

Business Protect Policy Wording



POLICY INFORMATION

The Policy has been prepared in accordance with the instructions given by the **Insured**. It should be read carefully to ensure that it meets your requirements. The **Insurers** acceptance of this risk is based on the information presented to the **Insurers** being a fair representation of the **Business** of the **Insured** including any unusual or special circumstances which increase the risk and any particular concerns which have led the **Insured** to seek this insurance cover

The **Insurers** continued acceptance of this risk is based on any changes from the original information presented being advised and accepted by the **Insurers**

Providing the **Insurers** with inaccurate information or failing to tell the **Insurers** about anything which may increase the risk may invalidate this Policy or lead to claims not being paid or being paid in part only

Material and relevant facts include but are not limited to those shown on the Statement of Fact

If the **Insured** is in any doubt or requires clarification as to what must be declared to the **Insurers** it should be discussed with their Broker Intermediary or Agent

The Policy consists of

- a) the introduction which explains the basis on which cover is provided
- b) Policy Definitions and Conditions
- c) General Exclusions to cover applying to the entire Policy
- d) the Sections of the Policy which give details of the cover
- e) any Clauses which might apply to the Policy or individual Sections and which incorporate amendments to cover extensions limitations and the like
- f) the Schedule which shows details of the **Insured Period of Insurance** the **Business** being covered the Sections insured Limits of Liability and the amounts that the **Insured** will be responsible for
- g) the Statement of Fact which is a record of the information provided by the **Insured** to their insurance agent about them and their **Business** upon which the insurance quotation is based
- h) the Certificate(s) of Employers Liability Insurance if such Section is insured by this Policy

Immediate notice should be given to the **Insurers** of any changes which may affect the insurance provided by this Policy

Alterations in the cover required after the issue of the Policy will be confirmed by a separate Schedule and/or Statement of Fact which the **Insured** should file with the Policy. The **Insured** should refer to the Schedule and Statement of Fact and the Policy to ascertain precise details of the cover currently in force

INSURERS PROMISE TO THE INSURED

The **Insurers** are committed to treating customers fairly. However the **Insurers** realise that there may be times when things go wrong. The **Insurers** take complaints seriously and aim to resolve all of our customer's problems promptly

If this cover does not meet with your requirements please return all of the documents and any Certificate(s) of Employers Liability Insurance to your Broker Intermediary or Agent who has arranged the cover within 14 days of receipt

If you wish to terminate the cover at any time you should contact the Broker Intermediary or Agent who arranged it and provided there have been no claims the **Insurers** will refund a proportionate part of your premium unless the Public & Products Liability Section has been arranged on a minimum and deposit basis in which case no refund is due in respect of the premium for that Section

HOW TO MAKE A CLAIM

To notify a potential claim under:

Section 1 Property All Risks, Section 2 Business Interruption, Section 3 Equipment Breakdown, or Section 6 Terrorism please immediately contact the Claims Helpline on 0330 094 7089 or email cpschemesclaims.ins@axa-insurance.co.uk . Please quote your AXA Policy Number of RG BDX 7145750

Section 4 Employers Liability or Section 5 Public & Products Liability please immediately contact the Claims Helpline on 0370 900 0867 or email LiabilityClaims.INS@axa-insurance.co.uk . Please quote your AXA Policy Number of RG BDX 7145750

Section 7 Commercial Legal Expenses please refer to How to Make a claim in relevant section

HELP AND ASSISTANCE

As a Unicorn Underwriting Limited customer you have access to a website and helplines as described below. These helplines are provided by ARAG plc (ARAG) and are available to you as a part of your Commercial Legal Expenses cover.

Helplines

All helplines are subject to fair and reasonable use. The level of fair usage will depend on individual circumstances. However, if ARAG's advisors consider that your helpline usage is becoming excessive they will tell you. If following that warning, usage is not reduced to a more reasonable level, they can refuse to accept further calls. ARAG record and monitor calls for training purposes, to improve the quality of the service, to help deal with queries or complaints from you and to prevent and detect fraud and financial crime.

Legal and Tax Advice 0344 571 7978

If you have a legal or tax problem relating to your business, you can call the confidential legal and tax advice helpline. Legal advice is available 24 hours a day, 365 days of the year, and tax advice is available between 9am and 5pm on weekdays (except bank holidays).

We give advice about business-related legal matters within UK, Isle of Man, Channel Islands and EU law and tax matters within the UK.

Your query will be dealt with by a qualified specialist who is experienced in handling legal and tax-related matters. Use of this service does not constitute reporting of a claim.

Redundancy Assistance 0330 303 1955

Available between 9am and 5pm on weekdays (except bank holidays).

If you are planning redundancies and need extra legal support, ARAG can arrange specialist consultancy assistance for you. Redundancy assistance will help you to implement a fair selection process and ensure that the redundancy notices are correctly served. The service offers document review and telephone or written advice and is subject to a charge.

Executive Suite – Identity Theft Resolution 0333 000 2083

This service is available to the principal, executive officers, directors and partners of the business between 9am and 5pm on weekdays (except bank holidays). The helpline provides telephone advice to help executives keep their personal identity secure. Where identity theft is suspected, specialist caseworkers can help the victim to restore their credit rating and correspond with their card issuer, bank or other parties. Identity theft expenses are insured under Section 7, Insured event 11 c) when your executives use this helpline.

Crisis Communication 0344 571 7964

Following an event that has attracted negative publicity which could affect your business, you can access professional public relations support from ARAG's Crisis communication experts at any time.

In advance of any actual adverse publicity, where possible, initial advice for you to act upon will be provided over the phone. If your circumstances require professional work to be carried out at that time, this helpline can help on a consultancy basis and subject to you paying a fee.

Where an event has led to actual publicity online, in print or broadcast, that could damage your business, you are insured against the costs of crisis communication services under Section 7, Insured event 13 when you use this helpline.

Counselling Assistance 0333 000 2082

Available 24 hours each day, 365 days of the year. Qualified counsellors will provide free confidential support and advice by phone to your employees or their family members who are suffering from emotional upset or feeling worried and anxious about a personal or work-related problem. Calls to this service will not be recorded.

Business Legal Services

By choosing a policy with Unicorn Underwriting Limited, you also have free access to business support via www.araglegal.co.uk

Getting started

You will need to enter voucher code **X1232KC79BB5** when you register to use the website. Once you have registered you can access the website at any time to create and securely store your legal documents.

More help?

If you have problems using the website please contact the digital technical support team. Contact details can be found on the website. The digital technical support team cannot give you legal or insurance advice.

USEFUL INFORMATION

Making a complaint

Unicorn Underwriting Limited aim to provide the highest standard of service to every customer. If our services does not meet your expectations, we want to hear about this to put things right

All complaints we receive are taken seriously. Following the steps below will help us understand your concerns and give you a fair response.

How to complain

If you have a complaint about the service, you have received from your Broker Intermediary or Agent please contact their Complaints Department and they will investigate your complaint accordingly. They will supply a copy of their complaints procedure when contacting them.

If they are unable to resolve your complaint you may refer your complaint to the Financial Ombudsman Service

Should you be unhappy with the service provided by Unicorn Underwriting Limited please contact us by phone on +44 (0)20 7444 9555 or write to us at The Compliance Officer, Unicorn Underwriting Limited, 22 Bishopsgate, London EC2N 4BQ

E-mail: complaints@unicornuw.com

Please quote the Unicorn Policy Number in all correspondence

If your complaint relates to a claim on your policy under Sections 1-5, please contact the AXA department dealing with your claim using the contact details available in your claim documentation. Alternatively, please write to AXA Insurance Commercial complaints, AXA House, 4 Parklands, Lostock, Bolton BL6 4SD

E-mail: commercialcomplaints.ins@axa-insurance.co.uk

Should you be unhappy with the service provided under Section 7 Commercial Legal Expenses please contact ARAG on 0344 893 9013 (hours of operation are 9am-5pm, Mondays to Fridays excluding bank holidays. For our mutual protection and training purposes, calls may be recorded) or write to them at ARAG plc, Unit 4a, Greenway Court, Bedwas, Caerphilly CF83 8DWE-mail: customerrelations@arag.co.uk

If we haven't resolved your complaint within 8 weeks or you are unhappy with our final response you may be able to refer your complaint to the Financial Ombudsman Service

The Financial Ombudsman Service is an independent body that arbitrates on complaints about general insurance products.

You have six months from the date of our final response to refer your complaint to the Financial Ombudsman Service.

Their address is: Financial Ombudsman Service, Exchange Tower, London E14 9SR

Telephone: **0800 023 4567** or **0300 123 9 123** (from mobile or non BT lines)

E-mail: complaint.info@financial-ombudsman.org.uk

Website: www.financial-ombudsman.org.uk

Making a complaint will not affect your right to take legal action

Details about our Regulator

Unicorn Underwriting Limited is authorised and regulated by the Financial Conduct Authority FRN474137.

Compensation

If we are unable to meet our liabilities to policyholders, you may be able to claim compensation from the Financial Services Compensation Scheme. The level of compensation differs depending on the type of cover:

Compulsory Insurance	Non-compulsory Insurance
100% of the claim	90% of the claim

Further information can be obtained from:

Financial Services Compensation Scheme, PO Box 300, Mitcheldean, GL17 1DY

Telephone 0800 678 1100 or 020 7741 4100 enquiries@fscs.org.uk www.fscs.org.uk

IMPORTANT INFORMATION

The Employers Liability (Compulsory Insurance) Regulations 1998 lay down certain obligations for employers and in particular the **Insured** should be aware of the following

Display of Certificates

The **Insurers** will provide the **Insured** with a Certificate of Employers Liability Insurance and this will state clearly the companies covered by it. The **Insured** must display either an original copy or make available a copy of the Certificate of Employers Liability Insurance in an electronic format at each **Premises** where the **Employees** can see it easily

Retention of Certificates

The Employers Liability (Compulsory Insurance Amendment) Regulations 2008 remove the requirement for the **Insured** to retain copies of Certificates of Employers Liability Insurance that have expired for at least 40 years. However it is still good business practice to retain the certificates because certain claims for example disease could be made many years after the disease is caused and if the insurers cannot be identified the **Insured** could be liable for payments

Using Personal Information

How we treat information about you and your rights under data protection legislation

In order to provide our insurance services, we (Unicorn Underwriting Ltd acting as a Data Controller) will process certain personal information about you. The type of information that we process will depend on our relationship with you. For example, you may be a Unicorn Underwriting Ltd policyholder, prospective policyholder or a third party making a claim under a Unicorn Underwriting Ltd insurance policy.

If you provide us with personal information about a third party, you should share this notice with them.

We will also collect different types of information depending upon the kind of insurance cover we are being asked to provide or the kind of claim we are being asked to assess or pay.

Some of the information we process may be classified as 'special category data', which is data that may contain information about physical or mental health, religious beliefs and criminal and disciplinary offences (including convictions).

Your personal information may be used in a number of ways including:

- considering an application for insurance,
- providing and administering an insurance policy,
- handling claims including claims validation,
- preventing and detecting fraud, including providing information to the relevant authorities.

Where relevant, we will share your information with other companies including insurance companies, third parties such as claims handlers, loss adjusters, reinsurers, fraud prevention agencies, service companies associated with our products, or as required by law (including providing the information to government or regulatory authorities). This may involve the transfer of your information to countries inside and outside the European Economic Area.

We may also use your personal information for marketing purposes, but only in accordance with your marketing preferences.

For more information about how we process your data and the rights you have, please click

<http://www.unicornuw.com/privacy>

AXA Data Protection Notice

AXA Insurance UK plc is part of the AXA Group of companies which takes your privacy very seriously.

For details of how they use the personal information they collect from you and your rights, please view their privacy policy at www.axa.co.uk/privacy-policy

If you do not have access to the internet, please contact them or your insurance broker and we will send you a printed copy.

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THE CONTRACT OF INSURANCE AND THE INSURERS

This Policy is underwritten by certain **Insurers** and is administered by Unicorn Underwriting Limited in accordance with the authority granted under binding authority agreement(s)

In consideration of payment of the premium the liability of the **Insurers** under this contract is several and not joint with other **Insurers** party to this contract to indemnify the **Insured** within the limits terms conditions and exclusions of this Policy against the events set out in the sections operative and occurring in connection with the **Business** during the **Period of Insurance** and any subsequent period for which the **Insured** pays and the **Insurers** agree to accept a premium

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** is shown below

Although reference is made at various points in this clause to 'this contract' in the singular where circumstances so require this should be read as reference to contracts in the plural

Each **Insurer** is only liable in respect of the cover provided under the Section(s) of this Policy shown against them below and not any other Section

Section	Insurer
Commercial Legal Expenses	ARAG plc is authorised and regulated by the Financial Conduct Authority (FRN452369). Registered Address: Unit 4a, Greenway Court, Bedwas, Caerphilly CF83 8DW. Registered in England. Company Number 02585818. ARAG plc is authorised to administer this insurance on behalf of the insurer ARAG Legal Expenses Insurance Company Limited. ARAG Legal Expenses Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (FRN202106) and the Prudential Regulation Authority. Registered Address: Unit 4a, Greenway Court, Bedwas, Caerphilly CF83 8DW. Registered in England and Wales. Company Number 103274.
All other sections	AXA Insurance UK plc Registered in England and Wales No 78950. Registered Office: 20 Gracechurch Street, London EC3V 0BG. A member of the AXA Group of companies. AXA Insurance UK plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

The **Insured** has provided information to the **Insurers** which includes but is not limited to the information detailed in the Statement of Fact. The **Insured** agrees that all information provided to the **Insurers** is true and is incorporated in and forms the basis of the Policy

Signed for and on behalf of the **Insurers**



Underwriting Director

Unicorn Underwriting Limited is registered in England and Wales No 6302201
Registered Office: 22 Bishopsgate, London EC2N 4BQ

GENERAL DEFINITIONS

The following words or phrases have the same meaning wherever they appear, in bold, within this Policy.

Abuse

Any illegal or offensive act or omission that results in the maltreatment of a person including acts or omissions of a physical sexual verbal psychological emotional or financial nature

Ancillary Equipment

Air conditioning equipment generating equipment voltage regulating equipment temperature and humidity recording equipment electronic access equipment heat and smoke detection equipment gas flooding cylinders pipework and computer room partitioning used solely in connection with **Computer Systems**

Bodily Injury

- a) death injury disease or illness of any person
- b)
 - i) mental injury
 - ii) mental anguish
 - iii) shockthat results in a recognisable psychiatric injury

Building(s)

The Building or Buildings at the risk address(es) stated in the Schedule including

- a) landlords fixtures and fittings therein and thereon
- b) outbuildings annexes and extensions
- c) walls gates fences canopies and signs
- d) surfaces and foundations of car parks yards roads pathways and pavements
- e) **Services** but not where insured under **Contents** (or where the designation under which such Property appears in the **Insured's** books would require such Property to be insured under **Contents**)
- f) foundations
- g) glass including framework alarm strips or fittings and lettering thereon

Business

The Business specified in the Schedule conducted solely from within the **Territorial Limits** including

- a) the ownership repair and maintenance of the **Premises**
- b) the provision of fire security and ambulance services at the **Premises**
- c) provision of first aid but excluding any first aid provided by any qualified medical practitioner or nurse
- d) private work undertaken by the **Insured's Employees** with the consent of the **Insured** for any director partner or senior official of the **Insured**
- e) the provision and management of sports social and welfare organisations by the **Insured** for the benefit of the **Insured's Employees**
- f) the sale or supply of food and drink to **Employees** or visitors

Business Hours

The period during which the **Premises** are actually occupied by the **Insured** and/or their **Employees** for **Business** purposes

Communicable Disease

Any disease which can be transmitted by means of any substance or agent from any organism to another organism where

- a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
- b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
- c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property

Compensation

Compensatory damages imposed by law including interest which may be awarded on such damages

Computer or Telecommunication Systems

Computer System and tapes disks CD's or other magnetic or optical storage devices and **Ancillary Equipment** that form part of a computer network owned leased or rented by the **Insured** or for which the **Insured** is legally responsible

Computer Records

All current and backup Computer Records excluding fixed disks and paper records of any description incorporating stored programs and information stored on them belonging to the **Insured** or leased hired or rented to the **Insured** and for which the **Insured** is legally responsible

Computer System

A computer or other equipment or component or system or item which processes stores transmits or receives **Data**

Consequential Loss

Loss resulting from interruption or interference with the **Business** carried on by the **Insured** at the **Premises** in consequence of **Damage**

Contents

The contents of the **Buildings** used in connection with the **Business** belonging to the **Insured** or for which the **Insured** is legally responsible including

- a) patterns models moulds plans and designs
- b) documents manuscripts and Business books for their value as stationery and materials and the cost of labour expended in writing up and/or reinstatement thereof or restoration if more economical subject to a maximum of £5,000 for any one loss
- c) wines and spirits kept for entertainment purposes subject to a maximum of £500 for any one loss
- d) directors' partners' or **Employees'** personal effects clothing pedal cycles and tools unless otherwise insured subject to a maximum of £500 per person for any one loss
- e) visitors' personal belongings subject to a maximum of £500 for any one loss
- f) **Services** but not where insured under **Buildings** (or where the designation under which such Property appears in the **Insured's** books would require such Property to be insured under **Buildings**)

but excluding **Computer and Telecommunication Systems** and **Computer Records** and **Stock** and **Money** and **Non-Negotiable Money** and any other **Property** more specifically insured

Cyber Act

An unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer Systems**

Cyber Incident

- a) any error or omission or series of related errors or omissions involving access to processing of use of or operation of any **Computer Systems**
- b) any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer Systems**

Damage

Physical loss destruction of or damage to the **Property** insured

Data

Data of any sort whatever including without limitation tangible or intangible data and any programs or software bandwidth cryptographic keys databases documents domain names or network addresses or anything similar files interfaces metadata platforms processing capability storage media transaction gateways user credentials websites or any information whatever

Declared Value

The **Insured's** assessment of the cost of reinstatement of the **Property** insured at the level of costs applying at the inception of the **Period of Insurance** including the extent to which indemnity is provided for

- a) the additional cost of reinstatement to comply with Public Authority requirements
- b) professional fees
- c) removal of debris costs

ignoring inflationary factors which may operate subsequently

Defined Peril(s)

Fire lightning explosion earthquake aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked out workers persons taking part in labour disturbances malicious persons other than thieves **Storm Flood** escape of water or oil from any tank apparatus or pipe impact by any road vehicle or animal or any article dropped from a road vehicle

Denial of Service Attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **Computer Systems** Denial of Service Attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **Computer Systems**

Employee

- a) any person under a contract of service or apprenticeship with the **Insured** or
- b) any of the following persons whilst working for the **Insured** under their direct supervision and control in connection with the **Business**
 - i. any labour master or labour only subcontractor or person supplied by them
 - ii. any self-employed person providing labour only
 - iii. any trainee or person undergoing work experience
 - iv. any voluntary helper
 - v. any person who is hired to or borrowed by the **Insured**

Estimated Gross Profit

The amount the **Insured** has declared to the **Insurers** as representing the **Gross Profit** anticipated to be earned by the **Business** during the financial year most nearly concurrent with the **Period of Insurance** or a proportionately increased multiple where the **Maximum Indemnity Period** exceeds 12 months

Estimated Gross Revenue

The amount the **Insured** has declared to the **Insurers** as representing the **Gross Revenue** anticipated to be earned by the **Business** during the financial year most nearly concurrent with the **Period of Insurance** or a proportionately increased multiple where the **Maximum Indemnity Period** exceeds 12 months

Excess

The amount for which the **Insured** is responsible for each and every claim or loss as specified in the Schedule or in the Policy

Flood

- a) the escape of water from the normal confines of any natural or artificial water course lake reservoir canal drain or dam
- b) inundation from the sea
- c) inundation by rainwater or rainwater induced run off other than where the inundation is solely caused by or solely results from ingress of rainwater through or via the roof of the building whether resulting from storm or not

Goods in Transit

Stock in connection with the **Business** belonging to or the responsibility of the **Insured** whilst being

- a) loaded on or in a **Vehicle**
- b) carried by a **Vehicle**
- c) temporarily contained on or in a **Vehicle** whilst parked or stationary or within a secure storage location for a continuous period of no more than 48 hours
- d) unloaded off or from a **Vehicle** but excluding positioning installation commissioning or erection once it has been unloaded

Gross Profit

The amount by which the sum of the **Turnover** and the amount of the closing **Stock** shall exceed the sum of the amount of the opening **Stock** and the amount of the **Specified Working Expenses**

Gross Revenue

The money paid or payable to the **Insured** for work carried out or services rendered in course of the **Business** at the **Premises** less the costs of purchases

Hacking

Unauthorised access to any **Computer Systems** whether the property of the **Insured** or not

Increased Cost of Working

The additional expenditure incurred with the prior written consent of the **Insurers** for the sole purpose of avoiding or diminishing the reduction in **Turnover or Gross Revenue** which but for that expenditure would have taken place during the **Indemnity Period**

Indemnity Period

The period beginning with the occurrence of the **Damage** and ending not later than the **Maximum Indemnity Period** as stated in the Schedule afterwards during which the results of the **Business** shall be affected in consequence of the **Damage**

Injury

- a) **Bodily Injury**
- b) false arrest wrongful detention or false imprisonment or malicious prosecution of any person
- c) wrongful entry or eviction or other invasion of the right of private occupancy

Insured

The person persons or company named in the Schedule including subsidiary companies notified to and agreed as accepted by the **Insurers**

Insurer(s)

The **Insurers** as set out in the section of the Policy headed The Contract of Insurance and the Insurers

Intruder Alarm System

The component parts including any means of communication used to transmit signals to the alarm receiving centre

Key holder

The **Insured** or any person or key holding company authorised by the **Insured** who is available at all times to accept

- notification of faults to
- or

- alarm signals from

the intruder alarm and who will attend and allow access to the **Premises**

Loss of Limbs or Eyes

Physical Injury which solely and directly results in

- a) total loss or permanent and total loss of use of one or more limbs or
- b) total and irrecoverable loss of all sight in one or both eyes

Maximum Indemnity Period

The number of Months stated in the Schedule as applying to the **Indemnity Period**

Media

Any material on which **Data** or **Programs** are recorded

Money

Cash bank currency notes uncrossed cheques uncrossed postal orders and money orders unused postage stamps National Insurance stamps trading stamps luncheon vouchers lottery and other prize scratch cards utility vouchers top up cards mobile phone vouchers and International Phone Cards held in connection with the **Business** belonging to the **Insured** or for which the **Insured** is legally liable

Non-Negotiable Money

Crossed cheques crossed giro cheques crossed bankers' drafts crossed giro drafts crossed postal and crossed money orders national savings certificates premium bonds unexpired units in franking machines stamped national insurance cards credit card sales vouchers debit card sales vouchers VAT purchase invoices held in connection with the **Business** belonging to the **Insured** or for which the **Insured** is legally liable

Offshore Installation

- a) any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- b) any installation in the sea or tidal waters which is intended for the storage or recovery of gas or generation of electricity
- c) any pipe or system of pipes in the sea or tidal waters
- d) any accommodation installation for persons who work on or from the locations specified above

Period of Insurance

Period from the start date to the expiry date of cover shown in policy schedule

Permanent Total Disablement

Physical Injury not resulting in death or **Loss of Limbs or Eyes** which results in the permanent inability of the **Insured** or **Employee** to engage in any gainful employment

Phishing

Any access or attempted access to **Data** made by means of misrepresentation or deception

Physical Injury

Bodily injury by external violent and visible means sustained by the **Insured** or **Employee** in the course of the **Business** where such injury arises directly from assault

Pollution or Contamination

- a) all Pollution or Contamination of buildings or other structures or of water or land or the atmosphere and
- b) all **Injury** loss or **Damage** directly or indirectly caused by such Pollution or Contamination

All Pollution or Contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place

Premises

The **Buildings** and the land inside the boundaries at the risk address stated in the Schedule

Principal

Any person firm company ministry or authority for whom the **Insured** is undertaking work

Products Supplied

Any goods or other property including containers packaging labelling and instructions for use sold supplied delivered erected repaired serviced altered treated installed processed manufactured or tested by the **Insured** in connection with the **Business**

Program

A sequence of instructions given to a computer that is either purchased or written on a custom basis owned leased or rented by the **Insured** or for which the **Insured** is legally responsible

Property

- a) **Buildings Tenants' Improvements Contents Stock** and in respect of Section 1 of the Policy such other items to which cover is expressly extended in Section 1 of the Policy or Schedule or
- b) **Computer and Telecommunication Systems Computer Records** and in respect of Section 3 of the Policy such other items to which cover is expressly extended in Section 3 of the Policy or Schedule

The **Insurers** agree to accept the classification under which any Property has been entered in the books of the **Insured**

Rate of Gross Profit

For the purpose of a new business that has not yet been trading 12 months

The Rate of Gross Profit earned on the **Turnover** during the period between the date of commencement of the **Business** and the date of the **Damage**

For all other businesses

The Rate of Gross Profit earned on the **Turnover** during the financial year immediately before the date of the **Damage**

Reinstatement of Data

The reinstatement of **Data** following accidental loss distortion corruption or erasure of such **Data**

Reinstatement of Programs

The reinstatement of any **Program** following accidental loss distortion corruption or erasure of such **Program**

Rent

The money paid or payable by the **Insured** for accommodation and services provided (including service charges unless excluded by Endorsement) at the **Premises**

Rent Receivable

The money paid or payable to the **Insured** by tenants or lessees for accommodation and services provided in the course of the **Business** at the **Premises**

Responsible person

The **Insured** or any adult authorised by the **Insured** who will be responsible for the security of the **Premises**

Safe/Strongroom

An item being of substantial construction with key and/or combination locks and manufactured for the secure storage of **Money** or **Non-Negotiable Money**

This does not include cash boxes tills filing cabinets or any item constructed of sheet metal whether lockable or not

Sanitary Ware

Wash basins lavatory pans or other sanitary fittings at the **Premises**

Services

Above ground and underground telephone gas water and electric installations fixed oil and diesel fuel tanks fixed liquefied petroleum gas tanks septic tanks cess pits drains sewers piping ducting cables wires fibre optic or integrated services digital network lines and associated control gear and accessories on the **Premises** and extending to the public mains but only to the extent of the **Insured's** responsibility

Specified Working Expenses

The total of

- a) purchases less discounts received
- b) discounts allowed
- c) carriage freight and packaging and
- d) bad debts

Standard Gross Revenue

For the purpose of a new business that has not yet been trading 12 months

The proportional equivalent for a period equal to the **Indemnity Period** of the **Gross Revenue** realised during the period between the date of commencement of the **Business** and the date of the **Damage**

For all other businesses

The **Gross Revenue** during the period immediately before the date of the **Damage** which corresponds to the **Indemnity Period**

Standard Rent Receivable

The **Rent Receivable** during the period immediately before the date of the **Damage** which corresponds with the **Indemnity Period**

Standard Turnover

For the purpose of a new business that has not yet been trading 12 months

The proportional equivalent for a period equal to the **Indemnity Period** of the **Turnover** realised during the period between the commencement of the **Business** and the date of the **Damage**

For all other business

The **Turnover** during the period immediately before the date of the **Damage** which corresponds with the **Indemnity Period**

Stock

Stock and materials in trade including raw materials work in progress finished goods the property of the **Insured** and goods in trust for which the **Insured** is responsible

Storm

Storm excluding damage by **Flood**

Terrorism

In England, Scotland and Wales: Acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of His Majesty's Government in the United Kingdom or any other government de jure or de facto.

