



Smart Meters Programme Schedule 2.6

(Insurance) (CSP Central version)

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Amendment History		
Version	Date	Status
v.1	Signature Date	Execution copy

SCHEDULE 2.6
INSURANCE

1. **INSURANCE COVENANTS**

1.1 For the purposes of this Schedule 2.6:

"Insurances" means the Mandatory Insurances and the Required Insurances;

"Mandatory Insurances" means employer's liability insurance and such other insurance as may from time to time be required by any Law; and

"Required Insurances" means insurance in respect of such risks related to the Services and the assets owned by the Contractor or used by or on behalf of the Contractor for the purposes of the Services as would normally be maintained by a reasonably prudent contractor performing the functions of the Contractor in respect of the Services including insurance in respect of the following risks:

- (a) loss or damage to real estate, plant, machinery and tangible assets;
- (b) public liability;
- (c) product liability;
- (d) pollution and other environmental liability; and
- (e) to the extent that the Contractor is providing any services in respect of which professional indemnity cover may be available, professional indemnity insurance.

1.2 The Contractor shall at all times from the Effective Date until the date which is six (6) years following the end of the Service Period:

- (a) maintain the Insurances in full force and effect with reputable insurers of good financial standing reasonably acceptable to the DCC in such amounts (including the full replacement/repair/reinstatement cost of any asset), and on such terms and with such exclusions, conditions and deductibles as would normally be obtained and/or accepted by a reasonably prudent contractor performing the functions of the Contractor in respect of the Services and are available in the market for such types of insurance;
- (b) be permitted to change the insurers with whom the Insurances are held on an annual basis, upon notice to the DCC at least ten (10) Working Days prior to any such change;
- (c) not cancel the Insurances or make any material change thereto without the express written consent of the DCC;
- (d) not do anything which would entitle the relevant insurer to cancel, rescind or suspend any Insurance or cover, or to treat any Insurance, cover or claim as avoided in whole or part;

- (e) notify the DCC as soon as practicable when it becomes aware of any relevant fact, circumstance or matter which has caused, or is reasonably likely to provide grounds to, the relevant insurer to give notice to cancel, rescind, suspend, terminate or avoid any Insurance, or any cover or claim under any Insurance in whole or in part; and
 - (f) apply the proceeds of any claim in respect of any Insurance in or towards the discharge of all liabilities to which the same relates (in respect of liability insurance) or in or towards the replacement or repair of the insured asset (in respect of property or asset insurance).
- 1.3 [REDACTED] The Contractor shall, before the Effective Date and at any time promptly (and in any event within five (5) Working Days following written request by the DCC) provide such evidence as the DCC shall reasonably require as to the continued maintenance by the Contractor of Insurances in compliance with the requirements of this Schedule 2.6. Such evidence shall include copies of the relevant policies and a confirmation from the insurance brokers to the Contractor confirming the nature of the policies maintained, the limits of cover, the amount of the deductible and any conditions or exclusions which are not entirely normal for the type of policy concerned. On each occasion that the Contractor is renewing any Insurance policy, the Contractor shall provide the information above regarding the planned renewal of such policy not later than ten (10) Working Days in advance thereof.
- 1.4 To the extent that the Contractor has failed to maintain in full force and effect any of the Insurances required pursuant to this Schedule 2.6, the DCC may purchase (if possible) such Insurance on behalf of the Contractor and the DCC may recover the premium and other costs incurred in doing so as a debt due from the Contractor.