



Liability Insurance Policy Wording

1. INSURING CLAUSE - SECTION A

The Underwriters will indemnify the Assured against their legal liability to pay Damages (which shall include Claimant's costs and expenses and Defence Costs) according to the laws of England and Wales, Scotland, Northern Ireland, the Isle of Man, and the Channel Islands, (whichever is applicable) and not to judgments obtained elsewhere, nor to judgments or orders obtained in the said courts for the enforcement of foreign judgments, whether by way of reciprocal agreements or otherwise.

2. INSURING CLAUSE - SECTIONS B, C, AND D

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

3. INDEMNITY

Any indemnity under this Policy applies only to such liability as defined by each Insured Section of this Policy arising out of the Business specified in the Schedule, subject always to the terms, conditions, and exclusions of such Section and of the Policy as a whole

4. DEFINITIONS

For the purpose of determining the indemnity granted, the definitions contained in the Schedule and those contained in this section shall apply:

1. **Bodily Injury** means death, bodily injury, illness or disease of or to any person
2. **Business** shall mean the ordinary business of the Assured as described in the Schedule
3. **Claimant** shall mean any person who brings a claim against the Assured
4. **Damage** means physical loss of possession of or damage to tangible property
5. **Damages** means monetary compensation capable of being awarded in civil proceedings but excluding aggravated and exemplary damages and excluding criminal fines or penalties
6. **Employee** means any person:
 - a. under a contract of service or apprenticeship with the Assured; or
 - b. engaged by the Assured to perform a contract constituting the provision of labour only arising out of the Business specified in the Schedule
7. **Excess** means, in relation to the relevant Section, the amount of excess applicable as set out in the Schedule under the heading "Excess"
8. **Limit of Indemnity** shall mean the limit of liability of the Underwriters under this Policy applicable to the relevant Section as set out in the Schedule under the heading "Limits of Indemnity"



9. **Offshore** means from the time an Employee of the Assured embarks onto a conveyance at the point of final departure to an offshore rig or offshore platform, within the territorial waters around Great Britain, Northern Ireland, the Isle of Man and the Channel Islands until such time the Employee disembarks from the conveyance onto land upon return from an offshore rig or an offshore platform
10. **Period of Insurance** means the period of time over which this Policy provides indemnity referred to in the Schedule under the heading "Period of Insurance"
11. **Pollution** means contamination of the atmosphere or of any water, land, or other tangible property by any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapour, soot, fumes acid, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed
12. **Premium** means the amount of premium as set out in the Schedule under the heading "Premium"
13. **Principal** means any person who engages the Assured to perform a contract
14. **Product** means any property after it has left the custody or control of the Assured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered, or repaired by or on behalf of the Assured
15. **Territorial Limits** shall mean Great Britain, Northern Ireland, the Channel Islands and the Isle of Man, or, if cover is provided in respect of Offshore risks, an offshore installation within the territorial waters around Great Britain, Northern Ireland, the Isle of Man and the Channel Islands
16. **Terrorism** means an activity that (1) involves a violent act or the unlawful use of force or an unlawful act dangerous to human life tangible or intangible property or infrastructure or a threat thereof; and (2) appears to be intended to (i) intimidate or coerce a civilian population or (ii) disrupt any segment of the economy of a government, de jure or de facto state, or country or (iii) overthrow influence or affect the conduct of policy of any government, de jure or de facto, by intimidation or coercion or (iv) affect the conduct of a government, de jure or de facto, by mass destruction, assassination, kidnapping, or hostage-taking.

5. INDEMNITY TO OTHERS

At the request of the Assured, and subject to the prior written consent of the Underwriters, the indemnity granted extends to

1. any party who enters into an agreement with the Assured for any purposes of the Business but only to the extent required by such agreement to grant such indemnity
2. officials of the Assured in their business capacity arising out of the performance of the Business and/or in their private capacity arising out of their temporary engagement of the Assured's Employees;
3. any person or firm arising out of the performance of a contract with the Assured constituting the provision of labour only;
4. the officers, committee and members of the Assured's canteen, social, sports, medical, fire fighting and welfare organisations in their respective capacity as such;
5. the personal representatives of any person indemnified by reason of this Clause in respect of liability incurred by such person;

Provided always that all such persons or parties shall observe, fulfil, and be subject to the terms, conditions, and exclusions of this Policy as though they were the Assured.



6. INDEMNITY TO PRINCIPALS

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

The Assured agrees that any indemnification to the Principal exhausts any right of the Assured 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.

