

Liability Insurance Policy



INSURANCE
CORPORATION

Customer Service

At Insurance Corporation we have a real commitment to customer care. We have built a reputation as an Insurer that puts our customers first

You can help us to maintain this position by letting us know if you consider that our service has been unsatisfactory

We aim to give our customers a high standard of service at all times

If you are unhappy with our service for any reason, you should write initially to the Service Manager of Insurance Corporation at the address shown on your Policy Schedule who will ensure that the matter receives attention

If matters are not resolved to your satisfaction, you are invited to write to:

General Manager

Insurance Corporation of the Channel Islands Ltd

P O Box 160 Dixcart House

Sir William Place

Guernsey

GY1 4EY

Insurance Corporation of the Channel Islands Ltd is regulated by the Guernsey Financial Services Commission

It is possible to choose the law applicable to a contract of insurance covering a risk situated in the United Kingdom. We have chosen payment of your premium as evidence of acceptance of our choice. If any other law is to apply it must be agreed by both parties and evidenced in writing

Your right as a policyholder to take legal action remains unaffected by the existence or use of any complaints procedure referred to above

Liability Insurance Policy

Please read this Policy (and the Schedule which forms part of the Policy) to ensure it meets your requirements

Introduction

The Contract and Applicable Law

The Insurer and the Insured agree that

- a this Policy the Schedule (including any Schedule issued in substitution) and any endorsements 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
- b the Proposal or any information supplied by the Insured shall be incorporated in the contract
- c the Insurer will provide the insurance described in this Policy subject to the terms and conditions for the Period of Insurance shown in the Schedule and any subsequent period for which the Insured shall pay and the Insurer shall agree to accept the premium

This Policy shall be governed by English law and Guernsey courts shall have exclusive jurisdiction in any dispute arising under this Policy

The Insurer's Liability

For all purposes including but not limited to the application of the Limits of Liability and consideration of when and how the Policy will respond all parties included in the definition of the Insured in the Schedule or Persons Entitled to Indemnity shall constitute one Insured or one party or legal entity so that there will be only two parties to the contract of insurance between the Insured and the Insurer

The Right to Cancel this Policy

This Policy may be cancelled

- 1 by the Insurer sending seven days notice by letter to the last known address of the Insured and in such circumstances the Insured shall be entitled to a pro rata return of premium
- 2 by the Insured who may be entitled to a return of the premium after deduction of premium at the Insurer's short period rates provided no claim has been or will be made

Indemnity to Policyholders

The Insurer assigns to the Insured the benefit of the indemnity issued by the Insurer's parent Insurer Royal & Sun Alliance Insurance plc dated 19 March 1998 and in respect of any Employers' Liability coverage issued in Jersey the Isle of Man Northern Ireland or Great Britain all references to the Insurer shall mean or refer to Royal & Sun Alliance Insurance plc

General Conditions/Claims Conditions

- 1 Observations of the terms of the Policy relating to anything to be done or complied with by the Insured is a condition precedent to any liability of the Insurer except in so far as is necessary to comply with the requirements of any legislation enacted in Great Britain Northern Ireland the Channel Islands or the Isle of Man relating to compulsory insurance of legal liability to employees
- 2 The Insured at his own expense shall
 - a take reasonable precautions to prevent any circumstances or to cease any activity which may give rise to liability under this Policy and to maintain all buildings furnishings ways works machinery plant and vehicles in a sound condition
 - b as soon as possible after discovery cause any 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
- 3 The Insured shall give to the Insurer immediate written notice with full particulars of any claim or circumstances which may give rise to a claim (regardless of the Insured's Contribution)

Every letter claim writ summons and process in connection with such circumstances shall be forwarded to the Insurer immediately on receipt

Written notice shall also be given by the Insured to the Insurer immediately the Insured shall have knowledge of any prosecution inquest or inquiry in connection with any circumstances which may give rise to liability under this Policy

