



The Insured has applied for this Insurance by a proposal to the Insurer and is the basis of this contract, which is deemed to be incorporated herein and in consideration will pay the premiums. In return the Insurer will provide the Insurance as described in the Policy subject to the terms and conditions and exclusions therein. This Policy (including the schedule, proposal and any endorsements) shall be read together as one document.

## SCHEDULE

Agent: **BN/ BHK Insurance Services Limited**

Policy Number: **BHK/00129745/2014/003**

Insured: **Assured Security Shredding Limited**

Additional Trading Name(s) **As Above**

Insured's Address: **Unit B 137 Molesey Avenue  
West Molesey  
Surrey  
KT8 2RY**

Business Description: **Secure document shredding & paper recycling**

Period of Insurance: **From 18th January 2014 to 17th January 2015 both days inclusive**

Limits of Indemnity:

<b>Employers' Liability</b>	<b>£ 10,000,000</b>	<b>Any one occurrence and unlimited in the period</b>
<b>Public Liability</b>	<b>£ 2,000,000</b>	<b>Any one occurrence and unlimited in the period</b>
<b>Product's Liability</b>	<b>£ 2,000,000</b>	<b>Any one occurrence and in the aggregate in the period</b>
<b>Commercial Legal Expenses</b>	<b>£100,000</b>	<b>Each and every claim (compensation aggregate limit £1,000,000 in the period)</b>

Excess: **£ 2,500** each and every event in respect of third party property damage only

Minimum & Deposit Premium: **£ 2,425.00**

Adjustment Premium: **£ 0.00**

Revised Total Minimum & Deposit Premium: **£ 2,425.00**

Insurance Premium Tax @ 6.00%: **£ 145.50**

Policy Administration Fee: **£ 0.00**

Total Minimum & Deposit Premium: **£ 2,570.50**

Date Proposal Completed: **13/01/2014**

Additional Trading Location(s) **None**

Signed on behalf of Casualty & General Insurance Company (Europe) Ltd.

Authorised insurers, registered in Gibraltar (Reg. No. 89400)

The Company is licensed by the Commissioner of Insurance under the Insurance Companies Ordinance to carry on insurance business in Gibraltar

Authorised Signatory

Dated this 17th day of January 2014

### IMPORTANT NOTICE – Please check this Policy very carefully

The Policy of Insurance concluded between the Insurer and the Insured is attached hereto. The Insured and their insurance intermediary should carefully review the contents of the Policy (including its attached schedule, endorsements and proposal). If any of the information set out therein is incorrect, the Insured or their insurance intermediary must notify the Insurer within 14 days of receipt of this. Failure to do so may invalidate the Insurance provided.



## **E2. Ex Work Away**

This Policy excludes liability arising from any work away from the **insured**'s premises other than collection and delivery.

## **E3. Ex Use of Heat**

This Policy excludes liability arising out of the use of heat.

## **E21. Waste disposal warranty**

The **insured** hereby warrants that all waste material of any description shall be disposed of at a licensed tip and in accordance with the terms of such licence.

## **E23. Burning of debris warranty**

The **insured** hereby warrants that the following special precautions shall be complied with on each occasion of the burning of waste material of any description:

- (a) No fire shall be lit within 20 metres of any building or structure, or of any material which is combustible, or susceptible to damage by heat or smoke;
- (b) Suitable fire extinguishing appliances shall be kept available for immediate use at the point of work;
- (c) Every fire will be attended and properly supervised when lit and for the period of not less than one hour after burning has been completed.

## **E350 - Essential Business Legal**

This Policy is extended to include the unique Essential Business Legal package covering legal services and insurance for a number of legal scenarios and disputes.

Full details can be found in the policy wording under Section 3, the voucher code for the service is X1232KB3C35B.

All other terms and conditions remain unaltered.



**IMPORTANT NOTICE: Please check this proposal for insurance very carefully.**

The proposal, together with any other information supplied to the Insurers must not be misleading or incomplete and shall form the basis of the contract with the Insurers and shall be incorporated therein. If you are aware (having made all due enquires) of any information not specifically requested in the proposal but which may have a material bearing upon the Insurer's decision on whether or not to provide cover or the terms upon which such cover would be provided, you must notify the Insurer via your intermediary of it before the contract of Insurance is concluded and obtain their specific confirmation that they are willing to proceed. You must inform Insurers via your intermediary of any material alterations or additions to the statements or particulars contained within this proposal, which occur before any contract of Insurance based on this proposal is effected.

**Disclosure and Claims**

Ensure that all information provided is correct and that all questions are answered accurately and in full.

These details, together with any other information supplied to the Insurers, will form the basis of the Insurance Policy and any incorrect information could invalidate all or part of the Insurance contract.

Have the Proposer(s), or any Partner(s), or Director(s) ever;

a) had any proposal for insurance cancelled or has any Insurer ever declined to renew your Policy or required increased premium or imposed special terms? No

b) been prosecuted or are any prosecutions pending under the Health and Safety at Work Act or any other statute or regulation? No

c) been convicted of, prosecuted for or are any prosecutions pending for any criminal offence (other than motoring convictions)? No

**Claims**

Has the Insured suffered a loss, claim or incident (which may give rise to a claim) at these premises, or any other premises, whether insured or not in the last 5 years? No

Confirm that the above questions have been answered accurately.

If any of the above questions have been answered YES the quotation will need to be referred to the Underwriter for their approval.

**Business Name and Address**

**Details of the Business to be insured**

Legal status of the Proposer Limited Company

Proposer's name in full Assured Security Shredding Limited

**Address of the Business**

Unit B 137 Molesey Avenue  
West Molesey  
Surrey  
KT8 2RY

**The Business**

**Further details of the Business to be insured**

Full Business description Secure document shredding & paper recycling

Trade selected Recycling - general

Does the Proposer carry out any activities that are different to the trade selected? No

Does the Business trade from any additional locations? No

In which year did the Business start trading? (YYYY) 2013

**Working Procedures**

**The working procedures for the Business**

Are the Proposer's ways, works, machinery and plant properly fenced and otherwise in good order and regularly inspected to comply with statutory requirements? Yes

Is smoking allowed on the Business premises (select 'No' if no Business premises)? No

**Does the proposer have;**

a) a formal written Health and Safety policy (select 'Yes' if less than 5 employees where this is not required)? Yes

b) a formal safety training plan for employees (if E.L. required)? Yes

c) a documented procedure for high risk activities (if applicable)? Yes

d) a formal documented accident investigation plan? Yes

Does the Proposer or any of its employees engage in the application of heat either on or away from the Business premises?	No
Does the Proposer contract work to any sub-contractor?	No
Does the Proposer or any of its employees carry out any manual work (other than collection and delivery) away from the Business premises?	No
What is the maximum number of persons that are allowed on the Business premises at any one time?	0
Does the Proposer dispose of waste only at Council approved sites?	Yes
Does the Proposer allow public access onto the Business premises?	No

## Hazardous Activities

### Does the Proposer or any of its employees use, handle, transport or work in/on any of the following;

a) radioactive substances or devices?	No
b) explosive substances?	No
c) asbestos or silica or material containing these substances?	No
d) toxic or hazardous chemicals?	No
e) any materials giving rise to dust or fumes?	No
f) processes involving a noise level in excess of 85db?	No

## Coverage

### Sections of cover required:

Employers' Liability?	Yes
Employer Reference Number (ERN):	120/YA18862
Public Liability? (This is required on all policies, unless specifically agreed by Underwriters)	Yes
Product's Liability?	Yes

