

Contractors Insurance Policy

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Customer Information

Cancellation

Although the Insurers hope You are happy with the cover this Policy provides, if this Insurance doesn't meet Your requirements, You may cancel this Policy by giving notice in writing (including by email) and the Insurers will then cancel Your Policy with effect from the date upon which notice is dispatched to UK General. That date will be the Cancellation Date. If considered appropriate the Insurers reserve the right to request the return of all the policy documentation.

If the Cancellation Date is within 14 days of the start of the Period of Insurance the Insurers will return a proportionate part of the last premium paid in respect of the unexpired Period of Insurance less any policy fees already incurred.

If it is later and there have been no claims made during the current Period of Insurance, the Insurers will return a proportionate part of the last premium paid in respect of the unexpired Period of Insurance (subject to a minimum premium of £100) less any policy fees already incurred.

PLEASE NOTE that in order to process Your request for cancellation after the first 14 days the Insurers will need to check the records of Your Insurance Broker, Intermediary or Agent and of UK General to confirm that no claims, occurring during the Period of Insurance, have been made or notified and/or paid under the Policy. If there is such a claim the Insurers will still be happy to cancel the Policy at Your request but will require that You pay the premium and any fees for the whole Period of Insurance and the Insurers will not make any refund of premium or of any policy fees.

Insurers' Rights to Cancel Your Policy

The Insurers shall not be bound to accept any Renewal of this Policy.

There are circumstances in which the Insurers, Your Insurance Broker, Intermediary or Agent may notify You that the Policy will be cancelled.

Non Payment of Premium and/or Insurance Premium Tax

If the Insurers do not receive the Premium and Insurance Premium Tax in full the Insurers may cancel this Policy by sending You at least 7 days written notice of cancellation to Your last known address. The Insurers will send a copy of this communication to Your Insurance Broker, Intermediary or Agent.

Cancellation for other reasons

The Insurers may cancel this Policy at any other time by sending 14 days notice of cancellation, giving details of the reason for cancellation, in writing to Your last known address. The Insurers will send a copy of this communication to Your Insurance Broker, Intermediary or Agent. In the event of such a cancellation You shall be entitled to the return of a proportionate part of the last premium paid in respect of the unexpired Period of Insurance.

In such circumstances we will give you written notice of cancellation or avoidance and / or any other matters as may be appropriate by recorded delivery to Your last known address and / or to Your Insurance Broker, Intermediary or Agent.

Details about the Regulator

UK General Insurance Ltd is authorised and regulated by the Financial Services Authority (FSA). Our FSA register number is 3010101. You can check this on the FSA's Register by visiting the FSA's website www.fsa.gov.uk/register/ or by contacting the FSA on 0845 606 1234.

Ageas Insurance Limited is authorised and regulated by the Financial Services Authority (FSA). You can check this on the FSA's Register by visiting the FSA's website www.fsa.gov.uk/register/ or by contacting the FSA on 0845 606 1234.

Compensation Arrangements

UK General Insurance Group Limited and Ageas Insurance Limited are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if any of these companies cannot meet their insurance obligations. This depends on the type of business and the circumstances of the claim. For compulsory insurance You may be entitled to compensation up to 100% of the claim. For all other types of insurance You may be entitled to compensation up to 90% of the claim. Further information about Compensation Scheme arrangements is available from the FSCS at: <http://www.fscs.org.uk/> or You may write to the Financial Services Compensation Scheme, 7th Floor, Lloyd's Chambers, Portsoken Street, London E1 8BN. Their telephone number is **0207 8927300**.

Notification of New Claims

To notify us of a new claim please follow the steps below:

1. Check the Policy and Schedule to ensure that you are covered.
2. Check the Claims Procedure Condition on page 10 of this Policy.
3. Call our dedicated claims line (0844 209 0999) to notify us of your claim.

If you are dissatisfied with the way in which a claim or any other matter has been dealt with, please refer to our Complaints Procedure.

Policy Information

Policy Information

(Not forming part of this Policy)

This Policy has been prepared in accordance with your instructions. Please read it carefully to ensure that it meets your requirements.

This Policy consists of

- a) the **Introduction** which explains the basis on which the cover is provided
- b) the **Schedule** which shows who is the Insured the Business being covered and other Policy particulars such as the Period of Insurance (also included with the Schedule are details of which Sections are operative)
- c) the **Policy Definitions Exceptions and Conditions** which incorporate definitions and terms that apply to the whole Policy
- d) the **Sections** of the Policy which give precise details of the cover being provided
- e) any **Endorsement(s)** which might apply to the Policy or individual Sections and which incorporate cover amendments extensions limitations and such like.

Immediate notice should be given to the Insurer of any changes as these may affect the insurance provided by this Policy.

Alterations in the cover required after issue of the Policy will be confirmed by separate Endorsement(s) which you should file with the Policy. You should refer to these Endorsement(s) and the Policy to ascertain precise details of cover currently in force.

Your insurance intermediary will be able to provide any help or information that you might require.

Data Protection Act 1998

Please read this notice carefully as it contains information about UK General's and Ageas Insurance Limited's use of personal information.

All personal information about You will be treated as private and confidential (even when You are no longer a customer), except as stated below.

By taking out this Policy, You are confirming that UK General, Ageas Insurance Limited and any holding company, subsidiaries and other linked companies may use Your personal information for the purposes explained below.

UK General, Ageas Insurance Limited and any holding company, subsidiaries and other linked companies may use any information held about You, any director, partner or Employee of the Business:

- to manage the Insurance Policy, including handling, underwriting, claims, issuing renewal documents and providing renewal information to your agent
- to carry out research and analysis.

They may share personal information with other insurers, regulatory authorities or agents providing services on their behalf.

UK General, Ageas Insurance Limited and any holding company, subsidiaries and other linked companies will only release personal information to others if:

- (a) it is necessary to manage the Policy
- (b) it is necessary to prevent fraud
- (c) required or permitted to do this by law (for example, if a legitimate request is received from the police or another authority)
- (d) there are any other circumstances where they have received Your permission to do so.

If UK General, Ageas Insurance Limited and any holding company, subsidiaries and other linked companies need to change the way personal information is to be used, the Insured will be notified. If the change is not acceptable You must notify them as soon as possible.

Sharing information to prevent fraud

The information held may be shared with operators of registers used by the insurance industry to check information that is given to UK General, Ageas Insurance Limited and any holding company, subsidiaries and other linked companies and prevent fraudulent claims. Information relating to the Insurance Policy and any incident (such as an accident or theft) may be passed to these registers.

Dealing with others on Your behalf

To help manage the Insurance Policy, subject to passing security questions, UK General, Ageas Insurance Limited and any holding company, subsidiaries and other linked companies will deal with You, any director, partner or Employee employed in the Business or any other person whom they reasonably believe to be acting for or on Your behalf in connection with the Policy.

Sensitive information

Some of the personal information that has been requested is known as sensitive personal data. This will include information relating to health, race, religion and criminal convictions relevant to the insurance provided. This information will only be used to manage the Policy and to provide the services set out in the Policy documents.

Monitoring and recording

Telephone calls may be monitored and recorded to monitor and improve service and to prevent or detect fraud. CCTV recording equipment may also be used in and around the premises of UK General, Ageas Insurance Limited and any holding company, subsidiaries and other linked companies

Interested parties

You should ensure that anyone else whose name has been supplied to UK General, Ageas Insurance Limited and any holding company, subsidiaries and other linked companies in connection with this Insurance Policy is shown this notice (Data Protection Act) as it will apply to them too.

Further information

You are entitled to receive a copy of the information held by UK General, Ageas Insurance Limited and any holding company, subsidiaries and other linked companies. The Insured should contact the Data Controller of UK General, Cast House, Old Mill Business Park, Gibraltar Island Road, Leeds LS10 1RJ, giving their name, address and insurance Policy number. UK General is entitled to charge an administrative fee for this.

Policy Information

Complaints Procedure

It is always UK General's intention to provide a first class standard of service. However, if You have any cause for complaint about the way Your Policy was sold to You, You should, in the first instance, contact the intermediary who arranged the Policy for You. If You have a complaint about a claim, call Your claims handler first. You will find the claims handler's name and phone number on any letters they have sent You.

Should the matter not be resolved to Your satisfaction, please contact:

The Customer Relations Department
UK General
Cast House
Old Mill Business Park
Gibraltar Island Road
Leeds
West Yorkshire, LS10 1RJ

Tel: 0845 218 2685

Email: customerrelations@ukgeneral.co.uk

Please quote the details of Your Policy, the name of the Insured, Policy Number and departmental references.