In Northern Ireland: An act including, but not limited to the use of force or violence and/or threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political, religious, ideological or similar purposes including the intention to influence any government and/or put the public or any section of the public in fear.

In the Channel Islands and the Isle of Man: An act of any person(s) acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of any government de jure or de facto.

Temporary Total Disablement

Physical Injury which results in the temporary inability of the **Insured** or **Employee** to engage in any gainful employment

Tenants' Improvements

All improvements alterations and decorations effected by or on behalf of the **Insured** as occupier of the **Premises**

Territorial Limits

Great Britain Northern Ireland the Isle of Man or the Channel Islands

Turnover

The money paid or payable to the **Insured** for **Products Supplied** and services rendered in the course of the **Business**

Unoccupied

Any **Building** that is wholly unoccupied, more than 50% unoccupied, disused or not in active use by the **Insured** or any of the **Insured's** tenants for more than 30 consecutive days.

Vehicle

A mechanically driven conveyance with or without attached trailers for conveying the **Goods in Transit**

Virus or Similar Mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, **Computer Systems, Data** or operations, whether involving self-replication or not. The meaning of virus or similar mechanism includes, but is not limited to, trojan horses, worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

Working Hours

Working Hours means the whole period during which the **Vehicle** is being used by its driver in connection with the **Business** including travel to and from the place of work and any break in such journey but shall not include when the **Vehicle** is parked for any overnight rest period

GENERAL CONDITIONS

The following general conditions apply to the whole of this Policy.

1. Misrepresentation and Fair Presentation

The **Insured** and anyone representing the **Insured** have a duty to provide a fair presentation of the risk. A fair presentation is one which in a reasonably clear and accessible manner provides the material facts which the **Insured** knows or ought to know following a reasonable search. Failing that, the information provided must be sufficient to warn the **Insurers** that additional enquiries must be made to fully understand the risk. The information provided must be substantially correct, complete and made in good faith.

If the **Insured** or anyone representing the **Insured**

- a) provides the Broker, Intermediary or Agent who arranged the Policy or the **Insurers** with misleading, incomplete or incorrect information when applying for, amending or renewing this insurance;
- b) deliberately and/or recklessly withholds information or misleads the Broker, Intermediary or Agent who arranged the Policy or the **Insurers** in order to obtain cover or gain a cheaper premium or more favourable terms;
- c) provides the Broker, Intermediary or Agent who arranged the Policy or the **Insurers** with false documents.

The **Insurers** may

- a) amend the **Insured's** Policy to record the correct information;
- b) apply different terms (not relating to a higher premium) effective from the date of the misrepresentation. In which event the **Insured's** Policy will be amended to record the correct information and terms;
- c) reduce proportionately the amount to be paid on a claim, where different terms relating to a higher premium would have been applied. In which event the **Insured** shall be considered as being their own insurer for the difference and shall bear a rateable share of a claim;
- d) cancel the **Insured's** Policy in accordance with General Condition 6. Cancellation;
- e) void the **Insured's** Policy and treat it as if it had never existed and return the premium paid other than in circumstances of:
 - i. deliberate and/or reckless misrepresentation where no premium shall be returned by the **Insurers**;
 - ii. where the **Insured** has made claims under the Policy then:
 - a. any sums that have been paid by way of benefit under the Policy will be deducted from any return premium due to the **Insured** or
 - b. in the event that the premium paid does not exceed the sums paid by way of benefit under the Policy, the **Insured** will be responsible for reimbursing the **Insurers** the difference.
- f) in addition to voiding the **Insured's** Policy, the **Insurers** may also void any other policies which the **Insured** has with the **Insurers**. The premium paid for such policies will be returned other than in circumstances where:
 - i. deliberate and/or reckless misrepresentation has also occurred on these policies, in which event, no premium shall be returned by the **Insurers**;
 - ii. claims have also been made on these policies, in which event:
 - a. any sums that have been paid by way of benefit under the Policy will be deducted from any return premium due to the **Insured** or
 - b. in the event that the premium paid does not exceed the sums paid by way of benefit under the Policy, the **Insured** will be responsible for reimbursing the **Insurers** the difference.

2. Fraud

If the **Insured** or anyone representing the **Insured**

- a) makes a fraudulent payment by bank account and/or card;
- b) provides the Broker, Intermediary or Agent who arranged the Policy or the **Insurers** with false documents or false statements to support a claim;
- c) makes a claim or part of any claim that is fraudulent, false or exaggerated.

The **Insurers** may

- a) cancel the **Insured's** Policy and not return any premium paid by the **Insured** in accordance with General Condition 6. Cancellation;
- b) reject a claim or reduce the amount of payment that would have been paid;
- c) recover from the **Insured** any sums paid by way of benefit under the Policy in respect of any claim or part of any claim that is fraudulent, false or exaggerated;
- d) pass details to fraud prevention and law enforcement agencies who may access and use this information.

3. Reasonable Care

The **Insured** shall

- a) take all reasonable precautions to prevent or diminish loss destruction damage or injury take all reasonable steps to comply with statutory requirements obligations and regulations imposed by any authority
- b) exercise care in the selection and supervision of **Employees**
- c) maintain all **Buildings** ways works machinery and plant in sound condition

As soon as possible after discovery of any defect or danger the **Insured** shall cause such defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require

4. Alteration

This Policy shall cease to be in force from the date of the alteration if

- a) any alteration is made either in the **Business** or at the **Premises** or to any **Property** insured after the commencement of the insurance that increases the risk of loss destruction damage or injury or
- b) the **Insured's** interest ceases except by will or operation of law or
- c) the **Business** is wound up or carried on by a liquidator or receiver or permanently discontinued or
- d) the **Premises** becomes unoccupied

unless the **Insurers** have agreed in writing to accept such alteration

5. Payment of Premium

It is a condition that

- a) the premium for the Policy or any endorsement attaching to the Policy shall be paid when due
- b) if the premium for the Policy or endorsement is payable by instalments then
 - i. each instalment shall be paid when due or
 - ii. where a notice has been issued requiring the outstanding amount must be paid by a specific date then such payment is made by that date

6. Cancellation

a) Cancellation by the **Insured**

i. Cooling off cancellation rights

The **Insured** has the right to cancel the insurance from inception within 14 days of the receipt of the documents at the start of the insurance or within 14 days of the start of the insurance whichever is later ("the cooling off period") if the cover does not meet their requirements by returning all documents and any certificate to the Broker Intermediary or Agent who arranged the Policy The **Insurers** shall return any premium paid in full within 30 days of the receipt of the notice of cancellation

from the Broker Intermediary or Agent if the cover is cancelled either

- a. before the inception date or
- b. within the 14 day cooling off period provided that no claim has been made or incident advised that could give rise to a claim

in these circumstances no return of premium will be made

ii. Cancelling the Policy after the cooling off period

The **Insured** may cancel the insurance at any other time by contacting the Broker Intermediary or Agent who arranged the Policy

On receipt of the notification from the Broker Intermediary or Agent the **Insurers** will cancel the Policy and provide a proportionate return of the premium in respect of the unexpired **Period of Insurance** provided that no claim has been made or incident advised that could give rise to a claim in these circumstances no return of premium will be made

b) Cancellation by the **Insurers**

i. Non- payment of premium

If the **Insurers** have not received the premium in accordance with the terms of General Condition 5. Payment of Premium the **Insurers** will cancel the Policy by giving 7 days' notice in writing to the **Insured** at the **Insured's** last known address

The insurance will end immediately when the 7 days' notice runs out

If the **Insured** has just incepted the Policy or renewed the Policy with the **Insurers** and the premium is unpaid then the **Insurers** will cancel the insurance from the inception or renewal date

ii. Cancellation for any other reason

The **Insurers** may cancel the Policy or any section or endorsement by giving 30 days' notice in writing by letter to the **Insured** at the **Insured's** last known address

The **Insurers** do not have to give a reason for the cancellation although valid reasons for doing so may

include but are not limited to the following

- a. the **Insured** has not provided to the Broker Intermediary or Agent the information or documents the **Insurers** have requested as part of the terms and conditions in providing the insurance
- b. the **Insured** has not met the terms and conditions contained in this document of insurance including those shown on their Schedule
- c. where the **Insured** does not comply with any of the different Policy terms and conditions imposed by the **Insurers** as a result of the identification of misrepresentation as detailed in General Condition 1. Misrepresentation and Fair Presentation
- d. where an alteration is made to the **Business** the **Premises** or the **Property** or where the **Insured's** interest ceases unless agreed by the **Insurers** as detailed in General Condition 4. Alteration
- e. where the survey arranged by the **Insurers** has identified additional risks which were not evident to the **Insurers** prior to the survey or where the **Insured** have not complied with the **Insurers** acceptance criteria nor with the timely completion of any risk improvements as detailed in General Condition 16. Subject to Survey
- f. The **Insured** has behaved in a manner that makes it inappropriate for the **Insurers** to continue the insurance, e.g. the **Insured** harassing or showing abusive or threatening behaviour towards the **Insurers** staff or the **Insurers** appointed representatives

The insurance will end immediately when the 30 days' notice runs out

If the **Insured** has just incepted the Policy or renewed the Policy with the **Insurers** and the premium is unpaid then the **Insurers** will cancel the insurance from the inception of renewal date

The **Insurers** will provide a proportionate return of premium in respect of the unexpired **Period of Insurance** of the Policy or Section other than in circumstances listed below

1. where the **Insurers** identifies fraud as detailed in General Condition 2. Fraud
2. where a claim has been made or incident advised that could give rise to a claim in these circumstances no premium shall be returned by the **Insurers**

7. Claims - Action by the **Insured**

Special Definition

Letter of Claim or **Claim Notification Form** where used in this condition means any written communication indicating an intention to claim against the **Insured** that specifies sufficient information about the incident to enable it to be investigated and includes at least preliminary information as to the nature of the injury or damage sustained and as defined in any protocols issued under the Civil Procedure Rules (or any amendments or supervening legislation)

- a) If circumstances should exist which may give rise to a claim under this Policy or on the happening of any Event the **Insured** shall as soon as possible give notice thereof to the **Insurers** in writing
- b) Subject to the provisions set out in sub paragraph (g) below in respect of third party liability claims the **Insured** shall acknowledge and provide a response as required in accordance with and within the time period fixed for that purpose in the relevant pre-action protocol issued under the Civil Procedure Rules and shall promptly forward a copy of the **Letter of Claim** or **Claim Notification Form** and any such response to the **Insurers**

Following receipt by the **Insured** of a pre-action **Letter of Claim** or **Claim Notification Form** in addition to the above the **Insured** shall as soon as possible provide to the **Insurers** copies of all documents records and minutes of meetings necessary to consider the claim fully The **Insured** shall also give to the **Insurers** all such proofs and information with respect to any claim as the **Insurers** may require together with (if demanded) a statutory declaration of the truth of such claim and of any matters relating thereto

- c) The **Insured** shall immediately forward every service of writ summons or claim form impending prosecution notice requiring arbitration notice of an inquest or fatal accident inquiry in connection with any such circumstance or Event aforesaid to the **Insurers** unacknowledged
- d) Other than as prescribed in (b)
 - (i) within seven days in the case of **Damage** caused by riot civil commotion strikers locked-out workers persons taking part in labour disturbances or malicious persons or
 - (ii) within thirty days in the case of any other circumstance or Event aforesaid

- or such further time as the **Insurers** may in writing allow the **Insured** shall give full particulars of the **Damage** circumstance or Event
- e) The **Insured** if required by the **Insurers** shall attend all proceedings and assist the **Insurers** in the giving of evidence and the attendance of witnesses and shall give the **Insurers** all information and assistance and do and concur in doing whatever the **Insurers** may require in connection with any circumstance event or claim
 - f) The **Insured** shall bear its own costs and expenses under this Condition save to the extent that specific cover is provided within the Policy
 - g) No admission offer promise payment or indemnity shall be made or given by or on behalf of the **Insured** without the written consent of the **Insurers**
8. Claims - Rights of the Insurers
- The **Insurers** shall
- a) be entitled at any stage to take over the defence or settlement of any claim made upon the **Insured** by any other party and to prosecute for their own benefit any claim for indemnity or compensation against any other persons in respect of any event insured by the Policy and at no cost to the **Insurers** the **Insured** shall give all assistance as may be reasonably required by the **Insurers**
 - b) have the right to enter the **Premises** where the **Damage** has occurred and to keep possession of any **Property** insured without thereby incurring any liability or diminishing any of the **Insurers** rights under the Policy and to deal with the salvage in a reasonable manner but the **Insured** shall not be entitled to abandon any **Property** to the **Insurers**
 - c) at their option indemnify the **Insured** by payment reinstatement replacement or repair in respect of any **Property** lost or damaged or part thereof. If the **Insurers** elect to reinstate or replace any **Property** they shall not be bound to reinstate or replace exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than the Sum Insured thereon
9. Conditions
- Every Condition to which the Policy or any part thereof is or may be subject shall from the time the Condition attaches apply and continue to be in force during the whole currency of the Policy and non-compliance with any such Condition insofar as it increases the risk of loss destruction or damage shall be a bar to any claim in respect of such loss destruction or damage provided that whenever the Policy is renewed a claim in respect of loss destruction or damage occurring during the renewal period shall not be barred by reason of a Condition not having been complied with any time before the commencement of such period
10. Contribution in respect of Sections 1,2 and 3 (not applicable to Personal Accident (Assault))
- If in the event of **Damage** or liability under the Policy there shall be in force any other insurance effected by or on behalf of the **Insured** providing cover against such a claim
- a) the liability of the **Insurers** shall be limited to their rateable proportion of such a claim
 - b) but which is subject to any provision excluding it from ranking concurrently with the Policy either in whole or in part or from contributing rateably to the claim then the liability of the **Insurers** shall be limited to such proportion of the claim as the Sum Insured bears to the value of the **Property**
11. Arbitration
- If any difference shall arise between the **Insurers** and the **Insured** as to the amount to be paid under this Policy (liability being otherwise admitted) such difference (provided it does not concern the interpretation of the terms of the Policy) shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions for the time being in force
- Where any difference is referred to arbitration the making of an award shall be a prerequisite to any right of action against the **Insurers**
12. Claims Co-operation
- The **Insured** will provide all help and assistance and co-operation required by the **Insurers** and/or their appointed representatives in connection with any claim
13. Law Applicable
- The **Insured** and the **Insurer** can choose the law which applies to this Policy. The **Insurer** proposes that the Law of England and Wales apply. Unless the **Insurer** and the **Insured** agree otherwise, the Law of England and Wales will apply to this Policy

14. Observance of terms
Insured shall observe the terms of the Policy so far as they relate to anything to be done or complied with
15. Legal Representatives
In the event of the death of the **Insured** the **Insurers** will indemnify the **Insured's** legal personal representatives in respect of liability at law previously incurred by the **Insured** provided they observe fulfil and be subject to the terms conditions and limitations of the Policy to the extent that they can apply
16. Subject to Survey
If any insurance by the Policy either at inception or subsequent renewal has been granted subject to the completion of a survey of the **Premises** or if during the **Period of Insurance** following notification of a claim or an alteration to the **Business** or the **Premises** or to any **Property** under the Policy the **Insurers** require a survey
- a) then pending completion of such survey the terms conditions exclusions and limits as specified in the Policy and Schedule shall apply
 - b) if following completion of the survey and in the opinion of the **Insurers** this has identified additional risks which were not evident to the **Insurers** prior to the survey then the **Insurers** reserve the right to alter or amend the terms and conditions of the Policy or to suspend or withdraw cover immediately
 - c) the continuation of cover after the survey by the **Insurers** shall be subject to the **Insured** complying with the **Insurers** acceptance criteria and the completion of any risk improvements required within the time frame agreed with the **Insurers** otherwise the **Insurers** may at their option invoke General Condition 6. Cancellation
17. Limit of Indemnity
All the Sums Insured Limits of Indemnity and any other restrictions on the amount of the **Insurers** liability stated in the Policy shall apply as maximum limits to the **Insurers** liability irrespective of the number of persons entitled to indemnity under the Policy
For the purposes of the Sums Insured Limits of Indemnity and any other restrictions on the amount of the **Insurers** liability the **Insured** and all other persons entitled to be indemnified under the Policy shall be treated as one party or legal entity so that there shall be only a single contract of insurance between the **Insurers** as one party and the **Insured** and all other persons entitled to be indemnified as the other party
18. Third Party Rights
A person or company who is not a party to the Policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any clause or term of the Policy but this does not affect any right or remedy of a third party which exists or is available apart from that Act
19. Assignment
The **Insured** shall not assign or transfer their rights under the Policy without the written agreement of the **Insurers**
20. Insureds Contribution
Where stated in the Schedule the **Insured** shall be responsible for paying an **Excess** in relation to each claim made by the **Insured** under this Policy
21. Abuse
In so far as indemnity is provided under Section 5 Public & Products Liability in respect of any legal liability or prosecution defence costs and expenses directly or indirectly resulting from caused by contributed to attributed to or in any way related to **Abuse** it is understood and agreed that
- a) any of the specified amounts detailed in the Schedule as limits of indemnity or the amount of any other limit stated in the Policy shall (where not already so stated) be the total amount payable in the aggregate in respect of all claims during any one **Period of Insurance** and which amount shall be inclusive of all claimants' and defence costs and expenses and prosecution defence costs and expenses to the extent indemnified for
 - b) where legal liability is not attributable to a single identifiable event that occurs at a single fixed time and place then for the purpose of what constitutes one claim in respect of the provision of indemnity under this Policy all occurrences of **Abuse** suffered by any individual Third Party claimant committed during the **Period of Insurance** shall be considered individually as one claim
 - c) for the purposes of this condition the reference to **Period of Insurance** in paragraphs a) and b) above shall include any period prior to the **Period of Insurance** where the insurance is subject to a retroactive

- date provision which relates to a period prior to the **Period of Insurance** during which any act or omission giving rise to indemnity under the insurance may have been committed
- d) the insurance provided by the Section 5 Public & Products Liability shall not indemnify
- i. any medical or dental practitioner whomsoever or
 - ii. any other person who is an **Insured** against any legal liability or prosecution defence costs and expenses directly or indirectly resulting from caused by contributed to attributed to or in any way related to **Abuse** committed by that individual person which is
 - a) dishonest or criminal or fraudulent or
 - b) the result of deliberate wrongdoing or recklessness

Indemnity shall continue to apply in respect of the **Insured's** vicarious liability for such acts of another person but not where **Abuse** arises out of acts or omissions authorised by the **Insured** or at the request of or with the approval of the **Insured** where such authorisation request or approval is dishonest or criminal or fraudulent or results from deliberate wrongdoing or recklessness

- e) where indemnity is provided to indemnify the **Insured** for their vicarious liability for the acts of the person or persons committing such **Abuse** it is hereby noted and agreed with regard to the application of General Condition 23 Subrogation that the **Insurers** shall exercise such rights against any **Employee** committing such **Abuse** which is dishonest or criminal or fraudulent or the result of deliberate wrongdoing or recklessness

22. Sanctions

This Policy shall not be deemed to provide cover nor shall the **Insurers** have any liability to pay any claim or provide any benefit hereunder to the extent that the provision of such cover payment of such claim or provision of such benefit would expose the **Insurers** to any sanction prohibition or restriction under United Nations resolutions or the trade or economic sanctions laws or regulations of the European Union United Kingdom or United States of America

23. Subrogation

The **Insurers** shall be subrogated to all of the **Insured's** rights of recovery against any person or organisation before or after any claims payment under this insurance and the **Insured** shall provide all relevant information and assistance in this regard Any recovery made shall be applied first to the **Insurers** outlay and then to the **Insured's Excess** in priority to any outstanding uninsured loss of the **Insured** in the absence of agreement to the contrary

The **Insurers** shall not exercise such rights against any **Employee** unless the claim in question has been brought about or contributed to by the dishonest fraudulent criminal or malicious act error or omission of that **Employee**

24. Jurisdiction

Any indemnity provided by this Policy in respect of legal liability to pay **Compensation** (including claimants costs and expenses) shall operate 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 judgement award payment or settlement either in whole or in part)

Provided that the indemnity provided by the Section 3 Employers' Liability where operative will not apply to any action for **Compensation** brought against the **Insured** in any court outside the European Union

25. Premium Adjustment

Where the premium for the Policy or any Policy Section is subject to a premium adjustment the **Insured** shall within one month of the expiry of the **Period of Insurance** forward to the **Insurers** such information as the **Insurers** may require. The **Insurers** shall thereupon adjust the premium subject to any minimum premium specified by the **Insurers**

26. Unoccupied Buildings

When any **Building** or portion thereof becomes **Unoccupied**

- a) the **Insured** must give immediate notice in writing to the **Insurers** of such unoccupancy and when any **Building** or portion thereof becomes re-occupied
- b) Damage caused by **Storm Flood** Escape of Water Theft or Attempted Theft or Accidental Damage is excluded in respect of **Unoccupied** buildings or **Unoccupied** portions of buildings
- c) the **Insured** or their authorised representative will

- i. ensure all the main services are turned off or disconnected (except the electricity supply to maintain any fire or intruder alarm system) to that portion of the **Premises** which are **Unoccupied** or
- ii. as an alternative to c) i. above leave the main services turned on to keep the central heating system working at a minimum temperature of 5°C during the period 1st October to 1st April each year always provided that outside this period condition c) i. will apply
- iii. carry out a thorough inspection of the **Premises** on at least a weekly basis and carry out immediately any work necessary to maintain the security of the **Premises**
- iv. remove all refuse and waste materials from the **Premises** following such inspection
- v. maintain a written record of such inspections
- vi. ensure the **Premises** are secured against unlawful entry

Special Provision

Where the **Insured** or their authorised representative comply with paragraph c) ii. of this condition during the period from 1st October to 1st April each year the **Insurers** will not apply Section 1 - Property All Risks exclusion 9 from any automatic sprinkler installations Contractors

The **Insured** must notify the **Insurer** as soon as they become aware of the **Building(s)** or portion thereof of **Building(s)** being occupied by contractors for renovation alteration or conversion purposes

GENERAL EXCLUSIONS

The **Insurers** shall not be liable

1. War and Allied Risks/Dispossession of Property/Radioactive Contamination in respect of any loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any **Consequential Loss** or any legal liability of whatsoever nature directly or indirectly caused or occasioned by or happening through or in consequence of
 - a) war invasion act of foreign enemy hostilities or warlike operations (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power except to the extent stated in the Special Provision Section 4 Employers' Liability below
 - b) permanent or temporary dispossession of any property resulting from confiscation nationalisation commandeering or requisition by any lawfully constituted authority except to the extent stated in the Special Provision Section 4 Employers' Liability below
 - c)
 - i. ionising radiations or contamination by radioactivity from any nuclear fuel nuclear waste from the combustion of nuclear fuel radioisotopes or any other nuclear or radioactive material
 - ii. buildings, plant or equipment for the generation of nuclear power, or production, use or storage of nuclear fuel, nuclear waste from the combustion of nuclear fuel radioisotopes or any other nuclear or radioactive material
 - iii. transportation of nuclear fuel, nuclear waste from the combustion of nuclear fuel, radioisotopes or any other nuclear or radioactive material
 - iv. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of that assembly
 - v. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter

but in respect of **Injury** sustained by an **Employee** this exclusion 1(c) shall apply only when the **Insured** under a contract or agreement has undertaken either to indemnify another party or to assume the liability of another party in respect of such **Injury**

Special Provision Section 4 Employers' Liability

Subject otherwise to the terms of the Policy

- (a) General Exclusion 1(a) shall not apply and indemnity shall continue to operate to the extent provided for as follows
the insurance provided under Section 4 Employers' Liability where operative shall continue to satisfy the requirements of the relevant law applicable in Great Britain Northern Ireland the Isle of Man the Island of Guernsey the Island of Jersey or the Island of Alderney or where so extended to offshore installations in any waters outside the United Kingdom to which the Employers' Liability (Compulsory Insurance) Act 1969 or any amending primary legislation applies and in this regard the amount of the Limit of Indemnity inclusive of all claimants' and defence costs and expenses payable under Cover clause – Claimants' Costs and Expenses Cover clause – Defence Costs and Expenses and Extension to Section Health and Safety at Work Act Legal Defence Costs as stated in Section 3 Employers' Liability shall only be for the minimum amount required by such relevant law (and accordingly reduced to such amount where the amount of the Limit of Indemnity stated in Section 3 Employers' Liability is higher)

In the event that any part of this exclusion is found to be invalid or unenforceable the remainder shall remain in full force and effect

2. Property Coverages – Riot or Civil Commotion and (except for damage or interruption to the **Business** caused by fire or explosion) strikers locked out workers or persons taking part in labour disturbances or malicious persons in Northern Ireland under
 - a) Section 1 Property All Risks
 - b) Section 2 Business Interruptionin respect of any loss destruction or damage in Northern Ireland directly or indirectly caused or occasioned by or happening through or in consequence of civil commotion

3. Property Coverages – Terrorism

loss destruction or damage or cost or expense of whatsoever nature directly or indirectly caused or occasioned by or happening through or in consequence of **Terrorism** or any action taken in controlling preventing suppressing or in any way relating to **Terrorism** other than in respect of loss destruction or damage in England and Wales and Scotland to the extent provided for in Section 6 Terrorism of this Policy where operative In any action suit or other proceedings where the Insurers alleges that by reason of this exclusion any loss destruction or damage or cost or expense of whatsoever nature is not covered by this Policy the burden of proving that such loss destruction or damage or cost or expense is covered shall be upon the Insured

