Liability Insurance Policy Wording for Travel Agents and Tour Operators

1. INSURING CLAUSE - SECTION A

The Underwriters will indemnify the Assured against their legal liability to pay Damages (including Claimant's legal costs, fees and expenses) and Defence Costs according to the laws of England and Wales, Scotland, Northern Ireland, the Isle of Man, and the Channel Islands, (whichever is applicable) and not to judgments obtained elsewhere, nor to judgments or orders for the enforcement of foreign judgments.

2. INSURING CLAUSE - SECTIONS B, C, D, AND E

The Underwriters will indemnify the Assured against their legal liability to pay Damages (including Claimant's legal costs, fees and expenses) and Defence Costs in accordance with the law of any country, but not in respect of any judgment, award, payment, or settlement made within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgment, award, payment, or settlement either in whole or in part) unless the Assured has requested that there shall be no such limitation and has accepted the terms offered by Underwriters in granting such cover which offer and acceptance must be signified by specific endorsement to this Policy.

3. INDEMNITY

Any indemnity under this Policy applies only to such liability as defined by each Insured Section of this Policy arising out of the Business specified in the Schedule, subject always to the terms, conditions, and exclusions of such Section and of the Policy as a whole.

4. DEFINITIONS

For the purpose of determining the indemnity granted the definitions contained in the Schedule and those contained in this section shall apply:

(a) ***Bodily Injury*** means death, bodily injury, illness or disease of or to any person.

(b) ***Claimant*** shall mean any person who brings a claim against the Assured.

(c) ***Customer*** a customer of the Assured who has purchased or booked a Holiday, accommodation only or transportation only, or any combination of the foregoing through the Assured.

(d) ***Damage*** means physical damage to, or loss of possession of tangible property.

(e) ***Damages*** means monetary compensation given by way of judgment or award in civil proceedings or any settlements of civil proceedings (provided such settlement has been recommended as reasonable by the lawyer representing the Assured) but excluding aggravated and exemplary damages and ex gratia payments.

(f) ***Employee*** means any person:

i. under a contract of service or apprenticeship with the Assured; or

ii. engaged by the Assured to perform a contract constituting the provision of labour only arising out of the Business specified in the Schedule.

(g) ***Excess*** means in relation to the relevant Section, the amount of excess applicable as set out in the Schedule under the heading "Excess".

(h) ***Holiday*** means a holiday to which the Package Travel Package Holidays and Package Tours Regulations 1992 or their equivalent in member countries of the European Union apply including transportation, accommodation, excursions, and activities as represented in the Assured's brochures or provided to Customers by the Assured and paid for to the Assured by or on behalf of Customers.

(i) ***Limit of Indemnity*** shall mean the limit of liability of the Underwriters under this Policy applicable to the relevant Section, Defence Costs, or Data Protection Act 1998 as set out in the Schedule under the heading "Limits of Indemnity".

(j) ***Period of Insurance*** means the period of time during which this Policy provides indemnity referred to in the Schedule under the heading "Period of Insurance".

(k) ***Premium*** means the amount of premium as set out in the Schedule under the heading "Premium".

(l) ***Pollution*** means contamination of the atmosphere or of any water, land, or other tangible property by 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 materials to be recycled, reconditioned or reclaimed.

(m) ***Principal*** means any person who engages the Assured to perform a contract.

(n) ***Product*** means any physical property after it has left the custody or control of the Assured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered, or repaired by or on behalf of the Assured.

(o) ***Terrorism*** means an activity that:

(1) involves a violent act or the unlawful use of force or an unlawful act dangerous to human life, tangible or intangible property, or infrastructure or a threat thereof; and

(2) appears to be intended to:

(i) intimidate or coerce a civilian population;

(ii) disrupt any segment of the economy of a government de jure or de facto state or country;

(iii) overthrow, influence, or affect the conduct of policy of any government de jure, or de facto by intimidation or coercion;

(iv) affect the conduct of a government de jure, or de facto by mass destruction, assassination, kidnapping, or hostage-taking.