Does the Proposer manufacture all products sold, supplied or distributed?	Yes
---	-----

### Does the proposer manufacture , supply or distribute;

a) any product used in aircraft, aerospace device, motor vehicle, hovercraft, or waterborne craft or marine, motor or aviation purposes?	No
b) fertilisers, pesticides, fungicides and/or animal feeds?	No
c) pharmaceutical, medical, cosmetics, beauty aids and/or blood products?	No
d) chemicals/petrochemicals or any other substance of an explosive, toxic or noxious nature?	No
e) genetically modified organisms and/or seeds and/or products containing genetically modified organisms?	No
f) tobacco products?	No
g) asbestos products?	No
h) tanning machines, toys and/or mobile telecommunication equipment?	No
i) firearms and munitions?	No

## Number of Employees, Wages and Turnover

### Estimated wages (including all other earnings) for the period of insurance proposed for the following categories:

	Employees	Wages
Clerical/Administrative	0	£ 40,000
Director(s) - Non manual	0	£ 0
Director(s) - Manual	0	£ 0
Manual - Premises	0	£ 10,000
Drivers	0	£ 30,000
Wood working machinery and/or other power driven machinery	0	£ 0

### Estimated turnover for the period of insurance proposed, split by territory:

U.K.	£ 300,000
Other European Union	£ 0
U.S.A. and/or Canada	£ 0
Elsewhere	£ 0

### Limits of Indemnity required:

Employers' Liability	£ 10,000,000
Public Liability	£ 2,000,000
Product's Liability	£ 2,000,000

### Third party property damage excess required:

Are there any material facts (ie those which an insurer would regard as likely to influence the assessment or acceptance of the risk) or any other information which needs to be disclosed to Casualty and General which has not already been answered in the previous questions and statements?

Yes

Please give details

Tunover for paper shredding = £300,000  
Manual Shredding = £40,000 including drivers  
Clerical for shredding = £40,000

Neil Taylor Transport Ltd went into administration last year

#### **E.U. Disclosure Clause (UK)**

Notice to the Proposer / Insured. The parties are free to choose the law applicable to this Insurance Contract. Unless specifically agreed to the contrary this Insurance shall be subject to English Law.

Any enquiry or complaint should be addressed in the first instance to your insurance intermediary.



CGICE

# General Liability Wording



In addition to the cover provided within the attached policy the **Company** also offers you the additional services as listed below;

## Claims Notifications Section One & Two

**0207 933 9141**  
**0207 933 9142**

## Section Three

**0117 917 1698**

## Helplines

### Legal & Tax advice

**0844 581 0400**

24 hour advice service in the event of a legal or tax problem.

The advice covers any business legal or tax matter and you can use this service as often as you like. Your query will be dealt with by a suitably qualified specialist experienced in handling a range of legal and tax related matters.

Use of this confidential service does not constitute reporting of a claim.

### Confidential Counselling **0844 477 1619**

In the event of an individual needing confidential help and advice, our counselors are available 24 hours a day, 365 days of the year. They are available to provide support on any matter that is causing your employee upset or anxiety, from gambling to bereavement.

## Legal Services

### Legal Document Max [www.arag.co.uk/docs](http://www.arag.co.uk/docs)

A service that provides a revolutionary legal services website resource. Legal Document Max has been designed to meet business needs, allowing unlimited free access to interactive documents such as employment contracts and health & safety documentation

Visit the web-site above and follow the link to "Essential Business Legal", then "Not registered yet?". You will then need to enter Voucher Code which is shown on your policy Schedule (in Endorsements) to register for the first time. You will then be given your individual sign in details to use in the future.



**Please check this Policy very carefully.**

The **Insured** has applied for this policy by a **Proposal** to the **Company** and is the basis of this contract, which is deemed to be incorporated herein and in consideration will pay the premiums. In return the **Company** will provide the cover as described in the policy subject to the terms and conditions and exclusions therein.

This policy (including the schedule, **Proposal**, and any endorsements) shall be read together as one document.

The policy of insurance concluded between the **Company** and the **Insured** is attached hereto.

The **Insured** and their insurance intermediary should carefully review the contents of the policy (including its attached schedule, endorsements and **Proposal**). If any of the information set out therein is incorrect, the **Insured** or their insurance intermediary must notify the **Company** within 14 days of receipt of this. Failure to do so may invalidate the Insurance provided.





General Liability Wording.....	3
General Exclusions.....	6
General Conditions.....	8
Section One – Employers Liability.....	10
Section Two – Public/Products Liability.....	12
Section Three – Essential Business Legal.....	17
Complaints Procedure.....	22



This policy and schedule (including any schedule issued in addition or substitution) and any endorsements or memoranda shall be considered one document and any word or expression to which a specific meaning has been attached shall bear such meaning wherever it appears unless noted otherwise.

## Definitions

Each and every word or phrase printed in bold type anywhere in this policy (other than as a heading or a reference to a section) shall have the following meaning:

### 1. Accidental

Sudden, unforeseen, fortuitous and identifiable.

### 2. Bodily Injury

Bodily injury, death, illness or disease.

### 3. Business

The business of the **Insured** as specified in the schedule, which is deemed to include:

- (a) the ownership, occupation and maintenance of land or buildings by the **Insured**;
- (b) the provision and management of canteen, social, sports and welfare, and other facilities and organisations for the benefit of the **Employee**;
- (c) the provision and operation of first aid, fire and ambulance services;
- (d) private work undertaken by any **Employee** for any director or partner of the **Insured** or **Employee** with the prior consent of the **Insured**;
- (e) participation in exhibitions held within the **Territorial Limits**.

### 4. Company('s)

Casualty & General Insurance Company (Europe) Ltd.

An insurance Company registered in Gibraltar (Reg. No. 89400) whose registered office is Montagu Pavilion, 10 Queensway, Gibraltar. The Company is licensed by the Commissioner of insurance under the insurance Companies Ordinance to carry on insurance business in Gibraltar.

### 5. Contract Works

All works executed or in the course of execution by or on behalf of the **Insured** in the performance of any contract entered into by the **Insured** and materials for incorporation therein and all plant, tools, equipment, temporary works or temporary buildings for use in connection therewith.

### 6. Damage(s)

Loss of or physical damage to **Property**.

### 7. Employee(s)

- (a) employee;
  - (b) person supplied to the **Insured** under a contract or agreement the terms of which deem such person to be in the employment of the **Insured**;
  - (c) labour master or labour only subcontractor or person supplied by any of them;
  - (d) self employed person;
  - (e) person hired to or borrowed by the **Insured**;
  - (f) person undertaking study or work experience;
  - (g) person while under the direct control and supervision of the **Insured**;
- while working or under the control of the **Insured** in connection with the **Business**.

Provided always that this definition shall not include any bona fide subcontractor.

### 8. Event

Any one occurrence or all occurrences of a series consequent on or attributable to one source or original cause.



## 9. Excess

The amount(s) specified in the schedule which the **Insured** agrees to pay in respect of all **Damages** and claimant's costs and expenses (unless otherwise stated) before the **Company** shall be liable to make any payment. The excess shall apply to each and every claim or series of claims arising out of one **Event**.

## 10. Insured('s)

Each and every person, firm or association named or identified as such in the schedule.

## 11. Legal Costs

- (a) costs of legal representation at;
  - (1) any coroner's inquest or inquiry in respect of any death;
  - (2) proceedings in any court arising out of any alleged breach of statutory duty;
- (b) all other costs and expenses in relation to the defence investigation or settlement of any claim incurred with the **Company's** written consent.

