

Security Services Liability



Frequently
Asked
Questions

Who needs Security Services Liability Insurance?

Private Companies that provide Security Services including, but not limited to:

- warden (patrol) services,
 - monitoring and response,
 - access/egress control,
 - goods despatch,
 - special events security services,
 - armed security services,
 - VIP protection,
 - security consulting,
 - security training,
 - medical response,
 - security product installers,
 - anti-poaching,
 - farm watch / patrol,
 - freight and / or money escorts
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What is the minimum requirement to obtain the insurance?

The Security Company must be registered with the Private Security Industry Regulatory Authority.

What is the minimum requirement to obtain a quote?

Complete the Leppard Proposal Form and submit it to us via an insurance broker of your choice. We do not accept competitor's proposal forms as they do not provide sufficient information for us to analyse the risk adequately.

How long does it take to get a quote?

Allow 48 hours to get a quote.

Is the cover provided on a claims made or losses occurring basis?

Claims made.

What does claims made mean?

Claims first made against the Insured during the Period of Insurance arising out of an insured event occurring on or after the Retroactive Date of cover. Once the policy is cancelled or lapsed there will be no cover in place to respond to any claims irrespective of when they occurred.

What is the significance of a Retroactive Date on a Security Services Liability insurance policy?

The retroactive date defines how far back in time a loss can occur in respect of which the Policy will provide cover. Claims arising out of work done prior to this date are excluded from cover. The retroactive date is normally the date of the insured's first Claims Made policy issued and renewed without interruption, irrespective of prior insurers, but subject to previous cover being of a similar nature and providing insurance for the same type of events.

Can the Insured purchase Retroactive Cover?

Yes, subject to:

- 1) there being an active insurance Policy in place providing the same or similar cover, and
 - 2) a declaration of no known events, after enquiry by the Insured, as at the date that cover is bound.
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What is run off cover?

Run-off cover is cover specially designed to protect your business once it stops trading. It provides cover for liabilities that may attach to the Insured after the company stops trading but for losses that have occurred prior to the date operations ceased.

Can run off cover be purchased if the business closes down?

Yes, it can be considered on request.

What are the maximum limits that can be provided on a Security Services Liability policy?

R500 000 000 subject to some Extensions being sub-limited.

Is the cover provided on an Each and Every Claim or Aggregate basis?

On an Aggregate basis. An aggregate limit is the maximum amount an insurer will indemnify the Insured for all covered losses during a set time period, usually one year.

What does Per Claim mean?

Per Claim means any one claim or series of claims arising from one originating cause. This is the maximum amount in respect of which the Insurer will Indemnify the Insured for any one individual claim.

What does Per Period mean?

"Per Period" means total amount of the Insurer's liability in respect of all claims during the Period of Insurance. This is the maximum amount an insurer will indemnify the Insured for all covered losses during a set time period, usually one year.

What is Excess?

The amount borne by the insured as the first part of each and every claim where an Excess is applied.

What is a Costs Inclusive Excess?

Costs Inclusive means that all costs, fees and expenses and Defence Costs incurred by the Insurer are deemed to form a part of the claim and are inclusive in the amount of the Excess. It is, therefore, possible that, following investigations, the claim by the Third Party may be successfully rejected or, because of the circumstances, the claim itself may not fall to be covered in terms of the Policy, but the Insured shall remain liable for such costs up to the amount of the Excess.

Can the Insured buy down the Excess?

No, and it is considered a material fact that must be made known to Leppard should the Insured manage to buy down the excess elsewhere.

What cover is provided under the General Public Liability Section?

Cover is provided for the general running of the Business (as detailed in the Business of the Insured), including Property Owners' and Tenants' Liability, but excludes cover provided in terms of the Security Claims (arising out of the provision of the Security Services), Pollution, Professional Indemnity and Products Liability Sections.

Does the cover under the Products Liability Section also apply to installers and repairers?

Yes.

Is Defective Workmanship included?

Defective Workmanship is automatically included.

Is there cover for the Insured should they cause damage whilst doing an installation e.g., fall through a roof onto computers below?

Yes, but the cover does not respond to damage to the actual property worked upon.

What cover is provided under the Professional Indemnity Section?

Cover is provided for claims arising out of any negligent act, error or omission committed by the Insured in the execution and conduct of their professional activities as Security Consultants and / or Security Personnel Training Centres.

What cover is provided under the Security Claims Section?

Cover is provided for Injury, Damage and Wrongful Arrest Claims arising out of or in connection with or during the active provision of Security Services.

What Extensions are available under a Security Services Liability policy?

We automatically include Statutory Defence Costs, Defamation and Negligent Advice.

Elective Extensions include:

- Employers Liability,
 - Firearm Extension,
 - Fidelity Risk Extension,
 - Money-in-Transit Extension,
 - Special Events Security Services Extension,
 - Freight Escort Services Extension,
 - Crowd Control Security Services Extension and
 - Medical Response and Ambulance Services.
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Can cover be purchased for theft by Security Personnel?

Yes, under the Fidelity Risk Extension.

Can cover be purchased for shooting incidents?

Cover can be purchased under the Firearm Extension for claims arising out of the possession or use of a firearm.

Does Leppard provide Cash-in-Transit cover?

No, Leppard does not insure traditional Cash-in-Transit risks. Cover is only provided for small ad hoc money in transit risks.

How much is the insurance going to cost?

Each risk is rated and priced in accordance with its own risk profile. There are many factors that influence the Premium, including the number of guards, the type of site security is provided at, the use of armed guards, to name only a few. The risk is looked at holistically and all factors are considered to determine the cost.

We do offer a product for new / smaller businesses (SMMEs) where the Turnover does not exceed R3M, but the cover under this product is limited.

How can premium be paid?

Premiums can be paid monthly or on an annual basis.

Is there cover for short period contracts or ad hoc services?

Cover can be provided for short term or ad hoc contracts but is subject to certain terms.

What constitutes a Security Services Liability claim and / or when should a potential matter be notified?

The terms of the notification provision in our Security Services Liability policy requires that a claim be submitted in writing as soon as the insured receives any form of notification from a Third Party or when they become aware of an incident likely to give rise to a claim. **Do not wait until you have conducted an enquiry.**

The following definitions apply:

"Receives a claim" - where the insured receives a formal claim from a third party advising the insured of a loss (injury / damage). An insured may receive a formal letter intimating the claim, a letter of demand or a Summons.

"Becomes aware of a possible claim" - a fact / situation which objectively evaluated creates a reasonable and appreciable possibility that it will result in a claim.

Who is responsible for the costs of polygraph and / or truth verification tests?

These are costs attached to the claim the same as an Assessor's fees are costs of claim. The Indemnity includes costs, fees, and expenses subject to the Excess.