This exclusion shall not apply to:

Section 4 - Employers' Liability

Section 5 – Public & Products Liability

Provided that in respect of Terrorism under:

Section 4 – Employers Liability the **Insurers** liability under this Section for Compensation for **Bodily Injury** in respect of any one occurrence or all occurrences of a series consequent on or attributable to one source or original cause inclusive of all claimant's and defence costs and expenses shall not exceed £5m

Section 5 – Public & Products Liability the **Insurers** liability under this Section in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause and during any **Period of Insurance** in respect of **Products Supplied** shall not exceed £5m or the limit of indemnity in the Schedule whichever is the lower

4. Punitive and other Non - Compensatory Damages

in respect of

- a) exemplary damages
- b) punitive damages
- c) aggravated damages
- d) liquidated damages or damages by way of penalty or fine
- e) the multiplied portion of any compensatory damage award or any payment similar in nature to (a) (b) (c) or (d) above

5. Date Recognition

Loss damage cost or expense resulting from directly or indirectly caused by contributed to or arising from the failure of equipment (including any **Computer System**) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date but

- a) in respect of Section 1 and Section 2 this shall not exclude subsequent **Damage** resulting from a **Defined Peril** not otherwise excluded
- b) this exclusion shall not apply to Section 4

6. Marine Policies

Damage to Property which at the time of the happening of the **Damage** is insured by or would but for the existence of this Policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this Policy not been effected

7. Cyber

Any loss damage cost or expense directly or indirectly caused by contributed to by arising from occasioned by or resulting from

- a) any **Cyber Act** including but not limited to **Hacking Phishing Denial of Service Attack** or the transportation of any **Virus or Similar Mechanism**
- b) any **Cyber Incident**

In respect of Section 1 this exclusion shall not apply to claims for **Damage** resulting from fire lightning explosion aircraft or other aerial devices or articles dropped from them covered by this Policy

8. Illegal Deliberate and Criminal Activities

Damage or **Consequential Loss** of whatsoever nature or liability for damages attaching to the **Insured** or any associated costs relating thereto arising directly or indirectly from

- a) damage or liability caused as a result of the **Premises** being used for illegal activities by the **Insured**
- b) deliberate or criminal acts by the **Insured**

9. Disease

Notwithstanding any provision to the contrary within this Policy this Policy excludes loss damage liability claim cost or expense of whatsoever nature directly or indirectly caused by or contributed to by resulting from arising out of or in connection with a **Communicable Disease** or the fear or threat (whether actual or perceived) of a **Communicable Disease** regardless of any other cause or event contributing concurrently or in any other sequence thereto

This exclusion does not apply to **Damage** to any property or any Business interruption loss directly resulting therefrom and otherwise covered under Section 1 - Property All Risks and under Section 2 - Business Interruption where such **Damage** arises from a **Defined Peril**

SECTION 1 - PROPERTY ALL RISKS

Cover

In the event of **Damage** to **Property** insured at the **Premises** during the **Period of Insurance** the **Insurers** will indemnify the **Insured** for the loss or amount of **Damage** or at its option replace or reinstate such **Property** in accordance with the provisions of the Policy and provided that during the **Period of Insurance** the liability of the **Insurers** under this Section shall not exceed the lesser of the Sum Insured or Limit stated in the Policy or Schedule in respect of any item at the time of **Damage**

In addition the **Insurers** will indemnify the **Insured** in respect of loss of **Rent** as a result of **Damage** to the **Premises** during the **Period of Insurance** rendering the **Buildings** uninhabitable provided that the liability of the **Insurers** shall not exceed the lesser of

- a) the **Rent** Sum Insured stated in the Schedule at the time of **Damage**
- b) the **Rent** payable for the period the **Buildings** are uninhabitable

Extensions to Section 1

All terms exclusions and conditions under Section 1 apply to these Extensions in addition to those shown below as applying to each Extension

1. Clearing of Drains
The **Insurers** will indemnify the **Insured** for the costs and expenses incurred in cleaning clearing or repairing drains gutters or sewers at the **Premises** as a consequence of **Damage** but only to the extent of the **Insured's** responsibility subject to a maximum of £25,000 for any one loss
2. Computer Records
The **Insurers** will indemnify the **Insured** for the cost of the materials together with the cost of clerical labour and computer time expended in reproducing **Computer Records** and not for the value to the **Insured** for the information contained therein but excluding any expenses in connection with the production of information to be recorded in such **Computer Records** for a maximum of £10,000 for any one loss and in the aggregate in any one **Period of Insurance**
3. Emergency Access
The **Insurers** will indemnify the **Insured** for the costs incurred following **Damage** to the **Buildings** caused by the emergency services or persons acting under their control in gaining access to the **Buildings** as a result of concern for the welfare of the Tenant(s) or to combat **Damage** to the **Premises** subject to an aggregate maximum of £10,000 in any one **Period of Insurance**
This extension shall not include any costs incurred following **Damage** caused by the Police in the course of a criminal investigation or as a result of unlawful activities at the **Premises**
4. Exhibitions
The **Insurers** will indemnify the **Insured** for **Damage** to **Contents** and **Stock** for a maximum of 15 days whilst in any building (not being of a temporary nature) and being used for an exhibition anywhere within the **Territorial Limits** and whilst in transit to and from the exhibition premises subject to a maximum of £25,000 for any one loss
This extension shall not apply to theft or attempted theft from unattended vehicles
5. Fire and Security Equipment
The **Insurers** will indemnify the **Insured** in respect of costs and expenses incurred with the consent of the **Insurers** in
 - a) refilling recharging or replacing any
 - i. portable fire extinguishing appliances
 - ii. local fire suppression system
 - iii. fixed fire suppression system
 - iv. sprinkler installation
 - v. sprinkler heads
 - b) re-setting fire and/or intruder alarms and/or closed circuit television equipment

following **Damage** to **Property** insured under Section 1 – Property All Risks subject to a maximum of £25,000 for any one loss

If in relation to any claim under this extension the **Insured** have failed to fulfil the following conditions the **Insured** will lose the right to indemnity or payment for that loss

- The **Insured** must maintain all such equipment in accordance with the manufacturer's instructions
- The **Insurers** will not indemnify the **Insured** in respect of any costs and expenses recoverable from the **Insured's** maintenance company or the Fire and Rescue Service

6. Fixed Glass

Following **Damage** to fixed glass the **Insurers** will indemnify the **Insured** for the reasonable costs incurred in

- a) any necessary boarding up or temporary glazing pending replacement of broken glass
 - b) removing and re-fixing window fittings or other obstacles to glass replacement and replacing alarm foil on glass
 - c) **Damage** to framework and contents caused by broken glass
- caused by **Damage** which is not otherwise excluded by this Section

7. Further Investigation Expenses

The **Insurers** will indemnify the **Insured** where a portion of the **Building** has suffered **Damage** and there is a reasonable possibility of **Damage** having occurred to other portions of the same **Building** which is not immediately apparent

The **Insurers** will pay

- a) costs incurred with the prior consent of the **Insurers** in establishing whether or not such **Damage** has occurred and
- b) costs incurred with the prior consent of the **Insurers** in establishing whether or not other **Buildings** insured at the **Premises** have suffered such **Damage** but only if such **Buildings** are subsequently found to have suffered such **Damage** for which the **Insurers** are liable under the Policy

subject to a maximum of £5,000 for any one loss

8. Keys

The **Insurers** will indemnify the **Insured** for the reasonable cost of replacing electronic security systems and locks or lock mechanisms and keys in respect of doors and windows necessary to maintain the security of the **Premises** and **Safes and Strongrooms** contained in the **Premises**

- a) resulting from any accidental loss of access cards or keys occurring within the **Territorial Limits**
- b) where there is reasonable evidence that such keys have been copied by an unauthorised person

Subject to a maximum liability of £2,500 for any one loss

9. Landscaped Gardens

The **Insurers** will indemnify the **Insured** for costs and expenses incurred by the **Insured** with the consent of the **Insurers** in making good **Damage** to landscaped gardens and grounds caused by Fire Brigade equipment and personnel in the course of combating or reducing **Damage** at the **Premises** subject to an aggregate maximum of £25,000 in any one **Period of Insurance**

10. Loss of Metered Supplies

The **Insurers** will indemnify the **Insured** for the cost of metered electricity gas oil and water consumed as a direct result of **Damage** to any tank apparatus pipe or cable not being automatic sprinkler installations at the **Premises** calculated at the rate applying at the time of the **Damage** subject to a maximum of £25,000 in any one **Period of Insurance** provided that repairs are completed within 30 days of the **Damage** being discovered This extension shall not apply for any charges incurred for any **Building** which is **Unoccupied**

11. Loss Minimisation Costs and Prevention Expenditure

Following **Damage** at the **Premises** the **Insurers** will pay for costs and expenses incurred by the **Insured** in

- a) preventing or mitigating **Damage** to **Property** in the event of imminent **Damage** not otherwise excluded
- b) preventing or mitigating further **Damage** not otherwise excluded to **Property** in consequence of actual **Damage** to **Property** not otherwise excluded

Provided that

- i. the impending **Damage** was not reasonably foreseeable earlier and would be the natural outcome if such costs and expenses were not incurred and
- ii. the costs and expenses so incurred did prevent or mitigate the **Damage**
- iii. the **Insurers** liability under this extension in respect of all claims arising during the **Period of Insurance** is limited to £25,000 in any one **Period of Insurance**

- iv. where the same costs and expenses covered under this extension are also covered elsewhere under the Policy payment shall only be made under one of the applicable Policy sections
12. Obsolete Building Materials
The **Insurers** will pay additional costs incurred in replacement of damaged materials which given consideration to the scientific and technical knowledge at the time of installation construction or fitting were reasonably deemed to be fit for the purpose intended but require replacement with more suitable modern materials after the **Damage**
The **Buildings** shall not be regarded as being better or more extensive than when new provided that the liability of the **Insurers** shall not exceed 10% of the **Declared Value** of such **Buildings** in respect of such additional costs

The total liability of the **Insurers** for **Damage** to such property including such fees shall not exceed the Sums Insured stated in the Schedule
13. Other locations
The **Insurers** will indemnify the **Insured** for **Damage** to **Contents** and **Stock**
a) whilst within the main building of the private residential home of a director or **Employee** anywhere within the **Territorial Limits** and
b) whilst in transit to and from the main building of such private residential home and the **Premises** subject to a maximum of £2,500 for any one loss and an aggregate maximum of £10,000 in any one **Period of Insurance**
14. Seasonal Increase
The sum insured in respect of **Stock** shown in the Schedule will be increased by 25% during the months of November, December and the first 14 days of January and for 30 days before Easter Day in each **Period of Insurance**
15. Sprinkler Upgrade Costs
Following **Damage** where the **Insurers** require the upgrading of any automatic sprinkler installation in order that at the time of its reinstatement such installation will conform to Loss Prevention Council Rules for Automatic Sprinkler Installations current at the time of reinstatement the **Insurers** will pay the costs incurred by the **Insured** provided that at the time of the **Damage** the installation conformed to the 28th and 29th Edition of such Rules when installed but did not conform to subsequent amendment to such Rules provided that
a) the amount recoverable excludes any rate tax duty development or other charge or assessment arising out of capital appreciation as a result of complying with the requirements of the **Insurers**
b) the liability of the **Insurers** shall not exceed £25,000 any one claim
16. Temporary Removal
The **Insurers** will indemnify the **Insured** for **Damage** to **Contents** whilst temporarily removed for cleaning renovation repair or similar purposes and to documents whilst temporarily removed elsewhere and in transit within the **Territorial Limits** subject to a maximum for any one loss of 10% of the Sum Insured shown for **Contents** in the Schedule
This extension shall not apply to
a) motor vehicles and motor chassis licensed for normal road use
b) **Property** more specifically insured under Optional Cover Goods in Transit
17. Theft Damage to Buildings
The **Insurers** will indemnify the **Insured** against the cost of repairing **Damage** to the **Buildings** for which the **Insured** is legally responsible and which is not otherwise insured which directly results from theft
18. Third Party Storage Locations
The **Insurers** will indemnify the **Insured** for **Damage** to **Contents** and **Stock** whilst at third party storage locations within the **Territorial Limits** provided that cover only applies where **Stock** is not insured elsewhere
The liability of the **Insurers** shall not exceed 10% of the Sum Insured for **Contents** and **Stock** or £25,000 whichever is the lesser amount
19. Theft of Building Parts
The **Insurers** will indemnify the **Insured** for **Damage** in respect of forcible and violent theft or attempted theft of an external part of the building at the **Premises** or anything attached to it
Provided that

- a) the property sustaining such **Damage** is **Property** insured
 - b) this extension shall not apply in respect of
 - i. any **Building** where at the time such **Damage** occurs is **Unoccupied**
 - ii. any **Building** that has scaffolding erected to the outside of the **Building** at the time such **Damage** occurs
 - c) the **Insurers** liability under this extension is limited to £25,000 any one loss and in any one **Period of Insurance**
 - d) the **Insured** shall be responsible for the first £2,500 in respect of each loss
20. Trace and Access
- The **Insurers** will indemnify the **Insured** for the costs incurred in locating the source of an escape of water or fuel from any tank apparatus or pipe on the **Premises** and subsequent making good of **Damage** caused as a consequence of locating such source subject to a maximum of £25,000 for any one loss
21. Unauthorised Use of Supplies
- The **Insurers** will indemnify the **Insured** for the cost of water gas electricity or other metered supply charges incurred by the **Insured** and for which the **Insured** is legally responsible up to a maximum of £25,000 for any one loss due to unauthorised use by persons taking possession of or occupying any **Building** without the written consent of the **Insurers** provided that
- a) the **Insured** shall take all practicable steps to terminate such unauthorised use as soon as it is discovered
 - b) General Condition 26 Unoccupied Buildings has been complied with by the **Insured**
 - c) immediate notification of such possession is given to the **Insurers** upon the **Insured** becoming aware of it
22. Undamaged Tenants Improvements
- In the event of **Damage** to **Buildings** or **Contents** following which the **Insured's** lease is terminated by the Lessor pursuant to a valid condition of the **Insured's** lease the **Insurers** will indemnify the **Insured** for the value of the undamaged tenants fixtures fittings alterations installations or additions made at the expense of the **Insured** and which cannot be legally removed from a building occupied but not owned by the **Insured** provided that
- a) the **Insurers** shall not be liable for retaining walls foundations or supports below the surface of the lowest floor or basement or for outdoor trees shrubs plants or lawns
 - b) the liability of the **Insurers** shall not exceed £25,000 any one loss

Clauses

1. Non-invalidating

The insurance by this Section shall not be invalidated by any act or omission or alteration unknown to or beyond the control of the **Insured** whereby the risk of **Damage** is increased as long as immediately the **Insured** becomes aware of the increase in risk they inform the **Insurers** in writing and pay an appropriate additional premium if required by the **Insurers**
2. Reinstatement of Losses

Unless written notice to the contrary be given by either the **Insurers** or the **Insured** the insurance by this Section shall not be reduced by the amount of any loss and the **Insured** shall pay the appropriate additional premium from the date of the **Damage** to the date of expiry of the **Period of Insurance**
3. Mortgagees

The interest of any mortgagee shall not be prejudiced by any act or neglect of the mortgagor or occupier which may increase the risk of **Damage** to any **Buildings** insured by this Section provided the mortgagee immediately upon becoming aware of such increase in risk shall give notice to the **Insurers** and pay an appropriate additional premium if required
4. Property more specifically insured

The **Insurers** shall not be liable for **Damage** to any **Property** insured more specifically by or on behalf of the **Insured**
5. Seventy-Two Hour Period

Where shown on the Schedule as insured under Section 1 – Property All Risks all losses arising separately out of one event caused by

- i. **Storm**
- ii. **Flood**
- iii. **Earthquake**

occurring within each and every separate period of 72 hours during the **Period of Insurance** will be deemed to be one loss in determining the application of the **Excess**

Basis of Settlement Clauses

1. **Average**
If the **Property** covered by this Policy shall at the time of the **Damage** be collectively of greater value than the Sums Insured then the **Insured** shall be considered as being their own insurer for the difference and shall bear a rateable share of the **Damage** accordingly
2. **Property Insured other than Stock – Reinstatement**
In the event of **Damage** to **Property** insured other than **Stock** and **Computer and Telecommunications Equipment** the basis of settlement shall be the cost of reinstatement meaning the rebuilding replacement repair or restoration of such **Property** to a condition substantially the same as but not better or more extensive than its condition when new
In the event of **Damage** to **Computer and Telecommunication Equipment** the basis of settlement shall be the cost of reinstatement meaning
 - a) where any item suffers **Damage** beyond economic repair replacement by a new item of equal performance and/or capacity or if such be impossible replacement by an item having the nearest higher performance and/or capacity to the item damaged
 - b) where the item suffers **Damage** the repair of the **Damage** and the restoration of the damaged portions to a working condition substantially the same as but not better or more extensive than its condition when new

Special Provisions

- i. The replacement must be carried out without undue delay and no payment beyond the amount which would have been paid in the absence of this clause will be made until the cost of reinstatement has been incurred
- ii. Where **Damage** occurs to only part of the **Property** the liability of the **Insurers** shall not exceed the amount which the **Insurers** would have been liable to pay had such property been wholly destroyed
- iii. If at the time of reinstatement of any item the sum representing 85% of the cost which would have been incurred in reinstating the whole of the **Property** covered by such item exceeds its Sum Insured at the time of the **Damage** the liability of the **Insurers** shall not exceed that proportion of the amount of the **Damage** which the said Sum Insured shall bear to the sum representing the total cost of reinstating the whole of such **Property** at that time

3. **Property Insured other than Stock – Day One**
For any item specified on the Schedule showing a **Declared Value** and a Sum Insured this shall be deemed to be a Day One Basis of Settlement and the following clause shall replace Basis of Settlement Clause 2 above
In the event of **Damage** to **Property** insured other than **Stock** the basis of settlement shall be the cost of reinstatement meaning the rebuilding replacement repair or restoration of such **Property** to a condition substantially the same as but not better or more extensive than its condition when new

Special Provisions relating to **Property** insured other than **Stock**

- a) At the inception of each **Period of Insurance** the **Insured** shall notify the **Insurer** of the **Declared Value** of the **Property** insured by each item described in the Schedule
- b) If at the time of **Damage** the **Declared Value** of the **Property** insured by each item is less than the cost of reinstatement at the inception of the **Period of Insurance** the liability of the **Insurers** shall not exceed the proportion which the **Declared Value** bears to the costs of such reinstatement
- c) Where **Damage** occurs to only part of the **Property** the liability of the **Insurers** shall not exceed the amount which the **Insurers** would have been liable to pay had such property been wholly destroyed
- d) The replacement must be carried out without undue delay and no payment beyond the amount which would have been paid in the absence of this clause will be made until the cost of reinstatement has been incurred
- e) No payment will be made beyond the amount the **Insurers** would have paid where **Property** insured at the time of **Damage** is covered by any other insurance effected by the **Insured** or on behalf of the **Insured** which is not on the same basis of reinstatement

4. Stock
In respect of **Stock** the **Insurers** will pay the **Insured** the value of the **Stock** at the time of its **Damage** with adjustment for wear and tear
If at the time of any **Damage** the value of the **Stock** insured under any item is greater than its Sum Insured the **Insured** shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly
5. Index Linking
Where so indicated in the Schedule the Sums Insured shall be adjusted in accordance with fluctuations in suitable indices of the cost to be decided upon by the **Insurer**
At each renewal of the Policy the premium shall be calculated on the revised Sum Insured
6. Public Authorities
The **Insurers** will indemnify the **Insured** for the additional cost of
 - a) reinstating the damaged parts of the **Buildings**
 - b) upgrading any undamaged parts of the **Buildings**for an amount not exceeding 15% of the amount that would have been payable if the **Buildings** had been totally destroyed incurred solely by the necessity to comply with any building or other statutory regulations or Public Authority Bylaw excluding
 - i. any cost resulting from any such requirement first imposed upon the **Insured** before the date of the **Damage**
 - ii. the amount of any rate tax duty development or other charge arising out of capital appreciation as a result of complying with any such requirements which may be payable in respect of the **Buildings**Conditions
 - a. The work of reinstatement must be completed within 12 months of the date of the **Damage** or such further period as the **Insurers** may in writing allow
 - b. The liability of the **Insurers** for **Damage** to such property including such costs and expenses shall not exceed the Sum Insured stated in the Schedule
7. Removal of Debris
This insurance includes the costs incurred in respect of removal of debris of **Property** insured resulting from **Damage** excluding
 - a) costs incurred in removing debris except from the site of such **Damage** and the area immediately adjacent to such site
 - b) costs arising from **Pollution or Contamination** of property not insured by this SectionThe total liability of the **Insurers** for **Damage** to such property including such costs and expenses shall not exceed the Sums Insured stated in the Schedule
8. Capital Additions
To the extent that they are not otherwise insured the insurance of **Buildings Tenants' Improvements** and **Contents** shall extend to cover
 - a) alterations additions and improvements to **Buildings Tenants' Improvements** and **Contents** but not appreciation of the value of such property
 - b) any newly erected or acquired **Buildings Tenants' Improvements** and **Contents** within the **Territorial Limits** from the commencement date of the responsibility of the **Insured**subject to
 - i. the **Insured** advising the **Insurers** of the amendments as soon as practicable on becoming aware of the increase in the extent of cover required and paying the appropriate additional premium
 - ii. the Sums Insured for **Buildings Tenants' Improvements** and **Contents** at each location only being increased by the value of the additional property up to no more than 10% of the existing Sums Insured or £500,000 whichever is the lesser at any one location
9. Professional Fees
The insurance by each item on **Buildings Tenants' Improvements** and **Contents** includes an amount for reasonable architects' surveyors' consulting engineers' and legal fees incurred in the reinstatement or repair of such property consequent upon its **Damage** but not for preparing any claim. The total liability of the **Insurers** for **Damage** to such property including such fees shall not exceed the Sums Insured stated in the Schedule

10. Contracting Purchaser
Where the **Insured** at the time of **Damage** has contracted to sell their interest in any insured **Building** and the purchase is subsequently completed the contracting purchaser shall be entitled to benefit under the Policy provided that the **Building** is not otherwise insured in respect of such **Damage**
11. Contract Price
In respect only of **Stock** sold but not delivered for which the **Insured** is responsible under the terms of a sale contract which following **Damage** is cancelled due to the contract conditions wholly or to the extent of the **Damage** the liability of the **Insurers** shall be based on the contract price
12. Subrogation Waiver
In the event of a claim arising under this Section the **Insurers** agree to waive any rights remedies or relief to which they might become entitled by subrogation against
 - a) any company standing in the relation of parent or subsidiary to the **Insured** or
 - b) any company which is a subsidiary of or a parent company of which the **Insured** themselves are subsidiary in each case within the meaning of the Companies Act or Companies (Northern Ireland) Order current at the time of the **Damage**
13. Other Interests
Interests of third parties which the **Insured** is required to include herein under the terms of any mortgage property lease or hiring leasing or hire purchase agreement are automatically deemed to be held covered subject to notification by the **Insured** to the **Insurers** at the time of the **Damage**
14. Business Books
The basis of settlement of any claim for business books shall be their value as stationery together with the cost of clerical labour expended in their reproduction

Exclusions to Section 1

The **Insurers** shall not be liable for

1. **Damage** caused by or consisting of
 - a) inherent vice latent defect gradual deterioration wear tear frost change in water table level its own defective or faulty design or materials
 - b) faulty or defective workmanship operational error or lack of maintenance on the part of the **Insured** or any director partner or **Employee**
 - c) the bursting of any boiler not used for domestic purposes only or any economiser or other vessel machine or apparatus belonging to or under the control of the **Insured** in which internal pressure is due to steam only
 - d) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speed but this will not exclude subsequent **Damage** caused by a **Defined Peril** which is covered by this section
2. **Damage** caused by or consisting of
 - a) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness mould or toxic mould marring scratching vermin or insects
 - b) change in temperature colour flavour texture or finish
 - c) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping
 - d) the freezing solidification or inadvertent escape of molten material
 - e) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates but this will not exclude
 - i. such **Damage** which itself results from other **Damage** and is not otherwise excluded
 - ii. subsequent **Damage** which itself results from a cause not otherwise excluded
3. **Damage** caused by or consisting of theft or attempted theft
 - a) from any part of the **Buildings** occupied by the **Insured** for the purpose of the **Business** unless caused by theft or attempted theft of **Property** insured from within the buildings at the **Premises** where accompanied by forcible and violent entry to or exit from the **Buildings** or by violence to persons or threat

- of violence to persons and provided that the **Premises** have not been unoccupied for a period of more than thirty consecutive days
- b) of **Property** in the open or **Property** not contained in a fully secured and locked building
- This exclusion shall not apply to subsequent **Damage** which itself results from a cause not otherwise excluded
4. **Damage** caused by or consisting of
 - a) subsidence ground heave or landslip unless it results from a **Defined Peril** other than storm or flood and which is not otherwise excluded
 - b) normal settlement or bedding down of new structures
 - c) coastal or river erosion
 - d) dishonesty fraudulent action trick device or other false pretence by any **Employee** partner or director of the **Insured** whether acting alone or in collusion with others
 5. **Damage** caused by or consisting of disappearance unexplained or inventory shortage misfiling or misplacing of information
 6. **Damage** caused by wind rain hail sleet snow flood or dust to any moveable property in the open or fences and gates
 7. **Damage** to any **Building** or structure resulting in its own collapse or cracking unless it results from a **Defined Peril** and is not otherwise excluded
 8. **Damage** to the **Property** Insured
 - a) by fire caused by its undergoing any process involving the application of heat
 - b) resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair but this will not apply to any **Damage** caused by a **Defined Peril** and not otherwise excluded
 9. **Damage** caused by
 - a) freezing
 - b) escape of water from any tank or apparatus or pipe
 - c) malicious persons not acting on behalf of or in connection with any political organisation but this will not apply to any **Damage** by fire or explosion which is not otherwise excluded
 in any **Building** or Unit which is **Unoccupied**
 10. **Damage** to
 - a) vehicles licensed for road use (including accessories) caravans trailers railway locomotives rolling stock watercraft or aircraft
 - b) property or structures in the course of construction or erection and materials or supplies in connection with all such property
 - c) land pavements piers jetties bridges culverts or excavations
 - d) livestock growing crops or trees or other growing vegetation
 - e) jewellery precious stones precious metals bullion furs curiosities works of art or rare books
 11. **Damage** caused by pollution or contamination but this shall not exclude **Damage** to the **Property** not otherwise excluded caused by
 - a) pollution or contamination which itself results from a **Defined Peril**
 - b) a **Defined Peril** which itself results from pollution or contamination
 12. direct or indirect **Consequential Loss** or **Damage** of any kind or description except loss of **Rent** where such Item appears in the Schedule
 13. **Damage** to glass china earthenware marble or other fragile or brittle objects other than **Damage** caused by a **Defined Peril** and not otherwise excluded

