

Contractors Public Liability Section

Section Definitions

1. Injury

- a. Bodily injury, death, disease or illness
- b. Invasion of the right of privacy false arrest false imprisonment false eviction or malicious prosecution of any person.

2. Territorial Limits

a. United Kingdom

- b. Any other member country of the European Union
- c. Elsewhere in the world in respect of **Injury** loss or damage caused by or arising from non-manual activities of any partner director or **Employee of the Insured** normally resident within the territories specified in definition 2.a. above and occurring during any journey or temporary visit.

3. Pollution or Contamination

- a. All **Pollution or Contamination** of buildings or other structures or of water or land or the atmosphere and

- b. all **Injury** loss or damage directly or indirectly caused by such **Pollution or Contamination**.

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

4. Act of Terrorism

An act including but not limited to the use of force or violence and/or threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political religious ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear.

5. Asbestos

Asbestos or fibres or particles of asbestos or any material containing asbestos.

6. Intellectual Property Rights

Any patent trade mark copyright registered design technical or commercial information or other intellectual property.

7. Notice of Adjudication

Any notice issued to a party to a contract to which the Housing Grants Construction and Regeneration Act 1996 or any subsequent legislation applies stating an intention to refer a dispute under the contract to adjudication.

8. Employee

- a. Any person under a contract of service or apprenticeship with **the Insured**
- b. Any of the following persons whilst working for **the Insured** in connection with the **Business**
 - i. any labour master or labour only subcontractor or person supplied by him
 - ii. any self-employed person using labour only
 - iii. any home worker or outworker
 - iv. any trainee or person undergoing work experience
 - v. any voluntary helper
 - vi. any person who is borrowed by or hired to **the Insured**
 - vii. any person working under the Community Service by Offenders (Scotland) Act 1978 or similar legislation
 - viii. any prospective employee being assessed by **the Insured** as to their suitability for employment
 - ix. any person a court of law in the **United Kingdom** deems to be an employee

9. Business

The **Business** specified in the **Schedule** conducted solely from the **United Kingdom** and including

- a. the ownership, maintenance and repair of **Premises** used in connection therewith
- b. the provision and management of
 - i. canteen, social, sports or welfare organisations for the benefit of **Employees**
 - ii. fire and security services of **the Insured**
 - iii. ambulance, first aid and medical services
- c. the execution of private duties by **Employees** for any partner, director or senior official of **the Insured**
- d. the repair and/or servicing of **the Insured's** motor vehicles
- e. the training or retraining of any **Employee** at Government or other training centres
- f. participation at trade shows, exhibitions or conferences
- g. the organization of or participation by **the Insured** in fund raising or other charitable events
- h. the provision of nursery crèche or child care facilities where incidental to the **Business**
- i. the provision of car parking for the benefit of **Employees**, customers and visitors

10. Offshore Installations

- a. Any rig platform accommodation or other installation in the sea or tidal waters
- b. any pipe or system of pipes in the sea or tidal waters
- c. any support vessels in the sea or tidal waters

Cover

- A. **The Insurer** will indemnify **the Insured** against legal liability to pay compensation and claimants' costs and expenses in respect of accidental
- a. **Injury** to any person
 - b. loss of or damage to material property
 - c. nuisance, trespass, obstruction or interference with any right of way, light, air, water or easement
- occurring within the **Territorial Limits** during the **Period of Insurance** in connection with the **Business**.

In addition **the Insurer** will pay costs and expenses incurred by **the Insurer** or with the written consent of **the Insurer**

- a. in connection with the defence of any claim
- b. for representation of **the Insured**
 - i. at any coroner's inquest or fatal accident inquiry in respect of death
 - ii. at proceedings in any court of summary jurisdiction or on indictment in any higher court in respect of any alleged breach of statutory duty resulting in **Injury**, loss or damage

which may be the subject of indemnity under this **Section**.

B. Indemnity to Other Parties

The indemnity provided by this **Section** will also apply:

- a. in the event of the death of **the Insured**, to any personal representative of **the Insured** in respect of liability incurred by **the Insured**
- and if **the Insured** so request **the Insurer** will indemnify the following parties
- b. any officer or committee member or other member of **the Insured's** canteen, social, sports or welfare organisations or ambulance, first aid, fire, medical or security services against liability incurred in such capacity
 - c. any partner, director or **Employee** of **the Insured** against liability incurred in such capacity and in respect of which **the Insured** would have been entitled to indemnity under this **Section** if the claim had been made against the **Insured**
- as though each party was individually named as **the Insured** in this **Section**
- d. any principal for whom **the Insured** have agreed to execute work under contract or agreement against liability arising out of the performance of such work by **the Insured** and in respect of which **the Insured** are legally liable and would have been entitled to indemnity under this **Section** if the claim had been made against **the Insured**.

Provided that

- i. each such party shall observe fulfil and be subject to the terms and conditions of this **Section** in so far as they can apply
- ii. **the Insurer's** liability to **the Insured** and all parties indemnified shall not exceed in total the Limit of Indemnity.

