

Public and Product Liability

Definitions

COSTS

- 1 Legal costs and expenses YOU incur with OUR prior consent to defend a claim which is insured under this section, on the basis that they are incurred before WE have paid or offered to pay the full amount of the claim;
- 2 legal costs recoverable from YOU by a claimant for a claim which is insured under this section;
- 3 legal costs and expenses for:
 - a) representation at any Coroner's Inquest or Fatal Inquiry; and/or
 - b) the defence of criminal proceedings brought against YOU for any breach or alleged breach of statutory duty, resulting in INJURY or DAMAGE to PROPERTY that may be the subject of a claim under this section.

Payment of COSTS for the defence of any EMPLOYEE will be made only at YOUR request.

GEOGRAPHICAL LIMITS

The United Kingdom, the Channel Islands and the Isle of Man.

PRODUCTS

Any commodities or goods (including packaging, containers, instructions for use and labels) sold, supplied, manufactured, tested, altered, constructed, erected, installed, treated, planted, repaired, serviced, processed, stored, handled, or transported by YOU or on YOUR behalf in the course of YOUR BUSINESS.

The Cover

Public Liability

Please refer to YOUR schedule to see if this is operative

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages arising from:

- 1 accidental INJURY;
 - 2 DAMAGE to PROPERTY;
 - 3 obstruction, trespass, nuisance or interference with any right of air, light, water, way or privacy; and/or
 - 4 wrongful arrest, detention or false imprisonment of any person;
- occurring within the GEOGRAPHICAL LIMITS during the PERIOD OF INSURANCE in connection with YOUR BUSINESS and not arising from PRODUCTS other than:
- 1 PRODUCTS remaining in YOUR custody or control; or
 - 2 any food or drink sold or supplied to visitors for consumption on YOUR premises.

The most WE will pay for all damages arising directly or indirectly out of one incident or series of incidents attributable to one source or cause is the limit of indemnity shown on YOUR schedule.

In addition WE will pay COSTS.

Product Liability

Please refer to YOUR schedule to see if this is operative

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages arising from:

- 1 accidental INJURY; and/or
 - 2 DAMAGE to PROPERTY;
- occurring during the PERIOD OF INSURANCE and caused by PRODUCTS (other than while remaining in YOUR custody or control) physically supplied from within the GEOGRAPHICAL LIMITS.

The most WE will pay for all damages arising during the PERIOD OF INSURANCE is the limit of indemnity shown on YOUR schedule.

In addition WE will pay COSTS.

Cover Extensions

These cover extensions will apply only where there is no other more specific insurance in force under this or any other policy.

All cover extensions and endorsements will be subject to the limits, conditions and exclusions of this section and to the general definitions, conditions, exclusions and claims conditions of the policy unless otherwise stated.

Car Park Liability

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages for DAMAGE to mechanically propelled vehicles legitimately parked at YOUR premises.

WE will not pay for DAMAGE to vehicles which are:

- 1 owned, leased, borrowed or hired by YOU;
- 2 being stored for a fee or other consideration; and/or
- 3 in YOUR custody or control for the purpose of being worked on by YOU or any EMPLOYEE in connection with YOUR BUSINESS.

Cloakroom Liability

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages arising from DAMAGE to PROPERTY deposited in any cloakroom at YOUR premises provided that suitable notices disclaiming all liability for DAMAGE are clearly displayed in or about the cloakroom.

The most WE will pay is £200 for any one article or £1,000 for all losses arising from any one incident.

WE will not pay where YOU have made a charge for storage but an attendant is not on duty while the cloakroom is in use.

Commercial Visits

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages arising from:

- 1 accidental INJURY; and/or
- 2 DAMAGE to PROPERTY;

occurring in the course of a commercial visit by YOU and/or any EMPLOYEE to any supplier, customer or business partner, trade show or exhibition outside the GEOGRAPHICAL LIMITS provided that the visit lasts for no more than 60 consecutive days and all persons undertaking the visit:

- 1 are ordinarily resident in the United Kingdom, the Channel Islands or the Isle of Man; and
- 2 ordinarily undertake their work at premises in the United Kingdom, the Channel Islands or the Isle of Man.

WE will not pay for liability:

- 1 arising from visits which wholly or partly involve the supervision or performance of manual work, other than at trade shows or exhibitions which YOU and/or any EMPLOYEE are attending;
- 2 arising from the ownership, possession or occupation of land or buildings;
- 3 which is insured by another policy.

Contingent Motor Liability

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages arising from:

- 1 accidental INJURY; and/or
- 2 DAMAGE to PROPERTY;

arising out of the use of any motor vehicle not owned or provided by YOU, being used in connection with YOUR BUSINESS.

WE will not pay for:

- 1 liability:
 - a) arising from a motor vehicle owned by, provided by or being driven by YOU;
 - b) arising while the vehicle is being driven by any person who YOU know, or YOU ought to know, does not hold a licence to drive the vehicle; and/or
 - c) occurring outside the GEOGRAPHICAL LIMITS.
- 2 DAMAGE to the vehicles or their contents.

NOTE: This cover is not intended to meet the requirements of the Road Traffic Acts. YOU are required by law to obtain appropriate cover, accompanied by a Certificate of Insurance, for every vehicle used in the course of YOUR BUSINESS.

Corporate Manslaughter and Corporate Homicide Act

WE will indemnify YOU, or at YOUR request any EMPLOYEE, for legal costs and expenses incurred with OUR prior consent to defend a prosecution brought within the GEOGRAPHICAL LIMITS as a result of an offence or alleged offence under Section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007 in connection with YOUR BUSINESS.

Provided that:

- 1 the deceased is not an EMPLOYEE;
- 2 YOUR liability for the death is insured under this section; and
- 3 the death occurs during the PERIOD OF INSURANCE and within the GEOGRAPHICAL LIMITS.

