

Products Liability

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Definitions

The following Definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Compensation

Damages including interest.

Computer System

Any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

Communicable Disease

- (a) Coronavirus being:
 - (i) any coronavirus; or
 - (ii) any disease caused by any coronavirus; or
 - (iii) any mutation or variation of any coronavirus or of any disease caused by any coronavirus.
- (b) Any other infectious disease in humans which has been determined or declared to:
 - (i) constitute a Public Health Emergency of International Concern under the International Health Regulations (2005) (as amended or replaced from time to time); and/or
 - (ii) an outbreak identified as a major health incident in the United Kingdom, for which a Scientific Advisory Group for Emergencies has been activated by the Cabinet Office Briefing Room

Costs and Expenses

- (a) Claimants' legal costs for which **You** are legally liable
- (b) All costs and expenses incurred with **Our** written consent in defending any claim
- (c) The solicitor's fees incurred with **Our** written consent for representation at proceedings in any court of summary jurisdiction in respect of any alleged act causing or relating to any occurrence which may be the subject of indemnity under this Section or at any coroner's inquest or fatal accident inquiry.

Cyber Act

An unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System**.

Cyber Incident

- (a) Any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **Computer System**; or
- (b) Any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer System**.

Data

Information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **Computer System**.

Pollutants

Any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot fumes, acid, alkalis, chemicals and waste. Waste includes material to be recycled reconditioned or reclaimed.

Pollution or Contamination

- (a) All pollution or contamination of buildings or other structures or of water or land or the atmosphere and
- (b) All **Bodily Injury** or **Damage** directly or indirectly caused by such pollution or contamination

arising from any **Pollutants**.

Cover

We will indemnify **You** against

1. legal liability to pay **Compensation**
- and

2. **Costs and Expenses**

in respect of:

- (a) accidental **Bodily Injury** to any person
- (b) **Damage** to material property

occurring anywhere in the world during the **Period of Insurance** and caused by any **Products** supplied in or from the **Territorial Limits**.

Limit of Indemnity

Our liability to pay **Compensation** in respect of all occurrences during any one **Period of Insurance** shall not exceed the Limit of Indemnity stated in the **Schedule**.

Our liability under this Section for all **Compensation** payable in respect of all occurrences arising directly or indirectly from **Communicable Disease** during any one **Period of Insurance** and in the aggregate shall not exceed £1,000,000 inclusive of all **Costs and Expenses**. This limit will form part of and not be in addition to the Limit of Indemnity stated in the **Schedule**.

Where indemnity is provided for liability in respect of claims brought in the United States of America or Canada or their dependencies or trust territories the Limit of Indemnity stated in the **Schedule** shall be the maximum amount payable by **Us** inclusive of all **Costs and Expenses**.

Products Liability

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Extensions

The following Extensions apply to this Section.

Consumer Protection and Food Safety Acts

We will indemnify **You** and at **Your** request any of **Your** directors, **Your** partners or **Employees** against costs and expenses incurred with **Our** written consent in connection with the defence of any proceedings or an appeal against conviction arising from such proceedings brought for a breach of:

- (a) Part 2 of the Consumer Protection Act 1987 or
- (b) Section(s) 7, 8, 14 and/or 15 of the Food Safety Act 1990 committed or alleged to have been committed in the course of the **Business** during the **Period of Insurance**.

We will not be liable for:

- (a) the payment of fines or penalties
- (b) proceedings or appeals in respect of any deliberate act or omission
- (c) costs and expenses insured by any other policy.

Corporate Manslaughter and Corporate Homicide Act 2007

We will indemnify **You** in respect of:

- (a) legal costs and expenses incurred with **Our** prior written consent and
- (b) prosecution costs awarded against **You** in the defence of criminal proceedings including an appeal against conviction arising from such proceedings brought under The Corporate Manslaughter and Corporate Homicide Act 2007 as a result of death to any person other than an **Employee** happening in connection with the **Business** during the **Period of Insurance** and which may be the subject of payment under this Section provided that:
 - (i) **Our** liability will not exceed £5,000,000 or the Limit of Indemnity shown in the **Schedule**, whichever is the lower, during any one **Period of Insurance**
 - (ii) all amounts payable under this Extension will form part of and not be in addition to the Limit of Indemnity stated in the **Schedule**
 - (iii) where **We** have already provided a payment in respect of any legal costs or expenses incurred in connection with the defence of any criminal proceedings including appeals against conviction arising from such proceedings brought under The Corporate Manslaughter and Corporate Homicide Act 2007 arising out of the same occurrence which give rise to such proceedings any amount paid or payable by **Us** will be deducted from the amount payable under this Section
 - (iv) **We** agreed in writing to the appointment of any solicitor or counsel who is to act on **Your** behalf prior to their appointment.