No admission offer promise payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Insurer which shall be entitled to take over and conduct in the name of the Insured the defence of settlement of any claim or to prosecute any claim in the name of the Insured for its own benefit and shall have full discretion in the conduct of any proceedings and in the settlement of any claim The Insured shall give all such assistance as the Insurer may require
- 4 If any part of the Premium or Renewal Premium is based on estimates provided by the Insured the Insured shall keep an accurate record containing all relevant particulars and shall allow the Insurer to inspect such record The Insured shall within one month after the expiry of each Period of Insurance provide such information as the Insurer may require The Premium or Renewal Premium shall then be adjusted and the difference paid by or allowed to the Insured
- 5 Other than in respect of Extension 3 to Section 2 if at the time of any claim there is or but for the existence of this Policy there would be any other insurance covering the same legal liability the indemnity will not apply except in respect of any amount beyond that which would have been payable under such other insurance had this Policy not been effected

Liability Insurance - Definitions

- 1 Person Entitled to Indemnity** shall mean
- a the Insured
 - b the personal representatives of the Insured in respect of legal liability incurred by the Insured
 - c at the request of the Insured
 - i any principal
 - ii any director or partner of the Insured
 - iii any Person Employedagainst legal liability in respect of which the Insured would have been entitled to indemnity under this Policy if the claim had been made against the Insured
 - iv the officers committees and members of the Insured's canteen social sports and welfare organisations and first aid fire ambulance medical and security services in their respective capacities as such but this shall not include medical or dental practitioners in relation to medical services provided
 - v any director or partner of the Insured or Employee in respect of private work undertaken by any Person Employed for such director partner or Employee with the prior consent of the Insured
- each of whom shall as though the Insured be subject to the terms of this Policy so far as they can apply
- 2 Employee** shall mean any individual under a contract of service or apprenticeship with the Insured
- 3 Person Employed** shall mean any
- a Employee
 - b labour master and individuals supplied by him
 - c individual employed by labour only sub-contractors
 - d self employed individual (not being in partnership with the Insured)
 - e individual hired to or borrowed by the Insured
 - f individual undertaking study or work experience while under the supervision of the Insured
- } while under the direct control and supervision of the Insured
- 4 Injury** shall mean
- Section 1**
- bodily injury death disease or illness
- Section 2 and 3**
- bodily injury mental injury death disease illness wrongful arrest or false imprisonment
- 5 Property** shall mean material property
- 6 Business** shall mean that which is specified in the Schedule and conducted solely from premises in Great Britain Northern Ireland the Channel Islands or the Isle of Man and shall include
- a ownership repair and maintenance of the Insured's own property
 - b provision and management of canteen social sports and welfare organisations and first aid ambulance and medical services for the benefit of any Person Employed
 - c Fire and security services maintained solely for the protection of premises owned or occupied by the Insured
 - d private work undertaken by any Person Employed for any director or partner of the Insured or Employee with the prior consent of the Insured
- but in respect of Section 1 shall not include any work undertaken Offshore
- 7 Offshore** shall mean embarkation on to a vessel or aircraft for conveyance to an offshore rig or platform until disembarkation from the conveyance on to land upon return from such offshore rig or platform
- 8 Event** shall mean one occurrence or all occurrences of a series consequent on or attributable to one source or original cause
- 9 Insured's Contribution** shall mean the amount or amounts specified in the Schedule which the Insured agrees to pay
- 10 Intellectual Property Rights** shall mean any patent trade mark copyright registered design technical or commercial information or other intellectual property
- 11 Asbestos** shall mean crocidolite amosite chrysotile fibrous actinolite fibrous anthophyllite or fibrous tremolite or any mixture containing any of those minerals
- 12 Asbestos Dust** shall mean fibres or particles of Asbestos
- 13 Asbestos Containing Materials** shall mean any material containing Asbestos or Asbestos Dust

Section 1 Employers' Liability

The insurance provided by Section 1 is on a costs inclusive basis whereby the costs and expenses of the claimant and the costs and expenses (incurred by the Insurer or with the Insurer's written consent) of any Person Entitled to Indemnity are included within the Limit of Liability stated in the Schedule