WE will not pay for:

- 1 the costs of prosecution awarded against any defendant;
- 2 the costs of any expert witness unless WE have given OUR prior consent; and/or
- 3 costs arising from enforcement of remedial or publicity orders or any other action required to be taken by such orders.

Court Attendance Expenses

If WE request any of the following people to attend Court as a witness in connection with a claim which is insured under this section WE will pay:

- | | |
|------------------------|----------------------|
| 1 YOU or YOUR director | £500 per day; and/or |
| 2 any other EMPLOYEE | £300 per day. |

Cross Liabilities

If the policy is issued in joint names of more than one party this section will indemnify each party as if a separate policy had been issued to each of them provided that OUR liability to all parties indemnified will not exceed in total the limit of indemnity shown on YOUR schedule.

Data Protection Act

WE will indemnify YOU for legal costs and expenses incurred with OUR prior consent, and all sums YOU are required to pay as damages to an individual arising from proceedings brought against YOU under Section 13 of the Data Protection Act 1998.

Provided that:

- 1 YOU are a registered user in accordance with data protection legislation;
- 2 YOU are not in business as a data processing bureau; and
- 3 the claimant:
 - a) is the subject of personal data that YOU hold; and
 - b) suffers DAMAGE or distress caused by the inaccuracy, loss, unauthorised destruction, disclosure or access to the data.

The most WE will pay during any PERIOD OF INSURANCE is £500,000.

WE will not pay for:

- 1 the cost of replacing, reinstating, rectifying or erasing any personal data;
- 2 liability arising from:
 - a) the recording, processing or provision of data for reward or to determine the financial status of any person;
 - b) the act of any person other than YOU or any EMPLOYEE; and/or
 - c) defamation;

- 3 losses relating to unencrypted data away from YOUR premises; and/or
- 4 proceedings or appeals involving any deliberate act or omission by YOU or on YOUR behalf.

Defective Premises Act

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages arising from:

- 1 accidental INJURY; and/or
- 2 DAMAGE to PROPERTY;

under the Defective Premises Act 1972 or the Defective Premises (Northern Ireland) Order 1975 in connection with premises which YOU previously owned or occupied for the purposes of YOUR BUSINESS.

WE will not pay for the cost of remedying any defect or alleged defect in the premises.

Food Safety and Consumer Protection Acts

WE will indemnify YOU, or at YOUR request any EMPLOYEE, for legal costs and expenses incurred with OUR prior consent to defend criminal proceedings brought for a breach or alleged breach of Part II of the Food Safety Act 1990, or Part II of the Consumer Protection Act 1987, or any regulations thereunder, including legal costs and expenses incurred in an appeal against conviction arising from such proceedings.

Provided that the proceedings are brought within the GEOGRAPHICAL LIMITS and relate to an offence committed or alleged to have been committed within the GEOGRAPHICAL LIMITS during the PERIOD OF INSURANCE and in the course of YOUR BUSINESS.

WE will not pay for the:

- 1 costs incurred to defend a prosecution where the charge includes a deliberate criminal act by YOU or any EMPLOYEE;
- 2 cost of appeal against improvement or prohibition notices; and/or
- 3 costs of investigation or inquiry other than where carried out on the instructions of a solicitor for the sole purpose of defending proceedings to which this extension applies.

Health and Safety at Work Act

WE will indemnify YOU, or at YOUR request any EMPLOYEE, for legal costs and expenses incurred with OUR prior consent to defend criminal proceedings brought for a breach or alleged breach of the Health and Safety at Work Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 or any regulations thereunder, including legal costs and expenses incurred in an appeal against conviction arising from such proceedings.

Provided that the proceedings are brought within the GEOGRAPHICAL LIMITS and during the PERIOD OF INSURANCE and relate to:

- 1 the health, safety or welfare of any person other than an EMPLOYEE; and
- 2 an offence committed or alleged to have been committed within the GEOGRAPHICAL LIMITS and in the course of YOUR BUSINESS.

WE will not pay for the:

- 1 costs incurred to defend a prosecution where the charge includes a deliberate criminal act by YOU or any EMPLOYEE;
- 2 cost of appeal against improvement or prohibition notices; and/or
- 3 costs of investigation or inquiry other than where carried out on the instructions of a solicitor for the sole purpose of defending proceedings to which this extension applies.

Indemnity to Other Parties

Where YOU would have been entitled to indemnity if the claim had been made against YOU:

- 1 WE will provide indemnity to YOUR legal personal representatives in the event of YOUR death;
- 2 at YOUR request WE will provide indemnity to:
 - a) any officer or member of YOUR canteen, social, sports, educational and welfare organisations or fire, ambulance, first aid, medical or security services; or
 - b) any EMPLOYEE;in their respective capacities as such;
- c) any principal for whom YOU are carrying out work under contract or agreement in the course of YOUR BUSINESS for liability arising out of the performance of such work by YOU;
- d) the owner of plant hired in by YOU, but only to the extent required by the contract conditions; or
- e) in the event of the death of any person specified in a) - d) above, the legal representative of the deceased person.

Movement of Obstructing Vehicles

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages arising from:

- 1 accidental INJURY; and/or
- 2 DAMAGE to PROPERTY;

arising from the movement of any mechanically propelled vehicle by YOU or any EMPLOYEE where such vehicle is causing an obstruction and interfering with the normal operation of YOUR BUSINESS.

Provided that:

- 1 the vehicle is not owned, leased, borrowed or hired by YOU;
- 2 the movement is limited to vehicles parked on or obstructing YOUR premises or access to any site at which YOU are working;
- 3 the vehicle to be moved will be driven by a person who is competent and to YOUR knowledge holds a licence to drive the vehicle; and
- 4 the vehicle to be moved is driven by use of its own ignition key.

WE will not pay:

- 1 for DAMAGE caused to the vehicle being moved; and/or
- 2 where road traffic legislation requires compulsory motor insurance or security.