5. INDEMNITY TO OTHERS

At the request of the Assured, and subject to the prior written consent of the Underwriters, the indemnity granted extends to:

(a) any Principal of the Assured but only to the extent that such liability arises solely out of the work performed for the Principal by or on behalf of the Assured; or

(b) any director of the Assured or Employee in their business capacity arising out of the performance of the Business and/or in their private capacity arising out of their temporary engagement of the Assured's Employees in respect of liability for which the Assured would have been entitled to indemnity under this Policy if the claim against any such person had been made against the Assured; or

(c) the officers, committee and members of the Assured's canteen social sports medical fire fighting, first aid, ambulance service and welfare organisations in their respective capacity as such; or

(d) the personal representatives of any person indemnified by reason of this Clause 5 in respect of liability incurred by such person;

provided always that all such persons or parties shall only be entitled to an indemnity if they observe, fulfill, and be subject to the terms, conditions, and exclusions of this Policy as though they were the Assured so far as they can apply. This clause shall in no way operate to increase the Limits of Indemnity as stated in the Schedule.

6. CROSS LIABILITIES

Each person or party specified as the Assured in the Schedule is separately indemnified in respect of claims made against any of them by any other subject to Underwriters' total liability not exceeding the stated Limits of Indemnity.

7. DEFENCE COSTS

The Underwriters will also pay all reasonable costs, fees, and expenses incurred by the Assured with Underwriters' prior written consent in the defence or settlement of any claim under this Policy ("Defence Costs").

Defence Costs includes legal expenses:

a. arising out of representation at any Coroner's Inquest or Fatal Accident inquiry;

b. arising out of Part II of the Consumer Protection Act 1987, the Trade Descriptions Act 1968, the ABTA Code of Conduct, and the Package Travel Package Holidays and Package Tours Regulations 1992 and/or any equivalent legislation within the EU, but Underwriters' liabilities for Defence Costs in cases of breach or alleged breach of the aforementioned legislation / codes of conduct will be limited to proceedings not consequent upon a deliberate act or omission;

c. arising out of any criminal prosecution or proceedings relating to an offence alleged to have been committed by the Assured or its Employees during the Period of Insurance and in the course of the Business of the Assured in respect of matters which may form the subject of indemnity by this Policy (including with the Underwriters' prior consent Employees partners or directors of the Assured), provided that:

    i) Underwriters shall not be liable for any fines or penalties imposed as a consequence of such prosecution;

    ii) Underwriters shall not be responsible for Defence Costs where Underwriters obtain the opinion of counsel (whose appointment is at the Underwriters sole discretion) that there is no reasonable defence to the prosecution;

    iii) Underwriters' liabilities for Defence Costs in cases of breach or alleged breach of the United Kingdom Health & Safety at Work Act of 1974 (and/or any equivalent subsequent or replacement legislation of similar effect) are limited to prosecutions under Section 33(1)(a) to (c) of the Act or similar duty imposed under legislation in Northern Ireland the Isle of Man or the Channel Islands;

    iv) Underwriters' liabilities for Defence Costs in cases of breach or alleged breach of Part II of the Consumer Protection Act 1987(and/or any subsequent or equivalent legislation) will be limited to proceedings not consequent upon a deliberate act or omission;

    v) the Assured or its Employees partners or directors have not made any admission in respect of the relevant offence;

d. arising out of the defence of any proceedings in a Court of Summary Jurisdiction in respect of matters which may form the subject of indemnity by this Policy.

8. EXCESS CLAUSE

Where an Excess is stated in the Schedule, the Assured shall be responsible for the first amount so specified of each and every claim or series of claims arising out of any one originating cause inclusive of Defence Costs.

9. DATA PROTECTION ACT 1998

The indemnity granted extends to indemnify the Assured and if requested by the Assured, any Employee, in respect of their liability under the Data Protection Act 1998 ('DPA') or subsequent/similar legislation to pay:

(a) Damages in respect of damage or distress under section 13 of Part II of the DPA including Claimant's legal costs and Defence Costs; or

(b) Defence Costs in relation to a prosecution brought under section 21 of Part III of the DPA.

Indemnity will only be provided to the Assured under this clause if:

(i) the Assured has registered in accordance with the terms of the DPA; and

(ii) the claim arises from damage or distress first occurring or prosecution commenced during the Period of Insurance.

