

Excess Civil Liability

Policy document

A warm welcome to Zurich

Thank **you** for taking out **your** Excess Civil Liability policy with **us** – and welcome to Zurich Insurance Company.

As one of the largest general insurers in the UK, **we** have a wealth of expertise and experience backed up by the global strength of the Zurich Financial Services Group. Zurich is renowned for innovation and customer dedication – **our** experts are constantly reviewing how we can update and improve **our** products and services for **you**.

At Zurich Insurance **we** have **your** future in mind and look forward to working closely with **you**.

www.zurich.co.uk

Excess Civil Liability Policy

The policy, schedule and any endorsements should be read as if they were one document.

The policy is a contract between **you** (also referred to as the **Insured** in Sections A and B) and **us** (also referred to as the **Insurer** in Sections A & B). **You** have made to **us** a proposal, which is the basis of and forms part of the contract.

We will insure **you** under those sections shown in the schedule during any **Period of Insurance** for which **we** have accepted your premium provided all the terms and conditions of the policy are kept.

The Insurers agree, subject to the terms of this Policy and to the Limit of Indemnity, to indemnify the Insured in accordance with the terms of the Primary Policy (which are incorporated herein) which shall run concurrently with this Policy.

Law applicable to the contract

UK law allows both **you** and **us** to choose the law applicable to the contract. The contract will be subject to the relevant law of the United Kingdom, the Isle of Man or the Channel Islands relating to **your** address as shown in the schedule. If there is any dispute as to which law applies it shall be English law.

The parties agree to submit to the exclusive jurisdiction of the English courts.

For and on behalf of Zurich Insurance Company.



Guy Munnoch
Chief Executive

This is a legal document and should be kept in a safe place.

Please read the policy, insurance agreement and schedule carefully.

If they do not meet **your** needs return them to **us** or **your** broker or agent.

How we will use your data

Zurich Insurance Company holds data in accordance with the Data Protection Act 1998. It may be necessary for **us** to pass data to other organisations that supply products and services associated with this contract of insurance. In order to verify information, or to prevent and detect fraud, **we** may share information **you** give **us** with other organisations and public bodies, including the Police, accessing and updating various databases. If **you** give **us** false or inaccurate information and **we** suspect fraud, **we** will record this and the information will be available to other organisations that have access to the database(s). **We** can supply details of the databases **we** access or contribute to, on request.

Section A

Excess Public and Products Liability

Costs clause

If the underlying policy(ies) provide for costs and expenses to be payable in addition to the Limit(s) of Indemnity the liability of the Insurer for costs and expenses shall be limited to that proportion which the amount payable under this policy excluding such costs and expenses bears to the total sum payable under all contributing policies excluding such costs and expenses.

If the underlying insurers have invoked a right under their policy(ies) to pay the Limit(s) of Indemnity thereunder and only be liable for costs and expenses for which they are responsible up to the time of such payment then the Insurer shall be liable for costs and expenses for which the underlying insurers would have been liable had they not invoked that right.

Provided always that the payment of such costs and expenses shall only be made with the written consent of the Insurer.

Limit of Indemnity

Where the Limit(s) of Indemnity provided by the underlying policy(ies) is in respect of any one occurrence then the indemnity provided by this policy shall not exceed the Limit(s) of Indemnity in respect of any one occurrence in excess of the Underlying Limit(s) of Indemnity specified in the schedule.

Where the Limit(s) of Indemnity provided by the underlying policy(ies) is in the aggregate in any one Period of Insurance then the Limit of Indemnity provided by this policy shall be in the aggregate in respect of all claims during any one Period of Insurance in excess of the Underlying Limit(s) of Indemnity specified in the schedule.

Step down clause

If the aggregate Limit(s) of the underlying policy(ies) is exhausted by reason of claims paid by underlying insurers or which they have been held liable to pay the Insurer shall:

- a) in the event of partial exhaustion pay the excess of the reduced Underlying Limits
- b) in the event of total exhaustion continue this policy in force as the underlying insurance subject to the terms, limitations, conditions and exclusions of the primary policy for the remainder of the Period of Insurance.

It is agreed that in the event of partial or total exhaustion of the underlying policy(ies) aggregate Limit(s) of Indemnity by reason of a claim or claims outside the scope of the indemnity provided by this Policy then such claim or claims will not be deemed to have exhausted the aggregate Limit of Indemnity of the underlying policy(ies) for the purposes of this policy.
Subject always to the Limit(s) of Indemnity and terms contained herein or endorsed hereon.