Overseas Personal Liability

WE will indemnify YOU for all sums which YOU and/or at YOUR request any EMPLOYEE are legally liable to pay as damages arising from:

- 1 accidental INJURY; and/or
- 2 DAMAGE to PROPERTY;

arising directly from the private activities of any EMPLOYEE while he or she is temporarily employed by YOU for not more than 60 consecutive days outside the GEOGRAPHICAL LIMITS.

Provided that:

- 1 the EMPLOYEE is ordinarily resident in the United Kingdom, the Channel Islands or the Isle of Man;
- 2 the EMPLOYEE ordinarily undertakes his or her work at premises in the United Kingdom, the Channel Islands or the Isle of Man; and
- 3 cover under this extension shall apply only in respect of occurrences during the period of temporary employment outside the GEOGRAPHICAL LIMITS.

WE will not pay for liability:

- 1 arising from the ownership, possession or occupation of land or buildings;
- 2 arising from any business, professional and/or commercial activity;
- 3 arising in the course of employment by YOU or any other person;
- 4 to any EMPLOYEE; or
- 5 which is insured by another policy.

Private Work

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages arising from:

- 1 accidental INJURY; and/or
- 2 DAMAGE to PROPERTY;

arising from the execution of private duties by any EMPLOYEE, for YOU or any of YOUR directors, within the GEOGRAPHICAL LIMITS.

Tenant's Liability

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages arising from DAMAGE to premises (including fixtures and fittings) within the GEOGRAPHICAL LIMITS, which are leased, let, hired or rented to YOU in connection with YOUR BUSINESS.

WE will not pay for:

- 1 liability arising solely due to a contract or agreement which would not have attached in the absence of such contract or agreement;
- 2 wear, tear and gradual deterioration; and/or
- 3 DAMAGE to premises from causes against which YOU are required to effect insurance by the terms of any contract, lease or tenancy agreement.

Terrorism

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages for:

- 1 accidental INJURY; and/or
- 2 DAMAGE to PROPERTY;

arising from TERRORISM committed by a third party.

The most WE will pay for all damages and COSTS arising directly or indirectly from one incident or series of incidents attributable to one source or cause is £2,500,000, or the limit of indemnity shown on YOUR schedule, whichever is the less.

Exclusions

WE will not pay for:

- 1 INJURY to any EMPLOYEE.
- 2 DAMAGE to PROPERTY:
 - a) belonging to YOU or held in trust by YOU or borrowed, rented, let, leased or hired for use by YOU, other than where described in the Tenant's Liability cover extension; and/or
 - b) which is in YOUR custody or control, other than:
 - i. personal effects (including vehicles and their contents) of YOUR visitors or EMPLOYEES; or
 - ii. where described in the Car Park Liability, Cloakroom Liability and Tenant's Liability cover extensions.
- 3 liability arising from POLLUTION other than caused directly or indirectly by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the PERIOD OF INSURANCE.

All POLLUTION which arises out of one incident will be deemed to have occurred at the time such incident takes place.

The most WE will pay for all damages arising during the PERIOD OF INSURANCE from POLLUTION is £5,000,000 or the limit of indemnity shown on YOUR schedule, whichever is the less.

- 4 liability arising from the ownership, possession or use of any mechanically propelled vehicle or plant (including attached trailers) by YOU or on YOUR behalf:
 - a) for which road traffic legislation requires compulsory motor insurance or security; and/or
 - b) where indemnity is provided by another insurance policy.

Where there is no indemnity provided by another policy this exclusion will not apply to:

- a) loading and unloading;
 - b) liability arising solely from the use as a tool of trade unless compulsory motor insurance or security is required; or
 - c) the Contingent Motor Liability or Movement of Obstructing Vehicles cover extensions.
- 5 liability arising from PRODUCTS which are to YOUR knowledge exported directly or indirectly to the United States of America or Canada.
- 6 liability arising:
 - a) from professional advice or professional services given for a fee;
 - b) from the design, plan, formula or specification of PRODUCTS, provided by YOU for a fee or where a fee would normally be charged; and/or
 - c) out of treatment (other than first aid) or the dispensing of medicines or drugs.
- 7 the costs of repairing, replacing, reinstating, rectifying, recalling, removing, or making good the PRODUCTS themselves or in making a refund for the price paid of any PRODUCTS.
- 8 DAMAGE to that part of any PROPERTY upon which YOU or any EMPLOYEE has been working where the DAMAGE is the direct result of such work.
- 9 liability which arises solely due to a contract or agreement other than:
 - a) where imposed by a tenancy agreement following the Model Clauses of the Agricultural Holdings Act 1986; or
 - b) arising from any condition or warranty of goods or services implied by law.

- 10 liability arising from any action for damages brought against YOU in any country outside the European Union, the Channel Islands or the Isle of Man in which YOU occupy premises or are represented by any resident EMPLOYEE or holder of YOUR power of attorney.
- 11 liability arising in connection with work on or at any:
 - a) power station or nuclear installation;
 - b) i. offshore oil/gas installation; and/or
ii. supply, support or accommodation vessel or structure relating to such an installation; or while travelling to or from them by sea or air;
 - c) chemical works;
 - d) aircraft, airport, airfield, airstrip, satellite, spacecraft, launch site, ship, dock, pier or wharf;
 - e) tower, steeple, chimney shaft, blast furnace, dam, canal, viaduct, bridge or tunnel;
 - f) underground mine or colliery; and/or
 - g) railways and associated equipment, or rolling stock.
- 12 liquidated damages, penalties, fines, aggravated, restitutionary, punitive, vindictive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non- compensatory damages.
- 13 liability arising from the ownership, possession or use by YOU or on YOUR behalf of:
 - a) any vessel or craft designed to travel through air or space;
 - b) hovercraft or watercraft or any other vessel or craft designed to float on or in, or travel through water other than hand- propelled watercraft; and/or
 - c) any railway, siding or rolling stock.
- 14 liability arising from any PRODUCTS which are, to YOUR knowledge, used:
 - a) in craft designed to travel through air, space or water and which affect or could affect the navigation, propulsion, safety, air worthiness or sea worthiness of the craft;
 - b) in connection with any power station or nuclear installation which affects or could affect the safety or operation of such installation;
 - c) in the pharmaceutical industry involving the manufacture or formulation of drugs or medical supplies; and/or
 - d) in or as medical equipment or devices for internal, invasive and/or critical use in or on the human body.
- 15 liability arising out of any activity involving prospecting, extraction or refining of liquid or gaseous fuel.
- 16 any EXCESS shown on YOUR schedule.

