

Employers' Liability

Definitions

Injury

Bodily injury, death, disease, illness, mental injury, mental anguish or nervous shock.

Employee

- A. Any person under a contract of service or apprenticeship with the Insured
- B. Any of the following persons whilst working for the Insured in connection with the Business
 - i. any labour master or labour only subcontractor or person supplied by him
 - ii. any self-employed person using labour only
 - iii. any home worker or outworker
 - iv. any trainee or person undergoing work experience
 - v. any voluntary helper
 - vi. any person who is borrowed by or hired to the Insured
 - vii. any person working under the Community Service by Offenders (Scotland) Act 1978 or similar legislation
 - viii. any prospective employee being assessed by the Insured as to their suitability for employment
 - ix. any person a court of law in the United Kingdom deems to be an employee

Business

The Business specified in the Schedule and conducted solely from the United Kingdom and including

- A. the ownership repair and maintenance of premises used in connection therewith
- B. the provision and management of canteen social sports or welfare organisations for the benefit of Employees and the ambulance first aid fire medical and security services of the Insured
- C. the execution of private duties by Employees for any director partner or senior official of the Insured
- D. the repair and/or servicing of the Insured's motor vehicles
- E. the training or retraining of any Employee at Government or other training centres
- F. participation at trade shows or exhibitions by the Insured
- G. sponsorship by the Insured of sporting charity literary and theatrical events and competitions
- H. provision of nursery crèche or child care facilities where incidental to the Business
- I. provision of car parking for the benefit of Employees, customers and visitors.

Territorial Limits

- A. The United Kingdom
- B. Elsewhere in the world in respect of Injury sustained by any Employee resident within the United Kingdom and caused whilst such Employee is temporarily employed outside the United Kingdom provided that any action for compensation in respect of such Injury is brought in a court of law within the United Kingdom or any other member country of the European Union.

Offshore Installations

- A. any rig platform accommodation or other installation in the sea or tidal waters
- B. any pipe or system of pipes in the sea or tidal waters
- C. any support vessels in the sea or tidal waters

Definitions (continued)

An Act of Terrorism

An act including but not limited to the use of force or violence and/or 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.

Cover

- A. The Insurer will indemnify the Insured against legal liability to pay compensation and claimants' costs and expenses in respect of Injury sustained by any Employee arising out of and in the course of the employment or engagement of such person by the Insured in connection with the Business and caused within the Territorial Limits during the Period of Insurance.

In addition the Insurer will pay costs and expenses incurred by the Insurer or with the written consent of the Insurer

- a. in connection with the defence of any claim
- b. for representation of the Insured
 - i. at any coroner's inquest or fatal accident inquiry in respect of death
 - ii. at proceedings in any court of summary jurisdiction or on indictment in any higher court in respect of any alleged breach of statutory duty resulting in Injury which may be the subject of indemnity under this Section.

B. Indemnity to Other Parties

The indemnity provided by this Section will also apply:

- a. in the event of the death of the Insured, to any personal representative of the Insured in respect of liability incurred by the Insured

and if the Insured so request the Insurer will indemnify the following parties

- b. any officer or committee member or other member of the Insured's canteen, social, sports or welfare organisations or ambulance, first aid, fire, medical or security services against liability incurred in such capacity
- c. any partner, director or Employee of the Insured against liability incurred in such capacity and in respect of which the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured

as though each party was individually named as the Insured in this Section

- d. any principal for whom the Insured have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the Insured and in respect of which the Insured are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the Insured.

Provided that

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

Limit of Indemnity

The Insurer's liability for all compensation, costs and expenses payable (including interest thereon and the costs of defending a Health and Safety legislation prosecution) in respect of any one claim or series of claims arising out of one occurrence shall not exceed the Limit of Indemnity stated in the Schedule provided that

A. Act of Terrorism

The Limit of Indemnity shall not exceed £5,000,000 in respect of an Act of Terrorism.

If the Insurer alleges that by reason of this limitation any loss damage cost or expense is not covered the burden of proving the contrary shall be upon the Insured.