If You cannot settle Your complaint with UK General, You may be entitled to refer it to the Financial Ombudsman Service (FOS). Further information is available at: <http://www.financial-ombudsman.org.uk/>

The FOS is an independent organisation that decides on complaints about general insurance products. They will only consider complaints after UK General have given You written confirmation that You have been through the Complaints Procedure and Your business has a turnover of less than EUR 2 million and fewer than 10 employees. You can contact the Ombudsman at:

Insurance Division
Financial Ombudsman Service
South Quay Plaza
183, Marsh Wall
London E1 4SR
Phone 0845 080 1800 Fax 0207 964 1001

Your legal rights will not be affected by following the Complaints Procedure or by contacting the FOS.

Disclosure

Your insurance is based upon the information provided to UK General and you must ensure that all such information is complete and accurate, and that any facts that may influence the insurers' decision to accept and pay a valid claim are disclosed. Failure to disclose material information may invalidate your insurance cover and could mean that part, or all, of a claim may not be paid.

Duration of Cover

The insurance is normally for a period of 12 months unless shown differently on the Policy Schedule.

Use of Language

Unless otherwise agreed, the contractual terms and conditions and other information relating to this contract will be in English.

Contractor's Insurance Policy

1. Introduction

- 1.1 Each Section of this Policy, the Schedule to each Section and any Endorsement(s) together with this Introduction and the Policy Definitions, Exclusions and Conditions shall be read as one document and form the contract of insurance.
- 1.2 Any word or expression given a specific meaning in
 - 1.2.1 the Schedule, any Policy Endorsement(s) or this Introduction and the Policy Definitions, Exclusions and Conditions shall have the same meaning throughout the Policy unless otherwise indicated
 - 1.2.2 an individual Section or any Section of an Endorsement(s) shall replace any specific meaning given elsewhere but shall only have such meaning for the purpose of that Section or Endorsement(s) and such meaning shall apply throughout the Section or Endorsement(s).
- 1.3 In consideration of the payment of the premium the Insurer will indemnify the Insured within the terms of and subject to the exclusions and conditions of this Policy in respect of liability, loss or damage as set out in each Section and/or Endorsement occurring in connection with the Business during the Period of Insurance or any subsequent period for which the Insurer agree to accept payment of premium.
- 1.4 The Proposal made by the Insured is the basis of and forms part of this Policy.

2. The Insurer

In accordance with the authorisation granted to UK General by Ageas Insurance Limited (hereinafter 'Insurer') and in consideration of the appropriate premium having been paid, the said Insurer (their Executors and Administrators) are hereby bound to insure in accordance with the terms and conditions contained herein or endorsed hereon.

Ageas Insurance Limited, Ageas House, Tollgate, Eastleigh, Hampshire, SO53 3YA. Registered number: 354568 England.

3. Choice of Law Applicable to this contract

- 3.1 The Parties are free to choose the law applicable to this Policy. Unless specifically agreed to the contrary this insurance shall be subject to English Law.



Karen Beales
Technical Director
UK General
Registered Office
Cast House
Old Mill Business Park
Gibraltar Island Road
Leeds
West Yorkshire, LS10 1RJ

Registered in England (Company No.4506493).

For and on behalf of the Insurers

Policy Definitions

Each time We use one of the words or phrases listed below, it will have the same meaning wherever it appears in Your Policy unless an alternative definition is stated to apply. A defined word or phrase will start with a capital letter each time it appears in the Policy.

Each Section of the Policy contains definitions. They must be read in conjunction with the following Policy Definitions.

Computer and Electronic Equipment

All computers, computer installations and systems, microchips, integrated circuits, microprocessors, embedded systems, hardware, and any electronic equipment, data processing equipment, information repository, telecommunication equipment, computer controlled or programmed machinery, equipment capable of processing data and/or similar devices, whether physically or remotely connected thereto.

Data

All information which is

- (1) electronically stored, or
- (2) electronically represented, or
- (3) contained on any current and back-up disks, tapes or other materials or devices used for the storage of data,

including but not limited to operating systems, records, programs, software or firmware, code or series of instructions.

Data Storage Materials

Any materials or devices used for the storage or representation of Data including but not limited to disks, tapes, CD-ROMs, DVDs, memory sticks, memory cards or other materials or devices which may or may not also constitute Computer and Electronic Equipment.

Denial of Service Attack

Any actions or instructions with the ability to damage, interfere with, or otherwise affect the availability of Computer and Electronic Equipment or Data, including but not limited to the generation of excess traffic into network addresses, the exploitation of system or network weaknesses,

and the generation of excess or non genuine traffic within, between or amongst networks

Employee

Any person who is

- (1) under a contract of service or apprenticeship with You
- (2) borrowed by or hired to You
- (3) a labour master or supplied by a labour master
- (4) employed by labour only sub-contractors
- (5) self employed
- (6) under a work experience or training scheme
- (7) a voluntary helper

while working under Your control in connection with The Business

- (8) an outworker or homeworker when engaged in work on Your behalf.

Failure

Any partial or complete reduction in the

- (1) performance, or
- (2) availability, or
- (3) functionality, or
- (4) the ability to recognise or process any date or time,

of any

- (a) Computer and Electronic Equipment
- (b) electronic means of communication
- (c) web site.

Policy Definitions

Loss of Data

Physical or electronic or other loss or destruction or alteration or loss of use, whether permanent or temporary, of or damage to Data, of whatsoever nature, in whole or in part, including, but not limited to Loss of Data resulting from loss or damage to Computers and Electronic Equipment or Data Storage Materials, including while stored on Data Storage Materials.

Period of Insurance

From the effective date until the expiry date (both shown in The Schedule) or any subsequent period for which We accept payment for renewal of this Policy.

The Business

Activities directly connected with the business specified in The Schedule.

The Premises

The premises specified in The Schedule.

The Schedule

The document which specifies details of The Policyholder, The Premises, Property Insured and any Excesses, Endorsements and Conditions applying to the Policy.

Virus or Similar Mechanism

Program code, programming instruction or any set of instructions with the ability to damage, interfere with, or otherwise adversely affect Computer and Electronic Equipment or Data, whether involving self-replication or not, including, but not limited to trojan horses, worms and logic bombs.

We/Us/Our

UK General

You/Your/The Policyholder

The persons, companies, partnerships or unincorporated associations named in The Schedule as The Policyholder.

Policy Exceptions

Each Section of the Policy contains exceptions. They must be read in conjunction with the following Policy Exceptions which apply to all Sections unless otherwise stated.

We will not provide indemnity in respect of

- (1) any consequence whatsoever resulting directly or indirectly from or in connection with any of the following, regardless of any other contributory cause or event
 - (a) war, invasion, act of a foreign enemy, hostilities or a warlike operation or operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power
 - (b) nationalisation, confiscation, requisition, seizure or destruction by any government or any public authority
 - (c) any action taken in controlling, preventing, suppressing or in any way relating to (a) and/or (b) above.

However

- (1) exceptions (1) (a) (b) and (c) do not apply to the Employers' Liability Section when Insured by this Policy.
- (2) exception (1) (b) does not apply to the Public and Products Liability Section, when insured by this Policy.
- (2) death or disablement, loss or destruction of or damage to any property, any loss or expense whatsoever, any consequential loss or any legal liability
 - (a) directly or indirectly caused by or contributed to by or arising from
 - (i) ionising radiations or contamination by radioactivity from nuclear fuel or from nuclear waste from the combustion of nuclear fuel
 - (ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.

- (b) directly or indirectly caused by or contributed to by or arising from the use of or threatened use of any weapon
 - (i) dispersing radioactive material and/or ionising radiation or
 - (ii) using atomic or nuclear fission and/or fusion or other like reaction.

However,

- (1) exception (2) (b) above does not apply to the following Sections, when insured by this Policy
 - (a) Employers' Liability
 - (b) Public and Products Liability
 - (2) in relation to the Employer's Liability Section, exception (2) (a) only applies when You under a contract or agreement have undertaken to
 - (a) indemnify another party
 - (b) assume the liability of another party.
 - (3) any claim which arises directly or indirectly from or consists of the failure or inability of any
 - (a) electronic circuit, microchip, integrated circuit, microprocessor, embedded system, hardware, software, firmware, program, computer, data processing equipment, telecommunication equipment or systems, or any similar device
 - (b) media or systems used in connection with anything referred to in (a) above
- whether Your property or not, at any time to achieve any or all of the purposes and consequential effects intended by the use of any number, symbol or word to denote a date and this includes without any limitation the failure or inability to recognise, capture, save, retain or restore and/or correctly to manipulate, interpret, transmit, return, calculate or process any date, data, information, command, logic or instruction as a result of

Policy Exceptions

- (i) recognising, using or adopting any date, day of the week or period of time, otherwise than as, or other than, the true or correct date, day of the week or period of time
- (ii) the operation of any command or logic which has been programmed or incorporated into anything referred to in (a) and (b) above.