Limit of Indemnity

- A. **The Insurer's** liability for all compensation payable in respect of
- i. any one occurrence or all occurrences of a series consequent on or attributable to one source or original cause
 - ii. all **Pollution or Contamination** which is deemed to have occurred during any one **Period of Insurance**
- shall not exceed the Limit of Indemnity stated in the **Schedule**.
- B. In respect of all claims against **the Insured** made within the legal jurisdiction of the United States of America or Canada or any dependency or trust territory the Limit of Indemnity shall be inclusive of the amount of all
- i. claimants' costs and expenses
 - ii. costs and expenses incurred by **the Insurer** or with the written consent of **the Insurer** in connection with the defence of such claims.
- C. **Act of Terrorism**
- In respect of an **Act of Terrorism** the Limit of Indemnity shall not exceed the Limit of Indemnity shown in the **Schedule** or £5,000,000 (whichever is the lesser).
- If **the Insurer** alleges that by reason of this limitation any loss damage cost or expense is not covered the burden of proving the contrary shall be upon **the Insured**.
- D. **Corporate Manslaughter and Corporate Homicide Act 2007**
- In respect of the indemnity provided under this **Section** for the Corporate Manslaughter and Corporate Homicide Act 2007:
- a. the liability of **the Insurer** shall not exceed £5,000,000 in any one **Period of Insurance** or the Limit of Indemnity stated in the **Schedule** (whichever is the lesser)
 - b. all amounts payable will form part of and not be in addition to the Limit of Indemnity as stated in the **Schedule**
 - c. where **the Insurer** has already indemnified **the Insured** in respect of legal costs or expenses incurred in connection with the defence of any criminal proceedings including appeals arising from such proceedings arising out of the same cause or occurrence which gave rise to said proceedings under another **Section** of the **Policy** the amount paid under that **Section** shall contribute to the maximum amount payable under this **Section**.

Section Extensions (Subject to the terms limits conditions and exclusions of this Section and the Policy)

A. Joint Insured - Cross Liabilities

If more than one party is named as **the Insured** this **Section** shall apply as though each were insured separately provided that **the Insurer's** liability to all parties indemnified shall not exceed in total the Limit of Indemnity.

B. Overseas Personal Liability

The **Business** is extended to include personal activities (not connected with any gainful occupation or profession nor with the ownership or tenure of any land or building) of any partner, director or **Employee of the Insured** or family member of such partner, director or **Employee** normally resident within the **United Kingdom** in the course of any journey or temporary visit to any other country made in connection with the **Business**.

C. Motor Contingent Liability

The Insurer will indemnify **the Insured** in the terms of this **Section** against liability arising out of the use in connection with the **Business** of any vehicle not owned, provided or being driven by **the Insured** but this **Section** does not cover liability

- a. in respect of loss of or damage to such vehicle
- b. arising out of any such use in any country outside the European Union
- c. incurred by any party other than **the Insured**
- d. incurred by any party identified in Cover paragraph B. (Indemnity to Other Parties) other than an **Employee**.

For the purpose of this cover Section Exclusion 1. (Injury to Employees) does not apply.

D. Health and Safety at Work - Legal Defence Costs

The Insurer will indemnify **the Insured** and if **the Insured** so request any partner, director or **Employee of the Insured** in the terms of this **Section** in respect of

- a. costs and expenses incurred with **the Insurer's** written consent
- b. costs and expenses of the prosecution awarded against any such party in connection with criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 or any regulations made thereunder committed or alleged to have been committed during the **Period of Insurance** in connection with the **Business**

Provided that

- i. the proceedings relate to the health, safety or welfare of any person other than an **Employee**
- ii. **the Insurer** shall have the conduct and control of all the said proceedings and appeals.

The Insurer will not pay for

- a. fines or penalties of any kind
- b. proceedings or appeals in respect of any deliberate act or omission
- c. costs or expenses insured by any other insurance.

E. Data Protection Act

The Insurer will indemnify **the Insured** and if **the Insured** so requests any **Employee** or director or partner of **the Insured** for damage or distress occurring as a result of an offence under Section 13 of the Data Protection Act 1998 committed during the **Period of Insurance** within the **United Kingdom** and arising in connection with the **Business** provided that the Insured is a registered user in accordance with the terms of the Data Protection Act 1998.

The Insurer will not pay for

- a. any damage or distress caused by a deliberate act or omission by **the Insured** the result of which could reasonably have been expected by **the Insured** having regard to the nature and circumstances of such act or omission
- b. the payment of fines or penalties
- c. the costs and expenses of replacing reinstating rectifying or erasing blocking or destroying any Data or Personal Data
- d. any damage or distress caused by any act of fraud or dishonesty
- e. liability arising from the recording, processing or provision of Data or Personal Data for reward or to determine the financial status of any person.

Data and Personal Data shall have the meaning defined in the Data Protection Act 1998.

F. Defective Premises Act 1972

The Insurer will indemnify **the Insured** in the terms of this **Section** against liability incurred by **the Insured** under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 or the Defective Premises (Landlords Liability) Act (Northern Ireland) 2001 in connection with premises or land disposed of by **the Insured**.