## 12. Period of Insurance

The period shown on the schedule page of the policy.

## 13. Principal('s)

Any party to a contract entered into by the **Insured** and entitled there under to receive the benefit of the **Insured's** work or services.

## 14. Products

Any goods, building or structure (including any component part thereof, or any container, label, instructions or advice supplied therewith) which is manufactured, designed, altered, distributed, constructed, erected, installed, repaired, serviced, treated, processed, sold, supplied, leased, or let on hire, by or on behalf of the **Insured** in the course of the **Business** and is no longer in the possession of the **Insured** but shall not include:

- (a) food or drink for consumption by any **Employee** on the premises of the **Insured** or at any other premises where the **Insured** is conducting his **Business**;
- (b) the **Contract Works**.

## 15. Property

Any material and tangible property.

## 16. Proposal

Any information supplied by or on behalf of the **Insured** prior to entering the insurance and any declaration made in connection therewith.

## 17. Territorial Limits

- (a) United Kingdom, the Channel Islands or the Isle of Man;
- (b) Elsewhere in the world, other than the USA or Canada or their respective territories or possessions, in connection with:
  - (1) non manual activities of any director or partner of the **Insured** or **Employee** ordinarily resident in the territories named in (a) above but temporarily engaged in the **Business** outside such territories;
  - (2) any occurrence arising out of **Products**.

## 18. Terrorism

Any act of any person(s) acting on behalf of or in connection with any organisation with activities directed towards the overthrowing or influencing of any government de jure or de facto or for the purpose of advancing a political, religious or ideological cause. An act falls within this section if it:

- (a) involves serious violence against a person or persons;
- (b) involves serious **Damage** to **Property**;
- (c) endangers a persons life, other than the person' committing the action;



- (d) creates a serious risk to the health and safety of the public or a section of the public;
- (e) is designed to interfere with or seriously disrupt an electronic system.



The following exclusions apply to this insurance as a whole. In addition, each section of this insurance has its own special exclusions which should be read carefully.

The **Company** shall have no liability under this policy to provide any indemnity or benefit:

## 1. Radioactive Contamination

for any legal liability directly or indirectly caused by or contributed to by or arising from:

- (a) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
- (b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- (c) exposure to any magnetic, electric or electromagnetic field or radiation, howsoever caused or generated.

## 2. Hazardous Work

for any legal liability arising from or in connection with:

- (a) any work of demolition except demolition solely undertaken with hand held tools and of structures not exceeding 15 metres in height when such work forms an ancillary part of a contract for construction, alteration or repair;
- (b) the construction, alteration, maintenance or repair of bridges, piers, docks, viaducts, towers, steeples, chimney shafts or blast furnaces;
- (c) underpinning, pile driving, quarrying, tunneling or mines;
- (d) the use of explosives;
- (e) the handling, removal, stripping out, demolition, transportation or disposal of asbestos or materials containing asbestos fibre. However, where such activities do not form part of the **Insured's** contract this exclusion shall not apply to legal liability arising from:
  - (1) the **Accidental** discovery of materials known or suspected to be asbestos or to contain asbestos fibre;
  - (2) the investigation of any such suspect materials;provided always that:
  - (1) immediately upon discovery as defined in (1) above all work ceases until the composition of all such materials is established;
  - (2) any subsequent handling, removal, stripping out, demolition, transportation or disposal of asbestos or materials containing asbestos fibre is carried out by qualified licensed subcontractors on terms which indemnify the **Insured** for liability arising out of such work;
- (f) any work undertaken airside or on aircraft, hovercraft, offshore installations or rig or platform or watercraft;
- (g) the sale, supply, hire or erection of spectator stands;
- (h) the use of cradles, slings and the like;
- (i) any work carried out at a depth greater than 0.5 metre below ground level;
- (j) any work carried out at a height in excess of 15 metres above ground level;
- (k) the external cleaning of windows above ground level.

## 3. Fine, Penalty, Punitive or Exemplary Damages

- (a) for any fine, penalty or punitive or exemplary damages or any damages resulting from the multiplication of compensatory damages;
- (b) for any order of costs awarded in any criminal proceedings.

## 4. Other Insurance

to the extent that indemnity is (or would be but for this insurance) available from any other source.

## 5. War

for any consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, insurrection or military or usurped power.

## 6. Terrorism

In respect of **Bodily Injury**, loss, **Damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of **Terrorism** (other than under Employers' Liability where the Limit of Indemnity for **Damages** costs and expenses payable in respect of any one claim against the **Insured** or series of claims against the **Insured** shall not exceed £5,000,000).



## 7. Asbestos

In respect of **Bodily Injury**, loss, **Damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any exposure to, inhalation or ingestion of, or fears of the consequences of exposure to, inhalation or ingestion of, asbestos other than under section 1 - employers' liability where the Limit of Indemnity for damages costs and expenses payable in respect of any one claim against the **Insured** or series of claims against the **Insured** shall not exceed £5,000,000 and where exclusion 2(e) above is complied with.



The following conditions apply to this policy as a whole. In addition, each section of this insurance has its own special conditions which should be read carefully.

## 1. Reasonable precautions

The **Insured** shall:

- (a) take all reasonable care to prevent any circumstances or to cease any activity which may give rise to liability under this policy and to maintain the premises plant and everything used in the **Business** in a sound condition and to act in accordance with all the statutory obligations and regulations;
- (b) as soon as possible after discovery, make good or remedy any defect or danger and in the meantime shall take any such additional precautions to be taken as the circumstances may require.

## 2. Claims Procedures & Controls

The **Insured** shall, as a condition precedent to the **Company's** liability to make any payment under this policy, give the **Company** all information and assistance as they may reasonably require, take no action which might prejudice the **Company** and not admit liability for or offer to settle any claim, costs or expenses without the written consent of the **Company**.

The **Company** shall be entitled at any time and at their sole discretion to:

- (a) take over and conduct in the **Insured's** name the defence of any claim and to prosecute in the **Insured's** name for the **Company's** benefit any claim for indemnity or **Damages** or otherwise against any third party;
- (b) conduct any negotiations and proceedings and the settlement of any claim;
- (c) pay to the **Insured** the Limit of Indemnity (less any costs incurred by the **Company**) or any lesser sum for which any claim can be settled, whereupon they shall be under no further liability to the **Insured** in respect of such claim.

Any person other than the **Insured** claiming any indemnity or benefit under this policy shall observe, fulfill and be subject to the terms, conditions and limitations of this policy (insofar as they apply) as if he were the **Insured**.

### (a) Claim notification for section 1 & 2

The **Insured** shall, as a condition precedent to the **Company's** liability to make any payment under this policy, give the **Company** notice (via Velocity Claims Management Ltd, 5th Floor, 5-10 Bury Street, London, EC3A 5AT – 0207 933 9141/ 0207 933 9142 (phone) or 0207 933 9140 (fax) or [claims@cgice.com](mailto:claims@cgice.com)) as soon as reasonably practicable of any:

- (a) occurrence which gives or may give rise to a claim by the **Insured** under this policy;
- (b) claim made or threatened against the **Insured**;
- (c) notice of any impending prosecution, inquest, inquiry, or other proceedings, relating to any matter for which indemnity or benefit may be provided under this policy;

and to include full particulars thereof and every letter, demand, writ, summons or other notice or process received by the **Insured**.

