

12 Insurance Matters

- 12.1 The “prescribed registered contractor” may be required under the contract to indemnify the employer against any liability, loss, claim and damage due to the works being carried out by them. In drawing up the insurance policy, the contractor should be the primary insured and all other related parties (such as the owner, sub-contractors, etc.) should be added to the policy with clear identification of their roles as an additional insured.
- 12.2 Below are some common types of insurance that may be needed:
- (a) a contractor’s all risk insurance to cover the full value of the works;
 - (b) a third party liability insurance indemnifying the Insured against any bodily injury or death and damage to third party properties; and
 - (c) an employees’ compensation insurance in accordance with the Employees’ Compensation Ordinance (Cap. 282) against the claims for bodily injury to or the death of any workers employed in the works.
- 12.3 In respect of the public liability or third party liability insurance, the contractor is required to check with the building management / owners / occupiers / Incorporated Owners of the building to ascertain the following information prior to the arrangement of such insurance:
- (a) name of parties to receive indemnity as the additional insured under the policy (i.e. Name of the building owner(s), building management, occupier(s) or Incorporated Owners of the building & etc.); and
 - (b) the required insured amount, for example \$10 million for any one event.
- 12.4 Insurance policies should be ready before the commencement of “minor works” and the policies (including the receipt of premium payment) should be submitted or copied to the concerned parties for record.