We will not be liable for:

- (a) any fines or penalties or the cost of implementing any remedial order or publicity order
- (b) an appeal against any fines penalties remedial order or publicity order
- (c) any costs incurred which result from the failure to comply with any remedial order or publicity order

- (d) costs and expenses in connection with any appeal unless advice has been obtained from solicitors or counsel approved by **Us** that there are strong prospects of success
- (e) costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by **You** or any other director partner or **Employee** of **Yours**
- (f) costs and expenses provided by any other source or any other insurance or where but for the existence of this Extension would have been provided by such source or insurance
- (g) costs and expenses in connection with the defence of any criminal proceedings brought in any country outside the **Territorial Limits**.

Court Attendance Compensation

We will pay **You** the daily rates stated below if any of the following are required to attend court as a witness at **Our** request:

- (a) **You**, any director or business partner £750
- (b) any **Employee** £250

Cross Liabilities

Where there is more than one person named as the **Policyholder** in the **Schedule** this Section will apply separately to each named person as if each is insured by a separate policy, provided always that **Our** maximum liability in the aggregate for damages to all parties insured will not exceed the Limit of Indemnity shown in the **Schedule**.

Health and Safety at Work etc. Act 1974

We will indemnify **You** and at **Your** request, any director, partner or **Employee** against legal costs and expenses incurred with **Our** written consent in the defence of any criminal proceedings brought in respect of a breach of the Health and Safety at Work etc. Act 1974 or similar legislation in Northern Ireland, the Channel Islands or the Isle of Man, committed or alleged to have been committed during the **Period of Insurance**, including legal costs and expenses incurred with **Our** written consent in an appeal against conviction arising from such proceedings.

We will not be liable for:

- (a) fines or penalties of any kind
- (b) proceedings or appeals in respect of any deliberate or intentional criminal act or omission
- (c) costs and expenses insured by any other policy.

Conditions

The following Conditions apply to this Section, in addition to the General Conditions and Claims Conditions at the front of this policy.

Discharge of Liability

We may at any time pay to **You** in connection with any claim or series of claims:

- (a) the amount of the Limit of Indemnity or
- (b) any lesser amount for which such claim or claims can be settled less any sum or sums already paid as **Compensation**.

On payment **We** shall relinquish the conduct and control of and be under no further liability in connection with such claim or claims except for the payment of **Costs and Expenses** incurred prior to the date of such payment.

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Exclusions

The following Exclusions apply to this Section in addition to the General Exclusions at the front of this policy.

We will not be liable under this Section in respect of:

1. liability for **Bodily Injury** caused to any **Employee** arising out of and in the course of such person's employment in the **Business**
2. a contract unless legal liability would have attached to **You** in the absence of such contract
3. legal liability arising from or caused by the provision of advice or any plan, design, formula or specification given separately for a fee or for which a fee is normally charged
4. liability caused by or arising from property in **Your** care, custody or control
5. **Damage to Products** or the cost of making good or recalling such **Products** or the cost of rectifying defective work
6. liquidated damages fines or penalties
7. punitive exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages
8. all liability in respect of **Pollution or Contamination** other than that caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during any one **Period of Insurance** provided that:
 - (a) all **Pollution or Contamination** which arises out of any one incident shall be deemed to have occurred at the time such incident takes place
 - (b) **Our** liability for all **Compensation** payable in respect of all **Pollution or Contamination** which is deemed to have occurred during any one **Period of Insurance** shall not exceed in the aggregate the Limit of Indemnity stated in the **Schedule**
 - (c) this exclusion does not apply to the United States of America and/or Canada and/or their dependencies or trust territories.
9. all liability in respect of **Pollution or Contamination** occurring in the United States of America and/or Canada and/or their dependencies or trust territories
10. **Products** which with **Your** knowledge are exported directly or indirectly to the United States of America or Canada
11. any **Products** which with **Your** knowledge are used in the aircraft, space, petro-chemical, gas, offshore, ship building and repair or nuclear industries
12. any **Products** which with **Your** knowledge are to be used in the motor industry other than those not affecting the safety, stability, steering or braking of the vehicle
13. liability caused by or arising from **Products** where the action is brought against **You** in any country not being a member of the European Union where **You** have a branch or a parent or a subsidiary company or are represented by a person or company holding **Your** Power of Attorney

14. liability directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with:

- (a) any **Cyber Act** or **Cyber Incident** including but not limited to any action taken in controlling, preventing, suppressing or remediating any **Cyber Act** or **Cyber Incident**
- (b) loss of use, reduction of functionality, repair, replacement, restoration or reproduction of any **Data**, including any amount pertaining to the value of such **Data**

This Exclusion shall not apply in respect of:

- (i) **Bodily Injury**
- (ii) physical damage to material property directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with a **Cyber Act** or a **Cyber Incident**.

15. any liability which is insured by or would but for the existence of this Section be insured by any other policy except in respect of any excess beyond the amount payable under such other section had this insurance not been effected
16. the **Excess** shown in the **Schedule**.