

# LIABILITY INSURANCE

Policy





# Liability Insurance

## General Conditions/Claims Conditions

### 1 Observance

It is a requirement of the Company that the following conditions apply to all sections of the Policy except so far as is necessary to comply with the requirements of any legislation enacted in Great Britain Northern Ireland the Channel Islands or the Isle of Man relating to compulsory insurance of legal liability to Employees

### 2 Reasonable Precautions

It is a condition precedent to liability of the Company that the Policyholder at his own expense shall

- A) take reasonable precautions to prevent any circumstances or to cease any activity which may give rise to liability under this Policy and to maintain all buildings furnishings ways works machinery plant and vehicles in a sound condition
- B) as soon as reasonably practical after discovery cause any defect or danger to be made good or remedied and in the meantime shall cause such reasonable additional precautions to be taken as the circumstances may require

### 3 Action by the Policyholder

It is a condition precedent to liability of the Company that the Policyholder at his own expense shall without undue delay give to the Company notice with full particulars of any claim or circumstances which may give rise to a claim (regardless of the Policyholder's Contribution)

Every letter claim writ summons and process in connection with such circumstances shall be forwarded to the Company without undue delay on receipt

Written notice shall also be given without undue delay by the Policyholder to the Company immediately the Policyholder shall have knowledge of any prosecution inquest or inquiry in connection with any circumstances which may give rise to liability under this Policy

No admission offer promise payment or indemnity shall be made or given by or on behalf of the Policyholder without the written consent of the Company which shall be entitled to take over the absolute control and conduct in the name of the Policyholder the negotiation proceeding defence or settlement of any claim or to prosecute any claim in the name of the Policyholder for its own benefit and shall have full discretion in the conduct of any proceedings and in the settlement of any claim

The Policyholder shall give all such assistance as the Company may reasonably require

### 4 Adjustment

If any part of the Premium or Renewal Premium is based on estimates provided by the Policyholder the Policyholder shall keep an accurate record containing all relevant particulars and shall allow the Company to inspect such record

The Policyholder shall within one month after the expiry of each Period of Insurance provide such information as the Company may require The Premium or Renewal Premium shall then be adjusted and the difference paid by or allowed to the Policyholder

### 5 Contribution

Other than in respect of Extension 3 to Section 2 if at the time of any claim there is or but for the existence of this Policy there would be any other insurance covering the same legal liability the indemnity will not apply except in respect of any amount beyond that which would have been payable under such other insurance had this Policy not been effected

Where a claim includes the defence of criminal proceedings brought or in appeal against conviction the Company will not pay any costs and expenses where cover is provided by any other insurance or where but for the existence of this Policy would have been provided by such insurance

### 6 Law Applicable

Under the laws of the United Kingdom (England, Scotland, Wales and Northern Ireland) both parties may choose the law which applies to this contract to the extent permitted by those laws

Unless the parties agree otherwise in writing the Company has agreed with the Policyholder that the law which applies to this contract is the law which applies to the part of the United Kingdom in which the Policyholder is based or if based in the Channel Islands or the Isle of Man the law of whichever of those two places in which the Policyholder is based

The parties have agreed that any legal proceedings between them in connection with this contract will only take place in the courts of the part of the United Kingdom in which the Policyholder is based or if the Policyholder is based in either the Channel Islands or the Isle of Man the courts of whichever of those two places in which the Policyholder is based

### 7 Non Payment - Consumer Credit Termination

The Company reserve the right to terminate the Policy in the event that there is a default in instalment payments due under any linked loan agreement

### 8 Financial or Trade Sanctions

The Company shall not provide coverage or be liable to provide any indemnity or payment or other benefit under this Policy if and to the extent that doing so would breach any prohibition or restriction imposed by law or regulation

If any such prohibition or restriction takes effect during the Period of Insurance the Policyholder or the Company may cancel that part of this Policy which is prohibited or restricted with immediate effect by giving written notice to the other at their last known registered address

After such cancellation the Company shall subject to any applicable minimum premium payment requirements refund a proportionate amount of the premium for the unexpired Period of Insurance provided that

- A) no circumstances that could reasonably be considered as being likely to give rise to a claim under the Policy have been notified to the Company by the Policyholder and
- B) no claims have been paid by the Company or have accrued and are outstanding awaiting payment in respect of such claims

prior to the date on which such prohibition or restriction took effect

## 9 Legal Representation

Where the Company provides its consent to indemnify the Policyholder in respect of any legal costs and expenses in relation to any matter which may form the subject of a claim for indemnity under this Policy the Company will choose an appropriate representative (be it a solicitor or otherwise) to act on the Policyholder's behalf

The Company will provide the Policyholder with details of the nominated appropriate representative prior to the representative's instruction

In the event that the Policyholder wishes to appoint its own representative, the Policyholder shall provide prior notification of its intention to do so and seek the Company's written consent

The Policyholder agrees that in respect of its proposed representative

- A) the hourly rate (or such other fee basis as the case may be) to apply and
- B) the terms and conditions of such appointment

shall be subject to the Company's prior approval

In the event of a dispute regarding the amount of legal costs incurred by the Policyholder's representative the Policyholder agrees that the Company will have the option to audit any files for the purpose of assessing the costs claimed

## Definitions

### 1 Aircraft Products

Aircraft Products shall mean aircraft or any aerial device (including missiles or spacecraft) and any other goods or products manufactured sold handled or distributed or services provided or recommended by the Policyholder or by others trading under their name for use in the manufacture repair operation maintenance or use of any aircraft or aerial device

