



**ACTIVITIES INDUSTRY MUTUAL LIMITED**  
**PUBLIC/PRODUCTS LIABILITY COVER WORDING**

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## 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 upon the terms and conditions of this 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 Clause 2 of Sections 1 and 2 and Extension 2
- The full Limit of Indemnity as stated in the Schedule will 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 Injury**

Injury shall mean

- bodily injury death disease illness (which shall include mental anguish shock)
- false arrest false detention false imprisonment wrongful eviction malicious prosecution invasion of right of privacy
- libel slander defamation of character deceit or injurious falsehood
- damage or distress in respect of any claims brought under Sections 22 or 23 of the Data Protection Act 1984 or similar or amending legislation

**10 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)

**11 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
- lessors where such lessors are required in contract to be indemnified in respect of property plant or equipment leased to the Member
- 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

**12 Mutual**

- Mutual shall mean the Activities Industry Mutual Limited

**13 Occurrence**

- Occurrence shall mean an event including continuous or repeated injurious exposure to the same conditions during the Period of Cover which results in Injury or Property Damage

**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 Pollution**

- Pollution shall mean contamination the discharge dispersal release or escape of smoke vapours soot fumes acids alkalis toxic chemicals liquids gases or waste materials or other irritants contaminants or pollutants into or upon land the atmosphere or any water course or body of water

**16 Products**

- Products shall mean goods or products (after they have ceased to be in the possession or under the control of the Member) manufactured constructed repaired serviced treated sold supplied or distributed by the Member including any container and instructions for use and including any structure constructed erected or installed or any contract

works executed by or on behalf of the Member in the course of the Business

17 **Property Damage**

- Property Damage shall mean loss of or damage to material property

18 **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

## GENERAL 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 will
  - a) take reasonable precautions to
    - i) prevent any circumstances or to cease any activity which may give rise to indemnity under this Cover Wording and
    - ii) maintain all buildings furnishings ways works machinery plant and vehicles in sound condition
  - b) as soon as possible after discovery cause any defect or danger in respect of Products buildings fittings furnishings plant or machinery to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require
- 3 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

The Member shall also upon receipt of a Notice of Adjudication (as defined below) relating to any circumstance which has given or may give rise to a claim under this Cover Wording provide immediate notice (or on the first working day thereafter) thereof to the Mutual

A Notice of Adjudication means any notice issued by a party to a contract to which the Housing Grants Construction and Regeneration Act 1996 applies stating an intention to refer a dispute under the contract to adjudication

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

- 4 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 herein may only apply in respect of any amount beyond that which is payable under such insurance
- 5 The Mutual may at any time make a payment to or on behalf of the Member of the maximum sum payable under the Cover Wording in respect of any one Occurrence and in the case of Pollution any one incident (or in either case the balance thereof should any payments have already been made in respect of claims arising out of the same Occurrence or in the case of Pollution in respect of the same incident or by the payment of the balance of the maximum sum payable under this Cover Wording in any one Period of Cover should the same be less than either of the aforesaid amounts by reason of payments made in connection with any previous claims and in respect of claims occurring in the United States of America or its territories or its protectorates or Canada together with the amount of any legal costs incurred prior to the time of such payments) or any less amount for which at the absolute discretion of the Mutual the claim arising out of such Occurrence or in the case of Pollution such incident can be settled. The Mutual will then have no further indemnity arising out of or in connection with such Occurrences or incidents

If the sum payable in respect of any claim or claims occurring in connection with or arising out of any one Occurrence or in the case of Pollution any one or all such incidents exceeds the sum payable under the Cover the Member shall pay the excess and where costs and expenses specified in Clause 2 of Sections 1 and 2 and Extension 2 are in addition to the Limit of Indemnity as stated in the Schedule the Member shall also pay such proportion of the legal costs payable to any claimants and/or incurred in the defence of any claim or claims in respect of such Occurrences or incidents as such excess bears to the total sum payable in respect of such Occurrence or incidents

- 6 The Member shall provide to the Mutual:-
- a) all information and facts that may affect the risks covered by this Cover Wording
- and
- b) any other information that the Mutual may reasonably require
- 7 Where the Contribution is provisionally based on the Member's estimates the Member shall keep accurate records and no later than three months after expiry of the Period of Cover declare as soon as possible 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 engaged by the Member to perform a contract constituting the provision of labour only
- 8 Any phrase or word in this Cover Wording Certificate of Entry and Schedule will be interpreted in accordance with the law of England. The 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
- 9 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 Member'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 7
- 10 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 7