### (b) Claim notification for section 3

The **Insured** shall in the event that a claim is to be notified or a redundancy made, as a condition precedent to the **Company's** liability to make any payment under this policy notify the **Company** as soon as reasonably practicable by giving the **Company** notice via ARAG plc – 0117 917 1698 or via the website [www.arag.co.uk/newclaims](http://www.arag.co.uk/newclaims).

Under no circumstances should the **Insured** instruct a lawyer or accountant as the **Company** shall not pay the costs incurred and could invalidate cover.

The **Company** will issue the **Insured** with a written acknowledgement within one working day of receiving the claim. Within 5 working days of receiving all the information needed to assess the availability of cover under the policy, the **Company** will write to the **Insured** either:

- (a) appointing a suitably qualified representative who will promptly progress the claim for the **Insured**;
- (b) if the claim is not covered, explaining in full why and whether the **Company** can assist in another way.

## 3. Alteration of Risk

If at any time:

- (a) any change is made in the description of the **Business**;



(b) anything shall occur materially varying the information supplied to the **Company** at the time this insurance was effected;

the **Insured** shall give written notice to the **Company** as soon as is reasonably practicable.

The **Company** reserve the right to amend the terms of this policy at the time of such notification.

#### 4. Fraud

If the **Insured** shall make any claim knowing the same to be false or fraudulent this insurance shall become void and all benefit hereunder shall be forfeited.

#### 5. Adjustment of Premium

If any part of the premium is based on estimates provided by the **Insured** the **Insured** shall keep an accurate record containing all relevant particulars and shall at any time allow the **Company** to inspect such record. The **Insured** shall within three months after the expiry of each **Period of Insurance** furnish such information as the **Company** may require. The premium shall then be adjusted and the difference paid by or allowed to the **Insured** subject to any minimum premium required. The **Company** reserve the right to request the **Insured** to supply an auditors certificate attesting to the accuracy of any information furnished to the **Company**.

#### 6. English Law

This policy shall be governed by and construed in accordance with the law of England unless otherwise agreed by the **Company**. In the event of any dispute concerning the interpretation of this policy both the **Insured** and the **Company** agree to submit to the jurisdiction of any court of competent jurisdiction within the United Kingdom and to comply with all requirements necessary to give such court jurisdiction. All matters arising hereunder shall be determined in accordance with the law and practice of such court.

#### 7. Cancellation

The **Company** may cancel this policy by sending seven (7) days written notice to the **Insured** at the **Insured's** last known address and in such event the **Insured** will be entitled to a refund of a proportionate part of the premium corresponding to the unexpired **Period of Insurance**, subject to any minimum premium required.





## Cover and Jurisdiction

The **Company** will indemnify the **Insured**:

- (a) against legal liability for **Damages** and claimant's costs and expenses in respect of **Accidental Bodily Injury** sustained by any **Employee** caused during the **Period of Insurance** within the **Territorial Limits** and arising out of and in the course of employment by the **Insured** in the **Business**;
- (b) in respect of **Legal Costs** incurred with the written consent of the **Company** in connection with any occurrence which is or may be the subject of indemnity under (a) above;

provided always that no indemnity will be afforded by the **Company** in respect of any judgement, award or settlement made in any country or territory outside the United Kingdom, the Channel Islands or the Isle of Man (or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part) unless the **Insured** has requested that there shall be no such limitation and has accepted the terms offered by the **Company** in granting such cover which offer and acceptance must be signified by an endorsement attaching to this policy.

## Limit of Liability

Irrespective of:

- (a) the number of parties or entities entitled to indemnity;
- (b) the number of claimants;

the total amount payable by the **Company** under this section (including all Extensions) in respect of or arising from any one claim or series of claims arising out of one cause shall not exceed the Limit of Indemnity specified in the schedule.

## Conditions Precedent to section 1

### 1. Personal Protective Equipment

It is a condition precedent to liability under this policy that:

- (a) all **Employees** and any other operatives for whom the **Insured** is responsible, or may have responsibility, are made aware of the dangers of not using personal protective equipment;
- (b) personal protective equipment is provided;
- (c) a register is maintained which demonstrates that **Employees** have received appropriate training and are fully conversant with the way in which to access such personal protective equipment.

## Exclusions to section 1

This section will not apply to legal liability in respect of:

### 1. Road Traffic Legislation

**Bodily Injury** for which the **Insured** is required to arrange motor insurance or security in accordance with any road traffic legislation within the European Union.

### 2. Offshore Work

**Bodily Injury** sustained by any **Employee** while offshore.

Provided that any **Employee** shall be deemed by the **Company** for the purposes of this policy to be offshore from the time of embarkation onto a conveyance at the point of final departure to any offshore installation (including but not limited to any offshore rig or platform) until disembarkation onto land upon return from such installation.

## Extensions to Section 1

### 1. Legal Defence Costs

The **Company** will indemnify the **Insured** and, if the **Insured** so requests, any **Employee**, director or partner of the **Insured** in respect of **Legal Costs** and other expenses incurred with the written consent of the **Company** in the defence of any criminal proceedings brought or in relation to an appeal against conviction arising from such proceedings in respect of a breach of any Applicable Legislation.

Provided that the proceedings relate to both the health, safety and welfare of any **Employee** to an offence alleged to have been committed during the **Period of Insurance** in the course of the **Business**.



This extension will not apply:

- (a) to fines or penalties of any kind including the costs of remedial or publicity orders or the steps required to be taken by such orders;
- (b) to proceedings consequent upon any deliberate act or omission by:
  - (1) the **Insured**;
  - (2) any partner or director of the **Insured**;  
which could reasonably have been expected to constitute a breach of the Applicable Legislation having regard to the nature and circumstances of such act or omission;
- (c) where indemnity is provided by any other insurance.

For the purposes of this extension Applicable Legislation shall mean:

- (a) the Health & Safety at Work etc Act 1974;
- (b) the Health & Safety at Work (Northern Ireland) Act 1978;
- (c) the Corporate Manslaughter and Corporate Homicide Act 2007.

The total amount payable by the **Company** under this extension shall not exceed £100,000 any one occurrence and in the aggregate within the **Period of Insurance**.

## 2. Compensation for Court Attendance, inquests or enquiries

If at the request of the **Company** any of the under mentioned persons shall attend as a witness in connection with a claim in respect of which the **Insured** is entitled to indemnity under this section the **Company** will provide compensation to the **Insured** at the following rates per day for each day on which attendance is required;

- (a) any director or partner of the **Insured** £500;
- (b) any **Employee** £250.

## 3. Unsatisfied Court Judgements

If a judgement for **Damages** is obtained:

- (a) by any **Employee** or the personal representative of any **Employee** in respect of **Bodily Injury** sustained by the **Employee** caused during the **Period of Insurance** and arising out of and in the course of employment by the **Insured** in the **Business**;
- (b) against any **Company** or individual operating from premises within the United Kingdom, the Channel Islands or the Isle of Man;  
in any court within the territories specified in (b) above; **and**
- (c) remains unsatisfied in whole or in part six months after the date of such judgement;

at the request of the **Insured** the **Company** will pay to the **Employee** or the personal representative of the **Employee** the amount of any 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 representative of the **Employee** shall assign the judgement to the **Company**.



