



X^L Insurance
Casualty Wholesale

Contractors Combined All Risks Insurance

Wording

CCLO CW UK AXICL 11/22



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1. Introduction

This policy consists of the Policy Definitions, Exclusions and Conditions, the **Schedule**, the coverage Sections stated as operative in the **Schedule** and **Endorsements**, if any, all of which are a single document and are to be read as one contract. In deciding to accept this policy and in setting the terms and premium the **Insurer** has relied on the information which the **Insured** has provided to them.

The **Insurer** will, in consideration of the payment of the **Premium**, insure the **Insured**, subject to the terms and conditions of this policy, against the events set out in the operative Sections and occurring in connection with the **Business** during the **Period of Insurance** or any subsequent period for which the **Insured** agrees to accept payment of **Premium**.

The **Insured** should read this policy carefully and make sure that it meets their needs. If any corrections are necessary the **Insured** should contact their broker through whom this policy was arranged.

The **Insured** should keep this policy in a safe place – the **Insured** may need to refer to it in the event of a claim.

1.1 Third Party Rights

A person who is not a party to this policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this policy but this does not affect any right or remedy of a third party that exists or is available apart from that Act.

1.2 Law and Jurisdiction

Unless specifically agreed to the contrary this policy shall be governed by English law and subject to the exclusive jurisdiction of the courts of England and Wales.

The language of this policy and all communications relating to it will be in English.

1.3 Interpretation

In this policy:

- (a) reference to any Act, statute or statutory provision shall include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of the inception of this policy;
- (b) if any term, condition, exclusion or **Endorsement** or part thereof is found to be invalid or unenforceable the remainder shall be in full force and effect;
- (c) the headings are for general reference only and shall not be considered when determining the meaning of this policy.

1.4 Cancellation

(a) The Insured's Right to Cancel

The **Insured** is entitled to cancel this policy by notifying the **Insurer**. No return of **Premium** will be allowed to the **Insured** irrespective of whether the **Insured** has made a claim during the **Period of Insurance**.

(b) The Insurer's Right to Cancel

The **Insurer** is entitled to cancel this policy by giving the **Insured** thirty (30) days' notice in writing. Any return of **Premium** due to the **Insured** will be calculated at a proportional daily rate depending on how long the policy has been in force unless the **Insured** has made a claim in which case the full annual **Premium** is due.

1.5 Premium Payment

The **Insured** undertakes that **Premium** will be paid in full to the **Insurer** within 60 days of inception of this policy (or, in respect of instalment premiums, when due).

If the **Premium** due under this policy has not been so paid to the **Insurer** by the sixtieth day from the inception of this policy (and, in respect of instalment premiums, by the date they are due) the **Insurer** shall have the right to cancel this policy by notifying the **Insured** through the broker in writing.



In the event of cancellation:

- (a) the **Insurer** shall not be liable for any valid claim under the policy even if it arose before the date of cancellation or the **Insurer** has admitted liability for or appointed lawyers, surveyors or others to handle such claim; and
- (b) any **Premium** paid or due to the **Insurer** will be considered as fully earned. In determining the amount due to the **Insurer** no account shall be taken of any amount said to be due by the **Insurer** to the **Insured** and the **Insured** shall not be entitled to set off any such sum against the amount due to the **Insurer**.

It is agreed that the **Insurer** shall give not less than 15 days prior notice of cancellation to the **Insured** through the broker. If **Premium** due is paid in full to the **Insurer** before the notice period expires, notice of cancellation shall automatically be revoked. If not, the policy shall automatically terminate at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

Where the **Premium** is to be paid through a London Market Bureau, payment to the **Insurer** will be deemed to occur on the day of delivery of a premium advice note to the Bureau.

1.6 Breach of the Duty of Fair Presentation

- (a) If, prior to entering into this policy, the **Insured** shall breach the duty of fair presentation, the remedies available to the **Insurer** are set out below.
 - (i) If the **Insured's** breach of the duty of fair presentation is deliberate or reckless:
 - (1) the **Insurer** may avoid the policy, and refuse to pay all claims; and,
 - (2) the **Insurer** need not return any of the **Premiums** paid.
 - (ii) If the **Insured's** breach of the duty of fair presentation is not deliberate or reckless, the **Insurer's** remedy shall depend upon what the **Insurer** would have done if the **Insured** had complied with the duty of fair presentation:
 - (1) If the **Insurer** would not have entered into the contract at all, the **Insurer** may avoid the policy and refuse all claims, but must return the **Premiums** paid.
 - (2) If the **Insurer** would have entered into the policy, but on different terms (other than terms relating to the **Premium**), the policy is to be treated as if it had been entered into on those different terms from the outset, if the **Insurer** so requires.
 - (3) In addition, if the **Insurer** would have entered into the policy, but would have charged a higher **Premium**, the **Insurer** may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims). In those circumstances, the **Insurer** shall pay only X% of what it would otherwise have been required to pay, where $X = (\text{Premium actually charged} / \text{higher Premium}) \times 100$.
- (b) If, prior to entering into a variation to this policy, the **Insured** shall breach the duty of fair presentation, the remedies available to the **Insurer** are set out below.
 - (i) If the **Insured's** breach of the duty of fair presentation is deliberate or reckless:
 - (1) The **Insurer** may by notice to the **Insured** treat the policy as having been terminated from the time when the variation was concluded; and,
 - (2) The **Insurer** need not return any of the **Premiums** paid.
 - (ii) If the **Insured's** breach of the duty of fair presentation is not deliberate or reckless, the **Insurer's** remedy shall depend upon what the **Insurer** would have done if the **Insured** had complied with the duty of fair presentation:
 - (1) If the **Insurer** would not have agreed to the variation at all, the **Insurer** may treat the policy as if the variation was never made, but must in that event return any extra **Premium** paid.



- (2) If the **Insurer** would have agreed to the variation to the policy, but on different terms (other than terms relating to the **Premium**), the variation is to be treated as if it had been entered into on those different terms, if the **Insurer** so requires.
- (3) If the **Insurer** would have increased the **Premium** by more than it did or at all, then the **Insurer** may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, the **Insurer** shall pay only X% of what it would otherwise have been required to pay, where $X = (\text{Premium actually charged/higher Premium}) \times 100$.
- (4) If the **Insurer** would not have reduced the **Premium** as much as it did or at all, then the **Insurer** may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, the **Insurer** shall pay only X% of what it would otherwise have been required to pay, where $X = (\text{Premium actually charged/reduced total Premium}) \times 100$.

1.7 Fraud

- (a) If the **Insured** makes a fraudulent claim under this insurance contract, the **Insurer**:
 - (i) is not liable to pay the claim; and
 - (ii) may recover from the **Insured** any sums paid by the **Insurer** to the **Insured** in respect of the claim; and
 - (iii) may by notice to the **Insured** treat the contract as having been terminated with effect from the time of the fraudulent act.
- (b) If the **Insurer** exercises their right under clause (a)(iii) above:
 - (i) the **Insurer** shall not be liable to the **Insured** in respect of a relevant event occurring after the time of the fraudulent act. A relevant event is whatever gives rise to the **Insurer's** liability under the insurance contract (such as the occurrence of a loss, the making of a claim, or the notification of a potential claim); and,
 - (ii) the **Insurer** need not return any of the **Premiums** paid.

Nothing in these clauses is intended to vary the position under the Insurance Act 2015.

1.8 Sanctions

The **Insurer** shall not be deemed to provide cover and shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the **Insurer** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

1.9 Complaints Procedure

The **Insurer** is dedicated to providing a high quality service and wants to ensure that they maintain this at all times.

If the **Insured** has any questions or concerns about the policy or the handling of a claim please contact the broker through whom this policy was arranged.

If the **Insured** wishes to make a complaint the **Insured** can do so at any time by referring the matter to:

Complaints Department
XL Catlin Services SE, UK Branch
20 Gracechurch Street
London
EC3V 0BG, United Kingdom

Email: axaxlukcomplaints@axaxl.com

Telephone Number: +44 (0)20 7743 8487

XL Catlin Services SE acts on behalf of the **Insurer** in the administration of complaints.



If the **Insured** remains dissatisfied after the Complaints Department have considered the complaint, or the **Insured** has not received a final decision within (8) weeks, the **Insured** can refer the complaint to the Financial Ombudsman Service at:

Exchange Tower
London
E14 9SR
United Kingdom

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

Telephone Number: **From within the United Kingdom**
0800 0234 567 calls to this number are free on mobiles and landlines
0300 1239 123 calls to this number costs no more than calls to 01 and 02 numbers

From outside the United Kingdom

+44 (0)20 7964 0500

Fax Number: +44 (0)20 7964 1001

Text Number: 07860 027 586 Call Back Service

The Financial Ombudsman Service can look into most complaints from consumers and small businesses. For more information contact them on the above number or address, or view their website: www.financial-ombudsman.org.uk

1.10 Insurance Guarantee Scheme

The **Insurer** is covered by the Financial Services Compensation Scheme. The **Insured** may be entitled to compensation from the Scheme if the **Insurer** is unable to meet their obligations under this policy. If the **Insured** were entitled to compensation under the Scheme, the level and extent of the compensation would depend on the nature of this policy. Further information about the Scheme is available from the Financial Services Compensation Scheme (PO Box 300, Mitcheldean, GL17 1DY, United Kingdom) and on their website: www.fscs.org.uk.