There is no indemnity under this clause in respect of:

i. the cost of replacing reinstating rectifying or erasing any personal data;

ii. liability caused by or arising from a deliberate or intentional act by or omission of any party entitled to indemnity by this insurance the effect of which will knowingly result in liability under the DPA;

iii. claims which arise out of circumstances notified to any previous insurer or known to the Assured at inception of this Policy;

iv. liability for which indemnity is provided under any other insurance; or

v. mitigation costs.

SECTION A – EMPLOYERS LIABILITY

10. SECTION A – INDEMNITY

The Assured is indemnified by this Section in accordance with the Insuring Clause at clause 1 of this Policy but only for Bodily Injury caused to any Employee during the Period of Insurance and:

(a) arising out of and in the course of his/her employment by or under a contract of service with the Assured (as stated in the Schedule); or

(b) arising out of and in the course of his/her engagement by the Assured to perform a contract constituting the provision of labour only arising out of the Business specified in the Schedule.

11. SECTION A - LIMIT OF INDEMNITY

Underwriters' liability to pay Damages (including Claimants' legal costs, fees and expenses) and Defence Costs shall not exceed the Limit of Indemnity for Section A as set out in the Schedule in respect of any one occurrence or series of occurrences arising out of one originating cause.

12. SECTION A – EXCLUSIONS

This Section does not provide any indemnity:

a. in respect of any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or any other Compulsory Road Traffic Legislation;

b. for claims arising out of Bodily Injury that are payable by reason of any workman's compensation scheme, social security scheme, or similar insurance scheme arising in connection with, from, or due to employment but this exclusion will not apply to payments required to be made to the Compensation Recovery Unit or its successor.

13. SECTION A – CONDITION

The indemnity granted by this Section will be deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in Great Britain, Northern Ireland, and the Channel Islands, BUT the Assured shall repay to the Underwriters all sums paid by the Underwriters which the Underwriters would not have been liable to pay but for the provisions of such law ordinance or statute.

SECTION B – PUBLIC LIABILITY

14. SECTION B – INDEMNITY

The Assured is indemnified by this Section in accordance with the Insuring Clause at clause 2 of this Policy for Bodily Injury and/or Damage occurring during the Period of Insurance as stated in the Schedule but not against liability arising out of or in connection with any Product.

15. EMERGENCY ASSISTANCE

The Underwriters will indemnify the Assured in respect of costs and expenses incurred by the Assured in providing emergency assistance to any Customer or in the event of the death of such Customer, the Customer's legal representatives, where such Customer:

a. suffers Bodily Injury arising out of an activity which does not form part of the package travel arrangement or an excursion or other service sold or supplied by the Assured in connection herewith; and

b. such Bodily Injury has resulted through no fault on the part of the Assured, his agents or authorised representatives;

provided that:

i. the indemnity shall not apply in respect of any solicitors or other legal costs or expenses incurred without Underwriter's prior consent;

ii. the indemnity shall not apply to the first £250 spent in respect to each affected Customer or the first £1000 in respect of all Customers on any one booking form, whichever is the less;

iii. Underwriters shall be entitled to take over and prosecute for their own benefit any claim for the recovery of any sum which has been paid under the terms of this clause against any person including the Customer or in the event of the death of the Customer, his legal personal representatives and the Assured shall give all information and assistance required; and

iv. the liability of the Underwriters for all sums payable by the Assured in respect of costs and expenses incurred in respect of all Customers on any one booking form shall not exceed the sum of £5000 or in all.

16. FRENCH CIVIL CODE

Underwriters will indemnify the Assured in respect of liability incurred under the following sections of the French Civil Code;

i. Recours de voisin (articles 1382,1383 and 1384)

ii. Risqué locative (articles 1733, 1734 and 1735)

17. SECTION B – LIMIT OF INDEMNITY

Except as set out in this clause, Underwriters' liability to pay Damages (including Claimants' legal costs, fees and expenses) shall not exceed the Limit of Indemnity for Section B as stated in the Schedule in respect of any one occurrence or series of occurrences arising out of one originating cause. Save as referred to in this clause under no circumstances will Underwriters' liability under this section B exceed the Limit of Indemnity specified for any one Period of Insurance.