However, exceptions (3) (a) and (b) do not apply to the Employers' Liability Section, when insured by this Policy.

- (4) any claim (other than in respect of Personal Injury as defined under the Public Liability Section) arising directly or indirectly from, or in connection with, or consisting of

- (a) Loss of Data.

Exception (4) (a) does not apply to the Public and Products Liability Section, when insured by this Policy.

- (b) any loss, destruction or damage, Failure or Loss of Data resulting directly or indirectly from, or in connection with: Virus or Similar Mechanism, Denial of Service Attack, unauthorised access to or use of Computer and Electronic Equipment.

Exception (4) (a) and (b) do not apply to the Employers' Liability Section, when insured by this Policy.

Policy Conditions

Each Section of the Policy contains conditions. They must be read in conjunction with the following Policy Conditions which apply to all Sections unless otherwise stated.

(1) Alteration of Risk

We will at Our option avoid the Policy from the inception of this insurance where

- (a) there has been any alteration to the Property Insured and/or The Premises and/or The Business after the effective date of this insurance which increases the risk of loss, liability, destruction, damage, accident or injury
- (b) Your interest ceases except by will or operation of law

unless We have accepted the alteration.

(2) Arbitration

If We accept liability but You disagree with the amount We offer to pay, the claim will be referred to an arbitrator who will be appointed in accordance with statutory provisions.

(3) Cancellation

Although the Insurers hope You are happy with the cover this Policy provides, if this Insurance doesn't meet Your requirements, You may cancel this Policy by giving notice in writing (including by email) and the Insurers will then cancel Your Policy with effect from the date upon which notice is dispatched to UK General. That date will be the Cancellation Date. If considered appropriate the Insurers reserve the right to request the return of all the policy documentation.

If the Cancellation Date is within 14 days of the start of the Period of Insurance the Insurers will return a proportionate part of the last premium paid in respect of the unexpired Period of Insurance less any policy fees already incurred.

If it is later and there have been no claims made during the current Period of Insurance, the Insurers will return a proportionate part of the last premium paid in respect of the unexpired Period of Insurance (subject to a minimum premium of £100) less any policy fees already incurred.

PLEASE NOTE that in order to process Your request for cancellation after the first 14 days the Insurers will need to check the records of Your Insurance Broker, Intermediary or Agent and of UK General to confirm that no claims, occurring during the Period of Insurance, have been made or notified and/or paid under the Policy. If there is such a claim the Insurers will still be happy to cancel the Policy at Your request but will require that You pay the premium and any fees for the whole Period of Insurance and the Insurers will not make any refund of premium or of any policy fees

Insurers' Rights to Cancel Your Policy

The Insurers shall not be bound to accept any Renewal of this Policy.

There are circumstances in which the Insurers, Your Insurance Broker, Intermediary or Agent may notify You that the Policy will be cancelled.

Non Payment of Premium and/or Insurance Premium Tax

If the Insurers do not receive the Premium and Insurance Premium Tax in full the Insurers may cancel this Policy by sending You at least 7 days written notice of cancellation to Your last known address. The Insurers will send a copy of this communication to Your Insurance Broker, Intermediary or Agent.

Cancellation for other reasons

The Insurers may cancel this Policy at any other time by sending 14 days notice of cancellation, giving details of the reason for cancellation, in writing to Your last known address. The Insurers will send a copy of this communication to Your Insurance Broker, Intermediary or Agent.

In the event of such a cancellation You shall be entitled to the return of a proportionate part of the last premium paid in respect of the unexpired Period of Insurance.

Policy Condition

(4) Claims Procedure

If in relation to any claim You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (a) tell Us immediately of any event or occurrence which may result in a claim.
 - (b) notify the police immediately of loss, destruction or damage caused by malicious persons or thieves.
 - (c) at Your expense, provide Us with a written claim containing as much information as possible of the loss, liability, destruction, damage, accident or injury including the amount of the claim within
 - (i) 30 days
 - or
 - (ii) seven days in the case of loss, destruction or damage caused by riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons
- of You becoming aware of the event or occurrence, or such further time that We may allow.
- (d) provide Us with all information and help We require in respect of the claim.
 - (e) pass to Us unanswered, immediately, all communications from third parties in relation to any event which may result in a claim under this Policy.
 - (f) not admit or repudiate liability, nor offer to settle, compromise, make payment which may result in a claim or pay any claim under this Policy without Our written agreement.

allow Us to take over and conduct in Your name the defence or settlement of any claim. You will also allow Us to prosecute at Our own expense and for Our own benefit, any claim for indemnity or compensation against any other person and You must give Us all information and assistance required.

(5) Contribution

Applicable to Employers' Liability Section and Public and Products Liability Section

- (a) If the insurance provided by these Sections is also covered by another Policy (or would be but for the existence of these Sections), We will only indemnify You in respect of any excess beyond the amount which would be payable under such other insurance had these Sections not been effected.

Applicable to Contract Works Section

- (a) Where any loss, destruction, damage or liability covered by the Policy is also covered by another Policy, (or would be but for the existence of this Policy), We will only pay a rateable share of the loss.
- (b) If the other insurance is subject to a condition of Average and this Policy is not, this Policy will become subject to the same condition of Average.
- (c) If the Property Insured covered by the other insurance is subject to a provision excluding proportional payment in whole or in part, the payment We make will be limited to the proportion of loss, destruction or damage as the Sum Insured bears to the value of the property.

(6) Discharge of Liability

We may at any time pay

- (a) the Limit of Indemnity
- or
- (b) the Sum Insured
- or
- (c) a smaller amount for which a claim can be settled.

after deduction of any sum already paid.

We will not be liable for any further payment except for costs and expenses incurred prior to the payment of the claim with Our consent.

Policy Condition

(7) Fraud

We will at Our option avoid the Policy from the inception of this insurance or from the date of the claim or alleged claim, or avoid the claim

- (a) if a claim made by You or anyone acting on Your behalf to obtain a Policy benefit is fraudulent or intentionally exaggerated, whether ultimately material or not

or

- (b) a false declaration or statement is made or fraudulent device put forward in support of a claim.

(8) Identification

The Policy and The Schedule will be read as one contract.

(9) Non Disclosure, Misrepresentation or Misdescription

The Policy is voidable if there has been any misrepresentation, misdescription or failure to disclose any material fact by You or anyone acting for You.

(10) Reasonable Precautions

If in relation to any claim You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (a) maintain The Premises, machinery, plant and equipment in a satisfactory state of repair.
- (b) take all reasonable precautions to prevent
 - (i) loss or destruction of or damage to the Property Insured
 - (ii) accident or injury to any person or loss, destruction or damage to their property.
- (c) comply with all legal requirements and safety regulations and conduct The Business in a lawful manner.

- (d) keep books with a complete record of purchases and sales.

(11) Reinstatement

When We decide, or are required to reinstate or replace any property You will, at Your expense, provide any

- (a) plans
- (b) documents
- (c) books
- (d) information

which We require.

We will not be obliged to reinstate property exactly but only in a satisfactory manner as circumstances allow.

The maximum amount We will pay in respect of any one item is the Limit of Indemnity or the Sum Insured for that item.

(12) Subrogation

Anyone making a claim under this Policy must, at Our request and expense, do everything We reasonably require to

- (a) enforce a right or remedy

or

- (b) obtain relief or indemnity

from other parties to which We will become entitled or subrogated because of payment for or making good loss, destruction, damage, accident or injury.

We may require You to carry out such actions before or after We make any admission of or payment of a claim.

(13) Index Linking

- (a) Renewal.

Where it states in The Schedule that index linking applies, the amounts insured will be adjusted for movements in the following indices. We may select alternative measures if any of these indices are unavailable

Policy Condition

- (i) any building and tenants improvements item

The General Building Cost index issued by the Building Cost Information Service of the Royal Institution of Chartered Surveyors

- (ii) other items

The Producer Price Index for Home Sales of Manufactured Products issued by the relevant government department.

- (b) Claims.

These adjustments will continue during the

- (i) Period of Insurance
- (ii) period of repair, replacement or reinstatement provided that such work is carried out and completed without undue delay.

(14) Subjectivity

The Policy, statement of fact and/or declaration made by You, and The Schedule, should be read together and form the contract of insurance between You (The Policy holder), and Us.

