

Commercial Insurance

Employers' liability section



Defined events

Damages which the insured shall become legally liable to pay consequent upon death of or bodily injury to or illness of any person employed under a contract of service or apprenticeship with the insured, which occurred in the course of and in connection with such person's employment by the insured within the territorial limits and on or after the retroactive date shown in the schedule, and which results in a claim or claims first being made against the insured in writing during the period of insurance.

The limit of indemnity

The amount payable, inclusive of any legal costs recoverable from the insured by a claimant or any number of claimants, and all other costs and expenses incurred with the company's consent for any one event or series of events with one original cause or source, shall not exceed the limit of indemnity stated in the schedule.

Territorial limits

Anywhere in the world but not in connection with

1. any business carried on by the insured at or from premises outside, or
2. any contract for the performance of work outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

Specific exceptions

This section does not cover

1. liability assumed by the insured under any contract, undertaking or agreement where such liability would not have attached to the insured in the absence of such contract, undertaking or agreement.
2. liability for disease or impairment attributable to a gradually operating cause which does not arise from a sudden and identifiable accident or event.
3. fines, penalties, punitive, exemplary or vindictive damages.
4. (a) damages in respect of judgements delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland.
(b) costs and expenses of litigation recovered by any claimant from the insured which are not incurred in and recoverable in the area described in 4(a) above.
5. any claim arising from an event known to the insured
(a) which is not reported to the company in terms of General condition 6;
(b) prior to inception of this section.
6. any claim (in the event of cancellation or non-renewal of this section) not first made in writing against the insured within the 48 month period (or extended period in respect of minors) as specified in Specific condition 2.

Specific conditions

1. Any claim first made in writing against the insured as a result of a defined event reported in terms of General condition 6 (hereinafter termed reported event) shall be treated as if it had first been made against the insured on the same day that the insured reported the event to the company.
2. In the event of cancellation or non-renewal of the policy
(a) any claim resulting from a reported event, first made in writing against the insured during the 48 months immediately following cancellation or non-renewal shall be treated as having been made against the insured on the same day that the insured reported the event. If the claimant is a minor, the period of 48 months will be extended until the expiry of 12 months after the attainment of majority by the claimant.
(b) the insured may report an event in terms of General condition 6 to the company for up to 15 days after cancellation or non-renewal, provided that
(i) such event occurred during the period of insurance.
(ii) any subsequent claim first made in writing against the insured as a result of such event shall be treated as if it had first been made on the last day preceding cancellation or non-renewal and is subject to the 48 month period specified in 2(a) above.

3. Any series of claims made against the insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one original cause or source shall be treated as if they all had first been made against the insured
 - (a) on the date that the event was reported by the insured in terms of General condition 6, or
 - (b) if the insured was not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against the insured.

Extensions

Extended reporting option

At the option of the insured and subject to payment of an additional premium to be determined and subject to all the terms, exceptions and conditions of this section, the company agrees to extend the period during which the insured may report an event in terms of General condition 6 for a period to be agreed, but in no circumstances exceeding 36 months (hereinafter referred to as extended reporting period) provided that

1. this option may only be exercised in the event of the company cancelling or refusing to renew this section.
2. this option must be exercised by the insured in writing within 30 days of cancellation or non-renewal.
3. once exercised, the option cannot be cancelled by either the insured or the company.
4. the insured has not obtained insurance equal in scope and cover to this section as expiring.
5. the company shall only be liable for a defined event which occurred after the retroactive date but prior to date of cancellation or non-renewal.
6. claims first made against the insured or any reported events by the insured during the extended reporting period shall be treated as if they were first made or reported on the last day preceding the cancellation or non-renewal.
7. the total amount payable by the company for claims made or reported events during the extended reporting period shall not have the effect of increasing the limit of indemnity applicable as on the last day preceding the cancellation or non-renewal.
8. any claim made, following a reported event during the extended reporting period, which is first made against the insured in writing more than 48 months after the last day preceding cancellation or non-renewal, shall not be subject to indemnification by this extension. If the claimant is a minor, the period of 48 months is extended until the expiry of 12 months after the attainment of majority by the claimant.

Principals

Where a principal and the insured are liable for the same damages and where any contract or agreement between a principal and the insured so requires, the company will, notwithstanding the aforementioned Specific exception 1 above, indemnify the principal in like manner to the insured but only so far as concerns the liability of the principal to an employee as aforementioned for death or bodily injury to or illness of such person resulting from the negligence of the insured or the insured's employees provided that

1. in the event of a claim in terms of this extension, the insured shall endeavour to arrange with the principal for the conduct and control of all claims to be vested in the company.
2. the principal shall, as though he were the insured fulfil and be subject to the terms, exceptions and conditions (both general and specific) of this policy in so far as they can apply.
3. the liability of the company is not hereby increased.

Memorandum

In respect of this section only, General exception 1 is deleted and replaced by the following:

"This section does not cover death, injury, illness or liability directly or indirectly caused by, related to, or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power."