The Insurer will provide indemnity to any Person Entitled to Indemnity

- 1 against legal liability for damages in respect of Injury of any Person Employed caused during any Period of Insurance
 - a in Great Britain Northern Ireland the Channel Islands or the Isle of Manor
 - b while temporarily outside these territoriesarising out of and in the course of employment by the Insured in the Business
- 2 against legal liability for claimant's costs and expenses in connection with 1 above
- 3 in respect of
 - a costs of legal representation at
 - i any coroner's inquest or inquiry in respect of any death
 - ii proceedings in any court arising out of any alleged breach of statutory duty resulting in Injury which may be the subject of indemnity under this Section
 - b all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under 1 aboveincurred with the Insurer's written consent

Provided that in respect of any one Event

- 1 the total amount payable under this Section (including all Extensions and Memoranda) shall not exceed the Limit of Liability
- 2 the Insurer may at any time pay the Limit of Liability (less any sums already paid or incurred) or any less amount for which at the absolute discretion of the Insurer the claims arising out of such Event can be settled The Insurer will then relinquish control of such claims and be under no further liability in respect thereof

Exclusions to Section 1

The indemnity will not apply to legal liability

- 1 of whatsoever nature directly or indirectly caused by or contributed to by or arising from
 - a ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - b the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereofwhere such legal liability is
 - i that of any principal
 - ii accepted under agreement and would not have attached in the absence of such agreement
- 2 in respect of Injury for which the Insured is required to arrange motor insurance or security in accordance with any road traffic legislation within the Channel Islands the Isle of Man or European Community

Extensions to Section 1 (each of which is subject otherwise to the terms of this Policy)

1 Unsatisfied Court Judgements

In the event of a judgement for damages being obtained

- a by any Employee or the personal representatives of any Employee in respect of injury of the Employee caused during any Period of Insurance and arising out of and in the course of employment by the insured in the Business
- b against any Insurer or individual operating from premises within Great Britain Northern Ireland the Channel Islands or the Isle of Man

in any court situate in the territories specified in b above and

- c remaining unsatisfied in whole or in part six months after the date of such judgement

at the request of the Insured the Insurer will pay to the Employee or the personal representatives 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 representatives of the Employee shall assign the judgement to the Insurer

2 Compensation for Court Attendance

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

- a any director or partner of the Insured £500
- b any Employee £250

Section 2 Public/Products Liability

The Insurer will provide indemnity to any Person Entitled to Indemnity

- 1** up to the Limit of Liability shown in the Schedule against legal liability for damages in respect of
 - a accidental Injury of any person
 - b accidental loss of or damage to Property
 - c nuisance trespass to land or trespass to goods or interference with any easement right or air light water or way
other than legal liability for damages which result from a deliberate act or omission of the Insured or which is a natural consequence of the ordinary conduct of the Business and which could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omissionhappening during any Period of Insurance in connection with the Business
- 2** against legal liability for claimant's costs and expenses in connection with 1 above
- 3** in respect of
 - a costs of legal representation at
 - i any coroner's inquest or inquiry in respect of any death
 - ii proceedings in any court arising out of any alleged breach of statutory duty resulting in any occurrence specified in 1 abovewhich may be the subject of indemnity under this Section
 - b all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under 1 aboveincurred with the Insurer's written consent

Provided that in respect of

- A any one Event (Limit of Liability Limit A) but excluding events and incidents specified in B and C below
 - B all Events happening during any Period of Insurance in respect of products supplied (Limit of Liability Limit B)
 - C all incidents considered by the Insurer to have occurred during any Period of Insurance in respect of pollution or contamination of buildings or other structures or of water or land or of the atmosphere (Limit of Liability Limit C)
- the following shall apply
- i the total amount payable by the Insurer in respect of 1 2 and 3 above and all Extensions and Memoranda shall not exceed the Limit of Liability specified in the schedule
 - ii the Insured's Contribution in respect of damages and claimant's costs and expenses will be payable before the Insurer shall be liable to make any payment
 - iii the Insurer may at any time pay the Limit of Liability (less any sums already paid as damages) or any lesser amount for which at the absolute discretion of the Insurer the claims arising out of such Event can be settled The Insurer will then relinquish control of such claims and be under no further liability in respect thereof except for costs and expenses for which the Insurer may be responsible prior to the date of such payment
 - iv where the Insurer is liable to indemnify more than one person the total amount of indemnity in respect of damages shall not exceed the Limit of Liability