Endorsements

The following endorsement is only operative if shown Subsidence is shown as included on the Policy Schedule and is subject otherwise to the terms of the Property All Risks Section and the General Definitions Conditions and Exclusions

Subsidence

Notwithstanding Property All Risks Section Exclusion 5(a) the insurance provided by this Property All Risks Section extends to cover **Damage** caused by or consisting of subsidence or ground heave of any part of the site on which the **Property** stands or landslip subject to the Special Condition below

The insurance provided under this endorsement does not cover

- a) **Damage** to roads yards car parks pavements walls gates and fences and any similar or other property outside the confines of any building within the **Premises** unless a building insured hereby within the same **Premises** is also **Damaged**
- b) **Damage** caused by or consisting of
 - i. the normal settlement or bedding down of new structures
 - ii. the settlement or movement of made-up ground
 - iii. coastal or river erosion
 - iv. defective design or workmanship or the use of defective materials
 - v. fire subterranean fire explosion earthquake or the escape of water from any tank apparatus or pipe
- c) **Damage** which originated prior to the inception of this cover
- d) **Damage** resulting from
 - i. demolition construction structural alteration or repair of any Property or
 - ii. groundworks or excavation at the same Premises
- e) the **Excess** stated in the Schedule and the **Excess** shall apply to each separate **Premises**

Special Condition

No cover shall apply under this endorsement if the risk of **Damage** is increased by reason of demolition groundworks excavation or construction being carried out on any adjoining site unless admitted by the **Insurers** in writing

Conditions

- 1. Risk Protections
 - a) Automatic Sprinkler and Fire Alarm Installations
 - A. In respect of **Damage** by fire that in respect of automatic sprinkler and fire alarm installations at the **Premises** the **Insured** will
 - i. take all reasonable steps to prevent freezing of and other **Damage** to the installations and in so far as it is the responsibility of the **Insured**
 - a. maintain the installations (including the automatic external alarm signal) in efficient working order
 - b. maintain ready access to the water supply control facilities
 - ii. in the event that changes repairs or alterations to the installations are proposed notify the **Insurers** in writing and obtain its prior agreement in writing
 - iii. allow the **Insurers** access to the **Premises** at all reasonable times for the purpose of inspecting the installations
 - iv. carry out routine tests as recommended by the installers and remedy promptly any defect revealed by a test
 - B. In the event that alterations or repairs become necessary to the automatic sprinkler installation the **Insurers** may at their option suspend any cover which is granted against **Damage** by the accidental escape of water from the installation until the alteration or repairs have been carried out and approved by the **Insurers**
 - b) Fire Extinguishing Appliances
 - In respect of fire extinguishing appliances within the **Premises** the **Insured** will
 - i. inspect the appliances in accordance with the manufacturers/installers instructions for the purpose of ascertaining that they are in all respects maintained in efficient working order and keep a written record thereof
 - ii. remedy any defect promptly whether disclosed by any inspection(s) or otherwise
 - iii. maintain during the currency of this Policy a maintenance contract providing for an annual inspection with an installer or supplier of approved equipment
 - iv. establish and maintain a training programme for the operation of fire extinguishing appliances and retain a documented register of all such training for inspection by the **Insurers** on request

Subject to observance of this Condition this Section of the Policy shall not be invalidated by any defect in any of the said appliances due to any circumstances unknown to or beyond the control of the **Insured**

- c) Fire Break Doors
All fire break doors and shutters are kept closed except during **Business Hours** and are maintained in efficient working order
2. Minimum Standard of Security
The following minimum levels of security must be installed and maintained at the **Premises** and put into full and effective use whenever the **Insureds Premises** are closed for business or left unattended
 1. All external doors to the **Premises** and all internal doors that give access to any part of the buildings not occupied by the **Insured** must be fitted and secured with good quality locks appropriate for the type of door
 2. All windows and skylights accessible from the ground, a roof, balcony, canopy, porch or down-pipe must be fitted and secured with key operated locks unless a window is protected by solid steel bars, weld mesh or expanded metal grills securely fixed to the brickwork
3. Unattended Accumulator/Battery Charging
Whenever accumulator or battery charging takes place at the **Premises** the accumulator/batteries will stand in a well-ventilated situation and on a non-conducting non-absorbent and non-combustible base and will not be within one metre of combustible materials
4. Electrical Inspection
The **Insured** must
 - a) have all electrical systems electrical equipment including portable appliances and conductors at the insured **Premises** inspected and tested by a qualified electrical contractor who is either
 - i. a contractor approved by NICEIC (National Inspection Council for Electrical Installation Contracting) Certification Services Ltd or ECA (Electrical Contractors Association) or
 - ii. a member of the Electrical Contractors Association or the Electrical Contractors Association of Scotland or
 - iii. an inspection and testing organisation which is a member of SAFed (The Safety Assessment Federation)to ensure compliance with relevant standards and regulations
Future tests and inspections must be conducted within the recommended period specified in the completion certificate
 - b) any work as specified following the testing and inspection referred to in a) above is carried out within 60 days from the date of the electrical inspection report being issued or the improvements being first notified to the Insured or as otherwise agreed by the Insurers in writing
 - c) a copy of each completion certificate(s) must be supplied to the **Insurers** on request
 - d) regular and ongoing visual inspections by the **Insured** are undertaken at least every 6 months and any defect found to be remedied immediately and a register of these to be maintained and retained by the **Insured**
5. Portable Heater
No paraffin or portable electric or gas heaters or containers are used or stored on the **Premises**
This does not apply to offices or designated rest rooms
6. Stillage
All **Stock** is kept on pallets shelves or racking at least 15 centimetres above floor level
7. Removal of Waste
 - a) all oily or greasy waste and cloths must be kept in metal bins with close fitting metal lids and removed from the buildings at the end of each working day and from the **Premises** at least once a week
 - b) all other trade refuse must be swept up and removed daily from the buildings and from the **Premises** at least once a week.
8. Intruder Alarm Protections
Where the **Insurers** have required an **Intruder Alarm System** to be installed as shown in the schedule or if an **Intruder Alarm System** is already installed on the **Premises**
 1. the **Intruder Alarm System** must be set in its entirety with the means of communication used to transmit signals (including both alarm transmission systems for dual signalling systems) in full operation whenever the **Premises** are closed for business or left unattended.

2. the **Intruder Alarm System** must be maintained in efficient working order at all times and in accordance with any specification shown in the schedule.
3. the intruder alarm must be installed and maintained by an alarm company accredited either by NSI (National Security Inspectorate) or SSAIB (Security Systems and Alarms Inspection Board) or as otherwise approved by the **Insurers**.
4. the **Insured** must keep all security codes for the **Intruder Alarm System** confidential and never leave them on the **Premises** when the **Premises** are closed for business or left unattended.
5. the **Insured** must appoint at least two **Key Holders** and give written details, which must be kept up to date, to the alarm company and to the alarm receiving centre where remote signalling is required.
6. if the intruder alarm is not fully effective the **Insured** must make arrangements for the **Premises** to be attended by a **Responsible Person** until the intruder alarm is fully operational.
7. if the **Insured** is notified of any activation of the **Intruder Alarm System** or interruption of means of communication, including one or both alarm transmission systems for dual signalling systems, when the **Intruder Alarm System** is set a **Key Holder** must attend the **Premises** as soon as reasonably possible.

When the **Key Holder** attends and the alarm cannot be reset the **Insured** must make arrangements for the **Premises** to be attended by at least one **Responsible Person** until the **Intruder Alarm System** is fully operational.

8. the procedures required by the **Insurer** and shown in the schedule for police or any other response to any activation of the **Intruder Alarm System** must not be altered or substituted without the **Insurer's** written agreement.
9. the **Insured** must give immediate written notice to the **Insurers** if they receive from the police or security organisation warning of a possible or intended withdrawal of response to calls from the **Intruder Alarm System** or of a reduced response level and will comply with any requirements the **Insurers** ask for.

If the **Insured** does not comply with this condition the insurance provided under this Section will not cover any claim for damage caused by

- A. theft or attempted theft from the **Premises** other than where accompanied by violence to persons or threat of violence to persons or
- B. malicious persons at any time when the **Premises** are closed for business or left unattended.

Optional Covers

All terms exclusions and conditions of Section 1 apply to these Optional Covers in addition to those shown below as applying to each Optional Cover

Money

This Optional Cover is only operative if shown in the Schedule

Cover

The **Insurers** will indemnify the **Insured** in respect of loss of or damage to **Money** and **Non-Negotiable Money** held in connection with the **Business** as detailed below occurring during the **Period of Insurance**

- a) in the **Premises** during **Business Hours** or whilst in a bank night safe
- b) in transit to and from the **Premises** whilst in the custody of the **Insured** or an authorised person acting on behalf of the **Insured**
- c) in the **Insured's** or any authorised person's private dwelling house
- d) in the **Premises** whilst left unattended or outside **Business Hours** and not secured in a locked **Safe**
- e) in the **Premises** whilst left unattended or outside **Business Hours** and secured in a locked unspecified **Safe**
- f) in the **Premises** whilst left unattended or outside **Business Hours** and secured in a specified **Safe** if stated in the Schedule

For the purposes of this Optional Cover **Premises** shall mean the main building(s) occupied by the **Insured** at the risk address stated in the Schedule

The liability of the **Insurers** under this Optional Cover shall be restricted to the Limits stated in the Schedule for any one loss

The **Insurers** will also indemnify the **Insured** in respect of **Damage** to

- a) any **Safe/Strongroom** till or postal franking machine belonging to the **Insured** or for which the **Insured** is legally responsible up to an amount not exceeding the cost of repair or replacement
- b) clothing and personal effects belonging to the **Insured** or any partner director or **Employee** of the **Insured** resulting from theft or attempted theft of **Money** or **Non-Negotiable Money** subject to a maximum of £500 for any one loss

Exclusions

The **Insurers** shall not be liable for loss from

- a) shortage due to error or omission
- b) forgery deception or the use of counterfeit **Money** or **Non-Negotiable Money**
- c) the use of any form of payment which proves to be counterfeit false fraudulent invalid uncollectible or irrecoverable for any reason
- d) theft or attempted theft from the **Premises** as stated in the Schedule or any authorised person's private dwelling house unless involving entry to or exit from such **Premises** or private dwelling by forcible and violent means or actual or threatened hold up assault or violence
- e) theft or attempted theft by any **Employee** not discovered within seven working days or where Optional Cover Theft by Employees is operative as shown in the Schedule
- f) an unattended vehicle and any coin operated vending gaming machines or automated money operated machine
- g) **Damage** not within the **Territorial Limits**
- h) any business or other activity not connected with the **Business** conducted from the **Premises** as stated in the Schedule
- i) from an attack which allows unauthorised access or use of a **Computer or Telecommunications System** by electronically circumventing a security system and procedure or a **Virus or Similar Mechanism** but this shall not exclude loss not otherwise excluded which itself results from fire explosion escape of water from any tank apparatus or pipe
- j) depreciation in value or due to dishonoured cheques
- k) the result of a business transaction

Conditions

1. The **Insured** shall maintain the following minimum standards of precaution for the safety of **Money** in transit (other than by specialist security carrier) at all times
 - a. the times of transits routes and conveyances used shall be varied as far as is possible
 - b. all persons engaged in the transit of **Money** shall be at least 18 years of age
 - c. transits of amounts of
 - i. up to £3,000 shall be accompanied by at least one person
 - ii. £3,001 to £6,000 shall be accompanied by at least two people
 - iii. £6,001 to £10,000 shall be accompanied by at least three people or two people travelling by motor car or using an approved security case
 - iv. amounts exceeding £10,000 shall be transported by specialist security carrier
2. When the **Premises** as stated in the Schedule or any authorised person's private dwelling house in which **Money** is kept is left unattended
 - a. all locks bolts and other protective devices are in full operation
 - b. all keys must be held in the personal custody of an authorised person and removed from
 - i. the unattended **Premises** as stated in the Schedule or
 - ii. from the final exit door of any authorised person's unattended private dwelling house

Theft by Employees

This Optional Cover is only operative if shown in the Schedule

For the purposes of this Optional Cover employee shall mean permanent employees under a contract of service or apprenticeship with the **Insured** and the Definition of **Employee** shall not apply

Cover

The **Insurers** will indemnify the **Insured** for direct loss of **Money** or **Non-Negotiable Money** or **Property** belonging to the **Insured** or for which they are legally responsible

- a) caused by any act of fraud or dishonesty committed during the **Period of Insurance** by any employee with the clear intention of making or which results in improper financial gain for themselves or for any other person or organisation and
- b) which is discovered by the **Insured** and notified to the **Insurers** within 30 days of the loss

Provided that

- a) all losses insured by this Optional Cover and committed by any one employee or series of employees working in collusion with each other shall be regarded as one specific event
- b) the liability of the **Insurers** shall be restricted to £10,000 in respect of any one specific event

Exclusions

The **Insurers** shall not be liable under this Optional Cover for

- a) loss attributable solely to any unexplained shortages
- b) loss caused by an employee before this Optional Cover inception
- c) loss where the **Insured** continues to entrust the defaulting employee with access to **Money** or **Non-Negotiable Money** or **Property** after becoming aware of any material fact that questions the honesty of the employee
- d) any indirect loss arising as an indirect consequence of the specific event in respect of which indemnity is provided by this Optional Cover

Basis of Settlement

The **Insurers** will pay the value of the **Money** or **Non-Negotiable Money** or **Property** at the time of the loss or at its option replace or reinstate the **Property**

Personal Accident (Assault)

Cover

The **Insurers** will indemnify the **Insured** and any **Employee** for compensation in accordance with the Schedule of Benefits in respect of **Physical Injury**

Schedule of Benefits

1. Death occurring within 2 years of sustaining the **Physical Injury**
2. **Loss of Limbs or Eyes** occurring within 2 years of sustaining the **Physical Injury**
3. **Permanent Total Disablement**
4. **Temporary Total Disablement**

The liability of the **Insurers** under this Optional Cover shall be restricted to the Limits stated on the Schedule for any one loss

Exclusions

The **Insurers** shall not be liable for

- a) more than one of the Benefits 1 to 3 inclusive in respect of any one person arising out of the same **Physical Injury**
- b) Benefits 1 to 4 inclusive in respect of any person under 16 at the time of sustaining the **Physical Injury**
- c) Benefits 1 to 4 inclusive consequent upon any pre-existing physical or mental defect or infirmity

Conditions

- 1) All sums paid under Benefit 4 shall be deducted from any sum which may subsequently be paid under any of Benefits 1 to 3 inclusive in respect of the same **Physical Injury**
- 2) Payment under Benefit 3 is not payable before 104 weeks from the date of the **Physical Injury**
- 3) Benefit 4 is payable for a maximum of 104 weeks from the date of the **Physical Injury**

All Risks on Portable Property

This Optional Cover is operative only if stated in the Schedule

Cover

The **Insurers** will indemnify the **Insured** against **Damage** to the portable property specified in the Schedule used in connection with the **Business** within the Geographical Areas specified in the Schedule

For the purposes of this Optional Cover reference to mobile phones means only those mobile devices where the sole or primary function of the item is to make send and receive telephone calls and SMS messages

The liability of the **Insurers** under this Optional Cover shall be restricted to the Sums Insured stated in the Schedule for any one loss

Exclusions

The **Insurers** shall not be liable for

- a) **Damage** to portable property left unattended unless contained in
 - i. a securely locked building or
 - ii. a vehicle which has been securely locked at all points of access and any security alarms and immobilisers fitted to the vehicle are in full operation and the portable property is concealed from view
- b) depreciation or electrical or mechanical breakdown
- c) **Damage** arising from wear and tear or from any process of cleaning restoring adjusting or repairing
- d) **Damage** by official confiscation or detention

Goods in Transit

This Optional Cover is only operative if shown in the Schedule

Cover

The **Insurers** will indemnify the **Insured** for **Damage** to **Goods in Transit** within the **Territorial Limits** during the **Period of Insurance**

- a) whilst being carried on any **Vehicle** owned or operated by the **Insured**
- b) as Sendings by a carrier other than the **Insured** by means of road rail or inland air freight

The liability of the **Insurers** under this Optional Cover shall be restricted to the Limits stated in the Schedule for any one loss

Whilst **Goods in Transit** are being carried on any **Vehicle** owned or operated by the **Insured** the **Insurers** will also indemnify the **Insured** for

- a) **Damage** to packing materials protective sheeting ropes chains and toggles belonging to the **Insured** while being carried on the **Vehicle** subject to a maximum of £2,500 for any one loss
- b) **Damage** to personal effects belonging to the driver or attendant while carried by any **Vehicle** in the course of the employment of the driver or attendant with the **Insured** subject to a maximum of £500 for any one loss
- c) the removal of debris and site clearance of **Goods in Transit** damaged from the immediate area of the site where the **Damage** occurred subject to a maximum of £2,500 for any one loss
- d) the additional costs incurred in transferring **Goods in Transit** to any other vehicle following fire collision overturning or impact of the **Vehicle** including carrying the **Goods in Transit** to the original destination or place of collection subject to a maximum of £2,500 for any one loss
- e) reloading onto the **Vehicle** any **Goods in Transit** which have fallen from the **Vehicle** subject to a maximum of £2,500 for any one loss
- f) re-securing the **Goods in Transit** where there is dangerous movement of the load subject to a maximum of £2,500 for any one loss

Exclusions

The **Insurers** shall not be liable under this Optional Cover for **Damage**

- a) to explosive goods any other goods of a dangerous nature deeds plans designs documents manuscripts business books computer system records
- b) to wines spirits or tobacco
- c) to **Goods in Transit** placed on the open deck of a vessel unless packed in a secured container or secured hard topped **Vehicle** or trailer
- d) to any **Goods in Transit** arising out of or attributable to theft or attempted theft
 - i. from or on an unattended **Vehicle** or trailer during **Working Hours** unless all doors windows and other means of access were secured and locked and alarm (if any) activated and in respect of an unattended **Vehicle** the **Goods in Transit** were placed in the boot or similar luggage compartment of the **Vehicle** and effectively concealed from sight and the boot or compartment was securely closed and locked
 - ii. from or on an unattended **Vehicle** or trailer out of **Working Hours** unless all doors windows and other means of access were secured and locked and alarm (if any) activated and in respect of an unattended **Vehicle** the **Goods in Transit** were placed in the boot or similar luggage compartment of the **Vehicle** and effectively concealed from sight and the boot or compartment was securely closed and locked and such **Vehicle** or trailer was garaged in a securely closed and locked building or compound
 - iii. from or on an unattended soft topped open topped or open sided **Vehicle** or trailer unless also involving theft of the **Vehicle** or trailer
 - iv. where the **Goods in Transit** are otherwise left unattended unless contained in a locked building of substantial construction or in a secure locked room

As used in this provision unattended means that the **Insured** or any person to whom the **Insured** has entrusted the care custody and control of **Goods in Transit** are unable to exercise control over or otherwise unable to influence events affecting the **Goods in Transit**

- e) to **Goods in Transit** in or on soft topped open topped or open sided **Vehicles** or trailers if caused by
 - i. storm tempest water hail frost or snow
 - ii. malicious persons when the **Vehicle** or trailer is left unattended out of **Working Hours**

- f) to **Goods in Transit** carried or despatched by the **Insured** for hire or reward
- g) to **Goods in Transit** caused by defective or inadequate packing or insufficient addressing
- h) to **Goods in Transit** caused by bruising scratching chipping denting
- i) to furniture glass or other brittle objects unless caused by fire theft or accident to the mode of carriage
- j) to **Goods in Transit** caused by or arising out of mechanical or electrical breakdown or derangement wear and tear action of light deterioration mildew moth vermin and the like unless external **Damage** has occurred
- k) to **Goods in Transit** caused by spillage leakage evaporation loss of weight or shrinkage
- l) caused by depreciation loss of market delay or inadequate documentation
- m) caused by any erection dismantling or installation
- n) caused by loss of sheets ropes chains toggles or packing materials as a result of disappearance or shortage unless such loss is the result of an incident recorded by the **Insured**

Conditions

1. The valuation of **Stock** shall be at invoice cost. If an invoice has not been raised the basis of valuation shall be the value of the **Stock** at the time of the commencement of the transit
2. If loss or damage is caused by a carrier, the carrier must be notified in writing as soon as the **Insured** is aware of the loss or damage, as well as notifying the **Insurer**. The **Insured** may be asked to complete the carriers claim form and any compensation which is received from a carrier must be paid to the **Insurer** if they have paid the claim

Deterioration of Stock

This Optional Cover is only operative if shown in the Schedule

Definition

The following words or phrases have the same meaning wherever they appear, in ***bold italics***, within this Optional Extension

Refrigerated Goods

Any **Stock** which ordinarily is placed in a refrigeration unit for the purpose of preservation

Cover

The **Insurers** will indemnify the **Insured** for **Damage** to ***Refrigerated Goods*** the property of the **Insured** or for which the **Insured** is responsible due to deterioration contamination or putrefaction whilst contained in a frozen food cabinet freezer cold room cold store or refrigerator specified in the Schedule at the **Premises** for the purpose of the **Business** caused by

- a) rise or fall in temperature in consequence of
 - i. failure of the frozen food cabinet freezer cold room cold store or refrigerator due to its own inherent devices or accidental means
 - ii. the accidental failure of the public supply of electricity at the terminal end of the public electricity supply undertaking's service feeders at the **Premises** including (notwithstanding anything herein to the contrary) accidental failure solely due to destruction or damage by fire lightning explosion or earthquake elsewhere than at the said **Premises**
- b) accidental leakage of refrigerant or refrigerant fumes

The **Insurers** will by payment or at their option by reinstatement indemnify the **Insured** against such **Damage** in accordance with the Basis of Settlement - Indemnity

Exclusions

The **Insurers** shall not be liable for

1. **Damage** where the frozen food cabinet freezer cold room cold store or refrigerator is
 - a) over ten years old or
 - b) over two years old and not annually inspected and maintained by a competent person
2. **Damage** caused by failure of the public supply of electricity occasioned by the deliberate act of any Electricity Authority or by the exercise by any such Authority of its power to withhold or restrict supply

3. **Damage** caused by failure to comply with the manufacturers' instructions or the use of components not approved by the manufacturers
4. **Damage** caused by
 - a) wear and tear deterioration or gradually developing flaws or defects in the frozen food cabinet freezer cold room cold store or refrigerator
 - b) incorrect setting of thermostatic or automatic controlling devices forming part of the frozen food cabinet freezer cold room cold store or refrigerator
5. any amount in excess of the Sums Insured stated in the Schedule

Conditions

1. The **Insured** shall take all reasonable precautions for the safety of the **Property** and immediately upon having knowledge of any event giving rise or likely to give rise to a claim under this Optional Extension shall give immediate notice thereof to the **Insurers** and the insurance in respect of the frozen food cabinet freezer cold room cold store or refrigerator shall forthwith cease until the said refrigerated goods cabinet cold room or cold store shall have been repaired to the satisfaction of the **Insurers**
2. The **Insured** shall ensure that all frozen food cabinets freezers cold rooms cold stores or refrigerators are serviced in accordance with the manufacturers' recommended standards

SECTION 2 – BUSINESS INTERRUPTION

This Section of the Policy is operative only if stated in the Schedule

Cover

In the event of **Damage** to the **Property** used by the **Insured** for the purposes of the **Business** carried on by the **Insured** at the **Premises** during the **Period of Insurance** resulting in interruption or interference with the **Business** the **Insurers** will indemnify the **Insured** in respect of the amount of loss resulting from such interruption or interference

Provided that at the time of the **Damage** there shall be in force an insurance covering the interest of the **Insured** in the **Property** at the **Premises** and that liability shall be admitted or payment made therefore or payment would have been made or liability admitted but for the operation of a proviso in the insurance excluding liability for losses below a specified amount

The liability of the **Insurers** under this Section at the time of the event shall not exceed 133 1/3% of the **Estimated Gross Profit** if Declaration Linking is shown as operative in the Schedule or the Sum Insured or Limit shown in the Schedule for any other item insured under this Section

Basis of Settlement

The basis of settlement clauses below apply dependant on basis of settlement shown in the Policy Schedule

Gross Profit Items

1. Gross Profit

The **Insurers** will pay as indemnity to the **Insured** the amount of their loss in respect of each item stated in the Schedule as a result of loss of **Gross Profit** due to reduction in **Turnover** and/or **Increased Cost of Working**

- a) the amount payable in respect of a reduction in **Turnover** shall be the sum produced by applying the **Rate of Gross Profit** to the amount by which the **Turnover** shall fall short of the **Standard Turnover** during the **Indemnity Period** as a result of the **Damage**
- b) the amount payable in respect of the **Increased Cost of Working** as a result of the **Damage** not exceeding the sum produced by applying the **Rate of Gross Profit** to the amount of the reduction in **Turnover** thereby avoided less any sum saved during the **Indemnity Period** in respect of such charges and expenses of the **Business** payable out of **Gross Profit** that may cease or be reduced as a result of the **Damage**

2. Gross Profit (Declaration Linked basis)

Where Declaration Linking is shown as operative on the Schedule under Section 2 the following Basis of Settlement Clause will apply

The Sum Insured shown as **Gross Profit** in the Schedule represents the **Estimated Gross Profit** and the **Insurers** will pay as indemnity to the **Insured** the amount of their loss as a result of loss of **Gross Profit** due to reduction in **Turnover** and **Increased Cost of Working**

- a) the amount payable in respect of a reduction in **Turnover** shall be the sum produced by applying the **Rate of Gross Profit** to the amount by which the **Turnover** shall fall short of the **Standard Turnover** during the **Indemnity Period** as a result of the **Damage**
- b) the amount payable in respect of the **Increased Cost of Working** as a result of the **Damage** not exceeding the sum produced by applying the **Rate of Gross Profit** to the amount of the reduction in **Turnover** thereby avoided less any sum saved during the **Indemnity Period** in respect of such charges and expenses of the **Business** payable out of **Gross Profit** that may cease or be reduced as a result of the **Damage**