B. Corporate Manslaughter and Corporate Homicide Act 2007

In respect of the indemnity provided under this Section for the Corporate Manslaughter and Corporate Homicide Act 2007:

- a. the liability of the Insurer shall not exceed £5,000,000 in any one Period of Insurance
- b. all amounts payable will form part of and not be in addition to the Limit of Indemnity as stated in the Schedule
- c. where the Insurer has already indemnified the Insured in respect of legal costs or expenses incurred in connection with the defence of any criminal proceedings including appeals arising from such proceedings arising out of the same occurrence which gave rise to said proceedings under another Section of the Policy the amount paid under that Section shall contribute to the maximum amount payable under this Section.

Extensions

(Subject to the terms limits conditions and exclusions of this Section and the Policy)

A. Health and Safety at Work - Legal Defence Costs

The Insurer will indemnify the Insured and if the Insured so request any partner, director or Employee of the Insured in the terms of this Section in respect of

- a. costs and expenses incurred with the Insurer's written consent
 - b. costs and expenses of the prosecution awarded against any such party in connection with criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 committed or alleged to have been committed during the Period of Insurance in connection with the Business
- Provided that

- i. the proceedings relate to the health, safety or welfare of any Employee
 - ii. the Insurer shall have the conduct and control of all the said proceedings and appeals.
- the Insurer will not pay for
- a. fines or penalties of any kind
 - b. proceedings or appeals in respect of any deliberate act or omission
 - c. costs or expenses insured by any other policy.

B. Unsatisfied Court Judgements

If a judgement for compensation or costs in respect of Injury sustained by any Employee arising out of and in the course of employment or engagement by the Insured in connection with the Business and caused within the Territorial Limits during the Period of Insurance

- a. is obtained by such Employee in any court situate within the United Kingdom against any person or corporate body domiciled or operating from premises within the United Kingdom
and
- b. remains wholly or partly unsatisfied six months after the date of such judgement

the Insurer will if the Insured so request pay to the said Employee the amount of any such compensation and costs to the extent that they remain unsatisfied

Provided that

- i. there is no appeal outstanding
- ii. the Employee shall have assigned the judgement to the Insurer
- iii. this Section was shown in the Schedule at the time of the Injury.

C. Court Attendance Compensation

If during the Period of Insurance any partner, director or Employee of the Insured is required to attend court as a witness at the request of the Insurer in connection with a claim which is the subject of indemnity under this Section the Insurer will pay compensation to the Insured on the following scale for each day that attendance is required:

- i. any director or partner £500
- ii. any Employee £250.

Extensions (continued)

(Subject to the terms limits conditions and exclusions of this Section and the Policy)

D. Corporate Manslaughter and Corporate Homicide Act 2007

This Section extends to indemnify the Insured in respect of

- A. legal costs and expenses incurred with the prior written consent of the Insurer and
- B. costs of the prosecution awarded against the Insured

in connection with the defence of any criminal proceedings (including any appeal against conviction arising from such proceedings) brought under The Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Channel Islands or the Isle of Man in respect of any fatal injury sustained and caused during the Period of Insurance in the course of the Business and which may be the subject of indemnity under this Section

Provided that

- a. the Insurer agrees details of the specific solicitor or counsel who are to act on behalf of the Insured prior to their appointment
- b. the Insurer's liability under this Extension shall not exceed the Limit of Indemnity B.

In respect of this Extension the Insurer will not pay for

- i. any fines or penalties imposed on the Insured or the cost of implementing any remedial order or publicity order
- ii. legal costs and expenses in connection with an appeal unless a solicitor or counsel advise that there are strong prospects of succeeding in the appeal or recovering costs awarded against the Insured at all times throughout the appeals process. Any change to such prospect of success during the appeals process may result in cover being removed
- iii. costs and expenses provided by another source or any other insurance or where but for the existence of this Extension would have been provided by such source or insurance
- iv. costs and expenses in connection with the defence of any criminal proceedings brought in any country other than in the United Kingdom
- v. costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by the Insured or any partner or director of the Insured or any Employee.

