

Keep me safe

Trades & Professions Insurance

Policy document



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Our claims service goes the extra mile. Committed to doing the right thing for policyholders we aim to settle claims quickly, even in the most difficult of circumstances.

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TRADES & PROFESSIONS INSURANCE POLICY

Liverpool Victoria Insurance Company Limited (the **Insurer**) will provide the insurance described in the Policy subject to its terms and conditions for the Period of Insurance stated in the Schedule and any subsequent period for which the **Insured** shall pay and the **Insurer** shall agree to accept the premium. Any information supplied by or on behalf of the **Insured** shall be incorporated in the contract

The Policy the Schedule the Statement of Fact and any endorsements shall be read together as one contract and this is the contract of Insurance between the **Insured** and the **Insurer**

It is therefore essential that the **Insured** provides a fair presentation of the risk, that the Statement of Fact and Schedule are accurate and true to the best of the **Insured's** knowledge and belief. If the **Insured** fails to provide a fair presentation of the risk, the Statement of Fact and/or Schedule are inaccurate, incomplete or untrue it may affect the **Insured's** rights under the Policy

Any word or expression to which a specific meaning has been given shall have that meaning wherever it appears

The **Insured** is not required to sign the Statement of Fact but should read it carefully and confirm that all the information contained within it and the Schedule is correct

If the presentation of the risk, the Statement of Fact and/or Schedule are incorrect or incomplete you should notify the Broker, Intermediary or Agent who arranged the Policy immediately and obtain a revised Statement of Fact and/or Schedule with the revisions required. You must ensure that all documentation in your possession is accurate and complete

DEFINITIONS

The following words or phrases have the same meaning wherever they appear, in **bold**, within this Policy.

Business – The Business specified in the Schedule conducted solely from within the **Territorial Limits** including

- a) the ownership repair and maintenance of the **Premises**
- b) the provision of fire security and ambulance services at the **Premises**
- c) the provision of first aid but excluding any first aid provided by any qualified medical practitioner or nurse
- d) private work undertaken by the **Insured's Employees** with the consent of the **Insured** for any director partner or senior official of the **Insured**
- e) the provision and management of canteen sports social and welfare organisations by the **Insured** for the benefit of the **Insured's Employees**

Consequential Loss – Loss resulting from interruption or interference with the **Business** carried on by the **Insured** in consequence of **Damage**

Damage – Accidental loss damage or destruction

Denial of Service Attack – Any actions or instructions constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems including but not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

Employee (not applicable to Section 4 – Legal Expenses)

- a) any person under a contract of service or apprenticeship with the **Insured** or
- b) any of the following persons whilst working for the **Insured** in connection with the **Business**
 - i. any labour master or labour only subcontractor or person supplied by them
 - ii. any self employed person providing labour only
 - iii. any trainee or person undergoing work experience
 - iv. any person who is hired to or borrowed by the **Insured**

Excess – The amount for which the **Insured** is responsible for each and every claim or loss other than for **Injury** to any person as specified in the Schedule or in the Policy

Hacking – Unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data whether the property of the **Insured** or not

Injury – Bodily injury death illness or disease mental injury or nervous shock

Insured – The person persons or company named in the Schedule

Insurer – Liverpool Victoria Insurance Company Limited

Legal Costs – All costs and expenses incurred with the prior written consent of the **Insurer** in addition to claimant's costs and expenses for which the **Insured** is legally liable

Money – Cash bank currency notes uncrossed cheques uncrossed postal orders and money orders unused postage stamps National Insurance stamps trading stamps luncheon vouchers lottery and other prize scratch cards utility vouchers top up cards mobile phone vouchers and International Phone Cards held in connection with the **Business** belonging to the **Insured** or for which the **Insured** is legally liable

Non-Negotiable Money – Crossed cheques crossed giro cheques crossed bankers drafts crossed giro drafts crossed postal and crossed money orders national savings certificates premium bonds unexpired units in franking machines stamped national insurance cards credit card sales vouchers debit card sales vouchers VAT purchase invoices held in connection with the Business belonging to the **Insured** or for which the **Insured** is legally liable

DEFINITIONS CONTINUED

Offshore Installation –

- a) any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- b) any installation in the sea or tidal waters which is intended for the storage or recovery of gas or generation of electricity
- c) any pipe or system of pipes in the sea or tidal waters
- d) any accommodation installation for persons who work on or from the locations specified above

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

Pollution or Contamination –

- a) all Pollution or Contamination of buildings or other structures or of water or land or the atmosphere and
- b) all **Injury** loss or damage directly or indirectly caused by such Pollution or Contamination

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

Premises – Buildings including out buildings garages and land occupied in full or part by the **Insured** within the **Territorial Limits** and used in connection with the **Business**

Principal – Any person firm company ministry or authority for whom the **Insured** is undertaking work

Products Supplied – Any goods or other property including containers packaging labelling and instructions for use sold supplied delivered erected repaired serviced altered treated installed processed manufactured or tested by the **Insured** in connection with the **Business** and no longer in the charge custody or control of the **Insured**

Property – Material property

Solicitors' Fees – Solicitors' Fees for the representation of the **Insured** at any Coroner's Inquest or Fatal Accident Inquiry or at proceedings in any court of summary jurisdiction in respect of any occurrence which may be the subject of indemnity under Sections 1 and 2

Territorial Limits – Great Britain Northern Ireland the Isle of Man or the Channel Islands

Terrorism – Acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto

Virus or Similar Mechanism – Program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not including but not limited to trojan horses worms and logic bombs

GENERAL CONDITIONS

The following General Conditions apply to the whole of this Policy

1) Misrepresentation and Fair Presentation

The **Insured** and anyone representing the **Insured** have a Duty to provide a fair presentation of the risk. A fair presentation is one which, in a reasonably clear and accessible manner, provides the material facts which the **Insured** knows or ought to know following a reasonable search. Failing that, the information provided must be sufficient to warn the **Insurer** that additional enquiries must be made to fully understand the risk. The information provided must be substantially correct, complete and made in good faith.

If the **Insured** or anyone representing the **Insured**

- provides the Broker Intermediary or Agent who arranged the Policy or the **Insurer** with misleading incomplete or incorrect information when applying for amending or renewing this insurance
- deliberately and/or recklessly withholds information or misleads the Broker Intermediary or Agent who arranged the Policy or the **Insurer** in order to obtain cover or gain a cheaper premium or more favourable terms
- provides the Broker Intermediary or Agent who arranged the Policy or the **Insurer** with false documents

The **Insurer** may

- amend the **Insured's** Policy to record the correct information
- apply different terms (not relating to a higher premium) effective from the date of the misrepresentation. In which event the **Insured's** Policy will be amended to record the correct information and terms.
- reduce proportionately the amount to be paid on a claim, where different terms relating to a higher premium would have been applied. In which event the **Insured** shall be considered as being their own insurer for the difference and shall bear a rateable share of a claim
- cancel the **Insured's** Policy in accordance with General Condition 6) Cancellation
- void the **Insured's** Policy and treat it as if it had never existed and return the premium paid other than in circumstances of
 - i. deliberate and /or reckless misrepresentation where no premium shall be returned by the **Insurer**
 - ii. where the **Insured** has made claims under the Policy then
 - any sums that have been paid by way of benefit under the Policy will be deducted from any return premium due to the **Insured** or
 - in the event that the premium paid does not exceed the sums paid by way of benefit under the Policy the **Insured** will be responsible for reimbursing the **Insurer** the difference
- in addition to voiding the **Insured's** Policy the **Insurer** may also void any other policies which the **Insured** has with the **Insurer**. The premium paid for such policies will be returned other than in circumstances where
 - i. deliberate and/or reckless misrepresentation has also occurred on these policies, in which event, no premium shall be returned by the **Insurer**
 - ii. claims have also been made on these policies, in which event
 - any sums that have been paid by way of benefit under the Policy will be deducted from any return premium due to the **Insured** or
 - in the event that the premium paid does not exceed the sums paid by way of benefit under the Policy the **Insured** will be responsible for reimbursing the **Insurer** the difference

2) Fraud

If the **Insured** or anyone representing the **Insured**

- makes a fraudulent payment by bank account and/or card
- provides the Broker Intermediary or Agent who arranged the Policy or the **Insurer** with false documents or false statements to support a claim
- makes a claim or part of any claim that is fraudulent, false or exaggerated

The **Insurer** may

- cancel the **Insured's** Policy and not return any premium paid by the **Insured** in accordance with General Condition 6) Cancellation
- reject a claim or reduce the amount of payment that would have been paid
- recover from the **Insured** any sums paid by way of benefit under the Policy in respect of any claim or part of any claim that is fraudulent, false or exaggerated
- pass details to fraud prevention and law enforcement agencies who may access and use this information

3) Reasonable Care

The **Insured** shall

- a) take all reasonable precautions to prevent or diminish loss destruction damage or injury
- b) take all reasonable steps to comply with statutory requirements obligations and regulations imposed by any authority
- c) exercise care in the selection and supervision of **Employees**
- d) maintain all works machinery and plant in sound condition

As soon as possible after discovery of any defect or danger the **Insured** shall cause such defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require

4) Alteration

This Policy shall cease to be in force from the date of the alteration if

- a) any alteration is made either in the **Business** or at the **Premises** after the commencement of the insurance that increases the risk of loss destruction damage or injury or
- b) the **Insured's** interest ceases except by will or operation of law or
- c) the **Business** is wound up or carried on by a liquidator or receiver or permanently discontinued or
- d) the **Premises** become unoccupied

unless the **Insurer** has agreed in writing to accept such alteration

5) Payment of Premium

It is a condition precedent to the **Insurer's** liability that

- a) the premium for the Policy or any endorsement attaching to the Policy shall be paid when due
- b) if the premium for the Policy or endorsement is payable by instalments then
 - i. each instalment shall be paid when due or
 - ii. where a notice has been issued requiring the outstanding amount must be paid by a specific date then such payment is made by that date

6) Cancellation

a) Cancellation by the **Insured**

i. Cooling off cancellation rights

The **Insured** has the right to cancel the insurance from inception within 14 days of the receipt of the documents at the start of the Insurance or within 14 days of the start of the insurance whichever is later ("the cooling off period") if the cover does not meet their requirements by returning all documents and any certificate to the Broker Intermediary or Agent who arranged the Policy

The **Insurer** shall return any premium paid in full within 30 days of the receipt of the notice of cancellation from the Broker Intermediary or Agent if the cover is cancelled either

- before the inception date or
- within the 14 day cooling off period provided that no claim has been made or incident advised that could give rise to a claim in these circumstances no return of premium will be made

GENERAL CONDITIONS CONTINUED

ii. Cancelling the Policy after the cooling off period

The **Insured** may cancel the insurance at any other time by contacting the Broker Intermediary or Agent who arranged the Policy