7. CROSS LIABILITIES

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

8. DEFENCE COSTS

The Underwriters will also pay all costs, fees, and expenses incurred by the Assured with Underwriters' prior written consent in the defence or settlement of any claim under this Policy ("Defence Costs") other than in respect of any actions in the United States of America or Canada

Defence Costs includes legal expenses:

1. arising out of representation at any Coroner's Inquest or Fatal Accident inquiry
2. 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 Underwriters' prior consent Employees partners or directors of the Assured) provided that:
 - a) Underwriters shall not be liable for any fines or penalties imposed as a consequence of such prosecution;
 - b) Underwriters shall not be responsible for Defence Costs where, at the Underwriters discretion, they obtain the opinion of counsel (whose appointment is at the Underwriters sole discretion) as to whether or not such costs should extend or continue to extend to the support of such defence, and where such counsel's opinion is that there is no reasonable defence to the prosecution;
 - c) Underwriters' liabilities for Defence Costs in cases of breach or alleged breach of the United Kingdom 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
 - d) Underwriters' 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;
 - e) the Assured or its Employees, partners or directors have not made any admission in respect of the relevant offence.
3. 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.

9. EXCESS CLAUSE



Where an Excess is stated in the Schedule, the Assured 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



SECTION A – EMPLOYERS LIABILITY

10. SECTION A – INDEMNITY

The Assured is indemnified by this Section in accordance with the Insuring Clause at clause 1 of this Policy but only for Bodily Injury caused to any Employee during the Period of Insurance and:

- a) arising out of and in the course of his/her employment by or under a contract of service with the Assured; or
- b) arising out of and in the course of his/her engagement by the Assured to perform a contract constituting the provision of labour only arising out of the Business.

The indemnity provided shall only apply to Bodily Injury caused:

1. within the Territorial Limits; or
2. to non-manual Employees of the Assured during temporary visits abroad provided that such Employees are ordinarily resident in the Territorial Limits.

11. SECTION A - LIMIT OF INDEMNITY

Underwriters' liability to pay damages (including Claimants' costs fees and expenses and Defence Costs) shall not exceed the Limit of Indemnity for Section A as set out in the Schedule in respect of any one occurrence or series of occurrences arising out of one originating cause.

12. SECTION A – EXCLUSION

This Section does not provide any indemnity in respect of any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or any other Compulsory Road Traffic Legislation.

13. SECTION A – CONDITION

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

14. EXTENSIONS TO SECTION A COVERAGE

The Underwriters will also indemnify the Assured in respect of the following, provided that nothing below shall operate to increase the relevant Limit of Indemnity: –

1. MEDICAL TREATMENT

Indemnity shall be extended to the Assured and any medical doctor or dentist employed by the Assured in respect of liability to any person under a contract of service or apprenticeship with the Assured 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 Assured so far as they can apply and provided that the Assured would have been entitled to indemnity under this Section if the claim had been made against the Assured.



2. UNSATISFIED COURT JUDGMENTS

In the event of a judgment for Damages being obtained in any court of law except a court operating under the laws of United States of America or Canada:

- a) by any Employee, or the personal representative of any Employee, in respect of Bodily Injury to such Employee that arises out of and in the course of their employment by the Assured in the Business, against any person operating from premises within England and Wales, Scotland, Northern Ireland, the Channel Islands and Isle of Man; and
- b) which remains unsatisfied in whole or in part six (6) months after the date of such judgement;

then at the Assureds' request, Underwriters will pay the amount of Damages or costs awarded to the Employee to the extent that they remain unsatisfied provided that:

- i. there is no appeal outstanding
- ii. the judgment relates to Bodily Injury which would otherwise be indemnified by Section A of this Policy; and
- iii. Underwriters will be entitled to take over and prosecute for its own benefit any claim against any other person, and the Assured, the Employee or the personal representatives of the Employee will give Underwriters all the information and assistance Underwriters require.



SECTION B – PUBLIC LIABILITY

15. SECTION B – INDEMNITY

The Assured is indemnified by this Section in accordance with the Insuring Clause at clause 2 of this Policy for Bodily Injury and/or Damage occurring during the Period of Insurance as stated in the Schedule but not against liability:

1. arising out of or in connection with any Product;
2. arising out of Pollution;
3. arising out of Terrorism.

16. SECTION B – LIMIT OF INDEMNITY

Underwriters' liability to pay Damages (including Claimants' costs fees and expenses) shall not exceed the Limit of Indemnity for Section B as stated in the Schedule in respect of any one occurrence or series of occurrences arising out of one originating cause.