Special Condition

The most WE will pay including COSTS will not exceed the limit of indemnity shown on YOUR schedule:

- 1 if any part of YOUR claim is for legal liability which arises; and/or
 - 2 for any action for damages brought;
- outside the European Union, the Channel Islands or the Isle of Man.

Warranties

The warranties set out below and those applied by endorsement are particularly important to US. If YOU fail to comply with any of them and YOUR failure causes or contributes towards an insured loss YOU will lose YOUR right to indemnity or payments for that claim.

Underground Services

YOU warrant that where YOU are involved in any digging, drilling, boring, earth moving or excavation work, YOU will, before commencing any work:

- 1 ensure that all reasonable measures are taken to identify the location of underground pipes, cables and other services before any work is commenced which may involve a risk of damage to them;
- 2 communicate the location of these underground services to EMPLOYEES or contractors carrying out such WORK on YOUR behalf; and
- 3 prepare and retain a written record of the measures taken to locate these underground services.

Use of Heat

YOU warrant that if YOU use any electric, oxyacetylene or similar welding or cutting equipment, blow lamps, blow torches or similar equipment for the application of heat, YOU will ensure that the following precautions are put into effect each time such equipment is used:

- 1 make available for immediate use a suitable fire extinguisher which has been maintained;
- 2 where possible, move combustible material to at least 10 metres from the point of application of heat. Where this is not possible, use fire- resistant or purpose made blankets, drapes, shields or screens to protect the PROPERTY;
- 3 where the heat work is being carried out on combustible floors, protect them with fire- resistant materials;
- 4 complete a thorough inspection of the area where the work is to be carried out (including where possible, the other side of any wall or partition being worked upon) to ensure that there are no combustible materials which could be ignited by direct or conducted heat;
- 5 ensure all heat equipment is:
 - a) used in accordance with the manufacturer's instructions;
 - b) attended at all times while alight or in operating mode; and
 - c) extinguished immediately after use;
- 6 where the work involves the use of gas cylinders, keep those not required for immediate use outside the building in which the work is taking place, or at least 10 metres from the point of application of heat; and
- 7 carry out a thorough examination of the area where work was carried out one hour after completion of each period of work or stage of work involving the application of heat to ensure that there is no smouldering or lit material.

Environmental Liability

YOUR Environmental Liability cover will not operate in respect of any of YOUR activities that fall within the following trades:

Waste Disposal Contractors, Clothing Dyers & Cleaners, Ferrous and Non- Ferrous Metal Smelting & Extraction, Steel Mills, Abstraction and Supply of Potable Water from natural sources, Filling Stations, Fuel Distributors (other than solid fuel), Mines & Quarries, any Speculative Property Developing activity where there is no principal or any development activity on Brownfield sites, Waste Transfer Stations, Landfills, Water or Waste Treatment Plants.

In the event of any uncertainty as to whether an activity to be undertaken or being undertaken may fall within an excluded trade, YOU should contact YOUR local office for guidance.

Definitions

ACTIVE ASBESTOS INCIDENT

A discharge, disposal, migration, release or escape of asbestos into the air as a result of asbestos abatement activities at the INSURED PREMISES that are performed:

- 1 by persons both licensed and qualified in such asbestos abatement activities; and
- 2 in accordance with applicable laws.

BIODIVERSITY

Land, air, water, groundwater, drinking water supplies and fish, wildlife, biota and their habitats.

BIODIVERSITY DAMAGE

INJURY to or DAMAGE sustained by or destruction of land, water, protected species or natural habitats for which YOU are legally responsible under legislation in any EU Member State which implements the European Union Environmental Liability Directive 2004/35/EC. For the avoidance of doubt, this includes primary, complementary and compensatory remediation as defined in Annex II Directive 2004/35/EC.

BIODIVERSITY SERVICE

The functions performed by a BIODIVERSITY for the benefit of other BIODIVERSITY or for the public.

COMPENSATORY REMEDIATION COSTS

Reasonable expenses incurred to the extent required by ENVIRONMENTAL LAW in providing additional improvements to BIODIVERSITY at either the DAMAGED location or at an alternative location to compensate for the interim loss of BIODIVERSITY pending recovery through PRIMARY REMEDIATION COSTS or otherwise.

COMPLEMENTARY REMEDIATION COSTS

Reasonable expenses incurred in providing BIODIVERSITY and/or BIODIVERSITY SERVICES to the extent required by ENVIRONMENTAL LAW as a consequence of the DAMAGED BIODIVERSITY not having been returned to the condition that would have existed at the time of the DAMAGE had the DAMAGE not occurred.

COSTS

- 1 legal costs and expenses YOU incur with OUR prior consent to defend a claim which is insured under this section, on the basis that they are incurred before WE have paid or offered to pay the full amount of the claim;
- 2 legal costs recoverable from YOU by a claimant for a claim which is insured under this section;
- 3 legal costs and expenses for:
 - a) representation at any Coroner's Inquest or Fatal Inquiry; and/or
 - b) the defence of criminal proceedings brought against YOU for any breach or alleged breach of statutory duty, resulting in INJURY or DAMAGE to PROPERTY that may be the subject of a claim under this section.

Payment of COSTS for the defence of any EMPLOYEE will be made only at YOUR request.

COVERED OPERATION

Operations performed by YOU or on YOUR behalf in connection with YOUR BUSINESS at locations owned or occupied by YOUR customer.