1.11 Regulatory Information

(a) **AXA XL Insurance Company UK Limited**

AXA XL Insurance Company UK Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Firm Reference Number 423308).

Registered Office 20 Gracechurch Street, London, EC3V 0BG, United Kingdom.

Registered in England Number 5328622.

The **Insured** can check this out on the FCA's website at www.fca.org.uk which includes a register of all the firms they regulate or by calling the FCA on 0800 111 6768.

(b) **XL Catlin Services SE**

XL Catlin Services SE acts as an agent of AXA XL Insurance Company UK Limited in connection with this policy. XL Catlin Services SE is a registered insurance intermediary authorised and regulated by the Central Bank of Ireland.

Registered Office 8 St. Stephen's Green, Dublin 2, D02 VK30, Ireland.

Registered in Ireland Number 659610.

The **Insured** can check this information on the Central Bank of Ireland's website at www.centralbank.ie which includes a register of all the firms they regulate.

1.12 Fair Processing Notice

This Privacy Notice describes how AXA XL Insurance Company UK Limited (“**we**”, or “**us**”) collect and use the personal information of insureds, claimants and other parties (“**you**”) when we are providing our insurance and reinsurance services.



The information provided to us, together with medical and any other information obtained from you or from other parties about you in connection with this policy, will be used by us for the purposes of determining your application, the operation of insurance (which includes the process of underwriting, administration, claims management, analytics relevant to insurance, rehabilitation and customer concerns handling) and fraud prevention and detection. We may be required by law to collect certain personal information about you, or as a consequence of any contractual relationship we have with you. Failure to provide this information may prevent or delay the fulfilment of these obligations.

Information will be shared by us for these purposes with group companies and third-party insurers, reinsurers, insurance intermediaries and service providers. Such parties may become data controllers in respect of your personal information. Because we operate as part of a global business, we may transfer your personal information outside the United Kingdom and/or the European Economic Area for these purposes.

You have certain rights regarding your personal information, subject to local law. These include the rights to request access, rectification, erasure, restriction, objection and receipt of your personal information in a usable electronic format and to transmit it to a third party (right to portability).

If you have questions or concerns regarding the way in which your personal information has been used, please contact: dataprivacy@axaxl.com.

We are committed to working with you to obtain a fair resolution of any complaint or concern about privacy. If, however, you believe that we have not been able to assist with your complaint or concern, you have the right to make a complaint to the relevant Data Protection Authority.

For more information about how we process your personal information, please see our full privacy notice at: <https://axaxl.com/privacy-and-cookies>.

Brokers, Intermediaries, Partners, Employers and Other Third Parties

If you provide us with information about someone else, we will process their personal information in line with the above. Please ensure you provide them with this notice and encourage them to read it as it describes how we collect, use, share and secure personal information when we provide our services as an insurance and reinsurance business.



2. Claims Procedure

- 2.1 As a condition precedent to the right to be indemnified under this policy, the **Insured** must:
- (a) give written notice of a claim to the **Insurer** or if appointed, the **Insured** may notify the **Insurer's** appointed third-party claims administrator (as may be nominated by the **Insurer** from time to time and hereinafter referred to as the "Claims Administrator") as soon as practicably possible of any incident that may give rise to a claim under this policy and in any event within 30 days of such knowledge.
 - (b) give all such additional information as the **Insurer** or the Claims Administrator (if appointed) may require relating to such incident and continue to forward all such information and documentation immediately as soon as received until otherwise instructed by the **Insurer** or the Claims Administrator (if appointed). For the avoidance of doubt, every claim, writ, summons or process and any other written notification of claim and all documents relating thereto shall be forwarded unanswered to the **Insurer** or the Claims Administrator (if appointed) immediately as soon as they are received;
 - (c) make no admission of liability, offer, compromise or payment without the **Insurer's** or the Claims Administrator's (if appointed) prior written consent;
 - (d) where there has been loss or damage to plant or equipment which may be covered by the Contractors All Risks Section of this policy:
 - (i) notify the Police immediately where theft, riot, arson or wilful or malicious damage is suspected and take all practicable steps to recover property lost and to discover the person or persons responsible for such loss or damage; and
 - (ii) notify the National Plant & Equipment Register Bath & West Buildings Lower Bristol Road Bath BA2 3EG Tel No: 01225464599 in respect of theft of any plant or equipment within 14 days.

The **Insurer** shall be entitled to refuse to pay, or reduce the amount they pay, for any claim under this policy if the **Insured** fails to comply with (a) to (d) above.

- 2.2 In the event of any occurrence giving rise to loss or damage insured under this policy the **Insured** shall take such immediate action as is necessary to minimise the loss.
- 2.3 The **Insurer** shall be entitled to take over and conduct in the name of the **Insured** the defence or settlement of any claim or to prosecute in the name of the **Insured** 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 **Insured** shall give all such information and assistance as the **Insurer** may reasonably require.
- 2.4 For the safety of the property insured and to prevent loss or damage in the event of an event giving rise or which may give rise to a claim under this policy the **Insured** shall at their own expense take such immediate action as is necessary to minimise any loss and prevent repetition.



3. Policy Definitions

All the individual policy Sections are subject to the following definitions except where stated below.

- 3.1 **Bodily Injury** means death, bodily injury, illness or disease of or to any person.
- 3.2 **Bona Fide Subcontractor** means any subcontractor engaged by the **Insured** supplying both labour and materials for the purpose of the contract
- 3.3 **Business** means the ordinary business of the **Insured** as specified on the **Schedule**.
- 3.4 **Claimant** means any party that brings a claim against the **Insured**.
- 3.5 **Communicable Disease** means any illness, sickness, disease, infection, condition, or disorder caused, in whole or in part, by any direct or indirect contact with or exposure to any virus, parasite, or bacteria or any disease-causing agent of any nature regardless of the method of transmission, contact or exposure.
- 3.6 **Damages** means monetary compensation capable of being awarded in civil proceedings but excluding aggravated and exemplary damages and excluding criminal fines or penalties.
- 3.7 **Defence Costs** means all costs, fees, and expenses incurred by the **Insured** with the **Insurer's** prior written consent in the defence or settlement of any claim under this policy including but not limited to legal expenses:
- (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** in respect of matters which may form the subject of indemnity by this policy (including with the **Insurer's** prior consent **Employees** partners or directors of the **Insured**) provided that:
 - (i) the **Insurer** shall not be liable for any fines or penalties imposed as a consequence of such prosecution
 - (ii) the **Insurer** shall not be responsible for **Defence Costs** where, at the **Insurer's** discretion, they obtain the opinion of counsel (whose appointment is at the **Insurer's** sole discretion) as to whether or not such costs should extend or continue to extend to the support of such defence, and where such counsel's opinion is that there is no reasonable defence to the prosecution
 - (iii) the **Insurer's** liabilities for **Defence Costs** in cases of breach or alleged breach of the Health & Safety at Work Act of 1974 (and/or any equivalent, subsequent or replacement legislation of similar effect) are limited to prosecutions under Section 33(1)(a) to (c) of the Act or similar duty imposed under legislation in Northern Ireland, the Isle of Man, or the Channel Islands
 - (iv) the **Insurer's** liabilities for **Defence Costs** in cases of breach or alleged breach of Part II of the Consumer Protection Act 1987 will be limited to proceedings not consequent upon a deliberate act or omission
 - (v) the **Insured** or its **Employees**, partners or directors have not made any admission in respect of the relevant offence
 - (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.
- 3.8 **Electronic Data** means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CDROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
- 3.9 **Employee** means any person:
- (a) under a contract of service or apprenticeship with the **Insured**; or
 - (b) engaged by the **Insured** to perform a contract constituting the provision of labour only arising out of the **Business**.
- 3.10 **Endorsement** means a change in the terms and conditions of this policy agreed by the **Insurer** that can extend or restrict cover.
- 3.11 **Excess** means the first part of every claim that the **Insurer** are not liable to pay as set out in the **Schedule**.