Defence Costs will be payable in addition to the Limit of Indemnity unless this Policy is specifically endorsed to the contrary.

In the event of any one originating cause giving rise to an occurrence or series of occurrences which form the subject of indemnity by more than one Section, each Section shall apply separately and be subject to its own separate Limit of Indemnity, provided always that the total amount of Underwriters' liability shall be limited to the greatest Limit of Indemnity available under one of the Sections affording indemnity for the occurrence or series of occurrences.

17. EXTENSIONS TO SECTION B COVERAGE

The Underwriters will also indemnify the Assured in respect of the following, provided that nothing below shall operate to increase the relevant Limit of Indemnity: –

1. DENIAL OF ACCESS

The indemnity granted by this Section is extended to indemnify the Assured 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.

2. PRIVATE WORK

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

3. MOTOR CONTINGENT LIABILITY

Notwithstanding exclusion 1 to this Section B, Underwriters agree to indemnify the Assured in respect of 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 Assured and used in the course of Business provided that this clause excludes and Underwriters 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 Assured's knowledge or the knowledge of any principal, director, officer or manager of the Assured 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 Great Britain, Northern Ireland, the Channel Islands and the Isle of Man
- d) Bodily Injury or damage in respect of which the Assured is entitled to indemnity under any other insurance.

4. DEFECTIVE PREMISES ACT 1972

The indemnity granted by this Section is extended to indemnify the Assured against any legal liability incurred by the Assured 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 Assured. Except that Underwriters will not be liable to provide an indemnity for the cost of remedying any defect or alleged defect in such premises.

5. OVERSEAS LIABILITY

At the request of the Assured the indemnity granted by this Section is extended to indemnify the Assured 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 incurred in a personal capacity while temporarily outside England and Wales, Scotland, Northern Ireland, the Channel Islands and Isle of Man 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.

6. DATA PROTECTION ACT 1998

The indemnity granted by this Section is extended to indemnify the Assured, and if the Assured so requires, any Employee in respect of their liability under the Data Protection Act 1998 („DPA“) to pay:

- i. compensation in respect of damage or distress under section 13 of Part II of the DPA including Defence Costs;
- ii. Defence Costs in relation to a prosecution brought under section 21 of Part III of the DPA;

in relation to claims made by an Employee provided that the Assured has registered in accordance with the DPA and the claim arises from damage or distress caused or prosecution commenced during the Period of Insurance.

This extension will not apply in respect of:

- a) the cost of replacing, reinstating, rectifying or erasing any personal data;
- b) liability caused by or arising from a deliberate or intentional act by any party which will knowingly result in liability under the DPA;
- c) claims which arise out of circumstances notified to any previous insurer or known to the Assured at the inception of this Policy
- d) indemnity provided under any other insurance.



18. SECTION B – EXCLUSIONS

This Section does not provide indemnity in respect of liability:

1. arising out of ownership, possession, or use of any mechanically propelled vehicle where a Certificate of Motor Insurance or surety is required under any Road Traffic Act or similar legislation other than:
 - 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);
 - b) other vehicles brought on to site for use on site;
2. arising out of the ownership possession or use by or on behalf of the Assured of any aircraft, watercraft, or hovercraft ;
3. for Damage to property owned, leased or hired by or under hire purchase or on loan to the Assured or otherwise in the Assured's care, custody or control other than:
 - a) premises (or the contents thereof) temporarily occupied by the Assured for work therein (but no indemnity is granted for Damage to that part of the property on which the Assured is working and which arises out of such work);
 - b) Visitors' clothing and personal effects including vehicles and their contents (but not furs, money and jewellery);
 - c) 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;
 - d) premises tenanted by the Assured to the extent that the Assured would be held liable in the absence of any specific agreement;
4. for Bodily Injury to any Employee arising out of and in the course of his/her employment by or under a contract of service with the Assured (as stated in the Schedule) or arising out of and in the course of his/her engagement by the Assured to perform a contract constituting the provision of labour only arising out of the Business specified in the Schedule;
5. arising out of the deliberate, conscious, or intentional disregard by the Assured or the Assured's technical or administrative management of the need to take all reasonable steps to prevent Bodily Injury or Damage;
6. arising out of liquidated damages clauses, penalty clauses, or performance warranties until proven that liability would have attached in the absence of such clauses or warranties;
7. arising from exposure or alleged exposure to asbestos or materials or products containing asbestos;
8. for any loss arising out of or from advice, design, plans, specifications, formulae, surveys, or directions prepared or given by the Assured for a fee.



