

Tradesman

ARO

Insurance Policy

The Contract of Insurance

Thank you for choosing “Aro Tradesman”.

Aro Tradesman is a trading name of Aro Underwriting Group Limited, who are authorised to underwrite and administer **your** policy on behalf of Allied World Assurance Company (Europe) dac.

Allied World Assurance Company (Europe) dac, a private company (company number 361888, EEA/FCA no.: 219772) registered in Ireland with its registered office at 3rd Floor Georges Quay Plaza, Georges Quay, Dublin 2, Ireland and its UK branch office at Floor 19, 20 Fenchurch Street, London EC3M 3BY. Authorised by the Central Bank of Ireland and subject to limited regulation by the Financial Conduct Authority.

Details of the extent of regulation by the Financial Conduct Authority are available on request.

This is **your** Tradesman insurance policy. It sets out the details of **your** insurance contract with **us**. This document, any endorsements, certificates and the schedule must be read together as one contract as they form **your** policy.

In return for payment of the premium shown in the schedule, we agree to insure **you** against:

- loss or **damage you** sustain;
- legal liability you incur for accidents

happening during the **period of insurance and** in accordance with the terms and conditions contained in or endorsed on this policy.

Please read the whole document carefully and keep it in a safe place. **You** should take the time to read all its terms, especially the conditions, which **you** have to fulfil to ensure **your** insurance remains valid, and what **you** have to do when making a claim.

It is important that **you**:

- check that the sections you have requested are included in the schedule;
- check that the information you **have** given **us** is accurate;
- comply with your **duties** under each section and under the insurance as a whole.

If this policy does not meet **your** requirements, or if **your** requirements change, **you** should contact **your** insurance agent at **your** earliest opportunity.

The duty of fair presentation

By entering into this insurance contract **we** accept that **you** have made a reasonably clear and accessible presentation of the risk, in accordance with Section 3(3)(b) of the Insurance Act 2015.

Signed on behalf of **The Company**



James Bright BSc(Hons)
ACII Managing Director
Aro Underwriting Group Ltd

ARO, ARO Plus and Willow are trading names of ARO Underwriting Group Limited which is an Appointed Representative of HISL Brokers Limited a company authorised and regulated by the Financial Conduct Authority under firm reference number 505452 to carry on insurance distribution activities. ARO Underwriting Group Limited is registered in England and Wales company number 07491066. Registered office at Sackville House, 55 Buckhurst Avenue, Sevenoaks, Kent, TN13 1LZ.



Contents		1
Important information		
If you need to make a claim		2
Changes to your circumstances		2
How to cancel your policy		2
Cancellation – instalment payments		3
Financial Services Compensation Scheme (FSCS)		3
Registration and Regulatory information		3
Privacy notice		3
How to make a complaint		5
Employers' Liability Tracing Office		7
Choice of Law and jurisdiction		7
Contracts (Rights of Third parties) Act 1999		8
Sanction limitation		8
Tax		8
Monetary values		8
Renewal of this insurance		8
General definitions		9
General conditions		13
Claims conditions		17
General exclusions		19
Cover provided automatically:		
Section 1	Public and Products Liability	22
	Prosecution defence costs	31
<p>(Applicable Section 1 Public and Products Liability and Section 2 - Employers' Liability, if you have opted for cover for Section 2 and it is shown as covered in your schedule.</p>		
Optional covers:		
Section 2	Employers' Liability	35
Section 3	Hired in Plant	38
Section 4	Business Equipment	41
Section 5	Contract Works	44
Section 6	Own Plant	52
Section 7	Tools	55

Important Information

If you need to make a claim

If **you** need to make a claim under this policy, please telephone **us** using the relevant number below and **we** will be pleased to advise **you** of the steps to take. It will assist if **you** have details of **your** policy and cover available when telephoning.

- New Claims should be notified to:

Email - newclaim.alliedworld@davies-group.com
Phone - **0344_856 3285**

- For any claim communication after the initial notification of the loss please contact:

Email - post.alliedworld@davies-group.com
Phone - **0344_856 3285**

In all communications with **us** please quote **your** policy number.

We would refer **you** also to the claims conditions of this policy set out on pages 17 – 18.

Changes to your circumstances

Please tell **your** insurance agent as soon as reasonably possible if there are any changes to **your** circumstances and/or information **you** have previously provided during the **period of insurance** to allow **us** to reassess **your** insurance risk.

Please refer to General Conditions 2 and 3 of this policy.

If **your** circumstances change and **you** do not tell **your** insurance agent, **you** may find that **you** are not covered if **you** need to claim.

How to cancel your policy

You have a statutory right to cancel **your** policy within 14 days from the day of purchase or renewal of the contract or the day on which **you** receive **your** policy or the renewal documentation, whichever is the later.

If you wish to cancel and the insurance cover has not yet began, **you** will be entitled to a full refund of the premium paid. Alternatively, if **you** wish to cancel and the insurance cover has already started, provided **you** have not made a claim, **you** will be entitled to a refund of the premium paid, less a proportional deduction for the time **we** have provided cover.

If **you** do not exercise **your** right to cancel **your** policy, it will continue in force and **you** will be required to pay the premium.

For cancellation outside of this statutory cooling off period **you** can cancel this insurance at any time

Important Information

by telephoning **your** insurance agent or by writing (by e-mail, fax or letter) to **your** insurance agent.

If this insurance is cancelled outside the statutory cooling off period, provided **you** have not made a claim and there hasn't been an event that could give rise to a claim, **you** will be entitled to a refund of any premium paid, less 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 6 months, the deduction for the time **you** have been covered will be half the annual premium.

If **we** pay any claim, in whole or in part, then no refund of premium will be allowed.

Cancellation – instalment payments

Time is of the essence in relation to **your** payment of the premium. If **you** pay **your** premium by direct debit and there is any default in payment, **we** will contact **you** to request payment by a given date, which will be 14 days from the date **we** contact **you**. If payment is still not received by this date, **we** may then cancel this policy. No refund or credit of premium will be due when cancellation takes place in these circumstances.

For **our** rights to cancel **your** policy please refer to General conditions on page 13.

Compensation (Financial Services Compensation Scheme)

We are covered by the Financial Services Compensation Scheme (FSCS).

The FSCS compensates the customers of an insurer or insurance intermediary if it is unable to meet its obligations under a policy due to financial difficulties (for example, if it has been placed in provisional liquidation or administration).

Full details and further information on the scheme are available from the FSCS at www.fscs.org.uk.

Registration and regulatory information

Aro Tradesman is a trading name of Aro Underwriting Group Limited, who are authorised to underwrite and administer your policy on behalf of Allied World Assurance Company (Europe) dac

Allied World Assurance Company (Europe) dac, a private company (company number 361888, EEA/FCA no.: 219772) registered in Ireland with its registered office at 3rd Floor Georges Quay Plaza, Georges Quay, Dublin 2, Ireland and its UK branch office at Floor 19, 20 Fenchurch Street, London EC3M 3BY. Authorised by the Central Bank of Ireland and subject to limited regulation by the Financial Conduct Authority.

Privacy Notice

Who we are

We are the Insurer(s) identified in the proposal form and/or contract of insurance and/or in the certificate of insurance.

The basics

We collect and use relevant information about **you** to provide **you** with **your** insurance cover or the insurance cover that benefits **you** and to meet **our** legal obligations.

This information includes details such as **your** name, address and contact details and any other information that **we** collect about **you** in connection with the insurance cover from which **you** benefit. This information may include more sensitive details such as information about **your** health and any criminal convictions **you** may have.

In certain circumstances, **we** may need **your** consent to process certain categories of

Important Information

information about **you** (including sensitive details such as information about **your** health and any criminal convictions **you** may have). Where **we** need **your** consent, **we** will ask **you** for it separately. **You** do not have to give **your** consent and **you** may withdraw **your** consent at any time. However, if **you** do not give **your** consent, or **you** withdraw **your** consent, this may affect **our** ability to provide the insurance cover from which **you** benefit and may prevent **us** from providing cover for **you** or handling **your** claims.

The way insurance works means that **your** information may be shared with, and used by, a number of third parties in the insurance sector for example, insurers, agents or brokers, reinsurers, loss adjusters, sub-contractors, regulators, law enforcement agencies, fraud and crime prevention and detection agencies and compulsory insurance databases. **Your** information will also be used for business and management activities such as financial management and analysis. This may involve sharing **your** information with, and obtaining information about **you** from, **our** group companies and third parties in the insurance sector. **We** will only disclose **your** personal information in connection with the insurance cover that **we** provide and to the extent required or permitted by law.

Other people's details you provide to us

Where **you** provide **us** or **your** agent or broker with details about other people, **you** must provide this notice to them.

Group policies

We will process individual insured's details, as well as any other personal information **you** provide to **us** in respect of **your** insurance cover, in accordance with **our** privacy notice(s) and applicable data protection laws.

To enable **us** to use individual insured's details in accordance with applicable data protection laws, **we** need **you** to provide those individuals with certain information about how **we** will use their details in connection with **your** insurance cover.

You agree to provide to each individual insured this notice, on or before the date that the individual becomes an individual insured under **your** insurance cover or, if earlier, the date that **you** first provide information about the individual to **us**.

We are committed to using only the personal information **we** need to provide **you** with **your** insurance cover. To help **us** achieve this, **you** should only provide to **us** information about individual insureds that **we** ask for from time to time.

Contacting us and your rights

You have rights in relation to the information **we** hold about **you**, including the right to access **your** information. If **you** wish to exercise **your** rights, discuss how **we** use **your** information, request a copy of **our** full privacy notice or for more information please contact **us**:

<https://awac.com/privacy-policy/>

Email: dataprotection@awac.com

Post: Data Protection Officer, Allied World Assurance Company (Europe) dac, 20 Fenchurch Street, London EC3M 3BY, UK.

How to make a complaint

General Insurance Complaint Procedure-

If you feel dissatisfied with the service you have received

Our aim is always to provide **you** with the highest level of customer service. If **you** feel that **we** have failed to maintain this standard, then this document outlines the procedure **we** will use to deal promptly and fairly with any issue **you** raise.

Please note that **we** record and monitor all complaints centrally to make sure the matter is dealt with properly and that action is taken to avoid a similar problem arising in the future.

Important Information

What to do next

If **you** wish to make a complaint, **you** can do so at any time, free of charge, by referring the matter by e-mail, in writing, by telephone or in person to **the company**;

E: complaints@aro-underwriting.com

W: www.aro-underwriting.com

Customer Services

Aro Underwriting Group Ltd,

Sackville House,
55, Buckhurst Avenue,
Sevenoaks.
Kent.
TN13 1LZ
T: 01732 783575

What we need to know

Please make sure **you** are able to quote **your** policy details, including **your** policy number.

