



R&Q Commercial Risk Services Limited

Contractors' All Risks and Liability Combined Insurance Policy Wording

June 2018 Edition

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Important Helplines and Information

Claims

For Sections 1, 2 and 4

Your claims will be dealt with by **Faraday Underwriting Limited**

If you need to report a claim or an incident that may result in a claim or you have a general enquiry regarding your insurance policy please contact your Insurance Broker in the first instance.

For Sections 3

Your claims will be dealt with by **HSB Engineering Insurance Ltd**

Your claims should be notified using the contact numbers listed below.

Telephone: +44 (0)161 817 2114
Fax: +44 (0)161 817 2119
Email: newloss@hsbeil.com

For full details of how to make a claim please refer to **Section 7 – Claims Procedure**.

Welcome

Introduction to Your Contractors' All Risks and Liability Combined Insurance

This document of insurance, the Schedule and any endorsements applying to this insurance form Your Contractors' All Risks and Liability Combined insurance Policy.

This document sets out the conditions of the contract of insurance between You and the Insurers.

Please read the document carefully, it is laid out in Sections. It is important that:

You understand what each Section covers and does not cover;

You understand Your own duties under each Section and under the insurance as a whole.

If there is anything You do not understand or any aspect of the Policy does not meet Your requirements You should contact the Insurance Broker who arranged this Policy for You.

About R&Q and Your Insurers

This Insurance product has been arranged by R&Q Commercial Risk Services Limited on behalf of the under noted Insurers named herein:

R&Q Commercial Risk Services Limited is registered in England and Wales No: 07313009 (FRN: 530938),
Registered Office: 71 Fenchurch Street, London EC3M 4BS

R&Q Commercial Risk Services Limited is an Appointed Representative of R&Q MGA Limited which is authorised and regulated by the Financial Conduct Authority (FRN: 440543).

R&Q Commercial Risk Services Limited is wholly owned subsidiary of Randall & Quilter Investment Holdings Ltd. Randall & Quilter Investment Holdings Ltd. is a diverse insurance group, headquartered in Bermuda but with extensive operations in the UK, US, Canadian, Bermuda and Continental Europe Markets. The Group is a leading insurance service provider to the non-life insurance market. Its extensive service offering (ranging from full back office management to bespoke services) covers the live, run-off and captive market segments.

**Sections 1, 2 and 4 are underwritten by:
Faraday Underwriting Limited for and on behalf of Syndicate 435 at Lloyd's**

Faraday Underwriting Limited is a limited company registered in England under company number 01682486. Registered Office: Corn Exchange, 55 Mark Lane, London EC3R 7NE. Authorised and regulated by the Prudential Regulation Authority and the Financial Conduct Authority with registered number (FRN:204910).

**Section 3 is underwritten by:
HSB Engineering Insurance Limited**

This Section is underwritten by HSB Engineering Insurance Limited, registered in England and Wales: 02396114, New London House, 6 London Street, London EC3R 7LP. Registered as a branch in Ireland: 906020. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (FRN:202738).

About Your Insurance Broker

Your Insurance Broker is the organisation that You arranged this insurance with and should be Your first point of contact for any queries You may have on the Policy, other than claims. Claims contact numbers can be found under the Important Helplines Section of this document.

See also Section 7 – **Claims Procedure** and **Enquiries and Complaints Procedure**.

Your obligations

In deciding to accept this Policy and in setting the terms and premium, the Insurer has relied on the information You have given to the Insurer. You must take care when answering any questions asked by ensuring that all information provided is accurate and complete.

If the Insurer establishes that You deliberately or recklessly provided the Insurer with false or misleading information the Insurer will treat Your Policy as if it never existed and decline all claims. The Insurer may not return premium already paid by You in this situation.

If the Insurer establishes that You provided the Insurer with false, incomplete or misleading information, it can adversely affect Your Policy and any claim.

For example:

- Where the Insurer could have accepted the risk and offered You a Policy but the Insurer would have charged a higher premium, the Insurer may only pay a percentage of any claim that You make under the Policy. The Insurer would do this by considering the premium the Insurer actually charged as a percentage of the higher premium the Insurer would have charged and then paying You the same percentage of any claim.

So, as an example: if the premium the Insurer actually charged was £250 (two hundred and fifty pounds) and the higher premium the Insurer would have charged was £1,000 (one thousand pounds), then the premium the Insurer actually charged represents 25% (twenty-five percent) of the higher premium the Insurer would have charged and the Insurer shall only pay 25% (twenty-five percent) of any claim;

- The Insurer may treat this Policy as if it had never existed and refuse to pay all claims and return the premium, subject to a deduction for any commission paid to Your Broker. The Insurer will only do this if the false, incomplete or misleading information means that the Insurer provided You with insurance cover when the Insurer would not otherwise have offered it at all had the risk been fairly presented;
- if the Insurer would have written the risk on different terms had it been fairly presented, the Insurer may amend the Policy to include these terms. The Insurer may apply these amended terms as if they were already in place before a claim is made;
- The Insurer may cancel Your Policy in accordance with its cancellation provisions

The Insurer will write to You if the Insurer:

- Intends to treat Your Policy as if it never existed; or
- Amends the terms of Your; or
- reduces Your claim in accordance with the above

If You become aware that information You have given the Insurer is inaccurate or incomplete, You must inform The Insurer as soon as practicable.

IMPORTANT REMINDER

It is important that:

- You check that the information You have given Us is accurate and up to date
- You must read and understand the Policy
- You comply with Your duties under each section and under the Policy as a whole
- You check that the sections You have requested are included in the Schedule
- If You are uncertain regarding Your responsibilities and how they relate to this Policy, You should contact Your insurance broker in the first instance. For further guidance please see the Office of Public Sector Information website (www.opsi.gov.uk) or contact the Citizens Advice Bureau or seek independent legal advice from a solicitor.

Your Policy

This Policy is a legally binding contract which You have made with the Insurer and is based on the information You have provided in Your signed Proposal form or statement of insurance and any other information You have provided.

The Insurer has agreed to provide the insurance described in this Policy or in any endorsement applying to this Policy for the Period of Insurance specified in the Schedule. The insurance provided by this Policy covers loss, damage, destruction, accident or liability that happens during the Period of Insurance in accordance with the Sections of the Policy shown in the Schedule for which You have paid or agreed to pay the premium. The Insurer will indemnify or compensate You by payment or, at their option, replace reinstate or repair lost, damaged or destroyed property.

The Policy contains many Sections and the Schedule identifies the Sections that are operative. A new Schedule will be issued to record any amendments to the cover. Please refer to the replacement documents and the Policy to see what cover is currently in force. Any expression to which a specific meaning has been attached shall bear that meaning wherever it appears.

The Proposal or statement of insurance, the Policy, the Schedule (including any additional or replacement Schedule) and any endorsements form the contract and should be read together.

Unless the Insurer and You agree otherwise, this Policy shall be subject to and construed solely in accordance with the Law of England and Wales. The Insurer and You agree that all disputes arising out of or in connection with this Policy shall be subject to the exclusive jurisdiction of the Courts of England and Wales.

Signed for and on behalf of the insurers

A handwritten signature in blue ink that reads "James Wheddon". The signature is written in a cursive style with a long, sweeping underline.

James Wheddon
Director
R&Q Commercial Risk Services Limited

Enquiries and Complaints Procedure

We aim to ensure that all aspects of Your insurance are dealt with promptly, efficiently and fairly. At all times We are committed to providing You with the highest standard of service.

If You have any questions or concerns about Your Policy or the handling of a claim You should, in the first instance, contact the Insurance Broker who arranged this Policy for You.

In the event that You wish to make a complaint, You can do so at any time.

If Your complaint relates to Sections 1, 2 or 4 You should contact:

The Complaints Manager
Faraday Underwriting Limited
5th Floor Corn Exchange
55 Mark Lane
London EC3R 7NE

Email: faraday.complaints@faraday.com

Or the Complaints team at Lloyd's.

Complaints
Lloyd's
One Lime Street
London
EC3M 7HA

Telephone: 0207 327 5693
Fax: 0207 327 5225
E-mail: complaints@lloyds.com
Website: www.lloyds.com/complaints

If Your complaint relates to Section 3 You should contact: in the first instance the Head of R&Q Commercial Risk Services Limited at:

The Commercial Manager
R&Q Commercial Risk Services Limited
1 Cornhill
London
EC3V 3ND
Phone: + 44 (0) 20 7780 5850

Please quote Your Policy number in all correspondence so that Your concerns may be dealt with speedily.

If R&Q Commercial Risk Services Limited are unable to resolve the complaint to Your satisfaction please send your complaint to:

The Group Operations Manager
HSB Engineering Insurance Limited
Chancery Place,
50 Brown Street,
Manchester

M2 2JT

Phone: 0845 345 5510

Fax : 0845 345 5610

E Mail: complaints@hsbeil.com

If Your Complaint relates to any other Section and if Your complaint is about the way in which the Policy was sold to You or whether it meets Your requirements, You should contact the Insurance Broker who arranged the Policy for You.

If You remain dissatisfied after Lloyd's has considered Your complaint, You may have the right to refer Your complaint to the Financial Ombudsman Service. Their contact details are:

Post: The Financial Ombudsman Service, Exchange Tower, London E14 9SR

Telephone: 0800 023 4 567 (*calls to this number are free from "fixed lines" in the UK*) or 0300 1239123 (*calls to this number are charged at the same rate as 01 and 02 numbers on mobile phone tariffs in the UK*)

Email: complaint.info@financial-ombudsman.org.uk

Important Note

Where R&Q Commercial Risk Services Limited deals with you through a retail agent in respect of any claims referred by You to the R&Q Commercial Risk Services Limited R&Q Commercial Risk Services Limited acts as agent for the Insurers and not for You.

Financial Services Register

The Financial Services Register can be checked by visiting the Financial Conduct Authority website on www.fca.org.uk or by calling 0800 111 6768

Financial Services Compensation Scheme (FSCS)

R&Q MGA Limited, Faraday Underwriting Limited for and on behalf of Syndicate 435 at Lloyd's and HSB Engineering Insurance Limited are all covered by the Financial Services Compensation Scheme (FSCS). This means that You may be entitled to compensation from the scheme in the unlikely event that they cannot meet their obligations. Further details can be obtained from FSCS, 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU Tel: 0207 741 4100 Fax: 0207 741 4101 or www.fscs.org.uk

Data Privacy Notice

We may use personal information in order to write and administer this policy, including any claims arising from it.

