

# Work Injury Compensation Insurance

Approved Work Injury Compensation Act 2019 Insurance Policy

Please read this insurance policy carefully to ensure that you understand the terms and conditions and that this policy meets your requirements. If there are any changes that may affect the insurance cover provided, please notify us immediately.



## Work Injury Compensation Act 2019

This simple guide will bring you through the key things you need to know about Work Injury Compensation Act 2019 (WICA 2019) and the recommended steps that you should take in the event of a work-related accident.

### Key things you need to know:

#### A. Approved Work Injury Compensation Act 2019 Insurance Policy (commenced on/after 1 Jan 2021)

##### 1. What is an approved Work Injury Compensation Act 2019 insurance policy and how is this different from other policies and previous practices?

An approved Work Injury Compensation Act 2019 insurance policy, also known as the “WICI 2019” policy, is an annual policy issued by an MOM-designated insurer. This “WICI 2019” policy covers employer’s liabilities for compensation under WICA 2019. It is fully compliant with MOM’s compulsory terms, and does not contain any terms or extensions that derogate from these compulsory terms.

MOM-designated Insurers will process all work injury claims (including death and permanent incapacity claims) under “WICI 2019” policies, in accordance with MOM’s prescribed guidelines and requirements. Similarly, employers are to provide all reasonable assistance to enable insurers to conduct such proceedings.

##### 2. Mandatory sharing of data with MOM

Under this new regime, your insurance policy data and claims data will be shared with MOM. Insurers will need to collect your company’s UEN, total payroll and total head count to submit to MOM. In addition, past claims data will be made available to MOM as well as MOM-designated insurers, for greater information transparency. Employers with good safety records would be able to enjoy lower premiums, while those with poor safety records would face significantly higher premiums.

##### 3. How do I make a claim under the “WICI 2019” policy?

Please report any work-related incidents within ten (10) days to MOM through MOM’s WSH Incident Reporting eService. When filing the Incident Report with MOM, you will be asked whether you are claiming under a WICA 2019 insurance policy that commenced on/after 1 Jan 2021. Please indicate so.

Please concurrently report the matter to your Work Injury Compensation Insurer as well as your insurance intermediary if you had purchased your insurance policy from an agent, financial advisor or a broker. Your Insurer will contact you for further action and process the claim in accordance with MOM’s guidelines. All claims will be processed by default, unless withdrawn by the injured employee.

##### 4. What happens if I cannot follow above steps?

Employers must report any work-related incidents even if the ten (10) days reporting deadline has passed. You will be required to provide the reasons for late reporting in your incident report. Non-reporting is an offence.

MOM-designated insurers are mandated to report any instances of non-reporting to MOM. Failure to report may also prejudice your claim under the insurance policy.

#### B. Changes in limits and coverage for work injury compensation



## 5. Changes in compensation and medical expenses limits

The compensation limits under WICA 2019 have been updated as follows

Type	Limits	Before 1 Jan 2020	From 1 Jan 2020
Death	Maximum	S\$204,000	S\$225,000
	Minimum	S\$69,000	S\$76,000
Total Permanent Incapacity (PI)	Maximum	S\$262,000	S\$289,000
	Minimum	S\$88,000	S\$97,000
Medical Expenses		S\$36,000 or within 1 year from date of accident, whichever is reached first	S\$45,000 or within 1 year from date of accident, whichever is reached first

## 6. Expanded mandatory insurance coverage to non-manual employees

From 1 Apr 2021, the mandatory insurance salary threshold for non-manual employees will be increased.

	Before 1 Apr 2020	From 1 Apr 2020	From 1 Apr 2021
Mandatory Insurance Salary threshold for non-manual employees	S\$1,600	S\$2,100	S\$2,600

Unless exempted, any employer who fails to insure himself in accordance with the Work Injury Compensation Act shall be guilty of an offence and shall be liable on conviction to a fine up to S\$10,000 and/ or to imprisonment for a term up to one year. The maximum fine for second or subsequent offences will be increased to S\$20,000 w.e.f. 1 Sep 2020.