What we will do

If **the company** resolve **your** complaint to **your** satisfaction within 3 business days after the day of receipt, **you** will receive a Summary Resolution Communication in writing. This response will include the fact that a complaint was made and is now considered resolved, either by accepting the complaint and offering redress or rejecting the complaint with a full explanation.

If **the company** are unable to resolve **your** complaint by the close of 3 business days, **we** will escalate this to a formal complaint stage. **The company** will notify **you** with an acknowledgment letter, outlining timescales and the details of who will be handling **your** complaint. **The company** will send **you** a final response letter within 8 weeks of receipt of the complaint. In some circumstances, if the complaint concerns the insurers of **your** policy **the company** will make sure **your** complaint is passed **us** in order to respond to **you** quickly to proceed in accordance with the process as explained above. If that is the case, **we** will contact **you** direct and explain when **you** will hear further from **us**.

If **you** wish **you** can complain directly to **us**, Allied World Assurance Company (Europe) dac. Please see **our** contact details as follows:

Complaints Manager
Allied World Assurance Company (Europe) dac
19th Floor, 20 Fenchurch Street
London EC3M 3BY
Phone: 0207 220 0600
Email: AWE.Complaints@awac.com

If after making a complaint **you** are still not satisfied or **the company** or **us** have failed to respond to **your** complaint(s) within 8 weeks of receipt of **your** complaint, **you** may be entitled to refer the dispute to the Financial Ombudsman Service ("FOS") which is a free and impartial service, and may be contacted at:

Exchange Tower
Harbour Exchange
London, E14 9SR
E: complaint.info@financial-ombudsman.org.uk

T: 0800 023 4567 (calls to this number are free from "fixed lines" in the UK) or 0300 123 9123 (calls to this number are charged at the same rate as 01 and 02 numbers on mobile phone tariffs in the UK).

Important Information

The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. **You** can find more information on the FOS at; www.financial-ombudsman.org.uk

Making a complaint will not affect **your** right to take legal action.

To confirm whether **you** are eligible to ask the FOS to review **your** complaint please contact them at <https://www.financial-ombudsman.org.uk/consumer/complaints.htm>

Further information regarding eligibility criteria to submit a complaint to the FOS is available in the following link: <https://sme.financial-ombudsman.org.uk/complain/complaints-can-help>

Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme (FSCS).

The FSCS compensates the customers of an insurer or insurance intermediary if it is unable to meet its obligations under a policy due to financial difficulties (for example, if it has been placed in provisional liquidation or administration).

Full details and further information on the scheme are available from the FSCS at www.fscs.org.uk.

Important Information

Employers' Liability Tracing Office (ELTO)

By entering into this insurance policy **you** will be deemed to specifically consent to the use of **your** insurance policy data in the following way and for the following purposes.

1. Certain information relating to **your** insurance policy including, without limitation:
 - a) the policy number(s);
 - b) employers' names and addresses (including subsidiaries and any relevant changes of name);
 - c) dates of cover;
 - d) employer's reference numbers provided by Her Majesty's Revenue and Customs; and
 - e) Companies House reference numbers (if relevant)

will be provided to the Employers' Liability Tracing Office (ELTO) and added to an electronic database (database).

2. This information will be made available by us to ELTO in a specified and readily accessible form as required by the Employers' Liability Insurance: Disclosure by Insurers Instrument 2011. This information will be subject to regular periodic updating and certification and will be audited on an annual basis.
3. The database will assist individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK for employers carrying on or who carried on business in the UK and who are covered by the employers' liability insurance of their employers (claimants):
 - a) to identify which insurer (or insurers) provided employers' liability cover during the relevant periods of employment; and
 - b) to identify the relevant employers' liability insurance policies.
4. The database will be managed by ELTO.
5. The database and the data stored on it may be accessed and used by claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

Choice of Law and jurisdiction

In the absence of any agreement to the contrary, the laws of England and Wales will apply and this policy will be subject to the exclusive jurisdiction of the courts of England unless, at the beginning of the **period of insurance**, **you** are either:

- a) a resident of; or
- b) a business with its registered office or principal place of business is situated in;

Scotland, Northern Ireland, the Channel Islands or the Isle of Man, in which case (in the absence of agreement to the contrary) the law of that country, crown protectorate or dependency will apply and this policy will be subject to the exclusive jurisdiction of the courts of that country, crown protectorate or dependency.

Important Information

Contracts (Rights of Third Parties) Act 1999

A person or company who was not party to this policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this policy but this condition does not affect any right or remedy of a third party which exists or is available other than by virtue of this Act and any later amendment to it.

Sanction

This policy will not provide any insurance cover or benefit and **we** will not pay any sum if doing so would mean that **we** are in breach of any sanction, prohibition or restriction imposed by any law or regulation applicable to **us**.

Tax

There may be circumstances where taxes may be due that are not paid via **us**. If this occurs then it is **your responsibility** to ensure that these are paid direct to the appropriate authority.

Monetary values

Monetary values in this wording are shown in bold to help **you** identify them quickly.

Renewal of this insurance

When **your** policy is due for renewal, **we** will write to **your** insurance agent at least 21 days before the **period of insurance** ends with full details of **your** next year's premium and policy terms and conditions. If **you** do not want to renew the policy, please contact **your** insurance agent. Occasionally, **we** may not be able to offer to renew **your** policy. If this happens, **we** will write to **your** insurance agent at least 21 days before the expiry of **your** policy to allow enough time for **you** to make alternative insurance arrangements.

General definitions (what words mean)

Certain words in the policy have specific meanings. These meanings are defined below. The words defined carry the same meaning wherever they appear in the policy or any endorsement attaching to it, unless varied by a definition in a particular section, and are printed in bold to help you identify them.

Certain additional words may also be defined at the beginning of the individual sections in which they are used and to which they have a particular relevance.

Bodily injury

- a) Death, injury, illness or disease;
- b) mental injury, anguish or nervous shock sustained by any person as a result of actual or threat of bodily injury, death, illness or disease; and
- c) false arrest, false imprisonment and false eviction.

Business

The business specified in the schedule conducted solely from within the **territorial limits**.

And additionally for Sections 1 and 2 only includes:

- a) the ownership repair and maintenance of the **premises**;
- b) the provision of first aid but **we** will not cover any first aid provided by any qualified medical practitioner or nurse;
- c) private work undertaken by **your employees** with **your** consent for any of **your** directors, partners or senior officials;
- d) the provision and management of sports social and welfare organisations by **you** for the benefit of the **your employees**;
- e) the sale or supply of food and drink to **employees** or visitors;
- f) engagement of sub-contractors for performance of work on **your** behalf.

Computer virus

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) patterns, models, moulds, plans and designs; and
- b) office equipment.

Costs and expenses (applicable to Sections 1 and 2 but not the prosecution defence costs extension which has its own definition)

- a) Claimants costs and expenses arising for any claim against **you** which may be the subject of cover under this section.
- b) All cost and expenses incurred by **you** with **our** written consent for any claim against **you** which may be the subject of cover under this policy.

General definitions (what words mean)

Damage

Physical accidental loss of or destruction of or damage to the property insured.

Denial of service attack

Any actions or instructions constructed or generated with the ability to **damage**, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. Denial of service attacks include, but are 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 between and amongst networks.

Employee

- a) Any person under a contract of service or apprenticeship with **you**;
- b) any self-employed person working on a labour only basis under your control or supervision;
- c) any person who is hired to or borrowed by **you**;
- d) any person engaged under a work experience or training scheme;
- e) any labour master or person supplied by him;
- f) any prospective employee who is undergoing practical work experience whilst being assessed by **you** as to their suitability for employment;
- g) a driver or operator of hired in plant;
- h) any outworker or homeworker employed under a contract to personally carry out any work,
- i) any person or secondment to **you** for **your** parent or subsidiary companies outside the **territorial limits**
- j) a voluntary helper

whilst working for and under **your** control or supervision in connection with the **business**.

Excess

The amount for which **you** are responsible for each claim or loss as specified in the schedule or in the policy.

Hacking

Unauthorised access to any computer or other equipment or component or system or item which processes, stores or retrieves data, whether **your** property or not.

Limit of liability

The maximum amount **we** will pay for any one loss or series of losses arising from the same original incident.

Period of insurance

The period of insurance stated in the schedule.

General definitions (what words mean)

Phishing

any access or attempted access to data or information made by means of misrepresentation or deception.

Pollution

Any pollution or contamination by naturally occurring or man-made substances, forces or organisms or any combination of them, whether permanent or transitory and however occurring. This definition excludes pollution or contamination by asbestos.

Premises

The buildings and the land inside the boundaries at the property address shown in **your** schedule occupied by **you** for the purpose of the **business**.

Products

Anything sold, supplied, altered, constructed, repaired, serviced, designed, tested, installed or processed by or on **your** behalf including containers, packaging or labelling and which is not in **your** possession at the time of the occurrence.

Sum insured

The maximum amount **we** will pay for each item insured under any section or sub-section.

Territorial limits

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

Terrorism

- a) 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 legitimate government or accepted (illegitimate) government.
- b) Any action in controlling, preventing, suppressing, retaliating against or responding to any act or preparation for action or threat of action described in a) above.

Virus or Similar Mechanism

Program code, programming instruction or any set of instructions intentionally constructed with the ability to **damage**, interfere with or otherwise adversely affect computer programs, data files or operations, whether involving self-replication or not. The definition of virus or similar mechanism includes but is not limited to Trojan horses, worms and logic bombs.

We/us/our/ourselves

Allied World Assurance Company (Europe) dac as insurers of **your** policy. and Aro Underwriting Group, who are authorised to underwrite and administer your policy on their behalf.

General definitions (what words mean)

You/your

- a) The policyholder named in the schedule.
- b) Any associated or subsidiary company of the insured provided it has been notified to and agreed by **us**.
- c) At your request:
 - i) any director or **employee** while they are acting on behalf of or in course of their employment or engagement with you for liability for which you would have been entitled to cover under this policy if the claim against that person had been made against you;
 - ii) any officer, member or **employee** in their respective capacities of your social, sports or welfare organisation or fire, first aid or ambulance service;
 - iii) any of your directors, partners or senior officials for private work carried out by any **employee** for them with your consent; and
 - v) your personal representatives (in the event of your death) for liability incurred by you, provided that if cover is extended to any party described in paragraphs i) to iii) above that party will be subject to the terms of this policy so far as they can apply and in any event our liability will not exceed the **limit of liability**

General Conditions (action you or we must take)

These are the conditions of the cover and apply throughout your policy. There may be additional conditions under each section of cover and in any attaching endorsements. If you do not comply with these conditions you may not receive payment for a claim or you may lose all right to cover under your policy or to receive payment for a claim.