### 2 Asbestos

Asbestos shall include crocidolite amosite chrysotile fibrous actinolite fibrous anthophyllite or fibrous tremolite or any mixture containing any of those minerals

### 3 Asbestos Containing Materials

Asbestos Containing Materials shall mean any material containing Asbestos or Asbestos Dust

### 4 Asbestos Dust

Asbestos Dust shall mean fibres or particles of Asbestos

### 5 Business

Business shall mean that which is specified in the Schedule and conducted solely from premises in Great Britain Northern Ireland the Channel Islands or the Isle of Man and shall include

- A) ownership repair and maintenance of the Policyholder's own property
- B) provision and management of canteen social sports and welfare organisations and first aid ambulance and medical services for the benefit of any Person Employed
- C) fire and security services maintained solely for the protection of premises owned or occupied by the Policyholder
- D) private work undertaken by any Person Employed for any director or partner of the Policyholder or Employee with the prior consent of the Policyholder
- E) attendance at or participation in trade fairs shows and exhibitions by any Employee or director in connection with their employment
- F) the sponsorship of events and sponsorship of individuals

but in respect of Section 1 shall not include any work undertaken Offshore

### 6 Clean Up Costs

Clean up costs shall mean the costs reasonably incurred by

- A) a government agency or regulatory body
- B) the Policyholder with the written consent of the Company where a government agency or regulatory body would have required remediation

in each case in carrying out action to curtail or minimise or remediate a Sudden Pollution or Contamination Incident in respect of which the Policyholder is legally responsible

### 7 Data

Data shall mean information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware

### 8 Employee

Employee shall mean any individual under a contract of service or apprenticeship with the Policyholder

### 9 Employment-Related Practices

Employment-Related Practices shall mean any error misstatement misleading statement act omission neglect or breach of duty actually or allegedly committed or attempted by the Policyholder in connection with any actual or alleged

- a) unlawful or unfair dismissal discharge or termination of employment
- b) breach of any written or oral employment contract or quasi-employment contract
- c) employment-related misrepresentation
- d) violation of employment discrimination laws (including sexual or other workplace harassment and discrimination on the grounds of racial or national origin sex sexual orientation religion maternity pregnancy age and disability)
- e) violation or non-compliance with legislation regulating working hours
- f) failure to employ or promote
- g) demotion
- h) discipline
- i) deprivation of a career opportunity
- j) failure to grant tenure
- k) failure to adopt adequate workplace or employment policies and procedures
- l) retaliatory treatment of whistleblowers and others
- m) negligent evaluation
- n) employment-related invasion of privacy
- o) employment-related breach of data protection legislation
- p) employment-related libel slander humiliation and defamation
- q) failure to furnish job references or accurate job references
- r) employment-related infliction of mental anguish or emotional distress

### 10 Event

Event shall mean one occurrence or all occurrences of a series consequent on or attributable to one source or original cause

### 11 Failure of a System

Failure of a System shall mean the complete or partial failure or inability whether in terms of availability functionality including performance or otherwise of a System whether or not owned by the Policyholder to operate at any time as desired as specified or as required in the circumstances of the Policyholder's business activities

**12 Injury**

Injury shall mean

**Sections 1 and 3 (Part A)**

bodily injury death disease or illness

**Sections 2 and 3 (Part B) and 4**

bodily injury mental injury death disease or illness

**Section 5**

bodily injury to or death disease or illness of any person other than a Person Employed

**13 Intellectual Property Rights**

Intellectual Property Rights shall mean any patent trade mark copyright registered design technical or commercial information or other intellectual property

**14 Microchip**

Microchip shall mean a unit of packaged computer circuitry manufactured in small scale and made for program logic including computer memory purposes and expressly including integrated circuits and microcontrollers

**15 North America**

The United States of America or Canada or any other territory within the jurisdiction of either such country

**16 Offshore**

Offshore shall mean embarkation on to a vessel or aircraft for conveyance to an offshore rig or platform until disembarkation from the conveyance on to land upon return from such offshore rig or platform

**17 Person Employed**

Person Employed shall mean any

- A) Employee
- B) labour master and individuals supplied by him
- C) individual employed by labour only sub-contractors
- D) self employed individual (not being in partnership with the Policyholder)
- E) individual hired to or borrowed by the Policyholder
- F) individual undertaking study or work experience while under the supervision of the Policyholder

} while under the direct control and supervision of the Policyholder

**18 Person Entitled to Indemnity**

Person Entitled to Indemnity shall mean

- A) the Policyholder
- B) the personal representatives of the Policyholder in respect of legal liability incurred by the Policyholder
- C) at the request of the Policyholder

- 1) any principal
- 2) any director or partner of the Policyholder
- 3) any Person Employed

against legal liability in respect of which the Policyholder would have been entitled to indemnity under this Policy if the claim had been made against the Policyholder

- 4) the officers committees and members of the Policyholder's canteen social sports and welfare organisations and first aid fire ambulance medical and security services in their respective capacities as such but this shall not include medical or dental practitioners in relation to medical services provided
- 5) any director or partner of the Policyholder or Employee in respect of private work undertaken by any Person Employed for such director partner or Employee with the prior consent of the Policyholder

each of whom shall as though the Policyholder be subject to the terms of this Policy so far as they can apply

**19 Policyholder Contribution**

Policyholders Contribution shall mean the amount or amounts specified in the Schedule which the Policyholder agrees to pay in respect of

- A) the claimant's damages
- B) the claimant's costs and expenses

**20 Property**

Property shall mean material property but shall not include Data

**21 Sudden Pollution or Contamination Incident**

Sudden Pollution or Contamination Incident shall mean pollution or contamination of buildings or other structures or of water or land or of the atmosphere caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific moment in time and place in Great Britain Northern Ireland and the Channel Islands or the Isle of Man during any Period of Insurance

