

Crown Hosting Framework Agreement

Schedule 3.7

Insurance Requirements

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1. Obligation To Maintain Insurances

1.1 Without prejudice to its obligations to the Framework Authority and each Customer under this Framework Agreement or any Call-Off Agreement, including its indemnity obligations, the Supplier shall for the periods specified in this Schedule take out and maintain, or procure the taking out and maintenance of the insurances as set out:

- (a) in respect of this Framework Agreement, in Annex 1; and
- (b) additionally, in respect of a Call-Off Agreement, as set out in the relevant Call-Off Order Form,

and any other insurances as may be required by applicable Law (together the **"Insurances"**). The Supplier shall ensure that each of the Insurances is effective no later than the date on which the relevant risk commences.

1.2 The Insurances shall be maintained in accordance with Good Industry Practice and (so far as is reasonably practicable) on terms no less favourable than those generally available to a prudent contractor in respect of risks insured in the international insurance market from time to time.

1.3 The Insurances shall be taken out and maintained with insurers who are:

- (a) of good financial standing with a Financial Strength Rating of not less than Grade A;
- (b) appropriately regulated; and
- (c) except in the case of any Insurances provided by an Affiliate of the Supplier, of good repute in the international insurance market.

1.4 Where any Insurances are provided by an Affiliate of the Supplier, the Supplier shall:

- (a) provide to the Framework Authority on the Framework Effective Date (or inception of the relevant Insurances if later) and thereafter within ten (10) Working Days of written request from the Framework Authority, evidence of good financial standing of the relevant Affiliate in a form satisfactory to the Framework Authority which shall include evidence of the relevant entity's credit/claims payment; and
- (b) provide to the relevant Customer on the Call-Off Effective Date of the applicable Call-Off Agreement (or inception of the relevant Insurances if later) and thereafter within ten (10) Working Days of written request from such Customer, evidence of good financial standing of the relevant Affiliate in a form satisfactory to the Customer which shall include evidence of the relevant entity's credit/claims payment rating.

In the absence of a Financial Distress Event, the Framework Authority and/or each Customer (as applicable) shall not make any such request more than annually.

1.5 The Supplier shall ensure at no cost to the Framework Authority, any Customers or any Service Recipients, that the public and products liability policy shall contain an indemnity to principals clause under which the Framework Authority, all Customers and Service

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Recipients shall be indemnified in respect of claims made against the Framework Authority, any Customer and/or any Service Recipient in respect of death or bodily injury or third party property damage arising out of or in connection with the Services and for which the Supplier is legally liable in the provision of the Services under this Framework Agreement and each Call-Off Agreement.

- 1.6 The Framework Authority and Supplier shall review the Insurances periodically to ensure that the coverage is sufficient for the scope of Services and in particular the limits of indemnity shall be reviewed prior to the commencement of the provision of Services to new Customers.

2. General Obligations

Without limiting the other provisions of this Framework Agreement or any Call-Off Agreement, the Supplier shall:

- (a) take or procure the taking of all reasonable risk management and risk control measures in relation to the Services as it would be reasonable to expect of a prudent contractor acting in accordance with Good Industry Practice, including the investigation and reports of relevant claims to insurers;
- (b) promptly notify the insurers in writing of any relevant material fact under any Insurances of which the Supplier is or becomes aware; and
- (c) hold all policies in respect of the Insurances and cause any insurance broker effecting the Insurances to hold any insurance slips and other evidence of placing cover representing any of the Insurances to which it is a party.

3. Failure To Insure

- 3.1 The Supplier shall not take any action or fail to take any action or (insofar as is reasonably within its power) permit anything to occur in relation to it which would entitle any insurer to refuse to pay any claim under any of the Insurances.
- 3.2 Where the Supplier has failed to purchase any of the Insurances or maintain any of the Insurances in full force and effect, the Framework Authority and/or any Customer may elect (but shall not be obliged) following written notice to the Supplier to purchase the relevant Insurances, and the Framework Authority and/or Customer shall be entitled to recover the reasonable premium and other reasonable costs incurred in connection therewith as a debt due from the Supplier.