On receipt of the notification from the Broker Intermediary or Agent the **Insurer** will cancel the Policy and provide a proportionate return of the premium in respect of the unexpired Period of Insurance provided that no claim has been made or incident advised that could give rise to a claim in these circumstances no return of premium will be made

b) Cancellation by the **Insurer**

i. Non-payment of Premium

If the **Insurer** has not received the premium in accordance with the terms of General Condition 5) Payment of Premium the **Insurer** will cancel the Policy by giving 7 days' notice in writing by letter to the **Insured** at the **Insured's** last known address

The insurance will end immediately the 7 days' notice runs out

If the **Insured** has just incepted the Policy or renewed the Policy with the **Insurer** and the premium is unpaid then the **Insurer** will cancel the insurance from the inception or renewal date

ii. Cancellation for any other reason

The **Insurer** may cancel the Policy or any section or endorsement by giving 30 days' notice in writing by letter to the **Insured** at the **Insured's** last known address

The **Insurer** does not have to give a reason for the cancellation although valid reasons for doing so may include but are not limited to the following

- the **Insured** has not provided to the Broker Intermediary or Agent the information or documents the **Insurer** has requested as part of the terms and conditions in providing the insurance
- the **Insured** has not met the terms and conditions contained in this document of insurance including those shown on their schedule
- where the **Insured** does not comply with any of the different policy terms and conditions imposed by the **Insurer** as a result of the identification of misrepresentation as detailed in General Condition 1) Misrepresentation and Fair Presentation
- where an alteration is made to the **Business** the **Premises** or the **Property** or where the **Insured's** interest ceases unless agreed by the **Insurer** as detailed in General Condition 4) Alteration
- where the survey arranged by the **Insurer** has identified additional risks which were not evident to the **Insurer** prior to the survey or where the **Insured** have not complied with the **Insurer's** acceptance criteria nor with the timely completion of any risk improvements as detailed in General Condition 10) Subject to Survey
- The **Insured** has behaved in a manner that makes it inappropriate for the **Insurer** to continue the insurance, e.g. the **Insured** harassing or showing abusive or threatening behaviour towards the **Insurer's** staff or the **Insurer's** appointed representatives

The insurance will end immediately the 30 days' notice runs out

If the **Insured** has just incepted the Policy or renewed the Policy with the **Insurer** and the premium is unpaid then the **Insurer** will cancel the insurance from the inception or renewal date

The **Insurer** will provide a proportionate return of premium in respect of the unexpired Period of Insurance of the Policy or Section other than in circumstances listed below

- a) where the **Insurer** identifies fraud as detailed in General Condition 2) Fraud
- b) where a claim has been made or incident advised that could give rise to a claim

in these circumstances no premium shall be returned by the **Insurer**

GENERAL CONDITIONS CONTINUED

7) Choice of Law

Both parties to this contract have a choice as to which law should be applied. In the absence of written agreement to the contrary English law applies to this contract

8) Observance of Terms

It is a condition precedent to the **Insurer's** liability that the **Insured** shall observe the terms of the Policy so far as they relate to anything to be done or complied with

9) Legal Representatives

In the event of the death of the **Insured** the **Insurer** will indemnify the **Insured's** legal personal representatives in respect of liability at law previously incurred by the **Insured** provided they observe fulfil and be subject to the terms conditions and limitations of the Policy to the extent that they can apply

10) Subject to Survey

If any insurance by the Policy either at inception or subsequent renewal has been granted subject to the completion of a survey of the **Insured's** Health and Safety policy and the Risk Assessments completed in connection with the **Business** or the property insured under Section 3 – Contractor's All Risks or if during the Period of Insurance following notification of a claim or an alteration to the **Business** or to any property insured under Section 3 – Contractor's All Risks under this Policy the **Insurer** requires a survey

- a) then pending completion of such survey the terms conditions exclusions and limits as specified in the Policy and Schedule shall apply
- b) if following completion of the survey and in the opinion of the **Insurer** this has identified additional risks which were not evident to the **Insurer** prior to the survey then the **Insurer** reserves the right to alter or amend the terms and conditions of the Policy or to suspend or withdraw cover immediately
- c) the continuation of cover after the survey by the **Insurer** shall be subject to the **Insured** complying with the **Insurer's** acceptance criteria and the completion of any risk improvements required within the time frame agreed with the **Insurer** otherwise the **Insurer** may at its option invoke the General Condition 6) Cancellation

11) Limit of Indemnity

All the Sums Insured Limits of Indemnity and any other restrictions on the amount of the **Insurer's** liability stated in the Policy shall apply as maximum limits to the **Insurer's** liability irrespective of the number of persons entitled to indemnity under the Policy

For the purposes of the Sums Insured Limits of Indemnity and any other restrictions on the amount of the **Insurer's** liability the **Insured** and all other persons entitled to be indemnified under the Policy shall be treated as one party or legal entity so that there shall be only a single contract of insurance between the **Insurer** as one party and the **Insured** and all other persons entitled to be indemnified as the other party

12) Number of Persons Insured

The **Insured** will immediately notify the **Insurer** in writing of any alteration in the **Business** which may increase the risk of **Injury** or **Damage** including any alteration in the maximum number of persons stated in the Schedule working in the **Business**

13) Insureds Contribution

Where stated in the Schedule the **Insured** shall be responsible for paying the **Excess** in relation to each claim made by the **Insured** under this policy

14) Third Party Rights

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

The **Insured** shall not assign or transfer their rights under the Policy without the written agreement of the **Insurer**

GENERAL EXCLUSIONS

The Policy does not cover

1) War Government Action Radioactive Contamination and Sonic Bangs

Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any **Consequential Loss** or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from

- a) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- b) nationalisation confiscation requisition seizure or destruction by the government or any public authority
- c) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- d) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- e) pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds

2) Terrorism and Civil Commotion

Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any **Consequential Loss** directly or indirectly caused by or contributed to by or arising from

- a) **Terrorism**
- b) civil commotion in Northern Ireland

In any action suit or other proceedings where the **Insurer** alleges that by reason of this Exclusion as far as it relates to **Terrorism** any **Damage** or resulting loss or expense or **Consequential Loss** is not covered by the Policy the burden of proving that such **Damage** loss expense or **Consequential Loss** is covered shall be upon the **Insured**

3) Date Recognition (Not applicable to Section 2)

Damage or **Consequential Loss** of whatsoever nature or liability for damages attaching to the **Insured** or any associated costs relating thereto arising directly or indirectly from or consisting of the failure or inability of any

- a) computer data processing equipment microchip integrated circuit or any similar device or any computer software or computer firmware
- b) media or systems used in connection with any of the above

whether the property of the **Insured** or not

- i. to recognise correctly any date as its true calendar date
- ii. to capture save or retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date

4) Computer Virus

Alteration modification distortion corruption erasure of or damage to and **Consequential Loss** arising from any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or data or programs or software) whether the property of the **Insured** or not where such damage is directly or indirectly caused by or contributed to or by or arises from or occasioned by or results from a **Virus** or **Similar Mechanism** or **Hacking** or **Phishing** or **Denial of Service Attack**

5) Illegal Deliberate and Criminal Activities

Damage or **Consequential Loss** of whatsoever nature or liability for damages attaching to the **Insured** or any associated costs relating thereto arising directly or indirectly from

- a) damage or liability caused as a result of the **Premises** being used for illegal activities by the **Insured**
- b) deliberate or criminal acts by the **Insured**

SECTION 1 – PUBLIC LIABILITY

In the event of

- a) **Injury** to any person
- b) **Damage to Property**
- c) obstruction trespass nuisance or interference with any right of way light air or water
- d) wrongful arrest detention imprisonment or eviction of any person malicious prosecution or invasion of the right of privacy

occurring during the Period of Insurance within the **Territorial Limits** in the course of the **Business** the **Insurer** will indemnify the **Insured** in respect of all sums which the **Insured** become legally liable to pay as compensation and claimant's costs and expenses

The **Insurer** will also pay **Legal Costs** and **Solicitors' Fees**

Limit of Indemnity

The liability of the **Insurer** under this Section for compensation in respect of

- a) one occurrence or all occurrences of a series consequent on or attributable to one source or original cause
- b) all **Injury** and **Damage** occurring during any one Period of Insurance in respect of **Products Supplied**
- c) all **Pollution or Contamination** which is deemed to have occurred during any Period of Insurance

shall not exceed the Limit of Indemnity stated in the Schedule

Extensions to Section 1

1) Consumer Protection and Food Safety Acts – Legal Defence Costs

The **Insurer** will indemnify the **Insured** and at the **Insured's** request any director partner or **Employee** of the **Insured** against **Legal Costs** incurred with the **Insurer's** written consent in connection with the defence of any proceedings or an appeal against conviction arising from such proceedings brought for a breach of

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

committed or alleged to have been committed in the course of the **Business** during the Period of Insurance

Provided that this indemnity shall not apply to

- i. the payment of fines or penalties
- ii. proceedings or appeals in respect of any deliberate act or omission by the **Insured**
- iii. costs or expenses insured by any other policy

2) Court Attendance Compensation

The **Insurer** will indemnify the **Insured** for the costs of attendance at court to help defend or act as a witness in connection with any claim for which the **Insured** is entitled to indemnity under this Section and with the **Insurer's** agreement up to a maximum of £250 per day per person

3) Cross Liabilities

Where the **Insured** comprises more than one party the **Insurer** shall treat each party as the **Insured** as if a separate Policy had been issued to each provided that nothing in this Extension shall increase the liability of the **Insurer** beyond the amount for which the **Insurer** would have been liable had this Extension not applied

4) Data Protection Act

The **Insurer** will indemnify the **Insured** against liability at law incurred by the **Insured** under Section 13 of the Data Protection Act 1998 in connection with personal data (as defined in such Act) held by the **Insured** provided always that the **Insurer** shall not be liable for

- a) the payment of fines and penalties
- b) the cost of replacing reinstating rectifying or erasing any personal data

SECTION 1 – PUBLIC LIABILITY CONTINUED

5) Defective Premises Act

The **Insurer** will indemnify the **Insured** in respect of any legal liability incurred by the **Insured** during the Period of Insurance under the terms of the Defective Premises Act 1972 or the Defective Premises (Northern Ireland) Order 1975 in connection with any business premises or land which have been disposed of by the **Insured**

Provided that the **Insurer** shall not be liable

- a) for the cost of remedying any defect or alleged defect in the premises disposed of
- b) if the **Insured** is entitled to indemnity from any other source

6) Health and Safety at Work – Legal Defence Costs

The **Insurer** will indemnify the **Insured** and at the **Insured's** request any director or partner of the **Insured** or any **Employee** against **Legal Costs** incurred in defending prosecutions for a breach of the Health and Safety at Work Act 1974 or similar legislation in Northern Ireland the Channel Islands or the Isle of Man committed or alleged to have been committed in the course of the **Business** during the Period of Insurance. The **Insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given.