Defence Costs will be payable up to the amount specified in the Schedule in addition to the Limit of Indemnity for Section B unless this Policy is specifically endorsed to the contrary.

In the event of any one originating cause giving rise to an occurrence or series of occurrences which form the subject of indemnity by more than one Section, each Section shall apply separately and be subject to its own separate Limit of Indemnity, provided always that the total amount of Underwriters' liability shall be limited to the greatest Limit of Indemnity available under any one of the Sections affording indemnity for the occurrence or series of occurrences.

18. SECTION B – EXCLUSIONS

This Section does not provide indemnity in respect of liability:

(a) arising out of ownership, possession, or use of any mechanically propelled vehicle where a Certificate of Motor Insurance or surety is required under any Road Traffic Act or similar legislation.

This exclusion shall not apply in respect of:

i. the use of vehicles belonging to Employees or third parties on the Assured's Business unless indemnity is provided to the Employee, third party or to the Assured under any other policy of insurance; or

ii. liability attaching to the Assured by virtue of the action or omission of any supplier of services in connection with a contract with a consumer to which the Package Travel Holidays and Package Tours Regulations 1992 applies;

(b) arising out of the ownership possession or use by or on behalf of the Assured of any aircraft, watercraft, or hovercraft (other than watercraft not exceeding 15 metres in length and then only whilst on inland waterways) but this exclusion shall not apply in respect of liability attaching to the Assured by virtue of the action or omission of any supplier of services in connection with a contract with a consumer to which the Package Travel Holidays and Package Tours Regulations 1992 applies provided that the craft is not under the ownership or control of the Assured;

(c) for Damage to property owned leased or hired by or under hire purchase or on loan to the Assured or otherwise in the Assured's care, custody or control other than:

i. premises tenanted and fixtures and fittings leased or rented by the Assured to the extent that the Assured would be held liable in the absence of any specific agreement;

ii. baggage belonging to clients or customers of the Assured;

(d) arising out of the ownership, occupation or management by the Assured of any premises outside Great Britain, Northern and Southern Ireland, the Channel Islands or the Isle of Man;

(e) based upon or arising out of or relating directly or indirectly to or in consequence of or in any way involving Pollution of any kind;

(f) for Bodily Injury to any Employee arising out of and in the course of his/her employment by or under a contract of service with the Assured (as stated in the Schedule) or arising out of and in the course of his/her engagement by the Assured to perform a contract constituting the provision of labour only arising out of the Business specified in the Schedule;

(g) arising out of the deliberate, conscious, or intentional disregard by the Assured's directors or management of the need to take all reasonable precautions to prevent Bodily Injury or Damage;

(h) arising out of liquidated damages clauses, penalty clauses, or performance warranties or guarantees or the like;

(i) arising from exposure or alleged exposure to asbestos or materials or products containing asbestos;

(j) arising out of breach of professional duty by reason of any neglect error or omission occurring or committed by the Assured, or any Employee and/or breach of contract in the conduct of the Assured's Business.

SECTION C – PRODUCTS LIABILITY

19. SECTION C – INDEMNITY

The Assured is indemnified by this Section in accordance with the Insuring Clause at clause 2 of this Policy for Bodily Injury and/or Damage occurring during the Period of Insurance as stated in the Schedule but only against liability arising out of or in connection with any Product.

20. SECTION C – LIMIT OF INDEMNITY

Except as set out in this clause, Underwriters' liability to pay Damages (including Claimants' legal costs, fees and expenses) shall not exceed the Limit of Indemnity for Section C as stated in the Schedule in respect of any one occurrence or series of occurrences arising out of one originating cause. Save as referred to in this clause, under no circumstances will Underwriters' liability under this section C exceed the Limit of Indemnity specified for any one Period of Insurance.

Defence Costs will be payable up to the amount specified in the Schedule in addition to the Limit of Indemnity for Section C unless this Policy is specifically endorsed to the contrary.

In the event of any one originating cause giving rise to an occurrence or series of occurrences which form the subject of indemnity by more than one Section, each Section shall apply separately and be subject to its own separate Limit of Indemnity, provided always that the total amount of Underwriters' liability shall be limited to the greatest Limit of Indemnity available under any one of the Sections affording indemnity for the occurrence or series of occurrences.