## 7. Scope of compensation to include light duties

For accidents from 1 Sep 2020, employees on light duties will be compensated for any loss in earnings if the actual wages received during the light duty period are lower than their Average Monthly Earnings (or lower than 2/3 of the Average Monthly Earnings if medical leave and light duties have exceeded 14 days). For submission of light duty claims to insurers, please include itemised payslips for the corresponding months where light duty was awarded to the employees.

## C. Changes in reporting of incidents

### 8. Compulsory reporting for any instances of medical leave or light duties issued for work accident

From 1 Sep 2020, employers must report all incidents of work-related accidents with medical leave or light duties to MOM.

## D. Others

### 9. What do I do if I have a complaint against my insurers for “WICI 2019” policy?



MOM-designated insurers are required to comply with MOM's guidelines for the processing of your claim under the Work Injury Compensation Act 2019. We will recommend that you enquire with your insurer for details. If the issue remains unresolved, you may wish to contact MOM or the Financial Industry Disputes Resolution Centre (FIDREC) for assistance.

**10. What will happen to existing Work Injury policies?**

Existing WIC insurance policies that comply with WICA (Chapter 354) continue to be valid until the following dates:

- a. For policies that commenced before 1 Sep 2020: policy end date, or latest 31 Aug 2021
- b. For policies that commenced between 1 Sep 2020 and 31 Dec 2020: policy end date, or latest 31 Dec 2021

Employers must obtain a "WIC 2019" policy thereafter.



# Contents

Introduction	6
No Avoidance of Compulsory Terms	12



## Introduction

1. This policy (hereinafter called the "Policy") is issued as an approved employee insurance policy under the Work Injury Compensation Act 2019.
2. Interpretation
  - (1) References to "Act" in this Policy mean the Work Injury Compensation Act 2019, as may be amended from time to time
  - (2) References to "the Legislation" in this Policy mean the Work Injury Compensation Act 2019 and any regulations made thereunder, as may be amended from time to time
  - (3) Words used in the Policy have the meanings given by the Legislation
  - (4) References to "Terms of this Policy" mean any terms, exceptions, conditions and warranties, and any memorandum if applicable, contained in or endorsed on this Policy, which are consistent with the compulsory terms prescribed under the Act
  - (5) The Insured refers to each insured specified in the Schedule, including the Policyholder, that is participating in the insurance plan under this Policy
  - (6) The Policyholder refers to the party executing the contract for itself and on behalf of all other Insured specified in the Schedule
  - (7) The Insured's risk profile is the risk of accident or disease to any employee in the Insured's employment, taking account of the Insured's workforce, payroll numbers and other material information required to be stated in the Schedule
  - (8) References to "Relevant Injury" in this Policy mean death or personal injury
    - (a) sustained by an employee that is caused by an accident that
      - (i) arises out of or in the course of the employee's employment with the Insured and
      - (ii) occurs during the Period of Insurance; or
    - (b) that results from a disease contracted in the circumstances mentioned in section 10(1) of the Act in respect of the employee's employment with the Insured during the Period of Insurance
  - (9) References to "the employee's employment with the Insured" in this Policy include work done by the employee for another person while the employee's services are temporarily lent or let on hire by the Insured to that other person (as mentioned in section 3(2) of the Act)
  - (10) References to "earnings" have the meaning given by the Act
  - (11) References to "Estimated Annual Earnings" in this Policy mean an amount, not less than the Past Annual Earnings of the Insured, declared by the Insured to be an estimate of the total earnings to be paid by the Insured (as well as by other employers and known to the Insured) during the 12 months starting on the Commencement Date of the Policy
  - (12) References to "Past Annual Earnings" in this Policy mean the total of the monthly earnings paid by the Insured (as well as by other employers and known to the Insured) during the 12 months



immediately before the Commencement Date of the Policy

(13) A word or expression to which a specific meaning has been attached in any part of this Policy or the Schedule shall bear such specific meaning wherever it may appear

3. WHEREAS the Insured is carrying on the Business described in the Schedule, and has (a) submitted a Proposal to the Company for the insurance under this Policy and (b) paid or agreed to pay the premium stated in the Schedule as consideration for such insurance, this Policy incorporates the Schedule and the Proposal, which shall be read together as one contract