- 3.12 **Insured** means the person, persons or corporate body or other entity named in the **Schedule**.
- 3.13 **Insurer** means AXA XL Insurance Company UK Limited.
- 3.14 **Limit of Liability** means the limit of liability applicable to the relevant Section or Sub-Section (or item insured within such Section or Sub-Section) as set out in the **Schedule**.
- 3.15 **Offshore** means from the time an **Employee** embarks onto a conveyance at the point of final departure to an offshore rig or offshore platform, within the territorial waters around the **United Kingdom** until such time as the **Employee** disembarks from the conveyance onto land upon return from an offshore rig or an offshore platform.
- 3.16 **Period of Insurance** means the period of time over which this policy provides indemnity referred to in the **Schedule**.
- 3.17 **Pollution** means any pollution, seepage, discharge, dispersal, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant including for example smoke, vapours, soot, dust, fibres, fungi, mould, fumes, acids, alkalis, chemicals and waste (including for example material to be recycled, reconditioned or reclaimed) or contamination of any kind of the atmosphere or of any water, land, buildings or other tangible property.
- 3.18 **Premium** means the amount of premium as stated in the **Schedule**.
- 3.19 **Principal** means any person who engages the **Insured**, in writing, to perform a contract.
- 3.20 **Product** means any tangible property after it has left the custody or control of the **Insured** which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, leased, loaned, free issued, altered or repaired by or on behalf of the **Insured**. **Product** does not include any structure or contract works and/or materials for incorporation therein.
- 3.21 **Schedule** means the document entitled **Schedule** that relates to and forms part of this policy.
- 3.22 **Territorial Limits** means the **United Kingdom**.
- 3.23 **Terrorism** means an act, including for example the use of force or violence and/or the 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.
- 3.24 **United Kingdom** means England, Wales, Scotland, Northern Ireland, the Isle of Man and the Channel Islands.



4. Policy Exclusions

All the individual policy Sections are subject to the following exclusions except where stated below.

This policy does not apply to or include cover for or arising out of or relating to:

4.1 **Cyber**

the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.

4.2 **Electronic Data**

loss of, loss of use of, divulgence of, disappearance of, theft of, damage to, corruption of, inability to access, inability to manipulate or inability to prevent access to **Electronic Data**.

This exclusion does not apply to any directly resultant:

- (a) bodily injury, illness, disease, mental injury, mental anguish and/or nervous shock, including death or physical disability resulting therefrom; or
- (b) loss of or damage to physical property;

provided that mental injury and/or mental anguish and/or nervous shock and loss of or damage to **Electronic Data** remain excluded hereon.

4.3 **Manslaughter**

any allegation (whether under common law or statute) of manslaughter, corporate manslaughter or corporate homicide.

4.4 **Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons**

- (a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- (b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- (c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- (d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes; or
- (e) any chemical, biological, bio-chemical, or electromagnetic weapon;

4.5 **War**

- (a) war (whether declared or not), invasion, acts of a foreign enemy, hostilities, or any similar act, condition or warlike operation, warlike action by a regular or irregular military force or other authority to hinder or defend against an actual or expected attack;
- (b) insurrection, rebellion, civil war, revolution, riot, attempt to usurp power, popular uprising, or any action taken by any governmental or martial authority in hindering or defending against any of these.



5. Policy Conditions

All the individual policy Sections are subject to the following conditions except where stated below.

5.1 Adjustment in Premium

If any of the **Premium** for this policy has been calculated on estimates furnished by the **Insured** the **Insured** shall keep accurate records containing all particulars relative thereto and shall at all times allow the **Insurer** to inspect such records. The **Insured** shall, no later than three months after the expiry of each **Period of Insurance** furnish such particulars to the **Insurer** and the **Premium** for such period shall thereupon be adjusted and the difference paid by or allowed to the **Insured** as the case may be subject to any minimum **Premium** required. The **Insurer** reserves the right to request that the **Insured** supplies an auditor's statement with such calculations that are the subject of adjustment under this policy attesting to the accuracy thereof. Such calculations shall include all remuneration paid to **Employees** and all payments made to self-employed persons or employees of labour only sub-contractors for whom liability is assumed or on such other basis as may be agreed. Any additional **Premium** shall be paid within 30 days of advice to the **Insured** of any adjustment due.

Should the **Insured** fail to produce the particulars referred to in this condition within the timeframe specified in this clause, or pay any applicable additional **Premium** due in accordance with this clause, the **Insurer** shall be entitled to refuse to pay, or reduce the amount they pay, for any claim under this policy, whether reported or not.

5.2 Alterations in Risk

The **Insured** is required to notify the **Insurer** as soon as is practicably possible of all material facts or alterations in the risk which come to their knowledge or arise during the currency of this policy and the **Insurer** reserves the right to amend the terms and conditions of the policy.

In the event of breach of this term, the **Insurer** shall have no liability under this policy, unless the **Insured** shows that non-compliance with this term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

5.3 Bona Fide Sub-Contractors

The **Insured** must ensure all **Bona Fide Subcontractors** that they engage maintain in full force and effect throughout the duration of their contract with the **Insured** employers' liability and public liability policies no less comprehensive than the following:

- (a) employers' liability coverage with a limit of liability of not less than GBP 5,000,000 any one occurrence;
- (b) public liability coverage with a limit of liability of not less than the limits provided by this policy;
- (c) such policies contain an indemnity to the **Insured** as principal.

It is further agreed by the **Insured** that:

- (i) they shall obtain written evidence of the above; and
- (ii) they do not assume by agreement any liability or potential liability that would not have attached to them in the absence of such agreement, including but not limited to, the assumption of any liability or potential liability on behalf of any **Bona Fide Subcontractor**, or the waiver of any rights of recourse against any **Bona Fide Subcontractors**.

The **Insurer** shall have no liability under the policy, if the **Insured** fails to comply with the above provisions, unless the **Insured** shows that non-compliance with these provisions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

5.4 Claims Jurisdiction

It is hereby agreed between the **Insurer** and the **Insured** that indemnity provided by this policy shall apply only to Judgments of first instance against the **Insured** in the Courts of Law of the **United Kingdom** and not to judgments obtained elsewhere nor to judgments or order obtained in the said courts for the enforcement of foreign judgments whether by way of reciprocal agreements or otherwise, unless the **Insured** has requested that there shall be no such limitation and has accepted the terms offered by the **Insurer** in granting such cover which offer and acceptance must be signified by specific endorsement to this policy.



The **Premium** for this insurance has been calculated accordingly and no consideration has been paid in respect of sums payable under any other law or the jurisdiction of any other courts.

5.5 **Excess**

Where an **Excess** is stated in the **Schedule**, and unless otherwise stated in the **Schedule**, the **Insured** shall be responsible for the first amount so specified of each and every claim or series of claims arising out of any one originating cause inclusive of costs and/or expenses.

Payment of the **Excess** by the **Insured** is a condition precedent to the **Insured** being indemnified by the **Insurer**.

5.6 **Other Insurance**

If other valid, collectible insurance with any other insurer is available to the **Insured** covering a loss also covered by this policy (other than insurance that is specifically stated to be in excess of this policy) the insurance afforded by this policy shall be in excess of and shall not contribute with such other insurance. Nothing herein shall be construed to make this policy subject to the terms, conditions, and limitations of such other Insurance.

5.7 **Personal Protection Equipment**

The **Insured** must ensure that:

- (a) all **Employees** are made aware of the dangers of not using personal protective equipment; and
- (b) personal protective equipment is provided; and
- (c) a register is maintained which demonstrates that **Employees** have received appropriate training and are fully conversant with the way in which to access such personal protective equipment.

The **Insurer** shall have no liability under the policy, if the **Insured** fails to comply with the above provisions, unless the **Insured** shows that non-compliance with these provisions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

5.8 **Precautions**

The **Insured** shall take all practical precautions or steps:

- (a) to observe and comply with all statutory or local authority laws obligations and requirements;
- (b) in the selection of suitable **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;
- (d) to prevent accidents injury loss or damage.

The **Insurer** shall have no liability under the policy, if the **Insured** fails to comply with the above provisions, unless the **Insured** shows that non-compliance with these provisions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

5.9 **Rights of Recourse**

The **Insured** will at all times retain full rights of recourse against those supplying products or otherwise providing to the **Insured** a service in connection with any **Product** or any component part thereof unless the **Insurer** has agreed in writing to the waiver of such rights.

5.10 **Subrogation**

The **Insured** shall at the request and at the expense of the **Insurer** do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the **Insurer** for the purpose of enforcing any rights and remedies or obtaining relief or indemnity from other parties to which the **Insurer** 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 **Insurer** including the commencement of proceedings.



