



**ACTIVITIES INDUSTRY MUTUAL LIMITED**  
**EMPLOYERS' LIABILITY COVER WORDING**

**TABLE OF CONTENTS**

DEFINITIONS..... 1  
EMPLOYERS' LIABILITY..... 11

## DEFINITIONS

The following definitions apply throughout this Cover Wording

### 1 **Board**

- Board shall mean the Board of Directors for the time being of the Mutual

### 2 **Business**

Business shall mean

The business of the Member as advised to the Mutual at the inception of this Cover Wording and prior to any subsequent renewal which shall include

- engagement of subcontractors for performance of work on behalf of the Member
- organisation of and participation in exhibitions trade fairs conferences and the like
- property owners lessors and lessees including repair refurbishment and maintenance of such property
- provision and management of canteen social sports welfare medical facilities fire first aid rescue and ambulance services principally in connection with but not limited to the operations of the Member
- provision of nursery crèche or baby care facilities where incidental to the Business
- private work undertaken by any Employee for any director or partner or executive of the Member
- security organisations for the benefit of the Member
- the organisation or sponsorship of charitable events or similar fund raising activities
- sponsorship of events organisations entities and individuals
- repair maintenance and servicing of own mechanically propelled vehicles
- sale or disposal of own property and goods including owned mechanically propelled vehicles
- provision of gifts and promotional material incidental to the Business

### 3 **Certificate of Entry**

- Certificate of Entry shall mean a document issued by the Mutual which evidences the existence of Cover in respect of the Member

**4 Contribution**

- Contribution shall mean all monies payable to the Mutual by a Member in respect of the discretionary protection provided by this Cover Wording or any section of this Cover Wording as evidenced by the Certificate of Entry

**5 Cover**

- Cover shall mean the discretionary cover provided by the Mutual subject to the Mutual's discretion and the terms and conditions of the Cover Wording Certificate of Entry and Schedule

**6 Cover Wording**

- Cover Wording shall mean this Cover Wording which evidences the scope and extent of the discretionary indemnity in respect of the Member

**7 Deductible**

- Deductible shall mean the amount which the Member agrees to pay before which the Mutual may make any payment under this Cover Wording and such amount shall be inclusive of all costs and expenses as specified in Indemnity Clauses 1b) and 2 herein
- The full Limit of Indemnity as stated in the Schedule may apply over and above the Deductible subject otherwise and always to the Cover Wording Conditions and Exclusions stated herein

**8 Employee**

Employee shall mean

- any person under a contract of service or apprenticeship with the Member
- any labour master or labour only sub-contractor or persons supplied by them
- self employed persons engaged by the Member
- persons engaged by the Member under work experience training study or similar schemes
- any person hired to borrowed by or supplied to the Member from any other employer
- persons on secondment to the Member from the Member's parent subsidiary or associated companies outside Great Britain Northern Ireland the Channel Islands and the Isle of Man
- voluntary workers for the Member
- outworkers and home workers for the Member
- any prospective employee who is being assessed by the Member as to his or her suitability for employment

**9 Limit of Indemnity**

- Limit of Indemnity shall mean the Limit of Indemnity stated in the Schedule (or any other Limit of Indemnity as may hereafter be agreed to in writing by the Mutual)

**10 Member**

Member shall mean

- the named Member stated in the Certificate of Entry
- legal or personal representatives of the Member in respect of legal liability incurred by the Member

Indemnity on a discretionary basis may also be provided to the following parties but only at the request of the Member and at the discretion of the Board

- any director or partner of the Member
- any Employee
- the officers individual members committee and voluntary helpers of the Member's canteen and welfare organisations in their respective capacities as such
- the officers and individual members of the Member's security rescue first aid fire and ambulance services in their respective capacities as such
- the officers individual members committee voluntary helpers and guests of the Member's sports and social organisations in their respective capacities as such
- any director or partner or executive of the Member in respect of private work undertaken by any Employee for a director partner or executive of the Member
- the officers or individual members of the Member's medical organisation other than any doctor surgeon or dentist while working in a professional capacity

always provided such parties requiring discretionary indemnity shall observe fulfil and be subject to the terms Conditions Exclusions Extensions and Endorsements of this Cover Wording in so far as they can apply

**11 Mutual**

- Mutual shall mean the Activities Industry Mutual Limited

**12 Occurrence**

- Occurrence shall mean an accident or event including continuous or repeated injurious exposure to conditions during the Period of Cover which result in the death of or bodily injury illness or disease sustained by any Employee

**13 Offshore**

- Offshore shall mean embarkation on to a vessel or aircraft (including helicopters) for conveyance to an offshore installation or support or accommodation vessel until disembarkation from the conveyance on to land upon return from the offshore installation or support or accommodation vessel

**14 Period of Cover**

- Period of Cover shall mean the duration of cover stated in the Certificate of Entry and any subsequent period for which the Mutual has accepted a Contribution

**15 Schedule**

- Schedule shall mean a document issued by the Mutual which evidences the scope and extent of the discretionary Cover in respect of a Member

**16 Territorial Limits**

The Territorial Limits are:

