



## Liability Insurance for Oil and Gas Contractors and Service Providers (OSCAR)

## Insuring the most ambitious and unique projects

Every oil and gas project you become involved in presents new and unique challenges. This is especially true when it comes to potential liabilities.

As a contractor in the oil and gas sector you have unique insurance needs.

Off-the-shelf insurance coverage simply isn't adequate in an industry where work is routinely conducted in perilous environments both onshore and offshore.

Because each contract you sign requires different coverage than the one before, or the one after, you need an insurance partner with deep oil and gas experience and knowledgeable industry specialists.

## Are you adequately covered?

Specially designed for Oil and Gas service contractors in the ASEAN region, our OSCAR liability programme offers two broad areas of coverage:

### 1. Voluntary Worker's Compensation and Employer's Liability

Covers your legal liability under statutory Worker's Compensation legislation or common law when your employees are injured in the course of their employment. Due to the nature of oil and gas projects, your statutory obligation may extend beyond the Workmen Compensation Act which you are accustomed to.

Depending on the project, you may be subjected to the Workmen legislation of another country for example Vietnam. Our policy is designed to cater to the various Worker's Compensation legislation you may be subjected to.

- Principal as Additional Insured
- Waiver of Subrogation against additional insured

### 2. Public and Products Liability\*

Protects you against your legal liability in respect of bodily injury and/or property damage to third parties as a result of your operations and projects.

- Action Over indemnity Buy-Back Clause:  
Protects you against legal liability to any third party with respect to recovery of damages claimed against such third party as a result of injury to your employees.

- Care, Custody and Control Extension:  
Protects you against legal liability arising out of damage to property in your care, custody and control on which you have been working on at the time of loss and where damage results directly from such work.
- Fixed Drilling Platforms, Barges & Vessels As Premises:  
Protects you against legal liability arising from the ownership, maintenance and use of drilling platforms, barges, vessel whilst (1) fixed in a place at a marked location and (2) actually engaged in drilling, storage, work or accommodation provided that no coverage shall apply either prior to or subsequent to conditions (1) and (2) above.
- Contingent Non-owned and Hired Motor Vehicle Liability
- Damage to Principals' Existing Property
- Waiver of Subrogation Clause
- Additional Insured Clause
- Contractual Liability
- Sudden and Accidental Pollution – 72 hours

\*Subject to applicable deductibles & sublimit per occurrence and in the aggregate where applicable.

## Target market

Contractors in the oil and gas sector, from those involved in simple Contractors in the oil and gas sector (onshore and/or offshore), from those involved in simple non-manual office operations such as consultants to those involved in complex manual and hazardous operations such as drilling.

OSCAR is available to contractors with jobs in four categories:

- Category I: Administrative, Design (Office), Engineering (Office), Logging.
- Category II: Catering, Janitorial, Survey, Design (Office with site Visits), Engineering (office with site visits), Security
- Category III: Construction, Maintenance/Repair, Painting, Welding, Hookup, Commissioning, Testing, Equipment Rental or Repair
- Category IV: Exploration, Drilling, Production Drilling, Workover Contracting

## AIG offers real protection

AIG oil and gas liability insurance programmes are specifically structured for contractors who provide services to production sharing contractors, operators or drilling and support contractors.

These programmes offer coverage for both onshore and offshore locations. You are protected whether you operate in thick jungles, murky swamps, shallow coastal waters or under the sea hundreds of kilometers offshore.

OSCAR has been meticulously designed to fulfill the insurance contractual requirements of general oil and gas contractors in the ASEAN region through:

- Customised coverage
- Annual open-cover programmes to protect all your operations

## About AIG

Established more than 90 years ago in Shanghai, AIG is one of the world's leading property-casualty and general insurance companies. We maintain one of the strongest balance sheets in the industry and a team of 64,000 talented employees located in more than 130 countries and jurisdictions around the world.

Wherever you do business, AIG is globally positioned to help you. A comprehensive network of offices in more than 130 countries and jurisdictions can respond to, investigate and defend against international claims individually, quickly and efficiently wherever they arise.

**As a contractor in the oil and gas sector you have unique insurance needs.**



## Case Study

Claimant and his colleagues had been assigned by the Principal to carry out the completion of all oil wells. Whilst Claimant was in the process of testing a hose using nitrogen gas, the high pressure hose metal fitting accidentally detached and hit his right eye, causing Claimant to permanently lose the sight in his right eye. He therefore claimed against the Insured, as their employee, for causing his eyesight loss.

After the investigation, it was found that the Insured provided the Claimant with tools and the necessary safety equipment, including a safety glass, a high pressure hose and a nitrogen basket. However, the Claimant decided to use the hose which was already connected to the pipe rather than the Insured's hose. The hose in question did not fit the flange properly and resulted in it detaching when nitrogen gas was pumped into the hose and hitting the Claimant's eye.

The defective metal fitting hose was not provided by the Insured and there is no evidence of a wrongful act on the part of the Insured. Thus, the Insured has no legal liability in this incident.

## OSCAR: The AIG Advantage

### Policy and Cover

- Meet most contractual requirements by Oil and Gas Principals.
- US jurisdiction coverage for claims made in US courts.

### Guidance and Advice

- Our risk consultative services aim to prevent and minimise your liability exposures.
- Our global network and local expertise help you to understand liability exposures in the Oil and Gas industry in different countries.

### Claims and Service

- We handle claims within our own network – no outsourcing of claims handling.
- We have litigation and vendor management to minimise the ultimate cost of claims.

### Size and Scale

- Presence in 16 countries across Asia Pacific and 130 globally.
- Dedicated and experienced underwriting team in every country.

### Contacts

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Bring on tomorrow

This product brochure is intended as a guide to coverage benefits only. The precise scope and breadth of policy coverage is subject to the specific terms and conditions of the policy wording.

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