If a recovery is made from a third party in respect of claims which may be or have been paid wholly or in part under this policy, the costs of pursuing the recovery shall first be deducted from the recovery proceeds and repaid to the **Insurer**. The balance shall then as between the **Insured** and the **Insurer** be distributed as follows:

- (a) The **Insured** receives any sum they have paid or lost excluding interest, in respect of which the recovery has been made above the level of the **Excess** (if applicable) and in excess of all amounts recovered and recoverable under this policy; then
- (b) After payment of the amount referred to in (a) above the **Insurer** receives all sums they have paid excluding interest, in respect of the loss which is the subject of the recovery; then
- (c) After payment of the amounts referred to in (a) and (b) above the **Insured** receives any balance, exclusive of interest.
- (d) Any interest on any recovery made from a third party will be distributed between the **Insured** and the **Insurer** in the same order as outlined in (a), (b) and (c) above.

5.11 Temporary Precautions

If any defect in the contract works or construction plant, equipment and machinery shall be discovered, the **Insured** shall until such defect has been made good, cause temporary precautions to be taken as the circumstances may require.

The **Insurer** shall have no liability under the policy, if the **Insured** fails to comply with the above provision, unless the **Insured** shows that non-compliance with this provision could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.



6. Contractors All Risks Section

6.1 Insuring Clause

The **Insurer** will indemnify the **Insured** by payment or at the **Insurer's** 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 that is being used or is intended for use in connection with the works on any contract site which is the subject of this policy:

- (a) The works, whether permanent or temporary, materials incorporated or for incorporation therein, other than property insured in item (b) below of this Insuring Clause, being the property of the **Insured** or for which the **Insured** is 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 within the **Territorial Limits**. The **Insurer** shall be under no liability in respect of contracts originally scheduled to be longer than two years (exclusive of the maintenance period) or with an estimated contract value at inception exceeding GBP 2,000,000 or the amount stated in the **Schedule** whichever is the least unless otherwise agreed.
- (b) Contractors' plant, tools and equipment, demountable and temporary buildings, and/or caravans, and/or other items of a like nature, and materials, and/or any other property of whatsoever nature used or intended for use in connection with any contract works being undertaken by the **Insured** and insured under this policy, all being the property of the **Insured** or hired by the **Insured** under the Contractors Plant Association conditions or conditions no more onerous including transit by road rail or inland waterways.
- (c) Personal belongings for which the **Insured** is responsible whilst on any site or for which the **Insured** is responsible under the terms of any joint working agreement. The indemnity provided is limited to GBP 500 per person unless otherwise agreed. Personal belongings shall include physical loss of or physical damage to tools clothing and personal effects (but not furs money and jewellery) belonging to any:
 - (i) director of the **Insured** or **Employee**;
 - (ii) clerk of works, resident engineer, or their employees.

For the purposes of indemnity under this Contractors All Risks Section only, the word "Occurrence", and only where it appears capitalised, shall mean all individual losses arising out of and directly occasioned by one event. However the duration and extent of any Occurrence so defined shall be limited to 72 consecutive hours starting from the first loss.

6.2 Extensions

These extensions are subject otherwise to the terms, exclusions and conditions of the policy.

6.2.1 Continuing Hire Charges

The **Insurer** will indemnify the **Insured** in respect of their legal liability for the payment of hiring charges in respect of plant hired in by the **Insured** 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**).

The **Insurer** will not be liable under this extension for:

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

6.2.2 Debris Removal

The **Insurer** will indemnify the **Insured** in respect of 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 (which loss shall not include the cost of debris removal itself).



6.2.3 **European Union and Public Authorities Requirements**

The **Insurer** will indemnify the **Insured** for such additional costs of reinstatement of the works as may be incurred with the **Insurer's** 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 **Insured** following loss or 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 **Insurer** may in writing allow.

Provided that the **Insurer** 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 requirement referred to.

6.2.4 **Housing Grants Construction and Regeneration Act 1996**

The indemnity granted by this Section is extended to apply to any process of adjudication or decision of any adjudicator pursuant to the Act provided always that the **Insured** agrees to comply with the following:

- (a) The **Insured** shall
 - (i) notify the **Insurer** immediately upon receipt (and in no event later than two working days thereafter) of any notice of intention to refer a dispute to adjudication (a "Notice of Adjudication") or of the service by the **Insured** of any Notice of Adjudication in circumstances which will lead to or are likely to lead to a claim being made against the **Insured** (whether under a process of adjudication or otherwise);
 - (ii) promptly forward to the **Insurer** all information relating to any dispute referred to adjudication including copies of all documentation made available to the **Insured** or subsequently by the **Insured** to the adjudicator;
 - (iii) allow the **Insurer** 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 **Insurer** may reasonably require;
 - (iv) meet any request direction or timetable of the adjudicator;
 - (v) satisfy the **Insurer** 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 **Insured** of a payment of money by the **Insured** 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 **Insurer**;
 - (vii) in the event of a decision reached by the adjudicator that such an award as described in (v) above is payable, give the **Insurer** every assistance in instituting legal proceedings (or arbitration if applicable in accordance with the **Insured'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 **Insurer** deems it appropriate.

The **Insurer** shall have sole conduct of all such proceedings.

- (b) Any provisions relating to adjudications pursuant to the Act in any contract entered into by the **Insured** shall:
 - (i) provide 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).

The **Insurer** shall have no liability under this Section, if the **Insured** fails to comply with the above provisions, unless the **Insured** shows that non-compliance with this provision could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

6.2.5 **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 deemed “damage” under this Section.

Always, provided that the total liability in respect of the actual damage and the recovery cost shall not exceed the 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.

6.2.6 **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 **Insured** in the course of fulfilling their obligations during the maintenance period as required by the terms of the contract.

6.2.7 **Negligent Breakdown**

The **Insurer** will indemnify the **Insured** 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.

6.2.8 **Offsite Storage**

Exclusion 6.3.21 – Stock and Materials in Trade shall not apply to 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 loss.

6.2.9 **Plans**

The property insured by Insuring Clause 6.1(a) 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 a maximum limit of GBP 10,000.

6.2.10 **Principals**

Where the **Insured** so requests, the **Insurer** agrees to indemnify any **Principal** of the **Insured** but only to the extent that such liability arises solely out of the work performed for the **Principal** by or on behalf of the **Insured** and that such liability is no greater than that which would have arisen in the absence of any contractual agreement with the **Principal**.

The **Insured** agrees that any indemnification to the **Principal** exhausts any right of the **Insured** to such sums that have been indemnified to the **Principal**. Such **Principal** shall be subject to and comply with the terms and conditions of the policy and this clause shall in no way operate to increase the relevant **Limit of Liability**.



6.2.11 Professional Fees

The **Insurer** will indemnify the **Insured** in respect of 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; and
- (b) the Insurer shall not provide indemnity against any fees incurred in preparing or pursuing any claim.

6.2.12 Speculative Housing

In the event of speculative housing being completed but unsold, the **Insurer** will continue to indemnify the **Insured** for a period of six months unless otherwise agreed from the date of practical completion but the **Insurer's** liability shall not exceed GBP 250,000 any one Occurrence.

6.3 Exclusions

No indemnity is provided in respect of:

6.3.1 Aircraft and Watercraft

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;

6.3.2 Asbestos

loss or damage caused by contamination arising from asbestos or asbestos dust;

6.3.3 Business Interruption, Penalties and Damages

consequential loss, loss of use, penalties for delay or non-completion, liquidated damages or costs of any nature;

6.3.4 Communicable Diseases

any loss, damage, claim, cost, expense, or other sum of any nature whatsoever, directly or indirectly based upon, arising out of, attributed to, caused by, or relating to, in whole or in part:

- (a) any **Communicable Disease** (actual, threatened, perceived or suspected); or
- (b) any act, error, or omission in controlling, preventing, or suppressing, or failing to control, prevent, or suppress, or in any way relating to any actual, threatened, perceived or suspected outbreak of any **Communicable Disease**.

This exclusion applies regardless of any other cause or event contributing concurrently or in any other sequence with or to such loss, damage, claim, cost, expense, or other sum.

Any actual, alleged, threatened, perceived, or suspected presence or existence of any **Communicable Disease** at, on, in, affecting, impacting, or impairing any property, or preventing any use of any property, shall not constitute loss or damage whether physical or otherwise, or loss of use to tangible or intangible property.

The presence of a person or persons at the contract site that is/are possibly infected with a **Communicable Disease** or is/are actually infected with a **Communicable Disease** shall not constitute loss or damage, whether physical or otherwise.

6.3.5 Contractual Liability

loss or damage arising for which the **Insured** is relieved of responsibility under the terms of any contract;



6.3.6 **Corrosion and Erosion**

the cost of making good any form of corrosion, erosion, rust, oxidation, or mildew howsoever the same may arise;

6.3.7 **Damage to Existing Structures**

loss or damage to existing structures and/or existing property being worked upon unless otherwise agreed by the **Insurer**;

6.3.8 **Defective Workmanship**

all costs rendered necessary by defects of material workmanship, design, plan, or specification but should damage occur to any portion of the insured property 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;

6.3.9 **Disappearance or Shortage**

any loss of property either by disappearance or by shortage if such disappearances or shortage is only revealed when a routine inventory is made or is not traceable to an individual event or occurrence;

6.3.10 **Drilling Operations**

loss or damage arising from directional drilling operations unless otherwise agreed by the **Insurer**;

6.3.11 **Employers' Contractual Liability**

loss or damage which under the terms or conditions of the contract is the responsibility of the employer unless the **Insured** 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;

6.3.12 **Excavations**

loss of or damage to excavations below 3 metres in depth;

6.3.13 **Free Materials**

loss or damage to free issue materials unless the value of such free issue materials is included in the declared turnover.