Provided that this indemnity shall not apply to the payment of fines or penalties

7) Indemnity to Other Parties

If the **Insured** so request the **Insurer** will indemnify the following parties

- a) any officer or committee member or other member of the **Insured's** canteen social sports or welfare organisations or ambulance first aid fire medical or security services (but excluding medical practitioners) against liability incurred in such capacity
- b) any partner director or **Employee** of the **Insured** against liability incurred in such capacity and in respect of which the **Insured** would have been entitled to indemnity under this Section if the claim had been made against the **Insured** as though each party was individually named as the **Insured** in this Section
- c) any **Principal** for whom the **Insured** have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the **Insured** and in respect of which the **Insured** are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the **Insured**

Provided that

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

8) Motor Contingent Liability

The **Insurer** will indemnify the **Insured** against legal liability arising out of the use of any motor vehicle in the course of the **Business** anywhere in Great Britain Northern Ireland the Channel Islands or the Isle of Man

Provided that the **Insurer** shall not be liable for

- a) any vehicle owned or provided by the **Insured** or any **Principal** for whom the **Insured** is working or any sub-contractor acting for or on behalf of the **Insured**
- b) damage to such vehicle or to goods conveyed in or on it
- c) any vehicle being driven by the **Insured**
- d) any vehicle being driven by any person who to the knowledge of the **Insured** or of the **Insured's** representative does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
- e) in respect of which the **Insured** is entitled to indemnity under any other insurance

SECTION 1 – PUBLIC LIABILITY CONTINUED

9) Contractual Liability

The **Insurer** will indemnify the **Insured** in respect of liability in accordance with the cover provided by this Section assumed under contract or agreement where such liability would not have arisen in the absence of such contract or agreement provided that full conduct and control of all claims is vested in the **Insurer**

The **Insurer** will not be liable for

- a) liquidated damages fines or penalties
- b) loss of or **Damage to Property** against which the **Insured** is required to effect insurance under the terms of clause 6.5.1 of the JCT Standard Form of Building Contract (or any subsequent revision or substitution of clause 6.5.1)
- c) loss of or **Damage to Property** brought on to any site of contract or place of work for the purpose of such contract or work
- d) liability arising from **Products Supplied** under a contract of sale

10) Temporary Employees

The **Insurer** will indemnify the **Insured** against legal liability arising out of the employment of temporary **Employees** provided that the total number of days during which all such temporary **Employees** are employed does not exceed 50 days during any one Period of Insurance

For the purpose of this extension the total number of days employed shall mean the combined total of days employed for all temporary **Employees**

11) Corporate Manslaughter and Corporate Homicide – Legal Defence Costs

The **Insurer** will indemnify the **Insured** against **Legal Costs** incurred with the **Insurer's** written consent in defending prosecutions under the Corporate Manslaughter and Corporate Homicide Act 2007 committed or alleged to have been committed in the course of the **Business** during the Period of Insurance. The **Insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given provided that this indemnity shall not apply to the payment of fines or penalties or the costs of remedial orders or publicity orders

Exclusions

The indemnity granted under this Section shall not apply to

1) Hazardous Locations

Liability arising from or in connection with work on or in

- a) rivers reservoirs canals docks harbours quays wharves piers jetties
- b) watercraft railways aircraft airports or airfields
- c) chemical or petrochemical works oil or gas refineries or storage facilities
- d) collieries mines or quarries
- e) nuclear installations power stations

2) Advice and Design

Liability arising from advice design formula specification inspection certification or testing provided by or on behalf of the **Insured** for a fee or in circumstances where a fee would normally be charged

3) Damage to Goods Supplied or Being Worked on

Liability in respect of

- a) **Damage** to any goods or other **Property** sold supplied delivered installed or erected by or on behalf of the **Insured**
- b) all costs of or arising from the need for making good removal repair rectification replacement or recall of any such goods or **Property** or any defective work carried out by or on behalf of the **Insured**
- c) **Damage to Property** being worked on if the **Damage** is as a result of such work

SECTION 1 – PUBLIC LIABILITY CONTINUED

4) Safety Critical Products and Exports to USA and Canada

Liability in respect of

- a) any **Products Supplied** which to the knowledge of the **Insured** are to be used as a safety critical part in connection with aircraft hovercraft aerial or aero spatial devices watercraft drilling platforms or rigs motor vehicles railways railway locomotives or carriages operational areas of gas chemical nuclear petrochemical or power generation plants or mines
- b) any **Products Supplied** knowingly exported directly or indirectly to the United States of America or Canada or their dependencies or trust territories

5) Fines

Liability in respect of liquidated damages fines penalties exemplary punitive aggravated or multiplied damages

6) Injury to Employees

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

7) Mechanically Propelled Vehicles

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

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

except where more specifically insured by any other policy

8) Pollution or Contamination

Liability arising

- a) out of **Pollution or Contamination** unless caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance provided that all **Pollution or Contamination** arising out of one incident shall be deemed to have occurred at the time such incident takes place
- b) directly or indirectly by **Pollution or Contamination** occurring in the United States of America or Canada or their dependencies or trust territories

9) Property in the Charge or Control of the Insured

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

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

10) Vessels or Craft

Liability arising out of ownership possession or use by or on behalf of the **Insured** of any vessel or craft designed to travel in on or through water air (including drones and other unmanned aerial vehicles) or space (other than hand-propelled watercraft)

SECTION 1 – PUBLIC LIABILITY CONTINUED

11) Work on Offshore Installations

Liability in respect of **Injury** loss or **Damage** in or on any **Offshore Installation** or any support vessel for any **Offshore Installation** or whilst in transit to or from any **Offshore Installation** or support vessel

12) Asbestos

Any liability of whatsoever nature arising out of the manufacture mining processing distribution testing remediation removal storage disposal sale use of or exposure to asbestos or materials or products containing asbestos

This Exclusion shall not apply in respect of such removal storage or disposal provided that

- a) the **Insurer's** liability in respect of **Injury** loss or **Damage** occurring during any one Period of Insurance shall not exceed £2,000,000 in the aggregate or the amount of the Limit of Indemnity for this Section as stated in the Schedule whichever is the lower
- b) such activity does not form part of the **Insured's** usual trade or **Business** or contract
- c) the discovery of asbestos by the **Insured** is unintentional and accidental
- d) upon discovery of asbestos or products made entirely or mainly of asbestos all work immediately stops
- e) an HSE licensed asbestos removal contractor who has Employers' Liability and Public and Products Liability insurances in force that
 - i. provide Limits of Indemnity no less than those stated in the Schedule and
 - ii. do not exclude the work to be carried out

is contracted if legally required to make safe the area in which the discovery is made as soon as is practicable

13) Contractual Liability

Liability which attaches because of a contract or agreement but which would not have attached in the absence of such contract or agreement otherwise than as set out in Extension 9

Conditions

1) Discharge of Liability

The **Insurer** may at any time pay to the **Insured** in connection with any claim or series of claims

- a) the amount of the Limit of Indemnity or
- b) any lesser amount for which such claim or claims can be settled less any sum or sums already paid as compensation claimant's costs and expenses **Legal Costs** and **Solicitors' Fees** recoverable prior to the date of such payment

On payment the **Insurer** shall relinquish the conduct and control of and be under no further liability in connection with such claim or claims except for the payment of costs and expenses incurred prior to the date of such payment

2) Other Insurances

If any claim under this Section is also covered in whole or in part by any other existing insurance or by an indemnity from any other source the liability of the **Insurer** shall be limited to any excess beyond the amount which would have been payable under such other insurance or from such other source had this Section not been effected

3) Heat Application

It is a condition precedent to the liability of the **Insurer** that the following precautions are complied with in respect of any work involving

- a) the use or application of heat involving hot air guns blow lamps blow torches welding or flame cutting equipment gas space heaters or the use of angle grinders grinding wheels disc cutters
- b) the heating of bitumen or similar bituminous compounds

SECTION 1 – PUBLIC LIABILITY CONTINUED

- c) the use of solvents or glues

anywhere other than at the **Insured's Premises**

- i. the site where the work is to be carried out must be cleared of any combustible materials or covered by non-combustible materials prior to the work commencing
- ii. suitable and fully operational fire extinguishing equipment must be kept ready for immediate use at the site of the work
- iii. blow lamps and torches must only be kept lit for the time they are in use and must not be left unattended when lit
- iv. gas cylinders that are not in use must be kept outside the building in which the work is taking place and at least 15 metres from the point of application of heat
- v. no heating of bitumen or bituminous compounds shall be carried out in any building or on the roof of any building
- vi. vessels for heating bitumen or bituminous compounds are continuously attended whilst heating is taking place
- vii. whilst solvents or glues are being used there is no use or application of heat or smoking and any pilot lights in the area are extinguished
- viii. a thorough inspection must be undertaken after each period of work for any signs of combustion in the area where the work is being carried out and also 60 minutes after the completion of the work

4) Underground Services

It is a condition precedent to the liability of the **Insurer** that the following precautions are complied with in respect of any work involving any digging or excavation work anywhere other than at the **Insured's Premises**

- a) reasonable steps are taken to ascertain the position of all pipes cables and underground services at the site of the work
- b) the **Insured** uses any telephone enquiry facility for the location of underground services

5) Bona Fide Subcontractors

It is a condition precedent to the liability of the **Insurer** in respect of work carried out for the **Insured** or on the **Insureds** behalf by Bona Fide subcontractors that

- a) payments to Bona Fide subcontractors do not exceed 25% of the **Insureds** annual turnover
- b) subcontractors hold current Public Liability insurance appropriate to the work to be carried out
- c) in the event of a claim in relation to work carried out by Bona Fide subcontractors the **Insured** shall provide documentary evidence of the Public Liability insurance held by the Bona Fide subcontractor at the time of their appointment to carry out the work

6) Certificate of Public Liability Insurance

If this Policy is cancelled any Certificate of Public Liability Insurance is similarly cancelled from the same date

SECTION 2 – EMPLOYERS’ LIABILITY

This Section of the Policy is operative only if stated in the Schedule

In the event of **Injury** sustained by any **Employee** of the **Insured** caused during the Period of Insurance and arising out of and in the course of their employment by the **Insured** for the purposes of the **Business** within the **Territorial Limits** the **Insurer** will indemnify the **Insured** in respect of all sums for which the **Insured** become legally liable to pay as compensation and claimant’s costs and expenses in respect of such **Injury**