Special Provision relating to Basis of Settlement 1 and 2

Adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as

nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**

3. Increased Cost of Working

The **Insurers** will pay as indemnity to the **Insured** the additional expenditure incurred with the prior written consent of the **Insurers** for the sole purpose of avoiding or diminishing the reduction in **Turnover** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage** but not exceeding the sum produced by applying the **Rate of Gross Profit** to the amount of the reduction thereby avoided

4. Additional Increased Cost of Working

The **Insurers** will pay as indemnity to the **Insured** further additional expenses beyond that recoverable under **Gross Profit** Item b) of the operative **Gross Profit** Basis of Settlement 1 or 2 incurred with the prior written consent of the **Insurers** during the **Indemnity Period** in consequence of the **Damage** for the sole purpose of avoiding or diminishing a reduction in **Turnover** or resuming or maintaining normal business operations but not exceeding the Limit stated in the Schedule

Gross Revenue Items

1. Gross Revenue

The **Insurers** will pay as indemnity to the **Insured** the amount of their loss in respect of each item stated in the Schedule as a result of loss of **Gross Revenue** and/or **Increased Cost of Working**

- a. the amount payable in respect of a reduction in **Gross Revenue** shall be the sum by which the **Gross Revenue** shall fall short of the **Standard Gross Revenue** during the **Indemnity Period** as a result of the **Damage**
- b. the amount payable in respect of the **Increased Cost of Working** as a result of the **Damage** not exceeding the amount of the reduction in **Gross Revenue** thereby avoided less any sum saved during the **Indemnity Period** in respect of such charges and expenses of the **Business** payable out of **Gross Revenue** that may cease or be reduced as a result of the **Damage**

Provided that adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before the date of **Damage** or for which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**

2. Gross Revenue (Declaration Linked basis)

Where Declaration Linking is shown as operative on the Schedule under Section 2 the following Basis of Settlement Clause will apply

The Sum Insured shown as **Gross Revenue** in the Schedule represents the **Estimated Gross Revenue** and the **Insurers** will pay as indemnity to the **Insured** the amount of their loss as a result of loss of **Gross Revenue** due to reduction in **Turnover** and **Increased Cost of Working**

- a. the amount payable in respect of a reduction in **Turnover** shall be the sum produced by applying the **Rate of Gross Revenue** to the amount by which the **Turnover** shall fall short of the **Standard Turnover** during the **Indemnity Period** as a result of the **Damage**
- b. the amount payable in respect of the **Increased Cost of Working** as a result of the **Damage** not exceeding the sum produced by applying the **Rate of Gross Revenue** to the amount of the reduction in **Turnover** thereby avoided less any sum saved during the **Indemnity Period** in respect of such charges and expenses of the **Business** payable out of **Gross Revenue** that may cease or be reduced as a result of the **Damage**

Special Provision relating to Basis of Settlement 1 and 2

Adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**

3. Additional Increased Cost of Working

The **Insurers** will pay as indemnity to the **Insured** further additional expenses beyond that recoverable under **Gross Revenue** Item b) necessarily and reasonably incurred with the prior written consent of the **Insurers** during the **Indemnity Period** in consequence of the **Damage** for the sole purpose of avoiding or diminishing

a reduction in **Turnover** or resuming or maintaining normal business operations but not exceeding the Limit stated in the Schedule

4. Rent Receivable

The **Insurers** will pay as indemnity to the **Insured** the amount of their loss in respect of

- a. the amount by which the **Rent Receivable** during the **Indemnity Period** shall fall short of the **Standard Rent Receivable** as a result of the **Damage**
- b. the amount of additional expenditure incurred by the **Insured** with the prior written consent of the **Insurer** as a result of the **Damage** but not exceeding the loss of **Rent Receivable** thereby avoided

provided that if the Sum Insured for loss of **Rent Receivable** is less than the **Standard Rent Receivable** the amount payable shall be proportionately reduced

Clauses

1. Automatic Reinstatement

In the absence of written notice by the **Insurers** or the **Insured** to the contrary within 30 days of notification of any loss then in consideration of the insurance not being reduced by the amount of such loss the **Insured** shall pay the appropriate extra premium on the amount of the loss from the date thereof to the expiry of the **Period of Insurance**

2. Opening and Closing Stock

The amounts of the opening and closing stock and work in progress shall be arrived at in accordance with the **Insured's** normal accountancy methods due provision being made for depreciation

3. Accumulated Stock

In adjusting any loss account shall be taken and an equitable allowance made if any shortage in **Turnover** due to **Damage** is postponed by reason of the **Turnover** being temporarily maintained from accumulated stocks of finished goods on the **Insured's Premises**

4. Salvage Sale

If following **Damage** giving rise to a claim under this Section the **Insured** shall hold a salvage sale during the Indemnity Period clause a) of the applicable Basis of Settlement item "reduction in **Turnover**" shall for the purpose of such claim read as follows

- (a) the amount payable in respect of a reduction in **Turnover** hereunder shall be the sum produced by applying the **Rate of Gross Profit** to the amount by which the **Turnover** during the **Indemnity Period** (less the **Turnover** for the period of the salvage sale) shall in consequence of the **Damage** fall short of the **Standard Turnover** from which sum shall be deducted the **Gross Profit** actually earned during the period of the salvage sale

5. Average

Applicable to Basis of Settlement 1. Gross Profit

If the Sum Insured is less than the **Gross Profit** for the 12 months (or a proportionately increased multiple thereof where the **Maximum Indemnity Period** as stated in the Schedule exceeds 12 months) immediately prior to the occurrence of **Damage** the amount payable shall be proportionately reduced after due provision has been made for the trend or variation in or other circumstances affecting or which would have affected the **Business** either before or after the **Damage**

Applicable to Basis of Settlement 5. Rent Receivable

If the Sum Insured is less than the **Rent Receivable** for the 12 months (or a proportionately increased multiple thereof where the **Maximum Indemnity Period** as stated in the Schedule exceeds 12 months) immediately prior to the occurrence of the **Damage** the amount payable shall be proportionately reduced after due provision has been made for the trend or variation in or other circumstances affecting or which would have affected the **Business** either before or after the **Damage**

6. Specified Working Expenses

If any of the working expenses of the **Business** are excluded by this Section having been deducted in arriving at the **Gross Profit** then in calculating the amount recoverable under this Section as **Increased Cost of Working** that proportion only of any additional expenditure shall be brought into account which the **Gross Profit** bears to the sum of the **Gross Profit** and the **Specified Working Expenses**

7. Programs and Data
The **Insured** shall
 - (a) take all reasonable precautions to prevent accidental loss distortion corruption or erasure of **Programs** or **Data**
 - (b) in respect of **Programs** maintain a backup copy of the current version at a location other than the respective **Premises** where the **Media** on which the **Programs** are recorded is situate
 - (c) in respect of **Data** maintain a weekly full system backup of **Data** at a location other than the respective **Premises** where the **Media** on which the **Data** is recorded is situate
8. Alternative Trading
If during the **Indemnity Period** work is done or services rendered elsewhere than at the **Premises** for the benefit of the **Business** either by the **Insured** or by others on behalf of the **Insured** the amount paid or payable in respect of such work or services shall be accounted for in arriving at the **Turnover** during the **Indemnity Period**
9. Departmental
If the **Business** is conducted in departments the independent trading results of which are ascertainable the basis of **Gross Profit** shall apply separately for each department
10. Accountants' and Auditors' Charges
The **Insurers** will pay to the **Insured** the reasonable charges payable by the **Insured** to their professional accountants and auditors for producing and certifying any particulars or details or any other proofs information or evidence as may be required by the **Insurers** under the terms of this Section and reporting that such particulars or details are in accordance with the **Insured's** books or documents
Provided that the **Insurers** liability for charges payable when aggregated with any amount otherwise payable under the Section shall be limited to the applicable Sum Insured or Limit of Liability or other applicable limit
11. Current Cost Accounting
For the purpose of this Section any adjustment implemented in current cost accounting shall be disregarded
12. Value Added Tax
To the extent that the **Insured** is accountable to the tax authorities for Value Added Tax all terms in this Section shall be exclusive of such tax
13. Explosion
In respect of any vessel machinery or apparatus or its contents belonging to or in the custody or control of the **Insured** for which the **Insured** is responsible cover against destruction or damage thereto caused by an explosion originating therein is subject to a policy or other contract providing an inspection service that complies with the statutory regulations applying in respect of such vessel machinery or apparatus
14. Payments on Account
Payments on account will be made to the **Insured** during the **Indemnity Period** if so requested subject to appropriate adjustment at the end of the **Indemnity Period**

Extensions to Section 2

All terms exclusions and conditions under Section 1 and all terms exclusions and conditions of Section 2 apply to these Extensions in addition to those shown below as applying to each Extension

These extensions are operative only if **Gross Profit** is stated in the Schedule.

The liability of the **Insurers** includes loss as insured by this Section resulting from interruption or interference with the **Business** in consequence of

1. Bomb scare or unlawful occupation cover
 - a) the suspected or actual presence of an incendiary or explosive device on or exclusively within a 1 mile radius of the **Premises**
 - b) the **Premises** or other property exclusively within a 1 mile radius of the **Premises** being occupied by members of a criminal organisation or other unlawful occupantsBut the **Insurers** will not cover

- i. any incident involving interference or interruption with the **Business** that is less than 48 consecutive hours
- ii. any period other than the actual period of prevention or hinderance of access the **Premises**
- iii. eviction costs

This cover will apply for a period of 12 weeks in any one **Period of Insurance** beginning with the occurrence of the loss, during which the results of the **Business** are affected as a result of the interruption or interference.

The most the **Insurer** will pay for this cover in total during any one **Period of Insurance** is the lower of either £50,000 or 25% of the annual figure on which the sum insured is based irrespective of the number of **Premises** insured.

The **Automatic Reinstatement** clause shall not apply in respect of this cover.

2. Contract Sites

Damage at any situation in Great Britain Northern Ireland the Channel Islands or the Isle of Man where the **Insured** is carrying out a contract subject to a maximum of £50,000 for any one loss

3. Denial of access

Damage by fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, theft, earthquake, **Storm, Flood**, escape of water from any tank apparatus or pipe, leakage of oil from any fixed heating installation, impact by any road vehicle or animal to property exclusively within a 1 mile radius of the **Premises** which prevents the use of the **Premises**, or access to it, regardless of whether the **Premises** of the **Insured** is damaged or not

Provided that

- a) fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, theft, earthquake, **Storm, Flood**, escape of water from any tank apparatus or pipe, leakage of oil from any fixed heating installation, impact by any road vehicle or animal are covered under the property damage section in respect of the **Premises** of the **Insured**
- b) the insurance provided by this cover in any one **Period of Insurance** shall only apply for the period starting with the prevention of access or hindrance of use and ending after 3 months during which time the **Insured** suffer an interruption to the **Business**
- c) the liability of the **Insurer** for any one claim and in any one **Period of Insurance** is either the 25% of the annual sum insured or £1,000,000 whichever is lower, irrespective of the number of **Premises** insured. The **Automatic Reinstatement** clause shall not apply in respect of this cover
- d) this does not include any Damage to property from which the **Insured** obtain electricity, gas, water or telecommunications services which prevent or hinder the supply of these services
- e) the **Insurer** will not cover the **Insured** for any incident involving interference of or interruption with the **Business** that is less than 12 consecutive hours.

4. Documents

Damage to documents belonging to or held in trust by the **Insured** whilst temporarily at premises not in the occupation of the **Insured** or whilst in transit by road rail or inland waterway in Great Britain Northern Ireland the Channel Islands or the Isle of Man subject to a maximum of £5,000 for any one loss

5. Exhibition Expenses

Damage to any premises at which the **Insured** is contracted to participate as an exhibitor and to which such **Damage** causes the cancellation of the participation of the **Insured** in the exhibition subject to a maximum of £25,000 any one loss

The **Insurers** shall not be liable for

- a) any loss other than those costs for the sole purpose of participating in such exhibition incurred prior to the date of the **Damage**
- b) any loss as a result of **Damage** at any premises not within the **Territorial Limits** unless specifically stated in the Schedule
- c) any interruption resulting from a cause not insured by this Section

6. Failure of selected public utilities

The unplanned disruption of

- a) the public electricity supply at the **Insured's** supplier's generating station or sub station
- b) the public gas supply at the **Insured's** supplier's land based premises
- c) the public water supply at the **Insured's** supplier's waterworks or pumping station
- d) the public telecommunications services at the **Insured's** supplier's land based premises

from which the **Insured** obtain electricity, gas, water or telecommunications services within the **Territorial Limits** where such unplanned disruption is a direct result of **Damage** caused by fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, theft, malicious persons, accidental damage, earthquake, **Storm, Flood**, escape of water from any tank, apparatus or pipe, leakage of oil from any fixed heating installation, impact by any road vehicle or animal.

Provided that after the application of all other terms and conditions of this section, the most the **Insurer** will pay is the lower of either 25% of the annual figure upon which the sum insured is based, the limit in the Schedule, or £1,000,000 in total in any one **Period of Insurance** irrespective of the number of **Premises** insured and regardless of the number of suppliers affected during any one **Period of Insurance**.

The **Automatic Reinstatement** clause shall not apply in respect of this cover.

The insurance provided by this cover in any one **Period of Insurance** shall only apply for the period starting with the unplanned disruptions(s) of supply or service at the **Premises** and ending after 3 months in total during which time the **Insured** suffer Business Interruption regardless of the number of suppliers to the **Insured** affected during the **Period of Insurance** or the number of **Premises** insured.

The **Insurers** will not cover

- a) any failure
 - i. which does not involve the disruption of supply, for at least 12 consecutive hours
 - ii. due to an excluded cause
- b) loss resulting from failure caused by
 - i. any deliberate act or decision of any utility supply undertaking or public authority in cutting off, withholding, restricting or rationing, whether planned in advance or not, or the exercise by any such utility undertaking, government or public authority of its power to cut off, withhold, restrict or ration supply or services
 - ii. strikes or any labour or trade dispute
 - iii. solar flare or other atmospheric or weather conditions, but the **Insurers** will cover failure due to **Damage** to equipment caused by these conditions.

In any action, lawsuit or other proceedings or where the **Insurers** allege that any loss resulting from damage is not covered by this section, it will be the responsibility of the **Insured** to prove that they are covered.

7. Failure of selected public supplies terminal ends cover

The **Insurer** will cover the **Insured** for loss covered by this section resulting from interruption of or interference with your **Business** caused by the accidental failure and unplanned disruption of

- a) the public electricity supply at the “terminal ends” of the **Insureds** supplier’s service feeds to the **Premises** within the **Territorial Limits**
- b) the public gas supply at the **Insureds** supplier’s meters to the **Premises** within the **Territorial Limits**
- c) the public water supply at the **Insureds** supplier’s main stop cock serving the **Premises** (other than by drought) within the **Territorial Limits**
- d) the public telecommunications services supply (other than satellite services) at the incoming line, terminals or receivers to the **Premises** within the **Territorial Limits**

from which the **Insured** obtain electricity, gas, water or telecommunications services within the **Territorial Limits** where such unplanned disruption is a direct result of **Damage** caused by fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, theft, malicious persons, accidental damage, earthquake, **Storm, Flood**, escape of water from any tank apparatus or pipe, leakage of oil from any fixed heating installation, impact by any road vehicle or animal.

Provided that after the application of all other terms and conditions of this section, the most the **Insurer** will pay is £50,000 or 25% of the annual sum insured whichever is the lesser in total in any one **Period of Insurance** irrespective of the number of premises insured and regardless of the number of suppliers affected during any one **Period of Insurance**.

The **Automatic Reinstatement** clause shall not apply in respect of this cover.

The insurance provided by this cover in any one **Period of Insurance** shall only apply for the period starting with the unplanned disruptions(s) of supply or service at the **Premises** and ending after 3 months in total during which time the **Insured** suffer a loss of Business Interruption regardless of the number of suppliers of the **Insured** affected during the **Period of Insurance** or the number of **Premises** insured.

The **Insurer** will not cover

- a) any failure
 - i. which does not involve the disruption of supply, for at least 12 consecutive hours
 - ii. due to an excluded cause
- b) loss resulting from failure caused by
 - i. any deliberate act or decision of any utility supply undertaking or public authority in cutting off, withholding, restricting or rationing, whether planned in advance or not, or the exercise by any such utility undertaking, government or public authority of its power to cut off, withhold, restrict or ration supply or services
 - ii. strikes or any labour or trade dispute
 - iii. solar flare or other atmospheric or weather conditions, but the **Insurer** will cover failure due to **Damage** to equipment caused by these conditions.

In any action, lawsuit or other proceedings or where the **Insurer** allege that any loss resulting from damage is not covered by this section, it will be the responsibility of the **Insured** to prove that they are covered.

8. Goods in Transit

Damage to Goods in Transit within the **Territorial Limits** if insured by Section 1 and for which the **Insurers** have admitted liability subject to a maximum of 10% of the Sum Insured or £50,000 whichever is the lesser for any one loss

9. Murder suicide or disease cover

and conducted by the **Insured** at the **Premises** during the **Period of Insurance** as a result of

- a) the manifestation of any of the following specified human infectious or specified human contagious diseases
 - Acute Encephalitis
 - Acute Poliomyelitis
 - Anthrax
 - Chicken Pox
 - Diphtheria
 - Dysentery caused by Shigella
 - Legionellosis
 - Legionnaires' Disease
 - Malaria
 - Measles
 - Meningococcal Infection
 - Mumps
 - Ophthalmia Neonatorum
 - Paratyphoid fever
 - Bubonic, Septicemic and Pneumonic Plague
 - Rabies
 - Rubella
 - Tetanus
 - Tuberculosis
 - Typhoid Fever
 - Whooping Cough
 - Yellow Fever

manifested by any person whilst at the **Premises** which directly and exclusively results in restrictions having the force of law imposed by the police or other competent local (as opposed to a minister or other central governmental or public) authority which require the compulsory closing of the whole or part of the **Premises** to prevent or restrict access to the **Premises**

- b) murder, suicide, or rape at the **Premises**
- c) bodily injury (excluding illness, disease and psychiatric injury) or bacterial food poisoning sustained by any person arising from or traceable to foreign or injurious matter in food or drink provided at the **Premises**
- d) the discovery of vermin or pests in the **Building(s)** at the **Premises** that prevents the use of or part use of the **Buildings** by order of a public authority having the force of law
- e) the compulsory closing of the whole or part of the **Premises** by order of a public authority having the force of law as a result of an accident causing a defect in the drains, toilets or sinks at the **Premises**

The **Insurer** will not cover

- i. any costs incurred in the cleaning, repair, replacement, recall or checking of the property insured
- ii. any loss to the extent that it would have been caused in any event by disease occurring in a wider geographical area extending beyond the **Premises** or by vermin or pests being discovered in a wider geographical area beyond the building(s) at the **Premises**
- iii. any incident involving interference of or interruption to the business that is less than 12 consecutive hours.

Any Disease exclusion shall apply to this Murder, suicide or disease cover, except that **Communicable Disease** shall not include the specified human infectious or specified human contagious diseases listed under clause a) of this cover, the pathogens which cause them, or bacterial food poisoning, provided that such diseases listed under clause a) have not been declared by the World Health Organisation to be a public health emergency of international concern or a pandemic.

The maximum indemnity period under this cover shall be 3 months in any one **Period of Insurance** commencing from the date of

- i. the compulsory closing of the whole or part of the **Premises** (in relation to clauses a) and e) of this cover)
- ii. the discovery of murder, suicide or rape (in relation to clause b) of this cover)
- iii. the occurrence of injury or illness (in relation to clause c) of this cover) or, where there is a series of related injuries or illness, the first occurrence of injury or illness in that series
- iv. the order of the public authority (in relation to clause d) of this cover).

The liability of the **Insurer** will not exceed the lower of the maximum indemnity period of 3 months or £25,000 or 25% of the annual figure on which the sum insured is based in any one **Period of Insurance**, irrespective of the number of **Premises** insured.

The **Automatic Reinstatement** clause shall not apply in respect of this cover.

For the purposes of the cover provided under this cover clause, any references to **Damage** or Incident within the meaning of the defined terms (including the notes thereto), the basis of claim settlement provisions, section or general exclusions, conditions and Policy conditions shall be read as if they were references to the cover provided under clauses a) to e) above.

10. Public Relations Expenses

In the event of **Damage** at the **Premises** the **Insurers** will indemnify the **Insured** for the additional expenditure necessarily and reasonably incurred during the **Indemnity Period** of employing suitable public relations personnel to deal with press and public announcements and other activities provided that

- a) the Maximum Indemnity Period in respect of this extension shall not exceed 3 months
- b) the **Insurers** shall not be liable for more than £10,000 any one loss

11. Specified Customers

Damage at the premises of specified customers of the **Insured** at the address shown in the Schedule provided that for the purpose of this extension customers means those companies and organisations or individuals with whom at the time of damage the **Insured** has contracts or trading relationships to supply goods or services subject to the Sum Insured for any one loss as stated in the Schedule for the specified customer for a maximum indemnity period of 12 months

12. Specified Suppliers

Damage at the premises of any of the **Insured's** suppliers manufacturers or processors at the address shown in the Schedule but excluding the premises of any supply undertaking from which the **Insured** obtains electricity gas water or telecommunications services subject to the Sum Insured for any one loss as stated in the Schedule for the specified supplier for a maximum indemnity period of 12 months

13. Storage Sites

Damage at any premises in Great Britain Northern Ireland the Channel Islands or the Isle of Man not in the occupation of the **Insured** where **Property** of the **Insured** is stored subject to a maximum of £25,000 for any one loss for a maximum indemnity period of 12 months

14. Unspecified Customers

Damage at the premises of any of the **Insured's** customers (other than Specified Customers in accordance with Extension 11 – Specified Customers of this Section) within the **Territorial Limits** provided that for the purpose of this extension customers means those companies and organisations or individuals with whom at

the time of **Damage** the **Insured** has contracts or trading relationships to supply goods or services subject to a maximum of £100,000 for any one loss for a maximum indemnity period of 12 months

15. Unspecified Suppliers

Damage at the premises of any of the **Insured's** suppliers (other than Specified Suppliers in accordance with Extension 12 – Specified Suppliers of this Section) manufacturers or processors within the **Territorial Limits** but excluding the premises of any supply undertaking from which the **Insured** obtains electricity gas water or telecommunications services subject to a maximum of £100,000 for any one loss for a maximum indemnity period of 12 months

Exclusions

1. The **Insurers** shall not be liable if after the commencement of this insurance
 - a) the **Business** is wound up or permanently discontinued or the **Insured** becomes bankrupt or the **Business** is carried on by a liquidator
 - b) the interest of the **Insured** ceases other than by death
2. The **Insurers** shall not be liable under this Section for loss arising directly or indirectly from
 - a) failure of any satellite prior to its obtaining its full operating function or while in or beyond the final year of its design life
 - b) atmospheric solar or lunar conditions causing temporary interference with transmission to or from any satellite
3. The **Insurers** shall not be liable under this Section for loss arising directly or indirectly from
 - a) erasure loss distortion or corruption of information on **Computer and Telecommunication Equipment** or other records programs or software caused by rioters locked out workers software caused deliberately by rioters strikers locked out workers persons taking part in labour disturbances or civil commotion or malicious persons
 - b) other erasure loss distortion or corruption of information on **Computer and Telecommunication Equipment** or other records programs or software unless resulting from the **Defined Perils** insofar as it is not otherwise excluded

Conditions

1. Declaration – applicable to Basis of Settlement 2. Gross Profit (Declaration Linked basis)
 - a) The **Insured** shall provide the **Insurers** with the **Estimated Gross Profit** based on the financial year most nearly concurrent with the forthcoming **Period of Insurance** prior to each renewal date
 - b) The **Insured** shall provide the **Insurers** with a declaration confirmed by the **Insured's** auditors of the **Gross Profit** earned during the financial year most nearly concurrent with the expired **Period of Insurance** within six months of the expiry of the **Period of Insurance**
 - c) If any **Damage** has occurred giving rise to a loss of **Gross Profit** such declaration will be increased by the **Insurers** for the purpose of premium adjustment by the amount which the **Gross Profit** was reduced during the financial year solely in consequence of the **Damage**
 - d) Premiums are provisional and if the declaration of **Gross Profit** provided by the **Insured** and confirmed by the **Insured's** auditors proportionately increased where the **Maximum Indemnity Period** exceeds 12 months is
 - i. less than the **Estimated Gross Profit** for the relevant **Period of Insurance** the **Insurers** will allow a pro rata return of premium not exceeding 25% of such premium paid
 - ii. greater than the **Estimated Gross Profit** for the relevant **Period of Insurance** the **Insured** shall pay a pro rata addition to the premium

Optional Covers

All terms exclusions and conditions of Section 2 apply to these Optional Covers in addition to those shown below as applying to each Optional Cover

Outstanding Debit Balances

This Optional Cover is only operative if shown in the Schedule

Definition

As used in this extension

Outstanding Debit Balances means the total declared in the statement last given in accordance with the provisions of the Note below adjusted for

- a) bad debts
 - b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of **Damage**) to customers' accounts in the period between the date to which said last statement relates and the date of the **Damage**
 - c) any abnormal condition of trade which had or could have had a material effect on the business
- so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date of the **Damage** had the **Damage** not occurred

Cover

The insurance provided by this Business Interruption Section extends to cover untraceable or unestablishable **Outstanding Debit Balances** in whole or in part due to the **Insured** as a result of the **Insured's** books of account or other business books or records being the subject of **Damage** as insured by this Business Interruption Section

Subject to the Sum Insured specified in the Schedule in respect of any one Event in respect of **Outstanding Debit Balances** directly due to such **Damage** the **Insurers** will pay to the **Insured**

- a) the difference between
 - i. the **Outstanding Debit Balances** and
 - ii. the total of the amounts received or traced in respect thereof
- b) the additional expenditure incurred with the previous consent of the **Insurers** in tracing and establishing customers' debit balances after the **Damage**

provided that if the Sum Insured by this item be less than the **Outstanding Debit Balances** the amount payable shall be proportionately reduced

The **Insured** shall ensure that the books of account or other business books or records in which customers' accounts are shown shall be kept in fire resisting safes or fire resisting cabinets when not in use

Note

The **Insured** shall within thirty days of the end of each month prepare and retain a signed statement showing the total amount outstanding in customers' accounts as set out in the **Insured's** accounts as at the end of the said month

On the expiry of the **Period of Insurance** the actual premium shall be calculated at the rate per cent per annum on the average amount insured i.e. the total of the sums declared divided by the number of declarations. If the actual premium shall be less than the premium paid for this cover the difference shall be repaid to the **Insured** but such repayment shall not exceed 25% of the said paid premium

If the amount of a declaration exceeds the sum insured applicable at the date of such declaration then for the purposes of this note only the **Insured** shall be deemed to have declared such a sum insured

In consideration of the insurance not being reduced by the amount of any loss the **Insured** shall pay the appropriate extra premium on the amount of the loss from the date thereof to the date of the expiry of the **Period of Insurance**

The burden of proving that any **Outstanding Debit Balances** are untraceable or unestablishable as a result of **Damage** shall be upon the **Insured**

Loss of Licence

This Optional Cover is operative only if stated in the Schedule

Definitions

For the purpose of this Optional cover the following terms shall have the following meanings where in bold

Licence

Granted under Part 3 Premises Licences of the Licensing Act 2003 or the Licensing (Scotland) Act 2005 or any subsequent amendment to the Act in respect of **Premises** which have been licensed for the sale by retail of alcohol

Loss of Licence

The Licence being

- a) forfeited or revoked under the provisions of the appropriate legislation governing the issue of such licences
- b) refused renewal by the appropriate licensing authority after proper application due to reasons beyond the control of the **Insured**

Cover

In the event of the **Loss of Licence** during the **Period of Insurance** the **Insurers** will indemnify the **Insured** up to the Sum Insured specified in the Schedule against loss sustained in respect of

- a) the depreciation in the value of the **Insured's** interest in the **Premises** resulting therefrom
- b) the costs and expenses incurred by the **Insured** with the written consent of the **Insurers** for any appeal against such **Loss of Licence**

Conditions

1. Notification Following Loss of Licence

In the event of **Loss of Licence** the **Insured** shall notify the **Insurers** within 24 hours and shall provide such information and assistance as the **Insurers** may reasonably require

2. Duty of the Insured

It shall be a condition to any liability of the **Insurers** to make any payment under this Section that the **Insured** shall immediately advise the **Insurers** on becoming aware of any

- a) change in tenancy or management of the **Premises** or transfer or proposed transfer of the **Licence**
- b) complaint against the **Premises** or control thereof or proceedings against or conviction of the licence-holder manager tenant or other occupier of the **Premises** for any breach of the licensing laws or any other matter whereby the character or reputation of the person concerned is affected with respect to honesty moral standing or sobriety
- c) objection to renewal or other circumstances which might endanger the **Licence** or renewal thereof

Exclusions

The **Insurers** shall not indemnify the **Insured** under this Optional Cover

1. Restrictions in Cover
 - a) where the **Insured** is entitled to compensation by virtue of any legislation relating to the **Loss of Licence**
 - b) where the **Loss of Licence** arises
 - i. directly or indirectly by the misconduct connivance neglect delay error or omission of the **Insured** or from any other cause within or under the control of the **Insured**
 - ii. by alteration of the **Premises** without consent of the appropriate authority
 - iii. by the **Premises** being closed for any period which is not required by law or not being maintained in a sanitary condition or satisfactory state of repair
 - c) the **Loss of Licence** is due to any scheme of town or country planning improvement redevelopment or compulsory purchase or the surrender reduction or redistribution of licences in connection therewith
 - d) the **Loss of Licence** arises through an alteration in the law
 - e) any depreciation in value is not as a sole and direct result of the **Loss of Licence**
2. in respect of **Consequential Loss** of any kind

SECTION 3 – EQUIPMENT BREAKDOWN

Provided that Section 1 - Property All Risks is operative in the event of an **Accident** at the **Premises** the **Insurers** will indemnify the **Insured** in respect of direct physical loss destruction or damage and any specified consequential loss to **Covered Equipment** owned by the **Insured** or for which the **Insured** is responsible.