4. NOW if any employee described in the Schedule in the Insured's employment has a Relevant Injury the Company will, subject to the Terms of this Policy, indemnify the Insured against all sums that the Insured shall be liable to pay under the Legislation in respect of that employee and will in addition pay all costs and expenses incurred by the Insured in relation to the Insured's liability under the Legislation in respect of that employee with the written consent of the Company (such consent not to be unreasonably withheld)

5. In the event of the death of the Insured the Company will indemnify the Insured's legal personal representatives in accordance with the Terms of this Policy in respect of liability incurred by the Insured provided that such personal representatives shall observe, comply with, fulfil and be subject to the Terms of this Policy as though they were the Insured in so far as the Terms of the Policy can apply

6. PROVIDED ALWAYS that  
(a) In the event of any change in the Legislation the Company reserves the right to cancel this Policy in accordance with clause 10 (10) of this Policy or allow

the Policy to remain in force and charge reasonable additional premium therefor

(b) The contents of the Proposal are deemed to be representations, not warranties, but where there is fraudulent non-disclosure or misrepresentation of the Nature of the Business or Job Category or Category of Employee in the Proposal, the Company may avoid the contract and refuse all claims

### Common Law

The Company's liability in respect of Common Law claims shall be limited to S\$10,000,000.00 for any one claim or series of claims arising out of one event.

### 7. Jurisdiction

(1) This Policy is governed by the laws of the Republic of Singapore

(2) The indemnity under this Policy does not apply in respect of judgements delivered by or obtained from a court or tribunal of a jurisdiction outside Singapore

### 8. Recovery from Insured

(1) Where the Company pays any amount under this Policy that an Insured is liable to pay under the Legislation, the Company shall have the right to recover from the Insured:

(a) where there is a non-disclosure of any material fact which an Insured could reasonably be expected to have disclosed, or a deliberate or negligent misstatement of any material fact, the amount paid by the Company which is attributable to any Relevant Injury arising in relation to those non-disclosed or misstated facts

(b) where the Insured causes a fraudulent claim to be brought, the amount paid by the Company on



- behalf of the Insured in respect of the fraudulent claim
- (c) where the Insured breaches any obligation under clause 10 of this Policy, the amount paid by the Company on behalf of the Insured which is attributable to that breach
- (2) For the avoidance of doubt
- (a) material facts under clause 8(1)(a) of this Policy include but are not limited to the Nature of the Business or Job Category or Category of Employee required to be stated in the Schedule
- (b) clause 8(1)(a) of this Policy does not confer any right of recovery where the amount paid is in relation to the employee's activities that are incidental to the Job Category or Category of Employee stated in the Schedule or reasonably foreseeable to be carried out by an employee in the Job Category or Category of Employee stated in this Schedule
9. Exceptions
- (1) The Company shall not be liable in respect of:
- (a) any sum which the Insured would have been entitled to recover from any party but for an agreement between the Insured and such party
- (b) any death, liability, loss, damage, destruction, any legal liabilities, cost or expense including consequential loss of whatsoever nature, directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:
- (i) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising military or usurped power; or
- (ii) any act of terrorism including but not limited to:
- (A) the use of force or violence (or threat of force or violence); and/or
- (B) harm or damage to life or to property (or threat of such harm or damage) including, but not limited to, nuclear radiation and/or contamination by chemical and/or biological agents
- by any person(s) or group(s) of persons, committed for political, religious, ideological or similar purposes, express or otherwise, and/or to put the public or any section of the public in fear
- (c) any action taken in controlling, preventing, suppressing or in any way relating to clause 9(1)(b)(i) or (ii) of this Policy
- (d) subject to clause 9(2) of this Policy, any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from
- (i) nuclear weapons material; or
- (ii) ionising radiations or contamination by radioactivity from any nuclear fuel or from





any nuclear waste from the combustion of nuclear fuel and for the purposes of this exception combustion shall include any self-sustaining process of nuclear fission

- (e) any liability directly or indirectly caused by, arising out of or in any way connected with any claim against the Insured to the extent that the provision of any cover, or the payment of any claim or benefit hereunder would expose the Company, or its parent to any sanction, prohibition or restriction implemented pursuant to resolutions of the United Nations or the trade and economic sanctions, laws or regulations of Singapore, the European Union, United Kingdom, or United States of America

