

Chubb leads a \$50m consortium to help mitigate the increasing risks associated with lithium-ion batteries

08 December 2023

< Previous

[The downfall of Vesttoo: Fraudulent letters of credit](#)

[Chubb has launched a Lloyd's consortium providing coverage for risks associated with the transit and storage of lithium batteries.](#)

Lithium-ion batteries have been increasingly used in consumer electronics such as smart phones, laptops and e-cigarettes due to their portability and long lifespan. However, they are also known to catch fire if they overheat and have gained worldwide attention in recent years due to various product safety warnings and recalls.

Identifying that there was a lack of capacity for providing lithium battery transit and stock [insurance](#), Chubb Global Markets (CGM), supported by 11 other [Lloyd's](#) syndicates, has launched a Lloyd's consortium providing limits up to \$50m for risks including transit, stock, storage and part orders. Rob Wilson, chief underwriting officer for CGM said:

“the consortium provides brokers and insured’s with a single port of call to bind these risks, helping to shore up the lithium battery supply chain as demand continues to grow.”

The Joint Hull's Yacht sub-committee has also reviewed the issues around lithium batteries in electronically driven equipment and prepared a new clause 'Lithium Battery Clause' (JH2023-011) containing a condition precedent as to the storage and charging of the batteries, any repairs or modifications and a recognised risk assessment to be carried out and documented.

Contents

[London Market, Autumn 2023: What the insurance market needs to know](#)



[Covid BI litigation \(Autumn 2023\): Insurance coverage disputes update](#)



[Energy insurance: Technip Saudi Arabia Limited v The Mediterranean and Gulf Cooperative Insurance an](#)



[Trade credit: Australian Courts consider the meaning of 'recoveries'](#)



[D&O: Australian Courts consider the meaning of 'personal advantage'](#) →

[Climate change related insurance decisions being made around the world](#) →

[Al Mana Lifestyle Trading L.L.C. & Others v United Fidelity Insurance Company PSC & Others \[2023\] EW](#) →

[Proposed amendments to the Arbitration Act 1996](#) →

[The downfall of Vesttoo: Fraudulent letters of credit](#) →

[Chubb leads a \\$50m consortium to help mitigate the increasing risks associated with lithium-ion batt](#) →

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