This information may include basic contact details such as names, addresses, and policy number, but may also include more detailed personal information about individuals (for example, their age, health, details of assets, claims history) where this is relevant to the risk R&Q Commercial Risk Services Limited are underwriting on Our behalf or services the being provided or to a claim that is being reported.

We are part of a global group and information may be shared with their group companies in other countries as required to provide coverage under this policy or to store information. We also use a number of trusted service providers, who will also have access to personal information subject to Our instructions and control.

Individuals have a number of rights in relation to their personal information, including rights of access and, in certain circumstances, erasure.

This notice represents a condensed explanation of how the insurer uses personal information. For more information, please refer to Our Data Privacy Notice, which can be found on:

Sections 1, 2 and 4

<http://www.faraday.com/privacy?c=n>

Section 3

<https://www.munichre.com/HSBEIL/W-2/service/privacy-statement/processing-your-personal-information/index.html>

All Sections

<http://www.rqcrs.com/about-us/data-protection/>

A paper copy of the full Data Privacy Notice can be obtained by contacting:

Sections 5 and 6

by email from faradaycompliance@faraday.com or by writing to:

Data Protection Officer
Faraday
Corn Exchange
55 Mark Lane
London EC3R 7NE

Section 3

by email from dataprotection@hsbeil.com or by writing to:

Data Protection Manager
HSB Engineering Insurance Limited
Chancery Place,
50 Brown Street
Manchester M2 2JT

All Sections

by writing to:

The Commercial Manager
R&Q Commercial Risk Services Limited
1 Cornhill
London
EC3V 3ND

General Definitions

These Definitions apply to all Sections of the Policy unless stated otherwise. Other Definitions are contained within the Sections of the Policy where they apply.

Business

The Business stated in the Schedule, including

- a) the ownership, repair and maintenance of Your business property;
- b) the provision and management of canteen, social, sports and welfare activities for Your benefit or the benefit of Your Employees;
- c) the provision and management of first aid, fire, security and ambulance services;
- d) the performance of private duties carried out by Your Employees with Your written consent for any of Your principals, including directors, partners, or senior officials,

and no other Business for the purposes of this Policy.

Consequential Loss

Any further loss of any kind that may arise due to, or as a result of, loss or destruction of or any Damage to any property whatsoever.

ELTO

The Employers' Liability Tracing Office or any successor body or bodies to it.

Employee

- any person under a contract of service or apprenticeship with You;
- any labour master or labour only sub-contractor or person supplied by any of them;
- any self-employed person;
- any person under a contract of service or apprenticeship with another employer and who is hired to, or borrowed by, You;
- any person participating in any government or otherwise authorised work experience, training, study exchange or similar scheme;
- any volunteers,

whilst working for You in the course of the Business.

Excess

The first amount of each and every claim (as shown in the Schedule) for which You are responsible.

FCA

The Financial Conduct Authority or any successor body or bodies to it.

Goods

Goods or products (including containers, labelling instructions or advice provided) manufactured, sold, supplied, erected, repaired, altered, treated, transported, serviced or installed by You in the course of the Business

Injury

Bodily injury, death, illness, disease or shock causing bodily injury.

Lloyd's

Lloyd's of London or any successor body or bodies to it

Offshore

From the moment in time that an Employee shall embark onto any conveyance at the point of final departure on land to any offshore installation until the moment in time that an Employee shall disembark from any conveyance onto land upon their return from any offshore installation.

Period of Insurance / Policy Period

The period shown in the Schedule and any subsequent period for which We accept Your premium for renewal of this Policy.

Policy

The Policy and Schedule and any endorsements attached or issued.

PRA

The Prudential Regulation Authority or any successor body or bodies to it.

Premises

The Premises as stated in the Schedule.

Proposal

The signed Proposal or Statement of Fact for (however described) and any additional information submitted to the Insurer by You or on Your behalf.

Terrorism

Any act(s), of any person (s) or organization(s) involving:

- (a) the causing, occasioning or threatening of harm of whatever nature and by whatever means;
- (b) putting the public or any section of the public in fear;

in circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organization(s) concerned are wholly or partly of a political, religious, ideological or similar nature.

We/ Insurer/ Our/ Us

Faraday Underwriting Limited for and on behalf of Syndicate 435 at Lloyd's (Sections 1, 2 and 4)
HSB Engineering Insurance Limited (Section 3)

You, Your, Yours, Insured:

The person or persons or corporate body named in the Schedule and includes:

Any subsidiary company which is named in the Schedule operating in or from premises in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man;

At Your written request:

- any principal including, any director, partner, or senior official, or any Employee of Yours, while acting on Your behalf, of or in the course of their employment or engagement by You, in respect of liability for which You would have been entitled to insurance under this Policy if the claim against any such person had been made against You;
- any officer, member or Employee of Your canteen, social, sports or welfare organisation or fire, first aid or ambulance service in their respective capacity as such;
- any principal, including any director, partner or senior official of Yours, in respect of private work carried out by any Employee of Yours for any such person with Your consent;

In the event of Your death, Your personal representatives in respect of liability incurred by You, provided that such person shall, as though they were You, observe, fulfil and be subject to this Policy including the Introduction, the Customer Service Information, the General Definitions, General Conditions, General Exclusions, Sections, Section Extensions, the Schedule and any Endorsements as far as they can apply.

Legislation

In this Policy We make reference to various laws and statutes. There follows a brief description of each. This is intended for information purposes only and is not part of Your Policy terms.

The laws and statutes referred to below shall apply as amended or replaced from time to time.

Consumer Protection Act 1987	Designed to protect consumers from products that do not reach a reasonable level of safety.
Contracts (Rights of Third Parties) Act 1999	Makes provision for the enforcement of contractual terms by third parties.
Corporate Manslaughter and Corporate Homicide Act 2007	States that companies and organisations can be found guilty of corporate manslaughter or homicide if serious management failures cause a person's death and amount to a breach of a duty of care.
Data Protection Act 1998	Controls how an individual's personal information is used by organisations, businesses or the government.
Defective Premises Act 1972	Imposes duties in connection with the provision of premises and imposes liability for injury or damage caused to persons through defects in the state of the premises. In certain circumstances the duty of care is extended to after the premises have been disposed of.
Defective Premises (Northern Ireland) Order 1975	Imposes duties in connection with the provision of premises and imposes liability for injury or damage caused to persons through defects in the state of the premises. In certain circumstances the duty of care is extended to after the premises have been disposed of.
EU Environmental Liability Directive	Establishes a framework based on the "polluter pays" principle to prevent and remedy environmental damage.
Food Safety Act 1990	Provides the framework for all food legislation in Britain and sets out the duties of food producers and food handlers in relation to food safety.
Health and Safety at Work (Northern Ireland) Order 1978	Places duties on all employers to ensure, so far as is reasonably practicable, the health, safety and welfare at work of all employees.
Road Traffic Act 1988	Consolidates certain enactments relating to road traffic, including road safety, construction and use of vehicles and equipment, licensing of drivers of vehicles, driving instruction and third-party liabilities.
Road Traffic Northern Ireland Order 1981	Relates to road traffic, including road safety, licensing of drivers of vehicles, regulation of motor vehicles, foreign vehicles and insurance against third-party liabilities.

Section 1 – Employers’ Liability

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown on page 10 also apply to this Section. The General Conditions in Section 6 and General Exclusions in Section 7 also apply to this Section.

Scope of Cover

What is covered

- 1) All sums which You shall become legally liable to pay as damages including claimants’ costs and expenses in respect of Injury sustained by an Employee of Yours arising out of and in the course of their employment or engagement by You and caused during the Policy Period stated in the Schedule in connection with the Business and occurring within the Geographical Limits given below.
- 2) All costs and expenses incurred by You (except as described in 3 below) with Our written consent in respect of any claim against You which may be covered by this Policy.
- 3) The payment of legal and other defence fees incurred with Our written consent, up to a limit of £50,000 arising out of any one occurrence, for Your representation at any Coroner’s Inquest or Fatal Accident Inquiry in respect of any death, and at which Your Employee or principal, including any director, partner, or senior official, has been requested to give evidence, and proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty resulting in Injury which may be covered by this Policy.

Limit of Indemnity

The most We will pay under this Section in respect of any one claim against You, or series of claims against You arising out of one occurrence, inclusive of all costs and expenses shall not exceed in the aggregate the Limit of Liability stated in the Schedule.

Geographical Limits

In this section, Geographical Limits means Great Britain, Northern Ireland, the Channel Islands or the Isle of Man or whilst temporarily outside the countries named above provided that any such Employee is: (a) ordinarily resident in any of the above countries; and (b) engaged in non-manual work.

Rights of Recovery

The cover under this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man. You shall repay to Us all sums paid by Us which We would not have been liable to pay but for the provisions of such law.

Extensions

1. Unsatisfied Court Judgements

- (a) Where a judgment for damages has been obtained by any Employee or their legal personal representatives:
 - (i) in respect of Injury sustained by the Employee arising out of and in the course of their employment by You;
 - (ii) against any company or individual operating from, or resident within, the Geographical Limits in any court situated in the Geographical Limits, and such judgment remains unsatisfied in whole or in part 6 months after the date of judgment, at Your request.

We will pay to the Employee or their legal personal representatives the amount of any such damages and any awarded costs to the extent that they remain unsatisfied.

- (b) If any payment is made by Us the Employee or their said legal personal representatives shall assign the judgment to Us.
- (c) Our liability for damages, costs and expenses shall not exceed the amount stated as the Limit of Liability in the Schedule.

We will not cover any judgment where an appeal remains outstanding.

Section 1 – Employers’ Liability

2. Offshore

If We are required by compulsory insurance regulations then We will make a payment in respect of Injury occurring Offshore.

We will not cover any judgment where an appeal remains outstanding.

3. Terrorism

Injury as a result of Terrorism to any Employee of Yours which arises out of and in the course of employment or engagement by You.

We shall not cover You in respect of liability in excess of £5,000,000 any one occurrence.

4. Indemnity to Principal

We will cover any principal against liability in respect of Injury or loss of, or damage to, Property, to the extent that any contract or agreement entered into by You with any principal so requires.