**22 System**

System shall include computers other computing and electronic equipment linked to computer hardware electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation

**23 Terrorism**

Terrorism shall mean acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto

**24 Virus**

Virus shall mean programming code or series of instructions designed to achieve an unexpected unauthorised undesirable effect or operation when loaded onto a System transmitted between Systems by transfer between computer systems via networks extranets internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMs or otherwise and whether involving self replication or not

**THIS SECTION APPLIES ONLY WHERE SHOWN AS OPERATIVE IN THE SCHEDULE**

The insurance provided by Section I is on a costs inclusive basis whereby the costs and expenses of the claimant and the costs and expenses (incurred by the Company or with the Company's written approval) of any Person Entitled to Indemnity are included within the Limit of Indemnity stated in the Schedule

## Section I Employers' Liability

The Company will provide indemnity to any Person Entitled to Indemnity

- I against legal liability for damages in respect of Injury of any Person Employed caused during any Period of Insurance
  - A) in Great Britain Northern Ireland the Channel Islands or the Isle of Man
 

or
  - B) while temporarily outside these territories

arising out of and in the course of employment by the Policyholder in the Business
- 2 in respect of
  - A) claimants costs and expenses which the Policyholder is legally liable to pay in connection with any claim
  - B) the costs of legal representation at any coroner's inquest or inquiry in respect of any death
  - C)
    - i) costs of legal representation at proceedings in any court arising out of any alleged breach of statutory duty resulting in Injury which may be subject of indemnity under this Section including the defence of any criminal proceedings brought against the Policyholder director or partner or Employee of the Policyholder for an offence of corporate manslaughter or corporate homicide or a breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978
    - ii) costs and expenses of legal representation at any appeal against conviction if in the opinion of Counsel (appointed by mutual consent) such appeal could be contested with the probability of success
  - D) all other legal costs and legal expenses in relation to any matter which may form the subject of a claim for indemnity under this Policy
 

incurred with the Company's prior written approval

### General Provisions

Provided that in respect of any one Event

- 1 the total amount payable under this Section (including all Extensions Additional Clauses and Memoranda) shall not exceed the Limit of Indemnity
- 2 the Company may at any time pay the Limit of Indemnity (less any sums already paid or incurred) or any less amount for which at the absolute discretion of the Company the claims arising out of such Event can be settled
 

The Company will then relinquish control of such claims and be under no further liability in respect thereof

- 3 the total amount payable by the Company in respect of all damages costs and expenses arising out of all claims during any Period of Insurance consequent on or attributable to one source or original cause irrespective of the number of Persons Entitled to Indemnity having a claim under the Policy on or attributable to that one source or original cause shall not exceed the Limit of indemnity stated in the Schedule

For the purposes of the Limit of Indemnity all of the Persons Entitled to Indemnity under this Policy shall be treated as one party or legal entity so that there will be only two parties to the contract of insurance namely the Company and the Policyholder both as defined herein

### Exclusions to Section I

The indemnity will not apply to legal liability

#### I Radioactive Contamination

of whatsoever nature directly or indirectly caused by or contributed to by or arising from

- A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- B) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

where such legal liability is

- 1) that of any principal
- 2) accepted under agreement and would not have attached in the absence of such agreement

#### 2 Road Traffic Legislation

in respect of Injury for which the Policyholder is required to arrange motor insurance or security in accordance with any road traffic legislation within the European Union

#### 3 Fines or Penalties

for

- A) fines or penalties
- B) the costs of appeal against any improvement or prohibition notices
- C) fees for intervention payable under the Health and Safety Fees (Regulations) 2012
- D) compensation ordered or awarded by a Court of Criminal Jurisdiction

**Extensions to Section I** (each of which is subject otherwise to the terms of this Policy)

#### I Unsatisfied Court Judgments

In the event of a judgment for damages being obtained

- A) by any Employee or the personal representatives of any Employee in respect of Injury of the Employee caused during any Period of Insurance and arising out of and in the course of employment by the Policyholder in the Business
- B) against any company or individual operating from premises within Great Britain Northern Ireland the Channel Islands or the Isle of Man

in any court situate in the territories specified in B) above and

- C) remaining unsatisfied in whole or in part six months after the date of such judgment

at the request of the Policyholder the Company will pay to the Employee or the personal representatives of the Employee the amount of any such damages and any awarded costs to the extent that they remain unsatisfied

Provided that

- A) there is no appeal outstanding
- B) if any payment is made under the terms of this Extension the Employee or the personal representatives of the Employee shall assign the judgment to the Company

## 2 Compensation for Court Attendance

In the event of any of the undermentioned persons attending court as a witness at the request of the Company in connection with a claim in respect of which the Policyholder is entitled to indemnity under this Section the Company will provide compensation to the Policyholder at the following rates per day for each day on which attendance is required

- A) any director or partner of the Policyholder £500
- B) any Employee £250

## 3 Automatic Acquisitions

The indemnity provided by this Policy shall apply in respect of any new or acquired company within Great Britain Northern Ireland the Isle of Man and the Channel Islands from the date of creation or acquisition

Provided that

- A) the activity of such company falls within the Business definition
- B) the new acquisition does not have an annual turnover in excess of 10% of the Policyholders annual turnover as declared to the Company at the beginning of the Period of Insurance or £10,000,000 whichever is the lesser
- C) the Policyholder shall submit full claims and underwriting information to the Company within 60 days after such new or acquired company
- D) the Company shall have the right to make any additional charges or changes in terms in respect of such new or acquired company