6.3.14 **High Radio Active Zones**

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

6.3.15 **Maintenance or Repair**

the cost of normal upkeep or normal making good;

6.3.16 **Mechanical or Electrical Breakdown**

the cost of making good:

- (a) mechanical or electrical breakdown; or
- (b) derangement

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

6.3.17 **Money**

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;



6.3.18 **Motor Vehicles**

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;

6.3.19 **Property**

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 **Insured** shall give notice to the **Insurer** as soon as possible and shall agree to pay such additional **Premium** as the **Insurer** may reasonably require;

This exclusion shall not apply:

- (a) to the use of any property as a show house with a value of up to GBP 250,000 and contents with a value up to GBP 50,000, subject to the show house being fitted with a NACOSS approved alarm;
- (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 latest Standard Conditions of Contract of the Institute of Civil Engineers and/or JCT or equivalent conditions of contract.

6.3.20 **Sonic Bang**

destruction or damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds;

6.3.21 **Stock and Material in Trade**

loss of or damage to stock, materials in trade, and/or materials for incorporation into the contract works, whilst away from any contract site unless in transit to or from the contract site;

6.3.22 **Tandem Lifting**

any tandem lifting operation or any lifting operation which involves the use of 2 or more cranes or other lifting devices used in tandem to lift any item(s) unless otherwise agreed by the **Insurer**;

6.3.23 **Terrorism**

- (a) loss, destruction of, or damage to any property whatsoever, or any loss or cost or expense of whatsoever nature resulting or arising there from 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 occurrence contributing concurrently or in any other sequence to the loss; or
- (ii) any action taken in controlling preventing suppressing or in any way relating to any act of **Terrorism**.

If the **Insurer** alleges that by reason of this exclusion any loss, liability, damage, cost or expense, or consequential loss is not covered by the policy the burden of proving the contrary shall be upon the **Insured**.

6.3.24 **Tidal Waters, Tunnels and Galleries**

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

6.3.25 **Transits**

loss or damage arising from transits by sea or air, from the moment of arrival at a port or airport, except for sea transits by roll on roll off ferries between countries of the European Union;



6.3.26 **Unattended Vehicles**

theft from unattended vehicles away from the **Insured's** premises unless any such vehicle is alarmed, or is immobilised by the removal of the rotor arm, battery lead or distributor cap, or any such vehicle is in a locked and secure compound or garage;

6.3.27 **Wear and Tear**

the cost of wear, tear and gradual deterioration. However, this exclusion shall be limited to the parts affected and shall not apply to accidental loss or damage arising in consequence thereof;

6.3.28 **Wilful Acts**

loss or damage caused by the wilful act or wilful negligence of the **Insured**;

6.4 **Conditions**

6.4.1 **Automatic Reinstatement**

In consideration of the relevant **Limit of Liability** not being reduced by the amount of any loss or damage the **Insured** shall pay the appropriate additional **Premium** calculated pro rata to 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 5.1.

6.4.2 **Expediting Expenses**

In the event of loss of or damage to Items 1) and 3) of the Contractors All Risks Section **Schedule** headed "Property Insured", the cost of repair, reinstatement or replacement admitted under this Section shall, subject to the **Insurer's** prior consent, include the additional costs of overtime, weekend shift working, plant hire charges, and 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 **Insurer** shall not exceed GBP 50,000 in respect of each and every loss or series of losses arising out of one originating cause.

6.4.3 **General Interest**

The **Insurer** will agree to endorse the interest, on this Section of the policy as loss payee, 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, always subject to prior written notification by the **Insured** of such interest to the **Insurer**.

6.4.4 **Increase**

If during the **Period of Insurance** the actual reinstatement value of the relevant property insured shall be in excess of the relevant **Limit of Liability** then the sum insured shall be deemed to be increased by the amount of such excess but not exceeding in all 110% of the relevant **Limit of Liability**.

6.4.5 **Joint Code of Practice**

In respect of all contracts or work whose estimated value (including free issue materials) exceeds GBP 1,000,000, the **Insured** 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 representatives of the **Insurer** 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 (or equivalent paragraph of any subsequent edition) 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 **Insurer** may inform the employer and management of the **Insured** 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 **Insured** should fail to complete such Remedial Measures within the specified time the **Insurer** 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 **Insured** at their respective addresses nominated by the **Insured** at the inception of cover or as otherwise subsequently amended.

Such notice shall at the discretion of the **Insurer** either suspend or cancel cover under this Contractors All Risks Section 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 cover under this Contractors All Risks Section may be reinstated with effect from the date on which the **Insurer** is satisfied that the Remedial Measures have been completed.

This clause shall not prejudice waive or remove any rights of the **Insurer** or the **Insured** under the terms exceptions and conditions of this policy.

6.4.6 **New Activities and/or Subsidiaries**

This Section will automatically include new activities and/or subsidiaries of the **Insured** provided always that the **Insurer** herein shall receive notification within 30 days of the new or intended activity and/or subsidiary company and subject to such terms as the **Insurer** may require.

6.4.7 **The Equipment Register**

All Construction Plant Tools Machinery and Equipment with an individual value in excess of GBP 10,000 must be registered with The Equipment Register, Office 2 H/I, Wessex House, 40 Station Road, Westbury, Wiltshire, BA13 3JN Tel No: 01225464599 within 60 days of inception of this policy. Failure to do so will mean cover provided under Item No. 3) of the Contractors All Risks Section **Schedule** is cancelled, unless the **Insurer** has agreed in writing to waive this condition.



7. Liability Section

7.1 Section Extensions

All the Liability Sub-Sections are subject to the following extensions except where stated below.

7.1.1 Court Attendance Costs

In the event of any of the persons mentioned below attending court as a witness at the request of the **Insurer** in connection with a third party claim in respect of which the **Insured** is entitled to indemnity under this policy the **Insurer** will provide compensation to the **Insured** at the following rates per day for each day on which attendance is required:

- | | | |
|-----|---|---------|
| (a) | any director or partner of the Insured | GBP 500 |
| (b) | any Employee | GBP 250 |

7.1.2 Cross Liabilities

It is hereby declared and agreed that where more than one party is named in the **Schedule** as the **Insured** indemnity shall apply as though individual insurances have been issued to each party provided always that the **Insurer's** total liability shall not exceed the relevant **Limit of Liability**.

7.1.3 Indemnity to Others

At the request of the **Insured**, and subject to the prior written consent of the **Insurer**, indemnity will be extended to:

- (a) any director of the **Insured** or **Employee** in respect of liability arising in connection with the **Business**;
- (b) under the Employers' Liability Sub-Section:
 - (i) any officer, committee or member of the **Insured's** sports and social clubs, including as though they were the **Insured** the officers and/or members of any such club jointly or severally;
 - (ii) any hired or borrowed employee for whom the **Insured** is responsible or for any other person who is under a contract of service with a contractor of the **Insured** and where the **Insured** in the course of the **Business** has agreed to accept responsibility;
- (c) under the Public, Product and Pollution Liability Sub-Sections:
 - (i) the committees for the time being of the **Insured's** canteen, sports, social, welfare organisation, 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;
 - (ii) directors and/or officials of the **Insured** in their personal private capacity arising from work undertaken for them by **Employees**;

each of whom shall be subject to the terms of this policy as though they were the **Insured** so far as they can apply and provided that the **Insured** would have been entitled to indemnity under the relevant Sub-Section if the claim had been made against the **Insured**.

The **Insured** agrees that any indemnification to any persons under this extension shall exhaust any right of the **Insured** to such sums that have been indemnified and shall under the Public, Product and Pollution Liability Sub-Sections erode the relevant **Limit of Liability**.

Indemnification under this extension shall in no way operate to increase the relevant **Limit of Liability**.

7.1.4 Indemnity to Principals

Where the **Insured** so requests the **Insurer** agrees to indemnify any **Principal** of the **Insured** but only to the extent that such liability arises solely out of the work performed for the **Principal** by or on behalf of the **Insured** and that such liability is no greater than that which would have arisen in the absence of any contractual agreement with the **Principal**.



The **Insured** agrees that any indemnification to the **Principal** exhausts any right of the **Insured** to such sums that have been indemnified to the **Principal** and shall erode the relevant **Limit of Liability**. Such **Principal** shall be subject to and comply with the terms and conditions of the policy.