Provided that:

- (a) payment would have been made by Us had a claim been made against You;
- (b) the principal shall observe fulfil and be subject to the terms, conditions, exclusions and endorsements of this Policy as far as they can apply;
- (c) No payment will be made by Us in respect of liquidated damages or under any penalty clause;
- (d) payment made by Us shall only apply in respect of liability to any person who is an Employee.

5. Health and Safety at Work Act etc and Corporate Manslaughter

We will cover You and at Your request any director, partner, senior official or Employee of Yours, in respect of legal costs and expenses incurred with Our written consent in the defence of any prosecution or (subject to the provisions below) incurred in connection with appeal against conviction arising from such prosecution under the provisions of:

- (1) the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978;
- (2) the Corporate Manslaughter and Corporate Homicide Act 2007.

Provided that the proceedings relate to an offence alleged to have been committed during the Policy Period and in the course of the Business, and where there is also a claim or potential claim for damages against You or any of the additional persons insured, You are entitled to cover under this Policy.

We will only pay the costs and expenses of legal representation for an appeal against conviction if:

any related claim against You for damages remains unsettled; and

in the opinion of the legal representatives acting for You an appeal is more likely than not to succeed; and

the total amount of any damages likely to be awarded against you exceeds the total cost of legal representation for an appeal.

The most We will cover You for in respect of all such legal costs and expenses in respect of each and every prosecution, arising out of one occurrence shall not exceed £1,000,000 regardless of the number of offences alleged against You.

We will not cover You in respect of:

- (a) fines or penalties of any kind, remedial or publicity orders or prosecution costs imposed as a consequence of such prosecution, including any fee for intervention;
- (b) any circumstances for which cover is provided by any other insurance;

Section 1 – Employers’ Liability

(c) proceedings consequent upon a deliberate act by, or omission of, any person entitled to insurance under this Extension if the result thereof could reasonably have been expected having regard to the nature and circumstances of such act or omission;

(d) proceedings which arise out of any activity or risk excluded from this Policy.

If a claim for damages is settled or is withdrawn, We will have no further liability other than in respect of costs and expenses of legal representation incurred before the date of the claim payment.

6. Court Attendance Costs

If any of the people mentioned below attend court as a witness at Our request, in connection with a claim in respect of which You are entitled to insurance under this Policy, We will provide compensation to You at the following rates per day for each day on which attendance is required:

- (a) £250 for You or any of Your directors or partners;
- (b) £100 for any Employee.

Exclusions

What is not covered (see also *General Exclusions*):

We will not cover You in respect of:

1. Injury sustained by any Employee
 - (i) in respect of which compulsory insurance is required to be arranged by You under the Road Traffic Act 1998 or the Road Traffic (Northern Ireland) Order 1981 or any subsequent legislation; or
 - (ii) whilst Offshore other than as referred to in Extension 2 of this Section.
2. Any judgment, award or settlement made within countries which operate under the laws of the United States of America or Canada (or any order made anywhere in the world to enforce such judgment award or settlement either in whole or part) unless You have requested that there shall be no such limitation and have accepted the terms offered by Us in granting such cover, which offer and acceptance must be subject to specific endorsement to this Policy.
3. any liability caused by, or contributed to, by, or arising from:
 - ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component,but as far as concerns Injury to any Employee which arises out of and in the course of their employment or engagement by You this exclusion shall apply only in respect of:
 - liability of any principal, including directors, partners, or senior officials
 - liability assumed by You by agreement and which would not have attached in the absence of such agreement.
4. Any liability for punitive, multiplied or exemplary damages, fines or penalties.
5. Any liability as a result of Terrorism, except as provided in Extension 3.
6. Any liability which is assumed by You by agreement, unless such liability would have attached in the absence of such agreement.
7. Injury, loss, damage, cost or expense of any kind caused by, or contributed to, by, or arising from, the manufacture, production, storage or handling of asbestos or materials containing asbestos. This Exclusion shall not apply to the accidental discovery of asbestos, or materials containing asbestos fibre, provided that without delay, upon discovery all handling, removal, transportation or disposal of asbestos, or materials containing asbestos fibre, ceases and any subsequent handling, removal, transportation or disposal of asbestos, or materials containing asbestos fibre, is carried out by qualified licensed subcontractors on terms which will indemnify You for all liability arising out of such work.

Section 2 – Public Liability and Products Liability

Sub-Section 2(a) – Public Liability

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown on page 10 also apply to this Section. The General Conditions in Section 6 and General Exclusions in Section 7 also apply to this Section.

Scope of Cover

What is covered

- 1) All sums which You shall become legally liable to pay as damages including claimants' costs and expenses in respect of:
 - a) Accidental Injury to any person;
 - b) Accidental physical loss of, or physical damage to, Property;
 - c) Obstruction, trespass, nuisance or interference with any right of way, air, light or water or other easement;
 - d) Wrongful arrest, wrongful detention, false imprisonment, or malicious prosecution;

in connection with the Business and occurring anywhere within the Geographical Limits given below during the Policy Period stated in the Schedule.

- 2) All costs and expenses incurred by You (except as described in 3 below) with Our written consent in respect of any claim against You which may be covered by this Policy.
- 3) The payment of legal and other defence fees incurred with Our written consent, up to a limit of £50,000 arising out of any one occurrence, for Your representation at any Coroner's Inquest or Fatal Accident Inquiry in respect of any death and at which Your Employee or principal, including any director, partner, or senior official, of Yours has been requested to give evidence and proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty resulting in Injury or loss of or damage to Property which may be covered by this Policy.

Limits of Liability

The most We will pay under this Section (including any extensions) for damages in respect of any one claim against You or series of claims against You arising out of one occurrence shall not exceed in the aggregate the Limits of Liability stated in the Schedule.

Any costs and expenses incurred by You in respect of this Section under this Policy will be payable in addition to the Limits of Liability stated in the Schedule.

Geographical Limits

- a) Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- b) Elsewhere in the world arising out of temporary visits by Employees
 - (i) ordinarily resident in any of the aforesaid countries
 - (ii) engaged in non-manual work

Section 2 – Public Liability and Products Liability

Extensions

1. Motor Vehicles Tool of Trade Risk

We will cover You in respect of liability for Injury or loss of or damage to Property caused by or arising from:

- (a) the use of plant as a tool of trade at Your premises or on any site at which You are working;
- (b) the loading or unloading of any vehicle or the bringing to, or taking away of, a load from any vehicle;
- (c) damage to any building, bridge, weighbridge road or to anything beneath, caused by vibration or by the weight of any vehicle or its load.

We will not cover You against liability:

- (a) in respect of which compulsory insurance or security is required under any legislation governing the use of the vehicle;
- (b) for which insurance is provided by any other policy.

2. Motor Contingent Liability

We will cover You in respect of liability for Injury or damage to Property arising from the ownership, possession or use under Your control or the control of any of Your Employees of any mechanically propelled vehicle, including anything attached to it, used in circumstances where insurance or security is required by any road traffic legislation or where insurance is already provided by any other policy or security, caused by or arising from any motor vehicle or anything attached to it, not belonging to or provided by You, being used by an Employee in the course of the Business.

We shall not cover You against liability:

- (a) in respect of damage to any such vehicle or anything attached to it or Property being conveyed by such vehicle or anything attached to it;
- (b) for which insurance is already provided by any other policy;
- (c) caused or arising whilst such vehicle or anything attached to it is:
 - (i) engaged in racing, pace-making, reliability trials, or speed testing; or
 - (ii) driven by the You; or
 - (iii) being driven with Your consent or the consent of anyone acting on Your behalf by any person who to Your, or anyone acting on Your behalf's, knowledge does not hold a licence to drive such vehicle; or
 - (iv) used outside the Geographical Limits.

3. Movement of Obstructing Vehicles

We will cover You in respect of liability for Injury or loss of or damage to Property caused by or arising from any vehicle (not owned or hired by or lent to You) being driven by You or by any Employee with Your permission whilst such vehicle is being moved for the purpose of allowing free movement of any vehicles or pedestrians.

We will only cover You under this Section extension if:

- (a) movements are limited to vehicles parked on or obstructing Your premises, or any site at which You are working; and
- (b) the vehicle causing obstruction will not be driven by any person unless such person is competent to drive the vehicle; and
- (c) the vehicle causing obstruction is driven by use of the owner's ignition key.

We will not cover You against liability:

- (i) in respect of damage to such vehicle;

Section 2 – Public Liability and Products Liability

- (ii) in respect of which compulsory insurance or security is required under any legislation governing the use of the vehicle.

4. Defective Premises Act

We will cover You in respect of liability arising under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with any premises previously owned or occupied by You for purposes pertaining to the Business and which have since been disposed of by You.

We will not cover You against liability:

- (a) for which insurance is already provided by any other policy;
- (b) for the costs of making good any defect or alleged defect in such premises.

5. Leased or Rented Premises

We will cover You in respect of liability for loss of, or damage to, premises including their contents being leased or rented to You.

We will not cover You against liability assumed by You under any agreement, which would not have attached in the absence of such agreement.

6. Overseas Personal Liability

The Insurers will within the terms of this Section indemnify

- a) You
- b) at Your request
 - i) any director partner or Employee
 - ii) any spouse or child of the persons stated in a) or b) i) above who are accompanying such persons

in respect of liability incurred by such persons in a personal capacity in connection with an event occurring in a country outside of the Geographical Limits whilst on a temporary visit to such country in connection with the Business

Provided that

- a) any person entitled to indemnity under this Section Extension shall as though they were You be subject to the terms Exceptions and Conditions of this Policy insofar as they can apply
- b) nothing in this Section Extension shall increase the liability of the Insurers to pay any amount exceeding the Limit of Indemnity regardless of the number of persons claiming to be indemnified

We shall not cover You in respect of:

- (a) contractual liability;
- (b) liability for which insurance is already provided by any other policy;
- (c) liability in respect of damage to Property belonging to or in the custody or under the control of any insured person under this Section Extension;
- (d) liability in respect of Injury to any insured person under this Section Extension;
- (e) liability caused by or arising from:
 - (i) the ownership or occupation of land or buildings;
 - (ii) the carrying on of any business, profession, trade or employment;
 - (iii) the ownership, possession or use of animals other than domestic dogs or cats.

