

# Insurance for MedTech Companies

MFL Science & Technology  
INSURANCE BROKERS

*Insurance for your reputation*



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**MedTech** companies face many risks on a day to day basis and there are a number of insurance solutions available to protect the business and those that work within it.

Some of these risks carry a legal requirement to put in place insurance to provide financial recompense to an injured party whereas other types of insurance provide a risk transfer mechanism protecting your balance sheet, reputation and providing you with peace of mind.

This brief guide highlights some key types of insurance that you may wish to consider as being appropriate for your business

### Property Damage

Loss of or damage to property at an insured location from/by an insured peril. For example, Stock and Temperature Sensitive Stock, Buildings, General Contents, Machinery, Tenant's Improvements etc

### Business Interruption

Loss of Revenue/Gross Profit or Increased Costs of Working resulting from insured property damage.

MedTech businesses may have certain nuanced risks, for example Research and Development Income or Expenditure which require particular attention in ensuring the correct protection is put in place. MFL can assist you in getting this right.

### Employer's Liability

Your legal liability for injury, death or disease of employees during the course of their employment. Most businesses are required by law to carry this cover.

### Public Liability

Your legal liability for accidental injury to third parties or damage to their property as a consequence of undertaking your business (excluding claims arising in respect of Products sold, manufactured or supplied.

### Products Liability

Your legal liability for accidental injury to third parties or damage to their property as a consequence of Products sold, manufactured or supplied during the course of your business.

The licensing of technology requires particular care and attention to ensure that the insurance protection fully meets your needs.

### Professional Liability

Any business that provides advice or services may have a need for Professional Indemnity/Liability Insurance.

This provides protection in respect of your legal liability for financial losses and/or accidental injury to third parties or damage to their property as a consequence of advice/services or advice that you provide including collaborative work.





## Cyber Insurance

There is an ever increasing exposure for MedTech businesses in relation to data breaches relating to confidential and personal/patient data held by the business.

Cyber insurance as well as providing critical incident response following a cyber event will cover a number of key areas below:-

- **Cyber Liability** – your liability associated with a data breach e.g. your liability to any third party such as customers, patients or suppliers.
- **Notification Costs** – your costs associated with advising individuals of a data breach.
- **Fines and Penalties** – cost of fines and penalties where insurable at law.
- **Your Own Costs Associated a Hacking Attack** – e.g. costs of putting IT systems right, business interruption as a result of a data breach.

In addition, cover can be extended to include “cybercrime”, i.e. loss of your own/customer funds arising from cyber hacking/cyber stealing – siphoning money from online accounts – identity theft and even physical removal of IT security systems are just some of the sophisticated tactics being deployed.

## Product Recall Insurance

The costs associated with a product recall can be significant; not only your own costs but also the costs incurred by a third party, for example a distributor or customer.

Product Recall Insurance will provide protection in respect of your costs and the costs of a third party for which you are liable following the safety recall of one of your products.

## Directors’ & Officers’ Liability

We believe that all ‘Limited Companies’ should carry Directors’ and Officers’ Liability cover to provide insurance protection in respect the managerial liabilities associated with your day to day running of the business.

There are in excess of 200 statutes which make individual Directors personally liable for their actions, In addition to which, Directors in the MedTech sector face significant regulatory pressures.

Businesses are increasingly potentially liable on a corporate level for similar liabilities, for example corporate wrongs have been created in relation to the Corporate Manslaughter and Homicide Act 2007 and the Bribery Act 2010.

## Clinical Trials Insurance

Separate specific insurance is required to be put in place in respect of new product trials requiring Ethics Committee approval.

MFL can arrange appropriate cover in most territories in the World providing for any specific local requirements in respect of any mandated compensation awards and any legal liability.



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### Intellectual Property Insurance

The Intellectual Property generated within your business is valuable. You can arrange insurance to cover your costs and the costs of a third party (including any damages awarded) for which you are found liable following an Intellectual Property Dispute.

The policy will also provide cover in relation to your costs incurred to enforce your rights in respect of your own Intellectual Property.

### Business Travel Insurance

If you travel overseas on business you should consider arranging Business Travel Insurance to provide cover for example in respect of medical expenses, cancellation/curtailment costs, baggage and personal accident.

**This brief guide highlights key areas of insurance, and is not intended to be an exhaustive list of all the covers available in the insurance market.**

### About MFL Insurance Brokers

At MFL our expert team understand how your business works and will work with you to provide flexible and appropriate insurance solutions. If you have any questions or would like to discuss in more detail please contact a member of the team.



#### Cover Available

- Asset Protection
- Employer's Liability Insurance
- Public/Products Liability Insurance
- Professional Indemnity Insurance
- Directors' & Officers' Liability Insurance
- Business Travel Insurance

#### Contact

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