Great Britain Northern Ireland the Isle of Man the Channel Islands

The Territorial Limits also include elsewhere in the World but only in respect of temporary visits to such territories by Employees of the Member in the course of the Business

The Territorial Limits may also extend to offshore installations in territorial waters around Great Britain and its Continental Shelf where a Limit of Indemnity is specified in the Schedule

**17 Terrorism**

- Terrorism shall mean 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

## CONDITIONS

- 1 The due observance of the terms, provisions, conditions and endorsements of this Cover Wording by the Member in so far as they relate to anything to be done or complied with by the Member and the truth of statements and answers and information supplied on or in connection with the Members proposal shall be a condition precedent to the Mutual whether to make any discretionary payment under this Cover Wording
- 2 The Member shall give written notice to the Mutual as soon as reasonably practicable with full particulars of any claim or circumstances which may give rise to a claim under this Cover Wording regardless of any Deductible that may apply

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

Written notice shall also be given by the Member to the Mutual immediately the Member shall have knowledge of any prosecution inquest or inquiry in connection with any circumstances which may give rise to indemnity under this Cover Wording

No admission offer promise payment or indemnity shall be made or given by or on behalf of the Member without the written consent of the Mutual who shall be entitled to take over and conduct in the name of the Member for its own benefit and shall have full discretion in the conduct of any proceedings and in the settlement of any claim

The Member shall give all assistance as the Mutual may reasonably require

- 3 If at the time of any claim there is or but for the existence of this Cover Wording there would be any insurance covering the same legal liability the discretionary indemnity under this Cover Wording may not apply in respect of any amount beyond that which would have been payable under such insurance had this Cover Wording not been effected
- 4 The Mutual may at any time make a payment to or on behalf of the Member of the maximum sum payable under this Cover Wording in respect of any one Occurrence (or the balance thereof should any payments have already been made in respect of claims arising out of the same Occurrence together with the amount of any legal costs incurred prior to the time of such payments) or any lesser amount for which at the absolute discretion of the Mutual the claims arising out of such Occurrence can be settled. The Mutual will then have no further discretionary indemnity arising out of or in connection with such Occurrences

If the sum payable in respect of any claim or claims occurring in connection with or arising out of any one Occurrence exceeds the Limit of Indemnity stated in the Schedule to this Cover Wording the Member shall pay the excess over such Limit of Indemnity.

- 5 The Member shall provide to the Mutual
  - a) all information and facts that may affect the risks covered by this Cover Wordingand
  - b) any other information that the Mutual may reasonably require
- 6 Where the Contribution is provisionally based on the Member's estimates the Member shall keep accurate records and no later than 3 months after expiry of the Period of Cover declare such details as the Mutual require. The Contribution shall then be adjusted and any difference paid by or allowed to the Member as the case may be subject to any minimum Contribution that may apply. Where such estimates include remuneration to employees the required declaration shall also include remuneration to persons by the Member to perform a contract constituting the provision of labour only
- 7 Any phrase or word in this Cover Wording Certificate of Entry and Schedule shall be interpreted in accordance with the law of England. This Cover Wording Certificate of Entry and Schedule shall be read together as one document and any word or expression to which a specific meaning has been attached in any part of this Cover Wording Certificate of Entry and Schedule shall bear such specific meaning wherever it may appear
- 8 The Mutual may cancel this Cover Wording by giving thirty days' notice (but ten days' notice in the event of non-payment of Contribution) in writing of such cancellation to the Members last known address and in such event the Member shall become entitled to a rebate equal to the proportionate part of the Contribution corresponding to the unexpired portion of the Period of Cover but subject always to Condition 6 herein
- 9 The Member may cancel this Cover Wording by giving thirty days' notice in writing of such cancellation to the Mutual's last known address and in such event the Member shall become entitled to a rebate equal to the proportionate part of the Contribution corresponding to the unexpired portion of the Period of Cover but subject always to Condition 6 herein.



## EXTENSIONS

If noted on the Schedule as operative at the time any incident which may give rise to a request for indemnity under this Cover Wording the Mutual may indemnify the Member at the discretion of the Board in respect of the following extensions subject always to the terms and conditions of this Cover Wording

### 1 Health and Safety at Work etc. Act 1974

Except as may otherwise be subject to indemnity under any other provision of this Cover Wording the Mutual may indemnify the Member and at the request of the Member any director partner or Employee of the Member in respect of legal fees and expenses incurred and any prosecution costs awarded in respect of: -

a) the defence of any criminal proceedings brought against the Member or director or partner or Employee of the Member for an offence occurring during the Period of Cover under the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 or similar or amending legislation including any offence of manslaughter arising from the Business relating to matters affecting the safety health and welfare of Employees of the Member

b) an appeal against a conviction arising from such proceeding

but this extension of discretionary indemnity shall not apply

i) to the payment of fines and penalties arising in respect of such proceedings or appeal

ii) in circumstances where the Member or any director or partner of Employee of the Member have indemnity for such liability under any other Cover Wording