The liability of the **Insurers** under this Section shall not exceed £250,000 for any one **Accident** and in the Aggregate

Definitions

The following words or phrases have the same meaning wherever they appear, in **bold italics**, within this Section.

Accident(s)

- a) electrical or mechanical **Breakdown** including rupture or bursting caused by centrifugal force
- b) artificially generated electrical current including electric arcing that damages electrical devices appliances or wires
- c) **Explosion** or **Collapse** of **Covered Equipment** operating under steam or other fluid pressure
- d) loss or damage to hot water boilers other water heating equipment oil or water storage tanks or other **Covered Equipment** operating under steam or other fluid pressure caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment
- e) loss or damage caused by operator error that results in the overloading of **Covered Equipment**

All **Accidents** that are the result of the same event will be considered one **Accident**

Biomass or Biogas Installation(s)

Any equipment and machinery used in connection with running a biomass or biogas heating or power-generation plant, including anaerobic digesters, storage tanks, augers, screeners, scrubbers, boilers, gas engines, generators, heat exchangers, pumps and motors

Breakdown

- a) the actual breaking failure distortion or burning out of any part of the **Covered Equipment** whilst in ordinary use arising from defects in the **Covered Equipment** causing its sudden stoppage and necessitating repair or replacement before it can resume work
- b) fracturing of any part of the **Covered Equipment** by frost when such fracture renders the **Covered Equipment** inoperative
- c) the actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary
- d) **Electronic Derangement**

Breakdown Indemnity Period

The period during which the **Business** is affected as a result of an **Accident** to **Covered Equipment**, beginning when the **Accident** occurred and ending not later than 12 months after the **Accident**

Collapse

The sudden and dangerous distortion (whether or not attended by rupture) of any part of the **Covered Equipment** caused by crushing stress by force of steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents)

Computer Equipment

- a) Electronic, computer or other data processing and/or storage equipment
- b) Projectors printers scanners and other peripheral devices used in conjunction with a)
- c) Software and programs licensed to the Insured and installed on a)

Computer Media

All forms of electronic magnetic and optical tapes and discs for use in any **Computer Equipment**

Covered Equipment

Equipment owned by the **Insured** or for which the **Insured** is responsible at the **Premises** specified in the Schedule:

- a) which is built to operate under vacuum or pressure (other than the weight of its contents); or

- b) that generates transmits stores or converts energy; or
- c) which is **Computer Equipment**

Excluding

- a) any supporting structure foundation masonry brickwork or cabinet including the pipe work buried in the ground or in concrete masonry or brickwork
- b) any insulating or refractory material
- c) any vehicle aircraft floating vessels or any equipment mounted thereon (other than vehicle recovery crane or equipment which is included but not the actual vehicle)
- d) self-propelled plant and equipment (other than fork lift trucks and pallet trucks used by the **Insured** at their **Premises**) dragline excavation or construction equipment
- e) equipment manufactured by the **Insured** for sale
- f) safety or protective devices due to their functioning
- g) tools dies cutting edges crushing surfaces trailing cables flexible hoses non-metallic linings electric elements or filaments cathode ray tubes or x-ray tubes driving belts or bands or any part requiring periodic renewal
- h) any electronic equipment (other than **Computer Equipment**) used for research diagnostic treatment experimental or other medical or scientific purposes
- i) any **Manufacturing Production or Process Equipment** including linked **Computer Equipment**
- j) any electricity generating equipment other than emergency back-up power equipment or wind turbines less than 10kw or photovoltaic equipment less than 50kw
- k) any kitchen and food preparation equipment laundry and cleaning equipment audio-visual equipment and **Computer Equipment** whilst in a private dwelling or private dwelling quarters (unless such equipment is the **Property** of the **Insured** or for which they are responsible)
- l) any **Biomass or Biogas Installation**
- m) any **Hydroelectric Installation**
- n) any sewer piping underground vessels or piping or piping forming a part of a sprinkler system
- o) any water piping other than boiler feedwater piping boiler condensate return piping hot water heating and supply piping or water piping forming a part of a refrigerating or air conditioning system
- p) any bespoke software or individually tailored packages unless there is in force a support agreement with the supplier or a third party maintainer approved by the supplier
- q) equipment owned by the **Insured's** tenant(s)
- r) fuel installations

Electronic Derangement

Malfunction of the **Computer Equipment** or electronic circuitry controlling or operating the **Covered Equipment** that is not accompanied by visible damage and requires replacement of one or more insured components of the **Covered Equipment** in order to restore it to its normal operation

Electronic Derangement does not include

- a) the rebooting, reloading or updating of software or firmware
- b) the incompatibility of **Covered Equipment** with any software or equipment installed, introduced or networked within the previous 30 days
- c) the **Covered Equipment** being of insufficient size, specification or capacity
- d) malfunction resulting from causes excluded under General Exclusion 7

Explosion

The sudden and violent rending of **Covered Equipment** by force of internal steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents) causing bodily displacement of any part of the **Covered Equipment** together with forcible ejection of the contents

Hazardous Substance(s)

Any substance other than ammonia that has been declared to be hazardous to health by a governmental agency

Hydroelectric Installation(s)

- a) any equipment, machinery, dam and weir used in connection with running a hydroelectric-power station, including turbines, sluice gates, screens, screeners, pumps, motors, generators, gearboxes, engines, alternators and associated equipment.
- b) any substation and distribution transformer, switchgear, meter, cabling, telecommunication and monitoring device, building and converter housing (including fixtures and fittings), and security equipment

Manufacturing Production or Process Equipment

Any machine or apparatus (other than boilers lifts fork lift trucks dock levellers and lifting tables) which has a primary purpose of processing or producing a product or service intended for eventual sale by the **Insured** and any equipment which exclusively serves such machinery or apparatus

Service Provider(s)

A business that the **Insured** hires under a written contract to perform services on its behalf in connection with the **Business**

Telecommunication networks

Telecommunication networks include, but are not limited to, the internet, internet service providers, Domain Name System service providers, cable and wireless providers, internet exchange providers, search engine providers, internet protocol networks (and similar networks that may have different designations) and other providers of telecommunications or internet infrastructure

Transit

The loading, unloading and movement of **Covered Equipment** (owned by the **Insured** or for which the **Insured** is responsible) other than by air or sea unless the sea transit is by roll-on/roll-off ferry

Verified

Checked for accuracy and integrity to ensure a precise match with the source data and capable of restoration

Extensions and Sub Limits to Section 3

All terms exclusions and conditions of Section 3 apply to these Extensions in addition to those terms and exclusions shown as applying to each Extension

The following Extensions apply to physical loss destruction or damage caused by or resulting from an **Accident** to **Covered Equipment**

The Insurer's liability for the extensions of cover shall be £250,000 unless there is a sub limit shown in the extension

1. Hazardous Substances
The **Insurers** shall be liable for the additional cost to repair or replace **Covered Equipment** because of contamination by a **Hazardous Substance** including any additional expenses incurred to clean up or dispose of such property
The liability of the **Insurers** shall not exceed £10,000 any one **Accident** in respect of such additional costs
2. Computer Equipment, Reinstatement of Data and Computer Increased Costs of Working
 - a) Provided that Section 1 – Property All Risks is operative the **Insurers** shall be liable for physical loss destruction or damage caused by or resulting from
 - i. an **Accident** to **Computer Equipment** at the **Premises**. The Liability of the **Insurers** shall not exceed £500,000 for any one **Accident**
 - ii. an **Accident** to portable **Computer Equipment** providing it is insured and within the Geographical Areas specified in the Schedule under Section 1 – All Risks on Portable Property. The liability of the **Insurers** shall not exceed £5,000 any one **Accident**
 - b) In addition the **Insurers** shall be liable for costs incurred in reinstating data lost or damaged in consequence of an **Accident** to or **Electronic Derangement** of **Computer Equipment**
The liability of the **Insurers** shall not exceed £50,000 any one **Accident**
Provided that
 - i. liability is limited solely to the cost of reinstating data onto **Computer Media**
 - ii. the **Insurers** shall not be liable for loss of or damage to software
 - iii. the **Insurers** have admitted liability for the **Accident** or **Electronic Derangement**
 - c) In addition provided that the Business Interruption section of this Policy is operative the **Insurers** shall be liable for the reasonable costs necessarily incurred during the **Breakdown Indemnity Period** in minimising or preventing the resulting interruption or interference to the computer operations of the **Insured** following an **Accident** to **Computer Equipment** for which the **Insurers** have admitted liability but not exceeding the amount of loss thereby avoided, provided that the liability of the **Insurers** shall not exceed £50,000 any one **Accident** in respect of such additional costs

3. Business Interruption
 Provided that the Business Interruption section of this Policy is operative the **Insurers** shall be liable for financial loss during the **Breakdown Indemnity Period** caused by or resulting from an **Accident** to **Covered Equipment** for which the **Insurers** have admitted liability
 The liability of the **Insurers** in any one **Period of Insurance** shall not exceed £100,000 under this extension
 The **Insurers** shall not be liable under this extension for any loss resulting from Extension 8 – Damage to Own Surrounding Property of this Section
4. Public Authorities/Law or Ordinance
 If an **Accident** to **Covered Equipment** for which the **Insurers** have admitted liability causes **Damage** to a **Building** that is covered under this Policy and the loss is increased by enforcement of any public authority ordinance or law in force at the time of the **Accident** that regulates the construction or repair of **Buildings** or establishes zoning or land use requirements the **Insurers** shall be liable for the following additional costs to comply with such ordinance or law:
 - a) the **Insured's** actual expenditures for the cost to demolish and clear the site of undamaged parts
 - b) the **Insured's** actual expenditures for increased costs to repair rebuild or construct the **Building**. If the **Building** is repaired or rebuilt it must be intended for similar use or occupancy as the current **Building** unless otherwise required by zoning or land use ordinance or law
 The **Insurers** shall not be liable for:
 - a) any fine
 - b) any liability to a third party
 - c) any increase in loss due to a **Hazardous Substance** (other than as specifically insured under Extension 1 of this Section)
 - d) increased construction costs until the **Building** is actually repaired or replaced
 This extension is within and does not increase the limit of liability shown in the Schedule
5. Expediting Expenses
 If **Covered Equipment** suffers physical loss destruction or damage as a result of an **Accident** for which the **Insurers** have admitted liability the **Insurers** shall be liable for the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement
 The liability of the **Insurers** shall not exceed £20,000 any one **Accident** under this extension
6. Hire of Substitute Item
 If **Covered Equipment** suffers physical loss destruction or damage as a result of an **Accident** for which the **Insurers** have admitted liability the **Insurers** shall be liable for the cost of hire charges actually incurred by the **Insured** during the **Period of Insurance** for the necessary hire of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item lost or damaged
 The liability of the **Insurers** shall not exceed £5,000 any one **Accident** under this extension
7. Storage Tanks and Loss of Contents
 The insurance under this Section extends to include **Damage** caused by an **Accident** to oil storage tanks or water tanks including connected pipework belonging to the **Insured** or for which the **Insured** is responsible at the **Premises**
 In addition this extension covers loss of the contents of oil storage tanks caused by
 - a) escape of contents – leakage discharge or overflow from the oil storage tanks caused by or resulting from an **Accident**
 - b) contamination – contamination of the contents of oil storage tanks caused by or resulting from an **Accident** including cleaning costs incurred as a result of such loss
 The liability of the **Insurers** shall not exceed £10,000 any one **Accident** under this extension
8. Damage to Own Surrounding Property
 The **Insurers** will pay for **Damage** to **Property** at the **Premises** belonging to the **Insured** or in their custody and control and for which they are responsible directly resulting from the **Explosion** or **Collapse** of any **Covered Equipment** operating under steam pressure
 The liability of the **Insurers** shall not exceed £2,000,000 any one **Accident** under this extension
9. Additional Access Costs
 Provided that the Business Interruption section of this Policy is operative the **Insurers** shall be liable under this extension for any necessary additional costs incurred in order to gain access to repair or replace the **Covered Equipment** following an **Accident** for which the **Insurers** have admitted liability
 The liability of the **Insurers** shall not exceed £20,000 any one **Accident** under this extension

Basis of Settlement Clauses

1. Covered Equipment Reinstatement

In the event of an **Accident** to **Covered Equipment** other than **Computer Equipment** the basis of settlement shall be the cost of reinstatement meaning the rebuilding replacement repair or restoration to a condition substantially the same as but not better or more extensive than its condition when new

In the event of an **Accident** to **Computer Equipment** the basis of settlement shall be the cost of reinstatement meaning

- a. where any item is beyond economic repair replacement by a new item of equal performance and/or capacity or if such be impossible replacement by an item having the nearest higher performance and/or capacity to the item damaged
- b. where the item is damaged the repair of such damage and the restoration of the damaged portions to a working condition substantially the same as but not better or more extensive than its condition when new

Special Provisions

- i. Replacement must be carried out without undue delay and no payment beyond the amount which would have been paid in the absence of this clause will be made until the cost of reinstatement has been incurred
- ii. Where damage occurs to only part of any item the liability of the **Insurers** shall not exceed the amount which the **Insurers** would have been liable to pay had the item been wholly destroyed
- iii. Subject otherwise to the Basis of Settlement Clauses described in Section 1 – Property All Risks and Section 2 – Business Interruption

Exclusions to Section 3

1. The **Insurers** will not be liable for any loss damage cost or expense caused by or resulting from a hydrostatic pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment
2. The **Insurers** will not be liable for any loss damage cost or expense caused by:
 - a. depletion deterioration corrosion erosion wear and tear or other gradually developing conditions
 - b. any condition which can be corrected by resetting calibrating realigning tightening adjusting or cleaning or by the performance of maintenanceBut if physical loss destruction or damage from an **Accident** results the **Insurers** will be liable for that resulting physical loss destruction or damage
3. The **Insurers** will not be liable for any loss damage cost or expense recoverable under any maintenance agreement or any warranty or guarantee or which would be recoverable but for breach of **Insured's** obligations under the agreement
4. The **Insurers** will not be liable to pay for any claim, cost or loss caused by or resulting from the **Insured's** commercial decision to stop trading or the decision of a **Service Provider** to stop or reduce trade with the **Insured** or restrict services.
5. The **Excess** as stated in the Schedule
6. Notwithstanding any provision to the contrary within this Section this section excludes any loss damage liability claim cost or expense of whatsoever nature directly or indirectly caused by contributed to by resulting from arising out of or in connection with a **Communicable Disease** or the fear or threat (whether actual or perceived) of a **Communicable Disease** regardless of any other cause or event contributing concurrently or in any other sequence thereto
7. The **Insurers** will not cover the **Insured** for any loss damage cost or expense caused by or resulting from the failure or interruption of any electrical power supply network or **Telecommunication Networks** not owned and operated by the **Insured**
This exclusion shall not apply to losses caused by or resulting from physical damage, if otherwise insured by this section, to the electrical power supply network **Telecommunication Networks** or other property.

8. The **Insurers** will not cover the **Insured** for any loss damage cost or expense due to the solidification or biological activity or spontaneous chemical reaction in the contents of tanks or materials being processed
9. The **Insurers** will not cover the **Insured** for any loss damage cost or expense arising directly or indirectly from any acts of fraud or dishonesty by the **Insured** their **Employees** or any partner director or member of the **Insureds** family
10. The **Insurers** will not cover the **Insured** for any loss damage cost or expense caused or allowed to be caused deliberately wilfully maliciously illegally or unlawfully by the **Insured** or on behalf of the **Insured**
11. The **Insurers** will not cover the **Insured** for any loss damage cost or expense caused by pollution or contamination

Conditions

1. Precautions
The **Insured** shall exercise due diligence in:
 - a. complying with any statute or order
 - b. ensuring that insured items are properly maintained and used in accordance with manufacturers recommendations and in taking reasonable precautions to prevent loss or damage
2. Back-Up Records
The **Insured** must maintain a minimum of 2 generations of **Verified** back-up computer records taken at intervals no less frequently than 48 hours and take all reasonable precautions to store and maintain records in accordance with the maker's recommendations

SECTION 4 – EMPLOYERS' LIABILITY

This Section of the Policy is operative only if stated in the Schedule

Section Definition

The following words or phrases have the same meaning wherever they appear, in ***bold italics***, within this Section.

Territorial Limits

- a. Great Britain Northern Ireland the Isle of Man or the Channel Islands
- b. elsewhere in the world in respect of **Injury** sustained by any **Employee** resident within the territories specified in a. above and caused whilst such **Employee** is temporarily outside these territories provided that any action for compensation in respect of such **Bodily Injury** is brought in a court of law within the territories specified in a. above or any other member country of the European Union

Cover

1. **Bodily Injury**
In the event of **Bodily Injury** sustained by any **Employee** of the **Insured** caused during the **Period of Insurance** and arising out of and in the course of their employment by the **Insured** for the purposes of the **Business** within the **Territorial Limits** the **Insurers** will indemnify the **Insured** in respect of all sums for which the **Insured** become legally liable to pay as **Compensation** for **Bodily Injury**
2. **Claimant's Costs and Expenses**
The **Insurers** will indemnify the **Insured** subject to the Limit of Indemnity in respect of all sums the **Insured** shall become legally liable to pay as claimants' costs and expenses in connection with the indemnity provided under Cover clause - **Bodily Injury**
3. **Defence Costs and Expenses**
The **Insurers** will also indemnify the **Insured** subject to the Limit of Indemnity stated in the Schedule in respect of all
 - a) costs of legal representation reasonably incurred with the **Insurers** written consent at any
 - i. coroner's inquest or other inquiry in respect of any death
 - ii. proceeding in a court (other than in the defence of any criminal proceeding brought or in an appeal against a conviction arising from such criminal proceeding) in respect of any act or omission causing or relating to any matter
 - b) other costs and expenses reasonably incurred with the **Insurers** written consent in relation to any matter which may be the subject of indemnity under Cover clause - **Bodily Injury**

Limit of Indemnity

The liability of the **Insurers** under this Section for **Compensation** for **Bodily Injury** in respect of any one occurrence or all occurrences of a series consequent on or attributable to one source or original cause inclusive of all claimant's and defence costs and expenses shall not exceed the Limit of Indemnity stated in the Schedule

Extensions to Section 4

1. **Corporate Manslaughter and Corporate Homicide – Legal Defence Costs**
The **Insurers** will indemnify the **Insured** against all legal costs or other expenses reasonably incurred with the **Insurers** written consent in defending prosecutions under the Corporate Manslaughter and Corporate Homicide Act 2007 committed or alleged to have been committed in the course of the **Business** during the **Period of Insurance**
The **Insurers** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given provided that this indemnity shall not apply to the payment of fines or penalties or the costs of remedial orders or publicity orders or fees for intervention raised or payable under any Health and Safety laws or regulations.

The **Insurers** Limit of Indemnity under this extension and any equivalent extension under Section 5 Public & Products Liability shall not exceed in the aggregate £1,000,000 in respect of all acts or omissions committed

or alleged to have been committed during the **Period of Insurance** and shall be in addition to the amount of the Limit of Indemnity stated in the Schedule

2. Court Attendance Compensation

The **Insurers** will indemnify the **Insured** for the costs of attendance at court to help defend or act as a witness in connection with any claim for which the **Insured** is entitled to indemnity under this Section and with the **Insurers** agreement up to a maximum of £750 for any director or partner of the **Insured** and up to a maximum of £250 for any **Employee** of the **Insured**

3. Health and Safety at Work – Legal Defence Costs

The **Insurers** will indemnify the **Insured** and at the **Insured's** request any director or partner of the **Insured** or any **Employee** subject to the Limit of Indemnity as stated in the schedule against all legal costs or other expenses reasonably incurred in defending prosecutions for a breach of the Health and Safety at Work Act 1974 or similar legislation in Northern Ireland the Channel Islands or the Isle of Man committed or alleged to have been committed in the course of the **Business** during the **Period of Insurance**

The **Insurers** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given

Provided that this indemnity shall not apply to the payment of fines or penalties or awards of compensation imposed by a criminal court or fees for intervention raised or payable under any Health and Safety laws or regulations or the costs and expenses of an appeal against improvement or prohibition notices

4. Indemnity to Other Parties

If the **Insured** so request the **Insurers** will indemnify the following parties

- a. any officer or committee member or other member of the **Insured's** canteen social sports or welfare organisations or ambulance first aid fire medical or security services (but excluding medical practitioners) against liability incurred in such capacity
- b. any partner director or **Employee** of the **Insured** against liability incurred in such capacity and in respect of which the **Insured** would have been entitled to indemnity under this Section if the claim had been made against the **Insured** as though each party was individually named as the **Insured** in this Section
- c. any **Principal** for whom the **Insured** have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the **Insured** and in respect of which the **Insured** are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the **Insured**

Provided that

- i. each such party shall observe fulfil and be subject to the terms and conditions of this Section insofar as they can apply
- ii. the **Insurers** liability to the **Insured** and all parties indemnified shall not exceed in total the Limit of Indemnity stated in the Schedule

5. Unsatisfied Court Judgements

In the event of a judgment for damages being obtained by any **Employee** or the personal representatives of any **Employee** in respect of **Injury** caused to the **Employee** during any **Period of Insurance** and occurring in connection with the **Business** against any person or company operating from premises in Great Britain Northern Ireland the Channel Islands or the Isle of Man in any court situate in these territories and remaining unsatisfied in whole or in part six months after the date of such judgment the **Insurers** will at the **Insured's** request pay to the **Employee** or the personal representatives of the **Employee** the amount of such damages and any awarded costs to the extent that they remain unsatisfied

Provided that

- a. there is no appeal outstanding
- b. if any payment is made under the terms of this extension the **Employee** or the personal representatives of the **Employee** shall assign the judgment to the **Insurers**

Exclusions to Section 4

The indemnity granted under this Section shall not apply to

1. liability in respect of **Bodily Injury** to any **Employee** arising out of the ownership possession or use by or on behalf of the **Insured** of any mechanically propelled vehicle or trailer attached thereto if such liability is required by any road traffic legislation to be the subject of compulsory insurance or other security

2. liability in respect of **Bodily Injury** to any **Employee** who is working in or on any **Offshore Installation** or any support vessel for any **Offshore Installation** or whilst in transit to or from any **Offshore Installation** or support vessel

Conditions

1. Certificate of Employers' Liability Insurance
If this Policy or Section is cancelled any Certificate of Employers' Liability Insurance is similarly cancelled from the same date
2. Compulsory Insurance Legislation
The indemnity granted by this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** in the **Territorial Limits** but the **Insured** shall repay to the **Insurers** all sums paid by the **Insurers** which the **Insurers** would not have been liable to pay but for the provisions of such law
3. Discharge of Liability
The **Insurers** may at any time pay to the **Insured** in connection with any claim or series of claims
 - a) the amount of the Limit of Indemnity or
 - b) any lesser amount for which such claim or claims can be settled less any sum or sums already paid as **Compensation** for **Bodily Injury** claimant's and defence costs and expenses recoverable prior to the date of such payment

On payment the **Insurers** shall relinquish the conduct and control of and be under no further liability in connection with such claim or claims except for the payment of costs and expenses incurred prior to the date of such payment
4. Other Insurances
If any claim under this Section is also covered in whole or in part by any other existing insurance or by an indemnity from any other source the liability of the **Insurers** shall be limited to any excess beyond the amount which would have been payable under such other insurance or from such other source had this Section not been effected

SECTION 5 – PUBLIC & PRODUCTS LIABILITY

This Section of the Policy is operative only if stated in the Schedule

Section Definitions

The following words or phrases have the same meaning wherever they appear, in ***bold italics***, within this Section.

