GENERAL POLICY TERMS, CONDITIONS AND EXCLUSIONS APPLICABLE TO SCHEDULE A AND SCHEDULE B

1 The Schedules, terms and conditions and General Policy Terms, Conditions and Exclusions, together with any endorsement subsequently attached to the Cover-note, shall be read as one contract.

2 If so required, the Assured shall include an Associated, Subsidiary or related company. but only if specifically agreed and noted in the Cover-note.

3 The Assured shall at all times exercise due diligence to ensure that any party with whom he contracts shall have adequate insurance cover. In the event of non-compliance with the aforesaid, and if cover becomes prejudiced thereby, Underwriters may repudiate a claim or, in their absolute discretion, reduce the amount paid by the amount lost due to non compliance with the above stipulation.

4 Where payment by the Assured in relation to a claim under this insurance exceeds the limit of indemnity hereunder, Underwriters' liability for costs and expenses incurred with their consent shall be such proportion thereof as the amount of indemnity available under this insurance bears to the amount made to pay the claim.

5 Underwriters shall not be liable to pay or contribute under this Insurance if the Assured's claim is insured under any other insurance or would have been recoverable under the other insurance but for a breach of warranty, non-disclosure, misrepresentation, breach of condition or non-payment of premium.

6 Underwriters shall not under any circumstances be liable for a claim under this Insurance arising out of, caused by, or connected with:

a) the use, management, or ownership of a motor vehicle arising out of any incident which is covered by statutory legislation relating to the use of a motor vehicle (such as but not limited to legislation in the U.K. under the Road Traffic Act).

b) any liability arising out of a contract of employment, director's service contract or similar, or liability arising under any statutory legislation relating to employer's liability or workmen's compensation.

c) seepage and/or pollution including discharge, dispersal, release or escape of smoke, vapours, soot, fumes, alkalis, toxic substance or derivative including any oil refuse or oil mixed waste or other irritant, containment or pollutant into or upon land, the atmosphere, property, persons, animals or other living creatures, watercourse or body of fresh or salt water unless all the below conditions are satisfied:

i) the seepage or pollution occurs during the period of this Insurance hereunder and;

ii) such is notified to Underwriters within 72 hours of the occurrence whether continuous or not, and;

iii) any claim is made within 3 months of the expiry of this Insurance, and;

iv) the pollution is accidental, sudden and unexpected and does not result from the Assured's failure to comply with any governmental, or international statute, rule or regulation.

d) pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds;

e) libel, slander or malicious statement;

f) fraudulent, criminal or illegal activity by the Assured;

g) fines, penalties, punitive, exemplary, aggravated or multiple damages howsoever and wheresoever arising or caused;

h) any operation or activity of the Assured not notified to Underwriters prior to attachment, or any operation or activity subsequently undertaken during the currency of this Insurance and not notified to and agreed by Underwriters.

i) quarantine and disinfection costs