**THIS SECTION APPLIES ONLY WHERE SHOWN AS OPERATIVE IN THE SCHEDULE**

## Section 2 Public/Products Liability

The Company will provide indemnity to any Person Entitled to Indemnity

- 1 up to the Limit of Indemnity against legal liability for damages in respect of
- A) accidental Injury of any person
  - B) accidental loss of or damage to Property
  - C) nuisance trespass to land or trespass to goods or interference with any easement right of air light water or way other than legal liability for damages which result from a deliberate act or omission of the Policyholder or which is a natural consequence of the ordinary conduct of the Business and which could reasonably have been expected by the Policyholder having regard to the nature and circumstances of such act or omission
  - D) wrongful arrest or false imprisonment
- happening during any Period of Insurance in connection with the Business
- 2 in respect of
- A) claimants costs and expenses which the Policyholder is legally liable to pay in connection with any claim
  - B) the costs of legal representation at any coroner's inquest or inquiry in respect of any death
  - C) i) costs of legal representation at proceedings in any court arising out of any alleged breach of statutory duty resulting in Injury which may be subject of indemnity under this Section including the defence of any criminal proceedings brought against the Policyholder director or partner or Employee of the Policyholder for an offence of corporate manslaughter or corporate homicide or a breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978
  - ii) costs and expenses of legal representation at any appeal against conviction if in the opinion of Counsel (appointed by mutual consent) such appeal could be contested with the probability of success
  - D) all other legal costs and legal expenses in relation to any matter which may form the subject of a claim for indemnity under this Policy
- incurred with the Company's prior written approval

### General Provisions

Provided that in respect of

- A) any one Event
- B) all Events happening during any Period of Insurance in respect of products supplied

- C) all incidents considered by the Company to have occurred during any Period of Insurance in respect of pollution or contamination of buildings or other structures or of water or land or of the atmosphere

the following shall apply

- 1 the total amount payable by the Company in respect of 1 above and all Extensions Additional Clauses and Memoranda shall not exceed the Limit of Indemnity
- 2 the Policyholders Contribution will be payable before the Company shall be liable to make any payment
- 3 the Company may at any time pay the Limit of Indemnity (less any sums already paid as damages) or any less amount for which at the absolute discretion of the Company the claims arising out of such Event can be settled

The Company will then relinquish control of such claims and be under no further liability in respect thereof except for costs and expenses for which the Company may be responsible prior to the date of such payment

- 4 where the Company is liable to indemnify more than one person the total amount of indemnity in respect of damages shall not exceed the Limit of Indemnity
  - 5 the total amount payable by the Company in respect of all damages arising out of all claims during any Period of Insurance consequent on or attributable to one source or original cause irrespective of the number of Persons Entitled to Indemnity having a claim under this Policy consequent on or attributable to that one source or original cause shall not exceed the appropriate Limit of Indemnity stated in the Schedule
- For the purposes of the Limit of Indemnity all of the Persons Entitled to Indemnity under this Policy shall be treated as one party or legal entity so that there will be only two parties to the contract of insurance namely the Company and the Policyholder both as defined herein
- 6 in respect of claims happening or where a claim is brought in North America all costs and expenses of the claimant and the costs and expenses (incurred by the Company or with the Company's written consent) of any Person Entitled to indemnity are included within the Limit of Indemnity stated in the Schedule

### Exclusions to Section 2

The indemnity will not apply to legal liability

#### 1 Mechanical Vehicles

arising from or out of the ownership possession or use by or on behalf of the Policyholder or any Person Entitled to Indemnity of any

- A) mechanically propelled vehicle other than legal liability arising out of
  - 1) the use of plant as a tool of trade on site
  - 2) the use of plant at the premises of the Policyholder
  - 3) the loading or unloading of any vehicle

except where indemnity is provided by any motor insurance contract or where insurance or security is required by law

- B) aircraft or other aerial device
- C) aerospace device
- D) hovercraft
- E) water-borne craft (other than hand-propelled or sailing craft in inland or territorial waters)

**2 Employers' Liability**

for bodily injury or mental injury to or death disease or illness of any Person Employed arising out of and in the course of employment by the Policyholder in the Business

**3 Property in the Policyholder's Custody or Control**

for or arising from loss of or damage to any Property which at the time of the Event giving rise to such legal liability is owned by or held in trust by or in the custody or control of the Policyholder other than

- A) Employees' directors' partners' or visitors' personal effects including vehicles and their contents
- B) premises and their contents not owned by or leased or rented to the Policyholder at which the Policyholder is undertaking work in connection with the Business
- C) premises and their fixtures and fittings leased or rented to the Policyholder unless such legal liability
  - 1) has been accepted by agreement in which case the indemnity will only be provided to the extent that such liability would have attached in the absence of such agreement
  - 2) arises from an agreement to maintain in force insurance in respect of loss of or damage to such premises and their fixtures and fittings

**4 Pollution or Contamination**

caused by or arising out of pollution or contamination of buildings or other structures or of water or land or the atmosphere

- A) happening in North America or where a claim is brought in a court of law in North America
- B) happening anywhere in the world other than North America unless the pollution or contamination is caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety in a specific moment in time and place during the Period of Insurance

Provided that all pollution or contamination which arises out of one incident shall be considered by the Company for the purposes of this Policy to have occurred at the time such incident takes place

**5 Product Defects and Recall**

- A) in respect of loss of or damage to any
  - 1) product supplied
  - 2) contract work executed

caused by any defect therein or the unsuitability thereof for its intended purpose

