

Combined Liability Insurance Policy Schedule

IMPORTANT NOTICE: Please check this Policy very carefully.

Policy / Certificate number:	ENTCL/00004
Client Reference:	CRAFTPOTT
Insured:	Fellow, Professional & Associate Members for the time being of the Craft Potters Association who have paid the appropriate subscription
Correspondence Address:	63 Great Russell Street London WC1B 3BF
Business Description:	Ceramic Artists including the production, exhibition, display & sale of artwork, participation in open studios and similar events and the teaching of ceramic art skills.
Period of Insurance:	01/01/2018 to 31/12/2018, both dates inclusive
Operative Sections and Limits of Indemnity:	1. Employers' Liability: 2. Public Liability: £5,000,000 3. Products Liability: £5,000,000
Policy Excess:	£250 in respect of each and every claim arising from Damage to Third Party Property.
Minimum & Deposit Premium:	£2,240.00 The above premium is inclusive of insurance premium tax at 12%
Special Endorsements Applicable:	,Exclusion Of Heat Work Away From Studio, Excluding USA/Canada, UK Members Only, Associate Members Clause, Premium Adjustment Clause, , ,





Incorporating *first act* a trading name of Hencilla Canworth Limited

Combined Liability Insurance Non-Standard Policy Endorsements

Exclusion Of Heat Work Away From Studio

It is hereby noted and agreed that no indemnity shall be provided under Section 2 of this policy for any claim arising from or in connection with the use of any process involving the application of heat away from the Assured's studio or normal workspace.

Excluding USA/Canada

It is hereby noted and agreed that no indemnity will be provided under Sections 2 and 3 of this policy in respect of any claim arising out of any activity undertaken within or any product supplied to the United States of America or Canada.

UK Members Only

It is hereby noted and agreed that only Assured's that are normally resident in the Great Britain, Northern Ireland, the Channel Islands or the Isle of Man are entitled to indemnity under this policy.

Associate Members Clause

It is hereby noted and agreed that Associate Members of the Craft Potters Association are only entitled to indemnity under this policy if they have elected to include insurance as a benefit of membership and paid the appropriate membership surcharge.

Premium Adjustment Clause

It is hereby noted and agreed that the premium paid for this insurance is a deposit only and is adjustable based upon a declaration at the expiry of the period of insurance of the total number of members covered under the policy, subject to a minimum premium of £2,000.00 plus Insurance Premium Tax. The actual premium due shall be calculated based upon the following rates: Individual Professional Members: £7.50 per member, plus Insurance Premium Tax at the appropriate rate
Individual Associate Members: £15.00 per member, plus Insurance Premium Tax at the appropriate rate



hencilla canworth

Incorporating **first act** a trading name of Hencilla Canworth Limited

COMBINED LIABILITY INSURANCE POLICY

THIS IS TO CERTIFY that in accordance with the authorisation granted to the undersigned by certain Insurance Companies, whose names and the proportions underwritten by them appear below (all of whom are hereinafter referred to as "**Insurers**") and in consideration of the premium specified herein, the said Insurers are hereby bound, each for his own part and not for another, their Executors and Administrators, to insure in accordance with the terms and conditions contained herein or endorsed hereon.

THE INSURERS hereby agree to the extent and in the manner hereinafter provided, to indemnify the **Insured** against legal liability for accidents happening during the period stated in the **Schedule**, after such liability is proved.

PROVIDED always that:

- 1) the liability of the **Insurers** shall not exceed the limits of liability expressed in the said **Schedule** or such other limits of liability as may be substituted therefore by memorandum hereon or attached hereto signed by or on behalf of the **Insurers**;
- 2) this **Policy** insures in respect ONLY of such of the sections hereof as are so specified in the **Schedule**.

The **Insured** is requested to read this **Policy** and, if it is incorrect, return it immediately for alteration.

This **Policy** is made and accepted subject to all the provisions, conditions, warranties and exclusions set forth herein, attached or endorsed, all of which are to be considered as incorporated herein.