The **Insurer** will also pay **Legal Costs** and **Solicitors’ Fees**

Limit of Indemnity

The liability of the **Insurer** under this Section for compensation and claimant’s costs and expenses (and **Legal Costs** and **Solicitors’ Fees**) in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause shall not exceed the Limit of Indemnity stated in the Schedule

Extensions to Section 2

1) Court Attendance Compensation

The **Insurer** will indemnify the **Insured** for the costs of attendance at court to help defend or act as a witness in connection with any claim for which the **Insured** is entitled to indemnity under this Section and with the **Insurer’s** agreement up to a maximum of £250 per day per person

2) Health and Safety at Work – Legal Defence Costs

The **Insurer** will indemnify the **Insured** and at the **Insured’s** request any director or partner of the **Insured** or any **Employee** against **Legal Costs** incurred in defending prosecutions for a breach of the Health and Safety at Work Act 1974 or similar legislation in Northern Ireland the Channel Islands or the Isle of Man committed or alleged to have been committed in the course of the **Business** during the Period of Insurance. The **Insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given

Provided that this indemnity shall not apply to the payment of fines or penalties

3) Indemnity to Other Parties

If the **Insured** so request the **Insurer** will indemnify the following parties

- a) any officer or committee member or other member of the **Insured’s** canteen social sports or welfare organisations or ambulance first aid fire medical or security services (but excluding medical practitioners) against liability incurred in such capacity
- b) any partner director or **Employee** of the **Insured** against liability incurred in such capacity and in respect of which the **Insured** would have been entitled to indemnity under this Section if the claim had been made against the **Insured** as though each party was individually named as the **Insured** in this Section
- c) any **Principal** for whom the **Insured** have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the **Insured** and in respect of which the **Insured** are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the **Insured**

Provided that

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

SECTION 2 – EMPLOYERS’ LIABILITY CONTINUED

4) Unsatisfied Court Judgments

In the event of a judgment for damages being obtained by any **Employee** or the personal representatives of any **Employee** in respect of **Injury** caused to the **Employee** during any Period of Insurance and occurring in connection with the **Business** against any person or company operating from premises in Great Britain Northern Ireland the Channel Islands or the Isle of Man in any court situate in these territories and remaining unsatisfied in whole or in part six months after the date of such judgment the **Insurer** will at the **Insured’s** request pay to the **Employee** or the personal representatives of the **Employee** the amount of such damages and any awarded costs to the extent that they remain unsatisfied

Provided that

- a) there is no appeal outstanding
- b) if any payment is made under the terms of this Extension the **Employee** or the personal representatives of the **Employee** shall assign the judgment to the **Insurer**

5) Temporary Employees

The **Insurer** will indemnify the **Insured** against legal liability arising out of the employment of temporary **Employees** provided that the total number of days during which all such temporary **Employees** are employed does not exceed 50 days during any one Period of Insurance

For the purpose of this extension the total number of days employed shall mean the combined total of days employed for all temporary **Employees**

6) Corporate Manslaughter and Corporate Homicide – Legal Defence Costs

The **Insurer** will indemnify the **Insured** against **Legal Costs** incurred with the **Insurer’s** written consent in defending prosecutions under the Corporate Manslaughter and Corporate Homicide Act 2007 committed or alleged to have been committed in the course of the **Business** during the Period of Insurance. The **Insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given provided that this indemnity shall not apply to the payment of fines or penalties or the costs of remedial orders or publicity orders

Exclusions

The indemnity granted under this Section shall not apply to

- 1) liability arising from or in connection with work on or in
 - a) rivers reservoirs canals docks harbours quays wharves piers jetties
 - b) watercraft railways aircraft airports or airfields
 - c) chemical or petrochemical works oil or gas refineries or storage facilities
 - d) collieries mines or quarries
 - e) nuclear installations power stations
- 2) liability in respect of **Injury** to any **Employee** arising out of the ownership possession or use by or on behalf of the **Insured** of any mechanically propelled vehicle or trailer attached thereto if such liability is required by any road traffic legislation to be the subject of compulsory insurance or other security
- 3) liability in respect of **Injury** to any **Employee** who is working in or on any **Offshore Installation** or any support vessel for any **Offshore Installation** or whilst in transit to or from any **Offshore Installation** or support vessel

SECTION 2 – EMPLOYERS’ LIABILITY CONTINUED

Conditions

1) Certificate of Employers’ Liability Insurance

If this Policy or Section is cancelled any Certificate of Employers’ Liability Insurance is similarly cancelled from the same date

2) Compulsory Insurance Legislation

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 the **Territorial Limits** but 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

3) Discharge of Liability

The **Insurer** may at any time pay to the **Insured** in connection with any claim or series of claims

- a) the amount of the Limit of Indemnity or
- b) any lesser amount for which such claim or claims can be settled less any sum or sums already paid as compensation claimant’s costs and expenses **Legal Costs** and **Solicitors’ Fees** recoverable prior to the date of such payment

On payment the **Insurer** shall relinquish the conduct and control of and be under no further liability in connection with such claim or claims except for the payment of costs and expenses incurred prior to the date of such payment

4) Other Insurances

If any claim under this Section is also covered in whole or in part by any other existing insurance or by an indemnity from any other source the liability of the **Insurer** shall be limited to any excess beyond the amount which would have been payable under such other insurance or from such other source had this Section not been effected

SECTION 3 – CONTRACTOR’S ALL RISKS

This Section and items under this Section of the Policy are operative only if stated in the Schedule

The **Insurer** will indemnify the **Insured** against **Damage** to

- 1) **Contract Works**
- 2) **Contractors’ Plant**
- 3) **Tools**
- 4) **Hired in Plant**

occurring whilst at the **Contract Sites** or anywhere within the **Territorial Limits** including whilst in transit therein by road, rail and inland waterway during the Period of Insurance

The liability of the **Insurer** under this Section arising from any one occurrence or all occurrences of a series consequent or attributable to one source or original cause shall not exceed the sums insured or limits stated in the Policy or in the Schedule

Always provided that this indemnity shall not apply to contracts originally scheduled to be of longer duration than 12 months exclusive of the Defects and Maintenance liability period as provided in Extension 2 unless otherwise declared to and agreed by the **Insurer** in writing

Section Definitions

Consequential Loss – Loss resulting from interruption or interference with the **Business** carried on by the **Insured** within the **Territorial Limits** in consequence of the **Damage**

Contractors’ Plant – Contractors’ plant and equipment demountable and temporary buildings and caravans and other items of a like nature for use in connection with **Contract Works** within the **Territorial Limits** the property of the **Insured** or for which the **Insured** is legally responsible excluding any property covered under the Tools and Hired in Plant items as stated on the Schedule or Extension 3) Directors’ and Employees’ Personal Effects or more specifically insurable

Contract Price – The valuation of the works to be carried out or the estimated contract price at the commencement date of the Contract

Contract Site – The buildings and land inside the boundaries at the location within the **Territorial Limits** where the **Insured** is performing or has performed the **Contract Works**

Contract Works – The temporary or permanent work specified in any contract whether written or verbal (which is not originally scheduled to be of longer duration than 12 months exclusive of the defects liability period) which is being executed or is to be executed or has been executed in the course of the **Business** including **Materials** used in connection therewith

Damage – Accidental physical loss destruction of or damage to tangible property

Debris Removal – The costs and expenses necessarily incurred by the **Insured** with the prior written consent of the **Insurer** to

- a) remove debris from
- b) dismantle and/or demolish
- c) shore-up or prop-up
- d) clear or repair drains and service mains

following **Damage** to the portion or portions of the **Contract Works** and/or **Contractors’ Plant**

Hired in Plant – Contractors’ plant, tools and equipment, demountable and temporary buildings and caravans and other items of a like nature for use in connection with **Contract Works** within the **Territorial Limits** hired in by the **Insured** for which the **Insured** is legally responsible for any **Damage** to such property under the terms of the hiring conditions excluding any property covered under **Contractors’ Plant** or **Tools** items as stated in the Schedule or Extension 3) Directors’ and Employees’ Personal Effects or more specifically insurable

For the purposes of this definition Hired in Plant shall not include any items on higher purchase lease or on free loan to the **Insured**

SECTION 3 – CONTRACTOR’S ALL RISKS CONTINUED

Materials – Unfixed materials and goods delivered to or placed on or adjacent to the **Contract Site** within the **Territorial Limits** which are intended for use in connection with the **Contract Works**

Pollution and Contamination – means pollution or contamination of building(s) or other structures or of water or land or the atmosphere and all loss or destruction or damage or injury directly or indirectly caused by such pollution or contamination

Tools –

- a) Portable tools and equipment including portable electronic equipment (excluding any mobile devices where the sole or primary function of the item is to make send and receive telephone calls and SMS messages) that are
 - i. the property of the **Insured** or
 - ii. the property of **Employees** for which the **Insured** has accepted responsibility and are not more specifically insured or
 - iii. hired in for which the **Insured** and/or **Employees** are legally responsible under a written contract of hire (excluding any property more specifically insured under the Hired in Plant item shown on the Schedule) whilst being used by the **Insured** and/or **Employees** during the course of the **Business**
- b) materials and other goods (other than portable tools and equipment as detailed in a) above relating to the trade or **Business** the property of the **Insured** or held by the **Insured** in trust or on commission being carried by the **Insured's** motor vehicle(s) excluding any property more specifically insured under the Contract Works item shown on the Schedule

Extensions to Section 3

These Extensions are not operative if only Tools are insured under this Section

All terms exclusions and conditions of this Section apply to these Extensions in addition to those shown below as applying to each Extension

1) Debris Removal

The **Insurer** will indemnify the **Insured** for costs and expenses necessarily incurred by the **Insured** with the prior consent of the **Insurer** in respect of **Debris Removal** dismantling demolition (including off site storage) shoring propping and clearance of drains and sewers following **Damage** at the **Contract Site** subject to a maximum of 10% of the **Contract Price** or the Contract Limit as stated in the schedule whichever is the lesser

The **Insurer** shall not be liable for any costs or expenses

- i. incurred in removing debris except from the **Contract Site** and any area immediately adjacent to such **Contract Site** where the **Insured** is legally responsible
- ii. arising from **Pollution or Contamination** of property not insured by this Policy

2) Defects and Maintenance Liability Period

The **Insurer** will indemnify the **Insured** for

- a) **Damage** to any permanent works comprising the **Contract Works** occurring during any maintenance or defects liability period specified in the conditions of contract subject to a maximum of 90 days unless otherwise declared to and agreed by the **Insurer** in writing but only in respect of **Damage** for which the **Insured** is liable arising from a cause occurring prior to the commencement of the maintenance or defects liability period
- b) **Damage** to the **Contract Works** or **Contractors' Plant** occurring during such maintenance or defects liability period subject to a maximum of 90 days and arising from or in connection with work actually undertaken by the **Insured** during such maintenance or defects liability period solely in connection with the **Insured's** contractual obligations to remedy a defect or complete any snagging list