- (f) any claims based upon or arising out of asbestosis and mesothelioma

- (2) Clause 9(1)(d) of this Policy does not exclude any liability caused by or contributed to by or arising from radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes

## 10. Conditions

- (1) In so far as it is not prohibited by the Legislation, the Insured shall at all times observe, comply with and fulfil the Terms of this Policy
- (2) The Policyholder warrants and shall be deemed to have the authority to enter into this Policy either as principal or where applicable as agent of all other

Insured where applicable. The Policyholder also warrants and is deemed to have been authorised by all other Insured under this Policy to make such declarations or disclosures as the Company requires on their behalf

On receipt of this Policy, the Policyholder must provide a copy of the Policy and the Schedule to all other Insured to be insured by the Company under this Policy, and all Insured that are insured by the Company under this Policy will be deemed to have consented to the Terms of this Policy

- (3) Every notice or communication to be given or made under this Policy shall be delivered in writing to the Company
- (4) The Insured shall take all reasonable precautions to prevent accidents and disease to the Insured's employees and shall comply with all statutory obligations and requirements
- (5) In the event of the occurrence of any accident or any disease mentioned in section 10 (1) of the Act that may give rise to a claim under this Policy, the Insured shall give notice of the occurrence to the Company with full particulars within the time required by the Legislation
- (6) Every letter, claim, writ, summons and process relating to any accident or any disease mentioned in section 10(1) of the Act that may give rise to a claim under this Policy shall be notified or forwarded to the Company as soon as possible after receipt. Notice shall also be given to the Company as soon as possible after the Insured knows of any impending prosecution inquest or fatal inquiry in connection with any such accident or disease



(7) No admission, offer, promise, or payment shall be made by or on behalf of the Insured without the written consent of the Company

(8) The Company shall be entitled if it so desires to take over and conduct in the Insured's name the defence or settlement of any claim or to prosecute in the Insured's name for its own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Insured must give such information and assistance as the Company may require. This does not affect any right of the Insured to participate in the resolution of disputes by the Commissioner in accordance with the Legislation

(9) The Insured must notify the Company immediately if the Nature of the Business or Job Category or Category of Employee as described in the Schedule has changed in such a way as to increase the risk of accident or disease to any employee in the Insured's employment and at the latest within 14 days from the date of the change. The Insured must, in addition, specify in the notice the changes in the Nature of the Business or Job Category or Category of Employee and the date of the change

Where the Insured corrects an inaccuracy in the description of the Nature of the Business or Job Category or Category of Employee in the Schedule by notifying the Company of the change, the Company may adjust the premium to an amount reasonably payable for the Insured's risk profile applicable to its proper description of the Nature of the Business or Job Category or Category of Employee

(10) The Company may cancel this Policy by giving 30 days' notice by registered letter to the Insured at his last known address; and provided no claim has arisen during the period during which the Policy had been in force the Company will return to the Insured the premium paid less the actual premium payable for the period during which the Policy had been in force subject to a minimum premium payment of S\$50 by the Insured

The Insured may cancel this Policy by giving 30 days' written notice to the Company and provided no claim has arisen during which the Policy had been in force the Insured shall be entitled to a return of premium paid less the actual premium payable for the period during which the Policy had been in force subject to any adjustment of premium required by the Terms of this Policy and subject to a minimum premium payment of S\$25 by the Insured

(11) Any dispute arising out of or in connection with this Policy, including any question regarding its existence, validity or termination, shall be referred to arbitration in accordance with Singapore arbitration laws. The seat of the arbitration shall be Singapore. The Tribunal shall consist of one arbitrator to be appointed by parties jointly, or, failing parties' agreement on the arbitrator, appointed by the Singapore International Arbitration Centre. The language of the arbitration shall be English. The making of an Award by the Tribunal as herein before specified shall be a condition precedent to any right of action against the Company