Extensions (continued)

(Subject to the terms limits conditions and exclusions of this Section and the Policy)

E. Employee Related Accident Benefits

Cover

a. **Insuring Agreement**

The Insurer will pay the Insured in accordance with the Schedule of Benefits specified under this Extension if during the Operative Time of Cover the Insured Person suffers Accidental Bodily Injury which within 12 months thereof solely, directly and independently of any other cause results in the Death, Permanent Total Disablement, Loss of Hearing, Loss of Limb, Loss of Sight or Loss of Speech of an Insured Person, the Insurer will pay the benefit as detailed in the Schedule of Benefits below

b. **Schedule of Benefits**

Benefits:

Item 1: Death - Sum Insured £10,000

Item 2: Permanent Total Disablement - Sum Insured £10,000

Item 3: Permanent Loss of Limbs, Loss of Sight or Loss of Hearing - Sum Insured £10,000

Item 4: Loss of one eye, one hand or foot or Loss of Speech - Sum Insured £5,000

Item 5: First Aid Expenses incurred in connection with a valid claim under this Extension - not exceeding 15% of the Benefit

c. **Limitation of Benefits**

i. Insured Person Limit

The maximum amount the Insurer will pay to the Insured in respect of Items 1-4 inclusive of the Schedule of Benefits arising out of any one claim shall not exceed £10,000 for each Insured Person irrespective of how many Benefits might be applicable

ii. **Aggregate Limit**

The maximum amount the Insurers will pay to the Insured under this Extension caused by or consequent upon the same original circumstance is

- £50,000 for Items 1-4 combined of the Schedule of Benefits

- £10,000 for Item 5 of the Schedule of Benefits.

In the event of a claim exceeding this Aggregate Limit the Benefit per Insured Person shall be proportionately reduced accordingly

d. **Additional Definitions**

For the purpose of this Extension

Accidental Bodily Injury shall mean:

bodily injury caused by:

- i. accidental violent, external and visible means, or
- ii. unavoidable exposure to the elements.

Benefit shall mean:

the sum or sums of money that the Insurer has agreed to pay the Insured Person as shown in the Schedule of Benefits.

Death shall mean:

death caused by Accidental Bodily Injury

First Aid Expenses shall mean:
expenses necessarily incurred by the Insured Person or the Insured on behalf of the Insured Person for immediate and urgent treatment due to an Insured Person having sustained Accidental Bodily Injury which results in a valid claim for any of Benefits 1-4 as shown in the Schedule of Benefits

Insured Person shall mean:
any person under a contract of employment or apprenticeship with the Insured.

Loss of Hearing shall mean:
total and permanent loss of hearing in one or both ears.

Loss of Limbs shall mean:
total and permanent
i. loss by physical separation of, or
ii. loss of use of one or more
- hands, at or above the wrist, or
- feet, at or above the ankle.

Loss of Sight shall mean:
total and permanent loss of sight, which will be considered as having occurred
i. in both eyes if the Insured Person's name has been added to the Register of Blind Persons maintained by the government on the authority of a fully qualified ophthalmic specialist, or
ii. in one eye, if the degree of sight remaining after correction is 3/360 or less on the Snellen Scale.

Loss of Sight shall mean:
total and permanent loss of sight, which will be considered as having occurred
i. in both eyes if the Insured Person's name has been added to the Register of Blind Persons maintained by the government on the authority of a fully qualified ophthalmic specialist, or
in one eye, if the degree of sight remaining after correction is 3/360 or less on the Snellen Scale.

Loss of Speech shall mean:
total and permanent loss of the ability to speak or communicate verbally.

Operative Time of Cover shall mean:
while an Insured Person is carrying out their occupational duties for the Insured.

Permanent Total Disablement shall mean:
disablement which having lasted without interruption for at least 12 months, has no reasonable prospect of improving and, in the opinion of an independent qualified medical referee acceptable to the Insurer, will in all probability permanently completely and continuously prevent the Insured Person from engaging in or giving attention to business profession or occupation of each and every kind for which they are reasonably fitted by education training or experience.