SECTION C – PRODUCTS LIABILITY

19. SECTION C – INDEMNITY

The Assured is indemnified by this Section in accordance with the Insuring Clause at clause 2 of this Policy for Bodily Injury and/or Damage occurring during the Period of Insurance as stated in the Schedule but only against liability arising out of or in connection with any Product.

20. SECTION C – LIMIT OF INDEMNITY

Underwriters' liability to pay Damages (including Claimants' costs fees and expenses) shall not exceed the Limit of Indemnity for Section C as stated in the Schedule in respect of any one occurrence or series of occurrences arising out of one originating cause. Save as referred to in this clause, under no circumstances will Underwriters' liability under this section C exceed the Limit of Indemnity specified for any one Period of Insurance.

Defence Costs will be payable in addition to the Limit of Indemnity unless this Policy is specifically endorsed to the contrary.

In the event of any one originating cause giving rise to an occurrence or series of occurrences which form the subject of indemnity by more than one Section, each Section shall apply separately and be subject to its own separate Limit of Indemnity, provided always that the total amount of Underwriters' liability shall be limited to the greatest Limit of Indemnity available under one of the Sections affording indemnity for the occurrence or series of occurrences.

21. SECTION C – EXCLUSIONS

This Section does not provide indemnity in respect of liability:

1. arising out of Pollution;
2. for Damage to any Product or part thereof;
3. 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;
4. arising out of the recall of any Product or part thereof;
5. arising out of any Product which, with the Assured'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;
6. arising out of an act of Terrorism;
7. 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;
8. arising out of any Product which is intended for use in a motor vehicle except where especially stated to be included in the Business;
9. for Bodily Injury to any Employee arising out of and in the course of his/her employment by or under a contract of service with the Assured or arising out of and in the course of his/her engagement by the Assured to perform a contract constituting the provision of labour only arising out of the Business specified in the Schedule;
10. arising out of the deliberate, conscious, or intentional disregard by the Assured's technical or administrative management of the need to take all reasonable steps to prevent Bodily Injury or Damage;
11. arising out of liquidated damages clauses, penalty clauses, or performance warranties until proven that liability would have attached in the absence of such clauses or warranties;
12. arising from exposure or alleged exposure to asbestos or materials or products containing asbestos;



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13. for Damage to property owned, leased or hired by or under hire purchase or on loan to the Assured or otherwise in the Assured's care, custody or control other than:
 - a) premises (or the contents thereof) temporarily occupied by the Assured for work therein (but no indemnity is granted for Damage to that part of the property on which the Assured is working and which arises out of such work);
 - b) premises tenanted by the Assured to the extent that the Assured would be held liable in the absence of any specific agreement;
 14. for any loss arising out of or from advice, design, plans, specifications, formulae, surveys, or directions prepared or given by the Assured for a fee.



SECTION D – POLLUTION LIABILITY

22. SECTION D – INDEMNITY

The Assured is indemnified by this Section in accordance with the Insuring Clause at clause 2 of this Policy for Bodily Injury and/or Damage occurring in its entirety during the Period of Insurance as stated in the Schedule and arising out of Pollution but only to the extent that the Assured can demonstrate that such Pollution

1. was the direct result of a sudden, specific, and identifiable event occurring during the Period of Insurance; and
2. was not the direct result of the Assured failing to take reasonable precautions to prevent such Pollution.

23. SECTION D – LIMIT OF INDEMNITY

Underwriters' liability to pay Damages (including Claimants' costs fees and expenses) shall not exceed the sum stated in the Limit of Indemnity for Section D as stated in the Schedule in respect of any one occurrence or series of occurrences arising out of one originating cause. Save as referred to in this clause, under no circumstances will Underwriters' liability under this section D exceed the Limit of Indemnity specified for any one Period of Insurance.

Defence Costs will be payable in addition to the Limit of Indemnity unless this Policy is specifically endorsed to the contrary.

In the event of any one originating cause giving rise to an occurrence or series of occurrences which form the subject of indemnity by more than one Section, each Section shall apply separately and be subject to its own separate Limit of Indemnity, provided always that the total amount of Underwriters' liability shall be limited to the greatest Limit of Indemnity available under one of the Sections affording indemnity for the occurrence or series of occurrences.

24. EXTENSIONS TO SECTION D COVERAGE

The Underwriters will also indemnify the Assured in respect of the following, provided that nothing below shall operate to increase the relevant Limit of Indemnity: –

1. DENIAL OF ACCESS

The indemnity granted by this Section is extended to indemnify the Assured 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.