In Witness whereof, this **Policy** has been signed at the place stated and on the date specified in the **Schedule** on behalf of

Hencilla Canworth Limited, Simpson House, 6 Cherry Orchard Road, Croydon, Surrey, CR9 6AZ.

Authorised signatory



Date Friday, 08 December 2017

EMPLOYERS', PUBLIC AND PRODUCTS LIABILITY

OPERATIVE CLAUSE

The **Insurers** will indemnify the **Insured** against their legal liability to pay damages (including claimants' costs, fees and expenses).

This indemnity applies only to such legal liability as defined by each insured Section of this **Policy** arising out of the **Business** specified in the **Schedule**, subject always to the terms, conditions and exclusions of such Section and of the **Policy** as a whole.

DEFINITIONS

INSURED

1. the person, persons or corporate body named in the **Schedule**
2. subsidiary companies of the **Insured** notified to and accepted in writing by the **Insurers**.

INSURERS

The insurers whose identity is stated in the Endorsement entitled Identity of Insurers and whose proportionate liability will be detailed on request.

BUSINESS

means the business conducted at or from premises in Great Britain, Northern Ireland, The Channel Islands or the Isle of Man and shall include:

1. the ownership, repair and maintenance of the **Insureds** own property
2. provision and management of canteen, social, sports and welfare organisations for the benefit of any **Person Employed** and medical, firefighting, and security services
3. private work undertaken by any **Person Employed** for any director or partner of the Insured with the prior consent of the **Insured**.

INJURY

means death, bodily injury, illness or disease of or to any person.

DAMAGE

means loss of possession of or damage to tangible property.

PERSON EMPLOYED

means any:

1. Employee being a person under a contract of service or apprenticeship with the **Insured**
2. labour master and persons supplied by him
3. person employed by labour only sub-contractors
4. self employed person under the control of the **Insured**
5. person hired to or borrowed by the **Insured**
6. person undertaking study or work experience or youth training scheme with the **Insured** working for the **Insured** in connection with the **Business**.

PRODUCT

means any tangible property after it has left the custody or control of the **Insured** which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the **Insured**.

POLLUTION

means pollution or contamination of the atmosphere, or of any water, land, buildings or other tangible property.

DEFENCE COSTS

mean costs, fees and expenses incurred by the **Insured** with the written consent of the **Insurers** in the defence or settlement of any claim under this **Policy**.

TERRORISM

means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

INDEMNITY TO OTHERS

The indemnity granted extends to:

1. managerial or supervisory Employees of the **Insured** in their business capacity for legal liabilities arising out of the performance of the **Business** and any director or partner of the **Insured** in respect of private work undertaken by any **Person Employed** for such director or partner with the prior consent of the **Insured**
2. the officers, committees and members of the **Insureds** canteen, social, sports, medical, fire fighting, security services and welfare organisations for legal liabilities incurred in their respective capacity as such
3. any person or firm for legal liabilities arising out of the performance of a contract with the **Insured** constituting the provision of labour only
4. any principal for legal liabilities arising out of work carried out by the **Insured** under a contract or agreement in respect of which the **Insured** would have been entitled to indemnity under this **Policy** if the claim had been made against the **Insured**
5. the personal representatives of any person or party indemnified by reason of this Clause 3 in respect of legal liability incurred by such person or party.

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

CROSS LIABILITIES

Each person or party granted indemnity by this **Policy** is separately indemnified in respect of claims made against any of them by any other subject to the **Insurers** total liability not exceeding the stated **Limits of Indemnity**.

LIMITS OF INDEMNITY

SUB SECTION 1

The **Insurers** total liability to pay damages (including claimants' costs, fees and expenses) shall not exceed the sum stated in the **Schedule** in respect of any one claim against the **Insured** or series of claims against the **Insured** arising out of one occurrence.