ENVIRONMENTAL DAMAGE

Environmental Damage shall have the definition specifically provided in Directive 2004/35/CE of the European Parliament and of the Council of 21 April 2004.

ENVIRONMENTAL LAW

Any law governing YOUR liability with respect to POLLUTION CONDITIONS or ENVIRONMENTAL DAMAGE.

FLY TIPPING

The unauthorised dumping of waste on the INSURED PREMISES or at the site of any COVERED OPERATION not licensed to receive it.

FUNGI

Any type or form of fungus including mould or mildew and any mycotoxins, spores, scents or by-products produced or released by fungi.

INSURED PREMISES

The premises shown:

- 1 on YOUR schedule under any other section insured by this policy; and/or
- 2 in the Insured Premises endorsement.

PASSIVE ASBESTOS EXPOSURE

Exposure to asbestos or asbestos containing materials other than as a result of any asbestos abatement activities or other deliberate removal or disturbance activities at the INSURED PREMISES.

POLLUTION CONDITION

The discharge, dispersal, release, escape, migration or seepage in, on or under land, structures thereon, the atmosphere, surface water or groundwater of any solid, liquid, gaseous or thermal irritant, pollutant or contaminant including smoke, soot, vapours, fumes, acids, alkalis, chemicals, FUNGI, hazardous substances, hazardous materials and waste materials.

PRIMARY REMEDIATION COSTS

Reasonable expenses incurred with OUR written consent in the investigation, quantification, monitoring, abatement, removal, disposal, treatment, neutralisation or immobilisation of POLLUTION CONDITIONS to the extent required by ENVIRONMENTAL LAW including:

- 1 reasonable legal costs incurred with OUR written consent; and
- 2 expenses necessarily incurred in the repair or replacement of PROPERTY due to DAMAGE sustained in the course of responding to a POLLUTION CONDITION other than expenses incurred in respect of any improvements or betterments.

PRODUCTS

Any commodities or goods (including packaging, containers, instructions for use and labels) sold, supplied, manufactured, tested, altered, constructed, erected, installed, treated, planted, repaired, serviced, processed, stored, handled or transported by YOU or on YOUR behalf in the course of YOUR BUSINESS where the work undertaken by YOU or on YOUR behalf does not involve installation, construction, erection or alteration of such goods at the site of THE WORKS.

PROPERTY DAMAGE

DAMAGE to PROPERTY, loss of use of PROPERTY which is not physically damaged, reduction in value of PROPERTY of a third party, or BIODIVERSITY DAMAGE.

REGULATORY ACTION

Any action taken or any liability imposed by any REGULATORY AUTHORITY under ENVIRONMENTAL LAW.

REGULATORY AUTHORITY

Any legal body, authority, agency or other person and/or any court of law or tribunal in each case having authority under ENVIRONMENTAL LAW.

REMEDIATION COSTS

- 1 PRIMARY REMEDIATION COSTS
- 2 COMPLEMENTARY REMEDIATION COSTS
- 3 COMPENSATORY REMEDIATION COSTS.

RESPONSIBLE OFFICIAL

The EMPLOYEE, officer or partner who is or was responsible for environmental matters, control or compliance at the INSURED PREMISES or COVERED OPERATION.

RETROACTIVE DATE

The inception date of this cover is shown on YOUR schedule and will remain unaltered during the currency of this insurance.

In respect of any INSURED PREMISES added subsequent to the inception date stated in the above paragraph the retroactive date will be the date on which WE accepted the INSURED PREMISES in writing.

If YOU provide evidence that YOU previously purchased and continuously maintained Environmental Liability Insurance which is materially the same as the cover provided by this section in respect of the INSURED PREMISES from another insurer the retroactive date will be the inception date of that earlier insurance.

THE WORKS

Permanent and temporary works undertaken by YOU in the course of YOUR BUSINESS including:

- 1 materials intended for incorporation within them;
 - 2 temporary works and temporary buildings; and
 - 3 plant, tools and equipment;
- for use in connection with the works.

TRANSPORTATION

The movement of YOUR products or waste by a person or entity other than YOU engaged in the business of transporting property, until such products or waste arrive at the boundaries of their final destination.

The Cover

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages arising from:

- 1 accidental INJURY to any person;
- 2 PROPERTY DAMAGE;
- 3 trespass, nuisance or obstruction; and/or
- 4 BIODIVERSITY DAMAGE;

arising out of any POLLUTION CONDITION or ENVIRONMENTAL DAMAGE:

- 1 on, at, under or migrating from the INSURED PREMISES;
- 2 which results from any COVERED OPERATION; or
- 3 which is caused by YOUR products or waste during TRANSPORTATION;

provided that the claim is made against YOU during the PERIOD OF INSURANCE and notified to US during the same PERIOD OF INSURANCE or within 60 days of its expiry.

WE will also pay on YOUR behalf:

- 1 COSTS in respect of any claim to which this cover applies; and
- 2 imposed REMEDIATION COSTS which arise out of such POLLUTION CONDITION or ENVIRONMENTAL DAMAGE, where they result from REGULATORY ACTION first imposed during the PERIOD OF INSURANCE and notified to US during the same PERIOD OF INSURANCE or within 60 days of expiry thereof.

The most WE will pay for all damages, COSTS and REMEDIATION COSTS arising out of all POLLUTION CONDITIONS or ENVIRONMENTAL DAMAGE occurring during any one PERIOD OF INSURANCE will be the limit of indemnity shown on YOUR schedule.

Cover Extensions

These cover extensions will apply only where there is no other more specific insurance in force under this or any other policy.

All cover extensions and endorsements will be subject to the limits, conditions and exclusions of this section and to the general definitions, conditions, exclusions and claims conditions of the policy unless otherwise stated.