2. PRIVATE WORK

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

3. MOTOR CONTINGENT LIABILITY

Notwithstanding exclusion 3 to this Section D, Underwriters agree to indemnify the Assured in respect of 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 Assured and used in the course of the Business provided that this clause excludes and Underwriters 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 Assured's knowledge or the knowledge of any principal, director, officer or manager of the Assured 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 Great Britain, Northern Ireland, the Channel Islands and the Isle of Man
- d) Bodily Injury or damage in respect of which the Assured is entitled to indemnity under any other insurance.

25. SECTION D – EXCLUSIONS

This Section does not provide indemnity in respect of liability:

1. for Damage to premises presently or at any time previously owned or tenanted by the Assured;
2. for Damage to land or water within or below the boundaries of any land or premises presently or at any time previously owned or leased by the Assured or otherwise in the Assured's care, custody or control;
3. arising out of ownership, possession, or use of any mechanically propelled vehicle where a Certificate of Motor Insurance or surety is required under any Road Traffic Act or similar legislation other than:
 - 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);
 - b) other vehicles brought on to site for use on site;
4. arising out of the ownership possession or use by or on behalf of the Assured of any aircraft, watercraft, or hovercraft;
5. for Damage to property owned, leased or hired by or under hire purchase or on loan to the Assured or otherwise in the Assured's care, custody or control other than:
 - a) premises (or the contents thereof) temporarily occupied by the Assured for work therein (but no indemnity is granted for Damage to that part of the property on which the Assured is working and which arises out of such work);
 - b) premises tenanted by the Assured to the extent that the Assured would be held liable in the absence of any specific agreement;
6. for Damage to any Product or part thereof;
7. 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;
8. arising out of the recall of any Product or part thereof;
9. arising out of any Product which, with the Assureds 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. arising out of Terrorism;
11. 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;
12. arising out of any Product which is intended for use in a motor vehicle except where especially stated to be included in the Business;



13. for Bodily Injury to any Employee arising out of and in the course of his/her employment by or under a contract of service with the Assured (as stated in the Schedule) or arising out of and in the course of his/her engagement by the Assured to perform a contract constituting the provision of labour only arising out of the Business specified in the Schedule;
14. arising out of the deliberate, conscious, or intentional disregard by the Assured's technical or administrative management of the need to take all reasonable steps to prevent Bodily Injury or Damage;
15. arising out of liquidated damages clauses, penalty clauses, or performance warranties until proven that liability would have attached in the absence of such clauses or warranties;
16. arising from exposure or alleged exposure to asbestos or materials or products containing asbestos;
17. for any loss arising out of or from advice, design, plans, specifications, formulae, surveys, or directions prepared or given by the Assured for a fee.

26. GENERAL EXTENSION APPLICABLE TO ALL SECTIONS OF THE POLICY

The Underwriters will also indemnify the Assured in respect of the following, provided that nothing below shall operate to increase the relevant Limit of Indemnity: –

COURT ATTENDANCE COSTS

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

- a) any director or partner of the Assured GBP 500
- b) any Employee GBP 250



27. GENERAL EXCLUSIONS APPLICABLE TO ALL SECTIONS OF THE POLICY

1. NUCLEAR EXCLUSION CLAUSE

No indemnity is provided in respect of loss or damage directly or indirectly caused by, or contributed to, by or arising from:

- a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof but as far as concerns Section A this exclusion will only apply where such legal liability is
 - i. that of any Principal; and
 - ii. accepted under written agreement and would not have attached in the absence of such agreement

2. MANSLAUGHTER EXCLUSION

This Policy shall provide no coverage whatsoever (including but not limited to Claimant's costs, Defence Costs or fines) in respect of allegations (whether under common law or statute) of manslaughter, corporate manslaughter or corporate homicide.

3. WAR EXCLUSION CLAUSE

No indemnity is provided in respect of loss or damage directly or indirectly, occasioned by, happening through, or in consequence of; war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, confiscation, nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

28. GENERAL CONDITIONS APPLICABLE TO ALL SECTIONS OF THE POLICY

1. ADJUSTMENT IN PREMIUM

If any of the Premium for this insurance has been calculated on estimates furnished by the Assured the Assured shall keep accurate records containing all particulars relative thereto and shall at all times allow the Underwriters to inspect such records. The Assured shall, no later than three months after the expiry of each Period of Insurance furnish such particulars to the Underwriters and the premium for such period shall thereupon be adjusted and the difference paid by or allowed to the Assured as the case may be subject to any minimum premium required. The Underwriters reserve the right to request that the Assured 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 Assured of any adjustment due.