- (a) We will clearly state in The Schedule if the Cover provided by the Policy is subject to You
 - (i) providing Us with any additional information requested by the required date(s),
 - (ii) completing any actions agreed between You and Us by the required date(s),
 - (iii) allowing Us to complete any actions agreed between You and Us.
- (b) If required by Us, You must allow us access to The Premises, Your Contract Sites, and/or The Business, to carry out survey(s), within 60 days of the inception or renewal date, unless We agree otherwise in writing.

Upon completion of these requirements (or if they are not completed by the required dates), We may, at our option:

- (i) modify Your premium,

- (ii) issue a mid-term amendment to Your Policy or Section terms and conditions,

- (iii) require You to make alterations to The Premises insured by the required date(s),

- (iv) exercise Our right to cancel Your Policy,

- (v) leave the Policy or Section terms and conditions, and Your premium, unaltered.

We will contact You with Our decision and where applicable, specify the date(s) by which any action(s) agreed need to be completed by You and/or any decision by Us will take effect.

Our requirements and decisions will take effect from the date(s) specified unless and until We agree otherwise in writing. If You disagree with Our requirements and/or decisions, We will consider Your comments and where We consider appropriate, will continue to negotiate with You to resolve the matter to Your and Our satisfaction. In the event that the matter cannot be resolved:

- (i) You have the right to cancel this Policy from a date agreed by You and Us and, providing no claims have been made, We will refund a proportionate part of the premium paid for the unexpired period of cover.
- (ii) We may, at Our option, exercise Our right under Policy Condition **(3) Cancellation**.

Except where stated all other Policy and Section terms and conditions will continue to apply.

The above conditions do not affect Our right to void the Policy if We discover information material to Our acceptance of the risk.

Section A - Contract Works Section

Definitions

(Also refer to the Policy Definitions at the front of this Policy booklet.)

The following definitions apply to this Section and shall keep the same meaning wherever they appear in this Section, unless an alternative definition is stated to apply.

Contract

Any contract or agreement, entered into by You to carry out work in the course of The Business where the estimated Maximum Contract Price does not exceed the amount stated in The Schedule.

Contract Site

- (1) A site within the Territorial Limits at which You are carrying out work under a Contract

or

- (2) The site address stated in The Schedule if cover applies to a specific Contract.

Damage

Physical

- (1) loss
- (2) destruction
- (3) damage.

Employees' Tools

Employee's tools and personal belongings while on or adjacent to any Contract Site and in transit between Your premises and the Contract Site other than

- (1) motor vehicles.
- (2) gold or silver articles.
- (3) watches or jewellery.
- (4) Money.

Estimated Original Contract Price

The estimated valuation of the Works to be carried out or the estimated contract price at the commencement date of the Contract or Works.

Excess/Excesses

The amount or amounts shown in Your Policy or The Schedule which You must pay for each and every claim and You will reimburse any such amount paid by Us.

Existing Structures

Any property (including fixtures, fittings and contents) which, prior to the commencement of any Contract, forms part of any structure.

Free Issue Materials

Materials for incorporation into the Contract

- (1) issued free to You by or on behalf of Your Employer

and

- (2) for which You are responsible under the conditions of the Contract

the value of which will not be included in the final valuation of the Works carried out or the final contract price and which are not otherwise excluded from this Section.

Hired in Plant

Plant, scaffolding, tools, equipment, site huts and temporary buildings hired in by You for use in connection with any Contract while anywhere within the Territorial Limits including transit other than by sea or air.

Maintenance Period

The period indicated in the conditions of the Contract, but not exceeding 12 months, during which You are responsible for rectifying defects.

Maximum Contract Price

The maximum price of any Contract for which we will provide indemnity as stated in The Schedule.

Section A - Contract Works Section

Money

Current

- (1) coin, bank and currency notes
- (2) postal and money orders, bankers drafts, cheques and giro cheques
- (3) crossed warrants, bills of exchanges and securities for money
- (4) postage, revenue, national insurance and holiday with pay stamps
- (5) national insurance and holiday with pay cards, national savings certificates, war bonds, premium savings bonds and franking machine impressions
- (6) credit company sales vouchers, luncheon vouchers and trading stamps
- (7) VAT invoices.

Practical Completion

Works which are

- (1) completed
or
- (2) complete except for the prospective buyer's or tenant's choice of decorations or final fittings.

Property Insured

Works, Your Plant and Hired in Plant which You own or are responsible for as stated in The Schedule.

Territorial Limits

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

Works

- (1) Temporary or permanent works completed or to be completed as part of any Contract
and/or
- (2) Materials for incorporation whilst on or adjacent to the Contract Site and in transit to or from the Contract Site other than by sea or air.

Your Plant

Plant, scaffolding, tools, equipment, site huts and temporary buildings owned by You, while anywhere within the Territorial Limits including transit other than by sea or air.

Cover

We will indemnify You in respect of Damage to the Property Insured during the Period of Insurance and within the Territorial Limits.

The maximum that We will pay in respect of any one occurrence which gives rise to a claim under this Section is for

(1) Works

(which includes any liability we may have in respect of the cover provided under the Clauses); 125% of the Estimated Original Contract Price including the value of Free Issue Materials in respect of any Contract or Works.

We will have no liability under this Section where the Estimated Original Contract Price plus the value of Free Issue Materials exceeds the Sum Insured stated in The Schedule at the time of Damage.

(2) Your Plant

The Sum Insured stated in The Schedule at the time of Damage.

(3) Hired in Plant

The Sum Insured stated in The Schedule at the time of Damage.

(4) Employees' Tools

The Sum Insured stated in The Schedule at the time of Damage.

The maximum that We will pay in respect of any one Employee is the limit stated in The Schedule.

Section A - Contract Works Section

Clauses

The following clauses apply to this Section.

Additional Interests

We will, to the extent required by the conditions of the Contract, include the interest as joint Insured of any

(a) employer

or

(b) contractor.

Automatic Reinstatement of Sum Insured

The Sums Insured stated in The Schedule will not be reduced by the amount of any claim unless We or You give notice to the contrary.

You must pay the additional premium required to reinstate the Sums Insured.

Consecutive Damage

Damage to Property Insured at any one Contract Site during a period of 72 consecutive hours caused by

(1) earthquake

(2) storm, flood or other water damage

(3) subsidence or collapse

will be considered for the purpose of applying any Excess as one occurrence of Damage.

Continuing Hire Charges

We will indemnify You in respect of Your legal liability to pay continuing hire charges as a result of Damage to any item of Hired in Plant insured under this Section.

Damage to Security Devices

If the attempted theft of any vehicle included within Your Plant or Hired in Plant results in Damage only to the vehicle immobiliser, locating, tracking or other security device, We will apply a reduced Excess of £50.

Debris Removal

We will indemnify You in respect of the costs and expenses that You incur, with Our consent, for

(1) removing debris

(2) dismantling or demolishing

(3) shoring up or propping

(4) clearing or repairing drains or service mains

following Damage to Property Insured.

The maximum that We will pay in respect of any one loss is 25% of the Estimated Original Contract Price.

We will not indemnify You in respect of costs and expenses

(a) incurred in removing debris from anywhere other than the site of the Damage and the area adjacent to it.

(b) arising from pollution or contamination of property not insured under this Section.

(c) more specifically insured.

Dwellings

All Contracts or Works solely concerned with the erection of private dwellings not exceeding four storeys in height are insured under this Section irrespective of the Estimated Original Contract Price of such Contracts.

The maximum that we will pay in respect of any one loss is 125% of the Sum Insured in the description of the Contract or Works in The Schedule.

Section A - Contract Works Section

European Union and Public Authorities Clause

Following Damage to Works, We will pay the additional cost of reinstating the Property Insured necessary to comply with any

- (a) European Union Legislation.
- (b) Act of Parliament.
- (c) Bye-Laws of any public authority.

We will not indemnify You in respect of

- (1) costs incurred
 - (a) in respect of Damage not insured by this Section.
 - (b) where notice was served on You before the Damage occurred.
 - (c) where an existing requirement must be completed within a stipulated period.
 - (d) in respect of property or parts of the property, other than foundations (unless foundations are specifically excluded) which have not suffered Damage.
- (2) any charge or assessment arising from capital appreciation following compliance with this legislation.

The reinstatement, repair or replacement

- (a) must begin and be carried out as quickly as possible.
- (b) may be carried out on another site if necessary provided this does not increase Our liability.

If Our liability under this Section is reduced by the application of any terms of this Policy, Our liability under this clause will be similarly reduced.

The maximum We will pay under this Clause in respect of any one Contract is the Sum Insured as stated in The Schedule.

Expediting Expenses

We will indemnify You in respect of the reasonable costs and expenses that You incur for

- (1) overtime
- (2) nightwork
- (3) work on public holidays
- (4) special delivery

to reinstate or repair Property Insured following Damage.