- B) for the costs of recall removal repair alteration replacement or reinstatement of any

- 1) product supplied
  - 2) contract work executed
- } by the Policyholder

necessitated by any defect therein or the unsuitability thereof for its intended purpose

**6 Professional Risks**

arising from or in connection with

- A) advice
  - B) design
  - C) specification
- } provided for a fee

**7 Contractual Liability**

arising from or in connection with any

- 1) product supplied
  - 2) contract work executed
- } by the Policyholder

where such legal liability has been accepted by agreement except to the extent that such liability would have attached in the absence of such agreement

**8 Disposed Premises**

for the costs of remedying

- A) any defect or alleged defect
- B) the presence of Asbestos Asbestos Dust or Asbestos Containing Materials

in premises disposed of by the Policyholder

**9 Fines or Penalties**

for

- A) fines or penalties
- B) the costs of appeal against any improvement or prohibition notices
- C) fees for intervention payable under the Health and Safety Fees (Regulations) 2012
- D) compensation ordered or awarded by a Court of Criminal Jurisdiction
- E) aggravated exemplary or punitive damages awarded by any court outside Great Britain Northern Ireland the Channel Islands or the Isle of Man

**10 Radioactive Contamination**

of whatsoever nature directly or indirectly caused by or contributed to by or arising from

- A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel

- B) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

**11 War and Allied Risks**

arising from any consequence of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

**12 Fear of Asbestos**

for mental injury or fear of suffering bodily injury death disease or illness arising out of actual or suspected exposure to Asbestos Asbestos Dust or Asbestos Containing Materials

**13 Asbestos Removal Costs**

for the costs of management (including those of any persons under any statutory duty to manage) removal repair alteration recall replacement or reinstatement of any property or part thereof arising out of the presence of Asbestos Asbestos Dust or Asbestos Containing Materials

**14 Asbestos in North America**

arising directly or indirectly caused or contributed to or occurring by the presence of Asbestos Asbestos Containing Materials or Asbestos Dust or the release of Asbestos Dust happening in North America or where a claim is brought in a court of law in North America

**15 Aircraft Products**

arising from Aircraft Products

**Extensions to Section 2** (each of which is subject otherwise to the terms of this Policy)

**1 Cross Liabilities**

If the Policyholder comprises more than one party the Company will provide indemnity to each in the same manner and to the same extent as if a separate Policy had been issued to each

Provided that the total amount payable in respect of damages shall not exceed the Limit of Indemnity

**2 Compensation for Court Attendance**

In the event of any of the undermentioned persons attending court as a witness at the request of the Company in connection with a claim in respect of which the Policyholder is entitled to indemnity under this Section the Company will provide compensation to the Policyholder at the following rates per day for each day on which attendance is required

- A) any director or partner of the Policyholder £500
- B) any Employee £250

**3 Contingent Motor Liability**

Notwithstanding Exclusion 1A) the Company will provide indemnity to the Policyholder against legal liability arising out of the use in the course of the Business by any Employee of any mechanically propelled vehicle not the property of nor provided by the Policyholder

The indemnity will not apply to legal liability

- A) in respect of loss of or damage to such vehicle or to property conveyed therein
- B) arising while such vehicle is being driven by the Policyholder
- C) in respect of which the Policyholder or Employee is entitled to indemnity under any other insurance
- D) arising outside Great Britain Northern Ireland the Channel Islands or the Isle of Man

**4 Overseas Personal Liability**

The Company will provide indemnity to the Policyholder and if the Policyholder so requests any Employee or director or partner of the Policyholder against legal liability incurred in a personal capacity while temporarily outside Great Britain Northern Ireland the Channel Islands or the Isle of Man in connection with the Business

The indemnity will not apply

- A) to legal liability arising out of the ownership or occupation of land or buildings
- B) where indemnity is provided by any other insurance

**5 Data Protection Act 1998**

The Business shall include the provision of any reciprocal arrangement for the storage or processing of computer data or for use of computer facilities

Provided that the indemnity will not apply to legal liability in respect of any loss or damage sustained by any party to such an arrangement

The Company will also provide an indemnity to the Policyholder and if the Policyholder so requests any Employee or director or partner of the Policyholder against legal liability to pay damages and claimant's costs and expenses for damage or distress as described in Section 13 of the Data Protection Act 1998

Provided that the Policyholder is registered in accordance with the terms of the Act or has applied for such registration which has not been refused or withdrawn and has taken all reasonable care to comply with the requirements of the Data Protection Act 1998

This Extension shall not apply in respect of

- A) the payments of fines or penalties
- B) the costs of replacing reinstating rectifying erasing blocking or destroying any personal data
- C) liability arising from or caused by a deliberate or intentional act by or omission of any person eligible for indemnity by this Extension if the result thereof could reasonably have been expected by the Policyholder or any other person having regard to the nature and circumstances of such act or omission
- D) claims which arise out of circumstances notified to previous insurers or known to the Policyholder at inception of this Extension
- E) legal liability where indemnity is provided by any other insurance

## 6 Defective Premises Act

This Policy will include an indemnity to the Policyholder in respect of Injury or damage to Property incurred under the provisions of Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975

## 7 Clean Up Costs

Notwithstanding Exclusion 4 in the event of a Sudden Pollution or Contamination Incident the Company will provide indemnity to any Person Entitled to Indemnity in respect of