Section 2 – Public Liability and Products Liability

7. Data Protection Act

If You have registered in accordance with the terms of the Data Protection Act 1998, or have applied for such registration which has not been refused or withdrawn, We will cover You under this Section Extension in respect of compensation for damage arising out of any claim under Section 13(2) of the Data Protection Act 1998 not otherwise insured hereunder and first made against You during the Policy Period stated in the Schedule.

We shall not cover You for damages, costs and expenses that exceed the Limits of Liability stated in the Schedule, and notwithstanding anything stated in the Schedule or elsewhere in this Policy to the contrary the said Limits of Liability shall for the purpose of this Section Extension apply in respect of the total of all claims during the Policy Period stated in the Schedule.

We will not cover You in respect of:

- (a) the first 10% of each claim, subject to a minimum of £500 and a maximum of £5,000;
- (b) liability caused by, or arising from, a deliberate act by, or omission of any person entitled to insurance under this Section Extension if the result could reasonably have been expected having regard to the nature and circumstances of such act or omission;
- (c) the costs of replacing, reinstating, rectifying or erasing any personal data;
- (d) liability caused by, or arising from, any incident or circumstances known to You at the start of the Policy Period stated in the Schedule which may give rise to a claim;
- (e) liability caused by or arising from the recording, processing or provision of data for reward, or the determining of the financial status of a person;
- (f) contractual liability;
- (g) liability in respect of Injury to any person or damage to Property.

8. Indemnity to Principal

We will cover any principal under this Section against liability in respect of Injury or loss of, or damage to, Property, to the extent that any contract or agreement entered into by You with any principal so requires.

Provided that:

- (a) payment would have been made by Us had a claim been made against You;
- (b) the principal shall observe fulfil and be subject to the terms, conditions, exclusions and endorsements of this Policy as far as they can apply;
- (c) No payment will be made by Us in respect of liquidated damages or under any penalty clause;

9. Cross Liabilities

If You are comprised of more than one party, We will make payment to each party in the same manner and to the same extent as if a separate Policy had been issued to each party.

Nothing in this Extension shall increase the Limits Of Liability of the operative Section stated in the Schedule, regardless of the number of persons claiming to be insured by this Policy.

10. Health and Safety at Work Act etc and Corporate Manslaughter

We will cover You and at Your request any director, partner, senior official or Employee of Yours, in respect of legal costs and expenses incurred with Our written consent in the defence of any prosecution or (subject to the provisions below) incurred in connection with appeal against conviction arising from such prosecution under the provisions of:

the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978;
the Corporate Manslaughter and Corporate Homicide Act 2007.

Section 2 – Public Liability and Products Liability

Provided that the proceedings relate to an offence alleged to have been committed during the Policy Period and in the course of the Business, and where there is also a claim or potential claim for damages against You or any of the additional persons insured, You are entitled to cover under this Policy.

We will only pay the costs and expenses of legal representation for an appeal against conviction if:

- a) any related claim against You for damages remains unsettled; and
- b) in the opinion of the legal representatives acting for You an appeal is more likely than not to succeed; and
- c) the total amount of any damages likely to be awarded against you exceeds the total cost of legal representation for an appeal.

The most We will cover You for in respect of all such legal costs and expenses in respect of each and every prosecution, arising out of one occurrence shall not exceed £1,000,000 regardless of the number of offences alleged against You.

11. Court Attendance Costs

If any of the people mentioned below attend court as a witness at Our request, in connection with a claim in respect of which You are entitled to insurance under this Policy, We will provide compensation to You at the following rates per day for each day on which attendance is required:

£250 for You or any of Your directors or partners;
£100 for any Employee.

Exclusions

What is not covered (see also *General Exclusions*):

We shall not cover You under this Section for:

1. Loss of, or damage to, Property belonging to You, or in Your custody or control, or in the custody or control of Your Employees other than:
 - (i) personal effects (including vehicle and their contents) of Employees or visitors;
 - (ii) any premises including their contents, not being premises leased or rented to You, which are temporarily occupied by You for the purpose of carrying out work there;
 - (iii) any other Property on which You or any of Your Employees or agents is or has been carrying out work, but We will not cover You in respect of loss or damage to that part of any Property being worked upon;
2. Loss arising from the ownership, possession or use under Your control or the control of any of Your Employees of:
 - (i) any mechanically propelled vehicle, including anything attached to it, used in circumstances where insurance or security is required by any road traffic legislation or where insurance is provided by any other policy or security;
 - (ii) any craft intended to travel through air or space, or other aerial devices, hovercraft, or watercraft (other than hand propelled watercraft or sailing craft not exceeding six metres in length);
3. Loss caused by any Goods after they have left Your custody or control, other than food or drink supplied primarily for the use of Your Employees or for entertainment purposes;
4. Loss arising from professional advice given separately for a fee or other charge by You or by anyone on Your behalf or in circumstances where a fee would normally be charged;
5. The amount shown as Excess stated in the Schedule.
6. Any judgment, award or settlement made within countries which operate under the laws of the United States of America or Canada (or any order made anywhere in the world to enforce such judgment award or settlement either in whole or part) unless You have requested that there shall be no such limitation and have accepted the

Section 2 – Public Liability and Products Liability

terms offered by Us in granting such cover, which offer and acceptance must be subject to specific endorsement to this Policy.

7. Any liability caused by, or contributed to, by, or arising from:
- ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component,

but as far as concerns Injury to any Employee which arises out of and in the course of their employment or engagement by You this exclusion shall apply only in respect of:

- liability of any principal, including directors, partners, or senior officials
 - liability assumed by You by agreement and which would not have attached in the absence of such agreement.
8. Any liability for punitive, multiplied or exemplary damages, fines or penalties.
9. Any liability as a result of Terrorism.
10. Any liability which is assumed by You by agreement, unless such liability would have attached in the absence of such agreement.
11. Injury, loss, damage, cost or expense of any kind caused by, or contributed to, by, or arising from, the manufacture, production, storage or handling of asbestos or materials containing asbestos.
This Exclusion shall not apply to the accidental discovery of asbestos, or materials containing asbestos fibre, provided that without delay, upon discovery all handling, removal, transportation or disposal of asbestos, or materials containing asbestos fibre, ceases and any subsequent handling, removal, transportation or disposal of asbestos, or materials containing asbestos fibre, is carried out by qualified licensed subcontractors on terms which will indemnify You for all liability arising out of such work.
12. Loss of, or damage, or legal liability occasioned by, happening through, or in consequence of war, invasion, acts of foreign enemies hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to Property by or under the order of any government, or public, or local authority.
13. Loss of, or damage to, or any costs or expense incurred in repairing, replacing, removing, rectifying, recalling, or making any refund in respect of Goods.
14. Liability arising from Goods used with Your knowledge in connection with aircraft and other aerospace devices (including drones), watercraft, or Offshore structures.
15. Injury, loss, damage, cost or expense of any kind caused by, resulting from or in connection with, any component building material that must be removed, encapsulated or otherwise abated because its presence or release is a hazard to human health.
16. Injury, loss, damage, cost or expense of any kind caused by, resulting from or in connection with any fungus of any kind, including but not limited to mildew, mould, spores or allergens.
17. Any liability caused by, or arising out of pollution, or contamination of buildings or other structures or of water or land or the atmosphere, but this exclusion shall not apply in respect of pollution or contamination caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during the Policy Period stated in the Schedule.

Section 2 – Public Liability and Products Liability

Sub-Section 2(b) – Products Liability

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown on page 10 also apply to this Section. The General Conditions in Section 6 and General Exclusions in Section 7 also apply to this Section.

Scope of Cover

What is Covered

- (1) All sums which You shall become legally liable to pay as damages including claimants' costs and expenses in respect of:
 - (a) Accidental Injury to any person; and
 - (b) Accidental physical loss of, or physical damage to, Property,

caused by any Goods occurring anywhere within the Geographical Limits given below during the Policy Period stated in the Schedule which arises in connection with the Business

- (2) All costs and expenses incurred by You (except as described in 3 below) with Our written consent in respect of any claim against You which may be covered by this Policy.
- (3) The payment of legal and other defence fees incurred with Our written consent up to a limit of £50,000 arising out of any one occurrence for Your representation at any Coroner's Inquest or Fatal Accident Inquiry in respect of any death and at which an Employee or principal including a director, partner, or senior official, of Yours has been requested to give evidence and at proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty resulting in Injury or loss of or damage to Property in respect of any Goods.

Limit of Indemnity

The most We will pay under this Section (including any extensions) in respect of damages awarded against You shall not exceed in the aggregate during the Policy Period the Limits of Liability stated in the Schedule.

Any costs and expenses incurred by You in respect of this Section, will be payable in addition to the Limits of Liability.

Geographical Limits

Anywhere in the world other than at Your premises during the Policy Period stated in the Schedule and caused by any Goods.

Extensions

1. Consumer Protection Act and Food Safety Act

We will cover You, and at Your request any principal, including any director, partner, senior official, or any Employee of Yours, under this Section 3 Extension, for legal costs and expenses incurred with Our written consent in the defence of any criminal proceedings brought for a breach of Part II of the Consumer Protection Act 1987 and Sections 7 and 8 of the Food Safety Act 1990, including such legal costs and expenses incurred in an appeal against conviction arising from such proceedings and prosecution costs awarded in connection.

Provided that:

- (a) the proceedings relate to an offence alleged to have been committed during the Policy Period stated in the Schedule and in the course of the Business;
- (b) the principal, including a director, partner or senior official, or Employee shall as though they were You be subject to the terms, conditions, exclusions and limitations of this Policy insofar as they can apply.

We shall not cover You in respect of:

Section 2 – Public Liability and Products Liability

- (a) fines or penalties of any kind;
- (b) any proceedings arising from circumstances for which insurance is already provided by any other policy;
- (c) proceedings consequent upon a deliberate act by, or omission of, any person entitled to insurance under this Extension if the result thereof could reasonably have been expected having regard to the nature and circumstances of such act or omission;
- (d) proceedings which arise out of any activity or risk excluded from this Policy.

2. Cross Liabilities

If You are comprised of more than one party, We will make payment to each party in the same manner and to the same extent as if a separate Policy had been issued to each party.

Nothing in this Extension shall increase the Limits Of Liability of the operative Section stated in the Schedule, regardless of the number of persons claiming to be insured by this Policy.