## GENERAL 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 **Cross Liabilities**

If the Member comprises more than one party the Mutual may provide indemnity to each such Member in the same manner and to the same extent as if a separate Cover Wording had been issued to each provided always that the cumulative total amount payable hereunder to all such Members shall not exceed the Limit of Indemnity

### 2 **Additional Legal Costs**

The Mutual may 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 in respect of

- a) the Member's costs of legal representation at
  - i) any coroners 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 occurrence

which may be the subject of indemnity under this Cover Wording

- b) all other costs and expenses incurred with the prior written consent of the Mutual in relation to any matter which may form the subject of a claim for indemnity under this Cover Wording

### 3 **Defective Premises Act**

The Mutual may indemnify the Member in respect of any liability which the Member as previous owners may incur by virtue of the Defective Premises Act 1972 or the Defective Premises Measure (Northern Ireland) 1974 in connection with any premises which have been disposed of by the Member and which prior to such disposal were occupied by the Member in connection with the Business provided that the indemnity under this Extension shall not cover

- a) any liability for incidents happening prior to such disposal

- b) the cost of repairing, replacing or reinstating any defect giving rise to such liability or for the rectification of faulty workmanship
- c) any liability more specifically insured under any other insurance policy

#### **4 Legal Defence Costs**

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 against the Member in respect of

- a) Health and Safety at Work etc. Act 1974
  - i) 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
  - ii) an appeal against a conviction arising from such proceeding
- b) Consumer Protection Act 1987
  - i) the defence of any criminal proceedings brought against the Member or director or partner or Employee of the Member in respect of an offence occurring during the Period of Cover under Part II of the Consumer Protection Act 1987 or similar or amending legislation
  - ii) any appeal against a conviction arising from such proceeding

provided always that the Mutual shall not be liable under paragraphs a) and b) of this Extension 4

- a) for the payment of fines and penalties
- b) where the Member or any director or partner or Employee of the Member have indemnity for such liability under any other policy of insurance

#### **5 Data Protection Act 1984**

The Mutual may indemnify the Member and at the request of the Member any director or partner or Employee of the Member in respect of their liability to pay

- a) compensation in respect of damage or distress under sections 22 and 23 of the Data Protection Act 1984 or any similar or amending legislation (the Act) including defences costs and expenses
- b) defence costs in relation to a prosecution brought under Section 19 of the Act in relation to a claim made by any person

provided always that

- i) the Member has registered in accordance with the terms of the Act
- ii) a claim is first made against the Member during the Period of Cover
- iii) this extension shall not apply in respect of

A the payment of fines or penalties

B the cost of replacing reinstating rectifying or erasing any personal data

## **6 Compensation for Court Attendance**

In the event of any director or partner 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

## **7 Contingent Motor Liability**

Notwithstanding 1 a) within the Exclusions of Section 1 Public Liability the Mutual may indemnify the Member against legal liability for accidental death or accidental Injury to any person and/ or accidental Property Damage arising out of the use in the course of the Business of any mechanically propelled vehicle not the property of nor provided by the Member provided always that this indemnity may not apply to legal liability

- a) in respect of loss of or damage to such vehicle or to property conveyed therein
- b) arising whilst such vehicle is being driven by the Member or any Employee

- c) in respect of which the Member is entitled to indemnity under any insurance cover or policy
- d) arising outside Great Britain Northern Ireland the Channel Islands or the Isle of Man
- e) for which the Member is obliged to affect insurance by virtue of compulsory insurance as is required by the Road Traffic Act 1988 or the Road Traffic (Northern Ireland) Order 1981 or any subsequent amending legislation

## **8 Overseas Personal Liability**

The Mutual may provide indemnity to the Member and if the Member so requests any Employee or director or partner of the Member against legal liability incurred in a personal capacity while temporarily outside Great Britain Northern Ireland the Channel Islands or the Isle of Man in connection with the Business provided always that this indemnity may not apply

- a) to legal liability arising out of the ownership or occupation of land or buildings
- b) where indemnity is provided by any insurance policy