Exclusions to Section 2

The indemnity will not apply to legal liability

- 1** arising from or out of the ownership possession or use by or on behalf of the Insured or any Person Entitled to Indemnity of any
 - a mechanically propelled vehicle other than legal liability arising out of
 - i the use of plant as a tool of trade on site
 - ii the use of plant at the premises of the Insured
 - iii the loading or unloading of any vehicleexcept where indemnity is provided by any motor insurance contract or where insurance or security is required by law
 - b aircraft or other aerial device
 - c aerospace device
 - d hovercraft
 - e water-borne craft
- 2** for bodily injury or mental injury to or death disease or illness of any Person Employed arising out of and in the course of employment by the Insured in the Business
- 3** for or arising from loss of or damage to any Property which at the time of the Event giving rise to such legal liability is owned by or held in trust by or in the custody or control of the Insured other than
 - a Employees' directors' partners' or visitors' personal effects including vehicles and their contents
 - b premises and their contents not owned by or leased or rented to the Insured at which time the Insured is undertaking work in connection with the Business
 - c premises and their fixtures and fittings leased or rented to the Insured unless such legal liability
 - i has been accepted by agreement in which case the indemnity will only be provided to the extent that such liability would have attached in the absence of such agreement
 - ii arises from an agreement to maintain in force insurance in respect of loss of or damage to such premises and their fixtures and fittings
- 4** caused by or arising out of pollution or contamination of buildings or other structures or of water or land or of the atmosphere unless the pollution or contamination is caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during any Period of Insurance
Provided that all pollution or contamination which arises out of one incident shall be considered by the Insurer for the purposes of this Policy to have occurred at the time such incident takes place
- 5**
 - a in respect of loss of or damage to any
 - i product supplied
 - ii contract work executed} by the Insured
caused by any defect therein or the unsuitability thereof for its intended purpose
 - b for the costs of recall removal repair alteration replacement or reinstatement of any
 - i product supplied
 - ii contract work executed} by the Insured
necessitated by any defect therein or the unsuitability thereof for its intended purpose
- 6** arising from or in connection with
 - a advice
 - b design
 - c specification} provided for a fee
- 7** arising from or in connection with any
 - i product supplied
 - ii contract work executed} by the Insured
where such legal liability has been accepted by agreement except to the extent that such liability would have attached in the absence of such agreement

- 8 for the costs of remedying
 - a any defect or alleged defect
 - b the presence of Asbestos Asbestos Dust or Asbestos Containing Materials in premises disposed of by the Insured
- 9 for
 - a fines or penalties
 - b compensation ordered or awarded by a Court of Criminal Jurisdiction
 - c aggravated exemplary or punitive damages awarded by any court outside Great Britain Northern Ireland the Channel Islands or the Isle of Man
- 10 of whatsoever nature directly or indirectly caused by or contributed to by or arising from
 - a ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - b the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- 11 arising from any consequence of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- 12 the Insured's Contribution of £250 (or such other higher amount specified in the Schedule) in respect of loss of or damage to property
- 13 for mental injury or fear of suffering bodily injury death disease or illness arising out of actual or suspected exposure to Asbestos Asbestos Dust or Asbestos Containing Materials
- 14 for the costs of management (including those of any persons under any statutory duty to manage) removal repair alteration recall replacement or reinstatement of any property or part thereof arising out of the presence of Asbestos Asbestos Dust or Asbestos Containing Materials

Extensions to Section 2 (each of which is subject otherwise to the terms of this Policy)

1 Cross Liabilities

If the Insured comprises more than one party the Insurer will provide indemnity to 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 payable in respect of damages shall not exceed the Limit of Liability

2 Compensation for Court Attendance

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

- a any director or partner of the Insured £500
- b any Employee £250

3 Contingent Motor Liability

Notwithstanding Exclusion 1a the Insurer will provide indemnity to the Insured against legal liability arising out of the use in the course of the Business by any Employee of any mechanically propelled vehicle not the property of nor provided by the Insured

The indemnity will not apply to legal liability

- a in respect of loss of or damage to such vehicle or to property conveyed therein
- b arising while such vehicle is being driven by the Insured
- c in respect of which the Insured is entitled to indemnity under any other insurance
- d arising outside Great Britain Northern Ireland the Channel Islands or the Isle of Man