### Public Liability (a)/ Products Liability (b)

#### Cover and Jurisdiction

The **Company** will indemnify the **Insured**:

- (a) against legal liability for **Damages** and claimant's costs and expenses in respect of **Accidental Bodily Injury** and **Accidental Damage** to **Property** occurring during the **Period of Insurance** within the **Territorial Limits** and in connection with the **Business**;
- (b) against legal liability for **Damages** and claimant's costs and expenses in respect of **Accidental Bodily Injury** and **Accidental Damage** to **Property** occurring during the **Period of Insurance** within the **Territorial Limits** and in connection with the **Business** arising out of any **Products**;

and in respect of **Legal Costs** incurred with the written consent of the **Company** in connection with any occurrence which is or may be the subject of indemnity under (a) and (b) above;

provided always that no indemnity will be afforded by the **Company** in respect of any judgement, award or settlement made in any country or territory outside the United Kingdom, the Channel Islands or the Isle of Man (or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part) unless the **Insured** has requested that there shall be no such limitation and has accepted the terms offered by the **Company** in granting such cover which offer and acceptance must be signified by an endorsement attaching to this policy.

#### Limit of Liability

1. Irrespective of:
  - (a) the number of parties or entities entitled to indemnity;
  - (b) the number of claimants;

the total amount payable by the **Company** under this section (including all extensions) in respect of or arising from any one claim or series of claims arising out of one cause shall not exceed the Limit of Indemnity specified in the schedule.

Provided that the liability of the **Company** in any one **Period of Insurance** in respect of:

- (a) all events happening during any such **Period of Insurance** and arising out of **Products** shall not exceed the Limit of Indemnity as specified in the schedule;
- (b) all incidents deemed by the **Company** to have occurred during any such **Period of Insurance** in respect of pollution and contamination shall not exceed the Limit of Indemnity as specified in the schedule for Public Liability.

2. All legal costs payable by the **Company** shall be paid in addition to the Limit of Indemnity unless stated otherwise.

Provided that:

- (a) if a payment of damages and/or claimant's costs and expenses exceeding the Limit of Indemnity has to be made to dispose of the claim; and
- (b) the **Company** is liable to pay **Legal Costs** in addition to the Limit of Indemnity;

the liability of the **Company** for such **Legal Costs** shall be limited to such proportion as the Limit of Indemnity bears to the amount paid to dispose of such claim. Nothing contained in this clause shall be construed to vary or override General Condition 2 of this policy.

#### Exclusions

The **Company** shall have no liability under this policy to provide any indemnity or benefit for any legal liability:

##### 1. Pollution & Contamination

directly or indirectly caused by or arising from seepage, pollution or contamination of any kind, or for the cost of neutralising, containing, removing or cleaning-up any substance causing or resulting from any incidence of such seepage, pollution or contamination other than such liability directly caused by any sudden, unintended, and unexpected event which occurs in its entirety at a specific place and time during the **Period of Insurance**;

##### 2. Injury to Employees

for **Bodily Injury** sustained by any **Employee** arising out of and in the course of employment by the **Insured** in the **Business**;



### 3. Vehicles

arising out of the ownership, possession or use by or on behalf of the **Insured** of any mechanically propelled vehicle while in use in circumstances where insurance or security is required under the provisions of any road traffic legislation but this exclusion will not apply to:

- (a) mechanical plant while operating as a tool of trade;
- (b) the loading or unloading of any vehicle;

except in respect of legal liability for which:

- (a) insurance or security is required by law;
- (b) indemnity is provided by any motor insurance.

### 4. Vessels and Craft

arising out of the ownership, possession or use by or on behalf of the **Insured** or of any vessel or craft designed to travel in, on or through water, air or space.

### 5. Contract Works and Property in the Insured's Care, Custody or Control / JCT 21.2.1

in respect of loss of or **Damage to Property**:

- (a) which constitutes or forms any part of the **Contract Works** happening before the date of certified completion or handover of the **Contract Works** by the **Insured**;
- (b) which at the time of the **Event** giving rise to such liability is owned by, held in trust by or in the care, custody or control of or being worked upon by, the **Insured** or any **Employee** other than:
  - (1) personal effects of any **Employee**, director, partner or visitor to the **Insured**;
  - (2) premises (including their contents) not owned by or leased or rented to the **Insured** but temporarily occupied by the **Insured** for the purposes of undertaking work in connection with the **Business** provided that this paragraph (2) shall not include any **Property** to which (a) above applies;
  - (3) premises and their fixtures and fittings leased or rented to the **Insured** provided that where such liability has been accepted by agreement indemnity will only be provided to the extent that such liability would have attached in the absence of the said agreement;
- (c) in respect of which the **Insured** is required to effect insurance under the terms of clause 21.2.1 of the JCT Conditions (1980 edition or any revision or substitution thereof) or any clause of similar intent under any other conditions of contract.

### 6. Professional Services

arising from any breach of professional duty, or any wrong or inadequate advice design or specification produced or provided by the **Insured**.

### 7. Defective Work and Products

in respect **Damage** to or the costs of recall, removal, repair, alteration, replacement or reinstatement of any:

- (a) **Products**;
- (b) **Property** which comprises the **Contract Works**;

caused or necessitated by the defective condition or unsuitability of any part of such **Products** or **Property**.

### 8. Contractual Liability for Products

arising from or in connection with **Products** where such liability has been accepted by agreement except to the extent that such liability would have attached in the absence of the said agreement.

### 9. Motor, Aircraft & Marine Products

arising from or in connection with **Products** which are for use in or on any motor vehicle, aircraft, aerospace device, hovercraft or waterborne craft or for marine or aviation purposes.

### 10. Damage to Underground Services

in respect of **Damage** to any services located underground unless prior to commencement of any work which involves digging, boring or excavation the **Insured** has:

- (a) taken or caused to be taken all reasonable steps to identify the location of any services under the site of the work. Reasonable steps shall include the use of British Telecom's 'dial before you dig' service (access to



which is via the operator) in circumstances where it is possible that British Telecom cables are under such site;

- (b) retained a written record of the steps taken to locate such services.

Provided always that the indemnity afforded by the policy in respect of loss of or **Damage** to services located underground shall not apply to the amount of the **Insured's** Retained Liability specified below which shall be retained by the **Insured** as his own liability and uninsured.

<b>Insured's</b> Retained Liability	10% or the first £5,000 (whichever is the greater) of the amount of each and every claim or series of claims arising out of one originating cause.
-------------------------------------	--

### 11. Work Offshore

arising from or in connection with any work undertaken in or on any offshore accommodation, exploration, drilling or production rig/installation or offshore support vessel.

### 12. Deliberate Acts

arising from any deliberate act or omission of the **Insured** and which could reasonably have been expected by the **Insured** having regard to the nature and circumstances of such act or omission.

This exclusion shall also apply in respect of any deliberate act or omission of any other person entitled to indemnity but only in so far as indemnity to such person is concerned.

### 13. Work on behalf of the Insured

arising from or in connection with any work undertaken on behalf of the **Insured** other than by an **Employee**.

### 14. Component Building Material

caused by, resulting from or in connection with any component building material that must be removed, encapsulated, or otherwise abated because its presence or release is a hazard to human health.

### 15. Fungus, Mould and Mildew

- (a) arising out of, resulting from, caused by, contributed to, or in any way related to any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens;
- (b) any costs or expenses associated, in any way, with the abatement, mitigation, remediation, containment, detoxification, neutralisation, monitoring, removal, disposal, or any obligation to investigate or assess the presence or effects of any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens;
- (c) any obligation or duty to defend any actions on account of **Bodily Injury** or **Damage** or medical payments arising out of, resulting from, or in any way related to any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens.

Irrespective of the cause of such fungus, mildew, mould, spore(s) or allergens, and whenever or wherever occurring.