The maximum that We will pay in respect of any one loss is 25% of the amount which reinstatement, repair or replacement would have cost if these expenses had not been incurred.

Free Issue Materials

The Works will include any Free Issue Materials provided You include their value in

- (1) the contract price of any Contract
- (2) the declaration required by the Adjustment of Premium Condition of this Section.

Immobilised Plant

We will indemnify You in respect of necessarily incurred costs for the withdrawal or recovery of Your Plant or Hired in Plant accidentally immobilised on or adjacent to any Contract Site.

We will not pay for withdrawal or recovery required as a result of the breakdown of Your Plant or Hired in Plant.

Incidental Hiring of Plant

We will indemnify You in respect of Damage to any item of Your Plant while it is hired or loaned to a third party.

The maximum that We will pay is £25,000 in respect of any one loss.

Section A - Contract Works Section

Indemnity to Sub-Contractors

We will, to the extent required by contract conditions, provide indemnity to nominated or domestic sub-contractors in respect of Damage to the Property Insured.

Locating and Tracking Devices

We will not apply an Excess in respect of theft of a vehicle which is:

- (1) insured under Your Plant or Hired in Plant
and
- (2) fitted with an activated operational locating/tracking device of a type approved by Us.

Loss of Keys

If the key to any immobiliser permanently fitted to a vehicle included as Your Plant or Hired in Plant is lost or stolen, We will indemnify You in respect of the cost of replacing the cylinder of the lock. The maximum that We will pay is £500 in respect of any one loss.

We will not indemnify You in respect of the first £50 of each claim.

Off-Site Storage

The Works includes materials, anywhere within the Territorial Limits, separately stored and identified for inclusion in any Contract.

The maximum that We will pay in respect of any one loss is either

- (1) the value of the materials as detailed in an interim certificate under any standard printed contract conditions
or
- (2) £25,000.

Professional Fees

We will indemnify You in respect of professional fees necessarily incurred in reinstating, repairing or replacing the Works following Damage.

We will not indemnify You in respect of fees

- (a) more specifically insured.
- (b) incurred in preparing a claim.

Redrawing Plans or Documents

We will indemnify You in respect of the cost of rewriting or redrawing plans, drawings or other Contract documents following Damage.

The maximum that We will pay in respect of any one loss is £25,000.

Show Properties

We will indemnify You in respect of Damage to show properties including their contents.

The maximum that We will pay in respect of the contents of any one show property is £35,000.

Speculative Building

We will indemnify You in respect of Damage to any private dwelling You have erected on a speculative basis.

This indemnity will cease on

- (1) the date You sell, lease or rent the property
or
- (2) 180 days from Practical Completion
whichever is the earlier.

Taken Into Use

We will indemnify You in respect of Damage to any part of the permanent Works taken into use as private dwellings or offices.

This indemnity will cease when

- (1) a certificate of completion has been issued
or
- (2) the permanent Works have been completed and handed over to Your employer.

Section A - Contract Works Section

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the front of this Policy booklet).

We will not indemnify You in respect of

- (1) Damage to any part of the permanent Works
 - (a) for which a certificate of completion has been issued
 - or
 - (b) which has been completed and handed over to Your employer
 - or
 - (c) taken into useunless the Damage occurs
 - (i) during the Maintenance Period but caused before the beginning of the Maintenance Period
 - or
 - (ii) while You are carrying out Your obligations under the Maintenance Period
 - or
 - (iii) within 14 days of the issue of a certificate of completion but only to the extent You are responsible under the conditions of the Contract.
- (2) Damage as a result of
 - (a) gradual deterioration or wear and tear.
 - (b) rust or mildew.
 - (c) pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.
 - (d) confiscation, nationalisation or requisition or destruction by or under the order of any government or public authority.

(3) Repair to or replacement of any item of Your Plant or Hired in Plant caused by its own mechanical or electrical breakdown, failure, breakage or derangement other than in respect of Hired in Plant and for which You are responsible under the terms of a hire agreement not being a leasing or hire purchase agreement.

- (4) Damage to
 - (a) Existing Structures.
 - (b) Money.
 - (c) any mechanically propelled vehicle including any trailer attached licensed for road use and for which a certificate of motor insurance is required, other than a vehicle used solely as a tool of trade.
 - (d) any aircraft or waterborne vessel.
 - (e) property for which You are relieved of responsibility by the conditions of the Contract.
- (5) Damage
 - (a) by disappearance or shortage discovered only when an inventory is taken
 - or
 - (b) which is not traceable to an event.
- (6) Damage caused by pollution or contamination other than that of or to the Property Insured.
- (7) liquidated damages, fines or any other penalties under contract for delay or non-completion.
- (8) consequential loss or damage of any kind.
- (9) the cost of normal upkeep or making good.

Section A - Contract Works Section

(10) Damage to and the cost necessary to reinstate or repair

(a) Property Insured which is in a defective condition due to a defect in

- (i) design, plan or specification
- (ii) materials
- (iii) workmanship

of or of any part of that Property Insured

(b) other Property Insured to enable the reinstatement or repair of Property Insured excluded by (a) above.

This exception will not apply to other Property Insured which is free of the defective condition but is damaged as a result.

Property Insured will not be considered as having suffered Damage solely by virtue of the existence of any defect in design, plan, specification, materials or workmanship in, or in any part of, that Property Insured.

(11) the Excess/Excesses.

(12) any Damage whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss

- (a) Terrorism
- (b) civil commotion in Northern Ireland
- (c) any action taken in controlling, preventing, suppressing or in any way relating to (a) and/or (b) above

Terrorism shall mean:

- (i) in respect of Damage occurring in England Wales and Scotland only (but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man or the Channel Islands) acts of persons acting on behalf of or in connection with any

organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto

(ii) in respect of Damage occurring in any Territory not specified in (i) above any act or acts including but not limited to

- the use or threat of force and/or violence and/or
- harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political religious ideological or similar purposes

In any action suit or proceedings where We allege that any Damage results from Terrorism as defined above and is therefore not covered by this Section the burden of proving that any such Damage is covered under this Section will be upon You.

- (13)
- (a) Money
 - (b) securities or bonds
 - (c) jewellery or precious stones
 - (d) precious metals or bullion
 - (e) furs or curios
 - (f) rare books or works of art
 - (g) goods held in trust or on commission
 - (h) documents or manuscripts
 - (i) business books or computer systems records
 - (j) explosives
 - (k) property in transit

unless specifically mentioned.

Section A - Contract Works Section

Conditions

The following conditions apply to this Section.

(Also refer to the Policy Conditions at the front of this Policy booklet).

(1) Adjustment of Premium

If the premium is based on estimates You have supplied You must

- (a) keep accurate records (which We may require to examine) of all relevant information.
- (b) submit a declaration within one month after the expiry of the Period of Insurance so that the premium can be calculated and (subject to any minimum premium requirements) any difference paid by or to You.

(2) Diminution of Damage

The Insured shall carry out and permit any action to be taken which may be reasonably practicable to diminish Damage and at Our request and expense comply with and co-operate in any measures that may be reasonably required.

Endorsements

This Section is subject to any endorsements as stated in The Schedule as applying.

Section B - Employers' Liability Section

Definitions

(Also refer to the Policy Definitions at the front of this Policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section unless an alternative definition is stated to apply.

Bodily Injury

Bodily injury including death, illness, disease or nervous shock.

Compensation

Damages, including interest.

Costs and Expenses

(1) Fees for The Insured's legal representation at

- (a) any Coroner's Inquest or Fatal Accident Inquiry
- (b) proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty

(2) Cost and expenses

incurred with Our written consent

(3) Any claimant's legal costs for which The Insured is legally liable

in connection with any event which is or may be the subject of indemnity under this Section.

Terrorism

Any act or acts including but not limited to

(1) the use or threat of force and/or violence

and/or

(2) harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.

The Defined Territories

Great Britain, Northern Ireland, the Isle of Man, the Channel Islands or offshore installations within the Continental Shelf around such territories.

The Insured

(1) You.

(2) Your personal representatives in respect of legal liability You incur.

(3) At Your request

- (a) any director, partner or Employee of Yours
- (b) the officers, committees and members of Your
 - (i) canteen, social, sports, educational and welfare organisations
 - (ii) first aid, fire, security and ambulance services

in their respective capacities as such

(c) any principal for whom You are carrying out a contract to the extent required by the contract conditions

(d) those who hire plant to You to the extent required by the hiring conditions

or the personal representative of any of these persons

in respect of legal liability for which You would have been entitled to indemnity if the claim had been made against You.

Each indemnified party will be subject to the terms of this Section so far as they apply.