21. SECTION C – EXCLUSIONS

This Section does not provide indemnity in respect of liability:

a) for Damage to any Product or part thereof;

b) based upon or arising out of or relating directly or indirectly to or in consequence of or in any way involving Pollution of any kind;

c) for costs incurred in the repair reconditioning, modification or replacement of any Product or part thereof and/or any financial loss consequent upon the necessity for such repair reconditioning or replacement;

d) arising out of the recall of any Product or part thereof;

e) arising out of any refund or repayment of the purchase price or any part thereof in respect of the Product;

f) arising out of any Product which, with the Assured's knowledge, is intended for incorporation into the structure, machinery, or controls of any aircraft except where specifically stated to be included in the Business;

g) arising out of any Product which is intended for incorporation into any marine equipment upon which the navigation or safety of a waterborne vessel depends except where specifically stated in the Business;

h) arising out of any Product which is intended for use in a motor vehicle except where especially stated to be included in the Business;

i) for Bodily Injury to any Employee arising out of and in the course of his/her employment by or under a contract of service with the Assured (as stated in the Schedule) or arising out of and in the course of his/her engagement by the Assured to perform a contract constituting the provision of labour only arising out of the Business specified in the Schedule;

j) arising out of the deliberate, conscious, or intentional disregard by the Assured's directors or management of the need to take all reasonable precautions to prevent Bodily Injury or Damage;

k) arising out of liquidated damages clauses, penalty clauses, or performance warranties or guarantees or the like;

l) arising from exposure or alleged exposure to asbestos or materials or products containing asbestos;

m) arising out of breach of professional duty by reason of any neglect error or omission occurring or committed by the Assured, or any Employee; and/or breach of contract in the conduct of the Assured's Business.

SECTION D – POLLUTION LIABILITY

22. SECTION D – INDEMNITY

The Assured is indemnified by this Section in accordance with the Insuring Clause at clause 2 for Bodily Injury and/or Damage occurring in its entirety during the Period of Insurance as stated in the Schedule and arising out of Pollution but only to the extent that the Assured can demonstrate that such Pollution:

(a) was the direct result of a sudden, specific, and identifiable event occurring during the Period of Insurance; and

(b) was not the direct result of the Assured failing to take reasonable precautions to prevent such Pollution.

23. SECTION D – LIMIT OF INDEMNITY

Underwriters' liability to pay Damages (including Claimants' legal costs, fees and expenses) shall not exceed the sum stated in the Limit of Indemnity for Section D as stated in the Schedule in respect of any one occurrence or series of occurrences arising out of one originating cause. Save as referred to in this clause under no circumstances will Underwriters' liability under this section D exceed the Limit of Indemnity specified for any one Period of Insurance.

Defence Costs will be payable up to the amount specified in the Schedule in addition to the Limit of Indemnity for Section D unless this Policy is specifically endorsed to the contrary.

In the event of any one originating cause giving rise to an event or series of events which form the subject of indemnity by more than one Section, each Section shall apply separately and be subject to its own separate Limit of Indemnity, provided always that the total amount of Underwriters' liability shall be limited to the greatest Limit of Indemnity available under any one of the Sections affording indemnity for the event or series of events.

24. SECTION D – EXCLUSIONS

This Section does not provide indemnity in respect of liability:

(a) for Damage to premises presently or at any time previously owned or tenanted by the Assured;

(b) for Damage to land or water within or below the boundaries of any land or premises presently or at any time previously owned or leased by the Assured or otherwise in the Assured's care custody or control;

(c) arising out of ownership, possession, or use of any mechanically propelled vehicle where a Certificate of Motor Insurance or surety is required under any Road Traffic Act or similar legislation.

This exclusion shall not apply in respect of:

i. the use of vehicles belonging to Employees or third parties on the Assured's Business unless indemnity is provided to the Employee, third party or to the Assured under any other policy of insurance; or
ii. vehicles (including contents and / or accessories) belonging to Employees or third parties which are located within any car park for which the Assured is responsible;
iii. liability attaching to the Assured by virtue of the action or omission of any supplier of services in connection with a contract with a consumer to which the Package Travel Holidays and Package Tours Regulations 1992 applies.