- e. Additional Exclusions
 - For the purpose of this Extension the following Additional Exclusions shall apply
 - 1. The Insurer shall not pay the Benefits shown in the Schedule of Benefits if any claim arises out of or is consequent upon or is contributed to directly or indirectly by
 - a. suicide, attempted suicide or any intentional self-injury
 - b. illness and disease which does not result directly from Items 2, 3 or 4 of the Schedule of Benefits
 - c. any naturally occurring condition or degenerative process.

f. Additional Conditions

For the purpose of this Extension the following additional conditions shall apply

1. Disappearance

Death of any Insured Person shall not be presumed by reason of their disappearance. If after a reasonable period of time has elapsed the Insurer having examined all the evidence available has no reason to suppose other than that the Insured Person has sustained an accident during the Operative Time of Cover resulting in their Death, the disappearance of such Insured Person shall be deemed to constitute Death by accident for the purpose of this Extension.

In the event of the Insured Person's re-appearance after payment under item 1 of Schedule of Benefits the beneficiary thereof shall repay such amount to the Insurer unless probate has been granted or legal evidence of the presumption of Death has been supplied to the Insurer.

Exclusions

This Section does not cover

1. liability in respect of Injury to any Employee arising out of the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle or trailer attached thereto if such liability is required by any road traffic legislation to be the subject of compulsory insurance or other security.
2. liability in respect of Injury to any Employee who is working on, visiting or travelling to or from Offshore Installations.

Section Conditions

1. **Compulsory Insurance Legislation**

The indemnity granted by this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in the United Kingdom but the Insured shall repay to the Insurer all sums paid by the Insurer which the Insurer would not have been liable to pay but for the provisions of such law.

2. **Certificate of Employers' Liability**

If this Policy or Section is cancelled any certificate of Employers' Liability insurance issued hereunder is similarly cancelled from the same date.

3. **Other Insurances**

The Insurer will not indemnify the Insured in respect of liability which is insured by or would but for the existence of this Section be insured by any other policy or section except in respect of any rateable proportion, other than in excess of the amount payable under such other policy or section or which would have been payable under such other policy or section, had this Section not been effected.

4. **Alteration in Risk**

The Insured must notify the Insurer as soon as possible if during the Period of Insurance there is any alteration:

- a. in or to the Business
- b. in the ownership of the Insured
- c. to the facts or matters set out in the Schedule or otherwise comprising the risk presentation made by the Insured to the Insurer at inception, renewal or variation of the Policy

which materially increases the risk of legal liability to pay costs and expenses as insured by this Section.

Upon being notified of any such alteration, the Insurer may, at its absolute discretion

- a. continue to provide cover under this Section on the same terms
- b. restrict the cover provided under this Section
- c. impose additional terms
- d. alter the premium
- e. cancel this Section and the Policy.

If the Insured fails to notify the Insurer of any such alteration, the Insurer may

- a. treat this Section and the Policy as if it had come to an end as at the date of the alteration of the risk, returning a proportionate amount of the premium for the unexpired Period of Insurance, if the Insurer would have cancelled this Section and the Policy had it known of the increase in risk
- b. treat this Section and the Policy as if it had contained such terms (other than relating to premium) or other restrictions (if any) from the date of the alteration in risk as the Insurer would have applied had it known of the increase in risk
- c. reduce proportionately the amount paid or payable on any claim, the proportion for which the Insurer is liable being calculated by comparing the premium actually charged as a percentage of the premium which the Insurer would have charged had it known of the increase in risk.

5. **Declaration Condition**

If the premium or part of any premium is calculated on estimates supplied to the Insurer by or on behalf of the Insured the Insured shall keep a record of all such relevant particulars and shall allow the Insurer to inspect such records at any reasonable time.

The Insured shall furnish the Insurer with such information as the Insurer may require at the expiry of each Period of Insurance. The premium shall be adjusted annually and any difference shall be paid by or returned to the Insured subject to any agreed minimum or deposit premium.