

Commercial Combined Policy Wording

Please read this insurance document carefully to make sure it meets Your needs.

Keep this insurance document in a safe place.

This insurance is effected by:

ERGO Versicherung AG, UK Branch

Index for Your Commercial Combined Policy

	Page No
Important Helplines	2
Welcome	3
Your Obligations	3
Your Policy	4
Section 1 - Property Damage	5
Section 2 - Business Interruption	16
Section 3 - Goods in Transit	27
Section 4 - Money and Assault	31
Section 5 - Employers' Liability	34
Section 6 - Public Liability and Products Liability	37
Section 7 - All Risks (Specified Items)	46
Section 8 - Personal Accident	48
Section 9 - Directors and Officers Liability	51
Section 10 - Equipment Breakdown	54
Section 11 - Legal Expenses	59
Section 12 – Frozen Food	67
Section 13 - Loss of Licence	68
Section 14 - Terrorism	70
Section 15 – General Definitions	73
Section 16 - Policy Conditions	74
• Sub-Section 16A - General Conditions	74
• Sub-Section 16B - Special Conditions and Clauses	79
Section 17 - General Exclusions	83
Section 18 - Claims Procedure	86
Section 19 - Enquiries and Complaints Procedure	87



Important Helplines

Claims for all Sections (*other than* Section 11 – Legal Expenses)

Your claims will be dealt with by **Davies Managed Systems Limited (DMS)**.

Your claims should be notified to DMS by Telephone: 0344 856 2035 (*other than* Sections 5, 6 and 11).

For **Section 5 – Employers’ Liability and Section 6 – Public Liability and Products Liability** claims
Telephone: 0344 856 2135

Alternatively, the following claims mailboxes can be used:

New claims only: ergo.newclaims@davies-group.com

Correspondence: claims@davies-group.com

For full details of how to make a claim please refer to **Section 18 – Claims Procedure**.

Claims for Section 11 - Legal Expenses

If You have a claim under **Section 11 – Legal Expenses**, please Telephone: 0117 934 2111

Other services provided under Section 11 - Legal Expenses (see Section 11 for full details)

EuroLaw Commercial Legal Advice	0117 934 2111
Tax Advice	0117 934 2111
Business Assistance	0117 934 2111

Counselling (calls not recorded)	0117 934 2121
----------------------------------	---------------

For full details of how to make a claim please refer to **Section 11 – Legal Expenses**.

Welcome

Introduction to Your Commercial Combined Insurance

This document sets out the terms and conditions of the contract of insurance between You and the Insurers.

This document, the Schedule and any endorsements applying to this insurance form Your Commercial Combined insurance Policy and should be read as if they were one document. Please read this document carefully. It is laid out in Sections. It is important that:

- You understand what each Section covers and does not cover;
- You understand Your own duties under each Section and under the insurance as a whole.

If there is anything You do not understand or any aspect of the Policy does not meet Your requirements, You should contact the Insurance Broker who arranged this Policy for You.

Sections 1 - 9 and 12 - 14 are underwritten by: ERGO Versicherung AG, UK Branch

ERGO Versicherung AG is a German insurance company with its headquarters at Victoriaplatz 2, 40477 Düsseldorf. Registered No: HRB36466. UK Branch registered in England and Wales, Registration No. BR016401. Registered Office: Plantation Place, 30 Fenchurch Street, London EC3M 3AJ.

ERGO Versicherung AG, UK Branch is authorised by Bundesanstalt für Finanzdienstleistungsaufsicht and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority. Details about the extent of Our regulation by the Financial Conduct Authority and Prudential Regulation Authority are available from Us on request.

Section 10 – Equipment Breakdown is underwritten by: HSB Engineering Insurance Limited

This Section is underwritten by HSB Engineering Insurance Limited. Registered in England and Wales No. 02396114, New London House, 6 London Street, London EC3R 7LP. Registered as a branch in Ireland: 906020. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Section 11 – Legal Expenses is underwritten by: DAS Legal Expenses Insurance Company Limited

This Section is underwritten by DAS Legal Expenses Insurance Company Limited. Registered in England and Wales. No.103274. Registered office: DAS House, Quay Side, Temple Back, Bristol BS1 6NH. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. (Financial Services Register No. 202106).