SUB SECTIONS 2 AND 3

The **Insurers** total liability to pay damages (including claimants' costs, fees and expenses) shall not exceed the sum stated in the **Schedule** against each Section in respect of any one occurrence or series of occurrences arising from one originating cause

Provided always that the **Limit of Indemnity**:

1. under Section 2 in respect of liability arising out of **Pollution** applies to the total amount of damages (including claimants' costs, fees and expenses) payable in respect of all occurrences during the **Period of Insurance**
2. under Section 3 applies to the total amount of damages (including claimants' costs, fees and expenses) payable in respect of all occurrences during the **Period of Insurance**.

DEFENCE COSTS

The **Insurers** will also pay all **Defence Costs**.

Defence Costs include legal expenses:

1. incurred by or awarded against the **Insured** arising out of any prosecution of the **Insured**;
2. for breach or alleged breach of Part 1 of the United Kingdom Health & Safety at Work Act 1974 (and/or legislation of similar effect)
3. for any offence under Part II of the Consumer Protection Act 1987 and/or Part II of the Food Safety Act 1990 (and/or legislation of similar effect)

Provided that **Insurers** shall not be liable for any fines or penalties imposed as a consequence of such prosecution

- a. arising out of representation at any Coroner's Inquest or Fatal Accident Inquiry
- b. arising out of the defence of any proceedings in a Court of Summary Jurisdiction in respect of matters which may form the subject of indemnity by this **Policy**

Defence Costs will be payable in addition to the **Limits of Indemnity** except in respect of Sub Section 1 when the **Limit of Indemnity** will be inclusive of **Defence Costs** unless this **Policy** is specifically endorsed to the contrary.

COMPENSATION FOR COURT ATTENDANCE

In the event of any director, partner or Employee of the **Insured** attending court as a witness at the request of the **Insurers** in connection with a claim which is the subject of indemnity under this **Policy** the **Insurers** will provide compensation to the **Insured** at the following rates for each day on which attendance is required:

- a. any director or partner £250
- b. any Employee £100

CORPORATE MANSLAUGHTER LEGAL DEFENCE COSTS EXTENSION

Subject to the written consent and the control of the Insurers and subject to all other Conditions and Exclusions applicable to this Policy, the indemnity provided under this Policy is extended to indemnify the Insured, and if the Insured so requests, any Person Employed or director or partner of the Insured, in respect of legal costs incurred in the defence of any criminal proceedings brought, or in an appeal against conviction arising from such proceedings, in respect of manslaughter or culpable homicide or alleged manslaughter or culpable homicide, including a breach of the Corporate Manslaughter and Corporate Homicide Act 2007 and any amending and/or subsequent legislation provided that an offence is alleged to have been committed during the Period of Insurance and in the course of the Business.

The maximum amount payable under this Extension shall not exceed £1,000,000 in all during any one Period of Insurance.

This Extension shall not apply:

- a** to fines or penalties of any kind or the cost of implementing any remedial order or publicity order.
- b** where indemnity is provided by any other Insurance.

SUB SECTION 1 – EMPLOYERS' LIABILITY

SUB SECTION 1 – INDEMNITY

The **Insured** is indemnified by this Section in accordance with the Operative Clause in respect of **Injury** to any **Person Employed** arising out of and in the course of employment by the **Insured** and occurring during the **Period of Insurance**.

SUB SECTION 1 – EXCLUSIONS

This Section does not apply to or include legal liability:

1. incurred in circumstances where any road traffic legislation requires compulsory insurance or security and an indemnity is afforded to the **Insured** by any such insurance or security
2. arising out of work on and/or visits to any offshore rig and/or installation and/or platform from the time of embarkation onto a conveyance at the point of final departure to such offshore rig and/or installation and/or platform until disembarkation from the conveyance from such offshore rig and/or installation and/or platform onto land.
3. arising out of **Terrorism** except to the extent that an indemnity is deemed to be required in accordance with the provisions of any law relating to compulsory insurance of liability to employees, in which case a sub-limit of £5,000,000 shall apply.
4. arising out of or related to the manufacture mining processing distribution testing remediation removal storage disposal sale use or exposure to asbestos or materials or products containing asbestos, except to the extent that an indemnity is deemed to be required in accordance with the provisions of any law relating to compulsory insurance of liability to employees, in which case a sub-Limit of Indemnity of £5,000,000 shall apply.