Provided that this Section Extension does not cover

- a. the costs of rectifying any damage or defect in the premises or land disposed of
- b. liability for which **the Insured** is entitled to indemnity under any other insurance
- c. the presence of **Asbestos**.

G. Consumer Protection and Food Safety Acts - Legal Defence Costs

The Insurer will indemnify **the Insured** and if **the Insured** so request any partner, director or **Employee** of **the Insured** in the terms of this **Section** in respect of legal costs and expenses incurred with the written consent of **the Insurer** in connection with the defence of any criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under

- a. Part 2 of the Consumer Protection Act 1987
or
- b. Section(s) 7, 8, 14, and/or 15 of the Food Safety Act 1990

committed or alleged to have been committed during the **Period of Insurance** in connection with the **Business**.

Provided that **the Insurer** shall have the conduct and control of all the said proceedings and appeals.

The Insurer will not pay for

- a. fines or penalties of any kind
- b. proceedings or appeals in respect of any deliberate act or omission
- c. costs or expenses insured by any other policy.

H. Court Attendance Compensation

If during the **Period of Insurance** any partner, director or **Employee** of **the Insured** is required to attend court as a witness at the request of **the Insurer** in connection with a claim which is the subject of indemnity under this **Section** **the Insurer** will pay compensation to **the Insured** on the following scale for each day that attendance is required:

- i. any director or partner £750
- ii. any **Employee** £250.

I. Contractual Liability

In respect of liability assumed by **the Insured** by a contract or agreement entered into by **the Insured** and which would not have attached in the absence of such contract or agreement, the indemnity provided by this **Section** shall only apply if the sole conduct and control of any claim is vested in **the Insurer**.

Provided that **the Insurer** shall not pay for liquidated damages or fines or damages imposed by or payable under any penalty clause.

J. Housing Grants Act

The Insurer will indemnify **the Insured** 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 or any succeeding legislation.

Provided that

- a. 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**
- b. any payment made by **the Insurer** in respect of such an award shall be made without prejudice to any other rights of **the Insurer** under this **Section**
- c. it is a condition precedent to any liability of **the Insurer** to make any payment under this **Section** that where there is a construction contract dispute relating to loss damage or liability for which an indemnity is or may be provided by this **Section**
 - i. any **Notice of Adjudication** received by **the Insured** shall be forwarded to **the Insurer** immediately upon receipt
 - ii. **the Insured** shall provide notice to **the Insurer** of any intention by them to issue a **Notice of Adjudication**
 - iii. **the Insured** shall not accept any award made by an adjudicator to such a dispute as being final without the prior agreement of **the Insurer**.

K. Corporate Manslaughter and Corporate Homicide Act 2007

This **Section** extends to indemnify **the Insured** in respect of

- a. legal costs and expenses incurred with the prior written consent of **the Insurer** and
- b. costs of the prosecution awarded against **the Insured**

in connection with the defence of any criminal proceedings (including any appeal against conviction arising from such proceedings) brought under The Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Channel Islands or the Isle of Man in respect of any fatal injury occurring during the **Period of Insurance** in the course of the **Business** and which may be the subject of indemnity under this **Section**

Provided that

- a. **the Insurer** agrees details of the specific solicitor or counsel who are to act on behalf of **the Insured** prior to their appointment
- b. **the Insurer's** liability under this Section Extension shall not exceed the Limit of Indemnity D.

In respect of this Section Extension **the Insurer** will not pay for

- i. any fines or penalties imposed on **the Insured** or the cost of implementing any remedial order or publicity order
- ii. legal costs and expenses in connection with an appeal unless a solicitor or counsel advise that there are strong prospects of succeeding in the appeal or recovering costs awarded against **the Insured** at all times throughout the appeals process. Any change to such prospect of success during the appeals process may result in cover being removed
- iii. costs and expenses provided by another source or any other insurance or where but for the existence of this Section Extension would have been provided by such source or insurance
- iv. costs and expenses in connection with the defence of any criminal proceedings brought in any country other than in the **United Kingdom**
- v. costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by **the Insured** or any partner or director of **the Insured** or any **Employee**.

L. Obstructing Mechanically Propelled Vehicles

If a mechanically propelled vehicle which is not the property or responsibility of **the Insured** causes an obstruction within the **United Kingdom** to the extent of interfering with the carrying out of the **Business** then notwithstanding Exclusion 5 Mechanically Propelled Vehicles **the Insurer** will indemnify **the Insured** in the terms of this **Section** in respect of the legal liability of **the Insured** for **Injury** or loss of or damage to material property arising from the movement of such vehicle by **the Insured** or by any **Employee**

Provided that

- a. such movement shall be limited to the minimum necessary to clear the obstruction
- b. the indemnity will not apply to loss of or damage to such vehicle or its contents
- c. this Section Extension shall not apply to circumstances for which a certificate of insurance or security is required in accordance with road traffic legislation.
- d. the vehicle is driven using the obstructing vehicle owners own ignition key.

M. Financial Loss

Additional definitions in respect of this Section Extension

Financial Loss

A pecuniary loss or expense incurred by any person other than **the Insured** or a partner director or **Employee of the Insured**.