For purposes of this exclusion, "**Bodily Injury**" shall include mental anguish, mental injury and/or emotional distress.

### 16. Date Recognition (and Data)

from the failure of any computer or system for processing, storing or retrieving data whether the **Property** of the **Insured** or not to:

- (a) correctly recognise any data as its true calendar date;
- (b) 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;
- (c) capture, save, retain or correctly process any data as a result of the operation of any command which has been programmed in to any computer.

### 17. Excess

for the amount of the excess as specified in the schedule.



### Extensions

#### 1. Cross Liabilities

If the **Insured** comprises more than one party or entity the **Company** will indemnify each in the same manner and to the same extent as if a separate policy had been issued to each.

Provided that the total amount of indemnity afforded by the **Company** shall not exceed the Limit of Indemnity regardless of the number of parties or entities entitled to it.

#### 2. Contingent Motor Liability

Notwithstanding exclusion 3 the **Company** will indemnify the **Insured** and no other against legal liability arising out of the use in the course of the **Business** of any mechanically propelled vehicle not the **Property** of nor provided by the **Insured**.

This extension will not apply to legal liability:

- (a) arising while such vehicle is being driven by the **Insured**;
- (b) in respect of loss of or **Damage** to such vehicle owned or provided by any **Principal** for whom the **Insured** is working or any subcontractor acting for or on behalf of the **Insured**;
- (c) arising out of the use of any such vehicle owned or provided by any **Principal** for whom the **Insured** is working or any subcontractor acting for or on behalf of the **Insured**;
- (d) arising outside United Kingdom, the Channel Islands or the Isle of Man;
- (e) in respect of which the **Insured** is entitled to indemnity under any other insurance.

#### 3. Compensation for Court Appearance

If at the request of the **Company** any of the under mentioned persons shall attend as a witness in connection with a claim in respect of which the **Insured** is entitled to indemnity under this section the **Company** will provide compensation to the **Insured** at the following rates per day for each day on which attendance is required;

- (a) any director or partner of the **Insured** £500;
- (b) any **Employee** £250.

#### 4. Defective Premises Act

In so far as this section indemnifies the **Insured** against legal liability in respect of **Accidental Bodily Injury** or **Damage** to **Property** such section shall also apply to legal liability incurred by the **Insured** by virtue of Section 3 of the Defective Premises Act 1972 or

Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with premises disposed of by the **Insured**.

This extension will not apply to legal liability:

- (a) for the costs of remedying any defect or alleged defect in premises disposed of by the **Insured**;
- (b) in respect of which the **Insured** is entitled to indemnity under any other insurance.

#### 5. Indemnity to Principal

Where any contract or agreement between the **Insured** and the **Principal** so requires this policy is extended to indemnify the **Principal** in like manner to the **Insured** in respect of the **Principal's** liability arising from the performance of such contract or agreement provided always that the **Insured** shall have arranged with the **Principal** for the conduct and control of all claims to be vested in the **Company** in accordance with general condition 2 (a) (Claims Procedures and Controls).

#### 6. Overseas Personal Liability

The **Company** will indemnify the **Insured** and if the **Insured** so requests any director or partner of the **Insured** or **Employee** against legal liability incurred in a personal capacity while temporarily outside United Kingdom, the Channel Islands or the Isle of Man in connection with the **Business**.

This extension will not apply to legal liability:

- (a) arising out of the ownership or occupation of land or buildings;
- (b) in respect of which indemnity is afforded by any other insurance.



### 7. Legal Defence Costs

The **Company** will indemnify the **Insured** and, if the **Insured** so requests, any **Employee**, director or partner of the **Insured** in respect of **Legal Costs** and other expenses incurred with the written consent of the **Company** in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of any Applicable Legislation.

Provided that the proceedings relate to an offence alleged to have been committed during any **Period of Insurance** in the course of the **Business**.

This extension will not apply:

- (a) to fines or penalties of any kind including the costs of remedial or publicity orders or the steps required to be taken by such orders;
- (b) to proceedings consequent upon any deliberate act or omission by:
  - (1) the **Insured**;
  - (2) any partner or director of the **Insured**;which could reasonably have been expected to constitute a breach of the Applicable Legislation having regard to the nature and circumstances of such act or omission;
- (c) where indemnity is provided by any other insurance.

For the purposes of this extension Applicable Legislation shall mean:

- (a) the Health & Safety at Work etc Act 1974;
- (b) the Health & Safety at Work (Northern Ireland) Act 1978;
- (c) Part II of the Consumer Protection Act 1987;
- (d) the Corporate Manslaughter and Corporate Homicide Act 2007.

The total amount payable by the **Company** under this extension shall not exceed £100,000 any one occurrence and in the aggregate within the **Period of Insurance**.

### 8. Data Protection Act

The **Company** will indemnify the **Insured** and if the **Insured** so requests any **Employee**, director or partner of the **Insured** against legal liability arising under Sections 22 and 23 of the Data Protection Act 1984. For the purposes of this extension damage and/or distress within the meaning of such Act shall be deemed to be **Bodily Injury**.

Provided that the **Insured**:

- (a) is registered in accordance with the terms of such Act or has applied for registration which has not been refused or withdrawn;
- (b) has taken all reasonable care to comply with the requirements of such Act.

This extension will not apply to:

- (a) the costs of replacing, reinstating, rectifying or erasing data;
- (b) legal liability arising from or caused by any deliberate act or omission of the **Insured** or any person entitled to indemnity if the result thereof could reasonably have been expected by the **Insured** or such other person having regard to the nature and circumstances of such act or omission;
- (c) the payment of fines or penalties;
- (d) claims arising out of the circumstances notified to previous insurers or known to the **Insured** at the inception of this policy;
- (e) legal liability in respect of which indemnity is provided by any other insurance.



In respect of section 3 of the policy the following words &/ or meanings shall be defined as follows;

### 1. ARAG

ARAG plc who are the claims administrators under this section.

### 2. Legal Costs & Expenses

- (a) in respect of all **Insured Events** other than as provided for in (2) below;
  - (1) reasonable legal costs, fees and disbursements reasonably and proportionately incurred by the **Appointed Advisor** on the Standard Basis and agreed in advance by **ARAG**;
  - (2) reasonable accountancy fees, disbursements and other costs reasonably incurred by the **Appointed Advisor** and agreed in advance by **ARAG**;
  - (3) other side's costs incurred in civil claims where the Insured has been ordered to pay them or pays them with **ARAG's** agreement;
- (b) the **Insured's** loss of earnings incurred under **Insured Event 5** (h).

### 3. Appointed Advisor

The solicitor, accountant, or other advisor agreed in advance by **ARAG** to act on behalf of the **Insured** under the terms of the policy.

### 4. Reasonable Prospects of Success

In civil proceedings and criminal prosecution claims (except where the **Insured** pleads guilty), where the **Insured** has a greater than 50% chance of successfully pursuing or defending its claim. If the **Insured** is seeking damages or compensation, there must also be a greater than 50% chance of enforcing any judgement that might be obtained.

In criminal prosecution claims where the **Insured** pleads guilty, there is a greater than 50% chance of successfully mitigating the **Insured's** sentence or fine.

In tax claims, any dispute or appeal where the **Insured** has a greater than 50% chance of being successful.

In all claims involving an appeal, where the **Insured** has a greater than 50% chance of being successful.

### 5. Small Claims Court

A court in England & Wales that hears a claim falling under the small claims track in the County Court as defined by Section 26.6 (1) of the Civil Procedure Rules 1999.