All legal fees and expenses incurred and prosecution costs awarded are in addition to the Limit of Indemnity as stated in the Schedule to this Cover Wording

### 2 Compensation for Court Attendance

In the event of any director or partner of the Member or Employee attending court as a witness at the request of the Mutual in connection with a claim in respect of which the Member may be indemnified under this Cover Wording the Mutual may provide compensation to the Member at the following rates per day for each day on which attendance is required

- |  |      |
|--|------|
| a) Any director or partner of the Member | £500 |
| b) Any other Employee                    | £250 |

Such compensatory amounts are in addition to the Limit of Indemnity as stated in the Schedule to this Cover Wording

### **3 Unsatisfied Court Judgments**

In the event of a

- a) judgment for damages being obtained against any company or individual operating from premises within Great Britain Northern Ireland the Isle of Man or the Channel Islands in any court situated in the aforesaid territories by any Employee or the personal representative of any Employee in respect of the death bodily injury illness or disease of the Employee caused during any Period of Cover and arising out of and in the course of employment by the Member in the Business; and
- b) remaining unsatisfied in whole or in part six months after the date of such judgment

subject to the Limit of Indemnity as stated in the Schedule to this Cover Wording the Mutual may pay to the Employee or the personal representatives of the Employee at the request of the Member the amount of any such damages and any awarded costs to the extent that they remain unsatisfied

Provided always that

- i) there is no appeal outstanding against such judgment
- ii) if any payment is made under the terms of this extension the Employee or the personal representatives of the Employee shall assign the judgment to the Mutual

### **4 Indemnity to principal**

To the extent that any contract or agreement entered into by the Member with any principal so requires the Mutual may subject to the Limit of Indemnity as stated in the Schedule

- a) indemnify the Member against liability assumed by the Member
- b) indemnify the principal in like manner to the Member in respect of the liability of the principal

arising out of the performance by the Member of such contract or agreement

Provided always that

- i) the conduct and control of claims is vested in the Mutual
- ii) the principal shall observe fulfil and be subject to the terms Exclusions Conditions Extensions and Endorsements of this Cover Wording
- iii) indemnity shall not apply to liability in respect of liquidated damages or to liability under any penalty clause

Discretionary indemnity to any principal shall only apply in respect of liability for which the Member named in the Certificate of Entry may have been indemnified herein if the claim had been made directly against the Member

For purposes of this Extension the term principal shall include but shall not be limited to any partner co-venturer subsidiary or affiliated or parent company to the principal but only to the extent that the contract between the principal and the Member requires these additional parties to be indemnified in a like manner to the Member

## EXCLUSIONS

In no circumstances shall the Mutual's discretionary indemnity under this Cover Wording including any Extensions or Endorsements be given

- 1 for legal liability of the Members directly or indirectly caused by or contributed to by or arising from
  - a) ionising radiation 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

where such legal liability is

- i) that of any principal
    - ii) accepted under agreement and would not have attached in the absence of such agreement
- 2 for any legal liability where the Member is required to arrange compulsory motor insurance or security in accordance with road traffic act legislation in respect of death of or bodily injury illness or disease to any Employee of the Member happening during any Period of Cover in connection with the Business within the Territorial Limits

## EMPLOYERS' LIABILITY

This Cover is provided by the Mutual on a discretionary basis up to the Mutual's retention as set out in the Certificate of Entry

The Mutual may at the discretion of the Board subject to the terms conditions and limitations contained in this Cover Wording indemnify the Member up to the Limit of Indemnity stated in the Schedule

- 1 for all sums that the Member shall become legally liable to pay:
  - a) in respect of death bodily injury illness or disease sustained by any Employee of the Member arising out of and in the course of employment with the Member caused during the Period of Cover in connection with the Business within the Territorial Limits; and
  - b) in respect of claimants costs and expenses in connection therewith
- 2 in respect of
  - a) the Member's costs of legal representation at
    - i) any coroner's inquest or inquiry in respect of any death
    - ii) proceedings in any court arising out of any alleged breach of statutory duty resulting in any liability or potential liability under this Cover Wording

which may be the subject of indemnity under this Cover Wording

- b) all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under 1 a) above

incurred with the prior written consent of the Mutual

For the avoidance of doubt all costs and expenses as specified in Clauses 1 b) and 2 above may be inclusive within the Limit of Indemnity as stated in the Schedule unless otherwise stated herein

Provided that in respect of any one Occurrence

- A the total amount payable under this Cover Wording (including all Extensions and Memoranda except where otherwise provided) in respect of all damages costs and expenses shall not exceed the Limit of Indemnity
- B the total amount payable under this Cover Wording in respect of all damages costs and expenses arising out of all claims during any Period of Cover

consequent on or attributable to one source or original cause irrespective of the number of Members having a claim under this Cover Wording consequent on or attributable to that one source or original cause shall not exceed the Limit of Indemnity stated in the Schedule

For the purposes of the Limit of Indemnity stated in the Schedule all persons or entities that may fall within the definition of Member under this Cover Wording shall be treated as one Member party or single legal entity so that there may be only two parties to the Cover Wording namely the Mutual and the first named Member