4 Overseas Personal Liability

The Insurer will provide indemnity to the Insured and if the Insured so requests any Employee or director or partner of the Insured against legal liability incurred in a personal capacity while temporarily outside Great Britain Northern Ireland the Channel Islands or the Isle of Man in connection with the Business

The indemnity will not apply

- a to legal liability arising out of the ownership or occupation of land or buildings
- b where indemnity is provided by any other insurance

5 Data Protection Law

The Business shall include the provision of any reciprocal arrangement for the storage or processing of computer data or for use of computer facilities

Provided that the indemnity will not apply to legal liability in respect of any loss or damage sustained by any party to such an arrangement

The Insurer will also provide an indemnity to the Insured and if the Insured so requests any Employee or director or partner of the Insured against legal liability to pay damages and claimant's costs and expenses for damage or distress as described in Section 13 of the Data Protection Act 1998 or equivalent legislation in the Channel Islands

Provided that the Insured is registered in accordance with the terms of the applicable data protection legislation or has applied for such registration which has not been refused or withdrawn and has taken all reasonable care to comply with the requirements of the Data Protection Act 1998 or equivalent legislation in the Channel Islands

The Extension shall not apply in respect of

- a the payments of fines or penalties
- b the costs of replacing reinstating rectifying erasing blocking or destroying any personal data
- c liability arising from or caused by a deliberate or intentional act by or omission of any person eligible for indemnity by this Extension if the result thereof could reasonably have been expected by the Insured or any other person having regard to the nature and circumstances of such act or omission
- d claims which arise out of circumstances notified to previous insurers or known to the Insured at inception of this Extension
- e legal liability where indemnity is provided by any other insurance

Section 3 – Legal Defence Costs

The Insurer will provide indemnity to the Insured and if the Insured so requests any Person Employed or director or partner of the Insured up to a Limit of Liability of £250,000 in all (regardless of the number of periods of insurance during which this Policy operates or parties entitled to indemnity) in respect of

- a legal costs and other expenses incurred with the Insurer's written consent
- b costs awarded against the Insured or any director or partner or Person Employed

in connection with the defence of criminal proceedings brought or in appeal against a conviction arising from such proceedings relating to an offence alleged to have been committed during any Period of Insurance in the course of the Business but only in respect of proceedings brought as stated in Parts A and B below

Part A (only operative if the Employers' Liability Section is operative)

In respect of a breach of

- 1 the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 or equivalent legislation in the Isle of Man or Channel Islands where the proceedings relate to the health safety and welfare of any Person Employed or director or partner of the Insured

Part B (only operative if the Public/Products Liability Section is operative)

In respect of a breach of

- 1 the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 or equivalent legislation in the Isle of Man or Channel Islands where the proceedings relate to the health safety and welfare of any person other than a Person Employed or director or partner of the Insured
- 2 Part II of the Consumer Protection Act 1987 or any equivalent legislation in the Channel Islands or the Isle of Man

Provided that in respect of **Part A** and **B**

- 1 the indemnity will not apply
 - a to fines or penalties of any kind
 - b to compensation ordered or awarded by a court of criminal jurisdiction
 - c where injury of any person or loss of or damage to Property has occurred
 - d where indemnity is provided by any other insurance
 - e to any costs or expenses incurred arising out of or in connection with criminal proceedings relating in any way to Asbestos Asbestos Dust or Asbestos Containing Materials
 - f to proceedings consequent upon any deliberate act or omission by
 - i the Insured
 - ii any partner or director of the Insured
 - iii any Person Employed with any specific responsibility for compliance with the legislation specified in this Section which could reasonably have been expected to constitute a breach of the legislation specified in this Section
- 2 the Insurer may at any time pay the Limit of Liability (less any sums already paid) or any lesser amount for which at the absolute discretion of the Insurer the claims arising can be settled but including any amount for which the Insurer may be responsible prior to the date of such payment
The Insurer will then relinquish control of such claims and be under no further liability in respect thereof
- 3 where the Insurer is liable to indemnify more than one person the total amount of indemnity shall not exceed the Limit of Liability



www.insurancecorporation.com

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