The total amount which We will pay will not exceed The Limit of Indemnity regardless of the number of parties claiming to be indemnified.

Section B - Employers' Liability Section

The Limit of Indemnity

The maximum amount, stated in The Schedule, including Costs and Expenses, which We will pay in respect of any one claim or series of claims against The Insured arising out of one cause.

The Territorial Limits

Anywhere in the world in connection with The Business conducted by You from premises within The Defined Territories.

We will not provide indemnity in respect of Bodily Injury to any Employee engaged by You outside The Defined Territories for the purpose of work by any such Employee outside The Defined Territories.

Cover

We will indemnify The Insured against

- (1) legal liability to pay Compensation
- and
- (2) Costs and Expenses

in respect of Bodily Injury caused during the Period of Insurance to any Employee arising out of and in the course of employment by You in The Business within The Territorial Limits.

The maximum We will pay is The Limit of Indemnity.

Clauses

The following clauses apply to this Section.

Additional Activities

The Business includes

- (1) ownership, use and upkeep of Your premises.
- (2) upkeep of vehicles and plant owned and used by You.
- (3) canteen, social, sports, educational and welfare organisations for the benefit of any Employee.

- (4) Your first aid, fire, security and ambulance services.
- (5) Your participation in exhibitions.
- (6) private work by any Employee, with Your prior consent, for You or for any director, partner or Employee of Yours.

Contractual Liability

We will indemnify The Insured in respect of liability for Bodily Injury imposed on You solely by reason of the terms of any agreement provided that the conduct and control of any claim is vested in Us.

We will not provide indemnity in respect of any agreement for or including the performance of work outside The Defined Territories

Cross Liabilities

We will indemnify each party named as The Policyholder in The Schedule as if a separate Policy had been issued to each.

The total amount payable will not exceed The Limit of Indemnity regardless of the number of parties claiming to be indemnified.

Legal Expenses arising from Health and Safety Legislation

We will indemnify The Insured in respect of

- (1) legal fees and expenses incurred with Our written consent for defending proceedings, including appeals
- (2) costs of prosecution awarded against The Insured

which arise from any health and safety inquiry or criminal proceedings for any breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978.

We will not provide indemnity

- (1) unless the proceedings relate to an actual or alleged act, omission or incident committed during The Period of Insurance within The Defined Territories and in connection with The Business.

Section B - Employers' Liability Section

- (2) in respect of proceedings which
 - (a) result from any deliberate act or omission by You.
 - (b) relate to the health and safety of any person other than an Employee.
- (3) where indemnity is provided by another insurance Policy.

Our Right of Recovery

The indemnity granted by this Section is deemed to be in accordance with the provisions of any law relating to the compulsory insurance of liability to employees in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

However, You will repay to Us all sums We would not have been liable to pay but for the provisions of such law.

Payment for Court Attendance

We will compensate You if, at Our request, You, any director, partner or Employee of Yours, is attending court as a witness in connection with a claim for which The Insured is entitled to indemnity.

The maximum We will pay for

- (1) You, each director or partner is £250 per day.
- (2) each Employee is £150 per day.

Unsatisfied Court Judgments

We will, at Your request, pay any Employee or his or her personal representative, the amount of damages and costs awarded to such person as a result of a judgment which has been obtained for Bodily Injury against any company registered in or any individual domiciled in The Defined Territories and which remain unpaid six months after the date of such judgment.

Payment will only be made where

- (1) the Bodily Injury was caused during any Period of Insurance to the Employee arising

out of and in the course of employment by You in The Business.

- (2) the judgment was obtained in a court within The Defined Territories.
- (3) there is no appeal outstanding to the judgment.
- (4) the Employee, or his or her personal representative, assigns the judgment debt to Us.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the front of this Policy booklet).

We will not provide indemnity in respect of

- (1) work in or on and travel to, from or within any offshore
 - (a) accommodation, exploration, drilling or production rig or platform.
 - (b) support vessel.
- (2) Bodily Injury sustained by any Employee when such person is
 - (a) carried in or upon a vehicle
 - (b) entering or getting on to, or alighting from, a vehiclewhere any road traffic legislation requires insurance or security.
- (3)
 - (a) liquidated damages.
 - (b) penalty clauses.
 - (c) fines.
 - (d) aggravated, restitutionary, punitive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non-compensatory damages.
- (4) any consequence whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other contributory cause or event

Section B - Employers' Liability Section

- (a) Terrorism
- (b) any action taken in controlling, preventing, suppressing or in any way relating to (a) above

except as stated in **Special Provision - Terrorism** below

In any action, suit or other proceedings where We allege that any consequence whatsoever resulting directly or indirectly from or in connection with (4)(a) and/or (4)(b) above regardless of any other contributory cause or event is not covered under this Section (or is covered only up to a specified limit of liability) the burden of proving that any such consequence is covered (or is covered beyond that limit of liability) under this Section shall be upon You.

Special Provision - Terrorism

Subject otherwise to the terms of the Policy

Neither of the exclusions in (4)(a) and (4)(b) above shall apply to the Employers' Liability Section but the Limit of Indemnity for the purpose of this Special Provision - Terrorism is limited to £5,000,000 including costs and expenses.

- (5) (a) work on or in
 - (i) power stations or nuclear installations/establishments.
 - (ii) oil, gas or chemical
 - refineries
 - bulk storage
 - product premises.
 - (iii) mainframe computers or rooms containing mainframe computers.
 - (iv) aircraft, aerospace systems or hovercraft.
 - (v) watercraft other than work, not involving the use of heat, on or in watercraft in docks, harbours, boatyards or inland waterways.
 - (vi) railways or airports.
- (b) work underground or underwater.

Conditions

The following conditions apply to this Section.

(Also refer to the Policy Conditions at the front of this Policy booklet).

Premium Adjustment

- (1) At renewal, where it is stated in The Schedule that index linking applies, the estimates upon which the premium is based will be adjusted for movements in The Average Earnings Index issued by the relevant government department. We may select an alternative measure if the index is unavailable.
- (2) Where it is stated in The Schedule that declarations apply
 - (a) You will, within one month after the Expiry Date shown in The Schedule, supply the information We require
 - and
 - (b) We will adjust the premium for the expired period subject to any minimum premium(s) applying.

Suspension of Cover

We may, at any reasonable time, inspect any property and, in the event of any defect or danger being apparent, We may by written notice to You suspend all our liability that might otherwise arise from such defect or danger.

Section C - Public and Products Liability Section

Definitions

(Also refer to the Policy Definitions at the front of this Policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section.

Asbestos

Asbestos, asbestos fibres or any derivatives of asbestos.

Bodily Injury

Bodily injury including death, illness, disease or nervous shock.

Compensation

Damages, including interest.

Costs and Expenses

- (1) Fees for The Insured's legal representation at
 - (a) any Coroner's Inquest or Fatal Accident Inquiry
 - (b) proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty

- (2) Costs and expenses

incurred with Our written consent

- (3) Any claimant's legal costs for which The Insured is legally liable

in connection with any event which is or may be the subject of indemnity under this Section.

Damage

Physical

- (1) loss.
- (2) destruction.
- (3) damage.

Financial Loss

A pecuniary loss suffered by any

- (1) customer of
- (2) user of any Products Supplied by

The Insured and not caused by Personal Injury or Damage to Property.

Personal Injury

- (1) Bodily Injury.
- (2) Wrongful
 - (a) arrest, detention or imprisonment.
 - (b) eviction.
 - (c) accusation of shoplifting.

Pollution or Contamination

- (1) Pollution or contamination of buildings or other structures or of water or land or the atmosphere
and
- (2) all loss, Damage to Property and Bodily Injury directly or indirectly caused by such pollution or contamination.

Products Supplied

Anything which is

- (1) manufactured, sold, supplied, processed, altered or treated
- (2) repaired, serviced or tested
- (3) installed, constructed, erected or transported

by You or on Your behalf and which is no longer in the custody or control of The Insured.

Property

Material property.

Section C - Public and Products Liability Section

Terrorism

Any act or acts including but not limited to

- (1) the use or threat of force and/or violence
and/or
- (2) harm or damage to life or to Property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.

The Defined Territories

Great Britain, Northern Ireland, the Isle of Man, the Channel Islands or offshore installations within the Continental Shelf around such territories.

The Employer

The party named as the employer in the contract or agreement.