### 6. Cover and Jurisdiction

For all **Insured Events** the **Company** will pay the **Insured's Legal Costs & Expenses** (and Compensation Awards under **Insured Event 2** up to the Limit of Indemnity, including the cost of appeals provided that:

- (a) the **Insured** has paid the insurance premium;
- (b) the **Insured Event** arises in connection with the **Business** and occurs within the **Territorial Limits**;
- (c) the claim;
  - (1) always has **Reasonable Prospects of Success**;
  - (2) is reported to the **Company**;
    - (a) during the **Period of Insurance**;
    - (b) immediately after the **Insured** first becomes aware of circumstances which could give rise to a claim under this policy;
- (d) the **Insured** always agrees to use the **Appointed Advisor** nominated by **ARAG** in any claim;
  - (1) falling under the jurisdiction of an Employment Tribunal or the Small Claims Court;
  - (2) prior to the issue of legal proceedings;
- (e) any proceedings or hearings are dealt with by a Court, tribunal or other body that **ARAG** agree to, in the **Territorial Limits**.

**The Company will indemnify the Insured against for the following Events;**

#### **Insured Event 1 EMPLOYMENT**





Defending the **Insured** in an employment dispute with an **Employee**, ex-employee, prospective employee or trade union acting on their behalf, arising from a breach or an alleged breach of their:

- (a) contract of service with the **Insured**;
- (b) statutory rights under employment legislation.

An employment dispute is deemed to have occurred once all internal dismissal, disciplinary and grievance procedures as set out under the Employment Act 2002 (Dispute Resolution) Regulations 2004 have been or ought to have been concluded.

### Exclusions to Insured Event 1

any claim:

- (a) for redundancy or alleged redundancy or unfair selection for redundancy, occurring during the first one hundred and eighty (180) days of this policy, except where the **Insured** has had equivalent cover in force up until the start of this policy;
- (b) arising from or relating to any transfer of business which falls under the scope of the Transfer of Undertakings (Protection of Employment) Regulations 2006;
- (c) for **Legal Costs & Expenses** relating to an internal disciplinary hearing or grievance procedure.

### Insured Event 2 EMPLOYMENT COMPENSATION AWARDS

Following a claim the **Company** has accepted under **Insured Event 1** any:

- (a) basic and compensatory award made against the **Insured** by a tribunal;
- (b) amount agreed by the **Company** in settlement of a dispute.

provided that:

- (1) **Reasonable Prospects of Success** exist for a wholly successful defence throughout;
- (2) in respect of any compensation payable for redundancy, alleged redundancy or unfair selection for redundancy the **Insured** has sought and followed advice from **ARAG** throughout including prior to serving any notice of a redundancy;
- (3) the compensation is awarded by a tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument other than by consent or default, or is payable under a settlement approved in writing by **ARAG**.

### Exclusions to Insured Event 2

any compensation awards relating to:

- (a) trade union activities, membership or non membership, industrial or labour arbitration, collective bargaining agreements, trade union recognition or matters concerning European Works Council;
- (b) money due to an **Employee** under a contract of employment or a statutory provision relating thereto;
- (c) the **Insured's** failure to comply with a reinstatement or re-engagement order;
- (d) a breach of an **Employee's** statutory rights under the National Minimum Wage Act 1998;
- (e) civil claims or statutory rights relating to trustees of occupational pension schemes.

### Insured Event 3 TAX PROTECTION

- (a) a formal aspect or full enquiry into the **Insured's** business tax affairs;
- (b) any appeal proceeding following an assessment by HM Revenue & Customs relating to Value Added Tax;
- (c) a dispute about the **Insured's** compliance with regulations relating to:
  - (1) Pay As You Earn;
  - (2) Social Security;
  - (3) National Insurance Contributions;
  - (4) following a review by HM Revenue and Customs;
- (d) a formal aspect or full enquiry into the personal tax affairs of the **Insured's** directors and/or partners.

provided that:

- (a) all returns are completed and have been submitted within the statutory timescales permitted;
- (b) in respect of aspect enquiries the **Insured** is responsible for the first £250 of each and every claim.

### Exclusions to Insured Event 3

any claim arising from or relating to:



- (a) an investigation by the Special Civil Investigation Office or the Special Compliance Office of HM Revenue and Customs;
- (b) an investigation under the Civil Investigation of Fraud procedure;
- (c) a tax avoidance scheme;
- (d) the submission of returns or accounts where the HM Revenue & Customs levy a penalty or claim for interest or which contain negligent misstatements or where the **Insured** falls below the standard of a reasonably prudent businessman in keeping books and records;
- (e) the **Insured's** failure to register for VAT.

### Insured Event 4 PROPERTY

A dispute relating to material **Property** which the **Insured** owns or is responsible for:

- (a) following an **Event** which causes or could cause **Damage** to the **Insured's** material **Property**;
- (b) following a public or private nuisance or trespass;
- (c) and which the **Insured** wishes to recover or repossess from an **Employee** or ex-employee.

### Exclusions to Insured Event 4

any claim arising from or relating to:

- (a) a contract between the **Insured** and the third party except for claim under 4 (c);
- (b) defending any claim brought against the **Insured** unless defending a counter-claim;
- (c) any claim relating to a motor vehicle whilst at the **Insured's** premises;
- (d) goods in transit or goods lent or hired out;
- (e) the compulsory purchase of, or restrictions or controls placed on the **Insured's** material **Property** by any government, local or public authority.

### Insured Event 5 COMPLIANCE & REGULATION

- (a) defending the **Insured** when dealing with the police or health & safety executive prior to the **Insured** being charged;
- (b) defending the **Insured** following an **Event** leading to the **Insured** being prosecuted in a court of criminal jurisdiction except parking offences;
- (c) representing the **Insured** following a notice by the relevant authority to alter, suspend, revoke or refuse to renew the **Insured's** statutory licence;
- (d) appealing against the terms of a Statutory Notice served against the **Insured**;
- (e) representing the **Insured** at a formal investigation or disciplinary hearing by any trade association, professional or regulatory body;
- (f) defending the **Insured** in a civil action alleging wrongful arrest arising from an allegation of theft;
- (g) defending the **Insured** in a civil action for compensation under section 13 of the Data Protection Act 1998 including compensation;
- (h) awarded against the **Insured** provided that the **Insured** are registered with the Information Commissioner;
- (i) the **Insured's** loss of earnings incurred when the **Insured** is absent from work to attend any court, tribunal, arbitration, disciplinary hearing or regulatory proceedings at the request of the **Appointed Advisor** or whilst on Jury Service. The amount we pay shall not exceed £100 per day or part thereof less whatever is recoverable from the court or tribunal subject to a maximum limit of £1000.

### Insured Event 6 EMPLOYEES' EXTRA PROTECTION

At the **Insured's** request:

- (a) defending an **Employee** in civil proceedings under legislation for unlawful discrimination on the grounds of sex, race, disability, sexual orientation, age, religious belief or political opinion;
- (b) defending an **Employee** as a trustee of a pension fund set up for the benefit of the **Insured's Employees**;
- (c) pursuing a claim following an **Event** causing an **Employee Bodily Injury** provided that the **Employee** is under a contract of service with the **Insured**.