(d) arising out of the ownership possession or use by or on behalf of the Assured of any aircraft, watercraft, or hovercraft (other than watercraft not exceeding 15 metres in length and then only whilst on inland waterways);

(e) for Damage to property owned leased or hired by or under hire purchase or on loan to the Assured or otherwise in the Assured's care, custody or control other than:

i. premises tenanted by the Assured to the extent that the Assured would be held liable in the absence of any specific agreement;

ii. baggage belonging to clients or customers of the Assured;

(f) for Bodily Injury to any Employee arising out of and in the course of his/her employment by or under a contract of service with the Assured (as stated in the Schedule) or arising out of and in the course of his/her engagement by the Assured to perform a contract constituting the provision of labour only arising out of the Business specified in the Schedule;

(g) arising out of the deliberate, conscious, or intentional disregard by the Assured's directors or management of the need to take all reasonable precautions to prevent Bodily Injury or Damage;

(h) arising out of liquidated damages clauses, penalty clauses, or performance warranties or guarantees until proven that liability would have attached in the absence of such clauses or warranties;

(i) arising from exposure or alleged exposure to asbestos or materials or products containing asbestos;

(j) arising out of breach of professional duty by reason of any neglect error or omission occurring or committed by the Assured, or any Employee; and/or breach of contract in the conduct of the Assured's Business.

SECTION E – PROFESSIONAL INDEMNITY INSURANCE

25. SECTION E - INDEMNITY

The Assured is indemnified by this Section in accordance with the Insuring Clause at clause 2 for Damages which the Assured is legally liable to pay in respect of any claim or claims first made against them during the Period of Insurance by the Assured's client or customer arising as a direct result of:

(a) breach of professional duty by reason of any neglect, error, or omission occurring or committed in good faith by the Assured, or any Employee; and/or

(b) breach of contract in the conduct of the Assured's Business;

provided that such claim or claims are notified to Underwriters during the Period of Insurance.

26. SECTION E – LIMIT OF INDEMNITY

Underwriters' liability to pay Damages (including Claimants' legal costs, fees and expenses) and Defence Costs shall not exceed the sum stated in the Limit of Indemnity for Section E as stated in the Schedule in respect of any one claim or series of claims arising out of one originating cause. Save as referred to in this clause, under no circumstances will Underwriters' liability under this Section E exceed the Limit of Indemnity specified for any one Period of Insurance.

In the event of any one originating cause giving rise to a claim or series of claims which form the subject of indemnity by more than one Section, each Section shall apply separately and be subject to its own separate Limit of Indemnity, provided always that the total amount of Underwriters' liability shall be limited to the greatest Limit of Indemnity available under any one of the Sections affording indemnity for the claim or series of claims.

27. SECTION E - EXCLUSIONS

Underwriters shall not be liable to indemnify the Assured against any claim under this Section E:

a) arising directly or indirectly from the ownership, possession or use by the Assured of any land, buildings, aircraft, watercraft, vessel or mechanically propelled vehicle;

b) based upon or arising out of or relating directly or indirectly to or in consequence of or in any way involving Pollution of any kind;

c) arising directly or indirectly from dishonest, fraudulent, malicious or illegal act or omission of the Assured, or their Employees or those of their agents or respective partners;

d) alleging libel, slander, defamation, malicious falsehood or passing off or infringement of Patent, Copyright, Registered Design, trademark or Trade name;

e) arising out of the insolvency or bankruptcy of the Assured or any other party involved in supplying any part of any travel or accommodation or other services booked through the Assured;

f) arising directly or indirectly out of Terrorism;

g) arising directly or indirectly from Bodily Injury or Damage;

h) arising out of ownership, possession, or use of any mechanically propelled vehicle where a Certificate of Motor Insurance or surety is required under any Road Traffic Act or similar legislation;

i) arising out of any circumstance which might reasonably be expected to produce a claim of which the Assured was aware, or ought reasonably to be aware, at inception of this insurance, whether notified under any other insurance or not;

j) arising out of the deliberate, conscious, or intentional disregard by the Assured's directors or management of the need to take all reasonable precautions to prevent loss or damage;

k) arising out of liquidated damages clauses, penalty clauses, or performance warranties or guarantees or the like;