3. Health and Safety at Work Act etc and Corporate Manslaughter

We will cover You and at Your request any director, partner, senior official or Employee of Yours, in respect of legal costs and expenses incurred with Our written consent in the defence of any prosecution or (subject to the provisions below) incurred in connection with appeal against conviction arising from such prosecution under the provisions of:

the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978; the Corporate Manslaughter and Corporate Homicide Act 2007.

Provided that the proceedings relate to an offence alleged to have been committed during the Policy Period and in the course of the Business, and where there is also a claim or potential claim for damages against You or any of the additional persons insured, You are entitled to cover under this Policy.

We will only pay the costs and expenses of legal representation for an appeal against conviction if:

- a) any related claim against You for damages remains unsettled; and
- b) in the opinion of the legal representatives acting for You an appeal is more likely than not to succeed; and
- c) the total amount of any damages likely to be awarded against you exceeds the total cost of legal representation for an appeal.

The most We will cover You for in respect of all such legal costs and expenses in respect of each and every prosecution, arising out of one occurrence shall not exceed £1,000,000 regardless of the number of offences alleged against You.

4. Court Attendance Costs

If any of the people mentioned below attend court as a witness at Our request, in connection with a claim in respect of which You are entitled to insurance under this Policy, We will provide compensation to You at the following rates per day for each day on which attendance is required:

£250 for You or any of Your directors or partners;
£100 for any Employee.

Section 2 – Public Liability and Products Liability

Exclusions

What is not covered (see also General Exclusions):

We shall not cover You under this Section in respect of liability:

1. Caused by, or in connection with, any Goods which to Your knowledge are for export to, or use in, the United States of America or Canada;
2. Caused by any Goods in the custody or control of You;
3. The amount shown as Excess in the Schedule.
4. Any judgment, award or settlement made within countries which operate under the laws of the United States of America or Canada (or any order made anywhere in the world to enforce such judgment award or settlement either in whole or part) unless You have requested that there shall be no such limitation and have accepted the terms offered by Us in granting such cover, which offer and acceptance must be subject to specific endorsement to this Policy.
5. Any liability caused by, or contributed to, by, or arising from:
 - ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component,

but as far as concerns Injury to any Employee which arises out of and in the course of their employment or engagement by You this exclusion shall apply only in respect of:

- liability of any principal, including directors, partners, or senior officials
 - liability assumed by You by agreement and which would not have attached in the absence of such agreement.
6. Any liability for punitive, multiplied or exemplary damages, fines or penalties.
 7. Any liability as a result of Terrorism.
 8. Any liability which is assumed by You by agreement, unless such liability would have attached in the absence of such agreement.
 9. Injury, loss, damage, cost or expense of any kind caused by, or contributed to, by, or arising from, the manufacture, production, storage or handling of asbestos or materials containing asbestos.
This Exclusion shall not apply to the accidental discovery of asbestos, or materials containing asbestos fibre, provided that without delay, upon discovery all handling, removal, transportation or disposal of asbestos, or materials containing asbestos fibre, ceases and any subsequent handling, removal, transportation or disposal of asbestos, or materials containing asbestos fibre, is carried out by qualified licensed subcontractors on terms which will indemnify You for all liability arising out of such work.
 10. Loss of, or damage, or legal liability occasioned by, happening through, or in consequence of war, invasion, acts of foreign enemies hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to Property by or under the order of any government, or public, or local authority.
 11. Loss of, or damage to, or any costs or expense incurred in repairing, replacing, removing, rectifying, recalling, or making any refund in respect of Goods.
 12. Liability arising from Goods used with Your knowledge in connection with aircraft and other aerospace devices (including drones), watercraft, or Offshore structures.

Section 2 – Public Liability and Products Liability

13. Injury, loss, damage, cost or expense of any kind caused by, resulting from or in connection with, any component building material that must be removed, encapsulated or otherwise abated because its presence or release is a hazard to human health.
14. Injury, loss, damage, cost or expense of any kind caused by, resulting from or in connection with any fungus of any kind, including but not limited to mildew, mould, spores or allergens.
15. Any liability caused by, or arising out of pollution, or contamination of buildings or other structures or of water or land or the atmosphere, but this exclusion shall not apply in respect of pollution or contamination caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during the Policy Period stated in the Schedule.

Section 3 – Contractors’ All Risks

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown on page 10 also apply to this Section. The General Conditions in Section 6 and General Exclusions in Section 7 also apply to this Section.

Cover

The Company will indemnify You in respect of physical loss of or damage to

Sub Section A – Contract Works

Contract Works on or adjacent to the site of any Contract including whilst in Transit

Sub Section B- Owned Plant

Owned Plant anywhere within the Territorial Limits and whilst in Transit

Sub Section C – Hired in Plant

Hired In Plant against their legal liability under the terms of the hiring agreement to pay

(a) for physical loss of or damage to the Hired In Plant

(b) continuing hiring charges for the Hired In Plant following physical loss or damage insured under (a) whilst anywhere within the Territorial Limits and whilst in Transit

The Insurer will where legal proceedings have been defended with its written consent pay all legal expenses for which You may be liable

Sub Section D – Employees Tools and Personal Effects

Employees Tools and Personal Effects whilst on or adjacent to the site of any Contract

Additional Cover applying to Sub Section A

Additional Interests

1. The interest of any Employer Principal Contractor or Sub Contractor but only to the extent to which that interest is required to be insured by the terms of the Contract

Plans and Documents

2. Clerical costs necessarily incurred in re-writing or reproducing plans drawings or other Contract documents damaged within the Territorial Limits provided that the liability of the Insurer shall not exceed £25,000 in respect of any one occurrence of physical loss or damage

Maintenance

3. Physical loss of or damage to the permanent works occurring

(a) during the maintenance period or defects liability period not exceeding 12 months in duration specified in the conditions of the Contract arising from a cause occurring whilst in transit or at the site prior to the commencement of the defects liability period but after the inception date of the Policy

(b) by a cause occurring within 14 days after the issue of a certificate of completion or for which the Contractor is responsible under the conditions of contract

(c) by the Contractor during the course of any operations carried out by it for the purpose of complying with its obligations under the provisions of the contract in respect of any defects liability period

Show Houses and Contents

4. Physical loss of or damage to

(a) Show Houses

(b) Contents of Show Houses subject to a limit of £50,000 any one Show House

Dismantling or Demolition

5. In substitution for Additional Cover Applying to All Specifications (Debris Removal)

The costs and expenses necessarily incurred in respect of

(a) removal of debris

(b) dismantling or demolition

(c) shoring or propping up

(d) clearance of drains and sewers

(e) dewatering

Section 3 – Contractors' All Risks

resulting from physical loss of or damage to Sub Section A of the Insured Property and for which there is liability under this Policy

Cover also extends to include the cost of removal of debris arising from unauthorised tipping or inundation of the site but only occurring after commencement of the Contract

Provided that the liability of the Insurer in respect of this Additional Cover shall not exceed 10% of the Estimated Original Contract Price

Off Site Storage

6. Materials and goods for which You are responsible (other than items of stock property materials or equipment intended for sale) intended for inclusion in any Contract Works covered by this Policy whilst temporarily stored within the Territorial Limits provided that the liability of the Insurer in respect of this Additional Cover shall not exceed £100,000 any one loss

Architects Surveyors and Consulting Engineers Fees

7. Architects Surveyors Consulting Engineers and other professional fees necessarily incurred in the reinstatement of Sub Section A of the Insured Property consequent upon its destruction or damage but not incurred for the preparation of a claim

Local Authorities Clause

8. The additional cost of reinstatement of Section 1 of the Insured Property which has been lost or damaged as may be incurred solely by reason of necessity to comply with European Union Legislation for building and other regulations under or framed in pursuance of any Act of Parliament or with the Bye-Laws of any Municipal or Local Authority but excluding

(a) costs incurred in complying with any of the said Regulations or Bye-Laws

(i) in respect of damage occurring prior to the granting of this extension under which notice has been served on You prior to the occurrence of the physical loss or damage

(ii) in respect of undamaged property or portions of undamaged property other than foundations

(b) the amount of any tax rate duty development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the said Regulations or Bye-Laws

The work of reinstatement must be commenced and carried out with reasonable despatch and may be carried out wholly or partially upon another site subject to the liability of the Insurer under this Additional Cover not being thereby increased

Completed Pending Sale – Private Dwelling Houses

9. Physical damage to private dwelling houses constructed as part of the contract for one hundred and eighty days from completion of the individual house or until the date of sale whichever occurs first

Contract Conditions

10. If required by the terms and conditions of the Contract (subject to any Exclusions) cover is extended to include the period of 14 days following the issue of a certificate of completion

This extension does not cover any loss or damage caused by or arising out of the use or occupation by the employer purchaser or principal nor their agents servants or any other contractors (not being employed by You) of the part of the Property Insured under Sub Section A

Section 3 – Contractors’ All Risks

Additional Cover applying to Sub Sections B and C

Immobilised Plant

1. Costs necessarily incurred in the recovery of unintentionally immobilised plant or equipment (other than plant or equipment working underground or underwater) provided that recovery is not necessitated by or in consequence of
 - (a) its own electrical or mechanical breakdown derangement failure or explosion
 - (b) failure to maintain Insured Property in accordance with manufacturers recommendationssubject to a limit of
 - (i) £25,000 in respect of any loss or series of losses arising from a single occurrence or
 - (ii) The sum which would have been payable had the costs not been incurredProvided that the Insurer shall not be liable for loss or damage caused by the process of recovery

Contents Of Site Huts

2. Contents of site huts subject to a maximum of £5,000 excluding
 - a) computers and peripheral equipment
 - b) items excluded elsewhere in this policy

Definitions

Territorial Limits

United Kingdom the Republic of Ireland the Channel Islands or the Isle of Man

Free Issue Materials

Materials supplied to You for incorporation into the Contract Works and for which they are responsible but which have not been included in the final valuation of the Work provided that the value of Free Issue Materials shall be included in any declaration made under the Premium Adjustment Condition of this Specification

Limit of Indemnity

The liability of The Company in respect of any one loss or series of losses arising out of any one occurrence shall not exceed the amount specified in The Schedule as the Limit of Indemnity or Sum Insured

Excess

The amount of a claim not payable by The Company and which shall be deducted after calculation of the amount payable under a claim and unless endorsed otherwise will apply separately in respect of individual Specifications

Insured Property

Wherever the term Insured Property is used in this Section it shall mean only that property insured by this Section and described in The Schedule