4. Evidence Of Insurances

The Supplier shall:

- (a) upon the Framework Effective Date and within 15 (fifteen) Working Days after the renewal or replacement of each of the Insurances, provide evidence to the Framework Authority, in a form satisfactory to the Framework Authority, that the Insurances are in force and effect and meet in full the requirements of this Schedule;

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- (b) upon the Call-Off Effective Date of each Call-Off Agreement and within fifteen (15) Working Days after the renewal or replacement of each of the Insurances, provide evidence to each Customer, in the same form as that provided to the Framework Authority in accordance with Clause 4(a), that the Insurances are in force and effect and meet in full the requirements of this Schedule.

Receipt of such evidence by the Framework Authority and each Customer shall not in itself constitute acceptance by the Framework Authority or any Customer or relieve the Supplier of any of its liabilities and obligations under this Framework Agreement or any Call-Off Agreement.

5. Aggregate Limit Of Indemnity

Where the minimum limit of indemnity required in relation to any of the Insurances is specified as being "in the aggregate":

- (a) if a claim or claims which do not relate to this Framework Agreement or any Call-Off Agreement are notified to the Supplier's insurers which, given the nature of the allegations and/or the quantum claimed by the third party, is likely to result in a claim or claims being paid by the Supplier's insurers which could reduce the level of cover available below that minimum, the Supplier shall immediately submit to the Framework Authority and all Customers:
 - (i) details of the policy concerned; and
 - (ii) its proposed solution for maintaining the minimum limit of indemnity specified; and
- (b) if and to the extent that the level of insurance cover available falls below that minimum because a claim or claims which do not relate to this Framework Agreement or any Call-Off Agreement are paid by insurers, the Supplier shall:
 - (i) ensure that the insurance cover is reinstated to maintain at all times the minimum limit of indemnity specified for claims relating to this Framework Agreement or any Call-Off Agreement; or
 - (ii) if the Supplier is or has reason to believe that it will be unable to ensure that insurance cover is reinstated to maintain at all times the minimum limit of indemnity specified, immediately submit to the Framework Authority and all Customers full details of the policy concerned and its proposed solution for maintaining the minimum limit of indemnity specified.

6. Cancellation

- 6.1 Subject to paragraph 6.2, the Supplier shall notify the Framework Authority and each Customer in writing at least five (5) Working Days prior to the cancellation, suspension, termination or non-renewal of any of the Insurances.
- 6.2 Without prejudice to the Supplier's obligations under paragraph 4, paragraph 6.1 shall not apply where the termination of any Insurances occurs purely as a result of a change of

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insurer in respect of any of the Insurances required to be taken out and maintained in accordance with this Schedule.

7. Insurance Claims

- 7.1 The Supplier shall promptly notify to insurers any matter arising from, or in relation to, the Services and/or this Framework Agreement or any Call-Off Agreement for which it may be entitled to claim under any of the Insurances. In the event that the Framework Authority, any Customer or a Service Recipient receives a claim relating to or arising out of the Services and/or this Framework Agreement or any Call Off Agreement, the Supplier shall co-operate with the Framework Authority, Customer or Service Recipient and assist it in dealing with such claims at its own expense including without limitation providing information and documentation in a timely manner.
- 7.2 Except where the Framework Authority, a Customer or a Service Recipient is the claimant party, the Supplier shall give the Framework Authority and all Customers notice within 20 (twenty) Working Days after any insurance claim in excess of £1 million relating to or arising out of the provision of the Services, this Framework Agreement, or any Call-Off Agreement on any of the Insurances or which, but for the application of the applicable policy excess, would be made on any of the Insurances and (if required by the Framework Authority and/or a Customer) full details of the incident giving rise to the claim.
- 7.3 Where any Insurance requires payment of a premium, the Supplier shall be liable for and shall promptly pay such premium.
- 7.4 Where any Insurance is subject to an excess or deductible below which the indemnity from insurers is excluded, the Supplier shall be liable for such excess or deductible. The Supplier shall not be entitled to recover from the Framework Authority, a Customer and/or a Service Recipient any sum paid by way of excess or deductible under the Insurances whether under the terms of this Framework Agreement or any Call-Off Agreement or otherwise.

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Annex 1

Required Insurances

PART A: Professional Indemnity Insurance

1. Insured

The Supplier

2. Interest

To indemnify the Insured for all sums which the Insured shall become legally liable to pay (including claimants' costs and expenses) as a result of claims first made against the Insured during the period of insurance (as specified in paragraph 6) by reason of any negligent act, error and/or omission arising from or in connection with the provision of the Services.