l) arising from any breach of any obligation owed by the Assured to any Employee or former Employee;

m) arising directly or indirectly out of, or in any way involving any trading debt incurred by the Assured or any guarantee or undertaking given by the Assured for a debt or performance of any other obligation by a third party;

n) arising from the operations of any director employee agent branch subsidiary or parent company in respect of any booking office owned or operated other than in the United Kingdom;

o) arising from any allegations of abuse, whether sexual, physical, or mental including, but not limited to:

   i. acts of hurting or injuring mentally or physically by maltreatment or ill-use;
   ii. acts of forcing sexual activity rape or molestation; or
   iii. repeated or continuing contemptuous coarse or insulting words or behaviours.

28. GENERAL EXCLUSIONS APPLICABLE TO ALL SECTIONS OF THE POLICY

This Policy does not provide indemnity in respect of liability:

(a) directly or indirectly caused by or contributed to by or arising from:

i. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;

ii. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof but as far as concerns Section A this exclusion will only apply where such legal liability is that of any Principal or accepted under agreement and would not have attached in the absence of such agreement;

(b) which forms the subject of insurance by any other Policy and this Policy shall not be drawn into contribution with such other insurance;

(c) directly or indirectly occasioned by happening through or in 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 or confiscation or nationalisation or requisition;

(d) which attaches by virtue of an agreement but would not have attached in the absence of such agreement or which increases the Assured's liability which would not have been so increased in absence of such agreement. However, this exclusion shall not apply to liability which is assumed by the Assured by virtue of booking conditions applicable to any Customer but only so far as concerns liability as defined in the insured sections

(e) which is uninsurable pursuant to the law of England and Wales;

(f) for fines or penalties of any kind.

29. GENERAL CONDITIONS APPLICABLE TO ALL SECTIONS OF THE POLICY

1. ALTERATIONS IN RISKS

It is a condition precedent to liability that the Assured is required to notify the Underwriters as soon as reasonably practicable of all material facts or alterations in the risk which come to his knowledge or arise during the currency of this Policy and the Underwriters reserve the right to amend the terms and conditions of the Policy. If the Assured fails to comply with this condition precedent, Underwriters will provide no indemnity for claims under this Policy.

2. CLAIMS PROCEDURE AND NOTIFICATION

It is a condition precedent to liability that the Assured shall:

(a) give written notice of any circumstances that may reasonably be expected to give rise to a claim against the Assured under this Policy, within 30 days of having become aware of becoming aware of such circumstances, to the Underwriters, and, if appointed by the Underwriters, simultaneously to Underwriters' appointed third party claims administrator (as may be nominated by Underwriters from time to time and hereinafter referred to as the "Claims Administrator") (if appointed) failing which the claim will not be covered; and

(b) give all such additional information and documentation as the Underwriters or the Claims Administrator (if appointed) may require relating to such incident and continue to forward all such information and documentation immediately until otherwise instructed by Underwriters or the Claims Administrator (if appointed). For the avoidance of doubt, every claim, writ, summons or process and any other written notification of claim and all documents relating thereto shall be forwarded unanswered to the Underwriters or the Claims Administrator (if appointed) immediately; and

(c) make no admission of liability, compromise, offer or payment without the Underwriters' or the Claims Administrator's (if appointed) prior written consent.

If the Assured fails to comply with the above listed conditions precedent, Underwriters will provide no indemnity for claims under this Policy.

Underwriters shall be entitled to take over and conduct in the name of the Assured the defence or settlement of any claim or to prosecute in the name of the Assured for their own benefit any claim for indemnity or Damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Assured shall give all such information and assistance as the Underwriters may reasonably require.

3. DISCHARGE OF LIABILITY

The Underwriters may at any time pay to the Assured, in connection with any claim or series of claims under this Policy the amount of the relevant Limit of Indemnity (after deduction of any sums already paid) and upon such payment being made the Underwriters shall relinquish the conduct and control of and be under no further liability in connection with such claims or their associated costs (which shall, for the avoidance of doubt, include Defence Costs) whether or not such costs are included or in addition to the relevant Limit of Indemnity.

