

Section Three – Employers' Liability

Definitions

Words with special meanings in this section are highlighted in bold (or in capital letters in the Schedule) and are either defined below or defined in the General Definitions. Where words or phrases are not highlighted in this manner the everyday meaning will apply.

Bodily Injury means physical injury or disease or a recognisable psychiatric injury, including death resulting therefrom.

Business means the activity(ies) of the **Insured** as stated in the Business Description in the Schedule and including:

- (a) the ownership, occupation, repair, maintenance and decoration of **Your** property
- (b) the provision of catering, social, sports, educational and welfare facilities and first aid, medical and ambulance services for the benefit of **Employees**
- (c) the provision of fire and security services maintained only for the protection of **Premises** owned by **You**
- (d) private work undertaken within the **Geographical Limits** by an **Employee** with **Your** prior consent for any director, trustee, partner or **Employee** of **Yours**.

Employee(s) means any person working for **You** in connection with **Your Business** who is

- (a) under a contract of service or apprenticeship with **You**
- (b) a labour master or labour-only sub-contractor or person supplied by them
- (c) self-employed (for labour only)
- (d) working under a recognised work experience or training scheme
- (e) a voluntary helper
- (f) borrowed by or hired to **You** or
- (g) a director of **Your Business**.

Event means one occurrence or series of occurrences arising from or attributable to one source or original cause.

Principal means any party (other than a director, trustee, partner or **Employee**) on whose behalf **You** are undertaking work in connection with the **Business**.

Terrorism means any 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, ethnic or similar purposes or reasons including the intention to influence any government and/or to put the public or any section of the public in fear.

Cover

What IS Insured	What IS NOT Insured
<p>We will pay all sums which You become legally liable to pay as damages including claimants' costs and expenses arising out of Bodily Injury to an Employee caused during the period of insurance in connection with the Business</p> <p>(a) within the Geographical Limits, or (b) elsewhere in the world where an Employee is temporarily employed for not more than 60 days provided the Employee is domiciled and was engaged by You within the Geographical Limits.</p> <p>This insurance complies with the provisions of any law enacted in the Geographical Limits relating to the compulsory insurance of liability to Employees.</p> <p>General Exclusion (3) does not apply to this section. General Exclusion (4)(b) does not apply to this section except in respect of liability of any principal and liability assumed by agreement.</p>	<p>The total amount We will pay in respect of</p> <p>(a) any one Event which is directly or indirectly caused by, results from or is in connection with Terrorism shall not exceed £5,000,000. If We allege the Bodily Injury has resulted from Terrorism the burden of proving the contrary shall be upon You.</p> <p>(b) any other Event shall not exceed the Section Limit shown in the Schedule.</p> <p>We will not pay any claim which arises from</p> <p>(a) Bodily Injury to any Employee while working offshore</p> <p>(b) An event in respect of which liability is required to be insured under the compulsory motor insurance provisions of the Road Traffic Acts.</p>

Additional Cover

What IS Insured	What IS NOT Insured
<p>(1) Defence costs under the Health & Safety at Work etc. Act 1974</p> <p>We will pay costs and expenses incurred with Our consent by You or Your directors, partners or Employees in defending legal proceedings (including appeal) arising out of any prosecution, inquiry, emergency control order, forfeiture, improvement notice, order to warn, prohibition notice, prohibition order or suspension notice brought for a breach of the Health & Safety at Work etc. Act 1974 or any subsequent amendments or additions to this legislation, alleged to have been committed during the period of insurance in connection with the Business.</p> <p>Any appeal will only be funded by Us if Queens Counsel has advised that it is more likely for an appeal to be successful than not. A different Queens Counsel must be used for this purpose to any that may have been involved prior to the conviction.</p>	<p>No cover is provided</p> <p>(a) for anyone other than an Employee.</p> <p>(b) in respect of fines or penalties of any kind, including HSE Fees for Intervention.</p> <p>(c) if payment has already been provided or will be provided under the Corporate Manslaughter Defence Costs section of this Policy.</p> <p>(d) where the proceedings have resulted from any deliberate act or omission by:</p> <p>(i) You or any director, trustee or partner of Yours;</p> <p>(ii) any Employee of Yours who has specific responsibility for compliance with the above legislation which could reasonably have been expected to constitute a breach of the above legislation.</p> <p>The total amount We will pay in respect of any one Event occurring in any one period of insurance shall not exceed £500,000.</p> <p>We will not pay the VAT element of any claim where You are able to recover VAT.</p>