Compliance with this condition 1 in its entirety shall be a condition precedent to liability. Should the Assured fail to produce such particulars within the timeframe specified in this clause, or pay any applicable additional premium due in accordance with this clause, Underwriters will provide no indemnity for claims under this Policy.

2. CLAIMS PROCEDURE

It is a condition precedent to liability that the Assured shall:



- a) give written notice to the Underwriters and, if appointed by the Underwriters, simultaneously to Underwriters" appointed third party claims administrator (as may be nominated by Underwriters from time to time and hereinafter referred to as the "Claims Administrator") as soon as reasonably practicable of any incident that may give rise to a claim under this Policy and in any event within 30 days of knowledge, failing which the claim will not be covered;
- b) give all such additional information as the Underwriters 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 Underwriters 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 Underwriters 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 Underwriters" or the Claims Administrator"s (if appointed) prior written consent; and

If the Assured fails to comply with the above conditions precedent, Underwriters will not be liable for payment of claims.

In the event of any occurrence giving rise to loss or damage insured under this Policy the Assured shall take such immediate action as is necessary to minimise the loss.

The Underwriters shall be entitled to take over and conduct in the name of the Assured the defence or settlement of any claim or to prosecute in the name of the Assured for their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Assured shall give all such information and assistance as the Underwriters may reasonably require.

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 Assured shall at his own expense take such immediate action as is necessary to minimise any loss and prevent repetition.

3. ALTERATIONS IN RISK

It is a condition precedent to Underwriters" liability that the Assured is required to notify the Underwriters as soon as is reasonably practicable of all material facts or alterations in the risk which come to his knowledge or arise during the currency of this Policy and the Underwriters reserve the right to amend the terms and conditions of the Policy. If the Assured fails to comply with this condition precedent, Underwriters will not be liable for payment of claims.

4. OTHER INSURANCE

If other valid, collectible Insurance with any other insurer is available to the Assured 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. CANCELLATION CLAUSE

Underwriters may cancel this Policy by sending thirty days written notice to the Assured"s last known address whereupon the Assured shall become entitled to a refund of a proportionate part of the Premium paid for the period on risk, unless claims have already been paid under this Policy, in which case, the Assured will not be entitled to any refund of the Premium.

6. NON PAYMENT OF PREMIUM

Notwithstanding any other provision of this Policy, if the Premium (or any other money due to Underwriters) is not received by Underwriters by the relevant due date, Underwriters may serve a notice of cancellation on the

Assured or the Assured's Insurance Broker stating the amount due and requiring the Assured to pay the amount due by a stated date being no less than 15 days from the said service and if the Assured fails to pay the stated sum within the time stated in the said notice, the Policy will be deemed cancelled from the expiry of the notice and Underwriters shall not be liable for any claim under the Policy even if it arose before the date of termination or Underwriters have admitted liability for or appointed lawyers, surveyors or others to handle such claim, and all of the Premiums paid or due for this policy shall be deemed fully earned. In stating the amount due, no account shall be taken of any amount said to be due by Underwriters to the Assured and the Assured shall not be entitled to set off any such sum against the amount due to Underwriters.

7. DISPUTES CLAUSE

Any dispute concerning or arising out of this Policy is understood and agreed by both the Assured and the Underwriters to be subject to the laws of England and Wales. Each party agrees to submit to the jurisdiction of the Courts of of England and Wales and to comply with all requirements necessary to give such court jurisdiction. All matters arising hereunder shall be determined in accordance with the law and practice of such court.

8. PRECAUTIONS

The Assured shall take all reasonable precautions or steps:

- a) to observe and comply with all statutory or local authority laws obligations and requirements;
- b) in the selection of 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.

To the extent that any failure by the Assured to take such reasonable precautions or steps gives rise to, or contributes to a loss then any claim that is the subject of that loss will not be covered under this Policy.

9. SUBROGATION

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

- a) The Assured receives any sum he has 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 sub-clause 9(a) Underwriters receive 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 sub-clause 9 (a) and (b) the Assured receives any balance, exclusive of interest.
- d) Any interest on any recovery made from a third party will be distributed between the Assured and Underwriters in the same order as outlined in sub-clause 9 (a) – (c) above.



10. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 CLARIFICATION CLAUSE

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

11. DISCHARGE OF LIABILITY

The Underwriters may at any time pay to the Assured, in connection with any claim or series of claims under this Policy, the amount of the relevant Limit of Indemnity (after deduction of any sums already paid), and upon such payment being made the Underwriters shall relinquish the conduct and control of and be under no further liability in connection with such claims or their associated costs (which shall, for the avoidance of doubt, include Defence Costs) whether or not such costs are included or in addition to the relevant Limit of Indemnity.