If you are unsure about any of these conditions or whether you need to notify us about any matter, please contact us.

1. Adjustment of premium

If the premium has been calculated on estimates given by **you**, **you** must keep an accurate record of all relevant particulars which must be available to **us** for inspection.

Within a reasonable time after the end of each **period of insurance**, **you** will supply to **us** an accurate statement in the form required so that the premium for that period can be calculated and the difference paid by or returned to **you**.

If **you** do not supply a statement within a reasonable time after the end of the **period of insurance**, **we** will be entitled to charge an additional premium for that **period of insurance**.

2. Cancellation – our rights

We may cancel the policy or any section by giving 30 days' notice in writing by registered letter to **you** at **your** last known address and in this case **you** will be entitled to a proportionate return of premium for the unexpired term of the policy (other than in circumstances where **we** invoke the Fraudulent claims condition).

Reasons **we** may decide to cancel **your** policy include if:

- a) there is a material change in **your business**;
- b) there is reasonable suspicion of fraud or where there has been misrepresentation of material facts and/or other non-disclosure;
- c) the information that forms the basis of this contract changes;
- d) **you** do not co-operate or supply information or documentation that **we** request which materially affects our ability to process the policy or **our** ability to defend **our** interests;
- e) following a survey at any of **your** properties or sites **we** have required **you** to make risk improvements and **you** have not completed these within a reasonable period of time advised by **us**;
- f) the premium has not been paid;
- g) threatening or abusive behaviour or the use of threatening or abusive language, intimidation or bullying of **our** staff or suppliers;
- h) not exercising **your** duty of care as required under the Maintenance and reasonable precautions condition contained on page 14 in this policy and failing to put this right when **we** ask **you** by sending **you** seven days written notice to **your** latest address.

Where a claim has been made during the current **period of insurance**, the full annual premium will still be payable despite cancellation of cover and **we** reserve the right to deduct this from any claim payment.

General Conditions (action you or we must take)

3. Change in circumstances or alteration to the risk

If **you** would like to make changes to **your** policy please contact **your** insurance agent.

If **you** are aware of any material changes to the information provided or if **you** become aware of any material changes **you** must tell **us** about those changes. **You** must take care when answering any questions **we** ask by ensuring that all information provided is accurate and complete.

If **you** need to change the information **you** have given **us** please contact **us** as soon as reasonably practicable on becoming aware of that change.

Examples where **we** would need **you** to notify **us** of a change:

- If any sums insured **you** have declared to **us** have increased or decreased;
- There is a change to the business **you** undertake that **we** do not know about;
- The number of **employees**, partners or directors in the **business** changes.

These are just some examples and there may be other circumstances **we** would want **you** to tell **us** about. If **you** are in any doubt, please contact **us** directly as failure to notify **us** of any changes could lead to **your** policy being cancelled, or a claim rejected or not fully paid.

If **you** are unsure whether a change to the information **you** have given **us** is material please contact **us**.

In addition **you** must notify **us** of any alteration to the information provided at the start or renewal occurring during the **period of insurance** at which time **we** may apply an additional premium or other additional terms or conditions.

4. Interest clause

We agree to automatically note the interest of any other party if requested to do so by **you**, to any of the **buildings** and which attached before the happening of any **damage**, but only to the extent that the interest is not otherwise insured and subject to their identity being disclosed in writing to **us** by **you** in the event of **damage**.

5. Maintenance and reasonable precautions

Unless otherwise agreed by **us**, **you** will at **your** own expense:

- a) take all reasonable precautions to prevent or reduce **damage**;
- b) cease any activity which may give rise to liability under this policy;
- c) maintain all works machinery, caravans and vehicles in sound condition;
- d) exercise care in the selection and supervision of **employees**;
- e) remedy any defect or danger as soon as reasonably practicable after discovery and in the meantime take additional precautions as the circumstances may require; and
- f) comply with all statutory requirements and other safety regulations imposed by any authority.

General Conditions (action you or we must take)

6. Remedies following a breach in your duty of fair presentation

A non-disclosure or misrepresentation is “deliberate or reckless” if:

- a) in the case of a misrepresentation, **you** knew it was untrue or misleading, or did not care whether it was untrue or misleading
- b) in the case of a non-disclosure, **you** knew that the matter to which the non-disclosure related was material to **us**, or did not care whether or not it was material to **us**.

The burden will be on **us** to prove all matters set out in this condition.

Deliberate or reckless breach of the duty of fair presentation

If **you** deliberately or recklessly breach **your** duty of fair presentation of the risk this policy will be avoided from its start date and no premium will be returned.

Breach of the duty of fair presentation which is neither deliberate nor reckless

If **your** breach of the duty of fair presentation of the risk was neither deliberate nor reckless, and had **we** known the information which led to the breach from the start of the policy or at the time of its renewal, **we**:

- a) **would not have entered into the contract:**

we will:

- i) charge an additional premium calculated from the start of the **period of insurance** (the amount charged will be proportionate with the increase in risk);
- ii) apply additional terms from the date **we** discover the breach;

Provided **you** have paid the additional premium **we** requested and agreed in writing to the additional terms, **we** will also:

- a. pay any valid claims notified to **us** before the date of the discovery of the breach, including any valid claim which led to the discovery of the breach;
- b. continue to cover **you** on the revised basis for the remaining **period of insurance**, but **we** may not continue insuring **you** once the policy reaches its renewal date.

However there may be certain circumstances where **we** will cancel the policy from the start date. These circumstances will include where the breach means **we** or **our** parent company will suffer reputational harm in either the insurance market, the media or amongst **our** customers or trading partners.

If **we** do cancel **your** policy from the start date because of the above all premiums paid will be returned.

- b) **would have applied different terms**

we will apply those different terms from the date of the discovery. Any claims already made will not be affected by **our** discovery;

General Conditions (action you or we must take)

c) **would have charged a higher premium**

we will charge an additional premium calculated from the start of the policy.

Any claims already made will not be affected by **our** discovery;

d) **would have applied different terms and charged a higher premium**

we will charge the additional premium (calculated from the start of the policy) and apply additional terms from the date of discovery. Any claims already made will not be affected by **our** discovery.

We or **your** insurance agent will write to **you** if **we** intend to apply one of the above proportional remedies.

7. **Your business**

The total number of directors, partners or **employees** working in connection with **your business** must not exceed:

- a) the number declared by you and shown in the schedule; and
- b) eight people.

You must tell us as soon as practicably possible if the total number of persons shown in **your** schedule increases and pay any additional premium required by **us**.

Claims Conditions (actions you or we must take)

1. Arbitration

If **we** agree to pay **your** claim and **you** disagree with the amount to be paid it may be referred to an arbitrator who is jointly appointed. Whether **we** or **you** bear the costs of the arbitration, or these are shared by **us** and **you** will be determined at the discretion of the arbitrator. Alternatively, depending on **your** circumstances, **you** may be able to refer **your** case to the Financial Ombudsman Service (FOS). In either case, this will not affect **your** right to take action against **us** over the disagreement.

2. Claims co-operation

You must provide all help and assistance and co-operation required by **us** in connection with any claim.

3. Claims procedures

Things **you** must do:

You must comply with the following conditions. If **you** fail to do so, **we** may not pay **your** claim, or any payment could be reduced.

- a) **You** must notify **us** as soon as reasonably practicable giving full details of what has happened for any accident or incident which may give rise to a claim.
- b) **You** must provide **us** with any other information **we** may require.
- c) **You** must forward **us** as soon as reasonably practicable, if a claim for liability is made against **you**, any letter, claim, writ, summons or other legal document **you** receive.
- d) **You** must inform the police as soon as reasonably practicable following any loss caused by malicious acts, violent disorder, riots or civil commotion, theft, attempted theft or lost property.
- e) **You** must not admit liability or offer or agree to settle any claim without **our** written permission.
- f) **You** must take, or allow others to take, practical steps to prevent further **damage** or **bodily injury**, recover property lost and otherwise minimise the claim.

4. Discharge of liability

Where in **our** opinion, the **limit of liability** or the **sum insured** of any claim may exceed the available **limit of liability** or **sum insured** **we** will be entitled at **our** discretion, to discharge **our** liability by paying the available **limit of liability** or **sum insured** to **you** or on **your** behalf and pay defence costs up to the date of that payment. In this situation, if at the time of payment **we** are conducting the defence of the claim, **we** will also relinquish that conduct.

5. Excess

Where stated in the schedule **you** will be responsible for paying an **excess** in relation to each claim made by **you** under this policy.

Claims Conditions (actions you or we must take)

6. Fraudulent claims

If **you** or anyone acting on **your** behalf makes a fraudulent claim under **your** policy, including providing fraudulent information or documentation, **we** may:

- a) refuse to pay the claim;
- b) seek to recover any of costs already incurred by **us** relating to the fraudulent claim;
- c) also have the option to cancel the policy from the date of the fraudulent act;
and
- d) keep any premium paid to **us**.

This will not affect separate claims made before the fraudulent act unless they too were fraudulent.

If **your** policy covers more than one insured and a fraudulent claim is made by one of those insureds, **we** will treat that claim in accordance with the above, but the rights of the other insured(s) under the policy will not be affected.

7. Multiple insureds

The most **we** will pay is the relevant amount shown the schedule.

If more than one insured is named in the schedule, the total amount **we** will pay will not exceed the amount **we** would be liable to pay to any one of **you**.

You agree that the insured named in the schedule, if there is more than one insured named in the schedule the first of them, is authorised to receive all notices and agree any changes to the policy.

8. Other Insurance

If the **damage** or liability which is the subject of a claim under this policy is covered by any other insurance **we** will not pay more than **our** proportionate share.

9. Salvage

We may enter the **premises** where **damage** has occurred and take possession of or require to be delivered to **us** any **property insured** and deal with it in a reasonable manner but the property may not be abandoned to **us**.

10. Subrogation

We are entitled to:

- a) take over and conduct the defence or settlement of any claim in **your** name or on **your** behalf at **our** discretion;
- b) take steps to enforce rights against any other party before or after payment is made by **us**.

General Exclusions (what is not covered)

This policy does not cover the following.

1. **Asbestos** *Not applicable to Section 2 - Employers' liability*

any loss, demand, claim or suit arising out of or related in any way to asbestos or asbestos containing materials.