Internet Liability

Any liability in respect of corruption theft or destruction of facts concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and such facts concepts and information shall include programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment including but not limited to such corruption theft or destruction caused by:

- i. any breach of the security of any computer system used by **the Insured** due to unauthorised access to, use of, tampering with or the malicious introduction of code into such systems
- ii. transmission of any computer virus to any third party.

Products

Any goods or other property (including their containers packaging labelling and instructions for use) sold supplied delivered installed erected repaired altered treated or tested by **the Insured** in connection with the **Business** and not in the charge or control of **the Insured**.

Cover

The Insurer will indemnify **the Insured** against legal liability to pay compensation and claimants' costs and expenses in respect of accidental **Financial Loss** in connection with the **Business** sustained by the claimant within the **Territorial Limits** and for which any claim is

- a. first made in writing against **the Insured** during the **Period of Insurance** and
- b. notified to **the Insurer** during the same **Period of Insurance** or within 30 days of the expiry of such **Period of Insurance**

In addition **the Insurer** will pay costs and expenses incurred by **the Insurer** or with the written consent of **the Insurer**

- i. in connection with the defence of any claim
- ii. at proceedings in any court of summary jurisdiction or on indictment in any higher court in respect of alleged breach of statutory duty resulting in **Financial Loss**

which may be the subject of indemnity under this Section Extension

Limit of Indemnity

The Insurer's liability under this Section Extension in respect of all compensation costs and expenses payable for all claims first made against **the Insured** during any one **Period of Insurance** shall not exceed £50,000.

Exclusions applicable to the Financial Loss Section Extension M

This Section Extension does not cover:

1. Injury and Damage

liability in respect of

- a. **Injury** to any person
- b. loss or damage to any material property
- c. nuisance trespass obstruction or interference with any right of way air light or water
- d. wrongful arrest detention imprisonment or eviction of any person or invasion of right of privacy
- e. libel slander or defamation of character.

2. Intellectual Property Rights

liability in respect of any infringement of **Intellectual Property Rights**.

3. Contractual Liability

liability assumed by **the Insured** either directly or indirectly by a contract or agreement entered into by **the Insured**.

4. Property in the charge or control of the Insured

liability in respect of **Financial Loss** incurred as a result of loss or damage to material property belonging to or in the charge or control of **the Insured** or failure to return such property.

5. Delays or Damage to Goods Supplied

liability in respect of

- a. the costs of or arising from the need for making good removal repair rectification replacement or recall of any **Products**
- b. diminution in value of land or any buildings or premises thereon
- c. diminution in value of **Products** or work executed by or on behalf of **the Insured**
- d. delay non-completion strikes labour disputes financial default insolvency or non delivery of **Products**.

6. Known Circumstances

liability arising out of or in connection with any event or circumstances known to **the Insured** at inception of this **Section** which may give rise to a claim for **Financial Loss**.

7. Asbestos

in respect of **Injury** loss or damage occurring during any one **Period of Insurance** directly or indirectly caused by or arising from in consequence of or in any way involving

- a. exposure to or the inhalation of **Asbestos**
- b. fear of the consequences of exposure to or inhalation of **Asbestos**
- c. the costs of management (including those of any persons under any statutory duty to manage), removal, repair, alteration, recall, replacement or reinstatement of any property or part thereof arising out of the presence of **Asbestos**.

8. Employment Practice Liability

any claim

- a. made by any **Employee** arising out of employment in the **Business**
or
- b. for any employment related practices policies acts or omissions
or
- c. for a refusal to employ any person or the termination of any person's employment.

9. Fraud and Dishonesty

liability arising out of any act of fraud or dishonesty by **the Insured** or any partner or director of **the Insured** or inducement of breach of contract.

10. Act of Terrorism

liability in respect of **Injury** loss or damage directly or indirectly caused by or arising from in consequence of or in any way involving an **Act of Terrorism**.

11. Pollution or Contamination

liability directly or indirectly caused by or arising from in consequence of or in any way involving **Pollution or Contamination** or expenses fines penalties or costs incurred or sustained by **the Insured** or imposed on **the Insured** at the order of any government agency court or other authority in connection with any **Pollution or Contamination**.

12. Internet Liability

any **Internet Liability**.

13. Offshore Installations

any liability in respect of **Offshore Installations**.

14. Fines, Penalties, Liquidated and Punitive Damages

liability in respect of

- a. fines penalties or liquidated damages
- b. punitive exemplary or aggravated damages and/or any additional damages resulting from the multiplication of compensatory damages
- c. compensation ordered or awarded by any Court of Criminal Jurisdiction.

15. Professional Advice or Negligence

liability

- a. consequent upon any advice design specification inspection certification or testing provided or performed by or on behalf of **the Insured**
or
- b. arising out of any breach of professional duty.

16. Statutory Authorities

liability towards any statutory authority arising out of the enforcement of statutory requirements or the performance of statutory duties.

17. Previous Occurrence

liability arising out of any occurrence happening before the inception date of this **Section**.