4. APPORTIONMENT OF DEFENCE COSTS

In the event of a loss arising to which the Underwriters may be liable to contribute, no costs shall be incurred on their behalf without their prior written consent being first obtained, and if they so consent, they shall contribute to the said costs in the proportion that their share of the loss as finally settled bears to the total sum payable.

5. FRAUDULENT CLAIMS

If the Assured shall make any claim knowing the same to be false or fraudulent, this Policy shall become void and all claims hereunder shall be forfeited.

6. CANCELLATION CLAUSE

The Underwriters may cancel this Policy by sending thirty days written notice to the Assured at the Assured's last known address, whereupon the Assured shall become entitled to a refund of a proportionate part of the Premium, unless claims have already been paid under this Policy, in which case, the Assured will not be entitled to any refund of Premium.

Notwithstanding any other provision of this Policy, if the Premium (or any other money due to Underwriters) is not received by Underwriters by the relevant due date, Underwriters may serve a notice of cancellation on the Assured or the Assured's Insurance Broker stating the amount due and requiring the Assured to pay the amount due by a stated date being no less than 15 days from the said service and if the Assured fails to pay the stated sum within the time stated in the said notice, the Policy will be deemed cancelled from the expiry of the notice and Underwriters shall not be liable for any claim under the Policy even if it arose before the date of termination or Underwriters have admitted liability for or appointed lawyers, surveyors or others to handle such claim, and all of the Premium paid or due for this policy shall be deemed fully earned. In stating the amount due, no account shall be taken of any amount said to be due by Underwriters to the Assured and the Assured shall not be entitled to set off any such sum against the amount due to Underwriters.

7. OTHER INSURANCE

If other valid, collectible insurance with any other insurer is available to the Assured covering a loss also covered by this Policy (other than insurance that is specifically stated to be in excess of this Policy) the insurance afforded by this Policy shall be in excess of and shall not contribute with such other insurance. Nothing herein shall be construed to make this Policy subject to the terms, conditions, and limitations of such other insurance.

8. RIGHTS OF RECOURSE

It is a condition precedent to liability that the Assured maintains full rights of recourse against any third party from whom Underwriters may be able to make recovery of any amounts paid or payable under this Policy

9. SUBROGATION

The Assured shall, at the request and at the expense of the Underwriters, do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Underwriters, for the purpose of enforcing any rights and remedies or obtaining relief or indemnity from other parties to which the Underwriters shall be or would become entitled or subrogated upon its paying for or making good any damage insured by this Policy whether such acts and things shall be or become necessary or required before or after their indemnification by the Underwriters, including the commencement of proceedings.

If a recovery is made from a third party in respect of claims which may be or have been paid wholly or in part under this Policy, the costs of pursuing the recovery shall first be deducted from the recovery proceeds and repaid to Underwriters. The balance shall then as between the Assured under this Policy and Underwriters be distributed as follows:

(a) The Assured receives any sum he has paid or lost excluding interest, in respect of which the recovery has been made in excess of the deductible (if applicable) and in excess of all amounts recovered and recoverable under this Policy; then

(b) After payment of the amount referred to in sub-clause 9 (a) Underwriters receive all sums they have paid excluding interest, in respect of the loss which is the subject of the recovery; then

(c) After payment of the amounts referred to in sub-clause 9 (a) and (b) the Assured receives any balance, exclusive of interest.

(d) Any interest on any recovery made from a third party will be distributed between the Assured and Underwriters in the same order as outlined in clause 9 (a) – (c) above.

10. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 CLARIFICATION CLAUSE

A person who is not a party to this contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

11. LAW AND JURISDICTION

Any dispute concerning or arising out of this Policy subject to the laws of England and Wales. Each party agrees to submit to the jurisdiction of the Royal Courts of Justice of England and Wales and to comply with all requirements necessary to give such court jurisdiction.

12. POLICY INTERPRETATION

The Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or the Schedule shall bear such specific meaning wherever it may appear.

13. SEVERAL LIABILITY NOTICE

Underwriters' liability shall not exceed the limits of liability expressed in the Schedule or such other limits of liability as may be substituted by memorandum hereon or attached hereto signed by or on behalf of Underwriters.

The liability of an insurer under this contract is several and not joint with other insurers to this contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by an insurer (or in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in the Schedule.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself), is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA.