



A VL real life **claim example**

Liability Consequential Loss

Statutory Liability – Work Accident

The Insured, a waste paper processor, generated most of its revenue through a large baling machine with sophisticated conveyor systems for sorting. An employee fell into the conveyor resulting in a serious harm injury. WorkSafe prosecuted the Insured and closed down the baling and sorting plant for three weeks during the investigation.

The Insured had the prosecution defended under its VL Statutory Liability insurance. However, it incurred significant uninsured losses and costs as a result of having to dump low-grade paper and pay for alternative baling services for processing high-grade paper to fulfil an export contract. The VL Liability Consequential Loss policy responded to compensate for the financial loss suffered by the Insured due to the plant closure.

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