Damage

- a) physical loss of or damage to tangible property including attendant loss of use of such property
- b) nuisance trespass or interference with any easement right of air light water or way

Financial Loss

Financial loss unaccompanied by either **Injury** or **Damage**

Fungal Pathogens

Any fungus or mycota or any by-product or type of infestation produced by such fungus or mycota including but not limited to mould, mildew, mycotoxins, spores or any biogenic aerosols

Territorial Limits

- a) Great Britain Northern Ireland the Isle of Man or the Channel Islands
- b) elsewhere in the world other than the United States of America or Canada or their dependencies or trust territories in respect of temporary non-manual work undertaken by the **Insured** or any **Employee** ordinarily resident in a) above provided that any action for compensation is brought in a court of law within the territories specified in a) above or any other member country of the European Union
- c) and in respect **Products Supplied** anywhere in the world except for the United States of America or Canada or their dependencies or trust territories unless specifically agreed by the **Insurers** provided that the **Products Supplied** are supplied from or are worked upon in the territories specified in a) above

Cover

1. Legal Liability
The **Insurers** will indemnify the **Insured** subject to the Limit of Indemnity in respect of all sums which the **Insured** shall become legally liable to pay as **Compensation** for and arising out of accidental **Injury** or **Damage** occurring during the **Period of Insurance** and arising in connection with the **Business** within the **Territorial Limits**
2. Claimants' Costs and Expenses
The **Insurers** will in addition to the Limit of Indemnity indemnify the **Insured** in respect of all sums the **Insured** shall become legally liable to pay as claimants' costs and expenses in connection with the indemnity provided under Cover Clause 1 Legal Liability
3. Defence Costs and Expenses
The **Insurers** will in addition to the Limit of Indemnity indemnify the **Insured** in respect of all
 - a) costs of legal representation reasonably incurred with the **Insurers** written consent at any
 - i. coroner's inquest or other inquiry in respect of any death
 - ii. proceeding in a court (other than in the defence of any criminal proceedings brought or in an appeal against conviction arising from such criminal proceeding) in respect of any act or omission causing or relating to any matter
 - b) other costs and expenses reasonably incurred with the **Insurers** written consent in relation to any matter which may be the subject of indemnity under Cover Clause 1 Legal Liability

Limit of Indemnity

The liability of the **Insurers** under this Section for **Compensation** in respect of

- a) one occurrence or all occurrences of a series consequent on or attributable to one source or original cause
- b) all **Injury** and **Damage** occurring during any one **Period of Insurance** in respect of **Products Supplied**
- c) all **Pollution or Contamination** which is deemed to have occurred during any **Period of Insurance**

shall not exceed the Limit of Indemnity stated in the Schedule

Costs inclusive in USA and Canada

Where indemnity is provided by this Section for liability in respect of occurrences in the United States of America or Canada or their dependencies or trust territories the Limit of Indemnity stated in the Schedule shall be the maximum amount payable by the **Insurers** inclusive of all costs and expenses

Extensions to Section 5

1. Consumer Protection or Health and Safety at Work Act or Food Safety Act – Legal Defence Costs

The **Insurers** will in addition to the Limit of Indemnity indemnify the **Insured** and at the request of the **Insured** any partner director or **Employee** of the **Insured** in respect of all legal costs or other expenses reasonably incurred with the **Insurers** written consent in the defence of any criminal proceeding brought or in an appeal against a conviction arising from such criminal proceeding in respect of a breach of

- a) the Consumer Protection Act 1987 or any amending legislation
 - b) the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 or any similar United Kingdom health and safety legislation or regulation or
 - c) the Food Safety Act 1990 or any amending legislation
- committed or alleged to have been committed during the **Period of Insurance** in connection with the **Business**

Provided that

- a) in relation to an appeal counsel has advised there are strong prospects of such appeal succeeding
- b) the proceedings do not relate to the health safety or welfare of an **Employee**
- c) the indemnity will not apply to
 - i. proceedings consequent upon a deliberate act or omission
 - ii. fines or penalties of any kind
 - iii. the bringing of an appeal solely regarding the amount of a fine or penalty
 - iv. any circumstances where indemnity is provided by any other insurance or where but for the existence of this Extension indemnity would have been provided by such other insurance
 - v. fees for intervention raised or payable under any Health and Safety laws or regulations
 - vi. awards of compensation imposed by a criminal court
 - vii. costs and expenses of an appeal against improvement of prohibition notices
 - viii. costs and expenses from the point of being charged for manslaughter corporate manslaughter corporate homicide or culpable homicide other than costs and expenses of legal representation in connection with an alleged breach of statutory duty under Health and Safety, Terrorism (protection of premises) Consumer Protection and Food Safety legislation, applying within the Territorial Limits already incurred
 - ix. costs and expenses of any investigation or prosecution brought other than under the laws of the **Territorial Limits**

2. Corporate Manslaughter and Corporate Homicide – Legal Defence Costs

The **Insurers** will indemnify the **Insured** against costs of legal representation reasonably incurred with the **Insurer's** written consent in defending prosecutions under the Corporate Manslaughter and Corporate Homicide Act 2007 Committed or alleged to have been committed in the course of the **Business** during the **Period of Insurance**

The **Insurers** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given provided that this indemnity shall not apply to the payment of fines or penalties or the costs of remedial orders or publicity orders or fees for intervention raised or payable under any Health and Safety laws or regulations.

The **Insurers** Limit of Indemnity under this extension and any equivalent extension under Section 4 Employers Liability shall not exceed in the aggregate £1,000,000 in respect of all acts or omissions committed or alleged to have been committed during the **Period of Insurance** and shall be in addition to the amount of the Limit of Indemnity stated in the Schedule

3. Court Attendance Compensation

The **Insurers** will indemnify the **Insured** for the costs of attendance at court to help defend or act as a witness in connection with any claim for which the **Insured** is entitled to indemnity under this Section and with the

Insurers agreement up to a maximum of £750 for any director or partner of the **Insured** and up to a maximum of £250 for any **Employee** of the **Insured**

4. Cross Liabilities

Where the **Insured** comprises more than one party the **Insurers** shall treat each party as the **Insured** as if a separate Policy had been issued to each provided that nothing in this extension shall increase the liability of the **Insurers** beyond the amount for which the **Insurers** would have been liable had this extension not applied

5. Data Protection

The **Insurers** will cover the amount of compensation, costs and expenses which the **Insured** are legally liable to pay under Data Protection legislation occurring during the **Period of Insurance** arising from holding personal data or as a result of any loss misuse or unauthorised disclosure of personal data held by the **Insured** in the course of the **Business**

The **Insurer** will only pay

- a) amounts of compensation which the **Insured** are ordered to pay, or which the **Insured** might reasonably be expected to pay by a court having jurisdiction
- b) if the **Insured** are registered or are in the process of registration (and the application has not been refused or withdrawn) under Data Protection legislation

within the **Territorial Limits**

The **Insurer** will not cover

- a) any claims from directors or **Employees**
- b) fines or penalties imposed by a court
- c) the costs of any appeal against the refusal of an application for registration or alteration, in connection with the Data Protection legislation or any enforcement, de-registration or prohibition notice
- d) the cost of replacing reinstating rectifying or erasing any personal data
- e) refund of monies paid to the **Insured** by any claimant
- f) liability for which cover is provided under any other more specific insurance

6. Defective Premises Act

The **Insurers** will indemnify the **Insured** in respect of any legal liability incurred by the **Insured** during the **Period of Insurance** under the terms of the Defective Premises Act 1972 or the Defective Premises (Northern Ireland) Order 1975 in connection with any business premises or land which have been disposed of by the **Insured**

Provided that the **Insurers** shall not be liable

- a) for the cost of remedying any defect or alleged defect in the premises disposed of
- b) if the **Insured** is entitled to indemnity from any other source

7. Indemnity to Other Parties

If the **Insured** so request the **Insurers** will indemnify the following parties

- a) any officer or committee member or other member of the **Insured's** canteen social sports or welfare organisations or ambulance first aid fire medical or security services (but excluding medical practitioners) against liability incurred in such capacity
- b) any partner director or **Employee** of the **Insured** against liability incurred in such capacity and in respect of which the **Insured** would have been entitled to indemnity under this Section if the claim had been made against the **Insured** as though each party was individually named as the **Insured** in this Section
- c) any **Principal** for whom the **Insured** have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the **Insured** and in respect of which the **Insured** are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the **Insured**

Provided that

- i. each such party shall observe fulfil and be subject to the terms and conditions of this Section insofar as they can apply
- ii. the **Insurers** liability to the **Insured** and all parties indemnified shall not exceed in total the Limit of Indemnity stated in the Schedule

8. Motor Contingent Liability
- The **Insurers** will indemnify the **Insured** subject to the Limit of Indemnity stated in the Schedule against legal liability arising out of the use of any motor vehicle in the course of the **Business** anywhere in Great Britain Northern Ireland the Channel Islands or the Isle of Man
- Provided that the **Insurers** shall not be liable for
- any vehicle owned or provided by the **Insured** or any **Principal** for whom the **Insured** is working or any sub-contractor acting for or on behalf of the **Insured**
 - damage to such vehicle or to goods conveyed in or on it
 - any vehicle being driven by the **Insured**
 - any vehicle being driven by any person who to the knowledge of the **Insured** or of the **Insured's** representative does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
 - in respect of which the **Insured** is entitled to indemnity under any other insurance
9. Overseas Personal Liability
- The **Insurers** will indemnify the **Insured** subject to the Limit of Indemnity stated in the Schedule and if the **Insured** so request any director or partner of the **Insured** or any **Employee** or spouse of such person against legal liability incurred in a personal capacity whilst temporarily outside Great Britain Northern Ireland the Channel Islands or the Isle of Man in connection with the **Business**
- The indemnity shall not apply to legal liability
- arising out of ownership or occupation of land and buildings
 - in respect of which any person referred to above is entitled to indemnity under any other insurance
10. Property in the Insured's Custody or Control
- Section Exclusion 8 shall not apply to
- the personal effects (including vehicles and its contents) of any visitor or partner director or **Employee** of the **Insured**
 - any premises (including their fixtures fittings and contents) not owned by or leased rented or hired to the **Insured** that are temporarily occupied by an **Insured** for the purpose of carrying out work therein or thereon
 - any premises (including their fixtures and fittings) leased rented or hired to the **Insured** provided that the **Insurers** will not provide indemnity in respect of
 - liability assumed by the **Insured** under a tenancy or other agreement unless liability would have attached in the absence of such tenancy or other agreement
 - the first £500 (or any applicable Deductible applying to the Section if greater) of each and every occurrence of loss or damage caused to any such premises fixtures or fittings other than by fire or explosion

Exclusions to Section 5

The indemnity granted under this Section shall not apply to

- Advice and Design**
Liability caused by or arising from any breach of professional duty in relation to advice instructions consultancy design formula specification inspection survey valuation certification testing or supervision undertaken or given for a fee
- Airside**
Liability caused by or arising from any work, process or other operation that is undertaken by the **Insured** or on their behalf including any goods or materials used in connection with the work, process or other operation in the course of the **Business** in, or on
 - aircraft
 - airport or airfield runways, manoeuvring areas or aprons, or any other parts of airports or airfields to which aircraft ordinarily have access.
- Asbestos**
Insurers will not be liable in respect of any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly caused by, arising out of, resulting from, in consequence of, in any way involving, or to the extent contributed to by, the hazardous nature of asbestos or any materials containing asbestos in whatever form or quantity

4. Contractual Liability
Liability which attaches because of a contract or agreement but which would not have attached in the absence of such contract or agreement
5. Cyber and Data
In respect of legal liability inclusive of claimants and defence costs and expenses for and arising directly or indirectly caused by or contributed to by resulting from or arising out of or in connection with
 - a) any **Cyber Act** or **Cyber Incident** including but not limited to any action taken in controlling preventing suppressing or remediating any **Cyber Act** or **Cyber Incident**
 - b) loss of use reduction in functionality repair replacement restoration reproduction loss or theft distortion erasure corruption or alteration of any **Data** including any amount pertaining to the value of such **Data**
 - c) failure of electronic electromechanical data processing or electronically controlled equipment or **Data** to correctly recognise any given date or to process data to operate properly due to failure to recognise any given dateThis exclusion shall not apply to claims
 - i. for death bodily injury illness or disease
 - ii. for physical property damage
 - iii. under the Data Protection cover for the Public and Products liability section of this policy directly or indirectly caused by or contributed to by resulting from arising out of or in connection with any **Cyber Act** or **Cyber Incident**
6. Damage to Goods Supplied
Liability in respect of
 - a) damage to any goods or other property sold supplied delivered installed or erected by or on behalf of the **Insured**
 - b) all costs of or arising from the need for making good removal repair rectification replacement or recall of any such goods or property or any defective work carried out by or on behalf of the **Insured**
7. Financial Loss
Liability for **Financial Loss**
8. Fines
Liability in respect of liquidated damages fines penalties exemplary punitive aggravated or multiplied damages
9. Fungal Pathogens
Liability caused by or arising directly or indirectly from any **Fungal Pathogens**
10. Healthcare
Liability for **Bodily Injury** arising from an act or omission in the provision of or failure to provide Health Care but this shall not apply (in so far as indemnity is otherwise provided) in respect of legal liability directly or indirectly resulting from caused by contributed to attributed to or in any way related to **Abuse**
For the purpose of this exclusion
 - a) Health Care means health care (but not First Aid) rendered by members of the health care and allied services or by others consequent on decisions or judgements made by such members
Such members shall include
 - i. medical and dental practitioners
 - ii. nurses
 - iii. midwives
 - iv. pharmacists
 - v. professions allied to medicine
 - vi. care assistants and nursing auxiliaries
 - vii. ambulance personnel
 - viii. laboratory technicians
 - ix. social workers
 - b) First Aid means emergency care (other than pre planned emergency treatment for specific individuals) given immediately to an injured or sick person by any director partner or **Employee** of the **Insured** in the course of carrying out their duties when undertaking the **Insured's Business**
11. Heat Work Away
Liability arising out of any work away from premises owned or leased or rented by the **Insured** involving the use of grinding wheels cutting discs angle grinders electric oxy-acetylene or other welding or cutting equipment

blow torches blow lamps or flame guns or hot air guns heated tar bitumen or asphalt or any other process involving the application of heat other than this exclusion shall not apply to the use of electric soldering iron

12. Injury to Employees

Liability in respect of **Injury** to any **Employee** arising out of and in the course of the employment or engagement of such person by the **Insured**

13. Mechanically Propelled Vehicles

Liability arising out of the ownership possession or use by or on behalf of the **Insured** of any mechanically propelled vehicle or trailer attached thereto which is required by any road traffic legislation to be the subject of compulsory insurance or other security but this Exclusion shall not apply

- a) while such vehicle is being used as a tool of trade (other than in respect of liability which is compulsorily insurable under road traffic legislation)
- b) in respect of the loading or unloading of such vehicle or the delivery or collection of goods to or from such vehicle

except where more specifically insured by any other policy

14. Overseas Representation

Liability caused by or arising from any action brought against the **Insured** in any country which is not a member of the European Union where the **Insured** have a branch or a parent or a subsidiary company or are represented by a person or company holding the **Insured's** Power of Attorney

15. Pollution or Contamination

Liability arising

- a) out of **Pollution or Contamination** unless caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the **Period of Insurance** provided that all **Pollution or Contamination** arising out of one incident shall be deemed to have occurred at the time such incident takes place
- b) directly or indirectly by **Pollution or Contamination** occurring in the United States of America or Canada or their dependencies or trust territories

16. Property in the Charge or Control of the Insured

Liability in respect of loss or damage to any property belonging to or in the charge or control of the **Insured**

17. Safety Critical Products and Exports to USA and Canada

Liability in respect of

- a) any **Products Supplied** which to the knowledge of the **Insured** are to be used as a safety critical part in connection with hovercraft watercraft drilling platforms or rigs motor vehicles railways railway locomotives or carriages operational areas of gas chemical nuclear petrochemical or power generation plants or mines
- b) any **Products Supplied** comprising or incorporated in or on any aircraft spacecraft or military or naval missile
- c) liability arising out of **Products Supplied** comprising or incorporated in ground support or control equipment used for the purpose of guidance navigation or direction of any aircraft spacecraft or military or naval missile
- d) any **Products Supplied** knowingly exported directly or indirectly to the United States of America or Canada or their dependencies or trust territories

18. Silica

In respect of legal liability inclusive of claimants' and defence costs and expenses arising out of an Event occurring within the United States of America its territories and possessions Puerto Rico and Canada directly or indirectly resulting from caused by contributed to attributed to or in any way related to

- a) the actual alleged or threatened absorption ingestion or inhalation of silica in any form or in combination with any other particulate suspension or dust by any person or
- b) the existence of silica in any form or in combination with any other particulate suspension or dust

19. Vessels or Craft

Liability arising out of ownership possession or use by or on behalf of the **Insured** of any vessel or craft designed to travel in on or through water air (including drones and other unmanned aerial vehicles) or space (other than hand propelled watercraft)

20. Work on Offshore Installations

Liability in respect of Injury loss or damage in or on any **Offshore Installation** or any support vessel for any **Offshore Installation** or whilst in transit to or from any **Offshore Installation** or support vessel

Conditions

1. Bona Fide Subcontractors

It is a condition of this insurance that in respect of injury loss destruction or damage arising out of work carried out on behalf of the **Insured** by bona fide subcontractors commencing during the **Period of Insurance** that the **Insured** obtain and retain a written record that such subcontractors have in force throughout the duration of any work undertaken by them for the **Insured** the following insurance

- a) Employers' Liability insurance in accordance with any law relating to compulsory insurance of liability to employees
- b) Public Liability insurance covering legal liability for **Injury** to any person other than described in a) above and loss destruction or damage to property with a limit of indemnity of not less than the Limit of Indemnity stated in the Schedule

This condition shall not apply where bona fide subcontractors are engaged to carry out work on behalf of the **Insured** in an emergency and there is insufficient time to obtain a written record from such subcontractor provided that the **Insured** shall obtain verbal confirmation and confirm such confirmation in writing and retain a copy as a written record

2. Discharge of Liability

The **Insurers** may at any time pay to the **Insured** in connection with any claim or series of claims

- a) the amount of the Limit of Indemnity or
- b) any lesser amount for which such claim or claims can be settled less any sum or sums already paid as compensation claimant's and defence costs and expenses recoverable prior to the date of such payment

On payment the **Insurers** shall relinquish the conduct and control of and be under no further liability in connection with such claim or claims except for the payment of costs and expenses incurred prior to the date of such payment

3. Other Insurances

If any claim under this Section is also covered in whole or in part by any other existing insurance or by an indemnity from any other source the liability of the **Insurers** shall be limited to any excess beyond the amount which would have been payable under such other insurance or from such other source had this Section not been effected

SECTION 6 – TERRORISM

This Section of the Policy is operative only if stated in the Schedule

Section Definitions

The following words or phrases have the same meaning wherever they appear, in ***bold italics***, within this Section.

Business Interruption

Loss resulting from interruption of or interference with the **Business** carried on by the **Insured** at the **Premises** as a result of **Damage** to property used by the **Insured** at the **Premises** for the purpose of the **Business**

Computer Systems

A computer or other equipment or component or system or item which processes stores transmits or receives **Data**

Cyber Act

An unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer Systems**

Cyber Incident

- a) Any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **Computer Systems**
- b) Any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer Systems**

Damage

Physical loss destruction or damage

Data

Data of any sort whatever, including without limitation tangible or intangible data, and any programs or software bandwidth cryptographic keys databases documents domain names or network addresses or anything similar files interfaces metadata platforms processing capability storage media transaction gateways, user credentials websites or any information whatever

Denial of Service Attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks network services network connectivity or **Computer Systems** Denial of Service Attacks include but are not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **Computer Systems**

Hacking

Unauthorised access to any **Computer Systems** whether the property of the **Insured** or not

Phishing

Any access or attempted access to **Data** made by means of misrepresentation or deception.

Private Individual

Any person other than

1. company, association or partnership
2. a trustee or body of trustees where insurance is arranged under the terms of a trust
3. a person who owns residential property for the purpose of a business as a sole trader
4. a person who owns residential property of which in excess of 20% is commercially occupied
5. an executor of a will

Where

- (i) the residential property is occupied by a trustee, executor of a will or a sole trader as a private residence and the property is not a block of flats then each will be classified as a private individual in respect of that property

- (ii) more than one person is named on the Policy but each is a private individual, or one of the parties named is a financial interest that has simply had their interest noted then the Policy will be classified as being in the name of a private individual

Terrorism

For risks located in England, Wales and Scotland except for residential property insured in the name of a private individual

Acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of His Majesty's Government in the United Kingdom or any other government de jure or de facto.

For risks located in the Channel Islands, Isle of Man and residential property located in England, Wales and Scotland insured in the name of a private individual

An act of any person(s) acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of any government de jure or de facto.

Virus or Similar Mechanism

Program code programming instruction or any set of instructions constructed with the purpose and ability or purposely used to damage interfere with adversely affect infiltrate or monitor computer programs **Computer Systems Data** or operations whether involving self-replication or not

The definition of Virus or Similar Mechanism includes but is not limited to trojan horses worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage interfere with adversely affect infiltrate or monitor as above

Cover

The insurance provided under Section 1 – Property All Risks and Section 2 – Business Interruption of this Policy is extended to include **Damage** to the property insured or loss resulting from interruption or interference with the **Business** as a result of **Damage** to property used by the **Insured** at the **Premises** or other insured loss directly resulting from **Damage** which impacts the **Business** carried on by the **Insured** at the **Premises** where covered caused by, happening through or as a result of **Terrorism**

Where Section 1 – Property All Risks is shown as being applicable and Goods in transit cover is shown as being insured on the policy schedule this section is extended to include **Damage** to property insured under the Goods in transit optional cover for losses caused by **Terrorism**

All losses arising within 72 hours caused by **Terrorism** during the **Period of Insurance** will be treated as one loss and the **Insured** can decide when the 72 hour period starts as covered by this section, provided that all **Damage** occurs within the **Period of Insurance** and that no two periods overlap.

Extension

The **Insurers** will extend the cover provided under the Murder, suicide or disease cover under Section 2 – Business Interruption to include loss caused by **Terrorism**, subject to the following restrictions

Cover for **Terrorism** under the Murder suicide or disease cover applies for **Terrorism** set out in Section 2 – Business Interruption except that it will only cover losses due to the actions of the police competent authority or any other statutory authority caused by **Terrorism**

All losses arising within 72 hours caused by **Terrorism** during the **Period of Insurance** will be treated as one loss and the **Insured** can decide when the 72 hour period starts as covered by this section provided that all damage or loss occurs within the **Period of Insurance** and that no two periods overlap

The following Electronic risks exclusion applies to this cover

Electronic risks exclusion

The **Insurer** will not cover any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

1. damage to or the destruction of any **Computer Systems**
2. any alteration modification distortion erasure or corruption of **Data**

in each case whether the property of the **Insured** or not where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **Virus or Similar Mechanism** or **Hacking** or **Phishing** or **Denial of Service Attack**

Exclusions to Section 6

The following exclusions are applicable to all locations

1. Excluded Property
The **Insurers** will not cover the **Insured** for any losses directly or indirectly caused by or resulting from loss destruction or damage to or at any
 - a) property located outside England, Wales, Scotland, the Channel Islands and the Isle of Man and property in the territorial seas adjacent thereto as defined by the Territorial Seas Act 1987
 - b) Nuclear installation or nuclear reactor
 - c) property which is specifically excluded elsewhere in this Policy
2. Motor
The **Insurers** will not cover the **Insured** for any property
 - a) covered by a motor policy other than a motor trade policy
 - b) covered under a Road Risk section of a motor trade policy
3. Other insurances
The **Insurers** will not cover the **Insured** for any property which is insured by or would, but for the existence of this Policy, be insured by any form of transit, aviation or marine policy.

The following exclusions are applicable to risks in England, Wales and Scotland only and where the risks are not residential property insured in the name of a private individual

1. Cyber
The **Insurers** will not cover any losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from
 - a) damage to or the destruction of any **Computer Systems**
 - b) any alteration, modification, distortion, erasure or corruption of **Data**in each case whether the **Insured's** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **Virus or Similar Mechanism** or **Hacking** or **Phishing** or **Denial of Service Attack**.
But this exclusion will not apply where the loss
 - A) results directly from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such a vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any **Computer Systems**,
and
 - B) comprises
 - i. the cost of reinstatement, replacement or repair in respect of **Damage** to or destruction of property insured by the **Insured** and/or
 - ii. **Business Interruption** suffered directly by the **Insured** as a direct result of either **Damage** or destruction to property used by the **Insured** at a location covered by this Policy or as a direct result of denial, prevention or hindrance of access to a location where property used by the **Insured** is covered by this Policy as a result of **Damage** caused by **Terrorism** to property which is within one mile of the locationHowever, under A) and B) above the **Insurers** will not cover the **Insured** for any losses caused by **Terrorism** where the organisation involved or any persons acting on behalf of or in connection with that organisation are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state
Subject only to the proviso set out in C) below, the following property is specifically excluded from the cover provided under A) and B) above
 - i) money, currency, electronic cryptographic or virtual currency, including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any financial instrument of any sort whatever
and
 - ii) **Data**.C) However in circumstances where loss otherwise falling within this section results indirectly from any alteration, modification, distortion, erasure or corruption of **Data** because the occurrence of a peril or

perils detailed under A) above results from any alteration, modification, distortion, erasure or corruption of **Data** then notwithstanding ii) above, such loss shall nonetheless be covered.