7.2 Section Exclusions

All the Liability Sub-Sections are subject to the following exclusions except where stated below.

This policy does not apply to or include cover for or arising out of or relating to:

7.2.1 Asbestos

the exposure or alleged exposure to asbestos or materials containing asbestos.

This exclusion does not apply to the Employers' Liability Sub-Section.

7.2.2 Construction and/or Demolition

- (a) any work of demolition, except demolition solely undertaken with hand held tools and of structures not exceeding 5 metres in height by **Employees** in the direct service of the **Insured** when such work forms an ancillary part of a contract for construction, alteration or repair carried out by the **Insured**;
- (b) the construction, alteration or repair of bridges, towers, steeples, chimney shafts, blast furnaces, viaducts, mines, dams or transport tunnels;
- (c) pile driving or tunnelling;
- (d) the use of explosives for any purpose;
- (e) excavations below 3 metres in depth;
- (f) any work carried out at a height in excess of 15 metres;
- (g) ship repair or ship breaking work on vessels or aircraft.

This exclusion does not apply to the Product Liability Sub-Section.

7.2.3 Data Protection

compensation, damages, losses, costs, expenses, fines, penalties or any other sum arising out of breach of privacy rules or legislation including for example the Data Protection Act 2018, whether the liability of the **Insured** arises directly or indirectly.

This exclusion does not apply to the Employers' Liability Sub-Section.

7.2.4 Liquidated Damages

arising out of liquidated damages clauses, penalty clauses or performance warranties unless proven that liability would have attached and to such extent that it would have done in the absence of such clauses or warranties;

This exclusion does not apply to the Employers' Liability Sub-Section.

7.2.5 Terrorism

arising out of an act of **Terrorism**.

This exclusion shall not apply to the Employers' Liability Sub-Section.

7.3 Section Conditions

All the Liability Sub-Sections are subject to the following conditions except where stated below.

7.3.1 Apportionment of Defence Costs

In the event of a loss arising to which the **Insurer** may be liable to contribute, no **Defence Costs** shall be incurred on their behalf without their prior written consent being first obtained, and if they so consent, they shall contribute to the said **Defence Costs** in the proportion that their share of the loss as finally settled bears to the total sum payable.



7.3.2 Assistance and Co-operation

The **Insured** and any person insured must provide the **Insurer** with such information, assistance and co-operation as the **Insurer** and/or its representative may request. The **Insurer** shall be entitled to refuse to pay any **Claim** under this policy in its entirety if the **Insured** or any person insured fails to do so.

7.3.3 Documents Relevant to a Claim

The **Insured** or any person insured must ensure that all documents relevant to any **Claim** and any circumstance which is likely to give rise to a **Claim** are not destroyed or otherwise disposed of. The **Insurer** shall be entitled to refuse to pay any **Claim** under this policy in its entirety if the **Insured** or any person insured fails to do so.

7.3.4 Limit of Liability

(a) Occurrence

The **Insurer's** total 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.

(b) Occurrence Limit

Where an occurrence involves liability under the Public, Product and/or Pollution Liability Sub-Sections, the **Insurer's** total liability in respect of that occurrence

- (i) shall not exceed the largest single **Limit of Liability** available under those combined Sub-Sections; and
- (ii) shall not exceed, in respect of each Sub-Section involved, the **Limit of Liability** available under that Sub-Section.

(c) Aggregate

Where an aggregate **Limit of Liability** is stated in the **Schedule** to apply, the **Insurer's** total liability to pay **Damages** (including **Claimants'** costs, fees and expenses) in respect of the entire **Period of Insurance** shall not exceed the stated aggregate **Limit of Liability** regardless of the number or severity of occurrences or claims.

(d) Excess

No cover shall be granted under any liability Sub-Section for the amount of the **Excess** stated in the **Schedule**. The **Limits of Liability** stated in the **Schedule** are in excess of and not reduced by the amount of any **Excess**.

Where an occurrence involves liability under the Public, Product and/or Pollution Liability Sub-Sections, only the largest **Excess** of those Sub-Sections shall apply in the event of a loss under more than one Sub-Section.

7.3.5 Payment in Full

The **Insurer** may at any time pay to the **Insured** in connection with any claim or series of claims under this policy to which a **Limit of Liability** applies the amount of such **Limit of Liability** after deduction of any sums already paid or any lesser amount for which such claims can be settled. Upon such payment being made the **Insurer** shall relinquish the conduct and control of and be under no further liability in connection with such claims except for the payment of **Defence Costs** incurred prior to the date of such payment where such **Defence Costs** are stated as being payable in addition to the relevant **Limit of Liability**.



8. Employers' Liability Sub-Section

8.1 Insuring Clause

The **Insurer** will indemnify the **Insured** against their legal liability to pay **Damages** (including **Claimants'** costs fees and expenses) and **Defence Costs** in respect of **Bodily Injury** caused to an **Employee** during the **Period of Insurance**:

- (a) arising out of and in the course of their employment by the **Insured**; or
- (b) arising out of and in the course of their engagement by the **Insured** to perform a contract constituting the provision of labour only in relation to the **Business**

The indemnity provided shall only apply to **Bodily Injury** caused:

- (i) within the **Territorial Limits**; or
- (ii) to non-manual **Employees** during temporary visits abroad provided that such **Employees** are ordinarily resident in the **Insured's** country of domicile.

The indemnity granted by this Sub-Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** within the **Territorial Limits**. The **Insured** shall repay to the **Insurer** all sums paid by the **Insurer** which the **Insurer** would not have been liable to pay but for the provisions of such law, ordinance or statute.

8.2 Limit of Liability and Defence Costs

The **Insurer's** liability to pay **Damages** (including **Claimants'** costs fees and expenses) shall not exceed the relevant **Limit of Liability** in respect of any one occurrence or series of occurrences arising out of one originating cause.

Defence Costs shall be paid as part of and not in addition to the relevant **Limit of Liability**.

8.3 Extensions

These extensions are subject otherwise to the terms, exclusions and conditions of the policy.

8.3.1 Asbestos

This Sub-Section will apply, subject to all its terms and conditions, to **Bodily Injury** caused to an **Employee** arising out of the exposure to asbestos or alleged exposure to asbestos or materials or products containing asbestos to the extent that cover is required in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** in the **United Kingdom** and where a sub **Limit of Liability** is specified in the **Schedule**.

8.3.2 Data Protection

This Sub-Section will apply, subject to all its terms and conditions, to the **Insured's** legal liability to pay compensation to any **Employee** as a result of **Bodily Injury** under Section 169 of the Data Protection Act 2018 or under Article 82 of the General Data Protection regulation (EU) 2016/679 to the extent that cover is required in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** in the **United Kingdom** and where a sub **Limit of Liability** is specified in the **Schedule**.

8.3.3 Medical Treatment

Indemnity shall be extended to the **Insured** and any medical doctor or dentist employed by the **Insured** in respect of liability to any person under a contract of service or apprenticeship with the **Insured** resulting from treatment given, provided that any such doctor or dentist shall be subject to the terms of this policy as though they were the **Insured** so far as they can apply and provided that the **Insured** would have been entitled to indemnity under this Sub-Section if the claim had been made against the **Insured**.



8.3.4 Offshore

This Sub-Section will apply, subject to all its terms and conditions, to **Bodily Injury** caused to an **Employee** occurring **Offshore** to the extent that cover is required in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** in the **United Kingdom** and where a sub **Limit of Liability** is specified in the **Schedule**.

8.3.5 Terrorism

This Sub-Section will apply, subject to all its terms and conditions, to **Bodily Injury** caused to an **Employee** arising out of **Terrorism** to the extent that cover is required in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** in the **United Kingdom** and where a sub **Limit of Liability** is specified in the **Schedule**.

8.3.6 Unsatisfied Court Judgements

Where a Judgement for **Damages** has been obtained by any **Employee** or the legal personal representatives of any **Employee**:

- (a) in respect of **Injury** sustained by the **Employee** arising out of and in the course of employment by the **Insured** in the **Business** during the **Period of Insurance**; or
- (b) against any company or individual, other than the **Insured**, operating from or resident in premises within the **United Kingdom**; and
- (c) such Judgement remains unsatisfied in whole or in part six (6) months after the date of judgement;

then at the request of the **Insured** the **Insurer** will pay to the **Employee** or the said legal personal representatives the amount of any such **Damages** and any awarded costs to the extent that they remain unsatisfied.