12. APPORTIONMENT OF DEFENCE COSTS

In the event of a loss arising to which the Underwriters may be liable to contribute, no 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 costs in the proportion that their share of the loss as finally settled bears to the total sum payable.

13. POLICY INTERPRETATION

The Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or the Schedule shall bear such specific meaning wherever it may appear.

14. FRAUDULENT CLAIMS

If the Assured shall make any claim knowing the same to be fraudulent or false as regards the amount or otherwise this Policy shall become void and all claims hereunder shall be forfeited.

18. SEVERAL LIABILITY NOTICE

Underwriters' liability shall not exceed the relevant Limit of Indemnity expressed in the Schedule or such other limits of liability as may be substituted by memorandum hereon or attached hereto signed by or on behalf of Underwriters.

The liability of an insurer under this contract is several and not joint with other insurers to this contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by an insurer (or in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in the Schedule.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself), is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and the respective proportion may be obtained by writing to Market Services, Lloyd's at the above address. AXA XL Page 18 of 18 CLI/MM/D03



COMPLAINTS

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

*Compliance Officer
XL London Market Ltd
XL House
70 Gracechurch Street
London
EC3V 0XL*

In the event that you remain dissatisfied and wish to make a complaint it may be possible in certain circumstances for you to refer the matter to the Complaints Department at Lloyd's. Their address is:

*Policyholder & Market Assistance
Lloyd's Market Services
G6/86
One Lime Street
London
EC3M 7HA
Email: complaints@lloyds.com
Tel: +44 (0)20 7327 5693
Fax: +44 (0)20 7327 5225*

In the event that the Complaints Department is unable to resolve your complaint it may be possible for you to refer it to the Financial Ombudsman Service. Further details will be provided at the appropriate stage of the complaints process.

Financial Services Compensation Scheme

Lloyd's Underwriters are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the Scheme if a Lloyd's Underwriter is unable to meet its obligations to you under this contract. If you were entitled to compensation under the Scheme the level and extent of the compensation would depend on the nature of this contract. Further information about the Scheme is available from the Financial Services Compensation Scheme (7th Floor Lloyd's Chambers Portsoken Street London E1 8BN) and on their website (www.fscs.org.uk).



MOTORSPORT WORDING ATTACHING TO AXA XL

1. THE FOLLOWING BE ADDED TO THE END OF CLAUSE 2 INSURING CLAUSE – SECTIONS B, C AND D SHALL BE AMENDED TO READ AS FOLLOWS:

For the avoidance of doubt, subject to terms and conditions of the relevant section, indemnity shall be provided against such liability to the following parties in connection with any Insured Event which the Assured is involved in:

- a. Any Local Association Club or Organisation responsible for promoting motor sporting events who have been authorised by a recognised sanctioning body to organise the Insured Event.
- b. Any rescue organisation or its member recognised by the organisers or promoters of the Insured Event and working under the direction of the organisers or a recognised sanctioning body
- c. Any official member or volunteer being any person appointed by or authorised by the Assured or any Local Association Club, or organisation responsible for promoting motor sporting events, to carry out official duties at the Insured Event.
- d. The Sponsors of the Insured Event whilst acting under the authority of the Assured or a recognised sanctioning body
- e. Authorised Photographers, any Participant, sponsor, entrants or the pit service personnel of a Participant whilst attending the Insured Event.
- f. Any party where indemnity is required under contract, lease or other agreement entered into by the Assured in connection with the Insured Event

provided that the conduct and control of claims is vested in the Underwriters.

2. DEFINITION 2 – BUSINESS

shall mean the ordinary business of the Assured as described in the schedule and in addition shall include:-

- a. The ownership, including repair, maintenance or use of premises, occupied, or leased to, or hired by the Assured
- b. The provision and management of catering, entertainment, social sports, and welfare services
- c. The provision and management of security, fire, first aid, medical and ambulance services
- d. Tuition in the classroom and on the track of Participants, marshals and officials, including marshals and officials training days in connection with the business
- e. Where the Assured acts in the capacity as Project Supervisor by the virtue of the requirements of any Health and Safety Legislation
- f. Social activities of an affiliated/ associate club excluding activities involving Fire work displays and bouncy castles unless prior notice is given to Underwriters, and the appropriate additional premium has been paid.
- g. Participation in any exhibitions
- h. the hire of equipment to customers at circuits, practice tracks, Karting centres, including but not limited to Bikes, Karts, Helmets and Clothing

3. DEFINITION 15 – TERRITORIAL LIMITS

shall be extended to include Western Europe

4. DEFINITION 17 IS ADDED – PARTICIPANT

shall mean rider passenger driver co-driver or navigator and any other person engaged in an Insured Event who has been granted permission to enter the Restricted Area by the named Assured.

