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Turnover Liability Policy Wording



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POLICY

DEFINITIONS

1. **Bodily Injury** shall mean

a. in respect of Section 1 death bodily injury illness disease shock mental injury and mental anguish

b. in respect of Sections 2 & 3 death bodily injury illness disease shock mental injury mental anguish false eviction false arrest wrongful detention discrimination and malicious prosecution

2. **Territorial Limits** shall mean

a. in respect of Sections 1, 2 & 3 Great Britain Northern Ireland the Channel Islands and the Isle of Man or an offshore Installation within the territorial waters around Great Britain Northern Ireland the Isle of Man and the Channel Islands

b. in respect of Section 4 Great Britain Northern Ireland, the Channel Islands and the Isle of Man

3. **Offshore** shall mean from the time an Employee embarks onto a conveyance at the point of final departure to an offshore rig or offshore platform until such time the Employee disembarks from the conveyance onto land upon return from an offshore rig or an offshore platform

4. **Pollution** shall mean pollution or contamination of the atmosphere or of any water land or other tangible property

5. **Defence Costs** shall mean all costs fees and expenses incurred by the Assured in the defence or settlement of any claim under this Policy

6. **Damages** shall mean monetary compensation capable of being awarded in civil proceedings but excluding aggravated and exemplary damages

7. **Terrorism** shall mean an activity that (1) involves a violent act or the unlawful use of force or an unlawful act dangerous to human life tangible or intangible property or infrastructure or a threat thereof and (2) appears to be intended to (i) intimidate or coerce a civilian population or (ii) disrupt any segment of the economy of a government de jure or de facto state or country or (iii) overthrow influence or affect the conduct or policy of any government de jure or de facto by intimidation or coercion or (iv) affect the conduct of

a government de jure or de facto by mass destruction assassination kidnapping or hostage-taking

8. **Product** shall mean any property after it has left the custody or control of the Assured which has been designed specified formulated manufactured sold supplied or distributed by or on behalf of the Assured in isolation to any contract work executed by or on behalf of the Assured

9. **Business** shall mean the Business stated in the Schedule and

a. the ownership repair and maintenance of the Policyholder's own property

b. the provision of canteen sports social welfare organisations and first aid medical or ambulance services for the benefit of any customer or **Employee**

c. fire and security services for the protection of the premises owned or occupied by the Policyholder

d. private work undertaken by an **Employee** on behalf of any director or partner of the Policyholder

e. attendance at trade fairs shows and exhibitions in connection with the **Business**

10. **Assured** shall mean

a. the Policyholder

b. the personal representatives of the Policyholder in respect of legal liability incurred by the Policyholder

c. at the request of the Policyholder

(i) any principal of the Policyholder as required under contract in respect of work carried out by the Policyholder

(ii) any director or partner of the Policyholder

(iii) any **Employee**

(iv) any other party where required by contract subject to the prior written agreement of the Underwriters

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

(v) any officer committee or member of the Policyholder's canteen sports social welfare

organisations and fire security first aid medical or ambulance services in their respective capacities as such but not including medical practitioners while working in a professional capacity

each of whom shall as though the Policyholder be subject to the terms and conditions contained herein as far as they can apply

11. **Employee(s)** shall mean

a. any person under a contract of service or apprenticeship with the Policyholder

b. whilst under the direct control and supervision of the Policyholder any

(i) labour master and persons supplied by him

(ii) labour only sub-contractors

(iii) self-employed persons

(iv) voluntary workers

(v) individual hired to or borrowed by the Policyholder

(vi) person undertaking study or work experience with the Policyholder

12. **Tools** shall mean

Hand tools and hand held portable power tools the property of or hired by the Insured for use in connection with the business.

SECTION 1 - EMPLOYERS LIABILITY OPERATIVE CLAUSE

The Underwriters will Indemnify the Assured in accordance with the law of the Courts of Law of Great Britain Northern Ireland the Isle of Man and the Channel Islands against their liability to pay Damages (including claimants' costs fees and expenses) and Defence Costs in respect of Bodily Injury sustained by an Employee arising out of the Business and caused during the Period of Insurance

The indemnity provided shall only apply to Bodily Injury sustained

1. within the Territorial Limits

2. by any Employee during temporary visits abroad provided that such Employee is ordinarily resident in the Territorial Limits

3. by a person who although resident outside the Territorial Limits is under a written contract of service with the Policyholder entered into in the Territorial Limits subject to prior written agreement of the Underwriters

LIMITS OF INDEMNITY

Underwriters liability to pay Damages (including claimants' costs fees and expenses) and Defence Costs shall not exceed the sum stated in the Schedule in respect of any one occurrence or series of occurrences arising out of one originating cause

EXCLUSIONS TO SECTION 1

This Section does not provide indemnity

1. in respect of any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or any other Compulsory Road Traffic Legislation

2. in respect of work undertaken Offshore unless indicated in the Schedule that this Exclusion is not applicable

EXTENSION TO SECTION 1

Unsatisfied Court Judgments

The Underwriters will at the request of the Policyholder pay to the Employee or the personal representatives of the Employee the amount of any Damages and awarded costs to the extent that they remain unsatisfied in whole or in part six months after the date of a judgment being obtained within any court in Great Britain Northern Ireland the Channel Islands or the Isle of Man

a) by any Employee or the personal representatives of any Employee in respect of Bodily Injury sustained by the Employee arising out of and in the course of their employment by the

Policyholder in the Business and caused during the Period of Insurance

and

b) against any company or individual operating from premises within Great Britain Northern Ireland the Channel Islands or the Isle of Man

provided always that

(i) there is no appeal outstanding against such judgment

(ii) if any payment is made under the terms of this Extension the Employee or the personal representatives of the Employee shall assign the benefits of such judgment to the Underwriters

The liability of the Underwriters for all amounts payable under this Extension relating to any claimant or number of claimants in respect of an occurrence or series of occurrences arising out of one originating cause shall not exceed the Limit of Indemnity stated in the Schedule

CONDITION APPLICABLE TO SECTION 1

Employers' Liability Compulsory Insurance Clause

The indemnity granted by this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in Great Britain Northern Ireland the Isle of Man the Island of Jersey the Island of Guernsey the Island of Alderney and offshore installations in territorial waters around Great Britain and its Continental Shelf BUT the Assured shall repay to the Underwriters all sums paid by the Underwriters which the Underwriters would not have been liable to pay but for the provisions of such law ordinance or statute

This Condition shall not apply in respect of claims arising by virtue of paragraph 3. of the Operative Clause

SPECIAL NOTICE APPLICABLE TO SECTION 1

Employers' Liability Tracing Office (ELTO)

This Notice does not form part of your contract of insurance and is for information purposes only

Certain information relating to your insurance policy including, without limitation, the policy number(s), employers' names and addresses (including subsidiaries and any relevant changes of name), coverage dates, employer's reference numbers provided by Her Majesty's Revenue and Customs and Companies House Reference Numbers (if relevant), will be provided to the Employers' Liability Tracing Office, (the "ELTO") and added to an electronic database, (the "Database").

This information will be made available in a specified and readily accessible form as required by the Employers' Liability Insurance: Disclosure by Insurers Instrument 2010. This information will be subject to regular periodic updating and certification and will be audited on an annual basis.

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, (the "Claimants"):

a) to identify which insurer (or insurers) was (or were) providing employers' liability cover during the relevant periods of employment; and

b) to identify the relevant employers' liability insurance policies.

The Database will be managed by the ELTO.

The Database and the data stored on it may be accessed and used by the 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.