Provided that:

- (i) there is no appeal outstanding;
- (ii) if any payment is made by the **Insurer** the **Employee** or the said legal personal representatives shall assign the Judgement to the **Insurer**;
- (iii) the legal proceedings (in which the Judgement was obtained) were commenced during the **Period of Insurance** in order to receive such **Damages**;
- (iv) the **Insurer** would have covered the Insured's liability if the **Claim** had been made under this Sub-Section;
- (v) the **Insured** notified the **Insurer** that the **Employee** intends to commence proceedings and the **Insurer** agrees to provide cover in respect of those proceedings;
- (vi) the Judgement is made by any Court of Law in the **United Kingdom** or the European Union;
- (vii) the liability of the **Insurer** for **Damages** costs and expenses shall not exceed the amount stated as the **Limit of Liability** in the **Schedule**; and
- (viii) if the **Employee** receives any **Damages** or costs after the **Insurer** has paid for them, the **Employee** must return the amount to the **Insurer**.

8.4 Compulsory Motor Insurance Exclusion

This Sub-Section does not provide any indemnity in respect of 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;

8.5 Employers' Liability Tracing Office Notice

Certain information relating to this Sub-Section, namely:

- (a) the Policy Number;
- (b) employers' names and addresses, including subsidiaries and any relevant changes of name;



- (c) coverage dates and;
- (d) if relevant, the employer's reference numbers provided by Her Majesty's Revenue and Customs and Companies House Reference Numbers;

will be provided to the Employers' Liability Tracing Office, (the "ELTO") and added to the Employers' Liability Database (ELD).

It is understood by the **Insured** that the above named information provided to the **Insurer** will be processed by the **Insurer** for the purpose of providing the ELD, in compliance with the provisions of the Employers' Liability Insurance: Disclosure by Insurers Instrument 2010.

The ELTO may provide such information to third parties to assist individuals with claims arising out of their course of employment in the **United Kingdom** for employers carrying on, or who carried on, business in the **United Kingdom**, to identify an insurer or insurers that provided employers' liability insurance.



9. Public Liability Sub-Section

9.1 Insuring Clause

The **Insurer** will indemnify the **Insured** against their legal liability to pay **Damages** (including **Claimants'** costs fees and expenses) and **Defence Costs** in respect of accidental:

- (a) **Bodily Injury** to any person;
- (b) physical loss of or damage to tangible property;

in connection with the **Business** and occurring during the **Period of Insurance**.

The indemnity provided shall only apply to **Bodily Injury** or physical loss of or damage to tangible property occurring

- (i) within the **Territorial Limits**; or
- (ii) during the course of temporary visits abroad by non-manual **Employees**.

The indemnity extends to include liability arising out of the provision of any canteen, medical or welfare facilities provided by the **Insured**.

9.2 Limit of Liability Defence Costs

The **Insurer's** liability to pay **Damages** (including **Claimants'** costs, fees and expenses) shall not exceed the **Limit of Liability** applicable to this Sub-Section 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 relevant **Limit of Liability**.

9.3 Extensions

These extensions are subject otherwise to the terms, exclusions and conditions of the policy.

9.3.1 Defective Premises Act 1972

The indemnity granted by this Sub-Section is extended to indemnify the **Insured** against any legal liability incurred by the **Insured** by virtue of Section 3 of the Defective Premises Act, 1972 or Section 3 of the Defective Premises Measure (Northern Ireland) 1974 or any amendment thereto in connection with premises that have been disposed of by the **Insured**. Except that the **Insurer** will not be liable to provide an indemnity for the cost of remedying any defect or alleged defect in such premises.

9.3.2 Denial of Access

The indemnity granted by this Sub-Section is extended to indemnify the **Insured** against legal liability to pay **Damages** (including **Claimant's** costs and expenses), as a result of a denial of access that occurs during the **Period of Insurance** and arises out of and in connection with the **Business**.

For the purpose of this extension, denial of access means nuisance, trespass, or interference with any easement, right of air, light water or way.

9.3.3 Housing Grants Construction and Regeneration Act 1996

The indemnity granted by this Sub-Section is extended to apply to any process of adjudication or decision of any adjudicator pursuant to the Act provided always that the **Insured** agrees to comply with the following:

- (a) The **Insured** shall
 - (i) notify the **Insurer** immediately upon receipt (and in no event later than two working days thereafter) of any notice of intention to refer a dispute to adjudication (a "Notice of Adjudication") or of the service by the **Insured** of any Notice of Adjudication in circumstances which will lead to or are likely to lead to a claim being made against the **Insured** (whether under a process of adjudication or otherwise);
 - (ii) promptly forward to the **Insurer** all information relating to any dispute referred to adjudication including copies of all documentation made available to the **Insured** or subsequently by the **Insured** to the adjudicator;



- (iii) allow the **Insurer** 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 **Insurer** may reasonably require;
- (iv) meet any request direction or timetable of the adjudicator;
- (v) satisfy the **Insurer** 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 **Insured** of a payment of money by the **Insured** 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 **Insurer**;
- (vii) in the event of a decision reached by the adjudicator that such an award as described in (v) above is payable give the **Insurer** every assistance in instituting legal proceedings (or arbitration if applicable in accordance with the **Insured'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 **Insurer** deems it appropriate.

The **Insurer** shall have sole conduct of all such proceedings.

- (b) Any provisions relating to adjudications pursuant to the Act in any contract entered into by the **Insured** shall:
 - (i) provide 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).

The **Insurer** shall have no liability under this Sub-Section, if the **Insured** fails to comply with the above provisions, unless the **Insured** shows that non-compliance with this provision could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

9.3.4 **Motor Contingent Liability**

Exclusion 9.4.7 – Motor Vehicles shall not apply to liability arising out of or from the operation or use of any mechanically propelled vehicle not owned, hired or borrowed by or leased to the **Insured** and used in the course of **Business** provided that this clause excludes and the **Insurer** will not be liable for:

- (a) **Damage** to such vehicle or to property conveyed therein or thereon; or
- (b) **Bodily Injury** or damage arising while such vehicle is being driven by:
 - (i) any insured person other than an **Employee**; or
 - (ii) any person who to the **Insured's** knowledge or the knowledge of any **Principal**, director, officer or manager of the **Insured** does not hold a licence to drive such vehicle;
- (c) **Bodily Injury** or damage caused or arising while such vehicle is:
 - (i) engaged in racing, pace-making, reliability trials or speed testing;
 - (ii) being used outside the **United Kingdom**
- (d) **Bodily Injury** or damage in respect of which the **Insured** is entitled to indemnity under any other insurance.



9.3.5 **Overseas Liability**

At the request of the **Insured** the indemnity granted by this Sub-Section is extended to indemnify the **Insured** and its **Employees** or directors (including their family or persons normally resident with them), against legal liability for **Bodily Injury**, physical loss of or damage to tangible property or denial of access (as provided by Extension 9.3.2) incurred in a personal capacity while temporarily outside the **United Kingdom** in connection with the **Business**, provided that such **Bodily Injury** physical loss of or damage to tangible property or denial of access does not arise out of the ownership or occupation of land or buildings.

9.3.6 **Private Work**

The indemnity granted by this Sub-Section is extended to indemnify the **Insured** against legal liability in respect of work carried out on behalf of **Principals** / directors of the **Insured** by **Employees** engaged or borrowed from the **Insured** in their private capacity

9.4 **Exclusions**

This Sub-Section does not provide any indemnity in respect of liability:

9.4.1 **Aircraft or Watercraft**

caused by the ownership or operation by or on behalf of the **Insured** of any waterborne craft, hovercraft, aircraft or railborne vehicle.

9.4.2 **Airside**

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.

9.4.3 **Bodily Injury to Employees**

for **Bodily Injury** to any **Employee** arising out of and in the course of their employment by or under a contract of service with the **Insured** or arising out of and in the course of their engagement by the **Insured** to perform a contract constituting the provision of labour only arising out of the **Business** specified in the **Schedule**.

9.4.4 **Care, Custody or Control**

for loss or damage to property owned, leased or hired by or under hire purchase or on loan to the **Insured** or in the **Insured's** care custody and control other than:

- (a) visitors tools, clothing and personal effects (but not furs and money and jewellery);
- (b) **Employees'** tools, clothing and personal effects (but not furs money and jewellery) up to a limit of GBP 500 per **Employee** and only to the extent not covered elsewhere in this policy
- (c) premises (including contents thereof) not owned nor rented by the **Insured** but temporarily occupied by them for the purpose of work therein or thereon;
- (d) premises tenanted by the **Insured** to the extent that the **Insured** would be held liable in the absence of any specific agreement.

9.4.5 **Completed Works**

for loss or damage to property manufactured, designed, sold, supplied, repaired or installed by the **Insured** or any structure or contract works (including materials for incorporation therein):

- (a) prior to certified completion or handover by the **Insured**;
- (b) after certified completion or handover by the **Insured** where such loss or damage arises out of the defective condition of any part of such property structure or contract works.

9.4.6 **Contractual Performance**

which is the inevitable or unavoidable consequence of the performance of a contract.