18. Breach of Duty

liability arising from actual or alleged breach of duty breach of trust breach of contract neglect error mis-statement misleading statement omission breach of warranty of authority or other act done or wrongfully attempted by any director or officer of **the Insured**.

19. Excess

in respect of each and every claim the first £1000 or 10% of compensation and costs and expenses payable whichever is the greater.

N. Legionellosis Liability

Section Exclusion 4b. shall not apply to any discharge, release or escape of Legionella or other air-borne pathogens from water tanks, water systems, air conditioning plants, cooling towers or similar structures or equipment

Provided that

a. **the Insurers** will only indemnify **the Insured**

i. in respect of claims arising from **Pollution or Contamination** which arise out of or as a consequence of any discharge, release or escape of Legionella or other air-borne pathogens from water tanks, water systems, air conditioning plants, cooling towers or similar structures or equipment first made in writing to **the Insured** during the **Period of Insurance**
or

ii. if the first notification of a circumstance which has caused or is alleged to have caused **Injury** or damage and can be reasonably expected to give rise to a claim arising from **Pollution or Contamination** which arises out of or as a consequence of any discharge, release or escape of Legionella or other air-borne pathogens from water tanks, water systems, air conditioning plants, cooling towers or similar structures or equipment is notified to **the Insurer** during the **Period of Insurance** or within thirty (30) days after expiry of the same **Period of Insurance**

b. the liability of **the Insurers** under this Section Extension for all compensation (including interest thereon) and claimants costs' and expenses payable shall not exceed the Limit of Indemnity shown in the **Schedule** or £1,000,000 (whichever is the lesser) and for all claims arising from **Pollution or Contamination** shall not exceed the Limit of Indemnity shown in the **Schedule**

c. this Section Extension shall not apply to any claim arising from **Pollution or Contamination** which arises out of or as a consequence of any discharge, release or escape of Legionella or other air-borne pathogens from water tanks, water systems, air conditioning plants, cooling towers or similar structures or equipment if before the **Period of Insurance** of this **Section** as shown in the **Schedule** **the Insured** had become aware of circumstances which have given or may give rise to such **Pollution or Contamination**.

O. Pollution Clean Up Costs

For the purposes of this Section Extension, the following definitions shall apply:

Remediation

shall mean works or operations to treat, remove or dispose of **Pollution and Contamination**. For the avoidance of doubt, it excludes:

- a. works or operations to reinstate, reintroduce or restore flora or fauna
- b. works or operations to restore natural habitats or species protected under **Environmental Legislation**

Environmental Legislation

shall mean any legislation for the protection of the environment or control of **Pollution and Contamination**.

Pollution and Contamination

shall mean all pollution or contamination of water or land (but excluding any pollution or contamination of buildings or other structures)

In respect of **Pollution or Contamination** occurring in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man 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**, **the Insurers** will also indemnify **the Insured** against:

- a. the cost of any **Remediation** legally required or ordered by any statutory authority or regulator (acting in accordance with the terms of any **Environmental Legislation**) to be conducted by **the Insured**; and
- b. liability for the cost of any **Remediation** conducted by any statutory authority or regulator and legally sought from **the Insured** by that statutory authority or regulator in accordance with the terms of any **Environmental Legislation**.

All **Pollution and Contamination** which arises out of one incident shall be deemed to have occurred at the time such incident takes place.

Provided that:

- a. under this Section Extension, **the Insurers** shall indemnify **the Insured** only to the extent that the **Remediation** to which the indemnified cost relates is the minimum necessarily conducted under the provisions of **Environmental Legislation**.
- b. this Section Extension does not cover any costs, or any liability for costs, of **Remediation** arising out of:
 - i. **Pollution and Contamination** occurring outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
 - ii. **Pollution and Contamination** consisting of any radioactive substances or asbestos
 - iii. **Pollution and Contamination** caused by **Products**
 - iv. **Pollution and Contamination** caused by or arising out of the ownership operation or use of any motor vehicle (whilst on any road), marine vessel or aircraft.
- c. this Section Extension does not cover any costs, or any liability for costs, of **Remediation** carried out on, or in order to protect, any property belonging to or in the charge or control of **the Insured** other than premises not belonging leased rented or hired to **the Insured** but temporarily in **the Insured's** charge for the purpose of carrying out work.
- d. the total amount payable under this Section Extension during any one **Period of Insurance** shall not exceed £1,000,000
and
the total amount payable
 - i. under this Section Extension and
 - ii. otherwise under this **Section** for all compensation in respect of **Pollution or Contamination** (as defined therein) which is deemed to have occurred during any one **Period of Insurance** shall not exceed in the aggregate during any one **Period of Insurance** the Limit of Indemnity in the **Schedule**
- e. this Section Extension does not cover any costs, or any liability for costs, to the extent they relate to any measures to prevent the spread of **Pollution or Contamination** or the removal of an
 - i. immediate threat of **Pollution or Contamination**
 - ii. the removal or disposal of any waste deposited by or on behalf of **the Insured**
 - iii. any amounts payable by way of compensation to third parties affected by such **Pollution and Contamination**
 - iv. any amount payable by way of fine or penalty
 - v. any costs and expenses incurred by **the Insured**, or prosecution costs and expenses awarded against **the Insured**, in connection with any criminal proceedings arising out of the **Pollution or Contamination**
 - vi. any works or operations that improve the state or condition of water or land in comparison with its state or condition immediately prior to the incident that caused the **Pollution and Contamination**.
- f. this Section Extension does not cover the first £2,500 of the cost of any **Remediation** arising out of any one incident.