Conditions

1 When a claim is likely to exceed an amount greater than 50% of the Underlying Limit(s) the Insured shall give written notice to the Insurer with details thereof.

2 The underlying policy(ies) shall be maintained in full effect during the currency of this policy except for any reduction of the Limits contained therein solely by payments made within the terms and conditions of the underlying policy(ies) and shall not be amended without the written agreement of the Insurer.

3 Reference to the payment of the premium includes payment by monthly instalments. If the insured pays by this method the policy remains an annual contract and the date of the payment and the amount of instalments are governed by the terms of the credit agreement. If an instalment is not received by the due date then subject to the Consumer Credit Act 1974 (if applicable) the credit agreement and the policy will be cancelled immediately.

4 If the Insured pays the premium to the Insurer using the Insurer's Direct Debit instalment scheme, the Insurer will have the right (which the Insurer may choose not to exercise) to renew the policy each year and continue to collect premiums using this method. The Insurer may vary the terms of the policy (including the premium) at renewal. If the Insured decide that he does not want the Insurer to renew the policy, provided the Insured tells us (or his insurance intermediary) before the next renewal date, the Insurer will not renew it.

Definitions

1 Primary policy

Primary policy means the policy which provides the initial indemnity and which specifies the nature and extent of cover being granted to the Insured and which runs concurrently with this policy.

2 Underlying policy(ies)

Underlying policy(ies) means the primary policy and all Policies providing indemnity in excess of the primary policy up to the Underlying Limit(s) of Indemnity specified in the schedule.

3 Underlying insurers

Underlying insurers means the primary policy Insurer and all Insurers providing indemnity in excess of the primary policy Insurers up to the Underlying Limit(s) of Indemnity specified in the schedule.

Section B

Excess Directors' and Officers' Liability

Section 1

Agreement with underlying policies

Other than in respect of

1.1 the premium

1.2 the limits of liability

1.3 Sections 2 to 10 and any Endorsements hereto.

This policy is subject to the same terms conditions limitations exclusions and all other provisions as the primary policy, and to all terms conditions limitations exclusions and provisions in any other of the underlying policies. No change in the primary policy or underlying policies shall be binding upon us unless specially endorsed hereon.

Section 2

Definitions

Certain words in this policy have special meanings. These meanings are given below or defined at the appropriate place in this policy. To help you identify these words in this policy we have printed them in semi-bold. The headings to the paragraph in this policy are for convenience only and do not have any special meaning.

For the purpose of this policy

2.1 Application shall mean any information and/or statements or materials supplied to us by you

2.2 Supplementary information shall mean any information from whatever source, which we may at our discretion, decide to procure for the purpose of considering the application

2.3 Primary policy shall mean the policy identified by Item 6 of the schedule

2.4 Underlying policies shall mean the primary policy and any policies identified by Item 7 of the schedule

2.5 Underlying limit of liability shall mean the combined limits of liability provided by the underlying policies identified by Items 6 and 7 of the schedule

2.6 We, us or our shall mean Zurich Insurance Company or pertaining to Zurich Insurance Company

2.7 You, your shall mean the legal entity designated in the schedule or pertaining to the legal entity designated in the schedule.

Section 3

Maintenance of underlying policies

It is a condition precedent to the coverage afforded under this policy that you maintain in force the underlying policies in all respects as stated in Items 6 and 7 of the schedule subject only to reduction or exhaustion as a result of loss payments. This policy will not provide indemnity for any loss not covered by the underlying policies except and to the extent that such loss is not paid under the underlying policies solely by reason of the reduction or exhaustion of the underlying limits of liability as a result of payments of loss thereunder. In the event that the insurer of one or more of the underlying policies fails to pay loss in connection with any claim as a result of the insolvency, bankruptcy or liquidation of the said insurer then those insured hereunder shall be deemed to be self-insured for the amount of the limit of liability of the said insurer which is not paid as a result of such insolvency, bankruptcy or liquidation.

Section 4

Limit of liability

4.1 We will pay any loss in excess of the underlying limit of liability and the deductible or retention under the primary policy which is applicable to such loss up to the Limit of Liability under Item 5 in the schedule in respect of each claim admitted under the underlying policies. The amount shown under Item 5 shall however be the maximum aggregate Limit of Liability of us for losses resulting from all payments made under this policy during the Period of Insurance

4.2 We shall be liable under this policy only after the insurers of the underlying policies have paid or been held liable to pay the underlying limit of liability in full

4.3 Subject to 4.1 in the event of the reduction or exhaustion of the underlying limit of liability by reason of payment of loss this policy will

(i) in the event of reduction pay in excess of the reduced limits
and

(ii) in the event of exhaustion continue in force as a primary insurance subject to the other terms of this policy and to the terms of any other of the underlying policies and in excess of the deductible or retention applicable to the primary policy as shown in Item 6.4 of the schedule which will operate exactly as specified in the primary policy.