Transit

The carriage of the Insured Property to or from the site of any Contract including loading on to and unloading from the conveyance used excluding any Transit by sea or air

Contract

Any Contract or undertaking of You detailed in The Schedule not exceeding twelve months (excluding the maintenance period) undertaken by You anywhere within the Territorial Limits where the Original Estimated Contract Price does not exceed the Sum Insured in respect of Sub Section A of the Insured Property

Contract Works

Works undertaken in performance of the Contract including Works Temporary Works and Materials (including Free Issue Materials)

Original Estimated Contract Price

The estimated or quoted value of the Contract Works prior to commencement including any other costs in connection with the Contract

Owned Plant

Mechanical electrical or manually powered implements materials containment preparation and handling equipment scaffolding staging ladders and similar equipment site huts cabins or similar contractors plant and equipment owned by You unless specifically described otherwise under Sub Section B of The Schedule

Hired In Plant

Mechanical electrical or manually powered implements materials containment preparation and handling equipment

Section 3 – Contractors’ All Risks

scaffolding staging ladders and similar equipment site huts cabins or similar contractors plant and equipment hired In by You unless specifically described otherwise under Sub Section C of The Schedule

Hired In Plant shall not include any Contractors Plant or equipment on a hire purchase lease agreement or that which is on free loan to You

Employees Tools and Personal Effects

Employees Tools and Personal Effects for which You are responsible

Conditions applying to all Sections

Premium Adjustment Clause

1. The deposit premium paid for this insurance is provisional and has been calculated on estimates given by You You shall keep accurate records containing all relevant particulars and shall make these available to the Insurer at any reasonable time

You shall also within reasonable time following the expiry of each Period of Insurance supply to the Insurer all relevant information to enable the correct premium to be calculated and the relevant difference be charged or allowed subject to a minimum retention by the Insurer of 75% of the Deposit Premium

Multiple Lifting Operations

2. For the insurance provided under this Policy to be operative during any operation in which a load is shared between any items of lifting plant or lifting equipment (whether insured under this Policy or not) the lifting operation must be conducted in accordance with BS7121

Application of Heat

3. It is a Condition of this insurance that the following precautions should be taken when open heat sources or naked flames are used

a) Blow Lamps Blow Torches Welding and Cutting Equipment

- i) The area in which they are to be used is first cleared of loose combustible materials and any fixed combustible material should be protected with asbestos blankets or other similar equipment
- ii) A suitable fire extinguisher of 7lb or equivalent capacity is kept available for immediate use
- iii) Blow lamps and blow torches are lit for as short a time as possible before use and extinguished immediately after use
- iv) Lit blow lamps or blow torches are never left unattended
- v) Blow lamps are filled only in the open

b) Vessels for the Heating of Bitumen or Bituminous Compounds

- i) Vessels are continuously attended whilst heating is taking place
- ii) Vessels are only used in the open whilst heating is taking place
- iii) If Vessels are to be sited on roofs or combustible floors a sheet of metal or incombustible materials of not less than 10 feet square placed under the vessel before heating takes place
- iv) A suitable fire extinguisher of 2 gallons or equivalent capacity or two 2 gallon buckets full of sand are kept available for immediate use

The area in which such equipment has been used is to be thoroughly examined one hour after the end of each period of work to ensure that there are no signs of fire

Liability

4. a) No liability shall attach to this Policy for any physical loss or damage not notified to the Insurer within 3 calendar months of the occurrence
- b) No liability shall be admitted and no offer promise or payment be made without the written consent of The Insurer

Loss Reduction

5. You shall carry out and permit to be taken any action which may be reasonably practicable to prevent further loss or damage

Section 3 – Contractors’ All Risks

Conditions applying to Sub Section A

Insured Contracts

1. The insurance provided under Section 1 of Cover applies during the Period of Insurance to any Contract that is current at the beginning of the Period of Insurance and any Contract that is undertaken during the Period of Insurance

The Liability of the Insurer shall cease at the end of the Period of Insurance unless specifically allowed for elsewhere within this Policy or upon cancellation of the insurance at any time during The Period of Insurance

Housing Grants Construction and Regeneration Act 1996 (Adjudication scheme)

2. You shall upon the receipt of a Notice of Adjudication relating to any circumstances which has given rise to a claim under this Policy provide immediate notice (or on the first working day thereafter) thereof by telephone to the Insurer

A Notice of Adjudication means any notice issued by a party to the Contract to which the Housing Grants Construction and Regeneration Act 1996 applies stating the intention to refer a dispute under the Contract to adjudication

Conditions applying to Sub Sections B, C and D

Losses From Vehicles Limitation

1. The liability of the Insurer in respect of losses of machine attachments power tools hand tools and manually powered implements from vehicles shall not exceed £5,000 in aggregate across sub sections A, B and C of this Specification prior to the application of the Excess in respect of any one loss or series of losses arising from one event involving theft or malicious damage

Conditions applying to Sub Section B

Hiring Conditions

1. Whenever Owned Plant is let out on hire the hire shall be subject to

- (a) written conditions which make the hirer responsible for physical loss or damage
- or
- (b) specific conditions agreed by the Insurer in writing and endorsed hereon

Conditions applying to Sub Section C

Hiring Conditions

1. The insurance provided by this Section will indemnify You to the extent required by

- (a) the Model Conditions for the Hiring of Plant recommended by the Construction Plant-hire Association or the Scottish Plant Owners Association or conditions not more onerous or
- (b) specific conditions agreed by the Insurer in writing and endorsed hereon

In the event of a loss involving hire conditions more onerous than those covered by this Specification the indemnity provided will be limited to liability under (a) or (b) above as applicable

Any Hired In Plant which is re-hired must be hired out under conditions no less onerous than those of the original hire to You

Exclusions applying to all Sections

The Insurer shall not be liable for

Penalties or Consequential Losses

1. Liquidated damages penalties under contract for guarantees of performance or efficiency delay or non-completion or consequential loss or damage of any kind or description unless specifically provided for elsewhere within this Policy

Unexplained Losses

2. Unaccountable losses or losses discovered on the occasion of checks or inventories unless You can produce reasonable proof that such losses are as a result of an identifiable incident

Road Vehicles

3. Loss of or damage to:-

(a) licensed cars lorries vans trucks or other road vehicles which are used in circumstances requiring insurance under any road traffic legislation other than

- (i) contractors plant used solely as a tool of trade
- (ii) as specifically provided for elsewhere within this Policy

(b) Quad bikes or motorcycles

Section 3 – Contractors’ All Risks

Money or Guarantees of Money

4. Cash notes postal orders or money orders cheques stamps or other securities for money

Breakdown

5. Loss of or damage to any Insured Property from its own explosion mechanical or electrical failure or breakdown other than where You are responsible for such loss under the terms of a hiring agreement

Cessation of Works

6. Physical loss or damage where work ceases on the site of the Contract for a continuous period exceeding 30 days unless expressly agreed by the Insurer in writing

Loss Or Damage Underground Or Underwater

7. Loss or damage nor abandonment or recovery costs in respect of any item of Insured Property underground or underwater

Exclusions applying to Sub Section A

Completed Pending Sale

1. Physical loss of or damage to any part of Sub Section A of the Insured Property after completion pending sale or lease except as provided for under any relevant Additional Cover applying to Sub Section A

Completed Taken Into Use

2. Physical loss of or damage to any part of Sub Section A of the Insured Property after such property has been completed handed over taken into use or for which a Certificate of Completion has been issued other than as provided for under any relevant Additional Cover applying to Sub Section A

Existing Structures

3. Physical loss of or damage to any property or part of any property which has formed part of any structure prior to commencement of the Contract

Defective Property

4. Physical loss of or damage to and the costs necessary to replace repair or rectify Insured Property
 - (a) which is in a defective condition due to a defect in design plan specification materials or workmanship of such Insured Property or any part thereof
 - (b) which is necessary to enable the replacement repair or rectification of Insured Property excluded by 4(a) above

Exclusion 4(a) shall not apply to other Insured Property which is free of the defective condition and is damaged as a consequence thereof

For the purpose of the Policy and not merely this Exclusion the Insured Property shall not be regarded as lost or damaged solely by virtue of the existence of any defect in design specification materials or workmanship in the Insured Property or any part thereof

Refractory Linings

5. Loss of or damage to refractory linings from the first application of heat

Non-Ferrous Metals

6. Loss resulting from theft in respect of unfixed non-ferrous metals of any description unless at the time of theft either
 - (i) an authorised employee of You is actually on the site or
 - (ii) such property is contained in a securely closed and locked hut or building

Loss Or Damage At Insured’s Own Premises

7. Loss or damage (other than during loading for despatch to or unloading upon return from a Contract site) to Insured Property covered under Sub Section A occurring at premises owned leased rented or occupied by You their sub-contractors or manufacturers of any materials which are for incorporation into the Contract Works

Exclusions applying to Sub Sections B and C

Excluded Parts

1. Loss of or damage to
 - (a) brickwork masonry foundations and supporting structures
 - (b) tyres tools cutting edges moulds dies patterns non-metallic linings glass pulverising and crushing surfaces flexible pipes trailing cables drive belts or parts requiring periodic renewal unless arising from a malicious act or forming part of other insured loss or damage for which liability has been accepted by the Insurer under this Specification

Section 3 – Contractors’ All Risks

- (c) underground or buried piping
- (d) safety or protective devices due to their functioning

Exclusions applying to Sub Section D

Articles of Jewellery

1. Loss of or damage to gold or silver articles jewellery or watches

Limits of Liability

The total amount payable by the Insurer in respect of any claim irrespective of the number of parties insured by the Policy shall not exceed in whole the total Sum Insured or in respect of any item of Insured Property its Sum Insured or any other stated limit

For the purpose of the Sum Insured/Limit of Liability or Indemnity all of the parties insured 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 Insurer and You both as defined herein

The Liability of the Insurer in respect of any one loss or series of losses arising from any one occurrence under

Sub Section A

Shall not exceed 115% of the Original Estimated Contract Price or Maximum Contract Price stated as the Sum Insured in The Schedule including the value of Free Issue Materials plus any amount payable under Additional Cover 5 Dismantling or Demolition

Sub Section B

Shall be limited to the market value at the time of the loss of the item(s) concerned and in aggregate the Sum Insured stated in The Schedule