9.4.7 **Motor Vehicles**

arising out of ownership, possession or use of any mechanically propelled vehicle where a Certificate of Motor Insurance or security is required under any road traffic act or similar legislation other than:

- (a) 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) whilst on or about the contract site;
- (b) other vehicles brought on to site for use on site.

9.4.8 **Pollution**

arising out of **Pollution**.

9.4.9 **Products**

arising out of or in connection with any **Product**.

9.4.10 **Professional Liability**

for any loss arising out of or from advice, design, plans, specifications, formulae, surveys, or directions prepared or given by the **Insured**.

9.4.11 **Underground Cables, Pipes or Other Services**

for loss of or damage to cables pipes or other services located underground unless the **Insured** has

- (a) taken or caused to be taken all practical measures to identify the location of such cables pipes and services before any work is commenced which may involve a risk of damage thereto (practical 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 **Insured**.



10. Product Liability Sub-Section

10.1 Insuring Clause

The **Insurer** will indemnify the **Insured** against their legal liability to pay **Damages** (including **Claimants'** costs fees and expenses) and **Defence Costs** in respect of accidental:

- (a) **Bodily Injury** to any person;
 - (b) physical loss of or damage to tangible property;
- caused by any **Product** occurring during the **Period of Insurance**.

10.2 Limit of Liability and Defence Costs

The **Insurer's** liability to pay **Damages** (including **Claimants'** costs, fees and expenses) shall not exceed the **Limit of Liability** applicable to this Sub-Section in respect of all occurrences in the **Period of Insurance**.

Defence Costs will be payable in addition to the **Limit of Liability** applicable to this Sub-Section.

10.3 Exclusions

This Sub-Section does not provide any indemnity in respect of liability:

10.3.1 Aircraft

arising out of any **Product** which, with the **Insured's** knowledge, is intended for incorporation into the structure, machinery, or controls of any aircraft except where specifically stated to be included in the **Business**.

10.3.1 Bodily Injury to Employees

for **Bodily Injury** to any **Employee** arising out of and in the course of their employment by or under a contract of service with the **Insured** or arising out of and in the course of their engagement by the **Insured** to perform a contract constituting the provision of labour only arising out of the **Business** specified in the **Schedule**.

10.3.2 Care, Custody or Control

for physical loss or damage to property owned, leased or hired by or under hire purchase or on loan to the **insured** or otherwise in the **Insured's** care, custody or control other than:

- (a) premises (or the contents thereof) temporarily occupied by the **Insured** for work therein (but no indemnity is granted for physical loss or damage to that part of the property on which the **Insured** is working and which arises out of such work);
- (b) premises tenanted by the **Insured** to the extent that the **Insured** would be held liable in the absence of any specific agreement.

10.3.2 Damage to Products

for **Damage** to any **Product** or part thereof.

10.3.3 Deliberate Failure to Prevent Injury or Damage

arising out of the deliberate, conscious, or intentional disregard by the **Insured's** technical or administrative management of the need to take all practical steps to prevent **Bodily Injury** or physical loss or damage.

10.3.4 Motor Vehicles

arising out of any **Product** which is intended for use in a motor vehicle except where especially stated to be included in the **Business**.

10.3.5 Pollution

arising out of **Pollution**.

10.3.6 Professional Liability

for any loss arising out of or from advice, design, plans, specifications, formulae, surveys, or directions prepared or given by the **Insured**.



10.3.7 **Recall**

arising out of the recall of any **Product** or part thereof.

10.3.8 **Repair or Replacement**

for costs incurred in the repair, reconditioning or replacement of any **Product** or part thereof and/or any financial loss consequent upon the necessity for such repair, reconditioning or replacement.

10.3.9 **Watercraft**

arising out of any **Product** which is intended for incorporation into any marine equipment upon which the navigation or safety of a waterborne vessel depends except where specifically stated in the **Business**.



11. Pollution Liability Sub-Section

11.1 Insuring Clause

The **Insurer** will indemnify the **Insured** against their legal liability to pay **Damages** (including **Claimants'** costs fees and expenses) and **Defence Costs** in respect of accidental:

- (a) **Bodily Injury** to any person;
- (b) physical loss of or damage to tangible property;

caused by **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 **Insured** can demonstrate that such **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 **Insured** failing to take practical precautions to prevent such **Pollution**.

11.2 Limit of Liability and Defence Costs

The **Insurer's** liability to pay **Damages** (including **Claimants'** costs fees and expenses) shall not exceed the relevant **Limit of Liability** in the **Schedule** in respect of all occurrences in the **Period of Insurance**.

Defence Costs will be payable in addition to the relevant **Limit of Liability**.

11.3 Extensions

These extensions are subject otherwise to the terms, exclusions and conditions of the policy.

11.3.1 Denial of Access

The indemnity granted by this Sub-Section is extended to indemnify the **Insured** against legal liability to pay **Damages** (including **Claimant's** costs and expenses), as a result of a denial of access that occurs during the **Period of Insurance** and arises out of and in connection with the **Business**.

For the purpose of this extension, denial of access means nuisance, trespass, or interference with any easement, right of air, light water or way.

11.3.2 Motor Contingent Liability

Exclusion 11.4.8 – Motor Vehicles shall not apply to liability arising out of or from the operation or use of any mechanically propelled vehicle not owned, hired or borrowed by or leased to the **Insured** and used in the course of **Business** provided that the **Insurer** will not be liable for:

- (a) **Damage** to such vehicle or to property conveyed therein or thereon; or
- (b) **Bodily Injury** or damage arising while such vehicle is being driven by:
 - (i) any insured person other than an **Employee**; or
 - (ii) any person who to the **Insured's** knowledge or the knowledge of any **Principal**, director, officer or manager of the **Insured** does not hold a licence to drive such vehicle;
- (c) **Bodily Injury** or damage caused or arising while such vehicle is:
 - (i) engaged in racing, pace-making, reliability trials or speed testing;
 - (ii) being used outside the **United Kingdom**
- (d) **Bodily Injury** or damage in respect of which the **Insured** is entitled to indemnity under any other insurance.

11.3.3 Private Work

The indemnity granted by this Sub-Section is extended to indemnify the **Insured** against legal liability in respect of work carried out on behalf of **Principals** / directors of the **Insured** by **Employees** engaged or borrowed from the **Insured** in their private capacity



11.4 Exclusions

This Sub-Section does not provide any indemnity in respect of liability:

11.4.1 Aircraft or Watercraft

caused by the ownership or operation by or on behalf of the **Insured** of any waterborne craft, hovercraft aircraft or railborne vehicle.

11.4.2 Airside

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.

11.4.3 Bodily Injury to Employees

for **Bodily Injury** to any **Employee** arising out of and in the course of their employment by or under a contract of service with the **Insured** or arising out of and in the course of their engagement by the **Insured** to perform a contract constituting the provision of labour only arising out of the **Business** specified in the **Schedule**.

11.4.4 Care, Custody or Control

for loss or damage to property owned, leased or hired by or under hire purchase or on loan to the **Insured** or in the **Insured's** care custody and control other than:

- (a) premises (including contents thereof) not owned nor rented by the **Insured** but temporarily occupied by them for the purpose of work therein or thereon;
- (b) premises tenanted by the **Insured** to the extent that the **Insured** would be held liable in the absence of any specific agreement.

11.4.5 Completed Works

for loss or damage to property manufactured, designed, sold, supplied, repaired or installed by the **Insured** or any structure or contract works (including materials for incorporation therein):

- (a) prior to certified completion or handover by the **Insured**;
- (b) after certified completion or handover by the **Insured** where such loss or damage arises out of the defective condition of any part of such property structure or contract works.

11.4.6 Contractual Performance

which is the inevitable or unavoidable consequence of the performance of a contract.

11.4.7 Land or Water

arising out of land or water within or below the boundaries of any land or premises presently or at any time previously owned or leased by the **Insured** or otherwise in the **Insured's** care custody or control.

11.4.8 Motor Vehicles

arising out of ownership, possession or use of any mechanically propelled vehicle where a Certificate of Motor, Insurance or security is required under any Road Traffic Act or similar legislation other than:

- (a) 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) whilst on or about the contract site;
- (b) other vehicles brought on to site for use on site.

11.4.9 Product

arising out of or in connection with any **Product**.

11.4.10 Professional Liability

for any loss arising out of or from advice, design, plans, specifications, formulae, surveys, or directions prepared or given by the **Insured**.



11.4.11 **Property**

arising out of premises presently or at any time owned or tenanted by the **Insured**.

11.4.12 **Underground Cables, Pipes or Other Services**

for loss of or damage to cables pipes or other services located underground unless the **Insured** has

- (a) taken or caused to be taken all practical measures to identify the location of such cables pipes and services before any work is commenced which may involve a risk of damage thereto (practical 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 **Insured**.



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