5. DEFINITION 18 IS ADDED – RESTRICTED AREA

shall mean any area which requires authorisation or permission to enter or any area where the admission of spectators is prohibited

6. DEFINITION 19 IS ADDED – INSURED EVENT

shall mean any competitive or non competitive motor sport event (including practice qualification or training) held within the Territorial Limits and arranged organised operated or run by the Assured. Insured Event shall include but not be limited to events where customers or members or invitees of the Assured or an approved Organiser are allowed (whether for payment or otherwise) to use their own vehicles for recreational and leisure purposes

7. THE FOLLOWING IS ADDED TO ITEM 5 – INDEMNITY TO OTHERS

as point 6. The person firm or authority (which term shall include any landowner any circuit owner any local or country authority, forestry commission or any Minister or Ministry of the National Government) whose permission is necessary for the holding of the Insured Event in any contract entered into by any Insured.

8. SECTION B – INDEMNITY

item 3 Terrorism is deleted

9. EXTENSIONS TO SECTION B

Motor Contingent liability- in addition, this clause shall apply to any disabled person operating a mechanically propelled vehicle within spectator areas at the Insured Event with the permission of the Assured.

10. EXCLUSION TO SECTION B

the following shall be inserted into exclusion 1(b): course vehicles, recovery or emergency vehicles or similar vehicles unlicensed for Road Use

11. EXCLUSIONS TO SECTION B COVER

3(c) is deleted

12. EXCLUSION 8 SECTION B AND 14 SECTION C

shall not apply to first aid activities, to any driving instruction ,tuition or advice given by or on behalf of the Assured in the normal course of the Business but not arising from any form of professional advice or consultancy

13. EXCLUSION 9 SECTION B IS ADDED

arising from damage to:-

- a) Any road, track, circuit or other surface utilised by the Assured
- b) Any equipment or circuit furniture (hired or otherwise) used for the purpose of the Insured Event.

14. EXCLUSION 10 SECTION B IS ADDED – PARTICIPANTS

of one Participant to another where such legal liability arises on the track on the course or in the pit area in the same Insured Event whilst operating a vehicle under its own power, however passengers in four wheel motor vehicles shall not be deemed to be Participants.

15. EXCLUSION 11 SECTION B IS ADDED – ADDITIONAL EXCLUSIONS

This policy does not cover liability for actions of sub-contractors or stall holders / exhibitors.

This policy excludes damage to the ground of the venue, damage to any marquee or temporary structure at the event.

It is a requirement of this policy that risk assessments are carried out and in the event of a claim it will be a condition that these are submitted to insurers.

16. GENERAL EXCLUSION 9 – SUBROGATION

The Insurer agrees to waive all rights of subrogation which they may have or acquire against any of the parties listed in clause 2 Insuring Clause – Sections B,C, and D Assured.

17. THE FOLLOWING SHALL BE ADDED TO CLAUSE 8 OF THE GENERAL CONDITIONS APPLICABLE TO ALL SECTIONS – PRECAUTIONS :

- e) ensure any organisation affiliated to the Assured shall comply with the current rules and regulations issued by the recognised governing bodies that sanction events or competition or have an involvement in the rules safety standards licensing or inspecting of the venues or circuits, and all statutory or local authority laws obligations and requirements;
- f) ensure no alcohol is sold or supplied during any Insured Event to any Participant or marshals or officials and any Participant or marshal or official who is intoxicated will not be allowed to partake or officiate in any Insured Event
- g) ensure all spectators are separated from the trackside
- h) ensure the track is marshalled at all times during the Insured Event by suitably qualified marshals.
- i) ensure reasonable clothing and safety equipment is worn
- j) ensure adequate first aid or medical facilities are kept available for use



- k) ensure fuel is kept in a safe environment and any refuelling takes place in a safe environment and any refuelling takes place in a safe environment away from Spectators

18. CIRCUIT HIRE CONTINGENT LIABILITY

The Underwriters will indemnify the Insured and if the Insured so requests any director any director or partner of the Insured or Person Employed against legal liability arising from the hire of the Insured's premises provided that the persons working or operating at the Insured's premises shall maintain their own insurances for liability as covered under this Certificate for an amount of not less than GBP 2,000,000