## **9 Individual member to individual member liability**

So far as concerns the Member's canteen sports social and welfare activities and the activities of any sports or social club associated with the Member the Mutual may at the discretion of the Board and subject always to the terms and conditions and exclusions of this Cover Wording indemnify any individual member of such clubs in the event that a claim is made against such individual member by another individual member of such club arising out of such activities provided that had the claim been made against the Member Indemnity subject to the discretion of the Board would have been available to the Member. For the purposes of this Extension guests and voluntary helpers shall be deemed to be members of such clubs

Provided that

- a) such individual member is not entitled to indemnity under any policy or policies of insurance

- b) such individual member shall as though he were the Member observe fulfil and be subject to the terms Exclusions and Conditions of this Cover Wording

## 10 **Indemnity to Principals**

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 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 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 and Endorsements of this Cover Wording
- iii) indemnity under this Extension 10 shall not apply to liability in respect of liquidated damages or to liability under any penalty clause

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

## 11 **First Aiders**

So far as concerns the provision of first aid by the Member the Mutual may at the discretion of the Board and subject always to the terms and conditions and exclusions of this Cover Wording indemnify any first aider of the Member where such first aider is providing first aid assistance in a

private capacity but only to the extent that such first aider is unable to obtain indemnity under any policy of insurance

No liability shall attach to the Mutual under this Extension if such first aider is unable to obtain indemnity under any policy of insurance due to the non-compliance with such policy terms and conditions by such first aider requiring Indemnity under this Extension

## 12 **Obstructing Vehicles**

In the event of a mechanically propelled vehicle causing an obstruction to the extent of interfering with the carrying out of the Members Business then notwithstanding Exclusion 1 a) of Section 1 the Mutual may indemnify the Member in respect of legal liability for Injury or Property Damage arising from the movement of such vehicle by the Member

Provided that

- a) such movement shall be limited to the minimum necessary to clear the obstruction
- b) this Extension shall not apply where an indemnity is provided by any motor insurance contract or where compulsory motor insurance is required by law or where there is an insurance policy applying

## GENERAL EXCLUSIONS

In no circumstances shall the Mutual's discretionary indemnity under Section 1 and Section 2 of this Cover Wording including any Extensions or Endorsements be given for liability

1 arising as a result of any deliberate act of or deliberate omission by the Member the consequences of which could reasonably have been expected by the Member having regard to the nature and circumstance of such act or omission

2 in respect of the Injury to any Employee arising out of and in the course of employment by the Member in connection with the Business

3 arising from or in connection with

- a) advice
- b) design
- c) specification

provided solely for a fee other than with the intent of obtaining a contract for the future supply of Products whether or not such contract is obtained

4 in respect of Pollution of buildings or other structures or water or land or the atmosphere unless the Pollution is caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during the Period of Cover anywhere in the world other than in respect of any incident occurring in the United States of America or its territories or its protectorates or Canada

All Pollution which arises out of one incident shall be considered by the Mutual for the purposes of this Cover Wording to have occurred at the time such incident takes place

5 in respect of

- a) fines penalties or liquidated damages
- b) compensation ordered or awarded by a Court of Criminal Jurisdiction
- c) aggravated exemplary or punitive damages awarded by any court outside Great Britain Northern Ireland the Channel Islands or the Isle of Man

6 any occurrence 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
  - c) any 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
- 7 for the costs of remedying any defect or alleged defect in premises disposed of by the Member

## SECTION 1 – PUBLIC LIABILITY

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 for damages in respect of
  - a) Injury
  - b) Property Damage
  - c) nuisance trespass or interference with any easement right of air light water or wayoccurring during the Period of Cover in connection with the Business
- 2 against legal liability for claimants costs and expenses in connection with Clause 1 of this Section 1

Provided that in respect of

- i) any one Occurrence
- ii) all incidents considered by the Mutual to have occurred during any Period of Cover in respect of Pollution

in the event that Indemnity is provided at the discretion of the Board the following will apply:

- A the total amount payable by the Mutual in respect of Clause 1 of this Section 1 (including all Extensions and Memoranda) shall not exceed the Limit of Indemnity
- B the total amount payable by the Mutual in respect of damages costs and expenses arising out of all claims during the 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 appropriate Limit of Indemnity stated in the Schedule

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

- C in respect of any claims brought in the United States of America or its territories or its protectorates or Canada all costs and expenses specified in Clause 2 of this Section 1 and Extension 2 are included within the Limit of Indemnity stated in the Schedule
- D in respect of any claims brought anywhere in the world other than from United States of America or its territories or its protectorates or Canada all costs and expenses specified in Clause 2 of this Section 1 and Extension 2 may be in addition to the Limit of Indemnity stated in the Schedule