(12) A person that is not a party to this Policy shall have no right under the Contracts (Rights of Third Party) Act 2001 to



enforce any of its terms

#### 11. Data Governance

- (1) The Insured agrees and gives consent for the Company to verify the following information about the Insured with governmental or regulatory authorities, for the purposes of processing, underwriting, administering and managing the Policy with the Company:
  - (a) workforce size and aggregated payroll for all, or any class of employees
  - (b) number of compensation cases and amount of work injury compensation paid or payable for all, or any class of employees
- (2) The Insured also consents to the collection, use, disclosure and dissemination of all information (including but not limited to information provided by the Insured related to the Policy to the Insured's insurance intermediaries and the Company's authorised agents and service providers) for purposes relating to or incidental to the Insured's claims under the Policy or in accordance with the Legislation

#### 12. Premium Adjustment and Declaration of Earnings

- (1) The premium payable by the Insured shall be based on the total amount of earnings paid by the Insured (as well as other employers and known to the Insured) to every employee in the Insured's employment during the Period of Insurance
- (2) If the total amount of earnings paid by the Insured (as well as other employers and known to the Insured) during the Period of Insurance differs from the total amount on which the premium was calculated at the commencement of this

Policy, the difference in the premium shall be met by an additional payment or by a refund as the case may be, subject to a minimum premium payment of S\$50 by the Insured

- (3) For the purpose of the premium adjustment, the Insured shall keep and maintain a proper record of the name and full personal particulars of every employee in his employment together with the amount of earnings paid by the Insured (as well as other employers and known to the Insured) during the Period of Insurance and the Insured shall at all times allow the Company to inspect such records
- (4) The Insured shall without demand and within a month after the expiry date or termination of this Policy, furnish the Company an account of all earnings paid by the Insured (as well as by other employers and known to the Insured) to every employee in the Insured's employment during the Period of Insurance

#### 13. Underinsurance and Average Condition

- (1) If the Estimated Annual Earnings declared by the Insured are less than the Past Annual Earnings, the Insured may not be indemnified for the full extent of the Insured's liability, as the Insured will be deemed to be his own insurer to the extent of the shortfall in the Estimated Annual Earnings declared and the Insured shall bear a rateable proportion of the liability accordingly
- (2) In the event the Company is required to make any payment to the claimant by virtue of its obligations under the Legislation, the Company shall pay the claimant the compensation in full but reserves the right to recover from the



Insured the rateable proportion of the liability mentioned in clause 13(1)

**14. Premium Payment Warranty**

- (1) Despite anything in this Policy but subject to clause 14(2) of this Policy, it is hereby agreed and declared that if the period of insurance is 60 days or more, any premium due must be paid and actually received in full by the Company (or the intermediary through whom this Policy was effected) within 60 days of the Commencement Date of the Policy, Renewal Certificate or Cover Note
- (2) In the event that any premium due is not paid and actually received in full by the Company (or the intermediary through whom this Policy was effected) within the 60-day period referred to above, then:
  - (a) The cover under the Policy, Renewal Certificate or Cover Note is automatically terminated immediately after the expiry of the said 60-day period
  - (b) The automatic termination of the cover shall be without prejudice to any liability incurred within the said 60-day period; and
  - (c) The Company shall be entitled to a pro-rata time on risk premium subject to a minimum of S\$25
- (3) If the period of insurance is less than 60 days, any premium due must be paid and actually received in full by the Company (or the intermediary through whom this Policy was effected) within the period of insurance

**15. Policy Owners' Protection Scheme**

This policy is protected under the Policy Owners' Protection Scheme which is administered by the Singapore Deposit Insurance Corporation (SDIC). Coverage for

your policy is automatic and no further action is required from you. For more information on the types of benefits that are covered under the scheme as well as the limits of coverage, where applicable, please contact us ([servicecenter@libertyinsurance.com.sg](mailto:servicecenter@libertyinsurance.com.sg)) or visit the GIA/LIA or SDIC web-sites ([www.gia.org.sg](http://www.gia.org.sg) or [www.lia.org.sg](http://www.lia.org.sg) or [www.sdic.org.sg](http://www.sdic.org.sg)).

**No Avoidance of Compulsory Terms**

Nothing in this Policy (including the Schedule and the Proposal) or any memorandum or endorsement affects the compulsory terms under section 26 of the Act.