2. **Cyber terrorism**

digital or cyber risks, that is:

- a) any loss caused by or contributed to, by, or arising from or occasioned by or resulting from:
- i) the alteration, modification, distortion, corruption of or **damage** to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part of it whether tangible or intangible (including but without limitation any information or programs or software); or
 - ii) any alteration, modification, distortion, erasure or corruption of data processed by any computer or other equipment or component or system or item;

whether **your** property or not, where the loss is caused by a **virus or similar mechanism, phishing or hacking or denial of service attack,**

or

- b) any legal liability or financial loss or expense, including but not limited to consequential loss, caused by or contributed to, by, or arising from or occasioned by or resulting from a **virus or similar mechanism, phishing or hacking or denial of service attack.**

3. **Date recognition**

damage caused by, contributed to or arising from the failure of equipment (including hardware and software) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.

But **we** will cover later **damage** resulting from an insured cover, providing **damage** is covered elsewhere in the policy.

4. **Excess**

we will not cover the excess shown in **your** schedule.

5. **Northern Ireland - civil commotion**

civil commotion in Northern Ireland. **Damage** is excluded regardless of any other cause, event or intervention that contributes concurrently or in any sequence to the **damage**.

General Exclusions (what is not covered)

6. Radioactive contamination

bodily injury, disablement or **damage** to any property, or any resulting loss or expense or any legal liability caused by, contributed to or arising from:

- a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
- b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or its nuclear components ; or
- c) any weapon of war employing atomic or nuclear fission or fusion or other like reaction or radioactive force or matter.
- d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter but this exclusion d) will not apply to radioactive isotopes other than nuclear fuel when those isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other peaceful purposes.

When applying to Section 2 – Employers liability this exclusion will only apply to an **employee** when **you** have, under a contract of agreement agreed to:

- i) cover another party; or
- ii) assume the liability of another party,

for **bodily injury**.

7. Terrorism

damage or financial loss or expense, occasioned by or happening through or following **terrorism**. In any action suit or other proceedings where **we** allege that any **damage** is not covered by this policy the burden of proving that **damage** is covered will be upon **you**.

This exclusion will apply to all sections of this policy, other than Section 2 - Employers' liability to the extent that it is necessary to comply with the minimum requirements of the law in the United Kingdom of Great Britain and Northern Ireland, including the Channel Islands and the Isle of Man, relating to compulsory insurance of liability to **employees** and provided that the maximum limit for any one loss or series of losses arising from one source or original cause will not exceed **£5,000,000**.

8. War

any consequence which is the result of any of the following, or anything connected with any of the following, whether or not the consequence has been contributed to by any other cause or event:

- a) war, hostile or warlike action in time of peace or war (whether or not declared) including action in hindering, combating or defending against an actual, impending or expected attack;
 - i) by government or sovereign power (legal or illegal) or by any authority maintaining or using military, naval or air forces, or any other armed forces or militia; or
 - ii) by military, naval or air forces, or any other armed forces or militia; or
 - iii) by an agent of any government, power, authority or force;

General Exclusions (what is not covered)

- b) any weapon of war employing nuclear or radioactive force or contamination whether in time of peace or war (whether or not declared), whether or not its discharge was accidental;

This exclusion will not apply to **damage** or **consequential loss** occasioned by the detonation of munitions of war or their parts within one thousand (1000) metres of the **premises** provided always that the presence of munitions does not result from a state of war current at the time of detonation.

- c) insurrection, rebellion, or action taken by government authority in hindering, combating, or defending against an occurrence, seizure or destruction.

Regardless of the above **we** will cover **you** for **damage** to property insured arising from the detonation of munitions of war in or about or in the vicinity of any place where property insured may be provided that the presence of munitions does not result from a state of war current at the time of **damage**.

Section 1 – Public and Products Liability

This cover is automatically included

Additional definitions (what words mean)

The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section on pages 9-12.

Clean up

- a) Testing for or monitoring of **pollution**.
- b) Cleaning up, removing, containing, treating, detoxifying or neutralising **pollution**.

What is covered

We will pay the amount of damages which **you**, or any of the additional persons insured are liable to pay as a result of:

- a) accidental **bodily injury** to any person;
- b) accidental **damage** to material property;
- c) obstruction, trespass, nuisance or interference with any right of way, air, light or water
- d) wrongful arrest, detention, imprisonment or eviction of any person, malicious prosecution or invasion of the right of privacy,

during the **period of insurance** in connection with **your business** occurring:

- i) within the **territorial limits**;
- ii) elsewhere in the world other than the United States of America or Canada arising out of business visits by directors or non-manual **employees** ordinarily resident in the **territorial limits**.
- iii) anywhere in the world and caused by any **products** after they have ceased to be in **your** custody or control.

The maximum **we** will pay for the cover provided under a) – d) above is shown in **your** schedule.

We will in addition cover **your** legal liability for claimants' costs in connection with the cover provided above.

Section 1 – Public and Products Liability

Additional cover – provided as standard

1. Bona-Fide Sub-Contractors

We will cover **you** for **your** legal liability for work carried out by Bona-Fide Sub-Contractors working for **you** on **your** behalf.

Provided that:

- a) **we** will not cover **you** unless before appointment **you** check that Bona-Fide Sub-Contractors hold a current Public Liability insurance with a minimum limit of liability being not less than the Limit of liability applicable to this section;
- b) in the event of a claim under this additional cover **you** provide documentary evidence of the Public Liability insurance held by the Bona-Fide Sub-Contractor at the time of their appointment to work for **you**.

2. Contractual liability

We will cover liability assumed by **you** under a contract or agreement which would not have attached in the absence of that contract or agreement. But only if the sole conduct and control of any claim is vested in **us** and subject to the terms, conditions and exclusions of this section and the policy as a whole.

We will not cover any person or entity falling within the definition of **you/your** other than as stated under a) for any contractual liability unless that liability would have attached in the absence of any contract or agreement.

3. Cross liabilities cover

Any person, firm, company or organisation covered by this section, is entitled to cover as if a separate policy had been issued to each, but the total amount payable by **us** on behalf of all, will not exceed the **limit of liability** in any circumstances.

4. Data Protection Act 1998

We will cover **you** for **your** liability to pay damages arising from proceedings brought against **you** under section 13 of the Data Protection Act 1998 for damage or distress caused in connection with the **business** during the **period of insurance** provided that **you** are:

- a) a registered user in accordance with the terms of the Act;
- b) not in business as a computer bureau.

The total amount payable including all legal fees and defence costs under this additional cover for all claims occurring during any one **period of insurance** is limited to **£250,000**.

The cover provided by this additional cover will not apply to:

- i) any damage or distress caused by any deliberate act or omission by **you** the result of which could reasonably have been expected by **you** having regard to the nature and circumstances of the act or omission;
- ii) any damage or distress caused by any act of fraud or dishonesty; the costs of rectifying, rewriting or erasing data;

Section 1 – Public and Products Liability

- iii) liability arising from the recording, processing or provision of data for reward or to determine the financial status of any person;
- iv) the payment of fines or penalties.

5. Defective Premises Act

We will pay the amount of damages for which **you** are liable and claim costs as a result of accidental **bodily injury** or **damage** to material property, occurring during the **period of insurance** arising out of premises **you** have disposed of but had previously owned in connection with the **business**.

We will not cover **damage** to the land or premises disposed of or in connection with the cost of rectifying any defect or alleged defect in them.

We will not cover any liability which **you** are covered under any other insurance policy.

6. Defence costs

We will in cover **you** for all costs of legal representation reasonably incurred with **our** written consent at any:

- a) coroner's inquest or other inquiry for any death;
- b) proceedings in any court (other than in the defence of any criminal proceedings brought or in an appeal against conviction arising from proceedings) for any act or omission causing or relating to any loss;
- c) other costs reasonably incurred with **our** written consent in relation to any matter which is covered under "What is covered".

7. Employees', directors' and visitors' personal belongings

We will pay the amount of damages for which **you** are liable as a result of **damage** to **employees'**, directors, and visitors' vehicles and personal belongings which are in **your** custody or control.

We will not provide cover where property is:

- a) loaned, leased, hired or rented to **you**;
- b) stored for a fee or other consideration by **you**; or
- c) in **your** custody or control for the purposes of being worked upon.

8. Hired or rented premises

We will cover **you** for legal liability for **damage** to premises (including fixtures and fittings) within the **territorial limits** which are hired, rented or loaned to **you** in connection with the **business**.

We will not provide cover for:

- i) the first **£250** of compensation, costs for **damage** caused other than by fire or explosion;
- ii) liability imposed on **you** solely by reason of the terms of any hiring or renting agreement;

Section 1 – Public and Products Liability

- iii) **damage** caused by fire or any other peril, where under the terms of any hiring or renting agreement **you** are requested to take out specific insurance.

9. Indemnity to principals and others

We will cover **you** under the terms of this section:

- a) **your** legal personal representative in the event of **your** death for liability **you** have incurred;
- b) any principal with whom **you** have entered into an agreement to the extent required by that agreement but only for liability for which **you** would have been entitled to cover under this section if the claim had been made against **you**;
- c) any director, partner or **employee** of **yours** for liability for which **you** would have been entitled to cover under this section if the claim had been made against **you**;

Provided that:

- i) any person described in a)-c) above is not covered under any other policy;
- ii) any principal / person(s) will, as though they were **you**, be subject to the terms of this section in so far as they can apply;
- ii) **our** total liability to all parties including **you** and any person in a)-c) above will not exceed the **limit of liability**.

10. Loading and Unloading

Regardless of anything contained in the exclusions under this section and provided that **you** are not more specifically insured under any other policy **we** will cover **you** for **bodily injury** or **damage** arising during the act of loading or unloading a motor vehicle or the bringing to or taking away of a load from the vehicle in the course of the **business**.

11. Motor contingency liability

Regardless of anything contained in the exclusions under this section **we** will cover **you** and no other person in the terms of this section for the use of any vehicle not the property of or provided by **you** and being used in the course of the **business**.

We will not be liable for:

- a) **damage** to any vehicle;
- b) **bodily injury** or **damage** arising while any vehicle is being driven by **you**.

We will not be liable if **you** are entitled to cover under any other insurance.

Section 1 – Public and Products Liability

12. Overseas personal liability

We will cover **you** and at **your** request any director partner or **employee** of **yours** or any family member accompanying them while temporarily outside the **territorial limits** in connection with the **business** against legal liability as described in this section incurred in a personal capacity.

Provided that this cover does not apply:

- a) to liability arising out of the ownership or tenure of any land or building;
- b) where cover is provided by any other insurance.

13. Payment for court attendance

We will compensate **you** at a rate of:

- a) **£250** per day for any director or partner;
- b) **£150** per day for any **employee**;

for each day that **we** request attendance at court as a witness in connection with a claim, for which an award of damages is paid or may be payable under this section.

14. Public car park liability

In the event that there is no other insurance in place, **we** will cover **you** for **your** liability for **bodily injury** or **damage** caused to vehicles left in any garage or parking place belonging to **you** or under **your** control.

