
 - Take less care when insured
- IOW, both sides have incentives:
 - to hide what they know
 - otherwise take the risk out of risk

About regulation ...

- Insurance is heavily regulated at state level
- Regulation limits "fine print" subversions of bargain by insurers
- Regulation forces insurers to pay claims without litigation

About regulation ...

- Regulation may force customers to purchase insurance to
 - Keep premiums affordable (e.g., auto insurance, Affordable Care Act)
 - If only ultra-risky people buy insurance, premiums will be ultra high
 - Provide a source of payment for third parties (e.g., auto liability insurance)

Review question:

- Hexetron Mfg's sales contract with Geno's General Store obligates Hexetron to add Geno's to its products liability policy with IIG Insurance Co.
- Hexetron never follows through on this.
- Geno's incurs a huge products liability judgment. And now Hexetron is insolvent. Can Geno's recover from IIG?
- **NO. Geno's should have gotten the endorsement. Without it, Geno's is not insured and gets no benefit of insurance.**