Subject to a maximum of the Sum Insured shown in The Schedule the amount payable for physical loss or damage in respect of Owned Plant one year old or less at the time of the loss shall be

a) Where Insured Property is lost or damaged to the extent that repair is uneconomic or impractical its replacement by new property of equal performance or capacity or if impossible its replacement by property having the nearest higher performance or capacity to the Insured Property lost or damaged

b) Where the Insured Property is damaged the repair of the damage and the restoration of the damaged portion of the Insured Property to a condition substantially the same as but not better or more extensive than its condition when new Provided that

(i) The liability of the Insurer for loss or damage shall not exceed the Sum Insured or Limit of Indemnity stated in The Schedule

(ii) Repair or replacement must be commenced and carried out expeditiously and in any event completed within six months after the loss or damage or within any further time as the Insurer may allow

(iii) No payment beyond the amount which would have been payable if this basis of settlement had not been incorporated shall be made until the cost of repair or replacement has been incurred

(iv) No payment beyond the amount which would have been payable if this basis of settlement had not been incorporated shall be made if at the time of any loss or damage to the Insured Property it shall be covered by any other insurance held by or on behalf of You which differs in basis of settlement from this insurance

(v) Where any Insured Property has an individual Sum Insured set against it in The Schedule it is separately subject to the following condition

If at the time of repair or replacement the sum representing eighty five percent of the cost which would have been incurred in repair or replacement in the event there had been a total loss exceeds the Sum Insured at the time of any loss or damage You shall be considered Your own insurer for the difference and bear a rateable proportion of the loss or damage accordingly

(vi) Where by reason of the above provisions no payment is made beyond the amount which would have been payable if this basis of settlement had not been incorporated the rights and liability of the Insurer and You in respect of loss or damage shall be subject to the terms Conditions and Exclusions of this Policy as if this condition had not been incorporated

Sub Section C

Shall be limited to the Sum Insured

Sub Section D

Shall be limited to the Sum Insured and the limit any one Employee

Section 3 – Contractors' All Risks

Additional Covers Applying to All Sub Sections

Debris Removal

In respect of each claim for loss or damage for which liability is accepted the cover provided by this Section extends to include costs incurred in the removal of debris and protection of the Insured Property following indemnifiable damage not exceeding £25,000 or 20% of the indemnifiable loss or damage whichever is the lower

Loss Avoidance Measures

Subject to the Limit(s) of Indemnity the Insurers will pay reasonable costs incurred in taking exceptional measures to prevent or mitigate impending loss or damage for which indemnity is provided by this Section Provided that

- (a) loss or damage would reasonably be expected if such measures were not implemented
- (b) The Company are satisfied that loss or damage has been avoided or mitigated by means of the exceptional measures
- (c) the amount payable will be limited to the cost of loss or damage which would have otherwise occurred
- (d) the terms Conditions and Exclusions of this Policy apply as if loss or damage had occurred

Automatic Reinstatement

Sums Insured or Limits of Indemnity will be reinstated from the date of occurrence of any claim subject to an additional premium

The Company will waive the additional premium if the cost of the claim does not exceed £25,000

Expediting Costs

The Company will pay costs necessarily and reasonably incurred in making temporary repairs upon and / or

expediting the repair reinstatement or replacement of Insured Property as a result of indemnifiable loss or damage provided that the liability of The Company shall not exceed 50% of the cost of such loss or damage or £50,000 whichever is the lower

Repair Costs Investigation

With their prior written agreement The Company will pay costs relating to repair investigations and tests following indemnifiable damage to Insured Property by consulting engineers not exceeding £25,000 in any one Period of Insurance

The Company shall not be liable under this Additional Cover for fees incurred in preparing a claim under this Policy

Section 4 – Environmental Impairment Liability

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown on page 10 also apply to this Section. The General Conditions in Sub-Section 6 and General Exclusions in Section 7 also apply to this Section.

This is a Claims-Made Section and is limited to Claim First Made Against You during the Period of Insurance and Reported Immediately to the Insurers and any extended discovery period in accordance with Policy conditions.

Definitions for Section 4 – Environmental Impairment Liability

Claim

Receipt by You or by Us on Your behalf of any:

- demand, including the service of suit or institution of arbitration proceedings, for money or services; or
- notice, written or oral, of intention to make a claim against You; or
- allegations from third parties of Environmental Impairment which might give rise to such a claim; or awareness of any Environmental Impairment from which You believe claims are reasonably likely,

during the Policy Period as defined in the Schedule.

Clean Up

Removal, neutralisation, abatement, or inactivation of any liquids, solids, gases, substances, organisms, thermal irritants, smells, noises, vibrations, light, electricity, radiations, changes in temperature, or any other sensory phenomena.

Environmental Impairment Liability

any

- a) legal obligation for Environmental Restoration
- b) legal obligation for Clean Up
- c) damages on account of Injury
- d) damages on account Property Damage

for any interference with, or diminution of, any environmental right or amenity protected by law, arising out of any Environmental Impairment.

Environmental Restoration

Returning natural resources to or towards their original 'baseline' condition and includes primary remediation, complimentary remediation and compensatory remediation within the meaning of the EU Environmental Liability Directive

Property Damage

Physical loss of or physical damage to Property, including loss of use of Property whether or not physically lost or physically damaged.

Reported Without Delay

Inform Us of all relevant aspects of the situation as soon as possible without delay and in any event within three working days of You becoming aware of anything that might give rise to a claim

Waste Facility

Any property controlled or uncontrolled, used for the storage, treatment processing or disposal of wastes, including the parcel of land on, or in which, the facility is located, together with any parcels of land sharing a common border, in common ownership.

Scope of Cover

What is covered

This is a claims-made Section and is limited to any Claim first made against You during the Policy Period and Reported Without Delay to Us including any extended discovery period in accordance with Policy conditions.

Section 4 – Environmental Impairment Liability

(1) All sums which You shall become legally liable to pay including claimants' costs and expenses in respect of Environmental Impairment which arises in connection with the Business in respect of:

- (a) Injury;
- (b) Property Damage;
- (c) Environmental Restoration;
- (d) legal obligation for Clean Up;
- (e) any interference with, or diminution of, any environmental right or amenity protected by law,

provided that the Environmental Impairment was caused after the Retroactive Date stated in the Schedule and provided there is a Claim first made against You anywhere within the Section 4 Geographical Limits during the Policy Period and Reported Without Delay to Us.

(2) All costs and expenses incurred by You with Our written consent in the investigation, defence or settlement of any Environmental Impairment Liability claim. This indemnification shall only apply to such costs and expenses as are incurred with respect to the portion of a claim covered by this Policy.

(3) Upon Your request before the effective date of cancellation or non-renewal of the Policy We shall issue an endorsement providing an extended discovery period which shall cover Claims first made against You subsequent to the effective date of the cancellation or non-renewal arising out of actual or alleged Environmental Impairment which had taken place prior to the effective date of cancellation or non-renewal.

If You fail to request the extended discovery period before the effective date of cancellation or non-renewal of the Policy You shall not at a later date be able to exercise such right.

The additional premium for such endorsement shall be determined by Us at the time the endorsement is requested and You shall pay the additional premium within 30 days of the effective date of cancellation or non-renewal. This provision shall only apply if a period of at least 11 months has elapsed between the inception date of this policy or any previous policy of which this is a renewal and the effective date of cancellation.

Limit of Indemnity

The most We will pay under this Section for any and all Claims first made against you inclusive of all costs and expenses shall not exceed, in the aggregate during the Policy Period, or within an extended discovery period if You exercise that option, the Limits of Liability stated in the Schedule.

Geographical Limits

Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

Any one Claim

In this Section, Any One Claim shall mean any claim or series of claims from one or multiple claimant arising out of the same isolated, repeated or continuing Environmental Impairment.

Exclusions

What is not covered (see also *General Exclusions*):

We will not cover You under this Section:

1. for any Claim first made against you prior to the start of the Policy Period
2. for
 - (i) maintaining or obtaining compliance with any valid and applicable statute, regulation or written instruction issued by any competent governmental authority to prevent or minimise any emissions, discharges, dispersals, disposals, seepages, releases or escapes of any liquids, solids, gases, organisms or thermal irritants into or upon land, the atmosphere or any watercourse or body of water or generations of smells, noises, vibrations, light, electricity, radiations, changes in temperature or any other sensory phenomena;
 - (ii) any routine or normal Clean Up

Section 4 – Environmental Impairment Liability

- (iii) Environmental Restoration or Clean Up within any Waste Facility
3. for Environmental Impairment arising out of any criminal acts by You or on Your behalf or noncompliance with any valid and applicable statute, regulation or written instruction issued by any governmental authority after such noncompliance becomes actually or constructively known by You or any director, partner, senior official or Employee of Yours with specific responsibility for environmental control. This exclusion shall not apply to any Environmental Impairment caused while Your noncompliance is covered by a compliance Schedule or waiver of compliance contained in a permit order or other valid instruction of a governmental authority;
 4. for damages including claimants' costs and expenses in respect of Injury or loss of, or damage to, Property in respect of pollution or contamination caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during the Policy Period stated in the Schedule;
 5. for damages for loss of, or damage to, Property belonging to You, or in Your custody or control or the custody or control of any Employee other than:
 - i) personal effects (including vehicles and their contents) of Employees or visitors;
 - ii) any premises, including their contents, not being premises leased or rented to You, which are temporarily occupied by You for the purpose of carrying out work there;
 - iii) any other Property on which You or any Employee or agent of Yours is or has been carrying out work, but We will not cover You in respect of loss or damage to that part of any Property being worked upon;
 6. arising from the ownership, possession or use under Your control, or the control of any Employee in respect of:
 - (i) any mechanically propelled vehicle, including anything attached to it, used in circumstances where insurance or security is required by any road traffic legislation or where insurance is, provided by any other policy or security;
 - (ii) any craft intended to travel through air or space, or other aerial devices, hovercraft or watercraft (other than hand propelled watercraft or sailing craft not exceeding six metres in length);
 7. caused by any Goods after they have ceased to be in Your custody or control;
 8. arising from professional advice given separately for a fee or other remuneration by You or by anyone on Your behalf or in circumstances where a fee would normally be charged
 9. the amount shown as Excess stated in the Schedule.
 10. Any judgment, award or settlement made within countries which operate under the laws of the United States of America or Canada (or any order made anywhere in the world to enforce such judgment award or settlement either in whole or part) unless You have requested that there shall be no such limitation and have accepted the terms offered by Us in granting such cover, which offer and acceptance must be subject to specific endorsement to this Policy.
 11. Any liability caused by, or contributed to, by, or arising from:
 - ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component,but as far as concerns Injury to any Employee which arises out of and in the course of their employment or engagement by You this exclusion shall apply only in respect of:
 - liability of any principal, including directors, partners, or senior officials
 - liability assumed by You by agreement and which would not have attached in the absence of such agreement.
 12. Any liability for punitive, multiplied or exemplary damages, fines or penalties.
 13. Any liability as a result of Terrorism.
 14. Any liability which is assumed by You by agreement, unless such liability would have attached in the absence of such agreement.