2. War Risks

The **Insurers** will not cover any claims caused by or happening through riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

The following exclusions are applicable to risks in the Channel Islands, Isle of Man and to residential property risks insured in the name of a private individual for England, Wales and Scotland.

1. Cyber

The **Insurers** will not cover any loss, damage, cost or expense directly or indirectly caused by, contributed to by, arising from, occasioned by or resulting from

- a) Any **Cyber Act** including but not limited to **Hacking, Phishing, Denial of Service Attack** or the transmission of any Virus or Similar Mechanism
- b) any **Cyber Incident**.

2. Deliberate loss or damage

The **Insurers** will not cover the **Insured** for any loss, damage, cost or expense caused, or allowed to be caused, deliberately, wilfully, maliciously, illegally or unlawfully by the **Insured**

3. Disease

- a) Notwithstanding any provision to the contrary within this section, this section excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a **Communicable Disease** or the fear or threat (whether actual or perceived) of a **Communicable Disease** regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- b) This exclusion does not apply to **Damage** to property and any **Business Interruption** loss directly resulting therefrom and otherwise covered under this section, where such **Damage** arises from a **Defined Peril**.

4. Pollution and Contamination

The **Insurers** will not cover damage, or any other loss or expense resulting or arising from damage to any property, or any consequential loss directly or indirectly caused by or contributed to by, or in connection with, or arising from biological or chemical pollution or contamination.

5. Radioactive Contamination

The **Insurers** will not cover damage, or any other loss or expense resulting or arising from damage to any property, or any consequential loss, directly or indirectly caused by or contributed to by or arising from

- a) ionising radiations or contamination by radioactivity from any nuclear fuel, nuclear waste from the combustion of nuclear fuel, radioisotopes, or any other nuclear or radioactive material
- b) buildings, plant or equipment for the generation of nuclear power, or production, use or storage of nuclear fuel, nuclear waste from the combustion of nuclear fuel, radioisotopes, or any other nuclear or radioactive material
- c) transportation of nuclear fuel, nuclear waste from the combustion of nuclear fuel, radioisotopes, or any other nuclear or radioactive material
- d) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of that assembly
- e) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter

6. War Risks

The **Insurers** will not cover the **Insured** for any claims caused by or happening through war, invasion, act of foreign enemies, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition, seizure or destruction or damage to property by or under the order of any government or public or local authority

Conditions

The **Insured** must comply with the following conditions to have the full protection of the Policy.

Some conditions specify circumstances whereby non-compliance will mean that the **Insured** will not receive payment for a claim. However, the **Insured** will be covered and the **Insurers** will pay the claim if the **Insured** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

1. Limitation of Liability

The **Insurers** liability for all losses from any one event and in total in any one **Period of Insurance** will not exceed

- a) the total sums insured, or
- b) for each item its individual sum insured, or
- c) any other limit of liability, or
- d) the sum insured (or limit remaining) after the deduction for any other **Damage** occurring during the same **Period of Insurance**

whichever is the less as stated within the Sections applicable shown in the schedule

2. Proof of cover

In any action, lawsuit or other proceedings or where the **Insurers** state that any loss, damage, costs or expense is not covered by this section it will be the **Insured's** responsibility to prove that they are covered.

SECTION 7 – COMMERCIAL LEGAL EXPENSES

Section Definitions

The following words or phrases have the same meaning wherever they appear, in ***bold italics***, within this Section. If a term below is also defined in the General Definitions the definition below replaces the General Definition for purposes of this Section.

Appointed Advisor

The

1. solicitor, accountant or other advisor (who is not a mediator), appointed by ***Us*** to act on behalf of the ***Insured***;
2. mediator appointed by ***Us*** to provide impartial dispute resolution in relation to a claim accepted by ***Us***.

Business

The occupation, trade profession or enterprise carried out by the entity shown in the Schedule that attaches to this policy.

Collective Conditional Fee Agreement

A legally enforceable agreement entered into on a common basis between the ***Appointed Advisor*** and ***Us*** to pay their professional fees on the basis of either

1. 100% “no-win no-fee” or
2. where discounted, that a discounted fee is payable.

Conditional Fee Agreement

A legally enforceable agreement between ***You*** and the ***Appointed Advisor*** for paying their professional fees on the basis of either

1. 100% “no-win no-fee” or
2. where discounted, that a discounted fee is payable.

Employee

A worker who has or alleges they have entered into a contract of service with ***You***.

Insured

1. ***You, Your*** directors, partners, managers, officers and ***Employees*** of ***Your Business***.
2. A person declared to ***Us***, who is contracted to perform work for ***You***, who in all other respects ***You*** have arranged to insure on the same basis as ***Your Employees*** and who performs work under ***Your*** supervision.

Insurer

ARAG Legal Expenses Insurance Company Limited.

Legal Costs & Expenses

1. Reasonable legal costs and disbursements reasonably and proportionately incurred by the ***Appointed Advisor*** on the standard basis and agreed in advance by ***Us***. The term “standard basis” can be found within the Courts’ Civil Procedure Rules Part 44.3.
2. In civil claims, other side’s costs, fees and disbursements where the ***Insured*** has been ordered to pay them or pays them with ***Our*** agreement.
3. Reasonable accountancy fees reasonably incurred under Insured event 4 Tax Disputes by the ***Appointed Advisor*** and agreed by ***Us*** in advance.
4. Health and Safety Executive Fees for Intervention.
5. ***Your Employee’s*** basic wages or salary under Insured event 9 Loss of Earnings in the course of their employment with ***You*** while attending court or tribunal at the request of the ***Appointed Advisor*** or whilst on jury service where lost wages or salary cannot be claimed back from the court or tribunal.
6. The reasonable cost of phone calls, postage (including special delivery), image scanning, photocopying or credit reports incurred under Insured event 11 c) where the ***Insured*** has taken advice from ***Our*** Executive Suite -Identity Theft Resolution helpline.
7. The professional fees and expenses of an ***Appointed Advisor*** selected by ***Us*** to reduce the actual adverse or negative publicity or media attention directed under Insured event 11 e) Executive Suite and 13 Crisis Communication.

Reasonable Prospects of Success

1. Other than as set out in 2. and 3. below, a greater than 50% chance of the **Insured** successfully pursuing or defending the claim and, if the **Insured** is seeking damages or compensation, a greater than 50% chance of enforcing any judgment that might be obtained. Under Insured event 12 Contract & Debt Recovery, there must be a greater than 50% chance of successfully defending the claim in its entirety.
2. In criminal prosecution claims where the **Insured**
 - a) pleads guilty, a greater than 50% chance of reducing any sentence or fine or
 - b) pleads not guilty, a greater than 50% chance of that plea being accepted by the court.
3. In all claims involving an appeal, a greater than 50% chance of the **Insured** being successful.

Where it has been determined that **Reasonable Prospects of Success** do not exist, the **Insured** shall be liable to pay any legal costs incurred should they pursue or defend their claim irrespective of the outcome.

Territorial Limit

1. For Insured events 6 Legal Defence and 12 Contract & Debt Recovery the United Kingdom, Channel Islands, Isle of Man, Norway, Switzerland and countries in the European Union.
2. For all other covers the United Kingdom, Channel Islands and the Isle of Man.

We/Us/Our

ARAG plc who is authorised under a binding authority agreement to administer this insurance on behalf of the **Insurer**

You/Your

The individual, partnership or corporate body named in the Schedule, including any subsidiary and/or associated companies.

Privacy Statement

This is a summary of how **We**, on behalf of the **Insurer**, collect, use, share and store personal information. To view **Our** full privacy statement, please see **Our** website <https://www.arag.co.uk/data-legal/privacy-notice/>

Collecting Personal Information

ARAG may be required to collect certain personal or sensitive information which may include name, address, date of birth and if appropriate medical information. **We** will hold and process this information in accordance with all relevant data protection regulations and legislation. Should **We** ask for personal or sensitive information, **We** undertake that it shall only be used in accordance with **Our** privacy statement.

We may also collect information for other parties such as suppliers **We** appoint to process the handling of a claim.

Using Personal or Sensitive Information

The reason **We** collect personal or sensitive information is to fulfil **Our** contractual and regulatory obligations in providing this insurance product, for example to process premium or handle a claim. To fulfil these obligations, **We** may need to share personal or sensitive information with other organisations.

We will not disclose personal or sensitive information for any purpose other than the purpose for which it was collected.

Please refer to **Our** full privacy statement for full details.

Keeping Personal Information

We shall not keep personal information for any longer than necessary.

Your Rights

Any person insured by this policy has a number of rights in relation to how **We** hold personal data including; the right to a copy of the personal data **We** hold; the right to object to the use of personal data or the withdrawal of previously given consent; the right to have personal data deleted.

Cover

Following an Insured event, the **Insurer** will pay **Legal Costs & Expenses** including the cost of appeals (and compensation awards under Insured event 2 Employment Compensation Awards), up to

- a) £250,000 for all claims related by the to me or originating cause

- b) an aggregate limit of £1,000,000 for compensation awards under Insured event 2 Employment Compensation Awards;

subject to all the following requirements being met:

- 1) **You** have paid the insurance premium.
- 2) The **Insured** keeps to the terms of this policy and cooperates fully with **Us**.
- 3) Unless otherwise stated in this policy, the event arises in connection with **Your Business** and occurs within the **Territorial Limit**.
- 4) The claim
 - a) always has **Reasonable Prospects of Success** and
 - b) is reported to **Us**
 - i) during the **Period of Insurance** and
 - ii) as soon as the **Insured** first becomes aware of circumstances which could give rise to a claim.
- 5) Unless there is a conflict of interest, the **Insured** always agrees to use the **Appointed Advisor** chosen by **Us**
 - a) in any claim to be heard by an Employment Tribunal and/or
 - b) before proceedings have been or need to be issued.
- 6) Any dispute will be dealt with through mediation or by a court, tribunal, Advisory Conciliation and Arbitration Service or a relevant regulatory or licensing body within the **Territorial Limit**.

We consider that a claim has been reported to **Us** when **We** have received the **Insured's** fully completed claim form.

This Section of the Policy will pay any otherwise covered claim involving the use of or inability to use a computer, including devices such as smart phones, tablets and wearable technology. This cover is subject to all other policy terms.

INSURED EVENTS COVERED	EXCLUSIONS
1 Employment A dispute between You and Your Employee, ex-Employee, or a prospective Employee, arising from a breach or an alleged breach of their (a) contract of service with You (b) related legal rights. You can claim under the policy as soon as all internal procedures as set out in the i) ACAS Code of Practice for Disciplinary and Grievance Procedures, or ii) Labour Relations Agency Code of Practice on Disciplinary and Grievance Procedures in Northern Ireland have been or ought to have been concluded.	Any claim arising from or relating to: 1 the pursuit of an action by You other than an appeal against the decision of a court or tribunal 2 actual or alleged redundancy that is notified to Employees within 180 days of the start of this policy, except where You have had equivalent cover in force up until the start of this policy 3 costs You incur to prepare for an internal disciplinary hearing, grievance or appeal 4 a pension scheme where actions are brought by ten or more Employees or ex-Employees.
2 Employment Compensation Awards Following a claim We have accepted under Insured event 1 Employment, the Insurer will pay any a) basic and compensatory award or b) an amount agreed by Us in settlement of a dispute. Provided that compensation is: i) agreed through mediation or conciliation or under a settlement approved by Us in advance or ii) awarded by a tribunal judgment after full argument unless given by default.	1 Money due to an Employee under a contract or a statutory provision relating thereto. 2 Compensation awards or settlement relating to i) trade union membership, industrial or labour arbitration or collective bargaining agreement ii) civil claims or statutory rights relating to trustees of occupational pension schemes.
3 Employment Restrictive Covenants a) A dispute with Your Employee or ex-Employee which arises from their breach of a restrictive covenant where You are seeking financial remedy or damages. Provided that the restrictive covenant i) is designed to protect Your legitimate business interests, for a period not exceeding 12 months and	

ii) is evidenced in writing and signed by Your Employee or ex-Employee and iii) extends no further than is reasonably necessary to protect the Business interests. b) A dispute with another party who alleges that You have breached their legal rights protected by a restrictive covenant.	
4 Tax Disputes a) A formally notified enquiry into Your Business tax. b) A dispute about Your compliance with HMRC regulations relating to Your Employees, workers or payments to contractors. c) An enquiry with HMRC about Value Added Tax. Provided that: a) You keep proper records in accordance with legal requirements and b) in respect of any appealable matter You have requested an Internal Review from HMRC where available.	Any claim arising from or relating to: 1 tax returns which are submitted late or for any other reason, result in HMRC imposing a penalty, or which contain careless and/or deliberate misstatements or omissions 2 an investigation by the Fraud Investigation Service of HMRC 3 circumstances where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to Your financial arrangements 4 any enquiry that concerns assets, monies or wealth outside of the United Kingdom 5 Your failure to register for VAT.
5 Property A dispute relating to material property which You own or is Your responsibility a) following an event which causes physical damage to Your material property b) following a public or private nuisance or trespass c) which You wish to recover or repossess from an Employee or ex-Employee.	Any claim arising from or relating to: 1 a contract between You and a third party except for a claim under 5 c) 2 goods lent or hired out 3 compulsory purchase, demolition restrictions, controls or permissions placed on land or property by any government, local or public authority.
6 Legal Defence a) A criminal investigation and/or enquiry by: i) the police ii) other body with the power to prosecute where it is suspected that an offence may have been committed that could lead to the Insured being prosecuted. b) The charge for an offence or alleged offence which leads to the Insured being prosecuted in a court of criminal jurisdiction.	Any claim relating to a parking offence.
7 Compliance & Regulation a) Receipt of a Statutory Notice that imposes terms against which You wish to appeal. b) Notice of a formal investigation or disciplinary hearing by any professional or regulatory body. c) A civil action alleging wrongful arrest arising from an allegation of theft. d) A claim against You for compensation under the Data Protection Act 2018 provided that i) You are registered with the Information Commissioner ii) You are able to evidence that You have in place a process to – investigate complaints from data subjects regarding a breach of their privacy rights – offer suitable redress where a breach has occurred and that Your complaints process has been fully engaged.	Any claim arising from or relating to: 1 the pursuit of an action by You other than an appeal 2 a routine inspection by a regulatory authority 3 an enquiry, investigation or enforcement action by HMRC 4 a claim brought against Your Business where unlawful discrimination has been alleged.

e) A civil action alleging that an Insured (or an ex-Employee provided that they have Your agreement to claim under this policy) has i) committed an act of unlawful discrimination; or ii) failed to correctly exercise their fiduciary duty as a trustee of a pension fund set up for the benefit of Your Employees.	
8 Statutory Licence Appeals An appeal against a formal written proposal by the relevant authority to alter, suspend, revoke or refuse to renew a licence or compulsory registration required to run Your Business.	
9 Loss of Earnings The Insured's absence from work to attend court, tribunal, arbitration, regulatory proceedings or a professional body's disciplinary hearing at the request of the Appointed Advisor or whilst on jury service which results in loss of earnings.	Any sum which can be recovered from the court.
10 Personal Injury An event that causes bodily injury to, or the death of, an Insured.	Any claim arising from or relating to a condition, illness or disease which develops gradually over time.
11 Executive Suite This event applies only to the principal, executive officers, directors and partners of Your Business a) An HMRC enquiry into the executive's personal tax affairs b) A motoring prosecution that arises from driving for personal, social or domestic use, including commuting to or from Your Business c) A claim that arises from personal identity theft provided that the person claiming has sought and followed advice from the Executive suite identity theft resolution helpline d) A dispute that arises from the terms of Your Business partnership agreement that is to be referred to mediation e) Crisis communication as described in Insured event 13 below shall be available to the principal, executive officers, directors and partners of the Business for matters occurring in their private and personal capacity that cause significant adverse publicity or reputational damage.	1 Any claim arising from or relating to: i) tax returns which are submitted late or for any other reason, result in HMRC imposing a penalty or which contain careless and/or deliberate misstatements or omissions ii) an investigation by the Fraud Investigation Service of HMRC iii) circumstances where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to the executive's financial arrangements iv) any enquiry that concerns assets, monies or wealth outside of the United Kingdom v) a parking offence vi) costs incurred in excess of £25,000 for a claim under 11 d) and 11 e). 2 Crisis communication for a matter that has not actually resulted in adverse publicity appearing online, in print or broadcast.
12 Contract & Debt Recovery A breach or alleged breach of an agreement or alleged agreement which has been entered into by You or on Your behalf to buy, sell, hire, lease, goods or services or to rent Your Business premises, provided that if You are claiming for an undisputed debt You have exhausted Your normal credit control procedures.	Any claim arising from or relating to: 1 an amount which is less than £200 2 disputes with a tenant or leasee where You are the landlord or lessor 3 the sale or purchase of land or buildings 4 loans, mortgages, endowments, pensions or any other financial product 5 computer hardware, software, internet services or systems which a) have been supplied by You or b) have been tailored to Your requirements 6 a breach or alleged breach of a professional duty by an Insured 7 the settlement payable under an insurance policy 8 a dispute relating to an Employee or ex-Employee 9 adjudication or arbitration.

13 Crisis Communication Following an event which causes significant adverse publicity or reputational damage which is likely to have a widespread financial impact on Your Business, We will - liaise with You and Your solicitor (whether the solicitor is an Appointed Advisor under this policy, or acts on Your behalf under any other policy), to draft a media statement or press release - prepare communication for Your staff/customers/suppliers and/or a telephone or website script or social media messaging - arrange, support and represent an Insured at an event which media will be reporting - support the Insured by taking phone calls/emails and managing interaction with media outlets - support and prepare the Insured for media interviews provided that You have sought and followed advice from Our Crisis Communication helpline.	Any claim arising from or relating to: - matters that should be dealt with through Your normal complaints procedures - a matter that has not actually resulted in adverse publicity appearing online, in print or broadcast - costs incurred in excess of £25,000.
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Conditions to Section 7

Where the **Insurer's** risk is affected by the **Insured's** failure to keep to these conditions the **Insurer** can refuse a claim or withdraw from an ongoing claim. The **Insurer** also reserves the right to claim back **Legal Costs & Expenses** from the **Insured** if this happens.

1. The Insured's Responsibilities

An **Insured** must:

- tell **Us** immediately of anything that may make it more costly or difficult for the **Appointed Advisor** to resolve the claim in the **Insured's** favour
- cooperate fully with **Us**, give the **Appointed Advisor** any instructions **We** require, and keep them updated with progress of the claim and not hinder them
- take reasonable steps to claim back **Legal Costs & Expenses** and, where recovered, pay them to the **Insurer**
- allow the **Insurer** at any time to take over and conduct in the **Insured's** name, any claim.

2. Freedom to Choose an Appointed Advisor

- In certain circumstances as set out in 2. b) below the **Insured** may choose an **Appointed Advisor**. In all other cases no such right exists and **We** shall choose the **Appointed Advisor**.
- If:
 - a suitably qualified advisor considers that it has become necessary to issue proceedings or proceedings are issued against an **Insured**, or
 - there is a conflict of interest
 the **Insured** may choose a qualified **Appointed Advisor** except, where the **Insured's** claim is to be dealt with by the Employment Tribunal, **We** shall always choose the **Appointed Advisor**.
- Where the **Insured** wishes to exercise the right to choose, the **Insured** must write to **Us** with their preferred representative's contact details.
- Where the **Insured** chooses to use their preferred representative, the **Insurer** will not pay more than **We** agree to pay a solicitor from **Our** panel and will pay only the costs that the **Insurer** would have been liable to pay. (**Our** panel solicitor firms are chosen with care and **We** agree special terms with them including rates which may be lower than those available from other firms).
- If the **Insured** dismisses the **Appointed Advisor** without good reason, or withdraws from the claim without **Our** written agreement, or if the **Appointed Advisor** refuses with good reason to continue acting for an **Insured**, the **Insurer's** liability in respect of that claim will end immediately.
- In respect of pursuing a claim **You** must enter into a **Conditional Fee Agreement** (unless the **Appointed Advisor** has entered into a **Collective Conditional Fee Agreement**) where legally permitted.

3. **Consent**

- a) The **Insured** must agree to **Us** having sight of the **Appointed Advisor's** file relating to the **Insured's** claim. The **Insured** is considered to have provided consent to **Us** or **Our** appointed agent to have sight of their file for auditing and quality and cost control purposes.
- b) An **Insured** must have **Your** agreement to claim under this policy.

4. **Settlement**

- a) The **Insurer** can settle the claim by paying the reasonable value of the **Insured's** claim.
- b) The **Insured** must not negotiate or settle the claim without **Our** written agreement.
- c) If the **Insured** refuses to settle the claim following advice to do so from the **Appointed Advisor** the **Insurer** reserves the right to refuse to pay further costs.

5. **Barrister's Opinion**

We may require the **Insured** to obtain and pay for an opinion from a barrister if a dispute arises regarding the merits or value of the claim. If the opinion supports the **Insured**, then the **Insurer** will reimburse the reasonable costs of that opinion. If that opinion conflicts with advice obtained by **Us**, then the **Insurer** will pay for a final opinion which shall be binding on the **Insured** and **Us**. This does not affect the **Insured's** right under Condition 6. below.

6. **Arbitration**

If any dispute between the **Insured** and **Us** arises from this policy, the **Insured** can make a complaint to **Us** as described on page 4 of this policy and **We** will try to resolve the matter. If **We** are unable to satisfy the **Insured's** concerns and the matter can be dealt with by the Financial Ombudsman Service the **Insured** can ask them to arbitrate over the complaint.

If the dispute cannot be dealt with by the Financial Ombudsman Service, it can be referred for independent arbitration to a qualified person agreed upon by both parties. The loser of the dispute shall be liable to pay the costs incurred.

If **We** and the **Insured** fail to agree on a suitable person to arbitrate the matter **We** will ask the President of the relevant Law Society to nominate. The arbitration shall be subject to the Arbitration Acts and the arbitrator's decision shall be binding on the parties.

7. **Other Insurance**

The **Insurer** will not pay more than their fair share (rateable proportion) for any claim covered by another policy, or any claim that would have been covered by any other policy if this policy did not exist.

8. **Fraudulent Claims and Claims Tainted By Dishonesty**

- a) If the **Insured** makes any claim which is fraudulent or false, the policy may become void and all benefit under it may be lost.
- b) An **Insured** shall at all times be entirely truthful, accurate and open in any evidence, disclosure or statement they give and shall act with complete honesty and integrity throughout. Where, on the balance of probabilities and having considered carefully all the facts of the claim, it appears that the **Insured** has breached this condition and that the breach has:
 - i) affected **Our** assessment of **Reasonable Prospects of Success**, and/or
 - ii) prejudiced in any part the outcome of the **Insured's** claimthe **Insurer** shall have no liability for **Legal Costs & Expenses** incurred from the date of the **Insured's** breach.

9. **Cancellation**

In addition to the Cancellation conditions as set out under the General Conditions, the **Insurer** may also cancel the policy and refund the premium for the remaining **Period of Insurance** if at any time **You**:

- i) enter into a voluntary arrangement or a deed of arrangement or
- ii) become bankrupt, are placed into administration, receivership or liquidation or
- iii) have **Your** affairs or property in the care or control of a receiver or administrator.

10. **Acts of Parliament, Statutory Instruments, Civil Procedure Rules & Jurisdiction**

All legal instruments, bodies and rules referred to within this policy shall include the equivalent in Wales, Scotland, Northern Ireland, the Isle of Man and the Channel Islands and any subsequent amendment or replacement. This policy will be governed by English law.

Exclusions to Section 7

The **Insured** is not covered for any claim arising from or relating to:

1. costs or compensation awards incurred without **Our** consent
2. any actual or alleged act, omission or dispute happening before, or existing at the start of the insurance provided by this policy, and which the **Insured** knew or ought reasonably to have known could lead to a claim
3. an allegation against the **Insured** involving:
 - a) assault, violence, malicious falsehood or defamation
 - b) indecent or obscene materials
 - c) the use of alcohol or its unauthorised or unregulated manufacture, unlicensed dealing in alcohol or dealing in or using illegal drugs
 - d) illegal immigration
 - e) money laundering or bribery offences, breaches of international sanctions, fraud, or any other financial crime activitiesexcept in relation to Insured event 13 Crisis Communication
4. defending a claim in respect of damages for personal injury (other than injury to feelings in relation to Insured event 1 Employment), or defending a claim in respect of loss or damage that has been caused to **Your** property
5. National Minimum Wage and/or National Living Wage Regulations
6. patents, copyright, passing-off, trade or service marks, registered designs and confidential information (except in relation to Insured event 3 Employment Restrictive Covenants)
7. a dispute with any subsidiary, parent, associated or sister company or between shareholders or business partners (except in relation to mediation under Insured event 11 d))
8.
 - a) a franchise agreement
 - b) an agency agreement through which one party has the legal capacity to alter the legal relations of the other
9. a judicial review
10. a dispute with **Us**, the **Insurer** or the party who arranged this cover not dealt with under Condition 6.
11. The payment of fines, penalties or compensation awarded against the **Insured** (except as covered under Insured event 2 Employment Compensation Awards); or costs awarded against the **Insured** by a court of criminal jurisdiction.

How to make a claim

Telling us about your claim

1. If an **Insured** needs to make a claim, they must notify **Us** as soon as possible.
2. If an **Insured** instructs their own solicitor or accountant without telling **Us**, they will be liable for costs that are not covered by this policy.
3. A claim can be made online at www.arag.co.uk/newclaims. Alternatively an **Insured** can obtain a claim form by downloading one at www.arag.co.uk/newclaims or by calling **Us** on **0330 303 1955** between 9am and 5pm weekdays (except bank holidays).
4. The completed application and supporting documentation can be submitted online or sent to **Us** by email, or post. Further details are set out on **Our** website.

What happens next?

1. **We** will send the **Insured** an acknowledgment by the end of the next working day after receiving their claim.
2. Within five working days of receiving all the information needed to assess the availability of cover under the policy, **We** will contact the **Insured** either:
 - a) confirming cover under the terms of this policy and advising the **Insured** of the next steps to progress their claim; or
 - b) if the claim is not covered, **We** will explain in full the reason(s) why and advise whether **We** can assist in another way.
3. When a representative is appointed they will try to resolve the **Insured's** dispute without delay, arranging Alternative Dispute Resolution, such as mediation, whenever appropriate.
4. **We** will check on the progress of the **Insured's** claim with the **Appointed Advisor** from time to time. Sometimes matters cannot be resolved quickly, particularly if the other side is slow to cooperate or a legal timetable is decided by the courts.