3) Directors' and Employees' Personal Effects

The **Insurer** will indemnify the **Insured** for **Damage** to personal effects and clothing of any partner principal or director of the **Insured** or any **Employee** but only to the extent of the **Insured's** responsibility whilst

- a) on or about any **Contract Site** or
- b) at the **Insured's Premises** or

SECTION 3 – CONTRACTOR’S ALL RISKS CONTINUED

anywhere within the **Territorial Limits** including whilst in direct transit thereto or therefrom subject to a maximum of £1,000 any one item and an aggregate maximum of £10,000 in any one Period of Insurance

Exclusions

The **Insurer** shall not be liable for

- a) **Damage** to mobile devices where the sole or primary function of any item is to make send and receive telephone calls and SMS messages
- b) **Damage** to gold or silver articles watches jewellery or money
- c) **Damage** to such personal effects left unattended on or about any **Contract Site** or at the **Insured’s Premises** unless contained in
 - i. a securely locked building or
 - ii. a vehicle which has been securely locked at all points of access and any security alarms and immobilisers fitted to the vehicle are in full operation and such personal effects are concealed from view
- d) the first £250 of each and every claim under this Extension
- e) **Damage** to such personal effects more specifically insurable

4) Plans

The **Contract Price** includes an amount for plans, specifications and other documentation necessary for the execution of the contract but the **Insurer’s** liability under this Extension for loss of or damage to such plans specifications and documentation shall be limited to the cost of reproducing such plans, specifications and documentation and shall not exceed 10% of the **Contract Price** or £10,000 any one loss whichever is the lesser

5) Professional Fees

The **Insurer** will in addition to the sum insured for the Contract Works stated in the Schedule pay for architects’ surveyors’ consulting engineers’ and other professional fees necessarily incurred with the prior written consent of the **Insurer** in the reinstatement of the **Damage**

Provided that

- a) such professional fees shall not exceed those authorised under the scale of the appropriate professional body or institute regulating such charges prevailing at the time of the **Damage**
- b) the **Insurer** shall not provide indemnity against any fees incurred in preparing or pursuing any claim

6) European Union and Public Authorities

The **Insurer** will indemnify the **Insured** for the additional cost of reinstating the lost destroyed or damaged **Contract Works** as may be incurred with the prior written consent of the **Insurer** 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 **Damage** subject to an amount not exceeding 15% of the Contract Works limit as stated in the Schedule

Provided that the reinstatement of such lost destroyed or damaged **Contract Works** is completed within 12 (twelve) months of the occurrence of the **Damage** or within such further time as the **Insurer** may in writing allow

Exclusions

The **Insurer** shall not be liable for costs for

- a) any requirements relating to any undamaged part of the **Contract Works** other than foundations (unless foundations are specifically excluded from this Insurance)
- b) any rate tax duty development or other charge or assessment which may arise out of capital appreciation as a result of complying with any of the regulations or requirements referred to above
- c) where the notice to comply has been served upon the **Insured** or the legal owner of the **Contract Site** prior to the occurrence of the **Damage**

SECTION 3 – CONTRACTOR’S ALL RISKS CONTINUED

7) Expediting Expenses

In the event of **Damage** to the **Contract Works** or the **Contractors’ Plant** and subject to its prior written consent the **Insurer** will pay as indemnity to the **Insured** the additional expenditure of

- a) the payment of overtime and weekend shift working
- b) plant hire charges
- c) express or special delivery charges

necessarily incurred in making temporary repairs or expediting repair reinstatement or replacement of such **Damage**

Provided that the liability of the **Insurer** under this Extension shall not exceed 50% or £25,000 whichever is the lesser of the amount which the repair reinstatement or replacement would have cost if these expenses had not been incurred

Exclusion

The **Insurer** shall not be liable for costs solely in order to expedite the completion of any construction erection or installation of **Contract Works** or **Contractors’ Plant** not damaged

8) Immobilised Plant

The **Insurer** will indemnify the **Insured** for costs and expenses necessarily incurred by the **Insured** in respect of recovery or withdrawal of any **Contractors’ Plant** or **Hired in Plant** which is accidentally immobilised on or adjacent to the **Contract Site** within the **Territorial Limits** subject to a maximum of £25,000 for any one loss

Provided that such recovery or withdrawal is not necessitated solely by

- a) electrical or mechanical breakdown or derangement
- b) failure to maintain the equipment in accordance with the manufacturer’s instructions

Exclusion

The **Insurer** shall not be liable for the cost of recovering any **Contractors’ Plant** or **Hired in Plant** situated underground

9) Additional Interest

The interest of third parties which the **Insured** is required to include herein under the terms of any contract mortgage property lease hiring leasing or hire purchase agreement are automatically deemed to be held covered but solely to the extent as required by the conditions of the contract or the agreements in force between the **Insured** and the third party subject to notification by the **Insured** to the **Insurer** at the time of the **Damage**

10) Continuing Hire Charges and Negligent Breakdown

The **Insurer** will indemnify the **Insured** in respect of their legal liability

- a) for the payment of continuing hiring charges in respect of **Hired in Plant** hired in by the **Insured** whilst such plant is out of use following **Damage** for which an indemnity is provided under this Section as stated in the Schedule
- b) for **Damage** to and or breakdown of **Hired in Plant** hired in by the **Insured** caused by the negligence or mis-use of such plant by the **Insured**

Provided that the terms of any hiring agreement are no more onerous than the Model Conditions for the Hiring of Plant of the Construction Plant-hire Association or the Scottish Plant Owners Association

Exclusions

The **Insurer** will not be liable for

- a) liability incurred for the first 48 hours that such property is out of use
- b) liability arising from the payment of hiring charges for a period exceeding 60 days
- c) liability for sums in excess of £15,000 in respect of any one item of **Hired in Plant** during any one hiring period

SECTION 3 – CONTRACTOR’S ALL RISKS CONTINUED

11) Offsite Storage at Third Party Locations

The **Insurer** will indemnify the **Insured** for **Damage to Materials** used in connection with the **Contract Works** whilst away from the **Contract Site** at any third party storage locations within the **Territorial Limits** subject to aggregate maximums of 15% of the **Contract Price** or £50,000 whichever is the lesser at any one location

Provided that

- a) such **Materials** are separately stored and identified as being designated for incorporation into a specific contract undertaken or to be undertaken by the **Insured**
- b) the **Insurer** shall not be liable for **Damage to Materials** whilst being worked upon in preparation for their use at the **Contract Site**

12) Indemnity to Principle

If the **Insured** so request the **Insurer** will indemnify any **Principal** for whom the **Insured** have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the **Insured** and in respect of which the **Insured** are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the **Insured**

13) Tools of Temporary Employees

This Extension is operative only when Tools are shown on the Schedule

The **Insurer** will indemnify the **Insured** for **Damage to Tools** the property of temporary **Employees** employed by the **Insured** in connection with the **Business** for which the **Insured** are legally liable for an amount not exceeding £500 any one item and £1,500 any one occurrence or series of occurrences attributable to one original cause or source

Provided that the total number of days during which all such temporary **Employees** are employed by the **Insured** does not exceed 50 days during the Period of Insurance and excluding any property more specifically insured

For the purposes of this extension the total number of days shall mean the combined total of days employed for all temporary **Employees**

Clauses

1) Consecutive Damage within 72 Hours

Damage to the property insured under this Section as stated in the Schedule at any one **Contract Site** caused by Storm Flood and Subsidence Ground Heave or Landslip occurring in any one period of 72 (seventy two) consecutive hours during any one Period of Insurance shall for the purpose of the **Excess** stated in the Schedule be deemed as one occurrence

2) Free Issue Materials

The **Contract Works** shall be deemed to include free issue materials supplied by or provided to the **Insured** for inclusion in the contract and for which they are legally responsible

For the purposes of this Extension the value of these materials will not be included in determining the **Contract Price**

3) Reinstatement of Losses

Unless written notice to the contrary be given by either the **Insurer** or the **Insured** the insurance by this Section shall not be reduced by the amount of any loss and the **Insured** shall pay the appropriate additional premium from the date of the **Damage** to the date of expiry of the Period of Insurance

Basis of Settlement

Contractors Plant and Tools

In the event of **Damage to Contractors’ Plant and Tools** the basis of settlement shall be limited to the market value at the time of the **Damage** of such items subject to the maximum limits as stated in the Schedule other than where such items at the time of the **Damage** are within one year of purchase as new and provided that

- a) the **Damage** is by theft and such items of plant and tools are not recovered within 28 days of such theft being reported to the police and notified to the **Insurer** or

SECTION 3 – CONTRACTOR’S ALL RISKS CONTINUED

- b) such items of plant and tools are damaged to the extent that the cost of repairs will exceed 50% of the manufacturer’s recommended retail price plus taxes immediately prior to such **Damage** and the claim is settled as a total loss

in these circumstances the **Insurer** will pay for the cost of purchasing a new replacement item of plant or tools of the same make and model of equal performance or capacity provided that

- i. the **Insured** requests it
- ii. such a replacement is available (otherwise the replacement will be by plant or tools with the nearest highest performance or capacity) and
- iii. the total payment will be limited to a maximum of £50,000 any one claim above the amount which would otherwise have been payable under this Section had this proviso within the Basis of Settlement not been incorporated

Hired In Plant

In the event of **Damage** to **Hired In Plant** the basis of settlement shall be limited to the market value at the time of the **Damage** of such items subject to the maximum limits as stated in the Schedule

Contract Works

In the event of **Damage** to **Contract Works** the basis of settlement shall be the cost of reinstatement meaning the rebuilding replacement repair or restoration of such **Contract Works** to a condition substantially the same as but not better or more extensive than its condition at the time of the **Damage**

Exclusions

The **Insurer** shall not be liable for

- a) **Consequential Loss** liquidated damages penalties for delay or non-completion loss of use guarantees of performance
- b) **Damage** due to work ceasing on the **Contract Site** of any contract for a continuous period in excess of 45 days consecutive days;
- c) **Damage** to railway locomotives rolling stock watercraft or aircraft
- d) **Damage to**
 - i. any mechanically propelled vehicle (including trailers or plant attached thereto or being towed) which is licensed for road use unless such **Damage** occurs on a **Contract Site**
 - ii. any tyres by application of brakes or by punctures cuts or bursts
- e) **Damage** to or the cost necessary to replace repair or rectify
 - i. the property insured by this Section as stated in the Schedule which is in a defective condition due to a defect in design plan specification materials or workmanship of such property insured or any part thereof
 - ii. the property insured by this Section as stated in the Schedule damaged to enable the replacement repair or rectification of such property insured excluded by e) i. above
provided that Exclusion e) i. shall not apply to any other property insured by this Section as stated in the Schedule which is free of the defective condition but is accidentally damaged as a consequence thereof
- f) **Damage** caused by or the cost of making good of
 - i. mechanical or electrical breakdown or derangement
 - ii. **Contractors’ Plant** caused by its own explosion
 - iii. vermin or insects
 - iv. scratching tearing or fouling by pets or domesticated animals
 - v. corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching wear tear or other gradual deterioration