It is a condition precedent to the liability of **Insurers** that the **Insured** do not manufacture mine process distribute test remediate remove store dispose sell or use asbestos or materials or products containing asbestos.

SUB SECTION 1 – COMPULSORY INSURANCE CLAUSE

The indemnity granted by this Section is deemed to be in accordance with the provisions of any law enacted in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands relating to compulsory insurance of liability to employees.

If however, there has been non-observance of any **Policy** conditions by the **Insured**, and the **Insurers** shall have paid any sum which would not have been paid but for the provisions of such law then the Insured shall forthwith repay such sum to the **Insurers**.

SUB SECTION 2 – PUBLIC LIABILITY

SUB SECTION 2 – INDEMNITY

The **Insured** is indemnified by this Section in accordance with the Operative Clause for and/or arising out of accidental **Injury** and/or **Damage** occurring during the **Period of Insurance**.

SUB SECTION 2 – EXCLUSIONS

This Section does not apply to or include legal liability:

1. in respect of **Injury** to any **Person Employed** arising out of and in the course of employment by the **Insured**.
2. arising out of or in connection with any **Product**.
3. arising out of the ownership, possession or use by or on behalf of the **Insured**, or any person or party entitled to indemnity, of any motor vehicle or trailer for which compulsory insurance or security is required by legislation, other than legal liability:
 - a. caused by the use of any tool or plant forming part of or attached to or used in connection with any motor vehicle or trailer in circumstances where compulsory insurance or security is not required by any legislation
 - b. arising beyond the limits of any carriageway or thoroughfare caused by the loading or unloading of any motor vehicle or trailer except where indemnity is provided by any motor insurance contract
 - c. arising out of any motor vehicle or trailer temporarily in the **Insureds** custody or control for the purpose of parking except liability for which compulsory insurance or security is required by any legislation
4. arising out of the ownership, possession or use by or on behalf of the **Insured** of any aircraft, hovercraft, offshore installation and/or rig and/or platform or watercraft (other than watercraft not exceeding 10 metres in length whilst on inland waterways)
5. for **Damage** to property owned, leased to, hired by, under hire purchase, on loan to, held in trust by or otherwise in the **Insureds** care, custody or control other than:
 - a. clothing and personal effects (including vehicles and their contents) of Employees and visitors
 - b. premises (including contents therein) temporarily occupied by the **Insured** for work therein or thereon but no indemnity shall be granted for **Damage** to that part of the property on which the **Insured** is or has been working and which arises out of such work
 - c. premises tenanted by the **Insured** provided always that liability for such **Damage** is not assumed by the **Insured** under agreement where liability would not have existed in the absence of the agreement
6. arising out of breach of professional duty, or wrongful or inadequate advice given separately for a fee or in circumstances where a fee would normally be charged.

SUB SECTION 3 – PRODUCTS LIABILITY

SUB SECTION 3 – INDEMNITY

The **Insured** is indemnified by this Section in accordance with the Operative Clause for and/or arising out of accidental **Injury** and/or **Damage** occurring during the **Period of Insurance** and arising out of or in connection with any **Product**.

SUB SECTION 3 – EXCLUSIONS

This Section does not apply to or include legal liability:

1. in respect of **Injury** to any **Person Employed** arising out of and in the course of employment by the **Insured**.
2. for costs incurred in the repair, reconditioning or replacement of any **Product** or part thereof which is alleged to be defective
3. arising out of the recall of any **Product** or part thereof
4. arising out of any **Product** which with the **Insureds** knowledge is intended for incorporation into the structure, machinery or controls of any aircraft, other aerial device, hovercraft or waterborne craft
5. arising by virtue of a contract or agreement but which would not have arisen in the absence of such contract or agreement
6. arising from circumstances known to the **Insured** prior to the inception date of this Insurance
7. arising from the failure of any **Product** to perform its intended function.