- A) Clean Up costs arising solely under a statutory provision that operates in any part of Great Britain Northern Ireland the Channel Islands or the Isle of Man
- B) costs of expenses in relation to any matter which may form the subject of indemnity under this extension incurred with the Company's prior written approval
- C) costs and expenses incurred with the Company's prior written approval in any appeal against any statutory notice served or to be served upon the Policyholder by any enforcing authority for any enforcement action which would be the subject of indemnity under this Extension

The indemnity provided by this Extension will not apply to costs (including Clean up Costs)

- A) incurred in achieving any improvement betterment or alteration in any original property
- B) for remedial action carried out or in relation to property which at the time of the Sudden Pollution or Contamination Incident giving rise to such legal liability is owned by or held in trust by or in the custody or control of the Policyholder
- C) incurred in relation to the reinstatement reintroduction or provision of any living organism or natural habitat
- D) arising out of a genetically modified organism
- E) comprising of the first 10 per cent of any one Sudden Pollution or Contamination Incident subject to a minimum contribution by the Policyholder of £2,500 and a maximum contribution of £25,000
- F) arising solely from the Policyholders liability under legislation operating in any part of Great Britain Northern Ireland which implements Directive 2004/35/EC on environmental liability with regard to the prevention and remedying of environmental damage including the Environmental Damage (Prevention and Remediation) Regulations 2009
- G) for incidents happening in North America or where a claim is brought in a court of law in North America

Provided that

- 1) all pollution or contamination which arises out of one Sudden Pollution or Contamination Incident shall be considered by the Company for the purposes of this Policy to have occurred at the time such incident takes place
- 2) all costs covered under this Extension will form part of and not exceed the Limit of Indemnity shown in the Schedule for all incidents considered by the Company to have occurred during any Period of Insurance in respect of pollution or contamination of buildings or other structures or of water or land or the atmosphere
- 3) the total amount payable under this Extension shall not exceed £250,000 in respect of all damages and legal costs for all incidents

## 8 Automatic Acquisitions

The indemnity provided by this Policy shall apply in respect of any new or acquired company within Great Britain Northern Ireland the Isle of Man and the Channel Islands from the date of creation or acquisition

Provided that

- A) the activity of such company falls within the Business definition
- B) the new acquisition does not have an annual turnover in excess of 10% of the Policyholders annual turnover as declared to the Company at the beginning of the Period of Insurance or £10,000,000 whichever is the lesser
- C) the Policyholder shall submit full claims and underwriting information to the Company within 60 days after such new or acquired company
- D) the Company shall have the right to make any additional charges or changes in terms in respect of such new or acquired company

**THIS SECTION APPLIES ONLY WHERE SHOWN AS OPERATIVE IN THE SCHEDULE**

## Section 3 Legal Defence Costs

Where Injury of any person or loss of or damage to Property has not occurred the Company will provide indemnity to the Policyholder and if the Policyholder so requests any Employee or director or partner of the Policyholder

up to the Limit of Indemnity in respect of

- A) legal costs and other expenses incurred with the Company's prior written approval
- B) costs awarded against the Policyholder or any director partner or Person Employed

in connection with the defence of criminal proceedings brought or in appeal against a conviction arising from such proceedings relating to an offence alleged to have been committed during the Period of Insurance in the course of the Business but only in respect of proceedings brought as stated in Part **A** and **B** below

### Part A

In respect of a breach of

- 1 the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 where the proceedings relate to the health safety and welfare of any Person Employed director or partner of the Policyholder

### Part B

In respect of a breach of

- 1 the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 where the proceedings relate to the health safety and welfare of any person other than a Person Employed director or partner of the Policyholder
- 2 Part II of the Consumer Protection Act 1987
- 3 Part II of the Food Safety Act 1990

### General Provisions

Provided that in respect of Part **A** and **B**

- I the indemnity will not apply
  - A) to fines or penalties of any kind
  - B) to the costs of appeal against any improvement or prohibition notices
  - C) to fees for intervention payable under the Health and Safety Fees (Regulations) 2012
  - D) where indemnity is provided by any other insurance
  - E) to proceedings consequent upon any deliberate act or omission by
    - 1) the Policyholder

- 2) any partner or director of the Policyholder
- 3) any Employee with any specific responsibility for compliance with the legislation specified in this Section

which could reasonably have been expected to constitute a breach of the legislation specified in this Section

- F) to any costs or expenses incurred arising out of or in connection with criminal proceedings relating in any way to Asbestos Asbestos Dust or Asbestos Containing Materials

- 2 the Company may at any time pay the Limit of Indemnity (less any sums already paid) or any less amount for which at the absolute discretion of the Company the claims arising can be settled but including any amount for which the Company may be responsible prior to the date of such payment

The Company will then relinquish control of such claims and be under no further liability in respect thereof

- 3 where the Company is liable to indemnify more than one person the total amount of indemnity shall not exceed the Limit of Indemnity

### Special Provision

The Company shall pass notification to an independent third party service provider with whom the Company has an agreement which shall thereafter administer claims settlement on the Company's behalf

**THIS SECTION APPLIES ONLY WHERE SHOWN AS OPERATIVE IN THE SCHEDULE**

The insurance provided by Section 4 is on a claims made basis with the costs and expenses of the claimant and the costs and expenses (incurred with by the Company or with the Company's written approval) of any Person Entitled to Indemnity included within the Limit of Indemnity stated in the Schedule

