

## **Liability Insurance**

### **No Fault Liability**

These claims can be made by depositing the appropriate amount with the MACT after obtaining death certificate, medical certificate and police report. In our lives, we often encounter situations where someone caused any harm. Whether it is property, material, spiritual, moral, labor, etc. And after that comes up is such a thing as a "liability insurance". Insurance can be of different types and refers to a variety of life situations. This type of insurance is used to shift the burden of responsibility on the shoulders of the insurance company and to protect themselves from unnecessary expenses. There are several types of liability insurance, the most basic.

**(A) Public Liability Insurance:** Industry and commerce are based on a range of processes and activities that have the potential to affect third parties (members of the public, visitors, trespassers, sub-contractors, etc. who may be physically injured or whose property may be damaged or both). It varies from country to country as to whether either or both employer's liability insurance and public liability insurance have been made compulsory by law. Regardless of compulsion, however, most organizations include public liability insurance in their insurance portfolio even though the conditions, exclusions, and warranties included within the standard policies can be a burden. Those with the greatest public liability risk exposure are occupiers of premises where large numbers of third parties frequent at leisure including shopping centers, pubs, clubs, theaters, sporting venues, markets, hotels and resorts.

**(B) Product Liability Insurance:** Product liability insurance is not a compulsory class of insurance in all countries, but legislation such as the UK Consumer Protection Act 1987 and the EC Directive on Product Liability (25/7/85) require those manufacturing or supplying goods to carry some form of product liability insurance, usually as part of a combined liability policy. The scale of potential liability is illustrated by cases such as those involving Mercedes-Benz for unstable vehicles and Perrier for benzene contamination, but the full list covers pharmaceuticals and medical devices, asbestos, tobacco, recreational equipment, mechanical and electrical products, chemicals and pesticides, agricultural products and equipment, food contamination, and all other major product classes

**(C) Professional Liability Insurance:** Under this category fall into the insurance cases where a person has suffered damage due to errors in the work on a professional basis - the work of ignorant doctors, lawyers, engineers, etc.

**(D) Directors and Officers Liability Insurance (D&O)** - The D&O policy provides cover for the personal liability of Directors and Officers arising due to wrongful acts in their managerial capacity. Defence costs are also covered and are payable in advance of final judgment. This policy provides protection for claims brought against directors, officers and employees for actual or alleged breach of duty, neglect, misstatements or errors in their managerial capacity.