GENERAL EXCLUSIONS APPLICABLE TO SUB SECTIONS 1, 2 AND 3

This **Policy** does not apply to or include legal liability:

1. arising out of any activities undertaken by the **Insured** within the United States of America or Canada
 2. 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
- Provided that in respect of claims arising out of **Injury** which form the subject of Indemnity under Sub Section 1 this Exclusion shall only apply to liability:
- i. of any party to whom Indemnity is granted under part 4 of the *Indemnity to Others* clause (or their personal representatives)
 - ii. assumed by the **Insured** by agreement which would not have attached in the absence of such agreement
3. for any award of punitive or exemplary damages whether as fines, penalties, multiplication of compensatory awards or damages, or in any other form whatsoever
 4. for the **Excess** stated in the **Schedule** in respect of the first amount of each claim arising out of **Damage**
 5. which forms the subject of insurance by any other Policy and this **Policy** shall not be drawn into contribution with such other insurance.

GENERAL EXCLUSIONS APPLICABLE ONLY TO SUB SECTIONS 2 AND 3

Sub Sections 2 and 3 do not apply to or include legal liability:

1. arising out of the deliberate, conscious or intentional disregard by the **Insureds** technical or administrative management of the need to take all reasonable steps to prevent **Injury** or **Damage**
2. arising out of liquidated damages clauses, penalty clauses or performance warranties unless proven that liability would have attached in the absence of such clauses or warranties
3. arising out of **Pollution** of the atmosphere or of any water, land, buildings or other tangible property except to the extent that the **Insured** demonstrates that such **Pollution**:
 - a. was the direct result of a sudden, identifiable, unintended and unexpected incident occurring in its entirety at a specific time and place during the **Period of this Insurance**
 - b. was not the direct result of the **Insured** failing to take reasonable precautions to prevent such **Pollution**Provided always that all such **Pollution** which arises out of one incident shall be considered for the purposes of this **Policy** to have occurred at the time such incident takes place and that **Insurers** total liability to pay damages (including claimants' costs, fees and expenses) under this clause shall not exceed the **Limit of Indemnity** stated in the **Schedule** in the aggregate in respect of the **Period of this Insurance**.
4. directly or indirectly occasioned by, happening through or in 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.
5. directly or indirectly occasioned by, happening through, arising out of, resulting from or in connection with an act of **Terrorism**. These Sections also exclude legal liability directly or indirectly occasioned by, happening through, in consequence of, arising out of, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of **Terrorism**.
6. a. directly or indirectly occasioned by, happening through, arising out of, resulting from or in connection with any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens; or
b. any costs or expenses associated, in any way, with the abatement, mitigation, remediation, containment, detoxification, neutralization, 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; or
c. any obligation or duty to defend any actions directly or indirectly occasioned by, happening through, arising out of, resulting from or in connection with 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 the purpose of this exclusion, **Injury** shall include mental anguish, mental injury and/ or emotional distress.
7. directly or indirectly 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.
8. arising from the manufacture mining processing distribution testing remediation removal storage disposal sale use or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in consequence of a loss.
9. arising from the use of stage hypnotism, hypnotherapy or the like.
10. arising from or in connection with use of pyrotechnics or explosives or any special effect involving fire or explosion other than use of flash cotton, flash string or flash paper.

GENERAL POLICY ENDORSEMENTS

IDENTITY OF INSURERS

Argo Direct Limited on behalf of ArgoGlobal SE.

Argo Direct Limited (No. 4019569) is registered in England and Wales at Exchequer Court, 33 St Mary Axe, London, EC3A 8AA.

AIG Europe Limited.

AIG Europe Limited is registered in England: company number 1486260. Registered address: The AIG Building, 58 Fenchurch Street, London EC3M 4AB.

