



GENLIB

SPECIALISED INSURANCE & INNOVATIVE SOLUTIONS
FOR BROKERS

TOURS OPERATORS VICARIOUS LIABILITY

Insured through: Western National Insurance Company Ltd.

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WHY THE NEED FOR COVER

We know that Tour Operators & Travel Agents Liability Insurance has become essential for the industry. One of the most serious regulations is the imposition of an almost strict liability for the “proper performance of the contract”, including liability for the actions of suppliers and sub-contractors.

Whilst you may make your best efforts to ensure the safety and security of your clients and their belongings, all tour operators are aware that a lot of moving parts are involved meaning there is always a small level of risk involved. Should a nightmare scenario ever occur, having the right level of Tour Operators Liability Insurance can offer you the peace of mind that you are covered in case you are found liable.

Questions to ask yourself :-

- What happens if they have to cancel tours due to weather or insufficient numbers ?
- What if their licence and permit fees and conditions change unexpectedly ?
- What if a customer gets hurt while on a tour ?

SECTION A : PUBLIC LIABILITY

The Insured is indemnified by this Section in accordance with the Operative Clause for and/or arising out of Injury and/or Damage occurring during the period of insurance but not against liability arising directly or indirectly out of

- Pollution or
- in connection with any Product other than food or drink supplied or
- any claim arising from an injury to any employee where the origin of the claim occurred during the scope of employment

Exclusions

- Motor Vehicles
- Compulsory Vehicle Insurance
- Aircraft and Watercraft
- Care, Custody and Control

Note : If the insured is late in transferring their client to the airport and the client misses the flight, this is not covered under the PL or PI section of the policy. This is not an insured peril under this policy and is simply a trade risk.

SECTION B : PROFESSIONAL INDEMNITY

The Insured is indemnified by this Section in accordance with the Operative Clause against all sums which the Insured becomes **legally liable** to pay arising from any claims made against the Insured during the period of the policy as a direct result of any **negligent act, error or omission** in the conduct of the Insured's Business, as stated in the proposal form.

Exclusions

This section does not cover liability :

- which forms the subject of indemnity by any other section of this insurance and this section shall not be drawn into contribution with such other section,
- for or arising out of *claims made by one Insured against another* unless emanating from an independent third party,
- for or arising out of *liquidated damage clauses, penalty clauses or performance warranties* unless liability would have attached in the absence of such clauses or warranties,
- for *fines, penalties, punitive, multiple or exemplary damages*,
- for or arising out of *advice* given specifically for a fee.
- arising from any claim forthcoming from an employee based on an alleged *unfair employment practice* of any kind, including sexual related harassment claims.
- for any claim related to the *loss of money* in whatever nature or title or similar documents
- for any claim arising from *insolvency, liquidation or judicial management* of any party who forms part of the insured, or to any party who have entered in to any contract of any kind with the insured
- for any *breach of contract* unless any professional duty or act where a breach or alleged breach of contract occurred where the insured is reliant on that party
- for any claim arising from *any fraudulent act, dishonesty, illegal or criminal acts* or any malicious act committed by the insured
- for or arising out of claims made against the Insured while acting in their capacity as a *director or officer* of any the Insured or company.

SECTION C : PRODUCTS LIABILITY

The Company will indemnify the Insured in respect of defined events happening anywhere in the territories stated in the schedule elsewhere than at premises occupied by the Insured, and **caused by any Product sold or supplied** (including wrongful delivery and delivery of incorrect goods) by the Insured in connection with the nature of business.

Exclusions

This section does not cover liability :

- for the cost of *repair, alteration, recall, reconditioning or replacement* of the Product or part thereof causing injury or damage.
- for the cost of *demolition, breaking out, dismantling, delivery, rebuilding, supply and installation* of the Products and any other property essential to such repair, alteration or replacement unless physically damaged by the Product
- arising from the *failure of any Product* or any part thereof to *fulfil its intended function* or to perform as specified, warranted or guaranteed but this exception shall not apply to consequent Injury or Damage
- arising from Products intended to be installed and installed in, or intended to form part of and forming part of, an *aircraft*
- in respect of injury or damage happening in the *United States of America or Canada* caused by or through or in connection with any Products sold or supplied by or to the order of the Insured, if such Products have, to the Insured's knowledge, been exported to the United States of America or Canada by or on behalf of the Insured.
- for any *defect* in any Product or any part thereof of which the Insured was aware prior to the inception of this extension.

EXCLUSIONS APPLICABLE TO ALL SECTIONS

- Deliberate Acts
- Alcohol and Drugs
- Non-RSA Territorial Waters
- Hazardous Sports
- Contractual Liability
- Fines, Penalties and Punitive Damages
- War and Civil War Exclusion Clause
- Terrorism Exclusion Clause
- Radioactive Contamination and Explosive Nuclear Assemblies
- Prior Events

DEFINITIONS

Injury

"Injury" shall mean death, bodily injury, illness or disease of or to any person;

Damage

"Damage" shall mean loss of possession or control of or actual physical damage to tangible property;

Pollution

"Pollution" shall mean any pollution or contamination of the atmosphere or of any water, land or other tangible property through the creation of noise; radiation; electricity; temperature fluctuations and odours. It shall also include but not limited to emission or discharge; seepage or dispersal of any material that will give rise to any contamination, pollution or the like to air, land and water.