Section 4 – Environmental Impairment Liability

15. Injury, loss, damage, cost or expense of any kind caused by, or contributed to, by, or arising from, the manufacture, production, storage or handling of asbestos or materials containing asbestos.
This Exclusion shall not apply to the accidental discovery of asbestos, or materials containing asbestos fibre, provided that without delay, upon discovery all handling, removal, transportation or disposal of asbestos, or materials containing asbestos fibre, ceases and any subsequent handling, removal, transportation or disposal of asbestos, or materials containing asbestos fibre, is carried out by qualified licensed subcontractors on terms which will indemnify You for all liability arising out of such work.

Section 5 – General Conditions

These General Conditions apply to all Sections of the Insurance and all endorsements and extensions unless otherwise stated

1. Claims Conditions

- a)
- i) It is a condition precedent that You give notice in writing without delay of anything which may give rise to any claim being made against You and for which there may be liability under this Policy. If You do not do so We may reject or be unable to deal with Your claim or be unable to pay Your claim in full. Details of how to give this notice are given on page 2.
 - ii) It is a condition precedent that You give notice in writing without delay when any claim is actually made against You (whether written or oral) and for which there may be liability under this Policy. If You do not do so We may reject or be unable to deal with Your claim or be unable to pay Your claim in full. Details of how to report a claim are given on page 2.
 - iii) It is a condition precedent that You advise Us in writing without delay if at any time You know of any impending prosecution, inquest or fatal accident inquiry in connection with any claim or circumstance notified under (a) or (b) above. If You do not do so We may reject or be unable to deal with Your claim or be unable to pay Your claim in full. Details of how to give this notice are given on page 2.
- b) It is a condition precedent that You shall without delay provide Us with such particulars and information as We may require in relation to any occurrence or claim notified to Us, and shall forward to Us, without delay on receipt, every letter, claim form, writ, summons, process, or any other legal papers. If You do not do so We may reject or be unable to deal with Your claim or be unable to pay Your claim in full.
- c) We shall be entitled to take over and conduct in Your name the defence or settlement of any claim, and may prosecute at Our own expense and for Our benefit any claim for insurance or damages against any other persons, and You shall give all information and assistance required. If You do not do so We may reject or be unable to deal with Your claim or be unable to pay Your claim in full. No admission of liability or offer, promise or payment shall be made without Our written consent.
- d) We may at any time at Our sole discretion pay to You the maximum sum payable under this Policy or any lesser sums for which any claim or claims can be settled. If We do this, We shall not be under any further liability except for the payment of costs and expenses of litigation incurred prior to such payment, provided that in the event of a claim such costs and expenses shall not exceed an amount being in the same proportion as Our payment to You bears to the total payment made by You or on Your behalf in settlement of the claim or claims.

2. Care and prevention

It is a condition precedent that You shall take all care to prevent accidents and to maintain and keep in proper repair Your premises, plant and everything used in the Business. You shall make good or remedy any defect or danger which becomes apparent, and take such additional precautions as the circumstances may require. You must also take all care to act in accordance with all statutory obligations and regulations and to employ only competent Employees. If You do not do so We may reject or be unable to deal with Your claim or be unable to pay Your claim in full.

3. Cancellation

- a. In respect of Sections 1, 2 and 4 only We can cancel this insurance by giving You fourteen (14) days' notice in writing. We will only do this for a valid reason (examples of valid reasons are as follows):
- i. non-payment of premium;
 - ii. a change in risk occurring which means that We can no longer provide You with insurance cover;
 - iii. non-cooperation or failure to supply any information or documentation We request; or
 - iv. threatening or abusive behaviour or the use of threatening or abusive language.

If this insurance is cancelled then, provided You have not made a claim, You will be entitled to a refund of any premium paid, subject to a deduction for any time for which You have been covered. This will be calculated on a proportional basis. For example, if You have been covered for six (6)

Section 5 – General Conditions

months, the deduction for the time You have been covered will be half the annual premium, subject to a deduction

for any commission paid to Your insurance broker. If We have paid any claim, or part of any claim, then no refund of premium will be allowed.

- b. In respect of all Section 3 the Insurer shall not be bound to accept any renewal of this Policy and may at any time give You thirty days notice to cancel this Policy. This termination shall be without prejudice to any rights or claims of the Insurer or You prior to the expiry of such notice. You can cancel this insurance at any time by writing to Your broker. Any return premium due to You will depend on how long this insurance has been in force and whether You have made a claim or incidents have occurred that might give rise to a claim. The Insurer reserves the right on refunding any premium paid if You have made a claim under this Policy.

4. Other Insurance

If at the time of any claim there is, or but for the existence of this Policy would be, any other insurance in favour of or purchased by You or on Your behalf, applicable to such claim, We shall not be liable under this Policy to pay You in respect of such claim except beyond the amount which would be payable under such other insurance had this Policy not been purchased.

5. Risk Improvement Requirements

It is a condition precedent that You shall comply and continue to comply with all risk improvement requirements that have been notified to You and agreed to by or on Your behalf. If You do not do so We may reject or be unable to deal with Your claim or be unable to pay Your claim in full.

6. Changes in circumstances

You shall, without delay, give notice in writing of any change in the information You provided Us with. If You do not do so We may reject or be unable to deal with Your claim or be unable to pay Your claim in full.

7. Governing Law

The laws of England and Wales will apply to this Policy and any attached endorsements unless We agree otherwise with You in writing before issuing the Policy. Any disputes arising under this Policy shall be subject to the exclusive jurisdiction of the English Courts.

8. Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this contract has no right under the Contract (Rights of Third Parties) Act 1999 (as may be amended or replaced from time to time) to enforce any term of this Policy but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

9. Several Liability

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligation.

10. Premium Adjustment

You may be required to pay additional premium.

Section 6 – General Exclusions

These apply to all Sections of the Insurance and all endorsements and extensions unless otherwise stated

We shall not cover You in respect of

1. Any judgement award or settlement made within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or part) unless You have requested that there shall be no such limitation and has accepted the terms offered by the Insurers in granting such cover which offer and acceptance must be signified by specific endorsement to the Insurance
2. This insurance does not cover;
 - a) loss destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any Consequential Loss; or
 - b) any legal liability of whatsoever nature;
directly or indirectly caused by or contributed to by or arising from:
 - ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
 - the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
 - any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
 - the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to 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;
 - any chemical, biological, bio-chemical, or electromagnetic weapon.
3. Any liability for punitive multiplied or exemplary damages fines or penalties
4. We shall not cover You under Section 2 or 4 of this Insurance against liability in respect of
 - (a) Injury sustained by an Employee which arises out of and in the course of his employment or engagement by You
 - (b) Damage or Business Interruption or legal liability directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection, military or usurped power, or confiscation, or nationalisation, or requisition, or destruction of or damage to property by or under the order of any government or public or local authority.
 - (c) Any claim directly or indirectly caused by or contributed to by or arising from the failure of any computer or other equipment data processing service product microchip micro processor integrated circuit embedded chip or similar device computer software program or process or any other electronic system or any design or advice in connection with any of the foregoing irrespective of ownership possession or use and whether occurring before during or after the Year 2000:
 - a) correctly to recognise any date as its true calendar date;
 - b) to capture save or retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date; or
 - c) to capture save or retain or correctly to process any data as a result of the operation of any command which has been programmed into the computer software being a command which causes the loss of data or the inability to capture save retain or correctly to process such data on or after any date;
5. We shall not cover You under Section 2, 3 or 4 of this Insurance against liability in respect of
 - a) loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

Section 6 – General Exclusions

- b) loss, damage, cost or expense of whatsoever nature in Northern Ireland directly or indirectly resulting from or in connection with civil commotion.
- c) loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to a) or b) above.

If the Insurer alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon You.

In the event that any portion of this exclusion is found to be invalid or unenforceable the remainder shall remain in full force and effect.

- 6. Any liability which is assumed by You by agreement unless such liability would have attached in the absence of such agreement
- 7. No Insurer shall be deemed to provide cover and no Insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that Insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

8.

1) Electronic Data Exclusion

The insurance by this Policy does not cover loss, damage, destruction, distortion, erasure, corruption or alteration of Electronic Data from any cause whatsoever (including but not limited to Computer Virus) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

Electronic Data means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

Computer Virus means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. Computer Virus includes but is not limited to “trojan horses”, “worms” and “time or logic bombs”.

- a) However, in the event that a Peril listed below results from any matters described in paragraph a) above, this insurance, subject to all its terms, conditions and exclusions, will cover physical damage occurring during the Policy Period of Insurance to the Property Insured by this Policy directly caused by such listed Peril.

Listed Perils:

Fire

Explosion

2) Electronic Data Processing Media Valuation

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the Electronic Data from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such Electronic Data. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this insurance does not insure any amount pertaining to the value of such Electronic Data to the Insured or any other party, even if such Electronic Data cannot be recreated, gathered or assembled.

Section 7 – Claims Procedure

To make a claim under this Policy please refer to the page 2, Important Helplines and Information.

Your claims under Sections 1, 2 and 4 will be dealt with by:

Faraday Underwriting Limited,
5th Floor
Corn Exchange
55 Mark Lane
London
EC3R 7NE

Telephone: +44 (0)207 707 3333

Fax: +44 (0)207 264 4619

Your claims under Section 3 will be dealt with by HSB

The Claims Manager
HSB Engineering Insurance Limited
Chancery Place,
50 Brown Street,
Manchester
M2 2JT
Phone 0161 817 2114
Fax 0161 817 2119
Email newloss@hsbeil.com