Covéa Insurance plc

Covéa Insurance plc, Registered in England and Wales No.613259.
Registered office, Norman Place, Reading, RG1 8DA

Argo Direct Limited is authorised and regulated by the Financial Conduct Authority.

ArgoGlobal SE is authorised by the Malta Financial Services Authority to carry on General Insurance Business under the Insurance Business Act, 1998.

AIG Europe Limited and Covea Insurance plc are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

SEVERAL LIABILITY

The liability of the Insurers is several and not joint and is limited solely to the extent of their individual proportions as shown in the Endorsement entitled Identity of Insurers. The Insurers are not responsible for the subscriptions of any co-subscribing insurers or any other insurer or co-insurer who for any reason does not satisfy all or part of its obligations.

FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)

Royal & SunAlliance Insurance plc, AIG Europe Limited and Covéa Insurance plc are members of the Financial Services Compensation Scheme (FSCS). This provides compensation in case any member goes out of business or into liquidation and is unable to meet any valid claims against its policies. You may be entitled to compensation if we cannot meet our obligations, depending on the circumstances of the claim. Further information about the compensation scheme can be obtained from the FSCS.

OIM FUNGUS, MOULD AND MILDEW EXCLUSION CLAUSE

Public and Products Liability

The Insurers shall not indemnify the Insured under this Section against

1. Damages, direct or consequential, on account of "bodily injury," "property damage," "personal or advertising injury," or "medical payments" 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; or
2. Any costs or expenses associated, in any way, with the abatement, mitigation, remediation, containment, detoxification, neutralization, 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; or
3. Any obligation or duty to defend any actions on account of "bodily injury", "property damage", "personal or advertising injury", 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.

All other terms and conditions of this insurance remain unchanged.

OXYGEN COMPONENT BUILDING MATERIAL EXCEPTION CLAUSE

Public and Products Liability

Exception

The Insurers shall not indemnify the Insured under this Section in respect of injury, loss, damage, cost or expense of whatsoever nature directly or indirectly 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.

OIM ASBESTOS CLAUSE

Employers' Liability

Insurers will not indemnify the Insured in respect of any liability arising under this section arising out of or related to the manufacture mining processing distribution testing remediation removal storage disposal sale use or exposure to asbestos or materials or products containing asbestos other than to the extent that an indemnity is deemed to be required in accordance with the provisions of any law relating to compulsory insurance of liability to employees, in which case a sub-limit of GBP5,000,000 shall apply, inclusive of all damages, costs and expenses payable in respect of any one claim arising out of any one event or all events of a series consequent on or attributable to one source or original cause.

It is a condition precedent to the liability of Insurers that the Insured do not manufacture mine process distribute test remediate remove store dispose sell or use asbestos or materials or products containing asbestos.

Public Liability

Insurers will not indemnify the Insured in respect of any liability arising from the manufacture mining processing distribution testing remediation removal storage disposal sale use or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in consequence of a loss.

OIM TERRORISM CLAUSE

Terrorism – Public and Products Liability

Exception

The Insurers will not indemnify the Insured under this Section in respect of injury, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism.

Definition

Terrorism shall mean an act – whether involving violence or the use of force or not – or the threat or the preparation thereof, of any person or group(s) of persons – whether acting alone or on behalf of or in connection with any organisation(s) or government(s) – which

- is designed to, or does
- intimidate or influence a de jure or de facto government or the public or a section of the public, or
- disrupt any segment of the economy
- and
- from its nature or context is done in connection with political, social, religious, ideological or causes or objectives.

Terrorism – Employers' Liability

Exception

The Insurers will not indemnify the Insured in respect of any liability arising under this section arising out of Terrorism other than to the extent that an indemnity is deemed to be required in accordance with any law relating to compulsory insurance of employees, in which case a sub-limit of GBP5,000,000 shall apply, inclusive of all damages, costs and expenses payable in respect of any one claim or series of claims against the Insured.