## Section 4 Financial Loss

The Company will provide indemnity to any Person Entitled to Indemnity

- I against legal liability (other than arising under contract) incurred in connection with the Business for damages in respect of financial loss arising out of any claim which is
  - A) first made in writing to the Policyholder (or any other Person Entitled to Indemnity under this Policy) during any Period of Insurance
 and
  - B) notified to the Company
    - 1) during
    - or
    - 2) within thirty days after expiry of the same Period of Insurance
- 2 against legal liability for claimant's costs and expenses in connection with 1 above
- 3 in respect of
  - A) costs of legal representation at proceedings in any court arising out of any alleged breach of statutory duty resulting in financial loss specified in 1 above
  - B) all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under 1 above
 incurred by the Company or with the Company's prior written consent 1

### General Provisions

Provided that

- 1 the financial loss is sustained within Great Britain Northern Ireland the Channel Islands or the Isle of Man
  - 2 the total amount payable under this Section (including all Extensions Additional Clauses and Memoranda) shall not exceed the Limit of Indemnity stated in the Schedule
  - 3 the Policyholder's Contribution will be payable before the Company shall be liable to make any payment
  - 4 the Company may at any time pay the Limit of Indemnity (less any sums already paid or incurred) or any less amount for which at the absolute discretion of the Company the claim or claims can be settled
- The Company will then relinquish control of such claim or claims and be under no further liability in respect thereof

- 5 the total amount payable by the Company in respect of all damages arising out of all claims during any Period of Insurance irrespective of the number of such claims and irrespective of the number of Persons Entitled to Indemnity having claims under this Policy shall not exceed the appropriate Limit of Indemnity stated in the Schedule

For the purposes of the Limit of Indemnity all of the Persons Entitled to Indemnity under this Policy shall be treated as one party or legal entity so that there will be only two parties to the contract of insurance namely the Company and the Policyholder both as defined herein

### Exclusions to Section 4

The indemnity will not apply to legal liability

#### 1 Mechanical Vehicles

arising from or out of the ownership possession or use by or on behalf of the Policyholder or any Person Entitled to Indemnity of any

- A) mechanically propelled vehicle other than legal liability arising out of
  - 1) the use of plant as a tool of trade on site
  - 2) the use of plant at the premises of the Policyholder
  - 3) the loading or unloading of any vehicle
 except where indemnity is provided by any motor insurance contract or where insurance or security is required by law
- B) aircraft or other aerial device
- C) aerospace device
- D) hovercraft
- E) water-borne craft (other than hand-propelled or sailing craft in inland or territorial waters)

#### 2 Person Employed

for financial loss sustained by any Person Employed arising out of and in the course of employment by the Policyholder in the Business

#### 3 Product Recall

for the costs of recall removal repair alteration replacement or reinstatement of any

- A) product supplied
  - B) contract work executed
- } by the Policyholder

necessitated by any defect therein or the unsuitability thereof for its intended purpose

#### 4 Advice Design or Specification

arising from or in connection with

- A) advice
- B) design
- C) specification

**5 Injury Damage Nuisance Trespass or Interference**

in respect of

- A) Injury of any person
- B) loss of or damage to Property
- C) nuisance trespass or interference with any easement right of air light water or way
- D) wrongful arrest or false imprisonment

**6 Radioactive Contamination**

of whatsoever nature directly or indirectly caused by or contributed to by or arising from

- A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- B) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

**7 War and Allied Risks**

arising from any consequence of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

**8 Fraud**

arising out of any act of fraud or dishonesty by the Policyholder or partner or director of the Policyholder

**9 Deliberate Act or Omission**

arising out of any deliberate act or omission by the Policyholder or partner or director of the Policyholder

**10 Fines or Penalties**

for

- A) fines or penalties
- B) the costs of appeal against any improvement or prohibition notices
- C) fees for intervention payable under the Health and Safety Fees (Regulations) 2012
- D) compensation ordered or awarded by a Court of Criminal Jurisdiction

**11 Defamation or Intellectual Property Rights**

arising out of any defamation injurious falsehood passing off or infringement of any Intellectual Property Rights

**12 Competition or Anti-Trust Laws**

arising out of any breach or alleged breach of competition or anti-trust laws

**13 Storage or Processing of Computer Data**

for financial loss arising from any reciprocal arrangement for the storage or processing of computer data or use of computer facilities

**14 Statutory Authorities**

to any statutory authority arising out of the enforcement of statutory requirements or the performance of statutory duties

**15 Strikes or Labour Disturbances**

arising out of or in connection with any delays strikes or labour disturbances

**16 Retroactive Liability**

arising out of any cause happening before the Retroactive Date

**17 Asbestos**

of whatsoever nature directly or indirectly caused or contributed to or occurring by

- A) the presence of Asbestos Asbestos Dust or Asbestos Containing Materials
- B) the release of Asbestos Dust
- C) the exposure of persons buildings or property to Asbestos Asbestos Dust or Asbestos Containing Materials

**18 Diminution in Value**

arising from the diminution of the value of any Property

**19 Electronic Risk and Data**

arising directly or indirectly from or out of

- A) the transmission or impact of any Virus
- B) any unauthorised access to a System
- C) interruption of or interference with electronic means of communication used in the conduct of the Policyholder's Business including but not limited to any diminution in the performance of any website or electronic means of communication
- D) Failure of a System
- E) damage to Data including but not limited to any
  - 1) loss of destruction or corruption of Data whether in whole or in part
  - 2) unauthorised appropriation use access to or modification of Data
  - 3) unauthorised transmission of Data to any third party
  - 4) misinterpretation use or misuse of Data
  - 5) operator error

**20 Employment-Related Practices**

of whatsoever nature directly or indirectly resulting from Employment-Related Practices

**Extensions to Section 4** (each of which is subject otherwise to the terms of this Policy)

**1 Cross Liabilities**

If the Policyholder comprises more than one party the Company will provide indemnity to each in the same manner and to the same extent as if a separate Policy had been issued to each