### **EXCLUSIONS – applicable to Section 1 Public Liability**

In no circumstances shall the Mutual's discretionary indemnity under Section 1 of this Cover Wording be given in respect of liability

- 1 arising from or out of the ownership possession or use by or on behalf of the Member of any
  - a) mechanically propelled vehicle or mobile plant other than legal liability arising out of
    - i) the use of plant as a tool of trade on site
    - ii) the use of plant at the premises of the Member
    - iii) the loading or unloading of any vehicle
    - iv) the unauthorised movement on the Member's premises or contract siteprovided that
    - A indemnity is not provided by any motor insurance contract; and/or
    - B compulsory motor insurance is not required by law; and/or
    - C there is not more specific insurance applying
  - b) aircraft or aerospace device
  - c) hovercraft or hydrofoil
  - d) water borne craft other than
    - i) hand propelled or sailing craft in inland territorial waters
    - ii) water borne craft not owned by the Member but used by the Member for business entertainment
    - iii) mechanically propelled water borne craft not exceeding 22 metres (75 Feet) in length in inland or territorial waters

provided that there is not specific insurance applying

- 2 for or arising from loss of or damage to any property which at the time of the Occurrence giving rise to such legal liability is owned by or held in trust by or in the custody or control of the Member other than
  - a) Employees' directors' partners' guests' customers' clients' or visitors' personal effects including vehicles and their contents
  - b) premises including fixtures fittings and contents not owned by or leased to or rented to the Member where the Member is undertaking work in connection with the Business
  - c) premises and their fixtures fittings hired leased rented or lent to the Member other than such loss or damage if liability is assumed by the Member under a tenancy or other agreement and would not have attached in the absence of such agreement
  - d) any vehicle vessel craft container railway rolling stock including contents and accessories not owned by or leased to the Member whilst in the care custody or control of the Member for the purpose of or whilst being loaded or unloaded by the Member
  - e) food or beverages for consumption on the premises of the Member or at any other premises where the Member is carrying on the Business
- 3 for Property Damage to that part of any property on which the Member or any servant or agent of the Member is or has been working

## SECTION 2 – PRODUCTS LIABILITY

The Mutual may at the discretion of the Board and 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 for damages in respect of or consequent upon
  - a) Injury
  - b) Property Damageoccurring during the Period of Cover and caused by Products
- 2 against legal liability for claimants costs and expenses in connection with Clause 1 of this Section 2

Provided that in respect of

- i) all Occurrences during any Period of Cover
- ii) incidents considered by the Mutual to have occurred during any Period of Cover in respect of Pollution

in the event that Indemnity is provided at the discretion of the Board the following will apply:

- A** the total amount payable by the Mutual in respect of Indemnity Clause 1 of this Section 2 (including all Extensions and Memoranda) shall not exceed the Limit of Indemnity stated in the Schedule
- B** the total amount payable by the Mutual in respect of damages costs and expenses arising out of all claims during the 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 appropriate Limit of Indemnity stated in the Schedule

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

- C** in respect of any claims brought in the United States of America or its territories or its protectorates or Canada all costs and expenses specified in Clause 2 of this

Section 2 and Extension 2 are included within the Limit of Indemnity stated in the Schedule

- D** in respect of any claims brought anywhere in the world other than from United States of America or its territories or its protectorates or Canada all costs and expenses specified in Clause 2 of this Section 2 and Extension 2 may be in addition to the Limit of Indemnity stated in the Schedule

### **EXCLUSIONS – applicable to Section 2 Products Liability**

In no circumstances shall the Mutual's discretionary indemnity under Section 2 of this Cover Wording be given in respect of liability

- 1 arising out of any Products or services directly affecting the integrity of the structure navigation or propulsion of any aircraft or aerospace device where such Products or services are knowingly supplied by the Member for this purpose
- 2 in respect of recalling removing repairing replacing reinstating or the cost of a reduction in value of any Products arising as a result of any defect therein or the unsuitability thereof for its intended purpose
- 3 arising from or in connection with any Products where such legal liability has been accepted by agreement by or on behalf of the Member except to the extent that such liability would have attached in the absence of such agreement
- 4 in respect of loss of or damage to any Products caused by any defect therein or the unsuitability thereof for its intended purpose.