Provided that:

- a) any covered garage or parking place is not used by **you** for any motor trade purposes;
- b) disclaimer notices in terms approved of by **us** are prominently displayed in any covered garage or parking place; and
- c) no cover is given for:
 - i) loss of motor vehicle accessories by theft unless the motor vehicle is stolen at the same time;
 - ii) **damage** arising whilst any motor vehicle is being driven by **you** or any **employee**;
 - iii) the first **£250** of any claim for **damage**

Section 1 – Public and Products Liability

15. Pollution and contamination clean up

Where this section provides cover against liability caused by or arising from **pollution** happening within the **territorial limits** the cover will include **clean up** and legal costs to the extent not already included within that cover.

Provided that the cover provided by this clause does not:

- a) include **clean up** in or on any property, land, watercourse or body of water owned leased or rented by **you**;
- b) include the cost of restoration or reintroduction of flora or fauna.

We will not pay more than the amount stated in the schedule for any one loss or series of losses arising from one original source or cause and for all claims arising during the **period of insurance**, it being understood that this total limit is part of and not separate to the amount provided within this section.

Conditions (Actions you or we must take)

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced.

1. Use of heat

It is a condition of this policy under this section that the following precautions are complied with on each occasion that the use or application of heat as defined below takes place elsewhere than on **your own premises**.

- a) Application of heat by means of electric oxyacetylene or other welding or cutting equipment or angle grinders, blow lamps, blow torches, hot air guns or hot air strippers.
 - i) The area in the immediate vicinity of the work (including in the case of work carried out on one side of a wall or partition, the opposite side of the wall or partition) must be cleared of all loose combustible material; other combustible material must be covered by sand or over-lapping sheets or screens of non-combustible material.
 - ii) At least 2 adequate and appropriate portable fire extinguishers in proper working order must be kept in the immediate area of the work and used as soon as smoke or smouldering or flames are detected.
 - iii) A fire safety check of the working area must be made approximately 60 minutes after the completion of each period of work and steps taken to extinguish any smouldering or flames discovered.
 - iv) Blow lamps and blow torches must be filled in the open and must not be lit until just before use and must be extinguished as soon as reasonably practicable after use.
 - v) A person must be appointed by **you** to act as an observer to watch for signs of smoke or smouldering or flames.

Section 1 – Public and Products Liability

Sub-paragraph v) does not apply to the application of heat by means of blow lamps, blow torches, hot air guns or hot air strippers.

- b) Use of asphalt, bitumen, tar, pitch or lead heaters

The heating must be carried out in the open in a vessel designed for the purpose and if carried out on a roof the vessel must be placed on a non-combustible heat insulating base.

2. Underground services

You must ensure that before any digging or excavation work **you** will:

- a) take all reasonable steps to identify the position of underground pipes, cables and services including the use of any free-phone facility for the location of the underground services;
- b) retain a written record of the measures taken to locate underground services;
- c) adopt a method of work which will minimise the risk of loss to all services.

What is not covered

We will not be liable under this section for:

1. legal liability arising from **you** owning, possessing or using any:
 - a) aircraft;
 - b) watercraft or hovercraft (except watercraft not exceeding 8 metres in length or any hand propelled boat or pontoon).
2. claims caused by or arising from any services in, or on:
 - a) aircraft;
 - b) airport or airfield runways, manoeuvring areas or aprons, or any other parts of airports or airfields to which aircraft ordinarily have access.
3. claims caused by or arising from any **products** which to **your** knowledge, are for use in or on any aircraft, hovercraft or device intended to travel through air or space.
4.
 - a) contractual liability in connection with **products**;
 - b) liability where the terms of any contract or agreement made by **you**, prevent **us** from taking over the full defence or settlement of the claim:
 - c) liquidated damages, or any contractual fines or amounts payable under contractual penalty clauses.
5.
 - a) libel or slander;
 - b) false statement;

Section 1 – Public and Products Liability

- c) discrimination of any kind.
- 6. a) caused by or arising from any deliberate act, error or omission:
 - i) where the results are intended or expected, or are reasonably foreseeable by **you**;
 - ii) by anyone other than you, so far as cover is requested for their own liability;
- b) for **clean-up** costs in circumstances where **you** have knowingly
 - i) deviated from any regulatory notice, order or protection ruling
 - ii) omitted to inspect, maintain or perform necessary repairs to plant or machinery for which **you** are responsible.
- 7. **bodily injury** sustained by any **employee** arising out of and in the course of their employment with **you**.
- 8. a dispute with, or proceedings brought by, any person for:
 - a) their existing, past or prospective contract of employment with **you**;
 - b) a breach of employment related legislation.
- 9. liquidated damages fines or penalties.
- 10. claims caused by or arising from passing off or infringement of trade name, registered design, unregistered design, copyright or patent right.
- 11. **bodily injury** or **damage** caused by or arising out of manual work away from the **premises** outside of the **territorial limits** except where temporary work is undertaken in the European Union by an **employee** normally resident within the **territorial limits**, for up to 180 days in total in any one **period of insurance**.
- 12. claims arising out of the ownership, possession or use by or on **your** behalf of any mechanically propelled vehicle (or attached trailer) which is required by any road traffic legislation to be the subject of compulsory insurance or other security.

This exclusion will not apply for the loading or unloading of any vehicle or the delivery or collection of goods to or from any vehicle except where more specifically insured by any other policy.
- 13. legal liability arising in connection with any person while on or working from, or travelling by sea or air, to, from or between an offshore rig, platform or similar offshore installation.
- 14. claims for:
 - a) **pollution** occurring in the United States of America or Canada or any dependency or trust territory;
 - b) **pollution** occurring elsewhere unless 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**.
- 15. legal liability arising out of arising out of **damage** to **products**;

Section 1 – Public and Products Liability

16. claims caused by or arising from any breach of professional duty in relation to:
 - a) advice, instruction, consultancy, design, formula, specification, inspection, survey, valuation, certification or testing undertaken or given for a fee;
 - b) physical, mental or cosmetic treatment of any person (other than first aid treatment).
17. **damage** to property owned by **you** or which is held in **your** care, custody or control.

But **we** will cover:

 - a) premises which are leased, let, rented, hired or lent to **you**, as long as a tenancy or other agreement does not give rise to legal liability assumed by **you** under the express or intended terms of any contract or agreement that restrict **your** right of recovery, or increase **your** liability at law beyond that applicable in the absence of those terms;
 - b) premises including contents which are not owned or rented by **you**, where **you** are temporarily carrying out work in connection with the **business**;
 - c) **employees** or visitors vehicles or personal possessions while on the **premises**.
18. claims to pay any award of punitive, exemplary or aggravated damages or additional damages resulting from the multiplication of compensatory damages, by a court of law outside the **territorial limits**.
19. claims to pay any costs or expenses caused by or arising from any decision or requirement to recall or withdraw **products** from sale or use.
20. claims to rectify, remedy, repair, replace, re-apply, modify, investigate, access or remove **products**, or to make any refund.
21. legal liability or any allegation, claim, circumstances or proceedings for **bodily injury** or **damage** to property caused by or in connection with any **products**, which to **your** knowledge, are for export, either directly or indirectly, to the United States of America or Canada.
22. work where the depth of excavation exceeds 2 metres.
23. work involving demolition unless part of a rebuilding contract otherwise insured by the policy.
24. work involving pile driving, water diversion, sub aqua work or the use of explosives.
25. property comprising the permanent or temporary works undertaken by **you** in the course of any contract or agreement and which is under **your** control or for which **you** are responsible.

Prosecution Defence Costs

Prosecution Defence Costs are applicable to Section 1 Public & Products Liability and Section 2 Employers Liability if you have opted for cover for Section 2 and it is shown as covered in your schedule.

Additional definitions (what words mean)

The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section on pages 9-12.

Applicable legislation

- a) Health and Safety at Work etc. Act 1974 including the Control of Substances Hazardous to Health Regulations 2002 concerning the risk from exposure to legionella;
 - b) Management of Health and Safety at Work Regulations 1999;
 - c) Corporate Manslaughter and Corporate Homicide Act 2007;
 - d) Health and Safety Inquiries (Procedure) Regulations 1975;
 - e) Protection from Harassment Act 1997,
- or similar legislation in force in the **territorial limits**; and
- f) Part II of the Consumer Protection Act 1987 and Part II of the Food Safety Act 1990.

Appointed advisor

The solicitor, accountant, mediator or other suitably qualified person, who has been appointed to act for an **insured person** in accordance with the terms of this section.

Costs and expenses (replaces the General definition for this cover only)

Reasonable legal costs, fees and disbursements reasonably and proportionately incurred by the **appointed advisor** on the **standard basis** and agreed in advance by **us**.

Insured person

- a) **You** and **your** directors, partners, managers, officers and the **employees of your business**.
- b) The estate, heirs, legal representatives or assigns of any persons mentioned in a) in the event of the person dying.
- c) Any other person who is contracted to perform work for **you**, who in all other respects **you** have arranged to insure on the same basis as **your** other **employees** and who performs work under **your** supervision.

Prosecution Defence Costs

Reasonable prospects of success

In criminal prosecution claims where the **insured person**:

- i) pleads guilty, a greater than fifty per cent chance of the **insured person** successfully reducing any sentence or fine;
- ii) pleads not guilty, a greater than fifty per cent chance of that plea being accepted by the court.

Where it has been determined that reasonable prospects of success as set out above do not exist, the **insured person** will be liable to pay any legal costs incurred should they pursue or defend their claim irrespective of the outcome.

Standard basis

The basis of assessment of costs where the court only allows recovery of costs which are proportionate to the claim and which have been reasonably incurred.

What is covered

- a) **We** will pay the **insured person's costs and expenses** up to **£1,000,000** in total (but up to the **sum insured** shown in the schedule for the Corporate Manslaughter and Corporate Homicide Act 2007); during the **period of insurance** for all claims related by time or original cause including the cost of appeals, for:
 - b) the defence of any criminal proceedings brought against **you** for an offence or breach, whether actual or alleged, of any **applicable legislation**;
 - c) any prosecution costs awarded against **you** arising from those proceedings described in a) above;
 - d) **costs and expenses** incurred with **our** consent for **your** legal representation at an inquiry ordered under any applicable legislation;
 - e) appeals against improvement and prohibition notices incurred with **our** consent.

Provided that:

1. the claim arises in connection with **your business** and occurs within the **territorial limits**;
2. the claim always has **reasonable prospects of success**; and
3. the prosecution or proceedings relate to an offence alleged to have been committed during the **period of insurance**.

Prosecution Defence Costs

Conditions (action you or we must take)

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced.