### Exclusions to Insured Event 6

The **Company** will not indemnify the **Insured** for any claim arising from or relating to:

- (a) **Legal Costs & Expenses** or Compensation Awards incurred before **ARAG** accept a claim;
- (b) any actual or alleged act, omission or dispute occurring prior to, or existing at the inception of the policy, and which the **Insured** knew or ought reasonably to have known could give rise to a claim under this policy;
- (c) an allegation against the **Insured** involving:
  - (1) assault, violence or dishonesty;
  - (2) malicious falsehood;



- (3) the manufacture, dealing in or use of alcohol, illegal drugs, indecent or obscene materials;
- (4) illegal immigration;
- (5) offences under Part 7 of the Proceeds of Crime Act 2002 (money laundering offences);
- (d) the defence of legal proceedings relating to;
  - (1) **Damages** for **Bodily Injury** (other than injury to feelings), or **Damage** to **Property** owned by the **Insured**;
  - (2) a breach or alleged breach of professional duty;
  - (3) any tortious liability except where covered under **Insured Event 4**;
- (e) fines, penalties or compensation except as covered under **Insured Events 2** or **5** (g)
- (f) costs awarded against the **Insured** by a court of criminal jurisdiction following a conviction;
- (g) patents, copyright, trademarks, passing-off, trade or service marks, registered designs, secrecy and confidential information;
- (h) a dispute with any subsidiary, parent, associated or sister company or between shareholders or partners;
- (i) franchise rights, or agency rights where the **Insured** have the legal capacity to alter the legal relations of another;
- (j) a judicial review;
- (k) a dispute with **ARAG** or the **Company** not dealt with under Condition 6;
- (l) defamation;
  - (1) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
  - (2) radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
  - (3) war, invasion, act of foreign enemy hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;
  - (4) pressure waves from aircrafts or other aerial devices travelling at sonic or supersonic speed;
  - (5) any terrorist action (regardless of any other cause or event contributing concurrently or in any other sequence to the liability) or any action taken in controlling, preventing or suppressing terrorist action. If the **Company** alleges that by reason of this exclusion any liability or loss is not covered by this policy, the burden of proving the contrary shall be upon the **Insured**.

### Limit of Liability

The maximum **Legal Costs & Expenses** and Compensation Awards payable by the **Company** in respect of all claims related by time or original cause, is £100,000. In respect of Compensation Awards the maximum amount payable by the **Company** in respect of all claims aggregated in any one **Period of Insurance** is £1,000,000.

### Conditions Precedent to Section 3

Failure to keep to any of these conditions may lead the **Company** to cancel the **Insured's** policy, refuse a claim or withdraw from an ongoing claim. The **Company** also reserves the right to recover **Legal Costs & Expenses** from the **Insured** should this occur:

#### 1. The Insured's responsibilities

The **Insured** must:

- (a) observe and keep to the terms of the policy;
- (b) not do anything that hinders **ARAG** or the **Appointed Advisor**;
- (c) notify the **Company** as soon as reasonably practicable of any cause, event or circumstances which could give rise to a claim under this policy as per the General Conditions 2 (b);
- (d) notify **ARAG** immediately of anything that may materially alter their assessment of the claim;
- (e) cooperate fully with the **Appointed Advisor** and **ARAG**, give the **Appointed Advisor** any instructions they require, and keep them updated with progress of the claim;
- (f) provide **ARAG** with everything needed to help them handle the claim;
- (g) take reasonable steps to recover **Legal Costs & Expenses** that the **Company** pays and pay to the **Company** all costs that are recovered should these be paid to the **Insured**;
- (h) tell the **Appointed Advisor** to have the **Legal Costs & Expenses** assessed or audited if **ARAG** require;
- (i) minimise any **Legal Costs & Expenses** and try to prevent anything happening that may cause a claim;
- (j) allow **ARAG** at any time to take over and conduct in the **Insured's** name any claim, proceeding or investigation.



### 2. The Appointed Advisor

- (a) in certain circumstances as set out in 2 (c) below the **Insured** may choose an **Appointed Advisor**. In all other cases no such right exists and we shall choose the **Appointed Advisor**;
- (b) where the **Insured** wishes to exercise its right to choose, it should write to **ARAG** with their nominated representative's name and address. The **Insured's** chosen **Appointed Advisor** must agree to act under **ARAG's** standard terms of business and cooperate with **ARAG** at all times;
- (c) **ARAG** may refuse to accept the **Insured's** nomination in exceptional circumstances. If we disagree over the appointment of an **Appointed Advisor** then we will agree for another suitably qualified person to decide the matter;
- (d) if we agree to start legal proceedings and the court or tribunal requires any representative to be legally qualified, or there is a conflict of interest, the **Insured** may choose a suitably qualified **Appointed Advisor**. The right of the **Insured** to choose never applies to Employment Tribunal, Tax or Small Claims Court claims unless there is a conflict of interest;
- (e) if the **Appointed Advisor** refuses to continue acting for the Insured with good reason, the **Insured** dismisses the **Appointed Advisor** without good reason, or the **Insured** withdraws from the claim without **ARAG's** agreement, cover will end immediately unless **ARAG** agree to appoint another **Appointed Advisor**.

### 3. The Company's consent

The **Company** must give consent to the **Insured** to incur any **Legal Costs & Expenses** or Compensation Awards. The **Company** does not accept any liability for **Legal Costs & Expenses** or Compensation Awards incurred without written consent.

### 4. Settlement

- (a) the **Company** has the right to settle the claim by paying the value of the **Insured's** claim;
- (b) the **Insured** must not negotiate, settle the claim or agree to pay any **Legal Costs & Expenses** incurred without **ARAG's** written agreement;
- (c) If the **Insured** refuses to settle the claim following:
  - (1) a reasonable offer;
  - (2) advice to do so from the **Appointed Advisor**;the **Company** may refuse to pay further **Legal Costs & Expenses**.

### 5. Counsel's Opinion

**ARAG** may require the **Insured** to obtain and pay for an opinion from counsel regarding the merits or value of the claim. If the opinion supports the **Insured** then the **Company** will pay for the opinion.

### 6. Arbitration

If there is a dispute between the **Insured** and the **Company** about the handling of a claim or the choice of an **Appointed Advisor**, the matter will be referred to a suitably qualified person agreed upon by both parties. The loser of the dispute shall be liable to pay the costs incurred. If **ARAG** fail to agree on a suitable person the **Company** will ask the president of the relevant Law Society to nominate.

### 7. Data Protection Act 1998

It is agreed by the **Insured** that any information provided to the **Company** regarding the **Insured** will be processed by the **Company**, in compliance with the provisions of the Data Protection Act 1998, for the purpose of providing insurance and handling claims, if any, which may necessitate providing such information to third parties.

### 8. Contracts (Rights of Third Parties) Act 1999

A person who is not party to this contract has no right to enforce the terms and conditions of this policy under the Contracts (Rights of Third Parties) Act 1999.



## Complaints Procedure

(a) about the insurance Intermediary

If the **Insured** is not satisfied with the service provided by their insurance intermediary, and the insurance intermediary has been unable to resolve the complaint, the **Insured** should write to the **Company** at the following address

The Managing Director  
Suite 3A Centre Plaza  
2 Horse Barrack Lane  
Main Street  
Gibraltar

(b) about the **Company**

If the **Insured** is not satisfied with the service provided by the **Company**, they should write to the **Company** at the address shown above.

If the **Insured** is still not satisfied that the **Company** has dealt with the complaint to the satisfaction of the **Insured**, the **Insured** can write to the Financial Ombudsman Service at the following address

The Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London  
E14 9SR

---

WITNESS WHEREOF this policy has been signed for and on behalf of the **Company**.