3. Limit of indemnity

Not less than **REDACTED** in respect of any one claim and in the aggregate per annum, exclusive of defence costs which are payable in addition.

4. Territorial Limits

United Kingdom

5. Jurisdiction and choice of law relating to policy interpretation

Courts of England and Wales.

6. Period of insurance

From the date of this Framework Agreement and renewable on an annual basis unless agreed otherwise by the Framework Authority in writing (a) throughout the Term or until earlier termination of this Framework Agreement and (b) for a period of 6 years thereafter.

7. Cover features and extensions

Retroactive cover to apply to any claims made policy wording in respect of this Framework Agreement or retroactive date to be no later than the Effective Date.

8. Principal exclusions

8.1 War and related perils

8.2 Nuclear and radioactive risks

9. Maximum deductible threshold

Not to exceed **REDACTED** for each and every claim.

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PART B: Public Liability Insurance

1. Insured

The Supplier

2. Interest

To indemnify the Insured for all sums which the Insured shall become legally liable to pay (including claimants' costs and expenses) as a result of claims first made against the Insured during the period of insurance (as specified in paragraph 6) by reason of any negligent act, error and/or omission arising from or in connection with the provision of the Services.

3. Limit of indemnity

Not less than **REDACTED** in respect of any one claim and in the aggregate per annum, exclusive of defence costs which are payable in addition.

4. Territorial Limits

United Kingdom

5. Jurisdiction and choice of law relating to policy interpretation

Courts of England and Wales.

6. Period of insurance

From the date of this Framework Agreement and renewable on an annual basis unless agreed otherwise by the Framework Authority in writing (a) throughout the Term or until earlier termination of this Framework Agreement and (b) for a period of 6 years thereafter.

7. Cover features and extensions

Retroactive cover to apply to any claims made policy wording in respect of this Framework Agreement or retroactive date to be no later than the Effective Date.

8. Principal exclusions

8.1 War and related perils

8.2 Nuclear and radioactive risks

9. Maximum deductible threshold

Not to exceed **REDACTED** for each and every claim.

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PART C: United Kingdom Compulsory Insurances

The Supplier shall meet its insurance obligations under applicable Law in full, including, UK employers' liability insurance (currently not less than **REDACTED**) and motor third party liability insurance.

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PART D: Property Damage Insurance

1. Insured

The Supplier

2. Insured Property

The Data Centres and all ancillary buildings and assets used in the provision of the Services.

3. Coverage

"All risks" of physical loss or damage to the Insured Property from any cause not excluded including machinery breakdown and computer breakdown in respect of appropriate equipment. This coverage shall include costs incurred as a result of any discharge of the fire detection or suppression system at a Relevant Data Centre, including the cost of any works to reset or recharge those systems or attendance of the fire services to the Relevant Data Centre, except where the fire detection or suppression system has discharged due to the negligence of a Customer.

4. Sum Insured

5. REDACTED Territorial Limits

United Kingdom

6. Jurisdiction and choice of law relating to policy interpretation

Courts of England and Wales.

7. Period of insurance

From the date of this Framework Agreement and renewable on an annual basis unless agreed otherwise by the Framework Authority in writing (a) throughout the Term or until earlier termination of this Framework Agreement.

8. Cover features and extensions

8.1 Terrorism

8.2 Automatic reinstatement of sum insured.

8.3 Capital additions clause.

8.4 Seventy-two (72) hour clause.

8.5 Professional fees.

8.6 Debris removal.

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- 8.7 Pollution and contamination to the Insured Property arising from an event which itself is not otherwise excluded.
- 8.8 Repair/reinstatement basis of claims settlement with cash option for non-reinstatement.
- 8.9 Plans and documents.
- 8.10 Loss minimisation.
- 8.11 Temporary repairs.
- 8.12 Munitions of war.
- 8.13 Expediting expenses.
- 8.14 Pressure explosion in respect of machinery breakdown.
- 8.15 Breakdown following latent defects in plant, machinery and equipment.
- 8.16 Breakdown following failure of computer equipment.

9. Principal exclusions

- 9.1 War and related perils
- 9.2 Nuclear and radioactive risks

10. Maximum deductible threshold

Not to exceed **REDACTED** for each and every loss.