This policy offers protection to employers for their legal liability (under Common Law), for damages and claimant’s costs and expenses of lawsuits filed by an employee. The liability would arise if an employee in the insured’s immediate service dies or is injured out of or in the course of their work, through any perceived negligence on the employer’s part.

The policy also reimburses the insured the expenses they may incur in the course of defending any such action/lawsuit. It is important to note that the employee reserves the right to sue the employer for negligence despite having been compensated under the Workmen’s Compensation (Act) or a Group Personal Accident policies for a work related injury or accident.

Therefore, Employers’ liability Insurance protects the employer or business against claims for compensation from employees. An employee may claim against the employer if they are hurt or injured whilst working for that employer. Former employees can also claim against former employer if they believe they have become ill as a result of working for you.

**Scope of cover**

- Third party property damage
- Personal injury
- Legal or medical fees may also be covered and is usually arranged on the basis of the employee’s earnings.

**Policy limits and excesses**

This policy has specific limits on the amount the Company will pay. All claims will be subject to an Excess where applicable. This means that the Company will not be liable for the first part of the claim. The amount of the Excess will be borne by the Insured.

**Exclusions**

No claim for a benefit in terms of this policy will be admitted by the Insurer if death, disability or temporary total disability arises directly or indirectly from:

a) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not). Or,

b) Active participation in Mutiny, riot, strikes, military or popular uprising, insurrection, rebellion, revolution, military or usurped power, martial law or stage of siege or any of the events or causes which determine the proclamation or maintenance of martial law or stage of siege.

c) Permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.

d) Any act of terrorism, regardless of any other cause contributing concurrently or in any other sequence to the loss, damage or expense. For the purpose of the exclusion, terrorism means an act of violence or an act dangerous to human life, tangible or intangible property or infrastructure with the intention or effect to influence any government or to put the public or any section of the public in fear. In any action suit or other proceedings where the insurer alleges that by reason of this definition a loss, damage or expense is not covered by this policy, the burden of proving that such loss, damage or expense is covered shall be upon the insured.

e) Whilst any member is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade of technical operation therein or thereon; or

f) By his suicide or intentional self injury

g) Caused solely by an existing physical defect or other infirmity of such person

h) As a result of the influence of alcohol, drugs or narcotics upon such person unless administered by or prescribed by and taken in accordance with the instructions of the medical profession (other than himself);

i) In the case of females, directly or indirectly resulting from or prolonged or accelerated by or attributed to pregnancy, childbirth, abortion, miscarriage, obstetrical procedures or any sequelae thereof;
j) While he is, or as a result of his, engaging in:

1. Motor cycling (whether as a driver or passenger) other than on the business of the insured or the motorcycle is less than 250cc engine capacity.

2. Racing of any kind involving the use of any power driven Vehicle, Vessel or Craft.

3. Mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeple chasing, professional football or hang-gliding, sky-diving, bunghi jumping, or any other sport involving unnecessary risk-taking.

The Compensation provided by this Policy shall not apply to nor include any accident directly or indirectly caused by or contributed to or arising from ionizing radiations or contamination by radioactivity from any nuclear fuel or nuclear weapons material or from any nuclear waste from the combustion of any nuclear fuel. Solely for the purposes of this exclusion, combustion shall include any self-sustaining process or nuclear fission.

4. Does the Employer’s Liability policy contain conditions?

If you take out employers’ liability insurance, you will have an agreement with your insurer about the circumstances in which they will pay compensation. For example, the policy will cover the specific activities that relate to your business.

There are certain conditions which could restrict the amount of money your insurer might have to pay. Make sure that you have read the policy and seek clarification on terms and conditions under the policy.

5. Do I need Employers’ Liability Insurance for all the people who work for me?

The law requires that you have employers’ liability insurance for employees under a contract of service or internship.

*Policy Terms and Conditions apply

FAQs

1. What is employer’s liability Insurance?

Employers’ liability insurance can pay the compensation amount and legal costs if an employee claims compensation for a work-related illness or injury.

2. How do I know if I need cover?

Every business employing staff is required by law to take out employer’s liability insurance. This includes business who employ sub-contractors, temporary workers, and trainees. Employer’s liability cover is mandatory if you are a limited company.

3. How much does Employers’ Liability Insurance cost?

The price of your employers’ liability insurance usually depends on several things, including the number of employees you have and the type of business you run.