SECTION 3 – CONTRACTOR’S ALL RISKS CONTINUED

but this Exclusion shall be limited to the parts immediately affected and shall not apply to **Damage** arising in consequence thereof

- g) **Damage** to deeds, bonds and/or **Money** and **Non-Negotiable Money**
- h) **Damage** to the **Contract Works** after being completed handed over taken into use or for which a certificate of completion has been issued other than as provided for under Extension 2 Defect and Liability Maintenance Period
- i) any loss caused by
 - i. disappearance unexplained or inventory shortage misfiling or misplacing of information
 - ii. the wilful act or wilful neglect of the **Insured**
 - iii. acts of fraud or dishonesty
 - iv. the voluntary parting with title or possession of the property insured by this Section as stated in the Schedule by the **Insured** if induced to do so by deception
- j) **Damage** to any property forming or which has formed part of any structure (including contents thereof) existing at the time of the commencement of the **Contract Works**
- k) **Damage** arising out of the use or occupation of any portion of the **Contract Site** by any owner tenant or occupier
- l) **Damage** caused by or arising from **Pollution or Contamination** other than that of or to the **Contract Works** or **Contractors’ Plant** unless otherwise excluded
- m) **Damage** for which the **Insured** is relieved of responsibility under the terms of any contract
- n) **Damage** to
 - i. nuclear material
 - ii. any works including decommissioning in or of any building plant equipment or other property which has been used or is designated to be used for the production or use of nuclear material
- o) any loss occasioned by delay embargo nationalisation confiscation requisition seizure or destruction by the government or any public authority
- p) **Damage** to the **Contractors’ Plant** and **Tools** whilst let out on hire by the **Insured**
- q) **Damage** to **Tools** or unfixed non-ferrous metals left unattended
 - i. whilst on or about any **Contract Site** unless contained in a securely locked building or
 - ii. whilst in transit within the **Territorial Limits** unless contained in a securely locked vehicle

for the purposes of this exclusion a securely locked vehicle means a vehicle which has been securely locked at all points of access and any security alarms and immobilisers fitted to the vehicle are in full operation and such **Tools** or unfixed non-ferrous metals are concealed from view
- r) **Damage** attributable solely to a change in the water table level

SECTION 3 – CONTRACTOR’S ALL RISKS CONTINUED

Conditions

1) Unattended Contract Site Precautions

It is a condition precedent to the **Insurer’s** liability for **Damage** that when the **Contract Site** is left unattended the **Insured** shall

- a) leave the **Contract Site** securely locked
- b) keep any **Tools** and moveable **Materials** left on the **Contract Site** inside a locked and secured building or site hut
- c) keep any moveable plant and equipment left on the **Contract Site** in a secure and locked compound or building

2) Scaffolding Equipment Precautions

It is a condition precedent to the **Insurer’s** liability for **Damage** that each and every item of scaffolding equipment shall be security marked

3) Plant Hire

It is a condition precedent to the **Insurer’s** liability that:

- a) all **Hired in Plant** hired by the **Insured** is subject to the Construction Plant-hire Association Conditions of Contract or the Scottish Plant Owners Association conditions or other similar conditions
- b) all **Hired in Plant** is maintained in a safe and sound condition and is examined by the **Insured** prior to and at the end of each hiring and any defects rectified
- c) a written record is kept of the date upon which each item of **Hired in Plant** of equipment is inspected with a note of any maintenance undertaken

SECTION 4 – LEGAL EXPENSES

The **Insurer** will only indemnify the **Insured** for **Claims** where the dispute and/or legal proceedings and/or **HMRC Investigation** are or would be within the **Territorial Limits** and the **Claim** is notified to the **Insurer's** appointed representative Lyons Davidson Solicitors during the Period of Insurance and is in connection with the activities within the scope and extent of the **Business** activities of the **Insured** as specified in the Schedule

If the **Insured's Claim** is covered under this Section and no exclusions apply then it is vital that the **Insured** complies with the conditions of this Section in order for the **Insured's Claim** to proceed. The conditions applicable to this Section are contained below and should be read carefully. Two of the main conditions to this Section are that the **Claim** has **Prospects of Success** and that costs associated with the **Claim** are **Proportional**

Section Definitions

Acts of Parliament – All Acts of Parliament referred to in this policy shall include any subsequent amendments re-enactments or regulations and equivalent legislation enforceable within the **Territorial Limits**

Any One Claim – All **Claims** consequent upon the same original cause event or circumstance

Appointed Representative – A solicitor barrister or other appropriately qualified person appointed to act for the **Insured** in accordance with the terms of this policy

Claim – A claim under this policy for **Legal Expenses** or **Professional Expenses**

Excess – The amount the **Insured** is responsible for each and every **Claim** or loss as specified in the Schedule

HMRC Investigation – **Inland Revenue Investigations** and **VAT Disputes**

Inland Revenue Investigations –

a) Business Self Assessment Full Enquiry

The investigation which takes place when an officer of HM Revenue & Customs (“HMRC”) makes a request to examine all of the **Insured's** business books and records and issues a formal notice under S9A or S12AC of the Taxes Management Act 1970 or under Paragraph 24(1) Schedule 18 Finance Act 1998

b) Employer Compliance Dispute

The enquiries which take place following an expression of dissatisfaction with the **Insured's** PAYE and/or NIC affairs following an employer compliance visit by HMRC or following an expression of dissatisfaction with the **Insured's** P11Ds or P9Ds

Insurer's Representative – Arc Legal Assistance Limited who administers and manages Section 4 – Legal Expenses of the Policy on behalf of the **Insurer**

Legal Expenses –

a) Fees

- i. Any professional fees, expenses and other disbursements reasonably incurred by the **Appointed Representative** with the consent of the **Insurer's Representative**; and
- ii. any costs incurred by other parties insofar as the **Insured** is held liable in court or tribunal proceedings to pay such costs or becomes liable to pay such costs under a settlement made with another party with the consent of the **Insurer's Representative** but excluding any costs which the **Insured** may be ordered to pay by a court of criminal jurisdiction

b) Witness Attendance Allowance

The amount of money per day the **Insured** is liable to pay the **Employee** each day they are required by the **Appointed Representative** to attend as a witness at a court or tribunal hearing. This indemnity is limited to £100 per day and a maximum of £1,000 in **Any One Claim**

Legal Expenses Helpline – As specified in the Schedule. The legal advice is provided by Lyons Davidson Solicitors who are authorised and regulated by the Solicitors Regulation Authority Lyons Davidson Solicitors make no charge to the **Insured** for providing these services. Calls to the **Legal Expenses Helpline** may be recorded. The **Insured** agrees that in all circumstances the **Insurer's Representative** has the **Insured's** express permission to review/listen to any call for auditing and monitoring purposes

SECTION 4 – LEGAL EXPENSES CONTINUED

Period of Insurance – From the Effective Date to the Expiry Date shown in the Schedule

Professional Expenses – Any fees, expenses and other disbursements reasonably incurred by the **Appointed Representative** with the consent of the **Insurer's Representative** but excluding any tax or VAT additional tax or VAT interest or penalties demanded, assessed or required by the relevant authorities or other penalties imposed by a court of criminal jurisdiction

Proportional – An estimate of the **Legal Expenses** and **Professional Expenses** to deal with the **Insured's** claim must not be more than the amount of money at stake. If the estimate exceeds the amount in dispute then the **Insurer's Representative** may decline or discontinue support for the **Insured's** case

Prospects of Success – In the professional opinion of the **Appointed Representative** there must be more than a 50% chance of winning the case and achieving a positive outcome. A positive outcome includes but is not limited to recovering the amount of money at stake enforcing a judgment or achieving an outcome which best serves the **Insured's** interests

VAT Disputes – The enquiries which take place following a written decision assessment or statement of alleged arrears made by HMRC into the **Insured's** Value Added Tax Return and/or any related Value Added Tax default surcharges and misdeclaration penalties

Sub-Section A – Criminal Prosecution

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in

- a) defending a prosecution against the **Insured** in a court of criminal jurisdiction
- b) an appeal by the **Insured** against the service of an Improvement or Prohibition Notice under the Health & Safety at Work Act 1974 or the Food Safety Act 1990

Exclusions

The **Insurer** shall not be liable to indemnify the **Insured** in respect of **Claims** arising out of or in connection with

- a) any prosecution relating to or arising from investigations by HMRC
- b) any prosecution for offences against the person including offences of a sexual nature
- c) any prosecution for criminal damage
- d) any prosecution alleging dishonesty
- e) any prosecution for non-endorsable road traffic offences except tachograph prosecutions and weight prosecutions
- f) an allegation of speeding or driving whilst under the influence of alcohol and/or drugs
- g) failure to insure a motor vehicle as required by law

Sub-Section B – Tax Protection

Sub-Section B1 – Inland Revenue Investigations

The **Insurer** agrees to indemnify the **Insured** against **Professional Expenses** incurred in respect of representation of the **Insured** in an **Inland Revenue Investigation** including representation at a First-tier Tribunal and at an appeal against a decision following such a Tribunal provided that there is a reasonable prospect of reducing the liabilities alleged by HMRC

Sub-Section B2 – VAT Disputes

The **Insurer** agrees to indemnify the **Insured** against **Professional Expenses** incurred in representation of the **Insured** in a **VAT Dispute** in respect of

- a) the local review procedure in order to reach agreement with HMRC
 - b) a First-tier Tribunal Upper Tribunal or VAT Tribunal including an appeal
- provided that there is a reasonable prospect of reducing the liabilities alleged by HMRC

SECTION 4 – LEGAL EXPENSES CONTINUED

Exclusions

The **Insurer** shall not be liable to indemnify the **Insured** in respect of

- a) technical or routine treatment of matters not connected with nor arising out of an expression of dissatisfaction with the **Insured's** affairs
- b) the defence of any criminal prosecution
- c) taxation proceedings which arise out of negligent mis-statements or omissions made by or on behalf of the **Insured** in respect of returns or accounts or where there has been a lack of reasonable care in the keeping of business books and records
- d) any **HMRC Investigation** which results solely from investigation of earlier accounts or records
- e) any **Claim** where the tax return is submitted outside the statutory time limits and/or in a penalty position or where the **Insured** has not notified chargeability to tax within the statutory time limits
- f) the preparation and/or correction of Self Assessment Returns accounts Income Tax Returns P11Ds P35s VAT returns or any other statutory returns
- g) any enquiry under Public Notice 160 or Section 60 of the VAT Act 1994 or matters handled by HM Revenue and Customs Specialist Investigations Civil Investigations of Fraud and Criminal Investigations Sections. Also Code of Practice 8 and 9 cases
- h) an enquiry into the validity of a claim for Working Tax Credit or a dispute concerning the payment of the Working Tax Credit by an employer
- i) any dispute in connection with the payment of the National Minimum Wage
- j) a dispute or enquiry in respect of IR35 legislation
- k) any **Claim** made where a return submitted at the final filing date contains provisional figures in respect of all of the trading income and expenditure items
- l) an investigation arising out of a voluntary disclosure made to HMRC in respect of omitted tax NIC or VAT liabilities which become due as a result of the **Insured's** deliberate act or following an HMRC amnesty where the **Insured** has made an incorrect return to HMRC
- m) an investigation by HMRC into a tax planning arrangement where the Anti Avoidance Intelligence Unit of HMRC has allocated a number for inclusion on the relevant Self- Assessment Return or any matter relating to bespoke tax planning

Sub-Section C – Data Protection

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in defending any dispute or legal proceedings brought against the **Insured** under the Data Protection Act 1998 including an appeal by the **Insured** against a refusal of an application for registration or alteration of registered particulars or an appeal against an Enforcement Deregistration or Transfer Prohibition Notice. The **Insurer** further agrees to indemnify the **Insured** against compensation awards which the **Insured** is ordered to pay under Section 13 of the Data Protection Act 1998 consequent upon the holding loss or unauthorised disclosure of data provided that any compensation award follows the unsuccessful defence of an action arising out of the Data Protection Act 1998 to which the Insurer's Representative's consent has been granted and has not been withdrawn

Sub-Section D – Personal Injury

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in the pursuit of any dispute or legal proceeding for damages for **Injury** to the **Insured** caused by the actual or alleged act or omission of a third party

SECTION 4 – LEGAL EXPENSES CONTINUED

Exclusions to Section 4

The **Insurer** shall not be liable to indemnify the **Insured** in respect of

- 1) the defence of the **Insured** in civil legal proceedings for
 - a) injury or disease including psychiatric injury and/or stress
 - b) loss destruction or damage of or to property
 - c) alleged breach of any professional duty
 - d) any tortious liability
- 2) any dispute legal proceedings or **HMRC Investigation** made brought or commenced outside the **Territorial Limits**
- 3) **Legal Expenses** or **Professional Expenses** incurred without the prior written consent of the **Insurer's Representative** or in excess of the **Insurer's Representative's** consent
- 4) any **Claim** relating to or arising from any cause event or circumstance occurring prior to or existing at inception of the Policy and which has or which the **Insured** knew or ought reasonably to have known may give rise to a dispute legal proceedings or **HMRC Investigation** by or against the **Insured**
- 5) fines or other penalties imposed by a court or tribunal
- 6) any dispute legal proceedings or **HMRC Investigation** in respect of which the **Insured** is or but for the existence of the Policy would be entitled to indemnity under any insurance policy whether a legal expenses insurance or not or under a legal aid certificate or representation order
- 7) any Claim arising from the **Insured's** intentional wrongdoing or an act or omission with negligent disregard as to its consequences
- 8) any dispute or legal proceedings with Government or Local Authority departments concerning the imposition of statutory charges
- 9) disputes or legal proceedings between **Insureds** as specified in the Schedule or any endorsement thereto or with any parent company or subsidiary company or associated company or partner
- 10) any dispute between the **Insured** and the **Insurer** the **Insurer's Representative** the **Appointed Representative** or their insurance broker
- 11) any dispute or legal proceedings arising out of breach or alleged breach of confidentiality or passing off whether related to intellectual property or not or the use or alleged use of any intellectual property
- 12) any dispute or legal proceedings arising out of or in connection with actual or alleged defamation or malicious falsehood
- 13) any **Legal Expenses** or **Professional Expenses** incurred in respect of or in connection with a judicial review
- 14) appeals arising out of legal proceedings or **HMRC Investigations** to which the **Insurer's Representative's** consent has not been granted
- 15) any **Claim** consequential loss legal liability or any loss or damage to property directly or indirectly caused by or contributed to by seepage pollution or contamination of any kind
- 16) any **Legal Expenses** or **Professional Expenses** which the **Insured** should or would have had to incur irrespective of any dispute or legal proceedings

SECTION 4 – LEGAL EXPENSES CONTINUED

Legal Expenses Claims Conditions

1) Notification of Claims

In order to be covered by this Section the **Insured** must during the Period of Insurance immediately notify the **Insurer's** appointed representative Lyons Davidson Solicitors in writing if the **Insured** is aware of any cause event or circumstance which has given or may give rise to a **Claim** dispute legal proceedings or **HMRC Investigation** involving the **Insured**

Where such notification has been given the **Insurer** agrees to treat any subsequent **Claim** in respect of the cause event or circumstance notified as though the **Claim** had been notified during the Period of Insurance

Lyons Davidson Solicitors can be contacted by email or phone
Email LVCommercial@lyonsdavidson.co.uk
Telephone 0800 0321145

2) Insurer's Representative's Consent

The **Insurer** will only indemnify the **Insured** under this Section if the **Insurer's** consent in writing is obtained before any **Legal Expenses** or **Professional Expenses** are incurred. This consent will be given by the **Insurer's Representative** on behalf of the **Insurer** if the **Insured** can satisfy the **Insurer's Representative** that

a) the **Legal Expenses** and **Professional Expenses** are **Proportional** and

b)

i. where the **Insured** is pursuing there are **Prospects of Success** of proving the other party's legal liability and of recovering the damages claimed or other legal remedy sought

or

ii. where the **Insured** is defending there are **Prospects of Success** of defending the claim

or

iii. in respect of a criminal prosecution and where the **Insured** pleads guilty there are **Prospects of Success** of a significant mitigation of the **Insured's** sentence or fine

If during the course of a **Claim** the **Insured** ceases to satisfy the **Insurer's Representative** in respect of a) or b) above indemnity will be withdrawn in respect of **Legal Expenses** or **Professional Expenses**

The decision to grant consent or to withhold it will be taken on receipt of

A) a fully completed claim form

B) the information and documentation the **Insurer's Representative** reasonably requests

C) a legal opinion from the **Appointed Representative** as to a) and b) above

D) any advice the **Insurer's Representative** may deem it necessary to take

With the agreement of the **Insured** the **Insurer's Representative** may provide assistance in settling disputes the costs of which will be covered under the Policy subject to the payment of the **Excess** within the Limits of Indemnity

The **Insurer's Representative** at its discretion may require the **Insured** to obtain an opinion from Counsel at the **Insured's** expense as to the merits of the subject matter of the **Claim** such opinion to have regard to the same issues that the **Insurer's Representative** has in assessing the merits of any legal action. If based upon such opinion the **Insurer's Representative** is satisfied in respect of a) and b) above the **Legal Expenses** and **Professional Expenses** incurred in obtaining that opinion will be paid by the **Insurer** within the Limits of Indemnity

In granting its consent the **Insurer** undertakes to provide indemnity to the **Insured** subject to the terms and conditions of the Policy and Schedule but such consent does not imply that all **Legal Expenses** or **Professional Expenses** will be paid. In particular **Legal Expenses** or **Professional Expenses** for matters that go beyond the immediate scope of the **Claim** shall be deemed by the **Insurer** to fall outside the indemnity provided by the Policy

The **Insurer's Representative** reserves the right to limit its consent by time and/or financial amount of **Legal Expenses** or **Professional Expenses** and/or stage of proceedings to allow for a review of their continued consent

SECTION 4 – LEGAL EXPENSES CONTINUED

If after consent has been granted it is shown that the **Claim** has not been brought within the terms and conditions of the Policy and Schedule the **Insurer's Representative's** consent will be withdrawn and no indemnity shall be provided. The **Insurer** shall be entitled to recover any **Legal Expenses Professional Expenses** or compensation under Sub-Section C Data Protection previously paid

If the **Insured** elects to proceed with the pursuit or defence of a dispute or legal proceedings to which the **Insurer's Representative's** consent has been refused through lack of reasonable prospects as required in b) i. and ii. above and if the **Insured** is successful in such pursuit or defence the **Insurer** will pay **Legal Expenses** or **Professional Expenses** incurred after such consent had been refused subject to the terms and conditions of the Policy

3) Instruction and Choice of Appointed Representative and Counsel

The **Insurer's Representative** will choose an **Appointed Representative** to act on behalf of the **Insured** in any **Claim** under certain Sub-Sections specified in the Schedule

In all other Sub-Sections where recourse is necessary to a lawyer and there are enquiries or legal proceedings the **Insured** is free to choose an **Appointed Representative** to act in the name of and on behalf of the **Insured** in any enquiry or legal proceedings. The name and address of the **Appointed Representative** the **Insured** proposes to instruct must be notified to the **Insurer's Representative** in writing. The proposed **Appointed Representative** will enable the **Insured** to comply with the terms and conditions of the Section and will be appointed to act for the **Insured** in line with the **Insurer's Representative's** standard conditions of appointment. Any **Professional Expenses** or **Legal Expenses** charged by the **Insured's** proposed **Appointed Representative** in excess of those that would normally be incurred using the **Insurer's Representative's** standard scale of charges (available on request) will be the responsibility of the **Insured**. In all other **Claims** the **Insurer's Representative** will choose the **Appointed Representative** subject to the **Excess** unless there is a conflict of interest between the **Insured** and the **Insurer's Representative** when the **Insured** is free to choose an **Appointed Representative** to act in the name and on behalf of the **Insured** in any **Claim** to which the **Insurer's Representative** has consented

The **Insured** must not without the written consent of the **Insurer's Representative** enter into any agreement with the **Appointed Representative** as to the basis of calculation of **Legal Expenses** or **Professional Expenses**

In selecting the **Appointed Representative** the **Insured** shall have regard to its duty to minimise the cost of any **Claim** or legal proceedings. In all cases the **Appointed Representative** shall be appointed in the name of and on behalf of the **Insured**

If in the course of any **Claim** or legal proceedings the **Appointed Representative** wishes to instruct Counsel or an expert Counsel's or the expert's name and an explanation of the necessity for such instruction must be submitted to the **Insurer's Representative** for consent to the proposed instruction which will not be unreasonably withheld. A dispute arising from the **Insured's** choice of **Appointed Representative** may be referred to arbitration

4) Disclosure

In order for the **Insurer** to indemnify the **Insured** under this Section the **Insured** must

- a) give the **Appointed Representative** and the **Insurer's Representative** all necessary help and information including a complete and truthful account of the facts of the case and all relevant documentary or other evidence in the **Insured's** possession. The **Insured** must provide obtain or execute all documents as necessary and attend meetings or conferences as requested
- b) instruct the **Appointed Representative** to provide the **Insurer's Representative** any information document or advice in connection with any **Claim** and the subject matter of any **Claim** even if privileged. In addition the **Insured** must instruct the **Appointed Representative** to provide the **Insurer's Representative** with regular updates on the progress of the subject matter of any **Claim** and inform the **Insurer's Representative** immediately if and when any circumstance adversely impacts the factors taken into account in granting the **Insurer's Representative's** consent.

Indemnity may be withdrawn if the **Insured** fails to co-operate at all or within a reasonable time with the **Insurer's Representative's** or the **Appointed Representative's** requests or if the **Insured** or **Appointed Representative** fails to provide the **Insurer's Representative** with any information in connection with any **Claim** or the subject matter of any **Claim**

SECTION 4 – LEGAL EXPENSES CONTINUED

5) Payment of Legal Expenses Professional Expenses

All bills for **Legal Expenses** or **Professional Expenses** which the **Insured** receives from the **Appointed Representative** should be forwarded to the **Insurer's Representative** without delay. If the **Insurer's Representative** so requires the **Insured** must ask the **Appointed Representative** to submit the bill of costs for assessment or certification by the appropriate Law Society court or tribunal

The **Insured** is responsible for payment of all **Legal Expenses Professional Expenses** or compensation under Sub-Section C Data Protection. The **Insurer** may settle these direct if requested by the **Insured** to do so

The payment of some **Legal Expenses** or **Professional Expenses** does not imply that all **Legal Expenses Professional Expenses** or compensation under Sub-Section C Data Protection will be paid

6) Offer of Settlement

In order for the **Insurer** to indemnify the **Insured** under this Section the **Insurer** that the **Insured** must inform the **Insurer's Representative** in writing as soon as an offer to settle the subject matter of a **Claim** is received and/or the **Insured** proposes to make an offer of settlement. In any settlement the **Insured** must have regard to **Legal Expenses Professional Expenses** or compensation under Sub-Section C Data Protection **incurred** or likely to be incurred by the **Insurer** and the recovery thereof

No indemnity will be provided if the **Insured** enters into any agreement to settle without the prior written consent of the **Insurer's Representative** (such consent not to be unreasonably withheld) and the **Insurer** shall be entitled to recover any **Legal Expenses Professional Expenses** or compensation under Sub-Section C Data Protection previously paid

If the **Insured** unreasonably rejects an offer of settlement which the **Insurer's Representative** recommends acceptance of or makes an offer which the **Insurer's Representative** does not agree no further indemnity shall be provided

The **Insurer** may at its absolute discretion decide to pay the **Insured** the amount of damages that the **Insured** is claiming or is being claimed against the **Insured** instead of indemnifying the **Insured** for **Legal Expenses Professional Expenses** or compensation under Sub-Section C Data Protection. Where the **Insurer** exercises this discretion the **Insurer** will cease to be liable for any further **Legal Expenses Professional Expenses** or compensation under Sub-Section C Data Protection

7) Recovery of Costs

Whenever the **Insured** is awarded costs or under the terms of any settlement where costs are included those costs are to be repaid to the **Insurer**

The **Insured** and their **Appointed Representative** must make every effort to make a full recovery of costs. Where a settlement purports to be a global or a without costs settlement or where costs are awarded but not recovered the **Insured** agrees that a fair and reasonable proportion of that settlement will be deemed costs and due to the **Insurer**

Where such a settlement is paid in instalments all costs to the **Insurer** shall be paid first

8) Appeal Procedure

If following legal proceedings to which the **Insurer's Representative** has consented the **Insured** wishes to appeal against the judgment or decision of a court or tribunal the grounds for such appeal must be submitted to the **Insurer's Representative** through the **Appointed Representative** immediately or as soon as practicable so that the **Insurer's Representative** may consider whether to consent to such further action. If an appeal is lodged against a judgment or decision of a court or tribunal made in favour of the **Insured** following legal proceedings to which the **Insurer's Representative** has consented the **Insured** must notify the **Insurer's Representative** immediately in order that cover shall continue. The **Insurer's Representative** will inform the **Appointed Representative** of its decision. If the **Insurer's Representative** so requires it the **Insured** must co-operate in an appeal against the judgment or decision of a court or tribunal

SECTION 4 – LEGAL EXPENSES CONTINUED

9) Duty to Minimise

The **Insured** must take all reasonable precautions to avoid and prevent **Claims HMRC Investigations** legal proceedings and disputes. The **Insured** must use every endeavour and take all reasonable measures to minimise the cost and effect of any **Claim**

10) Insolvency or Liquidation of the Insured

If the **Insured** becomes insolvent or is placed in liquidation receivership administration or bankruptcy or enters into a voluntary arrangement or deed of arrangement or if any application is made to the court or meeting convened for any such purpose the **Insurer** has the right to immediately cease to provide indemnity for **Legal Expenses Professional Expenses** or compensation under Sub-Section C Data Protection notwithstanding any previous consent the **Insurer's Representative** may have granted

11) Value Added Tax

If the **Insured** is registered for VAT the **Insurer** will not pay the VAT element of any **Legal Expenses** or **Professional Expenses**

12) Arbitration

Any dispute between the parties as to the amounts to be paid under the Section may where both parties agree be referred to an arbitrator who will be either a solicitor or a barrister. If the parties cannot agree on their choice of arbitrator the Law Society may be asked to make a nomination. The arbitration will be binding and carried out under the Arbitration Act. The costs of the arbitration will be at the discretion of the arbitrator

GENERAL CLAIMS CONDITIONS

1) Action by the **Insured** (not applicable to Section 4 – Legal Expenses)

On the happening of any event or circumstance which could give rise to a claim by the **Insured** under the Policy or on receiving verbal or written notice of any claim the **Insured** shall

- a) as soon as reasonably possible give notice to the **Insurer**
- b) immediately notify the Police in respect of any **Damage** caused by thieves or malicious persons and obtain a Crime Reference Number which must be advised to the **Insurer** as soon as reasonably possible
- c) immediately forward to the **Insurer** any writ or summons issued against the **Insured** by a third party
- d) take action to minimise the loss destruction or damage and to avoid interruption or interference with the **Business** and to prevent further loss destruction damage or injury
- e) at their own expense supply full details of the claim in writing to the **Insurer** together with any evidence and information that may be reasonably required by the **Insurer** for the purpose of investigating or verifying the claim and if demanded a statutory declaration of the truth of the claim and any matter connected with it within
 - i. 7 days of **Damage** caused by riot civil commotion strikers locked out workers or persons taking part in labour disturbances or malicious persons
 - ii. 30 days of the event or circumstance in the case of any other claim or of a request from the **Insurer**

No theft or attempted theft claim under this Policy shall be considered unless notified to the Police in accordance with 1b) above and a Crime Reference Number obtained

No settlement admission of liability payment or promise of payment shall be made to a third party without the prior written consent of the **Insurer**

No claim under the Policy shall be payable unless the terms of this Condition have been complied with

2) Rights of the Insurer

The **Insurer** shall

- a) be entitled at any stage to take over the defence or settlement of any claim made upon the **Insured** by any other party and to prosecute for its own benefit any claim for indemnity or compensation against any other persons in respect of any event insured by the Policy and at no cost to the **Insurer** the **Insured** shall give all assistance as may be reasonably required by the **Insurer**
- b) have the right to enter the **Premises** where the **Damage** has occurred and to keep possession of any property insured without thereby incurring any liability or diminishing any of the **Insurer's** rights under the Policy and to deal with the salvage in a reasonable manner but the **Insured** shall not be entitled to abandon any property to the **Insurer**
- c) at its option indemnify the **Insured** by payment reinstatement replacement or repair in respect of any property lost or damaged or part thereof. If the **Insurer** elects to reinstate or replace any property they shall not be bound to reinstate or replace exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than the Sum Insured thereon

3) Conditions

Every Condition to which the Policy or any part thereof is or may be subject shall from the time the Condition attaches apply and continue to be in force during the whole currency of the Policy and non-compliance with any such Condition insofar as it increases the risk of loss destruction or damage shall be a bar to any claim in respect of such loss destruction or damage provided that whenever the Policy is renewed a claim in respect of loss destruction or damage occurring during the renewal period shall not be barred by reason of a Condition not having been complied with any time before the commencement of such period

GENERAL CLAIMS CONDITIONS CONTINUED

4) Arbitration (not applicable to Section 4 – Legal Expenses)

If any difference shall arise as to the amounts to be paid under the Policy such difference may at the **Insurer's** option be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions.

Where any difference is by this Condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the **Insurer**

Any other difference shall be subject to the exclusive jurisdiction of the courts of England and Wales

5) Claims Co-operation

The **Insured** will provide all help and assistance and co-operation required by the **Insurer** and/or their appointed representatives in connection with any claim

USEFUL INFORMATION

How to make a claim

Please contact in the first instance the Broker Intermediary or Agent who arranged the Policy. Alternatively telephone the Claims Helpline on **0800 032 1170**. Please quote your Policy Number

If you need to notify a possible Claim under Section 4 – Legal Expenses please immediately contact the **Legal Expenses Helpline**

Telephone **0800 0321145**

How to complain

If you have a complaint about your policy or the service you have received please contact the Broker Intermediary or Agent that arranged it

If they are unable to resolve your complaint you may refer your complaint to the Financial Ombudsman Service within six months of receiving their final response letter

Should you be unhappy with the service provided by LV= please contact us by phone on **0800 678 3161** or write to us at LV=, County Gates, Bournemouth, BH1 2NF E-mail: feedback@LV.com

Please quote the Policy Number in all correspondence

A copy of our complaint handling procedure is available on request

If we cannot resolve your complaint you may refer your complaint to the Financial Ombudsman Service within six months of receiving our final response letter

The address is: Financial Ombudsman Service, Exchange Tower, London E14 9SR

Telephone: **0800 023 4567** or **0300 123 9 123** (from mobile or non BT lines)

E-mail: complaint.info@financial-ombudsman.org.uk

Website: www.financial-ombudsman.org.uk

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

Details about our Regulator

Liverpool Victoria Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

Compensation

If we are unable to meet our liabilities to policyholders, you may be able to claim compensation from the Financial Services Compensation Scheme. The level of compensation differs depending on the type of cover:

Compulsory Insurance Non-compulsory Insurance

100% of the claim 90% of the claim

Further information can be obtained from:

Financial Services Compensation Scheme,
10th Floor
Beaufort House
15 St Botolph Street
London
EC3A 7QU

Telephone **0800 678 1100** or **020 7741 4100**

enquiries@fscs.org.uk

www.fscs.org.uk



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