1. Acts of parliament, statutory instruments, civil procedure rules and jurisdiction

All legal instruments and rules referred to within this section of the policy include equivalent legislation in Scotland, Northern Ireland, the Isle of Man and the Channel Islands and any later amendment or replacement legislation.

2. Consent

- a) The **insured person** must agree to **us** having sight of the **appointed advisor's** file relating to the **insured person's** claim. The **insured person** is considered to have provided consent to **us** or **our** appointed agent to have sight of the **appointed advisor's** file for auditing and quality and cost control purposes.
- b) An **insured person** must have **your** agreement to claim under this policy.

3. Freedom to choose an appointed advisor

- a) **We** will choose the **appointed advisor**; however, the **insured person** is free to choose an **appointed advisor** if they wish.
- b) Where the **insured person** wishes to exercise their right to choose, they must write to **us** (by e-mail, fax or letter) with their preferred representative's contact details. If the **insured person** does choose their own **appointed advisor**, the amount payable for their services will be on the basis of **our** standard terms of appointment for legal representation or other reasonable terms of appointment to which **we** agree, **our** agreement not to be unreasonably withheld.
- c) If the **insured person** dismisses the **appointed advisor** without good reason, or withdraws from the claim without **our** written agreement or if the **appointed advisor** refuses with good reason to continue acting for the **insured person**, cover will end with immediate effect.

4. Barrister's opinion

At any time **we** may seek an independent barrister's opinion as to the **reasonable prospects of success** in defending the prosecution.

If the opinion is that a "not guilty" plea does not have a **reasonable prospect of success** then **we** will advise **you** of that opinion.

Should **you** elect to continue with a "not guilty" plea then **we** will withdraw **our** support for the **insured person's** defence and be under no further obligation to cover **you** for any costs incurred from the date of **your** refusal to accept that opinion; unless **you** obtain an independent barrister's opinion at **your** own expense which contradicts the opinion that **we** have obtained; in which case **we** will ask the chairperson or vice-chairperson of the bar council to appoint a queen's counsel to give a final opinion, at **our** expense, as to the prospects of success in defending the prosecution.

Prosecution Defence Costs

If the opinion of the queen's counsel agrees with the **insured person's** barrister's opinion then **we** will continue to support the **insured person's** defence, but if it does not **we** will withdraw **our** support for the **insured person** and be under no further obligation to cover the **insured person's** costs incurred from the date of the queen's counsel final opinion.

This does not affect the **insured person's** right under the Arbitration clause contained within the Claims conditions section on page 17.

5. The insured person's responsibilities

An **insured person** must:

- a) tell **us** as soon as is practicably possible of anything that may make it more costly or difficult for the **appointed advisor** to resolve a claim in their favour;
- b) cooperate fully with **us**, give the **appointed advisor** any instructions **we** require, and keep them updated with progress of the claim and not hinder them;
- c) take reasonable steps to recover **costs and expenses** and pay them to **us**; and
- d) keep **costs and expenses** as low as reasonably possible.

What is not covered

We will not cover **you** for:

1. **costs and expenses** incurred without **our** consent;
2. fines or penalties of any kind;
3. any actual or alleged act, omission or dispute happening before, or existing at the inception of the policy, and which the **insured person** knew or ought reasonably to have known could lead to a claim; and
4. costs and expenses incurred as a result of any criminal proceedings, appeals or inquiries which arise independently of any legal liability **you** may have to pay damages.

Section 2 – Employers’ Liability

This cover is optional and only applies if stated as covered in the schedule

Additional definitions (what words mean)

The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section on pages 9-12.

Principal

Employer who has engaged **you** to act on their behalf, under a contract for the performance of work by **you**, in connection with the **business**.

What is covered

We will cover the amount of damages which **you** are liable to pay for **bodily injury** to any **employee** resident in the **territorial limits**, caused during the **period of insurance** and arising out of and in the course of their employment by **you** in connection with the **business**.

We will in addition pay and be responsible for all **costs and expenses** incurred with **our** consent in defending any claim for damages.

Limit of liability (what we will pay)

1. The employers’ liability **limit of liability** shown in **your** schedule is the maximum **we** will pay for the total of all damages and claims costs and will apply to any one claim or series of claims by one or more of the **employee** arising from one occurrence.
2. The maximum **we** will pay for damages and **costs and expenses** payable for any one claim arising out of any one event or all events of a series from or due to one source or original cause and arising out of **terrorism** will not exceed **£5,000,000**.
3. The maximum **we** will pay for damages and **costs and expenses** payable for any one claim arising out of any one event or events of a series from or due to one source or original cause and arising out of or caused by the manufacture, mining, processing, distribution, testing, **remediation**, removal, storage, disposal, sale, use or exposure to asbestos or materials or products containing asbestos will not exceed **£5,000,000**.
4. For any claim or claims, **we** may at any time pay the **limit of liability** applicable, after deducting any amounts already paid, or any lesser amount for which a settlement can be made. **We** will not then be liable to make any further payment for the claim or claims.

Section 2 – Employers’ Liability

Additional cover

1. Cross liabilities

Where **you** comprise of more than one party **we** will treat each party as if a separate policy had been issued to each provided that nothing in this clause will increase **our** liability beyond the amount for which **we** would have been liable had this clause not applied.

2. Overseas business trips and journeys

If no other insurance is in force, at **your** request, the cover provided by this section will apply to the legal liability of any director or **employee** acting in a personal capacity during the course of a trip or journey arranged for the purpose of the **business** and will also include their spouse, civil partner or domestic partner and any children accompanying them.

3. Payment for court attendance

We will compensate **you** at a rate of:

- a) **£250** per day for any director or partner;
- b) **£150** per day for any **employee**;

for each day that **we** request **your** attendance at court as a witness in connection with a claim, for which an award of damages is paid or may be payable under this section.

4. Principals liability

At **your** request, **we** will cover the legal liability of any **principal** arising from the performance of **your** work for the **principal**.

We will not provide cover beyond the requirements of **your** contract with the **principal**.

5. Private work

This section applies to private work carried out by **your employees** for any director and/or executive of **yours**.

6. Solicitors’ fees

We will also pay solicitors’ fees incurred with **our** consent for:

- a) representation at any Coroner’s Inquest or Fatal Inquiry for any death;
- b) defending in any Court of Summary Jurisdiction any proceedings for any act or omission causing or relating to any event which may be the subject of cover under this section.

Section 2 – Employers’ Liability

7. Unsatisfied court judgements

We will at **your** request, pay any **employee** or their personal representative, the amount of damages and costs awarded to the person by a court of law for **bodily injury** against any company registered in or any individual domiciled in the **territorial limits** and which remains unpaid six months after the date of the judgment.

We will only provide cover if:

- a) the **bodily injury** was caused during the **period of insurance** to the **employee** arising out of and in the course of employment by **you** in the **business**;
- b) the judgment was obtained in a court within the **territorial limits**;
- c) there is no appeal outstanding;
- d) the **employee** or their personal representative assigns the amount awarded under the judgment to **us**.

8. Working partners

We will treat as an **employee**, any working partner or proprietor of the **business** who suffers **bodily injury**:

- a) in the course of the **business** during the **period of insurance** and within the **territorial limits**; and
- b) caused by the negligence of another working partner, proprietor or **employee**.

Conditions (action you or we must take)

These are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced. In some circumstances your policy may not be valid.

1. Right of recovery

The cover provided under this section is in line with any law relating to the compulsory insurance of liability to persons employed within the **territorial limits**. **You** must repay to **us** all amounts **we** pay, which **we** would not have been liable to pay but for the law.

What is not covered

We will not cover claims for:

1. **bodily injury** to any **employee** while **offshore**;
2. **bodily injury** to an **employee** where it is necessary to arrange compulsory motor insurance or security under any Road Traffic Legislation.

Section 3 – Hired in Plant

This cover is optional and only applies if stated as covered in the schedule

Additional definitions (what words mean)

The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section on pages 9-12.

Hired in plant

Construction plant, machinery, tools, equipment, site huts or caravans **you** have hired to use in connection with the **business**.

What is covered

We will cover **you** against **your** legal liability under the terms of any hire conditions to make good to the owner of the **hired in plant**, for **damage** occurring during the **period of insurance**. Where **damage** is caused by an item's own breakdown or its own explosion cover will only apply if this is due solely to negligence, misdirection or misuse by **you** or **your employees**.

We will pay up to the **sum insured** stated in **your** schedule for any one item but only for **your** liability under any hire conditions.

Additional cover – automatically included

1. Continuing charges

We will cover **you** against your legal liability to pay to the owner of the **hired in plant**, hire charges lost as a result of **damage** to the **hired in plant**.

We will pay the hire charges for the period while the plant is necessarily idle due to the **damage** or breakdown, for a period not exceeding 90 days from the time that **damage** or breakdown occurs, excluding the first 48 hours.

The most **we** will pay for any one hire agreement is **£25,000**.

2. Immobilised plant

We will pay **you** for the necessary costs, up to the **sum insured**, incurred in the recovery of **hired in plant**, which may become immobilised or immovable as a result of **damage**, whilst being used in connection with the contract on which **you** are working.

Section 3 – Hired in Plant

Conditions (action you or we must take)

Included here are the conditions of the insurance that you need to meet as your part of this policy. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced.

1. Automatic reinstatement of sum insured

Following **damage**, the sums insured by this section will be automatically reinstated from the date of the **damage**, unless written notice is given to the contrary either by **us** or by **you**, provided always that following reinstatement **you** will pay any additional premium as may be requested for reinstatement from the date of reinstatement.

What is not covered

We will not pay for the following:

1. financial loss caused by the loss of use or malfunction of the **hired in plant**;
2. **damage** arising from:
 - a) faulty or defective design materials, inherent vice or latent defect;
 - b) mechanical, electrical, electronic, computer breakdown, failure or derangement;
 - c) wear and tear, gradual deterioration, the action of light, atmospheric conditions or other gradually operating cause;
 - d) confiscation or detention by Customs or government officials;
 - e) riot, civil commotion occurring elsewhere than in Great Britain, the Channel Islands or the Isle of Man.
3. **damage** caused by **pollution**.

However **we** will cover **damage** to the **hired in plant** caused by **pollution** which itself results from:

- a) fire, lightning, explosion, aircraft or other aerial devices dropped from them, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any pipe, tank or apparatus, sprinkler leakage or impact by any road vehicle or animal; or
 - b) any of the above named covers which itself results from **pollution** provided it is not otherwise excluded.
4. **damage** occurring outside the **territorial limits** unless arising out of a temporary period or periods of work, elsewhere within the European Union, not exceeding 180 days in total, during any one **period of insurance**, by persons resident in the **territorial limits**;
 5. the **excess** shown in the schedule;

If a single incident results in a claim under this section and Section 4, 5, 6 or 7 **you** will only pay one **excess**. Where the **excess** amount varies between sections the higher amount will apply.