Court Attendance Expenses

If WE request any of the following people to attend Court as a witness in connection with a claim which is insured under this section, WE will pay:

- | | | |
|---|----------------------|----------------------|
| 1 | YOU or YOUR director | £500 per day; and/or |
| 2 | any other EMPLOYEE | £300 per day. |

Cross liabilities

If the policy is issued in joint names of more than one party this section will indemnify each party as if a separate policy had been issued to each of them provided that OUR liability to all parties indemnified will not exceed in total the limit of indemnity shown on YOUR schedule.

Indemnity to Other Parties

Where YOU would have been entitled to indemnity if the claim had been made against YOU:

- 1 WE will provide indemnity to YOUR legal personal representatives in the event of YOUR death;
- 2 at YOUR request WE will provide indemnity to:
 - a) any officer or member of YOUR canteen, social, sports, educational and welfare organisations or fire, ambulance, first aid, medical or security services; or
 - b) any of YOUR directors or EMPLOYEES;
in their respective capacities as such;
 - c) any principal for whom YOU are carrying out work under contract or agreement in the course of YOUR BUSINESS for liability arising out of the performance of such work by YOU;
 - d) the owner of plant hired in by YOU, but only to the extent required by the contract conditions; or
 - e) in the event of the death of any person specified in a) - d) above, the legal representative of the deceased person.

Exclusions

WE will not pay for:

- 1 INJURY to any EMPLOYEE.
- 2 liability arising out of or related in any way to:
 - a) asbestos or asbestos containing materials; or
 - b) lead or lead- containing materials;
on or in structures.

This exclusion does not apply:

- a) in respect of INJURY or COSTS resulting from:
 - i. a PASSIVE ASBESTOS EXPOSURE; or
 - ii. an ACTIVE ASBESTOS INCIDENT that is migrating from the boundaries of the INSURED PREMISES;
provided that the PASSIVE ASBESTOS EXPOSURE or ACTIVE ASBESTOS INCIDENT giving rise to the claim must start after the RETROACTIVE DATE;
- b) to abatement work performed on YOUR behalf by a subcontractor who holds a valid certificate authorising him to carry out such work and has valid insurance in respect of liability arising from such work; and/or
- c) the inadvertent disturbance of lead- based paint and/or materials containing asbestos during the course of performing COVERED OPERATIONS.

- 3 DAMAGE to, loss of use of, or reduction in value of:
 - a) PROPERTY belonging to or in the custody or control of YOU or any EMPLOYEE or YOUR agent; or
 - b) INSURED PREMISES or COVERED OPERATION including land or contents leased, let, rented or hired to YOU in connection with YOUR BUSINESS.

This exclusion does not apply to REMEDIATION COSTS.

- 4 liability arising from a POLLUTION CONDITION or ENVIRONMENTAL DAMAGE which commenced prior to the RETROACTIVE DATE.
- 5 liquidated damages, penalties, fines, aggravated damages, restitutionary, punitive, vindictive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non- compensatory damages.
- 6 liability arising from the intentional disregard of or knowing wilful or deliberate non- compliance with any statute, regulation, administrative complaint, notice of violation, notice letter, instruction of any REGULATORY AUTHORITY or executive judicial or administrative order by YOU or by a RESPONSIBLE OFFICIAL.
- 7 claims which are the subject of indemnity under the Public Liability cover of the Public and Product Liability Insurance, Contractors' Public Liability Insurance, or Property Owners' Liability Insurance, or would be but for the limit of indemnity applicable thereto.
- 8 liability arising from a POLLUTION CONDITION or ENVIRONMENTAL DAMAGE where the relevant discharge, dispersal, release, escape, migration and/or seepage emanates from any tank or associated piping and appurtenance, where:
 - a) such tank has more than 10% of its volume below ground; and
 - b) YOU knew about the presence of such tank.
- 9 liability arising:
 - a) from professional advice or professional services given by YOU for a fee;
 - b) from the design, plan, formula or specification of PRODUCTS or work for a fee; and/or
 - c) out of treatment (other than first aid) or the dispensing of medicines or drugs.
- 10 liability arising from FLY TIPPING.
- 11 liability arising out of or in any way related to PRODUCTS other than:
 - a) PRODUCTS remaining in YOUR custody or control; or
 - b) any food or drink sold or supplied to visitors for consumption on YOUR premises.
- 12 claims if the Public Liability cover under the Public and Product Liability Insurance, Contractors' Public Liability Insurance or Property Owners' Liability Insurance is subject to a Pollution Exclusion Endorsement.
- 13 claims made against YOU in any country outside the European Union, the Channel Islands or the Isle of Man in which YOU occupy premises or are represented by any resident EMPLOYEE or holder of YOUR power of attorney.
- 14 liability arising from the ownership, possession or use of any mechanically propelled vehicle or plant (including attached trailers) by YOU or on YOUR behalf:
 - a) for which road traffic legislation requires compulsory insurance or security; and/or
 - b) where indemnity is provided by another insurance policy.

Where there is no indemnity provided by another policy this exclusion will not apply to:

- a) loading and unloading;
- b) liability arising solely from the use as a tool of trade unless compulsory motor insurance or security is required; or
- c) the Contingent Motor Liability or Movement of Obstructing Vehicles cover extensions.