The Insured

- (1) You.
- (2) Your personal representatives in respect of legal liability You incur.
- (3) At Your request
 - (a) any director, partner or Employee of Yours
 - (b) the officers, committees and members of Your
 - (i) canteen, social, sports, educational and welfare organisations
 - (ii) first aid, fire, security and ambulance services

in their respective capacities as such

 - (c) any principal for whom You are carrying out a contract, to the extent required by the contract conditions
 - (d) those who hire plant to You to the extent required by the hiring conditions

or the personal representatives of any of these persons

in respect of legal liability for which You would have been entitled to indemnity if the claim had been made against You.

Each indemnified party will be subject to the terms of this Section so far as they apply.

The total amount which We will pay will not exceed The Limit of Indemnity regardless of the number of parties claiming to be indemnified.

The Limit of Indemnity

The maximum amount, stated in The Schedule, which We will pay in respect of any one event or all events of a series consequent on or attributable to one original cause.

In respect of

- (1) Products Supplied
- (2) Pollution or Contamination

In respect of Pollution or Contamination The Limit of Indemnity will apply to the total of all events happening in any one Period of Insurance.

The Period of Temporary Cover

Up to 28 days from the date on which The Insured enters into the contract or starts the work, whichever is the earlier.

The Territorial Limits

Anywhere in the world in connection with The Business conducted by You from premises within The Defined Territories.

The Works

All works completed or to be completed by You or on Your behalf including

- (1) all materials incorporated or to be incorporated
- (2) plant, tools, equipment and temporary buildings used or to be used

for the period during which You are responsible under contract conditions.

Section C - Public and Products Liability Section

Cover

We will indemnify The Insured against

(1) legal liability to pay Compensation

and

(2) Costs and Expenses

in respect of accidental

(a) Personal Injury

(b) Damage to Property

(c) obstruction, trespass, nuisance or interference with any right of way, air, light or water

which arises in connection with The Business and which happens during the Period of Insurance and within The Territorial Limits.

The maximum We will pay is The Limit of Indemnity and any Costs and Expenses.

However, in respect of any claim brought in

(1) the United States of America or any territory within its jurisdiction

(2) Canada

the maximum We will pay, inclusive of Costs and Expenses, is The Limit of Indemnity.

Clauses

The following clauses apply to this Section.

Additional Activities

The Business includes

(1) ownership, use and upkeep of Your premises.

(2) upkeep of vehicles and plant which are owned and used by You.

(3) Your canteen, social, sports, educational and welfare organisations for the benefit of any Employee.

(4) Your first aid, fire, security and ambulance services.

(5) Your participation in exhibitions.

(6) private work by any Employee, with Your prior consent, for You or for any director, partner or Employee.

Building Contracts Liability and Damage

Where You are required to take out insurance to comply with

(1) Clause 21.2.1 of the Joint Contracts Tribunal Standard Form of Building Contract 1980 Edition or any subsequent amendment or replacement

or

(2) the equivalent clause in other contract conditions

We will indemnify You in respect of any expense, liability, loss, claim or proceedings which The Employer may incur or sustain as a result of accidental injury or Damage to any Property occurring within the Territorial Limits during the Period of Temporary Cover and caused by

(a) collapse

(b) subsidence

(c) heave

(d) vibration

(e) weakening of or removal of support

(f) lowering of groundwater

arising out of or in the course of or due to the carrying out of The Works.

The maximum We will pay in respect of any or all claims arising out of any one contract is £2,000,000 and this amount shall be independent of the Limit of Indemnity.

Section C - Public and Products Liability Section

You must ensure that

- (1) You tell Us about each contract to which this indemnity is to apply no later than seven days of
 - (a) entering into the contract
 - or
 - (b) starting the workwhichever is the earlier.
- (2) You agree the terms and pay the premium as We require in respect of this indemnity and for the continuation of this indemnity.

We will not provide indemnity in respect of

- (1) the first £500 of each and every claim
- (2) any expense, liability, loss, claim or proceedings
 - (a) as a result of the negligence, omission or default of
 - (i) You, your agents or any Employee.
 - (ii) any sub-contractor, his employees or agents.
 - (b) as a result of errors or omissions in the planning or designing of The Works.
 - (c) which could be reasonably foreseen to be inevitable in view of the nature of the work to be executed or the manner of its execution.
 - (d) which is at the sole risk of The Employer under the terms of the contract.
- (3) liability assumed by The Employer by agreement and which would not have attached in the absence of any agreement.
- (4) Damage to Property which comprises The Works.

Legal Expenses arising from Consumer Protection Act 1987 and Food Safety Act 1990

We will indemnify The Insured in respect of

- (1) legal fees and expenses incurred with Our written consent for defending proceedings, including appeals
- (2) costs of prosecution awarded against The Insured

which arise from criminal proceedings for any breach of Part II of the Consumer Protection Act 1987 or Part II of the Food Safety Act 1990.

We will not provide indemnity

- (1) unless the proceedings relate to an actual or alleged act, omission or incident committed during the Period of Insurance within The Defined Territories and in connection with The Business.
- (2) in respect of proceedings which result from any deliberate act or omission by You.
- (3) where indemnity is provided by another insurance Policy.

Contractual Liability

We will indemnify The Insured against liability in respect of accidental Bodily Injury or Damage to Property imposed on You solely by reason of the terms of any agreement provided that the conduct and control of any claim is vested in Us.

We will not provide indemnity in respect of any agreement for or including the performance of work outside The Defined Territories.

Cross Liabilities

We will indemnify each party named as The Policyholder in The Schedule as if a separate Policy had been issued to each.

The total amount payable will not exceed The Limit of Indemnity regardless of the number of parties claiming to be indemnified.

Section C - Public and Products Liability Section

Data Protection Act 1998

We will indemnify The Insured in respect of

- (1) legal fees and defence costs
 - (2) legal liability for Compensation to an individual
 - (a) the subject of personal data The Insured holds
- and
- (b) who suffers damage or distress caused by
 - (i) inaccuracy of data
 - (ii) loss of the data
 - (iii) unauthorised destruction or disclosure of the data
 - (iv) unauthorised access to the data

arising from proceedings brought against The Insured under Section 13 of the Data Protection Act 1998.

The maximum We will pay for all claims happening during any one Period of Insurance is £2,000,000.

We will not provide indemnity in respect of

- (1)
 - (a) Personal Injury other than as provided by this Clause.
 - (b) Damage to Property.
 - (c) fraud, dishonesty, insolvency, financial default, conspiracy, conversion, deceit, intimidation, inducement of breach of contract, injurious falsehood or breach of confidence.
 - (d) libel, slander or defamation.
- (2) consequential loss.
- (3) liability
 - (a) as a result of You having authorised the destruction or disclosure of the data.
 - (b) which could reasonably have been expected to arise as a result of any other deliberate act or omission by You.
- (4) any fine or statutory payment.
- (5) liability which arises solely by reason of the terms of any agreement.

- (6) liability in respect of liquidated damages or under any penalty clause.
- (7) legal costs or expenses or financial losses in respect of any order
 - (a) for rectification or erasure of data.
 - (b) requiring the data to be supplemented by any other statements.
- (8) proceedings relating to Compensation for any
 - (a) Employee if the Employers' Liability Section of this Policy is not in force.
 - (b) third party if the Public and Products Liability Section of this Policy is not in force.

Defective Premises

We will indemnify The Insured in respect of legal liability for accidental Bodily Injury or Damage to Property arising under

- (1) the Defective Premises Act 1972
- (2) the Defective Premises (Northern Ireland) Order 1975 or the Defective Premises (Landlord's Liability) Act (Northern Ireland) 2001

in connection with any premises which You previously owned or occupied for the purposes of The Business.

We will not provide indemnity in respect of the cost of rectifying any defect or alleged defect in such premises.

Employees' and Visitors' Personal Belongings

We will indemnify the Insured in respect of legal liability for accidental Damage to employees' and visitors' vehicles and personal belongings which are in the custody or control of The Insured.

We will not provide indemnity where this Property is

- (1) loaned, leased, hired or rented to The Insured.
- (2) stored for a fee or other consideration by The Insured.
- (3) in the custody or control of The Insured for the purposes of being worked upon.

Section C - Public and Products Liability Section

Financial Loss – Products Liability

We will indemnify The Insured in respect of legal liability for Financial Loss as a direct result of Products Supplied.

The maximum We will pay, including Costs and Expenses, in respect of all claims made against The Insured in any one Period of Insurance is £5,000.

This indemnity only applies to claims made against The Insured during the currency of this Clause or within 30 days of its expiry.