Product

"Product" shall mean any tangible property after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold inclusive of any advice or information given at promotion of the product, supplied, distributed, treated, serviced, altered or repaired including related advise or the dissemination of advice by or on behalf of the Insured, but shall not include food or drink supplied by or on behalf of the Insured primarily to the Insured's employees as a staff benefit;

Inefficacy

"Inefficacy Claims" means claims made against the Insured for economic or financial loss sustained by reason of the claimant alleging that his property:

- is rendered of less value, or
- has not achieved its anticipated value, or
- has not been capable of full beneficial use due to the failure of any Product or part thereof to fulfil its intended function or to perform as specified warranted or guaranteed

DEFINITIONS (CONTINUED)

Negligent Advice

“Negligent Advice” means incorrect or inadequate advice or information of a technical nature given in the promotion of the Insured’s Products or services but not where such advice or information:

- is given in exchange for a fee or similar consideration, or
- is an essential part of a revenue earning activity of the Insured.

Wrongful Arrest

“Wrongful arrest” means assault and battery committed or alleged to have been committed at the time of making or attempting to make an arrest or in resisting an overt attempt to escape by a person under arrest before such person has been or could be placed in the custody of the police or a law enforcement officer.

Vehicle

“Vehicle” means any land vehicle (including any machinery or apparatus attached thereto) whether or not subject to registration of any kind and whether or not self-propelled including locomotives and rolling stock.

Occurrence

“Occurrence” shall be deemed to be originating from one location or premises and shall be an event that leads to liability under this certificate. This is extended to include a series of events through the nature of their similarity or continuation or repeated nature lead to liability through it being unintentional or unexpected nature.

Statutory Defence Cost

“Statutory defence cost” will indemnify the Insured under Section A in respect of legal costs, fees and expenses incurred with the consent of the Underwriters in the defence of any criminal action brought against the Insured as a result of the alleged contravention of any Statute

TIPS FOR BUSINESS OWNERS IN THE HOSPITALITY SECTOR

Companies that operate within the hospitality sector are traditionally very busy during the December holiday period. This includes restaurants, game lodges, hotels, travel agents and tour operators , adventure sports providers and bed and breakfast providers.

Below are tips for business owners in the hospitality sector, to ensure that they adhere to basic risk management:

- **Ensure that signage and disclaimers are visible and understandable:** Liability relating to injuries or 'slip and trip' risks can be minimised by displaying plain language signage at the reception to warn consumers of possible hazardous areas. If there are any unusually high risk areas they should be cordoned off and adequately signposted. Effective maintenance also goes a long way to ensure that things like broken tiles and slippery surfaces are attended to before any customers are injured.
- **Let the customer sign a contract with indemnity:** Indemnity forms are not only there to protect the business, they also serve as a further warning to customers and guests, highlighting the specific risks that they might be undertaking. Businesses that provide tours which include adventure sports or wild animals should have their customer sign these forms. As there are various risks involved in hosting public tours, including road accidents, sports injuries or even animal attacks – it is vital that the business ensures that they protect themselves and make their clients aware of any such risks. It is important to note that indemnities do not guarantee a successful defence, should it come to that, but it is much better to have them in place than to have nothing.

TIPS FOR BUSINESS OWNERS IN THE HOSPITALITY SECTOR

- **Train staff to provide excellent service:** It is vital for hospitality staff to be regularly trained to adhere to specified requirements. This would include the cleaning and janitorial staff who are polishing the floors all the way to the employee who straps your guests into their bungee jumping harnesses. Even the slightest of errors can lead to serious injuries and even fatalities. Further to this, tour operators who are not familiar with the area they are entering while they have a group of people with them could lead to various risks and possible injuries. It is crucial that the staff of these exposed businesses are experts in their field to minimise the risk of injury to clients.

It is also essential that there are staff members at the business premises at all times with first-aid training. There is always the risk that a client might suffer from minor cuts or bruises that need to be bandaged, but there is also the risk of a client getting a stroke or heart attack while on the business premises. In these unfortunate cases it is vital that the client is handled in the best possible way until they can get access to a qualified medical professional.

FREQUENTLY ASKED QUESTIONS

What is tour operator errors and omissions (professional indemnity) insurance ?

Tour operator errors and omissions insurance protects the tour operator from claims that can arise while conducting business with customers.

Why do I need tour operator E&O Insurance ?

Scheduling and reservation mistakes can easily occur through no fault of the tour operator, leading to claims. Time spent fighting claims cuts into the tour operator's work time, can put a damper on their career and irrevocably damage their reputation. And that's not counting settlement costs.

Doesn't my general liability insurance provide the same protection ?

No, tour operators who carry only general liability insurance will not be covered for errors and omissions.



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