Provided that the total amount payable in respect of damages costs and expenses shall not exceed the Limit of Indemnity

**2 Compensation for Court Attendance**

In the event of any of the undermentioned persons attending court as a witness at the request of the Company in connection with a claim in respect of which the Policyholder is entitled to indemnity under this Section the Company will provide compensation to the Policyholder at the following rates per day for each day on which attendance is required

- |  |      |
|--|------|
| A) any director or partner of the Policyholder | £500 |
| B) any Employee                                | £250 |



**THIS SECTION APPLIES ONLY WHERE SHOWN AS OPERATIVE IN THE SCHEDULE**

The insurance provided by Section 5 is on a claims made basis with the costs and expenses of the claimant and the costs and expenses (incurred with by the Company or with the Company's written approval) of any Person Entitled to Indemnity included within the Limit of Indemnity stated in the Schedule

## Section 5 Legionellosis

The Company will provide indemnity to any Person Entitled to Indemnity

1 against legal liability for damages and claimant's costs and expenses

A) in respect of accidental Injury caused by Legionellosis arising out of the Business

and

B) arising out of

1) any claim which is first made in writing to the Policyholder (or any other Person Entitled to Indemnity) during the Period of Insurance

or

2) the first notification of any circumstance which

a) has caused or is alleged to have caused Injury

or

b) can be reasonably expected to give rise to a claim and which may be the subject of indemnity in I A) above

and which is notified to the Company

1) during

or

2) within thirty days after expiry of

the same Period of Insurance

2 in respect of

A) claimants costs and expenses which the Policyholder is legally liable to pay in connection with any claim

B) the costs of legal representation at any coroner's inquest or inquiry in respect of any death

C) i) costs of legal representation at proceedings in any court arising out of any alleged breach of statutory duty resulting in Injury which may be subject of indemnity under this Section including the defence of any criminal proceedings brought against the Policyholder director or partner or Employee of the Policyholder for an offence of corporate manslaughter or corporate homicide or a breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978

ii) costs and expenses of legal representation at any appeal against conviction if in the opinion of Counsel (appointed by mutual consent) such appeal could be contested with the probability of success

D) all other legal costs and legal expenses in relation to any matter which may form the subject of a claim for indemnity under this Policy

incurred with the Company's prior written approval

### General Provisions

Provided that

1 The total amount payable under this Section (including all Extensions Additional Clauses and Memoranda) shall not exceed the Limit of Indemnity stated in the Schedule

2 The Policyholder's Contribution (as specified in the Schedule) will be payable before the Company shall be liable to make any payment

3 The Company may at any time pay the Limit of Indemnity (less any sums already paid) or any less amount for which at the absolute discretion of the Company the claim or claims can be settled

The Company will then relinquish control of such claims and be under no further liability in respect thereof

4 All claims arising out of the same isolated repeated or continuing incidence of Legionellosis shall be deemed to be made in the Period of Insurance when

A) the first claim was first made in writing to the Policyholder or to any Person Entitled to Indemnity and notified to the Company

or

B) the first notification of any circumstance was first made to the Company

5 The total amount payable by the Company in respect of all damages arising out of all claims during any Period of Insurance irrespective of the number of such claims and irrespective of the number of Persons Entitled to Indemnity having claims under this Policy shall not exceed the appropriate Limit of Indemnity stated in the Schedule

For the purposes of the Limit of Indemnity all of the Persons Entitled to Indemnity under this Policy shall be treated as one party or legal entity so that there will be only two parties to the contract of insurance namely the Company and the Policyholder both as defined herein

### Exclusions to Section 5

The indemnity will not apply to legal liability

1 **Product Liability**

arising out of or in connection with any

A) product supplied

B) contract work executed

} by the Policyholder

**2 Advice Design or Specification**

arising from or in connection with

- A) advice
- B) design
- C) specification

**3 Contractual Liability**

where such legal liability has been accepted by agreement except to the extent that such liability would have attached in the absence of such agreement

**4 Fines or Penalties**

for

- A) fines or penalties
- B) the costs of appeal against any improvement or prohibition notices
- C) fees for intervention payable under the Health and Safety Fees (Regulations) 2012
- D) compensation ordered or awarded by a Court of Criminal Jurisdiction

**5 Retroactive Liability**

in respect of any Legionellosis which commenced prior to the Retroactive Date

**6 War and Allied Risks**

arising from any consequence of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

**7 Radioactive Contamination**

of whatsoever nature directly or indirectly caused by or contributed to by or arising from

- A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from combustion of nuclear fuel
- B) the radioactive toxic explosive or other hazardous properties or any explosive nuclear assembly or nuclear component thereof

**Extensions to Section 5** (each of which is subject otherwise to the terms of this Policy)

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If the Policyholder comprises more than one party the Company will provide indemnity to each in the same manner and to the same extent as if a separate Policy had been issued to each

Provided that the total amount payable in respect of damages shall not exceed the Limit of Indemnity

**2 Compensation for Court Attendance**

In the event of any of the undermentioned persons attending court as a witness at the request of the Company in connection with a claim in respect of which the Policyholder is entitled to indemnity under this Section the Company will provide compensation to the Policyholder at the following rates per day for each day on which attendance is required

- A) any director or partner of the Policyholder £500
- B) any Employee £250



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Registered in England and Wales at St Mark's Court,  
Chart Way, Horsham, West Sussex RH12 1XL.  
Authorised by the Prudential Regulation Authority and regulated by the  
Financial Conduct Authority and the Prudential Regulation Authority.