What IS Insured	What IS NOT Insured
<p>(2) Corporate manslaughter defence costs</p> <p>We will pay legal costs and expenses incurred with Our prior consent in connection with the defence of any criminal proceedings, or an appeal against conviction which arises from criminal proceedings, for any offence as defined in Section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007 committed or alleged to have been committed during the period of insurance in the course of the Business.</p> <p>Provided that:</p> <p>(a) where We have already agreed to pay legal costs incurred in the defence of any criminal proceedings arising out of the same Event which has given rise to the proceedings in respect of corporate manslaughter or corporate homicide, any amount already paid by Us will be taken into account in calculating Our liability under this extension.</p> <p>(b) You must obtain Our prior consent before the appointment of any solicitor or counsel who is to act for You and on Your behalf.</p> <p>(c) any appeal will only be funded by Us if Queens Counsel has advised that it is more likely for an appeal to be successful than not. A different Queens Counsel must be used for this purpose to any that may have been involved prior to the conviction.</p>	<p>No cover is provided</p> <p>(a) for anyone other than an Employee.</p> <p>(b) in respect of any proceedings which result from Your deliberate act or omission or the deliberate act or omission of any trustees, managerial Employees, partners or directors of Yours while acting in their corporate capacity and which could reasonably have been expected having regard to the nature and circumstances of such act or omission.</p> <p>(c) in respect of fines or penalties of any kind including the costs of remedial or publicity orders or the steps required to be taken by such orders.</p> <p>The total amount We will pay under this extension shall not exceed £1,000,000 for any Event occurring in any one period of insurance. This limit will form part of and not be in addition to the Section Limit stated in the Schedule.</p> <p>We will not pay the VAT element of any claim where You are able to recover VAT.</p>
<p>(3) Personal representatives</p> <p>Unless We specifically state otherwise in the event of Your death the cover under this section will extend to include Your personal representatives in respect of any legal liability for which You would have been entitled to payment had the claim been made against You.</p>	
<p>(4) Payment to principal</p> <p>Unless We specifically state otherwise, if the following people have a claim made against them for which You would be insured by this section if the claim were made against You, at Your request We will pay for any amounts for which they are legally liable:</p> <p>(a) any Principal;</p> <p>(b) any trustee, partner or Employee of Yours;</p> <p>(c) any officer or member of Your canteen, social, sports and welfare facilities and fire, first aid, ambulance and security</p>	

What IS Insured	What IS NOT Insured
<p>services (but excluding medical or dental practitioners) in their individual capacities as such;</p> <p>(d) any trustee, partner or Employee of Yours in respect of private work carried out with Your prior consent by an Employee for such trustee, partner or Employee.</p> <p>Provided that such people shall keep to the terms, conditions and limitations of this Policy.</p>	
<p>(5) Compensation for court attendance</p> <p>If We request any of the following categories of people to attend court as a witness in connection with a claim under this section of the policy We will provide You with the following rates of compensation for each day, or part of a day, on which attendance is required:</p> <p>Any of Your directors, trustees or partners £500 Any Employee £250</p>	
<p>(6) Cross liabilities</p> <p>If You consist of more than one party (and in the case of partnerships this shall mean each individual partner) We will deal with each party in the terms of this Policy against liability incurred to the other in the same manner and to the same extent as if a separate Policy had been issued to each subject to the maximum amount payable in respect of damages arising out of one Event not exceeding the Section Limit shown on the Schedule.</p>	

Claims Settlement Provisions

We will settle a claim for damages by payment on the basis of the liability incurred, subject to any relevant monetary limit specified in this Section.

If the sum payable for any claim or claims made against **You** is greater than the maximum sum payable **You** will be responsible for any extra amount. **You** shall also pay such proportion of the legal costs as the extra amount bears to the total sum payable for such claim or claims.

Please also read the Claims Conditions in the General Section of this Policy.



Cornish Mutual

Head office: CMA House, Newham Road, Newham, Truro, Cornwall TR1 2SU

Tel: 01872 277151 **Fax:** 01872 223053

email: askus@cornishmutual.co.uk www.cornishmutual.co.uk



Company Registration Number: 00078768

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

CC EL Jan 2020