We will not provide indemnity

- (1) in respect of Financial Loss as a result of
 - (a) circumstances which, at inception of this Public and Products Liability Section, The Insured knew or ought to have known about and which were likely to give rise to a claim.
 - (b) non or late delivery of Products Supplied
 - (c) fraud, dishonesty, insolvency, financial default, conspiracy, conversion, deceit, intimidation, inducement of breach of contract or injurious falsehood.
 - (d) passing off or infringement of any trademark, trade name, merchandise mark, registered design, copyright or patent right.
 - (e) liability under the Data Protection Act 1998 or any subsequent amending legislation.
 - (f) any diminution in value of any Property or Products Supplied.
 - (g) liability imposed on The Insured solely by reason of the terms of any contract conditions or agreement.
 - (h) any consequence whatsoever directly or indirectly caused by or contributed to or arising from
 - (i) the presence of
 - (ii) the release of
Asbestos including any product containing Asbestos.
- (2) for the first £250 of Compensation, Costs and Expenses in respect of each and every loss.

Legal Expenses arising from Health and Safety Legislation

We will indemnify The Insured in respect of

- (1) legal fees and expenses incurred with Our written consent for defending proceedings, including appeals
- (2) costs of prosecution awarded against The Insured

which arise from any health and safety inquiry or criminal proceedings for any breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978.

We will not provide indemnity

- (1) unless the proceedings relate to an actual or alleged act, omission or incident committed during the Period of Insurance within The Defined Territories and in connection with The Business.
- (2) in respect of proceedings which
 - (a) result from any deliberate act or omission by You.
 - (b) relate to the health and safety of any Employee.
- (3) where indemnity is provided by another insurance Policy.

Hired or Rented Premises

We will indemnify The Insured in respect of legal liability for accidental Damage to premises (including fixtures and fittings) within The Defined Territories which are hired, rented or loaned to The Insured in connection with The Business.

We will not provide indemnity in respect of

- (1) the first £250 of Compensation, Costs and Expenses in respect of such Damage caused other than by fire or explosion.
- (2) liability imposed on The Insured solely by reason of the terms of any hiring or renting agreement.
- (3) Damage caused by fire or any other peril against which any hiring or renting agreement specifies that insurance is taken out by The Insured.

Section C - Public and Products Liability Section

Motor Contingent Liability

We will indemnify You in respect of Your legal liability for accidental Bodily Injury and Damage to Property which arises from any vehicle or trailer attached thereto which is

- (1) (a) not owned by
(b) not loaned, leased, hired or rented to
You nor provided by You
and
- (2) being used in connection with The Business in The Defined Territories.

We will not provide indemnity

- (1) in respect of Damage to the vehicle or trailer or goods carried in or on the vehicle or trailer.
- (2) while the vehicle is being driven by
 - (a) You.
 - (b) any person who to Your knowledge or that of Your representatives does not hold a licence to drive the vehicle unless such person has held and is not disqualified from holding or obtaining such a licence.
- (3) where indemnity is provided by another insurance Policy.

Overseas Personal Liability

We will indemnify You and, at Your request, any director, partner or Employee of Yours in respect of legal liability for accidental Bodily Injury or Damage to Property incurred in a personal capacity whilst such persons are temporarily outside The Defined Territories in connection with The Business.

We will also indemnify any accompanying spouse and children.

Where You are an individual, this indemnity will also apply to Your personal liability whilst away from Your business premises in connection with The Business but within The Defined Territories.

We will not provide indemnity

- (1) where liability arises from
 - (a) any agreement unless liability would have existed otherwise.
 - (b) ownership or occupation of land or buildings.
 - (c) the carrying on of any trade or profession.
 - (d) ownership, possession or use of wild animals, firearms (other than sporting guns), mechanically propelled vehicles, aircraft or watercraft.
- (2) where indemnity is provided by another insurance Policy.

Payment for Court Attendance

We will compensate You if, at Our request, You, any director, partner or Employee of Yours, is attending court as a witness in connection with a claim for which The Insured is entitled to indemnity.

The maximum We will pay for

- (1) You, each director or partner is £250 per day.
- (2) each Employee is £150 per day.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the front of this Policy booklet).

We will not provide indemnity in respect of

- (1) Personal Injury to any Employee arising out of and in the course of employment by You in The Business.
- (2) the ownership, possession or use by or on behalf of The Insured of any
 - (a) aircraft, aerial device or hovercraft.
 - (b) watercraft exceeding 8 metres in length.

Section C - Public and Products Liability Section

(c) motor vehicle, trailer or plant in circumstances where compulsory insurance or security is required by any road traffic legislation other than

- (i) where described in the Motor Contingent Liability Clause.
- (ii) the loading or unloading of any such vehicle, trailer or plant where indemnity is not provided by another insurance Policy.

(3) Damage to Property

- (a) which You own or is loaned, leased, hired or rented to The Insured
- (b) which is held in trust or in the custody or control of
 - (i) The Insured
 - (ii) any other party who is carrying out work on Your behalf

other than in the circumstances described in the Hired or Rented Premises Clause or the Employees' and Visitors' Personal Belongings Clause.

(4) Damage to or the cost incurred by anyone in repairing, removing, replacing, reapplying, rectifying or reinstating

- (a) Products Supplied (other than Products Supplied under a separate contract).
- (b) The Works.

(5) recalling or making refunds in respect of

- (a) Products Supplied.
- (b) The Works.

(6) advice, instruction, consultancy, design, formula, specification, inspection, certification or testing performed or provided separately for a fee or under a separate contract.

(7) the carrying out of any work or any Products Supplied which affects or could affect

- (a) the navigation, propulsion or safety of any aircraft or other aerial device.
- (b) the safety or operation of nuclear installations.

(8) Pollution or Contamination other than caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.

All Pollution or Contamination which arises out of one incident will be deemed to have happened at the time such incident takes place.

(9) (a) work in or on and travel to, from or within

(b) Products Supplied to any offshore

- (i) accommodation, exploration, drilling or production rig or platform.
- (ii) support vessel.

(10)(a) liquidated damages.

(b) penalty clauses.

(c) fines.

(d) aggravated, restitutionary, punitive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non-compensatory damages.

(11)(a) work on or in

(i) power stations or nuclear installations/establishments.

(ii) oil, gas or chemical

- refineries
- bulk storage
- product premises.

(iii) mainframe computers or rooms containing mainframe computers.

(iv) aircraft, aerospace systems or hovercraft.

(v) watercraft other than work, not involving the use of heat, on or in watercraft in docks, harbours, boatyards or inland waterways.

(vi) railways or airports.

(b) work underground or underwater.

Section C - Public and Products Liability Section

(12) any consequence whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other contributory cause or event

(a) Terrorism

(b) any action taken in controlling, preventing, suppressing or in any way relating to (a) above

except as stated in **Special Provision - Terrorism** below.

In any action, suit or other proceedings where We allege that any consequence whatsoever resulting directly or indirectly from or in connection with (12)(a) and/or (12)(b) above regardless of any other contributory cause or event is not covered under this Section (or is covered only up to a specified limit of liability) the burden of proving that any such consequence is covered (or is covered beyond that limit of liability) under this Section shall be upon You.

Special Provision - Terrorism

Subject otherwise to the terms of the Policy

Neither of the exclusions in (12)(a) and (12)(b) above shall apply to the Public and Products Liability Section but The Limit of Indemnity for the purpose of this Special Provision - Terrorism is limited to £2,000,000 or any other amount specified in the Policy for Public and/or Products Liability whichever is the lower.

(13) the amount of Compensation, Costs and Expenses shown in The Schedule as applying in respect of each and every event resulting in Damage to Property.

You will reimburse any such amount paid by Us.

(14) (a) exposure to

(b) inhalation of

(c) fears of the consequences of exposure to or inhalation of

(d) the costs incurred by anyone in repairing, removing, replacing, recalling, rectifying, reinstating or managing (including those of any persons under any statutory duty to manage) any property arising out of the presence of

Asbestos including any product containing Asbestos.

Conditions

The following conditions apply to this Section.

(Also refer to the Policy Conditions at the front of this Policy booklet).

Premium Adjustment

(1) At renewal, where it is stated in The Schedule that index linking applies, the estimates upon which the premium is based will be adjusted for movements in The Average Earnings Index issued by the relevant government department. We may select an alternative measure if the index is unavailable.

(2) Where it is stated in The Schedule that declarations apply

(a) You will, within one month after the Expiry Date shown in The Schedule, supply the information We require

and

(b) We will adjust the premium for the expired period subject to any minimum premium(s) applying.

Suspension of Cover

We may, at any reasonable time, inspect any property and, in the event of any defect or danger being apparent, We may by written notice to You suspend all our liability that might otherwise arise from such defect or danger.



Cast House, Old Mill Business Park, Gibraltar Island Road, Leeds, West Yorkshire, LS10 1RJ
T: 0844 557 4727 ■ F: 0113 272 9197 ■ E: enquiries@ukgeneral.co.uk

www.ukgeneral.com