Section 3 – Hired in Plant

6. **damage** to any:
- a) aircraft;
 - b) watercraft (except watercraft less than 8 metres in length or any hand-propelled boat or pontoon);
 - c) any motor vehicle or trailer other than mobile plant which is primarily intended for use at contract sites or any vehicle used solely at contract sites and which is not licensed for road use.

Section 4 – Business Equipment

This cover is optional and only applies if stated as covered in the schedule

Additional definitions (what words mean)

The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section on pages 9-12.

Business equipment

Computer and electronic office equipment all other contents, perishable goods and other items for the purpose of the **business** in any locked building at **your premises**.

What is covered

We will cover **you** for **damage** by any cause not specifically excluded to **business equipment** specified in the schedule up to the limits specified in the schedule anywhere in the **territorial limits** provided the **damage** occurs within the **period of insurance**.

Conditions (action you or we must take)

Included here are the conditions of the insurance that you need to meet as your part of this policy. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced.

1. **Automatic reinstatement of sum insured**

Following **damage**, the sums insured by this section will be automatically reinstated from the date of the **damage**, unless written notice is given to the contrary either by **us** or by **you**, provided always that following reinstatement **you** will pay any additional premium as may be requested for reinstatement from the date of reinstatement.

2. **Average**

The sum insured under this section is subject to average. If at the time of the **damage** the sum insured is less than the total value of the property **you** will be considered as **your** own insurer for the difference and bear a proportionate share of the loss.

3. **Reinstatement**

We will pay the value of the **business equipment** at the time of **damage**, with adjustment for wear and tear, but no more than the **sum insured** shown in **your** schedule.

What is not covered

We will not pay for the following:

1. any **consequential loss**;
2. financial loss caused by the loss of use or malfunction of the **business equipment**;
3. **damage** arising from:
 - a) faulty or defective design materials, inherent vice or latent defect;

Section 4 – Business Equipment

- b) mechanical, electrical, electronic, computer breakdown, failure or derangement;
 - c) wear and tear, gradual deterioration, the action of light, atmospheric conditions or other gradually operating cause;
 - d) process of cleaning, restoring or repairing;
 - e) process of production, packing, treatment, testing or commissioning;
 - f) confiscation or detention by Customs or government officials;
 - g) disappearance or shortage identified only by stocktaking;
 - h) riot, civil commotion occurring elsewhere than in Great Britain, the Channel Islands or the Isle of Man.
4. **damage** resulting from theft or attempted theft or unexplained disappearances:
- a) from an unattended vehicle unless the item stolen is stored in a locked boot or if there is no boot, from an unattended vehicle without windows; or
 - b) of **business equipment** which is unattended unless there is forcible and violent entry or exit.
5. **damage** to:
- a) **business equipment** loaned or hired out by **you**;
 - b) glass and other fragile or brittle materials unless as a direct result of fire, theft or accident to the vehicle in which the **business equipment** was being transported;
 - c) property left in the open by theft, attempted theft, storm or flood;
 - d) property carried on the outside of vehicles unless as a direct result of collision or overturning.
6. **damage** caused by **pollution**.
- However **we** will cover **damage** to the **business equipment** caused by **pollution** which itself results from:
- a) fire, lightning, explosion, aircraft or other aerial devices dropped from them, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any pipe, tank or apparatus, sprinkler leakage or impact by any road vehicle or animal; or
 - b) any of the above named covers which itself results from **pollution** provided it is not otherwise excluded.
7. **damage** occurring outside the **territorial limits** unless arising out of a temporary period or periods of work, elsewhere within the European Union, not exceeding 180 days in total, during any one **period of insurance**, by persons resident in the **territorial limits**;
8. the **excess** shown in the schedule (If a single incident results in a claim under this section and Section 3, 5, 6 or 7 **you** will only pay one **excess**. Where the **excess** amount varies between sections the higher amount will apply).

Section 4 – Business Equipment

9. **damage** to any:
 - a) aircraft;
 - b) watercraft (except watercraft less than 8 metres in length or any hand-propelled boat or pontoon);
 - c) any motor vehicle or trailer other than mobile plant which is primarily intended for use at contract sites or any vehicle used solely at contract sites and which is not licensed for road use.

Section 5 – Contract Works

This cover is optional and only applies if stated as covered in the schedule

Additional definitions (what words mean)

The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section on pages 9-12.

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

- a) a site within the **territorial limits** at which **you** are carrying out work under a **contract**, or
- b) the site address stated in the schedule if cover applies to a specific **contract**.

Contract works

- a) Temporary or permanent works completed or to be completed as part of any **contract**; and/or
- b) 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.

This definition excludes any work which involves:

- i) work in or over or adjacent to water;
- ii) bridges, viaducts, subways, tunnels, motorways, dams and the like;
- iii) a depth of excavation exceeding 3 metres;
- iv) piling and underpinning.

Estimated original contract price

The estimated valuation of the **contract works** to be carried out or the estimated **contract price** at the start date of the **contract** or **contract works**.

Existing Structures

Any property (including fixtures, fittings and contents) which, before the start of any **contract**, forms part of any structure.

Free Issue Materials

Materials for incorporation into the **contract**:

- a) issued free to **you** by or on behalf of **your** employer; and
- b) 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.

Section 5 – Contract Works

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 cover as stated in the schedule.

Substantial completion

The date of completion of the works, apart from the prospective purchasers or tenants choice of decoration and/or final fitments.

What is covered

We will cover **you** for **damage** to the **contract works** during the **period of insurance** and within the **territorial limits**.

The maximum that **we** will pay for any one occurrence which gives rise to a claim under this section (Which includes any liability **we** may have for the cover provided under the Additional covers of this section) is 125% of the **estimated original contract price** including the value of **free issue materials** for any **contract** or **contract 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**.

Additional cover – provided as standard

1. Contract increase in value

If there is an increase in the value of any **contract** or development during the **period of insurance**, the **sum insured** shown in **your** schedule will automatically increase for that **contract** or development, up to an amount not exceeding 20% of the **estimated original contract price** of the **contract** or development.

2. European Union and public authorities (including undamaged property)

Following **damage** to **contract works** **we** will pay for the additional cost of reinstatement of the **contract works** and undamaged portions incurred solely by reason of the necessity to comply with European Union legislation regulations under Acts of Parliament or local authority by-laws provided that:

- a) **you** receive the notice to comply after the **damage** occurs;
- b) the work of reinstatement is completed within twelve months of the date of the **damage** or within a further time as **we** may in writing allow;
- c) the total amount recoverable under any Item of this section for this additional cover will not exceed:
 - i) for the damaged property 15% of its sum insured;
 - ii) for undamaged portions of the property (other than foundations) 15% of the total amount for which **we** would have been liable had the property been wholly destroyed; and

Section 5 – Contract Works

- d) the total amount recoverable under any Item of this section will not exceed its **sum insured**.

3. Expediting expenses

We will pay **you** for the reasonable costs and expenses that **you** incur for:

- a) overtime;
- b) night work
- c) work on public holidays
- d) express freight;
- e) air freight; and
- f) other transport charges

to reinstate or repair **contract works** following **damage**.

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

4. Free issue materials

The **contract works** includes any **free issue materials** provided **you** include their value in:

- a) the contract price of any **contract**;
- b) the declaration required by the Adjustment of premium condition of this section.

5. Indemnity to principals and others

We will cover **you** under the terms of this section:

- a) **your** legal personal representative in the event of **your** death for liability **you** have incurred;
- b) any principal with whom **you** have entered into an agreement to the extent required by that agreement but only for liability for which **you** would have been entitled to cover under this section if the claim had been made against **you**;
- c) any director, partner or **employee** of **yours** for liability for which **you** would have been entitled to cover under this section if the claim had been made against **you**;

Provided that:

- i) any person described in a)-c) above is not covered under any other policy;
- ii) any principal / person(s) will, as though they were **you**, be subject to the terms of this section in so far as they can apply;
- iii) **our** total liability to all parties including **you** and any person in a) through c) above will not exceed the **sum insured**.

Section 5 – Contract Works

6. Off-site storage

The **contract works** includes materials, anywhere within the **territorial limits**, separately stored and identified for inclusion in any **contract**.

The maximum that **we** will pay for any one loss is either:

- a) the value of the materials as detailed in an interim certificate under any standard printed contract conditions; or
- b) where materials have not been included in an interim certificate under any standard printed contract conditions:
 - i) **£50,000**; or
 - ii) **£25,000** for non-ferrous metals provided they are stored in a securely locked container or building, or
 - iii) 15% of the **estimated original contract price**

whichever is the lower.

7. Professional fees

We will pay **you** for professional fees necessarily incurred in reinstating, repairing or replacing the **works** following **damage**.

We will not pay **you** for fees:

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

8. Redrawing plans or documents

We will pay **you** for the cost of rewriting or redrawing plans, drawings or other contract documents following **damage**.

The maximum **we** will pay for any one loss is **£25,000**.

9. Removal of debris

We will pay for the costs necessarily incurred by **you** with **our** written consent in:

- a) removing the debris from;
- b) dismantling or demolishing;
- c) shoring up or propping; and
- d) boarding up,

the portion or portions of the **contract works** damaged.

Section 5 – Contract Works

We will also pay for costs necessary incurred by **you** with **our** written consent in clearing or repairing drains or service mains.

We will not cover costs or expenses:

- i) incurred in removing debris except from the site of the **damaged contract works** and the area immediately adjacent to the site;
- ii) arising from **pollution** of property not covered by this section.

10. Show houses and contents

We will cover show house properties and show house contents until they are sold (including while being transported by road, rail or inland waterway) and in temporary storage all within the **territorial limits**.

The maximum that **we** will pay for any one loss is **£10,000**.

11. Speculative buildings

The **contract works** includes any property that is being built by **you** other than under contract, but the cover for that property will end on the earlier of:

- a) the date the property is sold or let; or
- b) three months after **substantial completion**; or
- c) the expiry of the cover under this section.

Where the property comprises of several units within one block then a) above will apply to each individual unit, but cover for the whole block will not exceed three months from **substantial completion** if parts of it are still unsold or not let.

If work on the site stops for more than three months in a row, cover will cease immediately unless **we** agree to it continuing.

12. Sub-contractors

We will, to the extent required by contract conditions, provide cover to nominated or domestic sub-contractors for **damage** to the **contract works**.

Section 5 – Contract Works

Conditions

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment may be reduced.

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 30 days 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. Automatic reinstatement

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 any additional premium required by us to reinstate the **sums insured**.

3. Cessation of work

If, for whatever reason, construction work at the **contract site** is suspended or stopped, you must notify us within 30 days of the suspension or stoppage.

We may at our option:

- a) modify your premium;
- b) amend the terms and conditions of this section;
- 3) require you to make alterations to the **contract site** and/or the **works**
- 4) exercise our right to cancel your policy under policy under General Condition 2 on page 13.

4. Consecutive damage

Damage to property insured at any one **contract site** during a period of 72 consecutive hours caused by:

- a) earthquake
- b) storm, flood or other water damage
- c) subsidence or collapse

will be considered for the purpose of applying any **excess** as one occurrence of **damage**.

Section 5 – Contract Works

5. Reduction of damage

You must carry out and permit any action which may be reasonably practicable to reduce **damage** and, at **our** request and expense, comply with and co-operate in any measures that may be reasonably required.

What is not covered

This section does not cover any claim arising from or relating to:

1. **damage** to any part of the permanent **works**;
 - a) for which a certificate of completion has been issued;
 - 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 is caused before the beginning of the **maintenance period**;
 - 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.
3. **damage** to
 - a) **existing structures**;
 - b) money, deeds, bonds, bills of exchange, promissory notes, stamps, securities or documents of title, precious metals or stones or articles made from them;
 - 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**.
4. **Damage**:
 - a) by disappearance or shortage discovered only when an inventory is taken.
 - b) which is not traceable to an event.
5. damage caused by **pollution** other than that of or to the **contract works**.

Section 5 – Contract Works

6. liquidated damages, fines or any other penalties under contract for delay or non-completion.
7. consequential loss or damage of any kind.
8. the cost of normal upkeep or making good.
9. **damage** to and the cost necessary to reinstate or repair:
 - a) **contract works** which are in a defective condition due to a defect in:
 - i) design, plan or specification
 - ii) materials
 - iii) workmanshipof or of any part of that Property Insured.
 - b) other **contract works** to enable the reinstatement or repair of **contract works** excluded by (a) above.

This exception will not apply to other **contract works** which are free of the defective condition but are **damaged** as a result.

contract works 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 **contract works**.

10. the theft of unfixed non-ferrous metals of any description unless at the time of theft:
 - a) an authorised **employee** or agent of **yours** is actually on site; or
 - b) the property is contained in a securely locked container or building.
11. the **excess** shown in the schedule;

If a single incident results in a claim under this section and Section 3, 4, 6 or 7 **you** will only pay one **excess**. Where the **excess** amount varies between sections the higher amount will apply.

Section 6 – Own Plant

This cover is optional and only applies if stated as covered in the schedule

Additional definitions (what words mean)

The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section on pages 9-12.

.Own plant

Contractors' plant of all types including scaffolding, temporary buildings, site office contents and site welfare facilities belonging to **you**, held by **you** under a hire purchase agreement, leased by **you** or on loan to **you**.

What is covered

We will cover **you** for **damage** to **own plant** occurring whilst:

- a) in **your** custody or control;
- b) hired out by **you** under the standard conditions of The Construction Plant Hire Association or as otherwise agreed with **us**

during the **period of insurance** within the European Union including whilst transit by road, rail, roll on / roll off ferry or inland waterway.

Limit of liability (how much we will pay)

The most **we** will pay for all claims made in any one **period of insurance** for **own plant** is shown in the schedule.

We will at **our** option compensate **you** by payment, reinstatement, replacement or repair.

Additional cover – automatically included

1. Immobilised plant

We will pay **you** for the necessary costs, up to the **sum insured**, incurred in the recovery of **own plant**, which may become immobilised or immovable as a result of **damage**, whilst being used in connection with the contract on which **you** are working.

2. Plant recovery costs

We will cover the reasonable costs necessarily incurred by **you** to recover any item of **own plant** which has become accidentally immobilised during normal operation.

The most **we** will pay is the sum that would have been payable under this section had recovery costs not been incurred. However **we** will not pay for the costs of:

- a) rectifying electrical or mechanical breakdown or derangement in order to effect recovery of plant;
- b) recovering plant situated underground.

Section 6 – Own Plant

Conditions

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment may be reduced.

1. Automatic reinstatement of sum insured

Following **damage**, the sums insured by this section will be automatically reinstated from the date of the **damage**, unless written notice is given to the contrary either by **us** or by **you**, provided always that following reinstatement **you** will pay any additional premium as may be requested for reinstatement from the date of reinstatement.

2. Reinstatement

We will pay up to the market value of the **own plant** at the time of its **damage** but no more than the sum insured stated in **your** schedule.

4. Multiple lifts

Any raising or lowering operation in which a single load is shared between items of lifting and handling plant must be undertaken in accordance with the British Standard Code of Practice for the Safe Use of Cranes BS7121.

5. Overload testing

Any form of testing involving abnormal stresses or intentional overloading must be undertaken in accordance with the British Standard Code of Practice for the Safe Use of Cranes BS7121.

What is not covered

We will not pay for the following:

1. **damage** arising from:
 - a) faulty or defective design materials, inherent vice or latent defect;
 - b) mechanical, electrical, electronic computer breakdown, failure or derangement;
 - c) wear and tear, gradual deterioration, the action of light, atmospheric conditions or other gradually operating cause;
 - d) confiscation or detention by Customs or government officials;
 - e) disappearance or shortage identified only by stocktaking;
 - f) riot, civil commotion occurring elsewhere than in Great Britain, the Channel Islands or the Isle of Man.
 - g) resulting from materials treated by the **own plant** or by foreign bodies entering the plant with those materials.

Section 6 – Own Plant

2. **damage** caused by **pollution**.

However **we** will cover **damage** to **own plant** caused by **pollution** which itself results from:

- a) fire, lightning, explosion, aircraft or other aerial devices dropped from them, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any pipe, tank or apparatus, sprinkler leakage or impact by any road vehicle or animal; or
- b) any of the above named covers which itself results from **pollution** provided it is not otherwise excluded.

3. the **excess** shown in the schedule;

If a single incident results in a claim under this section and Section 3, 4, 5 or 7 **you** will only pay one **excess**. Where the **excess** amount varies between sections the higher amount will apply.

4. **damage** to any:

- a) aircraft;
- b) watercraft (except watercraft less than 8 metres in length or any hand-propelled boat or pontoon);
- c) any motor vehicle or trailer other than mobile plant which is primarily intended for use at contract sites or any vehicle used solely at contract sites and which is not licensed for road use.

5. **damage** to cutting edges, tools, trailing cables or flexible pipes, other than when the **damage** results from the total loss of the complete item or items of **own plant**.

Section 7 – Tools

This cover is optional and only applies if stated as covered in the schedule

Additional definitions (what words mean)

The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section on pages 9-12.

Portable tools and equipment

Hand tools, portable tools and equipment (including portable electronic equipment) but excluding:

- a) tools designed other than to be applied to work by hand;
- b) equipment capable of propulsion across the ground on wheels, tracks or air cushion

belonging to **you**, or the property of **your** partners, principals, directors or **employees**, which are ordinarily used or needed on the site of any contract carried out by **you** in connection with the **business**.

What is covered

We will cover **you** for **damage** to **your portable tools and equipment** occurring during the **period of insurance**.

The most **we** will pay will be the sum insured on each item or any other maximum amount payable or limit specified in this section or stated in **your** schedule.

Additional cover – automatically included

1. Damage arising from personal use of property insured

We will cover **you** for **damage** to **portable tools and equipment** which occurs when not being used in connection with **your business**, provided that the **portable tools and equipment** were purchased for **business** purposes.

2. Temporary Removal

We will cover **you** for **damage** to **your portable tools and equipment** while temporarily removed from **your premises** or in transit to anywhere in Europe.

We will not cover **you** for **damage** caused by storm, malicious persons, theft or attempted theft to **portable tools and equipment** in any soft topped, open topped or open sided vehicle.

Section 7 – Tools

Conditions

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment may be reduced.

1. Automatic reinstatement of sum insured

Following **damage**, the sums insured by this section will be automatically reinstated from the date of the **damage**, unless written notice is given to the contrary either by **us** or by **you**, provided always that following reinstatement **you** will pay any additional premium as may be requested for reinstatement from the date of reinstatement.

2. Reinstatement

We will pay up to the market value of the **own plant** at the time of its **damage** but no more than the sum insured stated in **your** schedule.

What is not covered

We will not pay for the following:

1. any indirect losses including consequential loss;
2. financial loss caused by the loss of use or malfunction of the **portable tools and equipment**;
3. **damage** arising from:
 - a) faulty or defective design materials, inherent vice or latent defect;
 - b) mechanical, electrical, electronic, computer breakdown, failure or derangement;
 - c) wear and tear, gradual deterioration, the action of light, atmospheric conditions or other gradually operating cause;
 - d) process of cleaning, restoring or repairing;
 - e) process of production, packing, treatment, testing or commissioning;
 - f) confiscation or detention by Customs or government officials;
 - g) disappearance or shortage identified only by stocktaking;
 - h) riot, civil commotion occurring elsewhere than in Great Britain, the Channel Islands or the Isle of Man.
4. **damage** resulting from theft or attempted theft or unexplained disappearances:
 - a) from an unattended vehicle unless the item stolen is stored in a locked boot or if there is no boot, an unattended vehicle without windows; or
 - b) of **portable tools and equipment** which is unattended unless there is forcible and violent entry or exit.

Section 7 – Tools

5. **damage** to:
- a) **portable tools and equipment** loaned or hired out by **you**;
 - b) property left in the open by theft, attempted theft, storm or flood;
 - c) property carried on the outside of vehicles unless as a direct result of collision or overturning.

6. **damage** caused by **pollution**.

However **we** will cover **damage** to the **portable tools and equipment** caused by **pollution** which itself results from:

- a) fire, lightning, explosion, aircraft or other aerial devices dropped from them, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any pipe, tank or apparatus, sprinkler leakage or impact by any road vehicle or animal; or
 - b) any of the above named covers which itself results from **pollution** provided it is not otherwise excluded.
7. **damage** occurring outside the **territorial limits** unless arising out of a temporary period or periods of work, elsewhere within the European Union, not exceeding 180 days in total, during any one **period of insurance**, by persons resident in the **territorial limits**;
8. the **excess** shown in the schedule (If a single incident results in a claim under this section and Section 3, 4, 5 or 6 **you** will only pay one **excess**. Where the **excess** amount varies between sections the higher amount will apply).
9. **damage** to any:
- a) aircraft;
 - b) watercraft (except watercraft less than 8 metres in length or any hand-propelled boat or pontoon);
 - c) any motor vehicle or trailer other than mobile plant which is primarily intended for use at contract sites or any vehicle used solely at contract sites and which is not licensed for road use.