Definition

Terrorism shall mean an act – whether involving violence or the use of force or not – or the threat or the preparation thereof, of any person or group(s) of persons – whether acting alone or on behalf of or in connection with any organisation(s) or government(s) – which

- is designed to, or does
- intimidate or influence a de jure or de facto government or the public or a section of the public, or
- disrupt any segment of the economy
and
- from its nature or context is done in connection with political, social, religious, ideological or similar causes or objectives

CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 CLARIFICATION CLAUSE

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

DATA PROTECTION ACT 1998

It is understood by the **Insured** that any information provided to the **Insurers** regarding the **Insured** will be processed by the **Insurers**, 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.

E.U. DISCLOSURE CLAUSE (UK)

Notice to the 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.

GENERAL CONDITIONS

(Conditions 1 to 5. are precedent to **Insurers** liability to provide Indemnity under this **Policy**)

1. The **Insured** shall give immediate notice in writing to the **Insurers** of any occurrence that may give rise to a claim under this **Policy** and shall give all such additional information as the **Insurers** may require. Every claim, writ, summons, notice of adjudication, referral notice or process and all documents relating thereto shall be forwarded to the **Insurers** immediately they are received.
2. No admission, offer, promise or payment shall be made or given by or on behalf of the **Insured** without the written consent of the **Insurers** who shall be entitled to take over and conduct in the name of the **Insured** the defence or settlement of any claim or to prosecute in the name of the **Insured** for their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the **Insured** shall give all such information and assistance as the **Insurers** may reasonably require.
3. The **Insurers** may at any time pay to the **Insured** in connection with any claim or series of claims under this **Policy** to which a **Limit of Indemnity** applies the amount of such Limit (after deduction of any sums already paid) or any lesser amount for which such claims can be settled and upon such payment being made the **Insurers** shall relinquish the conduct and control of and be under no further liability in connection with such claims except for the payment of **Defence Costs** incurred prior to the date of such payment (unless the **Limit of Indemnity** is stated to be inclusive of **Defence Costs**).

Provided that if the **Insurers** exercise the above option and the amount required to dispose of any claim or series of claims exceeds the **Limit of Indemnity** and such excess amount is insured either in whole or in part, with **Defence Costs** payable in addition to the **Limit of Indemnity** under this **Policy** then the **Insurers** will also contribute their proportion of subsequent **Defence Costs** incurred with their consent as the **Limit of Indemnity** bears to the amount paid to dispose of a claim.

4. The **Insured** shall give notice to the **Insurers** of any alteration or circumstance which materially affects the risks insured under this **Policy** and until the **Insurers** be advised of such alteration or circumstance and shall have expressly agreed in writing to accept liability for such altered risk and the **Insured** has paid or agreed to pay the additional premium (if any) the **Insurers** shall not be liable in respect of any claim or claims due wholly or partially to any such alteration or circumstance.
5. Where the premium is provisionally based on the **Insureds** estimates, the **Insured** shall keep accurate records and within 90 days of expiry of the **Period** of this Insurance declare such particulars as the **Insurers** require. The premium shall then be adjusted and any difference paid or allowed to the **Insured** as the case may be subject to any minimum premium that may apply. Where such estimates include remuneration to employees, the required declaration shall also include remuneration to all persons defined as **Persons Employed** by this **Policy**. Failure to declare such particulars to the **Insurers** shall entitle the **Insurers** to estimate if they so wish such particulars and to assess the further premium payment due calculated on such estimated particulars.
6. The **Insured** is required to make a fair presentation of the risk to **Insurers**. If the **Insured** breaches its duty to provide a fair presentation and any such breach was deliberate or reckless, **Insurers** may regard the Policy as void and are not required to return any paid Premium to the **Insured**. If the breach was not deliberate or reckless, **Insurers'** remedy shall depend upon what **Insurers** would have done if the **Insured** had complied with the duty of fair presentation:
 - i) **Insurers** may regard the Policy as void if **Insurers** would not have entered into the Policy on any terms in the absence of the breach. In this case, the **Insurers** must return the premium paid.
 - ii) If the **Insurers** would have entered into the Policy, but on different terms (other than terms relating to premium) the Policy is to be treated as if those different terms applied from the outset, if the **Insurer** so requires.
 - iii) If the **Insurers** would have entered into the Policy but would have charged a higher premium the **Insurers** may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims).
7. The **Insurers** may cancel this **Policy** by giving 30 days' notice in writing of such cancellation to the **Insureds** last known address.
8. If the **Insured** makes a fraudulent claim under this Policy the **Insurers** shall not be liable to pay the **Insured** any sums in respect of the fraudulent claim. The **Insurers** may recover from the **Insured** any sums that the **Insurers** have already paid to the **Insured** in respect of the fraudulent claim. The **Insurers** may by notice to the **Insured** treat this Policy as terminated with effect from the date of the **Insured's** fraudulent act.