- 15 liability arising from the ownership, possession or use by YOU or on YOUR behalf of:
 - a) any vessel or craft designed to travel through air or space;
 - b) hovercraft or watercraft or any other vessel or craft designed to float on or in, or travel through water other than hand- propelled watercraft; and/or
 - c) any railway, siding or rolling stock.
- 16 liability which arises solely due to a contract or agreement other than:
 - a) liability imposed by a tenancy agreement following the Model Clauses of the Agricultural Holdings Act 1986;
 - b) liability arising from any condition or warranty of goods implied by law; or
 - c) liability assumed under the terms of any contract for:
 - i. the construction, alteration, repair or renovation of PROPERTY or the installation of anything in such PROPERTY; or
 - ii. INJURY or DAMAGE to PROPERTY other than THE WORKS arising in connection with any contract described in i. above.
- 17 any EXCESS shown on YOUR schedule.
- 18 liability arising in connection with work on or at any:
 - a) power station or nuclear installation;
 - b) i. offshore oil/gas installation; and/or
 - ii. supply, support or accommodation vessel or structure relating to such an installation; or while travelling to or from them by sea or air;
 - c) chemical works;
 - d) aircraft, airport, airfield, airstrip, satellite, spacecraft, launch site, ship, dock, pier or wharf;
 - e) tower, steeple, chimney shaft, blast furnace, dam, canal, viaduct, bridge or tunnel;
 - f) underground mine or colliery; and/or
 - g) railways and associated equipment, or rolling stock.
- 19 liability arising out of any activity involving prospecting, extraction or refining of liquid or gaseous fuel.
- 20 liability, in connection with YOUR farming and growing activities only, arising from:
 - a) the production, supply or presence on YOUR premises of any genetically modified crop, where liability may be attributed directly or indirectly to the genetic characteristics of such crop;
 - b) the spread or threat of spread of genetically modified organism characteristics; and/or
 - c) any change to the environment arising from research into, testing of or production of genetically modified organisms.
- 21 liability in connection with communicable diseases based upon or arising from exposure to infected individuals or animals or contact with bodily fluids of infected individuals or animals.

Special Conditions

Claims Requirement

YOU will not incur any REMEDIATION COSTS without OUR written consent, except in the event of an imminent and substantial threat to human health or the environment.

Inspection and Audit

WE will have the right but not the duty to inspect the INSURED PREMISES or COVERED OPERATION and to take samples therefrom. Such right and any resultant findings will not imply that such INSURED PREMISES or COVERED OPERATION are safe or in compliance with any law.

Group Personal Accident

Definitions

INSURED PERSON

A person or individual member of a group shown on YOUR schedule.

LOSS OF LIMBS, SIGHT, SPEECH OR HEARING

Total and permanent loss:

- 1 or loss of use of one or more, hands or feet;
- 2 of sight in one or both eyes;
- 3 of speech; or
- 4 of hearing in both ears.

PARTIAL DISABILITY

A disability which prevents an INSURED PERSON from performing most of their occupation described on YOUR schedule.

TOTAL DISABILITY

A disability which totally prevents an INSURED PERSON from performing all of their occupation described on YOUR schedule.

If the INSURED PERSON is not in paid work it will mean a disability which totally prevents them from performing paid work of any kind.

The Cover

WE will pay the benefit shown on YOUR schedule if, during the PERIOD OF INSURANCE, an INSURED PERSON suffers:

- 1 an ACCIDENT which, within 104 weeks of its occurrence, is the direct cause of:
 - a) death;
 - b) LOSS OF LIMBS, SIGHT, SPEECH OR HEARING;
 - c) permanent TOTAL DISABILITY;
 - d) temporary TOTAL DISABILITY;
 - e) temporary PARTIAL DISABILITY; or
- 2 an ILLNESS which, within 104 weeks of diagnosis by a doctor, is the sole and direct cause of temporary TOTAL DISABILITY.

Cover Extensions

These cover extensions will apply where the loss arises during the PERIOD OF INSURANCE but only where there is no other more specific insurance in force under this or any other policy.

All cover extensions and endorsements will be subject to the limits, conditions and exclusions of this section and to the general definitions, conditions, exclusions and claims conditions of the policy unless otherwise stated.

Disappearance

WE will pay the death benefit if an INSURED PERSON has been missing for 90 days and WE have reason to believe that they have died due to an ACCIDENT. If the INSURED PERSON is found to be alive after WE have paid the benefit it must be refunded to US.

Hospital Benefit

WE will pay £25 for each 24 hour period of treatment an INSURED PERSON receives as an in-patient in a hospital or nursing home as a result of an ACCIDENT or ILLNESS insured by this section.

The most WE will pay for any one loss for each INSURED PERSON is £1,000.

Loss of Fingers, Thumbs or Toes

If YOUR schedule includes LOSS OF LIMBS, SIGHT, SPEECH OR HEARING WE will pay the following percentages of the benefit shown for loss by physical separation of at least one complete bone of a finger, thumb or toe or the total and permanent loss of use of a finger, thumb or toe:

- 1 A thumb 20%
- 2 A finger 10%
- 3 A big toe 10%
- 4 Any other toe 5%

WE will not pay more than 100% of the benefit shown for LOSS OF LIMBS, SIGHT, SPEECH or HEARING for claims directly or indirectly arising from or in connection with the same ACCIDENT.

Medical Treatment

WE may, at OUR option, pay for medical treatment to help an INSURED PERSON recover from an ACCIDENT or ILLNESS insured by this section.

Private Tuition

WE will pay the cost of private tuition if an INSURED PERSON is under 18 years of age and has been unable to attend their usual place of education as a result of an ACCIDENT insured by this section,

WE will not pay for costs:

- 1 incurred during the first seven days following the ACCIDENT; or
- 2 recoverable from an education establishment.

The most WE will pay for any one loss is £1,500.

Professional Counselling

WE will, at OUR option, pay for professional counselling to help an INSURED PERSON recover from emotional stress resulting from an ACCIDENT or ILLNESS insured by this section.

The most WE will pay for any one loss is £1,000, but not more than £5,000 for all counselling arising from one incident.

Statement of Fitness for Work

If WE pay benefit for temporary TOTAL DISABILITY and an INSURED PERSON returns to work on reduced hours on the advice of their doctor WE will pay the proportion of the benefit that equates to the proportion of their normal working hours for which they are unable to work provided that, in total, the maximum period for which WE will pay benefit for any one claim does not exceed the payment period shown on YOUR schedule.