P. Public Relations Expenses

In the event of any occurrence insured under this **Section** which results in death or serious injury (which is life threatening or involves emergency hospitalisation) cover extends to include costs and expenses necessarily and reasonably incurred by **the Insured** with the prior written consent of **the Insurers** of employing public relations personnel to deal with press and public announcements and other activities.

Provided that

- a. **the Insurers** agree details of the specific public relations personnel who are to act on behalf of **the Insured** prior to their appointment
- b. the estimated value of the claim(s) in respect of one occurrence arising out of death or serious injury held by **the Insurers** is £1,000,000 or above
- c. the public relations activities are for the sole purpose of assisting **the Insured** to reduce the potential for economic harm to **the Insured** by maintaining and restoring public confidence in **the Insured** and/or the **Business**
- d. **the Insurers** shall not be liable under this Section Extension for more than £10,000 any one occurrence and £25,000 in total in any one **Period of Insurance**

Q. Munitions Of War

Notwithstanding General Exclusion 2 **the Insurer** will indemnify **the Insured** in respect of liability arising from the accidental detonation of munitions of war arising within the **United Kingdom**

Provided that the presence of such munitions does not result from a state of war current at the time of the damage.

Section Exclusions

This **Section** does not cover

1. Injury to Employees

liability in respect of **Injury** to any **Employee** arising out of and in the course of the employment or engagement of such person by **the Insured**.

2. Work on Offshore Installations

liability in respect of **Injury** loss or damage arising in connection with work on or travel to or from **Offshore Installations**.

3. Fines, Penalties, Liquidated and Punitive Damages

liability in respect of

- a. Fines penalties or liquidated damages
- b. punitive exemplary or aggravated damages or any damages resulting from the multiplication of compensatory damages.

4. Pollution or Contamination

liability in respect of: -

- a. **Pollution or Contamination** occurring in the United States of America or Canada or any dependency or trust territory
- b. **Pollution or Contamination** 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**.

5. Mechanically Propelled Vehicles

liability arising out of the ownership possession or use by or on behalf of **the Insured** of any mechanically propelled vehicle (or trailer attached thereto) which is required by any road traffic legislation to be the subject of compulsory insurance or other security but this Section Exclusion shall not apply

- a. while such vehicle is being used as a tool of trade (other than in respect of liability which is compulsorily insurable under road traffic legislation)
- b. in respect of the loading or unloading of such vehicle or the delivery or collection of goods to or from such vehicle except where more specifically insured by any other policy.

6. Vessels or Craft

liability arising out of the ownership possession or use by or on behalf of **the Insured** of any vessel or craft or device designed to float on or in or travel through water air or space (other than hand-propelled watercraft).

7. Property in the charge or control of **the Insured**

liability in respect of loss of or damage to any property belonging to or in the charge or control of **the Insured** other than

- a. personal effects or vehicles of any partner director or **Employee** of or visitor to **the Insured**
- b. premises (and their contents) not belonging leased rented or hired to **the Insured** but temporarily in the charge of **the Insured** for the purpose of carrying out work
- c. **Premises** (including their fixtures and fittings) leased rented or hired to **the Insured** but this **Section** does not cover liability attaching to **the Insured** solely under the terms of any tenancy or other agreement.

8. Damage to Goods Supplied

liability in respect of

- a. loss of or damage to any goods or other property sold supplied delivered installed or erected by or on behalf of **the Insured**
- b. all costs of or arising from the need for reinstatement making good removal repair rectification replacement or recall of
 - i. any such goods or property
 - ii. any defective work executed by or on behalf of **the Insured**

except that 8.a and 8.b.i. above shall not apply to liability in respect of loss of or damage to the said goods or property if such loss or damage is caused by or arises from any alteration repair or servicing work executed by **the Insured** under a separate contract.

9. Advice and Design

liability for **Injury** loss or damage arising out of or in connection with advice design formula specification inspection certification or testing provided or performed for a fee by or on behalf of **the Insured**.

10. Contract Works and J.C.T Clause 6.5.1

liability in respect of loss of or damage to any property

- a. comprising or to be incorporated in the contract works in respect of any contract undertaken by **the Insured**
- b. against which **the Insured** are required to effect insurance under the terms of Clause 6.5.1 of the JCT Conditions of Contract or of any other contract condition requiring insurance of a like kind.

11. Computer Date Recognition

liability arising directly or indirectly from the failure of any computer or other equipment or system for processing storing or retrieving data whether the property of **the Insured** or not to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure

- a. correctly to recognise any date as its true calendar date
- b. to recognise capture save retain restore and/or correctly to manipulate interpret calculate or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
- c. to recognise capture save retain restore and/or correctly to manipulate interpret calculate or process any data or information as a result of the operation of any command which has been programmed into any computer software or firmware being a command which causes the loss of data or the inability to recognise capture save retain restore or correctly to manipulate interpret calculate or process any data on or after any date.