9. Any phrase or word in this **Policy** and the **Schedule** will be interpreted in accordance with the law of England. The **Policy** and the **Schedule** shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this **Policy** or the **Schedule** shall bear such specific meaning wherever it may appear.
10. All disputes concerning the interpretation of this **Policy** are understood and agreed by both the **Insured** and the **Insurers** to be subject to English Law. Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within England 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.
11. If the **Insured** breaches any warranty in this Policy, the **Insurer's** liability under the Policy shall be suspended from the time of the breach until the time when the breach is remedied (if it is capable of being remedied). The **Insurer** will have no liability to the Insured for any loss which occurs, or which is attributable to something happening, during the period when the **Insurer's** liability is suspended.

Where:

- (i) there has been a failure to comply with a term (express or implied) of this Policy, other than a term which defines the risk as a whole; and
- (ii) compliance with such term would tend to reduce the risk of loss of a particular kind and/or loss at a particular location and/or loss at a particular time,

the **Insurer** cannot rely on the breach of such term to exclude, limit or discharge its liability if the **Insured** shows that the failure to comply with such term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

CLAIMS CONTACT DETAILS

If you need to notify Insurers of a claim or of any circumstances or incident which may cause a claim you should contact:

Hencilla Canworth, Simpson House, 6 Cherry Orchard Road, Croydon, Surrey, CR9 6AZ

Telephone Number 020 8686 5050
Fax Number: 020 8686 5559
E-Mail: mail@hencilla.co.uk

Please refer to General Conditions 1 & 2 on the previous page about actions you should, and should not, take if a claim under the policy may be necessary.

COMPLAINTS PROCEDURE

It is always the intention to provide a first class standard of service. However it is appreciated that occasionally things go wrong. In some cases the broker who arranged the insurance will be able to resolve any concerns and you should contact them directly.

Alternatively if you need to complain please contact the Pen Underwriting Limited Complaints Officer quoting your policy or claim number.

Pen Underwriting Limited Complaints Officer
3 Atlantic Quay, 20 York Street, Glasgow, G2 8JH
Telephone: 0141 285 3539
Email: pencomplaints@penunderwriting.com

Your complaint will be acknowledged within 5 business days of receipt. If the complaint is not resolved within 4 weeks of receipt Pen Underwriting will write to You and let You know what further action will be taken. A final response letter will be issued within 8 weeks of receipt. Upon receipt of the letter if You remain dissatisfied You may refer Your complaint to the Financial Ombudsman Service.

The FOS is an independent body that arbitrates on complaints.

The FOS can be contacted at the following address:

The Financial Ombudsman Service
Exchange Tower
London E14 9SR
Telephone: 0800 0234567 (for landline users)
Telephone: 0300 1239123 (for mobile users)
Email: complaint.info@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk

You have six months from the date of the final response from Your Insurer to refer Your complaint(s) to the FOS. This does not affect Your right to take legal action, however, the FOS will not adjudicate on any case where litigation has commenced.