Exclusions

WE will not pay for:

- 1 ACCIDENT or ILLNESS consequent upon or contributed to by any pre- existing physical or mental defect or infirmity.
- 2 ACCIDENT or ILLNESS which appears before the start of this section or any subsequent renewal.
- 3 ILLNESS which appears within 21 days of the start of this section unless the INSURED PERSON can prove they had previous continuous insurance for ILLNESS.
- 4 ACCIDENT to or ILLNESS of an INSURED PERSON under 16 or over 65 years of age unless individually named on YOUR schedule.
- 5 ACCIDENT or ILLNESS resulting from:
 - a) pregnancy or childbirth;
 - b) suicide or deliberate self- injury;
 - c) alcohol or drugs;
 - d) failure to obtain or follow proper medical advice;
 - e) any HIV related condition;
 - f) an INSURED PERSON putting themselves in danger, other than in an attempt to save human life;

- g) flying or other aerial activities, other than as a fare-paying passenger in a hot air balloon or power-driven aircraft;
 - h) winter sports, other than sledging, curling or skating;
 - i) hunting on horseback;
 - j) racing, other than swimming, running or yachting;
 - k) mountaineering or rock climbing where ropes or guides are used, or are recommended to be used;
 - l) pot-holing or caving;
 - m) any bungee sport;
 - n) professional sport;
 - o) motor cycling as a driver or passenger, unless it is for agricultural purposes on YOUR own land;
 - p) yachting or boating, other than on inland waters or within three miles of the mainland;
 - q) diving using underwater breathing apparatus; and/or
 - r) unarmed combat, boxing or martial arts;
- unless shown on YOUR schedule as insured.

Special Condition

Medical Evidence

- 1 WE will pay for:
 - a) an INSURED PERSON to have a medical examination; or
 - b) a post mortem to be completed;
 if required by US.
- 2 YOU or YOUR personal legal representative will supply to US and pay for any:
 - a) certificate;
 - b) information; and/or
 - c) evidence;
 in the format WE require.

Settling Claims

The most WE will pay for each benefit is the amount shown on YOUR schedule.

The maximum period for which WE will pay a benefit:

- 1 for temporary TOTAL DISABILITY or PARTIAL DISABILITY or a combination of them, following an ACCIDENT; or
 - 2 for any one ILLNESS;
- is the payment period shown on YOUR schedule.

WE will not pay any benefit for the deferment period shown on YOUR schedule.

WE will only pay under one of the benefits for death, LOSS OF LIMBS, SIGHT, SPEECH OR HEARING or permanent TOTAL DISABILITY for any one claim and such payment will end cover for that INSURED PERSON.

If WE pay benefit for death, LOSS OF LIMBS, SIGHT, SPEECH OR HEARING or permanent TOTAL DISABILITY, WE will cease to pay temporary TOTAL DISABILITY or PARTIAL DISABILITY benefits for the same ACCIDENT.

WE will settle claims for temporary TOTAL DISABILITY or PARTIAL DISABILITY or ILLNESS by making payment every four weeks. Unless WE agree otherwise, YOU will receive YOUR first benefit payment four weeks after WE accept YOUR claim.

If the benefits payable under this section are based upon wages WE will use a suitable index to increase the declared wageroll each year.

Charitable Assignment Condition

This condition forms part of the terms on which YOUR policy is issued. Words printed in capitals in this condition are explained in paragraph 4 below.

- 1 Unless paragraph 3 applies, YOU agree with US and the CHARITY that YOU will transfer to the CHARITY the right to any WINDFALL which YOU would otherwise be entitled to receive in respect of the policy and any renewal or reissue of it.
- 2 To ensure that the agreement YOU have entered into in paragraph 1 can be effectively carried out:
 - (a) YOU authorise US to transfer any WINDFALL direct to the CHARITY;
 - (b) YOU agree to sign any documents and to do anything else which may be needed to transfer any WINDFALL, and YOUR right to receive the WINDFALL, to the CHARITY;
 - (c) YOU appoint US and any of OUR officers and (as a separate appointment) the CHARITY and any of its officers to be YOUR agent to take any of the steps mentioned in (b) above on YOUR behalf;
 - (d) YOU authorise US to provide the CHARITY with any information it reasonably requires about YOU and any policy YOU hold with US, and YOU consent to US and the CHARITY holding and processing such information for this purpose;
 - (e) YOU cannot revoke the authority contained in (a) or (d) above, or the appointment contained in (c) above.
- 3 Paragraph 1 shall not apply in respect of any WINDFALL which arises from a BUSINESS TRANSFER to any company or other body corporate which is at the time of such transfer OUR subsidiary, in circumstances where such transfer is not in any way related to a DEMUTUALISATION or to any sale or other disposal (or proposed sale or other disposal) of such subsidiary.
- 4 In this condition:
 - (a) the "CHARITY" is the NFU Mutual Charitable Trust or, if it ceases to exist, any other charity which becomes entitled to the benefit of the agreement YOU have entered into in paragraph 1;
 - (b) "BUSINESS TRANSFER" means a transfer of part or all of OUR business to any other person, firm or company;
 - (c) "DEMUTUALISATION" means a change (or proposed change) in OUR constitution or corporate status (whether or not involving or associated with a BUSINESS TRANSFER) which has the effect that WE cease to be a MUTUAL ORGANISATION;
 - (d) "MUTUAL ORGANISATION" means a company or other body whose constitution limits membership and voting rights wholly or mainly to persons purchasing goods or services from it or otherwise trading with it;
 - (e) "WE", "US" and "OUR" refer to The National Farmers Union Mutual Insurance Society Limited and any company or other organisation which becomes entitled to all or part of its business;
 - (f) a "WINDFALL" means any benefit to which YOU become entitled as one of OUR members on or in connection with any future BUSINESS TRANSFER or DEMUTUALISATION;
 - (g) "YOU" and "YOUR" refer to the policyholder.

080X3422552/N03

26
310118

2017- 01- 31

NFU Mutual is The National Farmers Union Mutual Insurance Society Limited (No. 111982). Registered in England. Registered Office: Tiddington Road, Stratford upon Avon, Warwickshire, CV37 7BJ. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. A member of the Association of British Insurers.
For security and training purposes, telephone calls may be recorded and monitored.

www.nfumutual.co.uk