12. Asbestos

- a. liability in any way caused by, arising from or contributed to by
 - i. exposure to or inhalation of **Asbestos**
 - ii. fear of the consequences of exposure to or inhalation of **Asbestos**
- b. liability for the costs of management (including those of any persons under any statutory duty to manage), removal, repair, alteration, recall, replacement or reinstatement of any property arising out of the presence of **Asbestos**

13. Excess

the amount of any **Excess** specified in the **Schedule**.

Section Conditions

1. Other Insurances

The Insurer will not indemnify **the Insured** in respect of liability which is insured by or would but for the existence of this **Section** be insured by any other policy or section except in respect of any excess beyond the amount payable under such other policy or section or which would have been payable under such other policy or section had this **Section** not been effected.

2. Alteration in Risk

The Insured must notify **the Insurer** as soon as possible if during the **Period of Insurance** there is any alteration:

- a. in or to the **Business**
- b. in the ownership of **the Insured**
- c. to the facts or matters set out in the **Schedule** or otherwise comprising the risk presentation made by **the Insured** to **the Insurer** at inception, renewal or variation of the **Policy** which materially increases the risk of legal liability to pay costs and expenses as insured by this **Section**.

Upon being notified of any material such alteration of the risk, **the Insurer** may, at its absolute discretion

- a. continue to provide cover under this **Section** on the same terms
- b. restrict the cover provided under this **Section**
- c. impose additional terms
- d. alter the premium
- e. cancel this **Section** and the **Policy**.

If **the Insured** fails to notify **the Insurer** of any such alteration, **the Insurer** may

- a. treat this **Section** and the **Policy** as if it had come to an end as at the date of the alteration of the risk, returning a proportionate amount of the premium for the unexpired **Period of Insurance**, if **the Insurer** would have cancelled this **Section** and the **Policy** had it known of the increase in risk
- b. treat this **Section** and the **Policy** as if it had contained such terms (other than relating to premium) or other restrictions (if any) from the date of the alteration in risk as **the Insurer** would have applied had it known of the increase in risk
- c. reduce proportionately the amount paid or payable on any claim, the proportion for which **the Insurer** is liable being calculated by comparing the premium actually charged as a percentage of the premium which **the Insurer** would have charged had it known of the increase in risk.

3. Notice of Adjudication

The Insured shall upon receipt of a **Notice of Adjudication** relating to any circumstance which has given or may give rise to a claim under this **Section** provide immediate notice (on the first working day thereafter) of such notice to **the Insurer**.

4. Arbitration

If any difference arises as to the amount to be paid under this **Section** (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is by this Section Condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against **the Insurer**.

5. Fire Precautions

It is a condition precedent to any liability of **the Insurer** that the following precautions shall be complied with by **the Insured** their **Employees** or by their subcontractors whenever carrying out any work involving the application of heat or use of angle grinders or disc cutters and no liability shall attach to **the Insurer** unless the precautions shall have been complied with:

- a. when blow torches blow lamps electric oxy-acetylene or other welding or flame cutting equipment hot air guns angle grinders or disc cutters are to be used
 - i. a thorough examination of the immediate vicinity of the work (including the area of work itself and including the area on the other side of any wall or partition) shall be made to see whether any combustible material is in danger of ignition either directly and/or by conduction of heat and a record of inspection kept
 - ii. all moveable and combustible materials (including materials to be worked upon or which have been worked upon and to the greatest extent practicable any materials in the course of being worked upon) shall be removed away from the immediate vicinity of the work (to a distance of not less than fifteen metres from the point of application of use when electric oxy-acetylene or other welding or flame cutting equipment angle grinders or disc cutters are to be used)
 - iii. all combustible materials which cannot be moved (including materials to be worked upon or which have been worked upon and, to the greatest extent practicable any materials in the course of being worked upon) shall be covered and fully protected by overlapping sheets or screens of non-combustible material.
- b. There shall be available for immediate use at the site of the work
 - either
 - two portable multi-purpose dry powder fire extinguishers to European standard BS EN 3 with a minimum capacity of 4.0 kilograms each and serviced in accordance with BS 5306-3
 - or
 - a hydraulic hose reel provided the situation is one where water would not aggravate a fire or explosion.
- c. the lighting of all blow lamps blow torches welding and cutting equipment shall be carried out strictly in accordance with the manufacturers instructions and no piece of lighted equipment shall be left unattended.
- d. where the equipment involves the use of gas cylinders those not required for immediate use shall be kept outside the building in which the work is taking place (and in any event at least fifteen metres from the point of application of heat or use of angle grinders or disc cutters).
- e. any tar bitumen or asphalt boiler shall not be left unattended and shall be located at ground level on a non-combustible surface and in the open air whilst lighted.
- f. for one hour after completion of each period of work or stage of work involving the application of heat or use of angle grinders or disc cutters or for one hour after the completion of work involving the application of heat or use of angle grinders or disc cutters in any area in all circumstances that the area previously worked upon ceases to be sufficiently visible to ensure that any outbreak of fire or signs of the possible outbreak of fire will be noticed any area or areas in which work has been carried out shall not be left unattended and a thorough inspection of the area surrounding the work (including that described in paragraph A.i. above) shall be made at frequent intervals up to the end of the period of one hour to ensure that nothing is smouldering and there is no risk of fire (and a record of inspections shall be kept).

6. Underground Services

It is a condition precedent to any liability of **the Insurer** in respect of loss or damage to pipes cables mains or other underground services arising out of or caused by digging drilling boring excavation or earth moving operations that

- a. **the Insured** shall prior to the commencement of such work
 - i. have made enquiries with the owner or relevant authority responsible as to the location of existing pipes cables mains or other underground services and shall have received written confirmation or have confirmed any conversation in writing
 - ii. carry out investigation using remote electrical devices to locate existing pipes cables mains or other underground services where practicable
 - iii. convey the location of such pipes cables mains and underground services to those **Employees** or contractors carrying out such work on behalf of **the Insured**
- b. **the Insured** shall adopt or cause to be adopted a method of work which minimises the risk of loss or damage to pipes cables mains and other underground services
- c. **the Insured** shall retain a full written record of the enquiries and measures taken to locate and minimise the risk of loss or damage to such pipes cables mains and other underground services.

7. Bona Fide Subcontractors

In respect of work commencing within the **Period of Insurance** it is a condition precedent to any liability of **the Insurer** in respect of **Injury** loss or damage arising out of or caused by work undertaken on behalf of **the Insured** by bona fide subcontractors that **the Insured** obtain and retain a written record that such subcontractors have in force throughout the duration of any work undertaken by them for **the Insured** insurance as follows

- a. Employers Liability insurance in accordance with any law relating to compulsory insurance of liability to employees
- b. Public Liability insurance covering legal liability for injury to any person other than liability described in A. above and loss or damage to property that
 - i. is subject to a limit of indemnity not less than that applying to this **Section** and stated in the **Schedule** and
 - ii. includes an Indemnity to Principal extension and
 - iii. covers the work to be undertaken by bona fide subcontractors on behalf of **the Insured**

This Section Condition does not apply where bona fide subcontractors are engaged to carry out work on behalf of **the Insured** in an emergency and there is insufficient time to obtain written evidence of insurance provided that **the Insured** shall obtain verbal confirmation from such subcontractors that insurance as described in A. and B. above is in force and confirm such conversation in writing and retain a copy as a written record.

8. Premium Adjustment

- a. The premium in respect of this **Section** of the **Policy** is based on estimates given by **the Insured** from accurate record keeping and will be adjusted annually on declaration
- b. Adjusted premiums will be subject to a minimum premium for this **Section** and return premiums on adjustment will not exceed 25% of the premium being adjusted
- c. If **the Insured** fails to supply a declaration within two months of the expiry of each **Period of Insurance** **the Insurer** shall be entitled to make a reasonable estimate and adjust the premium accordingly.

Optional Additional Extensions (only applicable if shown by endorsement within the schedule as operative)

1. Asbestos - Accidental Discovery Write Back Extension

Items A and B of Section Exclusion 12 shall not apply to the accidental discovery of **Asbestos** or materials suspected to contain **Asbestos** provided that immediately on discovery all activity ceases, the incident is reported to the person managing the site and recorded and any subsequent handling, removal, transportation or disposal of **Asbestos** or materials containing **Asbestos** is carried out by licensed subcontractors on terms which will indemnify **the Insured** for all liability arising out of such work.

The maximum amount **the Insurer** will pay for the total of all compensation, claimants costs and expenses as a result of all occurrences during any one **Period of Insurance** caused by or arising from **Asbestos** shall not exceed the Limit of Indemnity shown in the **Schedule** or £5,000,000 (whichever is the lesser).

The **Excess** for this Extension other than in respect of **Injury** to any person is £5,000

2. Part Products Extension

Section Exclusion 8 is deleted and replaced by the following:

8. Damage to Goods Supplied

This **Section** does not cover liability in respect of

- a. loss of or damage to any goods or other property sold supplied delivered installed or erected by or on behalf of **the Insured**
- b. all costs of or arising from the need for reinstatement making good removal repair rectification replacement or recall of
 - i. any such goods or property
 - ii. any defective work executed by or on behalf of **the Insured**

except that 8.a and 8.b above shall not apply to

1. liability in respect of loss or damage to the said goods or property if such loss or damage is caused by or arises from any alteration repair or servicing work executed by **the Insured** under a separate contract
2. that part of the said goods or property which is free of the defective condition but is damaged in consequence thereof

Provided that

- a. For the purposes of this **Section** and not merely this Section Exclusion goods or property shall not be regarded as lost or damaged solely by virtue of the existence of such defect
- b. **The Insured** shall be responsible for the first £5,000 of compensation and costs and expenses payable in respect of each and every claim for which indemnity is provided under the provisions of paragraph 2 above.

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