Section 5

Claim notification

You as a condition precedent to payment under this policy shall provide written notice to us as soon as reasonably practicable of:

5.1 any claim made against a director or officer

5.2 notice from any person or entity of an intention to make such a claim

5.3 circumstances of which you become aware which could reasonably give rise to a claim at a later date.

The date of notification to you will be deemed to be the date upon which the resultant claim is first made.

Written notice shall include but not be limited to a description of the claim circumstances, the nature of the alleged or potential damage, the names of the actual or potential claimants and the date and manner in which you or director or officer as the case may be first became aware of the claim.

Section 6

Prior and pending litigation

We shall not be liable under this policy to make any payment in respect of any claim arising from, based upon, attributable to or as a consequence of any litigation initiated prior to or pending at the date specified in Item 8 of the schedule or alleging or deriving from the same or essentially the same facts as alleged in such prior or pending litigation.

Section 7

Arbitration clause

All disputes and differences arising under or in connection with this contract must be referred to arbitration under ARIAS Arbitration Rules. The Arbitration Tribunal will consist of three arbitrators, one to be appointed by the claimant, one to be appointed by the respondent and third to be appointed by the two appointed arbitrators.

The third member of the Tribunal must be appointed as soon as practicable (and no later than 28 days) after the appointment of the two party-appointed arbitrators. The Tribunal will be constituted upon the appointment of the third arbitrator

The arbitrators must be people (including those who have retired) with not less than ten years experience of insurance or reinsurance within the insurance industry or as lawyers or other professional advisers servicing the insurance industry.

Where a party fails to appoint an arbitrator within 14 days of being called upon to do so or where the two party-appointed arbitrators fail to appoint a third within 28 days of their appointment, then upon application ARIAS (UK) will appoint an arbitrator to fill the vacancy.

At any time before their appointment by ARIAS (UK) the party or arbitrators in default may make such appointment.

The Tribunal has sole discretion to make such orders and directions that it considers necessary for the final determination of the matters in dispute. The Tribunal has the widest discretion permitted under the law governing arbitration when making such orders or directions.

Section 8

Contracts (Rights of Third Parties) Act 1999

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

Section 9

Payment by instalments

Reference to the payment of premium includes payment by monthly instalments. If you pay by this method the policy remains an annual contract and the date of the payment and the amount of instalments are governed by the terms of the credit agreement. If an instalment is not received by the due date then subject to the Consumer Credit Act 1974 (if applicable) the credit agreement and the policy will be cancelled immediately.

Section 10

Contractual right of renewal (tacit)

If you pay the premium to us using our Direct Debit instalment scheme, we will have the right (which we may choose not to exercise) to renew the policy each year and continue to collect premiums using this method. We may vary the terms of the policy (including the premium) at renewal. If you decide that you do not want us to renew the policy, provided you tell us (or your insurance intermediary) before the next renewal date, we will not renew it.

Complaints procedure

We want to provide a first class service. If **you** have any cause for complaint **you** should, in the first instance, contact either the intermediary who arranged the policy for **you**, or the branch that issued the policy. Please quote the details of your policy (surname and initials, policy number, departmental reference, etc).

If the matter is not resolved to your satisfaction, please write to the Manager of the branch concerned. If you are still not satisfied with the action taken, please write to the Chief Executive at:

The Grange
Bishop's Cleeve
Cheltenham
Gloucestershire
GL52 8XX

Tel: 01242 263875

Email: chiefexecutive@uk.zurich.com

If **you** are a small business you may have a right of referral to the Financial Ombudsman Service at:

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR

Tel: 0845 080 1800

Email: complaint.info@financial-ombudsman.org.uk

We are covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation should **we** be unable to meet **our** obligations. Further information is available on www.fscs.org.uk or you may contact the FSCS on 020 7892 7300

Zurich Insurance Plc

A public limited company incorporated in Ireland Registration No. 13460 Registered Office: Zurich House, Ballsbridge Park, Dublin 4, Ireland. UK branch registered in England and Wales Registration No. BR7985 UK Branch Head Office: The Zurich Centre, 3000 Parkway, Whiteley, Fareham, Hampshire PO15 7JZ Authorised by the Irish Financial Regulator and subject to limited regulation by the Financial Services Authority. Details about the extent of our regulation by the Financial Services Authority are available from us on request.