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

SECTION 2 – PUBLIC/PRODUCT S LIABILITY

OPERATIVE CLAUSE

The Underwriters will indemnify the Assured in accordance with the law of any country but not in respect of any judgement award payment or settlement made within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement award payment or settlement either in whole or in part) unless the Assured has requested that there shall be no such limitation and has accepted the terms offered by Underwriters which shall be signified by specific endorsement to this Policy against their liability to pay Damages (including claimants' costs fees and expenses) and Defence Costs in respect of

1. accidental Bodily Injury to any person
2. accidental loss of or damage to tangible property
3. nuisance trespass or interference with any easement right of air light water or way other than where arising due to a deliberate act by the Policyholder occurring during the Period of Insurance in connection with the Business and
 - a) within the Territorial Limits or
 - b) during the course of temporary visits anywhere in the world other than the USA or Canada (unless indicated by way of Endorsement to this Policy that such a restriction does not apply) or
 - c) arising out of any Product anywhere in the world other than the USA or Canada (unless indicated by way of Endorsement to this Policy that such a restriction does not apply)

LIMITS OF INDEMNITY

Underwriters liability to pay Damages (including claimants' costs fees and expenses) shall not exceed the sum stated in the Schedule in respect of any one occurrence or series of occurrences arising out of one originating cause

Defence Costs will be payable in addition to the Limits of Indemnity

In the event of any one originating cause giving rise to an occurrence or series of occurrences which form the subject of indemnity under this Section and Section 3 each Section shall apply separately and be subject to its own separate Limits of Indemnity provided always that the total amount of Underwriters' liability shall be limited to the greatest Limits of Indemnity available under either Section providing indemnity for the occurrence or series of occurrences

EXCLUSIONS TO SECTION 2

This Section does not provide indemnity in respect of liability

1. for Bodily Injury sustained by any Employee in connection with the Business
2. arising out of Pollution
3. for loss or damage to property owned leased or hired by or under hire purchase or on loan to the Assured or in the Assured's care custody and control other than
 - a) Employees' and visitors clothing and personal effects
 - b) premises (including contents thereof) not owned nor rented by the Assured but temporarily occupied by them for the purpose of work therein or thereon
 - c) premises tenanted by the Assured to the extent that the Assured would be held liable in the absence of any specific agreement
4.
 - a) arising out of ownership possession or use of any mechanically propelled vehicle where a Certificate of Motor Insurance or surety is required under any Road Traffic Act or similar legislation other than
 - (1) vehicles designed primarily to operate as tools of trade (which term shall be deemed to include any plant primarily designed to operate on or about a contract site)
 - (2) other vehicles brought on to site for use on site

This exclusion shall not apply in respect of the use of vehicles belonging to Employees or third parties in connection with the Business unless indemnity is provided

- (i) to the Employee or
- (ii) to the third party or

- (iii) to the Assured under any other insurance
- (iv) in respect of loss of or damage to any vehicle of any Employee or third party to whom the indemnity is provided or any property conveyed therein or thereon
- b) caused by the ownership or operation by or on behalf of the Assured of any waterborne craft (other than safety boats hand-propelled craft or other craft up to 15 metres in length whilst on inland waterways or up to 3 miles offshore) hovercraft aircraft or rail borne vehicle
- 5. arising out of liquidated damages clauses penalty clauses or performance warranties unless proven that liability would have attached in the absence of such clauses or warranties
- 6. for loss or damage to and/or the costs of repair reconditioning removal replacement or recall of any Product or part thereof or any contract work executed by the Assured caused by any defect therein or unsuitability thereof for its intended purpose
- 7. which is the inevitable or unavoidable consequence of the performance of a contract
- 8. for loss of or damage to cables pipes or other services located underground unless the Assured has
 - a) taken or caused to be taken all reasonable measures to identify the location of such cables pipes and services before any work is commenced which may involve a risk of damage thereto (reasonable measures include contacting the appropriate authorities where it is possible cables pipes or services are under the site)
 - b) retained a written record of the measures which were taken to locate such cables pipes or other services
 - c) conveyed the location of such cables pipes and services to those who are carrying out such work on behalf of the Assured
- 9. arising out of an act of Terrorism
- 10. arising out of exposure or alleged exposure to asbestos or materials containing asbestos
- 11. arising out of work on any part of any aerodrome or airport provided for take off or landing of aircraft or the movement of aircraft or parking of aircraft including associated surface roads and ground equipment parking areas

- 12. arising as a result of advice design or specification given by the Assured for a fee
- 13. for the cost of remedying any defect or alleged defect in premises disposed of
- 14. arising out of any Product intended for incorporation into any aircraft
- 15. arising out of any Product intended for incorporation into any vehicle licensed for road use where the Product is critical to the safety of such vehicle
- 16. arising out of any Product intended for incorporation into any waterborne craft where the Product is critical to the safety of such craft

EXTENSIONS TO SECTION 2

1. Data Protection

Underwriters will also indemnify the Assured against their legal liability to pay Damages (including claimants' costs fees and expenses) arising from any claim or claims for material or non-material damage under the General Data Protection Regulations and/or any equivalent law enacted in the United Kingdom and/or any subsequent similar legislation first made against the Assured in writing during the Period of Insurance provided always that the indemnity shall not apply to

- (i) liability caused by or arising from any incident or circumstances known to the Assured at the inception of this cover and which could reasonably have been expected to give rise to a claim
- (ii) any claim or claims made by or on behalf of any director partner or Employee of the Assured in connection with their employment in the Business
- (iii) proceedings consequent upon any deliberate act or omission by or on behalf of the Assured if the result could reasonably have been expected having regard to the nature and circumstances of such act or omission
- (iv) any fines or penalties of any kind

Underwriters' liability under this extension shall not exceed the sum stated in the Schedule in respect of all claims made against the Assured during the Period of Insurance

It is a condition precedent to liability under this Extension that the Assured can demonstrate it has taken reasonable steps to comply with the requirements of the Regulations and/or any

equivalent law enacted in the United Kingdom and/or any subsequent similar legislation

2. Financial Loss

The Underwriters will indemnify the Assured in accordance with the law of the Courts of Law of Great Britain Northern Ireland the Isle of Man and the Channel Islands against their liability to pay Damages (including claimants' costs fees and expenses) and Defence Costs for any claims first made against them during the Period of Insurance arising out of financial loss sustained by any third party other than an Employee

This Extension is subject to the **EXCLUSIONS TO SECTION 2 the EXCLUSIONS TO ALL SECTIONS** and the following

This Policy does not provide indemnity in respect of liability

- 1) arising out of Bodily Injury or loss of or damage to tangible property
- 2) which attaches by virtue of an agreement unless liability would have attached in the absence of such agreement
- 3) which is inevitable having regard to the circumstances and nature of the work undertaken or Product supplied
- 4) resulting from conspiracy conversion deceit inducement of breach of contract injurious falsehood or infringement of patent copyright trade mark or trade name
- 5) for claims which arise out of any circumstances notified to previous insurers or known to the Assured at inception to this Policy
- 6) arising out of the failure of any computer data processing equipment or media microchip integrated circuit or similar device or any computer software to correctly recognise the date as its true calendar date
- 7) arising from any financial loss which first occurred before the Retroactive Date
- 8) arising out of Pollution
- 9) for financial loss sustained by any party outside Great Britain Northern Ireland the Channel Islands or the Isle of Man

Provided that

- 1) The Underwriters' liability to pay Damages (including claimants' costs fees and expenses) and

Defence Costs shall not exceed the sum of £250,000 under this Section and shall be the Underwriters' total liability in respect of any one Period of Insurance

- 2) The Retroactive Date in respect of this Section is the inception date of this policy which shall be the earliest date from which Underwriters have provided unbroken cover for consecutive periods of insurance
- 3) The Assured shall contribute 10% or £2,500 whichever is the greater amount to each and every claim inclusive of costs and expenses under this Extension
- 4) If during the currency of this Policy the Assured shall become aware of any circumstances which may be likely to give rise to a claim falling under this Section and shall during the Period of Insurance give written notice to the Underwriters of such circumstance any claim which may subsequently be made against the Assured arising out of the circumstance of which notification has been given shall be deemed to be a claim arising during the period of the Policy whenever such claim may actually be made

SECTION 3 - POLLUTION LIABILITY

The Underwriters will indemnify the Assured in accordance with the law of the Courts of Law of Great Britain Northern Ireland the Isle of Man and the Channel Islands against their liability to pay Damages (including claimants' costs fees and expenses) and Defence Costs in respect of

1. accidental Bodily Injury to any person
2. accidental loss of or damage to tangible property
3. nuisance trespass or interference with any easement right of air light water or way other than where arising due to a deliberate act by the Assured

arising out of Pollution occurring in its entirety during the Period of Insurance within the Territorial Limits in connection with the Business but only to the extent that the Assured can demonstrate that such Pollution

a) was the direct result of a sudden specific and identifiable event occurring during the Period of Insurance and

b) was not the direct result of the Assured failing to take reasonable precautions to prevent such Pollution

LIMITS OF INDEMNITY

Underwriters liability to pay Damages (including claimants' costs fees and expenses) shall not exceed the sum stated in the Schedule in respect of all occurrences

Defence Costs will be payable in addition to the Limits of Indemnity

In the event of any one originating cause giving rise to an occurrence or series of occurrences which form the subject of indemnity under this Section and Section 2 each Section shall apply separately and be subject to its own separate Limits of Indemnity provided always that the total amount of Underwriters' liability shall be limited to the greatest Limits of Indemnity available under either Section providing indemnity for the occurrence or series of occurrences

EXCLUSIONS TO SECTION 3

This Section is subject to the Exclusions to Section 2 (apart from Exclusion 2.) and also does not provide indemnity in respect of liability for loss of or damage to

1. premises presently or at any time owned or tenanted by the Assured
2. land or water within or below the boundaries of any land or premises presently or at any time previously owned or leased by the Assured or otherwise in the Assured's care custody or control

EXTENSION TO SECTION 3

Clean-up Costs

The indemnity provided by this Section shall be extended to include Clean Up to the extent not already included

Provided that

a) the indemnity provided by this Extension shall not

(i) include Clean Up of any site or watercourse or body of water contained within or on any site or any other tangible property owned by or leased or rented to the Assured or formerly owned by or formerly leased or rented to the Assured

(ii) include the cost of restoration reinstatement or reintroduction of any organism

(iii) apply in respect of Pollution outside Great Britain Northern Ireland the Channel Islands and the Isle of Man

b) the Pollution

(i) was the direct result of a sudden specific and identifiable event occurring during the Period of Insurance and

(ii) was not the direct result of the Assured failing to take reasonable precautions to prevent such Pollution

c) Underwriters liability under this Extension shall not exceed £250,000 in respect of all occurrences during the Period of Insurance including Defence Costs and claimants' costs fees and expenses

d) The Assured agrees to pay the first 20% or £5,000 (whichever is the greater) in respect of each occurrence

For the purpose of this Endorsement the following additional definitions will apply:

Clean Up means the cost of Remediation incurred by the Assured (or for which they are legally liable) as required by any Enforcing Authority but shall not include the costs of achieving any improvement or alteration in the condition of the land the atmosphere or any watercourse or body of water or any other tangible property beyond that required under any relevant and applicable law or statutory enactment at the time Remediation commences

It shall include the costs reasonably and necessarily incurred by the Assured or for which they are legally liable to curtail or minimise Pollution once it has occurred to prevent further harm being caused but only to the extent required by any Enforcing Authority.

Enforcing Authority means any government or statutory authority or body implementing or enforcing environmental protection legislation

Remediation means remedying the effect of Pollution

CONDITIONS APPLICABLE TO SECTIONS 2 & 3

1. Burning Welding and Cutting Conditions

It is a condition precedent to liability under this Section that the following precautions shall be adhered to on each occasion where the Assured or persons acting on behalf of the Assured are using any oxy-acetylene or electric welding or cutting/grinding equipment or blow lamp or blow torch or hot air gun away from the Assured's own premises

1. the immediate area in which the operation is to be carried out must be segregated to the greatest practicable extent by the use of screens made of metal and/or fire retardant material
2. the whole of this segregated area must be adequately cleaned and freed from combustible material before operations commence
3. if work is to be carried out overhead the area beneath must be similarly cleaned and combustible material removed
4. combustible floors/substances in or surrounding this segregated area must be liberally covered with sand or protected by overlapping sheets of incombustible material
5. where work is being carried out in any enclosed area an additional Employee of the Assured or an Employee of the occupier shall be present at all times to guard against an outbreak of fire
6. no work should be carried out unless specifically authorised by the occupier who should also be asked to approve the safety arrangements
7. the following must be kept available for immediate use near the scene of operations
 - a) suitable and fully charged fire extinguishers and/or
 - b) a hose connected up to the nearest hydrant with water turned on and controllable at the nozzle of the hose in readiness for immediate use and tested prior to the commencement of the work
8. a thorough examination must be made in the vicinity of the work approximately one hour after the termination of each operation In the event that

it is not practicable for such examination to be carried out by the Assured's own Employee then appropriate arrangements must be made with the occupier

9. before "burning off" metal work built into or projecting through walls or partitions an examination should be made to confirm that the other end of the metal is not in a hazardous proximity to combustible material which may be ignited by the conduction of heat

Furthermore where the Assured or persons acting on behalf of the Assured burns debris it is a Condition precedent to liability under this Policy that the following precautions shall be taken on each occasion

1. Fires to be in a cleared area and at a distance of at fifteen metres from any property
2. Fires not to be left unattended at any time
3. A suitable fire extinguisher to be kept available at the scene of the operations for immediate use
4. Fires to be extinguished at least one hour prior to leaving site at the end of each working day

2. Bona Fide Subcontractors Condition

It is a condition precedent to liability under this Section that all bona fide subcontractors engaged by the Assured shall have in full force and effect throughout the duration of their contract with the Assured insurances as follows

1. Employers Liability insurance in respect of their liability at law for Bodily Injury to any Employee
2. Public/Products Liability insurance in respect of their liability at law for
 - a) Bodily Injury to any person
 - b) loss of or damage to tangible property
 - c) nuisance trespass or interference with any easement right of air light water or way

with a Limit of Indemnity of at least £5,000,000 or that shown in the Schedule in respect of Section 2 (whichever is the lower) any one occurrence or series of occurrences arising out of one original cause

and that

1. such insurances contain an Indemnity to Principals Clause

2. the Assured shall have obtained and retained a copy of written evidence of such insurances

For the purposes of this Endorsement the term bona fide subcontractors means any independent subcontractor engaged by the Assured under a contract for services

EXTENSIONS TO SECTIONS 1, 2 & 3

1. Additional Defence Costs

Defence Costs extend to include legal expenses incurred with the Underwriters written consent within the courts of Great Britain Northern Ireland the Isle of Man and the Channel Islands

a) arising out of representation at any Coroner's Inquest or Fatal Accident inquiry

b) arising out of any criminal prosecution or proceedings relating to an offence alleged to have been committed during the Period of Insurance and in the course of the Business of the Assured in respect of matters which may form the subject of indemnity by this Policy (including with the Underwriters prior consent Employees partners or directors of the Policyholder)

provided that

(i) Underwriters shall not be liable for any fines or penalties imposed as a consequence of such prosecution

(ii) Underwriters shall not be responsible for Defence Costs where at the Underwriters discretion they may require the opinion of counsel (whose appointment is at the Underwriters sole discretion) as to whether or not such costs should extend or continue to extend to the support of such defence and where such counsels opinion is that there is no reasonable defence to the prosecution

(iii) Underwriters liabilities for Defence Costs in cases of breach or alleged breach of the United Kingdom Health & Safety at Work Act 1974 (and/or any legislation of similar effect) are limited to prosecutions under Section 33(1) (a) to (c) of the Act or similar duty imposed under consolidating legislation or legislation in Northern Ireland the Isle of Man or the Channel Islands

c) arising out of the defence of any proceedings in a Court of Summary Jurisdiction in respect of matters which may form the subject of Indemnity by this Policy

The indemnity applies only to such liability as defined by each Insured Section of this Policy arising out of the Business of the Assured as stated in the Schedule subject always to the terms Conditions limitations and Exclusions of such Section and of the Policy as a whole

2. Cross Liability Clause

It is hereby declared and agreed that where more than one party is named in the Schedule as the Policyholder indemnity shall apply as though individual insurances have been issued to each party provided always that the Underwriters' total liability shall not exceed the sums stated in the Schedule as the Limits of Indemnity

3. Housing Grants Construction and Regeneration Act, 1996

The indemnity granted by this Policy is extended to apply to any process of adjudication or decision of any adjudicator pursuant to the Act provided always that as a condition precedent to Underwriters liability under this Policy the Assured agrees to comply with Conditions (a) and (b) as follows

a) Policy Conditions

The Assured shall

(i) notify Underwriters immediately upon receipt (and in no event later than two working days thereafter) of any notice of intention to refer a dispute to adjudication ("notice of adjudication") or of the service by the Assured of any notice of adjudication in circumstances which will lead to or are likely to lead to a claim being made against the Assured (whether under a process of adjudication or otherwise)

(ii) promptly forward to Underwriters all information relating to any dispute referred to adjudication including copies of all documentation made available to the Assured or subsequently by the Assured to the adjudicator

(iii) allow the Underwriters to appoint advisers or representatives and to have conduct (including the right but not the obligation to take over the conduct) of the adjudication as they deem appropriate and provide such assistance as the Underwriters may reasonably require

(iv) meet any request direction or timetable of the adjudicator

(v) satisfy the Underwriters that any dispute referred to adjudication is or would be the subject of indemnity under this Policy and that the decision reached by the adjudicator represents the award against the Assured of a payment of money by the Assured which constitutes compensatory damages which form the subject of such indemnity

(vi) not agree to accept the decision of the adjudicator as finally determining the dispute without the prior written consent of the Underwriters

(vii) in the event of a decision reached by the adjudicator that such an award as described in v) above is payable give the Underwriters every assistance in instituting legal proceedings (or arbitration if applicable in accordance with the Assured's contract) in order to challenge reopen stay the enforcement of or overturn such adjudicator's decision or otherwise to recover such award if the Underwriters deem it appropriate

The Underwriters shall have sole conduct of all such proceedings

b) Conditions relating to contracts

Any provisions relating to adjudications pursuant to the Act in any contract entered into by the Assured shall

(i) provided that the adjudicator must be independent of the parties to the contract

(ii) not allow for any decision of the adjudicator to be binding or to determine any dispute finally

(iii) not allow the adjudicator to disregard the legal entitlements of the parties in order to reach a decision based on commercial considerations

(iv) not prohibit the assistance or representation by advisers or representatives (whether legally qualified or not) at any adjudication

(v) not place any conditions upon the timing of commencement of legal or arbitration proceedings (other than adjudications pursuant to the Act)

Any dispute or difference arising hereunder between the Assured and the Underwriters shall be referred to the arbitration of a Queen's Counsel to be agreed upon by both parties or in the absence of agreement by a QC nominated by the Chairman of the Bar Council The Underwriters agree to pay the costs of such referral except where indemnity has

been denied by the Underwriters and the QC upholds such decision

4. Overseas Personal Liability

The indemnity provided by this Policy shall apply to

a) the Policyholder

b) at the request of the Policyholder

(i) any director official or Employee of the Policyholder

(ii) any spouse or child of the persons stated in a) or b) i) above who are accompanying such persons

in respect of liability incurred by such persons in a personal capacity in connection with an occurrence happening during the Period of Insurance in any country whilst on a temporary visit to such country in connection with the Business

Provided that

1) any person entitled to indemnity under this Extension shall as though they were the Assured be subject to the terms conditions and limitations of this Policy insofar as they can apply

2) nothing in this Extension shall increase the liability of the Underwriters to pay any amount exceeding the Limit of Indemnity regardless of the number of persons claiming to be indemnified

3) the Underwriters shall not provide indemnity against

a) contractual Liability

b) liability for which indemnity is provided by any other insurance

c) liability in respect of loss of or damage to property belonging to or in the custody or under the control of any person entitled to indemnity under this Extension

d) liability in respect of Bodily Injury (as defined for Sections 2 & 3) to any person entitled to indemnity under this Extension

e) liability caused by or arising from

(i) the ownership or occupation of land or buildings

(ii) the carrying on of any business profession trade or employment

(iii) the ownership possession or use of animals other than horses or domestic dogs or cats

5. Compensation for Court Attendance

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

- a) any director or partner of the Policyholder £250
- b) any Employee £100

All General Extensions are subject otherwise to the Policy terms Conditions Limitations and Exclusions

SECTION 4 CONTRACTORS ALL RISKS OPERATIVE CLAUSE

The Underwriters will indemnify the Assured as stated in the Schedule by payment or at Underwriters option reinstatement or repair in respect of physical loss or physical damage arising from any cause not otherwise excluded and occurring anywhere within the Territorial Limits during the Period of Insurance to property which is being used or is intended for use in connection with the works on any contract site which is the subject of this Policy such property shall include

1. The works whether permanent or temporary materials incorporated or for incorporation therein other than property insured by item 2. below being the property of the Assured or for which the Assured are responsible including all transits in respect of any contract or work undertaken whether such contract or work was commenced during the Period of Insurance or otherwise Provided that Underwriters shall be under no liability in respect of contracts originally scheduled to be of longer duration than two years (exclusive of the maintenance period) or with an estimated contract value at inception not exceeding GBP 2,000,000 unless otherwise agreed

2. Contractors` plant tools and equipment demountable and temporary buildings and/or caravans and/or other items of a like nature and materials and/or stores and/or any other property of whatsoever nature used or intended for use in connection with any contract works being undertaken by the Assured and insured under this Policy all being the property of the Assured or hired by the Assured under the Contractors Plant Association conditions or conditions no more onerous including transit by road rail or inland waterways

3. Employees Effects for which the Assured is responsible whilst on any site or for which the Assured is responsible under the terms of any joint working agreement The indemnity provided is limited to GBP 500 per Employee unless otherwise agreed

EXCLUSIONS TO SECTION 4

No indemnity is provided in respect of

1. consequential loss of use penalties for delay or non-completion or liquidated damages

2. loss of or damage to

- a) aircraft aero spatial devices or hovercraft
- b) waterborne craft or vessels other than safety boats non-self propelled craft or other craft up to 20 feet in length on or about the contract site

3. loss of or damage to mechanically propelled vehicles other than

- a) vehicles designed primarily to operate as tools of trade (which shall be deemed to include any plant primarily designed to operate on or about a contract site)
- b) other vehicles brought on to a site for use only on such site

4. All costs rendered necessary by defects of material workmanship design plan or specification and should damage occur to any portion of the Property Insured containing any of the said defects the cost of replacement or rectification which is hereby excluded is that cost which would have been incurred if replacement or rectification of the Insured Property had been put in hand immediately prior to the said damage.

For the purposes of this Section and not merely this Exclusion the Property Insured shall not be regarded as lost or damaged solely by virtue of the existence of any defect in design plan specification

materials or workmanship in the Property Insured or any part thereof

5. the cost of making good
 - a) mechanical or electrical breakdown or derangement
 - b) wear tear gradual deterioration

but this Exclusion shall be limited to the parts immediately affected and shall not apply to accidental loss or damage arising in consequence thereof

6. the cost of making good any form of corrosion erosion rust oxidation mildew howsoever the same may arise
7. loss of or damage to stock and materials in trade and/or materials for incorporation into the contract works whilst away from any contract site unless in transit
8. loss of or damage to cash notes postal and/or money orders cheques stamps or negotiable instruments of whatsoever nature or other securities for money
9. loss of or damage to any part of the property insured arising out of the works being taken into use or occupation (except for testing and commissioning when applicable) unless the Assured shall give notice to Underwriters as soon as possible and shall agree to pay such additional premium as Underwriters may reasonably require

This Exclusion shall not apply

- a) to the use of any property as a show house with a value up to GBP 250,000 and contents with a value up to GBP 50,000
 - b) during the period of 14 days from the date of issue by the Engineer of a Certificate of Completion when a contract is subject to the Standard Conditions of Contract of the Institute of Civil Engineers or equivalent conditions of contract
10. any loss of property either by disappearance or by shortage if such disappearance or shortage is only revealed when a routine inventory is made or is not traceable to an individual event or occurrence
 11. destruction or damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds

12. loss or damage for which the Assured is relieved of responsibility under the terms of any contract
13. loss or damage arising from directional drilling operations unless otherwise agreed
14. the cost of normal upkeep or normal making good
15. loss or damage which under the terms or conditions of the contract is the responsibility of the Employer unless the Assured has agreed under the terms or conditions of the said contract to accept responsibility to indemnify or to arrange insurance on the Employer's behalf in respect of such liability loss or damage
16. loss or damage caused by the wilful act or wilful negligence of the Assured
17. loss or damage to existing structures and/or existing property being worked upon unless otherwise agreed
18. loss or damage arising from transits by sea or air
19. loss or damage caused by contamination of asbestos or asbestos dust
20. loss or damage arising from Terrorism as follows

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto unless an endorsement is issued that expressly overrides the provisions contained herein the Policy does not provide indemnity

- a) for loss destruction of or damage to any property whatsoever or any loss or cost or expense of whatsoever nature resulting or arising therefrom or any consequential loss
- b) against any legal liability of whatsoever nature
directly or indirectly caused by resulting from or contributed to by or arising from or in connection with
 - i) any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - ii) any action taken in controlling preventing suppressing or in any way relating to any act of Terrorism

If the Underwriters allege that by reason of this Exclusion any loss liability damage cost or expense or consequential loss is not covered by this Policy the burden of proving the contrary shall be upon the Assured

21. loss or damage arising from contracts involving work in on over or adjacent to tidal waters tunnels (but not cut and cover) galleries with an estimated contract value greater than GBP 25,000 unless specifically agreed

22. Theft from unattended vehicles away from the Insured's premises unless

1. the vehicle is secured by all factory fitted locks and alarm / immobiliser (where fitted) and

2. the keys have been removed from the vehicle

or

1. the vehicle is in a locked and secure compound or garage

23. loss or damage to any contract or plant or equipment within the High Radio Active Zone (HRZ) of any nuclear installation

24. a) any damage to data which shall include but shall not be limited to

i) loss destruction or corruption of data whether in whole or in part

ii) unauthorised appropriation use access to or modification of data

iii) unauthorised transmission of data to any third parties

iv) damage arising out of any misinterpretation use or misuse of data

v) damage arising out of any operator error in respect of data

b) any damage to the property insured arising directly or indirectly from

i) the transmission or impact of any Virus

ii) unauthorised access to a System

iii) interruption of or interference with electronic means of communication used in the conduct of the Assured's Business including but not limited to any diminution in the performance of any website or electronic means of communication

iv) failure of a System

v) any of the matters described in paragraph (a) above

but this shall not exclude damage to the property insured caused by fire lightning explosion earthquake aircraft or other aerial devices or articles dropped therefrom riot civil commotion except in Northern Ireland strikers locked-out workers persons taking part in labour disturbances storm flood escape of water from any tank apparatus or pipe impact by any road vehicle or animal accidental escape of water from any automatic sprinkler installation subsidence ground heave or landslip provided that such damage does not arise by reason of any malicious act or omission or theft

For the purposes of this Exclusion

Damage means accidental loss or destruction of or damage to the property insured and any accidental loss or destruction or damage to data

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

Failure of a System means the complete or partial failure or inability whether in terms of availability functionality and/or performance or otherwise of a System whether or not owned by the Assured to operate at any time as desired as specified or as required in the circumstances of the Assured's Business

System includes computers other computing and electronic equipment linked to computer hardware electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation and includes for the avoidance of doubt any computer installation

Microchip a unit of packaged computer circuitry manufacture in small scale and made for program logic and/or computer memory purposes and expressly including integrated circuits and microcontrollers

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

MEMORANDA TO SECTION 4

1. PROFESSIONAL FEES

This Section includes architects' surveyors' consulting engineers' and other professional fees necessarily incurred in connection with the reinstatement of property insured

Provided that

- a) such fees shall not exceed those authorised under the scale of the appropriate professional body or institute regulating such charges subject to a maximum of 15% of the estimated contract value or GBP 250,000 whichever is the less
- b) the Underwriters shall not provide indemnity against any fees incurred in preparing or pursuing any claim

2. DEBRIS REMOVAL

This Section includes costs and expenses necessarily incurred in respect of removal of debris dismantling demolition (including off site storage) shoring propping and clearance of drains and sewers following loss or damage insured up to 10% of the amount of the loss

3. SPECULATIVE HOUSING

In the event of speculative housing being completed but unsold cover under this Section shall continue for a period of six months unless otherwise agreed from the date of practical completion but the Underwriters liability shall not exceed GBP 250,000 any one occurrence

4. PLANS

The property insured by Paragraph 1. of the Operative Clause shall be deemed to include plans and specifications or other contract documentation of the works or temporary works but only for the cost of reproducing such plans specifications and documentation up to maximum limit of GBP 10,000

5. GENERAL INTEREST

This Section duly notes the interest of any Bank Finance Company Building Society and any other institution or concern that have a financial interest in the property insured by this Section

6. MAINTENANCE

Where required by contract this Section includes physical loss or physical damage

- a) occurring during the maintenance period (not exceeding twenty four months unless otherwise agreed) from a cause arising before the issue of a certificate of practical completion
- b) occasioned by the Assured in the course of fulfilling his obligations during the maintenance period as required by the terms of the contract

7. OCCURRENCE

The word "occurrence" shall mean all individual losses arising out of and directly occasioned by one event However the duration and extent to any "occurrence" so defined shall be limited to

72 consecutive hours as regards hurricane typhoon windstorm rainstorm hailstorm and/or tornado

72 consecutive hours as regards earthquake seaquake tidal wave and/or volcanic eruption

8. EMPLOYEES EFFECTS DEFINITION

It is understood and agreed that for the purpose of this Section the Assured's Employees effects shall include physical loss of or physical damage to tools clothing and personal effects (but not furs money and jewellery) belonging to any

- a) director or Employee of the Assured
- b) clerk of works resident engineer or his Employee

whilst on or about any contract site

9. ADJUDICATION AWARDS CLAUSE

a) The Underwriters will indemnify the Assured against an award (or any part thereof) made in respect of a construction dispute and resulting from an adjudication procedure which complies with the provisions of the Housing Grants Construction and Regeneration Act 1996

i) indemnity shall only apply to the extent that such an award relates to loss damage or liability for which an indemnity is provided by this Section

ii) any payment made by the Underwriters in respect of such an award shall be made without

prejudice to any other rights of the Underwriters under this Section

b) It is a condition precedent to any liability of the Underwriters to make any payment under this Memorandum where there is a construction contract dispute relating to loss damage or liability for which an indemnity is or may be provided by this Memorandum

i) any notice received by the Assured from any party of intention to refer such a dispute for adjudication shall be forwarded to the Underwriters within five days of receipt

ii) the Assured shall provide prior notice to the Underwriters of any intention by them to refer any such dispute for adjudication

iii) the Assured shall not accept any award made by an adjudicator to such a dispute as being final without the prior agreement of the Underwriters

10. JOINT CODE OF PRACTICE

In respect of all contracts or work whose estimated value (including free issue materials) exceeds GBP 1,000,000 the Assured undertakes to comply with the Joint Code of Practice on the Protection from Fire of Construction Sites and Buildings Undergoing Renovation Fifth Edition dated January 2000 (the Joint Code) or any subsequent edition thereof

The appointed representative of the Underwriters shall have the right at all reasonable times to enter and inspect any such contract site for the purpose of ensuring that the conditions of such sites or work in all respects comply with the Joint Code

For the purpose of Paragraph 6.3 of the Joint Code any building site including those where demolition alterations fitting out renovations refurbishment or repair work is carried out whose estimated value (including free issue materials) exceeds GBP 20,000,000 shall be deemed to be a "Large Project"

In the event of a breach of the Joint Code the Underwriters may inform the Employer and management of the Assured the nature of the breach and may specify the required remedial measures (the Remedial Measures) and the reasonable period of time in which such Remedial Measures are to be completed. If the Assured should fail to complete such Remedial Measures within the specified time the Underwriters may confirm the same by notice in writing given by actual delivery or by registered post or by recorded delivery to both the Employer and the Assured at their respective addresses nominated by the

Assured at the inception of cover or as otherwise subsequently amended

Such notice shall at the discretion of the Underwriters either suspend or cancel the Policy from the date named in the notice which shall not be less than 30 days from the date of delivery of such notice it being understood the Policy may be reinstated with effect from the date on which the Underwriters are satisfied that the Remedial Measures have been completed

This Memorandum shall prejudice waive or remove the rights of the Underwriter or the Assured under the terms exceptions and conditions of this Section

11. EUROPEAN UNION AND PUBLIC AUTHORITIES REQUIREMENTS

The Underwriters will indemnify the Assured for such additional costs of reinstatement of the works as may be incurred with the Underwriters written consent in complying with the stipulations of European Union legislation or building or other regulations under or framed in pursuance of any Act of Parliament or bye-laws of any public authority first imposed upon the Assured following damage provided that the reinstatement is completed within twelve months of the occurrence of the loss or damage or within such further time as the Underwriters may in writing allow

Provided that the Underwriters shall not be liable in respect of costs for

a) requirements relating to any undamaged part of the works other than foundations (unless foundations are specifically excluded from this Section)

b) any rate tax duty development or other charge or assessment which may arise out of capital appreciation as a result of complying with any of the regulations or requirements referred to

12. EXPEDITING EXPENSES

In the event of loss of or damage to Items 1 and 3 of the property insured the cost of repair reinstatement or replacement admitted under this Section shall subject to the consent of the Underwriters include the additional costs of overtime weekend shift working plant hire charges express delivery (including air freight) necessarily and reasonably incurred in expediting repair reinstatement or replacement of such loss or damage (but excluding any such costs to expedite the completion of any construction erection or installation of property not lost or damaged) provided that the liability of the Underwriters shall

not exceed GBP 50,000 in respect of each and every loss or series of losses arising out of one originating cause

13. CONTINUING HIRE CHARGES

Cover under this Section is extended to indemnify the Assured in respect of their legal liability for the payment of hiring charges in respect of plant hired in by the Assured under Contractors Plant Association and/or British Crane Hire Corporation Conditions of Hire or conditions imposing similar liability whilst such plant is out of use following loss or damage for which an indemnity is provided by this Section (or which would be provided thereunder but for the application of an Excess Clause)

The Underwriters will not be liable under this extension for

- a) liability for a period longer than three months or GBP 50,000 whichever is the least
- b) the first 7 days such plant is out of use

14. NEGLIGENCE BREAKDOWN

The Underwriters will indemnify the Assured in respect of liability assumed under Clause 9(d) of the Model Conditions for the Hiring of Plant of the Construction Plant-Hire Association or any similar liability assumed under the Scottish Plant Owners Association Conditions or other Conditions no more onerous than these

15. IMMOBILISED PLANT

In the event of constructional plant and/or equipment becoming unintentionally immobilised in any physical situation in or about the site of an insured contract the necessarily incurred cost of recovery and/or withdrawal shall be "damage" within the meaning of this Section

Always provided that the total liability in respect of the actual damage and the recovery cost shall not exceed the total value of the item at the time of the damage

No indemnity shall be provided hereon in respect of the cost of recovery and/or withdrawal following electrical or mechanical breakdown or derangement where such is the sole reason for the recovery and/or withdrawal

16. INCREASE

If during the Period of Insurance the actual reinstatement value of the property insured shall be

in excess of the sum insured stated in the Schedule then the sum insured shall be deemed to be increased by the amount of such excess but not exceeding in all 110% of the sum insured stated in the Schedule

17. AUTOMATIC REINSTATEMENT

In consideration of the sum insured not being reduced by the amount of any loss or damage the Assured shall pay the appropriate additional premium calculated at pro rata of the applicable rate on the amount of the loss or damage from the date thereof to the expiry of the period of insurance such additional premium to be disregarded for the purposes of adjustment in accordance with General Condition 3

18. OFFSITE STORAGE

notwithstanding Exclusion 7 Underwriters will indemnify the Assured in respect of physical loss of or physical damage to finished materials or goods designated for and awaiting incorporation into specific contract works while such goods are temporarily held in store away from the contract site but not while such materials or goods are being worked upon subject to a limit of GBP 50,000 any one occurrence

18. COMPLETED PENDING SALE – PRIVATE DWELLING HOUSES

This Section includes physical damage to private dwelling houses constructed as part of the Contract for one hundred and eighty days from completion of the individual house or until the date of sale whichever occurs first but the Underwriters liability shall not exceed GBP 500,000 any one occurrence

EXCLUSIONS TO ALL SECTIONS

No indemnity is provided

1. a) in respect of liability or loss of or damage to property directly or indirectly occasioned by happening through or in consequence of war invasion acts of foreign enemies hostilities (whether war be declared or not) civil war rebellion revolution insurrection military or usurped power or confiscation or nationalisation or requisition

b) in respect of liability or loss of or damage to property directly or indirectly caused by or contributed to or arising from

(i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel

(ii) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof but as far as concerns Section 1 this Exclusion will only apply where such legal liability is

(1) that of any principal

(2) accepted under agreement and would not have attached in the absence of such agreement

2. for the amount of any excess shown in the Schedule including costs and expenses

3. in respect of liability or loss of or damage to property arising in connection with

a) any work of demolition involving

(i) ball and chain

(ii) a method designed and/or intended to demolish any structure or part thereof in one sudden and uninterrupted process

(iii) the use of explosives

b) structural construction alteration or repair of transport tunnels

c) the construction or critical maintenance of hydroelectric or reservoir dams

d) the construction alteration or repair of blast furnaces

e) work in connection with rail signalling equipment or the laying maintenance or repair of railway track other than private sidings

f) any shipbuilding or ship repairing other than contractors working on board a vessel unless such work is critical to the safety of the vessel

g) work on the structure or controls of any aircraft

h) work on motor vehicles licensed for road use where such work is critical to the safety of the vehicle

Sanction Limitation and Exclusion Clause

Underwriters will not provide cover be liable to pay any claim or provide any benefit if to do so would expose Underwriters (or any parent company direct or indirect holding company of Underwriters) to any

penalty or restriction (including extraterritorial penalties or restrictions so far as such do not contradict laws applicable to the Underwriters) arising out of any trade and economic sanctions laws or regulations which are applicable to Underwriters

EXTENSION TO ALL SECTIONS

1. AUTOMATIC ACQUISITIONS

The Assured shall include any entity acquired by the policyholder provided that

a. the Business is similar to that of the Policyholder

b. full underwriting information constituting a fair presentation of the risk (including claims information) is provided to the Underwriters within 30 days of the acquisition

c. the Policyholder accepts any additional terms and conditions required by Underwriters and agrees to pay any additional premium

CONDITIONS APPLICABLE TO ALL SECTIONS

(Conditions 1, 2, 3, and 16, are precedent to Underwriters' liability to provide indemnity under this Policy)

1. Claims Procedure

The Assured shall give written notice to the Underwriters as soon as reasonably practicable of any incident that may give rise to a claim under this Policy and shall give all such additional information as the Underwriters may require every letter of claim writ summons or process and all documents relating thereto and any other written notification of claim shall be forwarded unanswered to the Underwriters immediately they are received

The Assured shall at all times in addition to their obligations set out above afford such information to and co-operate with the Underwriters or their appointed agents to allow the Underwriters to be able to comply with such relevant Practice directions and Pre-action Protocols as may be issued and approved from time to time by the Head of Civil Justice

In the event of any occurrence giving rise to loss or damage under Section 4 of this Policy the Assured shall take such immediate action as is necessary to minimise the loss and in the case of property which has been lost stolen maliciously or wilfully damaged the Assured shall give immediate notice to the Police and take all practicable steps to recover property lost and to discover the person or persons responsible for such loss or damage. If Condition 16 of this Policy is operative the Assured shall notify the National Plant & Equipment Register Bath and West Buildings Lower Bristol Bath BA2 3EG Tel No. 01225 464599 in respect of any theft of any plant or equipment

No admission offer promise or payment shall be made or given by or on behalf of the Assured without written consent of the Underwriters who shall be entitled to take over the conduct in the name of the Assured the defence or settlement of any claim or to prosecute in the name of the Assured for their own benefit any claim for indemnity or Damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Assured shall give all such information and assistance as the Underwriters may reasonably require

If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an Arbitrator to be appointed by the parties in accordance with the statutory provisions for the time being in force. Where any difference is by this Condition to be referred to arbitration the making of an Award shall be a condition precedent to any right of action against the Underwriters

2. Alterations in Risk

The Assured is required to notify the Underwriters of all material facts or alterations in the risk which come to his knowledge or arise during the currency of this Policy

3. Adjustment of Premium

If any of the Premium for this insurance has been calculated on estimates furnished by the Policyholder the Policyholder shall keep accurate records containing all particulars relative thereto and shall at all times allow the Underwriters to inspect such records. The Policyholder shall within three months from the expiry of each Period of Insurance furnish such particulars to Underwriters and the premium for such period shall thereupon be adjusted and the difference paid by or allowed to the Policyholder as the case may be subject to any minimum premium required. The Underwriters reserve the right to request that the Policyholder supplies an auditor's certificate with such calculations that are the subject to adjustment under this Policy attesting to the accuracy thereof. Such calculations shall include all remuneration paid to any Employee

4. Choice of Law Clause

It is hereby agreed between Underwriters and the Assured that indemnity provided by this Policy shall apply only to judgements of first instance against the Assured in the Courts of Law of Great Britain Northern Ireland the Isle of Man and the Channel Islands and not to judgements obtained elsewhere nor to judgements or orders obtained in the said courts for the enforcement of foreign judgements whether by way of reciprocal agreements or otherwise unless the Assured has requested that there shall be no such limitation and has accepted the terms offered by Underwriters in granting such cover which offer and acceptance must be signified by specific endorsement to this Policy

5. Discharge of liability

The Underwriters may at any time pay to the Assured in connection with any claim or series of claims under this Policy to which a Limit of

Indemnity applies the amount of such Limit (after deduction of any sums already paid) or any lesser amount for which such claims can be settled and upon such payment being made the Underwriters shall relinquish the conduct and control of and be under no further liability in connection with such claims

6. Apportionment of Defence Costs

Except where the Limit of Indemnity is inclusive of Defence Costs if a payment exceeding the Limit of Indemnity has to be made to dispose of a claim the liability of the Underwriters to pay all Defence Costs in connection therewith shall be limited to such proportion of the said Defence Costs as the Limit of Indemnity bears to the amount paid to dispose of a claim

7. Policy Interpretation

Any phrase or word in this Policy and the Schedule will be interpreted in accordance with the laws of England and Wales. The Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or the Schedule shall bear such specific meaning wherever it may appear

8. Other Insurance

If any claim covered by this Policy is also covered in whole or in part by any other insurance Underwriters shall have no liability to contribute to such claim

9. Fraudulent Claims

If the Assured shall make any claim knowing the same to be fraudulent or false as regards the amount or otherwise (including the provision of false or fraudulent documents or statements) then

Underwriters will:

- a) refuse to pay the whole of the claim and
- b) recover from the Insured any sums that it has already paid in respect of the claim

Underwriters may also notify the Assured that it will be treating all sections of this policy as having terminated with effect from the date of the earliest of any of the fraudulent act. In that event the Assured will

- a) have no cover under the Policy from the date of termination and

- b) not be entitled to any refund of premium

10. Cancellation Clause

Underwriters may cancel this Policy by sending thirty days written notice to the Policyholder's last known address whereupon the Policyholder shall become entitled to a refund of a proportionate part of the premium

11. Precautions

The Assured shall take all reasonable precautions or steps

- a) to observe and comply with all Statutory or local authority laws obligations and requirements
- b) in the selection of Employees or sub-contractors
- c) to see that construction plant equipment and machinery are substantial and sound and in proper order and fit for the purposes for which they are used

12. Temporary Precautions

If any defect in the Contract Works or construction plant equipment and machinery shall be discovered the Assured shall until such defect has been made good cause temporary precautions to be taken as the circumstances may require

The Assured shall at all times take all reasonable precautions to prevent accidents injury loss or damage

13. Subrogation

Any claimant under this Policy shall at the request and at the expense of the Underwriters do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Underwriters for the purpose of enforcing any rights and remedies of or obtaining relief or indemnity from other parties to which the Underwriters shall be or would become entitled or subrogated upon its paying for or making good any damage insured by this Policy whether such acts and things shall be or become necessary or required before or after their indemnification by the Underwriters

14. Contracts (Rights of Third Parties) Act 1999 Clarification Clause

A person who is not a party to this contract has no right under the Contracts (Rights of Third Parties)

Act 1999 to enforce any term of this agreement but this does not affect any right or remedy of a third party which exists or is available apart from that Act

15. Policy Disputes Clause

Any dispute concerning the interpretation of the terms Conditions Limitations or Exclusions contained herein is understood and agreed by both the Assured and the Underwriters to be subject to the laws of England and Wales Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within England and Wales and to comply with all requirements necessary to give such court jurisdiction All matters arising hereunder shall be determined in accordance with the law and practice of such court

16. Premium Payment

It is a condition precedent to liability that all Premiums due to Underwriters are paid within 60 days of inception of this Policy. Non-receipt by Underwriters of such Premiums by midnight of the Premium Due Date shall render this Policy void with effect from inception

17. The National Plant & Equipment Register

It is a Condition of this Policy that all Construction Plant Tools Machinery and Equipment with an individual value in excess of GBP 5,000 must be registered with The National Plant & Equipment Register Bath & West Buildings Lower Bristol Road Bath BA2 3EG Tel No: 01225464599 within 60 days of inception Failure to do so will mean cover provided under Item No. 3) of the Schedule is cancelled

18. Due Observance

If the Assured does not comply with any part of any condition which makes payment of any claim conditional upon such compliance Underwriters will not pay the claim except where:

1. compliance would tend to reduce the risk of loss of a particular kind or at a particular time or location and
2. the Assured has demonstrated that the non-compliance could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred

19.AVERAGE

If any item of Insured Property has an individual Sum Insured set against it and at the time of any loss or damage to the item its value exceeds that

Sum Insured then The Assured shall be considered his own insurer for the difference and shall bear a rateable proportion of the loss or damage accordingly

NOTICE

The Assured must make a fair presentation of the risk at inception renewal and variation of this Policy

If the Assured fails to make such a fair presentation of the risk

a) Underwriters may avoid this Policy and refuse all claims if

(i) such failure was deliberate or reckless and/or

(ii) Underwriters would not have entered into this Policy on any terms if the Assured had made a fair presentation of the risk

Should Underwriters avoid the Policy Underwriters shall return the premium paid to the Assured unless such failure was deliberate or reckless

b) if Underwriters would have entered into the Policy but on different terms had the Assured made a fair presentation of the risk Underwriters may

(i) reduce proportionately the amount to be paid on any claim if Underwriters would have charged a higher premium calculated by applying the percentage that the actual premium charged bears to the premium that would have been charged had the Assured made a fair presentation of risk and/or

(ii) treat the Policy as entered into on any such different terms (other than relating to the premium) that Underwriters would have entered into had the Assured made a fair presentation of risk

CLAIMS

The Assured shall give notice to the Underwriters as soon as reasonably practicable of any incident that may give rise to a claim under this Policy and shall give all such additional information as the Underwriters may require every letter of claim writ summons or process and all documents relating thereto and any other written notification of claim shall be forwarded unanswered to the Underwriters immediately they are received

All claims and enquiries should be addressed to:

Tokio Marine HCC - International Group

6 Old Field Road

Bocam Park

Bridgend

CF35 5LJ

Telephone: 01656 868000

HCC International Insurance Company PLC is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority.

COMPLAINTS

We are dedicated to providing you with a high quality service and we want to ensure that we maintain this at all times. If you feel that we have not offered you a first class service please write and tell us and we will do our best to resolve the problem. If you have any questions or concerns about your policy or the handling of a claim you should in the first instance contact

Compliance Officer

Tokio Marine HCC

1 Aldgate

London | EC3N 1RE

The Financial Ombudsman Service (FOS)

Should you be dissatisfied with the outcome of your complaint, you may have the right to refer your complaint to the Financial Ombudsman Service. The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. Contacting the FOS does not affect your right to take legal action.

The FOS's contact details are as follows:

Financial Ombudsman Service

Exchange Tower

London E14 9SR

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

Telephone: +44 (0)30 0123 9123

Website: www.financial-ombudsman.org.uk

The European Commission Online Dispute Resolution Platform (ODR)

If you were sold this product online or by other electronic means and within the European Union (EU) you may refer your complaint to the EU Online Dispute Resolution (ODR) platform. Upon receipt of your complaint the ODR will escalate your complaint to your local dispute resolution service – this process is free and conducted entirely online. You can access the ODR platform on <http://ec.europa.eu/odr>. This platform will direct insurance complaints to the Financial Ombudsman Service. However, you may contact the FOS directly if you prefer, using the details as shown above.

DATA PROTECTION NOTICE

Tokio Marine HCC respects your right to privacy. In our Privacy Policy (available at <https://www.tmhcc.com/en/legal/privacy-policy>) we explain who we are, how we collect, share and use personal information about you, and how you can exercise your privacy rights. If you have any questions or concerns about our use of your personal information, then please contact DPO@tmhcc.com.

We may collect your personal information such as name, email address, postal address, telephone number, gender and date of birth. We need the personal information to enter into and perform a contract with you. We retain personal information we collect from you where we have an ongoing legitimate business need to do so (please note that reference to “you” or “your” herein encompasses non-exhaustively “you, your company, employees and / or customers”).

We may disclose your personal information to:

our group companies;

third party services providers and partners who provide data processing services to us or who otherwise process personal information for purposes that are described in our Privacy Policy or

notified to you when we collect your personal information;

any competent law enforcement body, regulatory, government agency, court or other third party where we believe disclosure is necessary (i) as a matter of applicable law or regulation, (ii) to exercise, establish or defend our legal rights, or (iii) to protect your interests or those of any other person;

a potential buyer (and its agents and advisers) in connection with any proposed purchase, merger or acquisition of any part of our business, provided that we inform the buyer it must use your personal information only for the purposes disclosed in our Privacy Policy; or

any other person with your consent to the disclosure.

your personal information may be transferred to, and processed in, countries other than the country in which you are resident. These countries may have data protection laws that are different to the laws of your country. We transfer data within the Tokio Marine group of companies by virtue of our Intra Group Data Transfer Agreement, which includes the EU Standard Contractual Clauses.

We use appropriate technical and organisational measures to protect the personal information that we collect and process about you. The measures we use are designed to provide a level of security appropriate to the risk of processing your personal information.

You are entitled to know what data is held on you and to make what is referred to as a Data Subject Access Request ('DSAR'). You are also entitled to request that your data be corrected in order that we hold accurate records. In certain circumstances, you have other data protection rights such as that of requesting deletion, objecting to processing, restricting processing and in some cases requesting portability. Further information on your rights is included in our Privacy Policy.

You can opt-out of marketing communications we send you at any time. You can exercise this right by clicking on the "unsubscribe" or "opt-out" link in the marketing e-mails we send you. Similarly, if we have collected and processed your personal information with your consent, then you can withdraw your consent at any time. Withdrawing your consent will not affect the lawfulness of any processing we conducted prior to your withdrawal, nor will it affect processing of your personal information conducted in reliance on lawful

processing grounds other than consent. You have the right to complain to a data protection authority about our collection and use of your personal information.