About Your Insurance Broker

Your Insurance Broker is the organisation that You arranged this insurance with and should be Your first point of contact for any queries You may have on the Policy, other than claims. Claims contact numbers can be found under the Important Helplines Section of this document.

See also Section 18 – **Claims Procedure** and Section 19 – **Enquiries and Complaints Procedure**.

Your obligations

Our acceptance of the risks insured is based on the information You have provided to Us in the Proposal. You have an obligation at the start of this insurance and at renewal to make a fair presentation of the risks which are relevant to Your Business. This includes any special or unusual circumstances which increase those risks and any particular concerns which have led You to seek this insurance. You must disclose to the Insurers all material facts which you know or ought to know about Your Business. Material facts are those which are relevant to the underwriting of a risk. They may be relevant (for example) either to the physical risk or to the personal background and characteristics (including the financial history) of You and Your Employees, senior management, directors, partners and owners of Your Business. Your Business should have a system in place to ensure that all material facts are disclosed, including what should reasonably be revealed by a reasonable search of information available to You, whether the search is conducted by making enquiries or by any other means.

Your Policy

This Policy is a legally binding contract which You have made with the Insurers.

The Insurers have agreed to provide the insurance described in this Policy or in any endorsement applying to this Policy for the Period of Insurance specified in the Schedule. The insurance provided by this Policy covers any loss, damage, destruction, accident or liability that happens during the Period of Insurance in accordance with the Sections of the Policy shown in the Schedule for which You have paid or agreed to pay the premium. The Insurers will indemnify or compensate You by payment or, at their option, replace reinstate or repair lost, damaged or destroyed property.

Our continued acceptance of the risk is based on any changes from the original information presented being advised to and accepted by Us.

The Policy contains many Sections and the Schedule identifies the Sections that are operative. A new Schedule will be issued to record any amendments to the cover. Please refer to the replacement documents and the Policy to see what cover is currently in force. Any expression to which a specific meaning has been attached in Section 15 – General Definitions or in any other Section of this Policy shall bear that meaning wherever it appears.

A different Insurer may provide the cover under certain Sections of this insurance. The name of the Insurer providing cover under that Section will be shown in the Section and on the Schedule.

Unless the Insurers and You agree otherwise, this Policy shall be subject to and construed solely in accordance with the law of England and Wales. The Insurers and You agree that all disputes arising out of or in connection with this Policy shall be subject to the exclusive jurisdiction of the courts of England and Wales.

The Insurers hold data in accordance with the Data Protection Act 1998. It may be necessary for the Insurers to pass data to other organisations that supply products and services associated with this contract of insurance. In order to verify information, or to prevent and detect fraud, the Insurers may share information You give them with other organisations and public bodies, including the police, who access and update various databases. If You give the Insurers false or inaccurate information and they suspect fraud, they will record this and the information will be available to other organisations that have access to the databases. The Insurers can supply details of the databases they access or contribute to on request.

If Your Policy provides Employers' Liability cover, certain information relating to Your insurance including, without limitation, the Policy number(s), employers' names and addresses (including subsidiaries and any relevant changes of name), coverage dates, employers' reference numbers provided by Her Majesty's Revenue and Customs, and Companies House reference numbers (if relevant), will be provided to the Employers' Liability Tracing Office ("ELTO") and added to an electronic database ("ELTO Database").

This information will be made available in a specified and readily accessible form as required by the Employers' Liability Insurance: Disclosure by Insurers Instrument 2011 and subsequent Instruments. The information will be subject to regular periodic updating and certification and will be audited on an annual basis.

The Database will assist individual consumer claimants who have suffered an employment related injury or disease arising out of the course of employment in the United Kingdom for employers carrying on, or who carried on, business in the United Kingdom and who are covered by the Employers' Liability insurance of their employers, (the "Claimants"):

- to identify which insurer (or insurers) was (or were) providing Employers' Liability cover during the relevant periods of employment; and
- to identify the relevant Employers' Liability insurance policies.

The Database will be managed by ELTO.

The Database and the data stored on it may be accessed and used by the Claimants, their appointed representatives, insurers with potential liability for United Kingdom commercial lines Employers' Liability insurance cover and any other persons or entities permitted by law.

By entering into this insurance Policy You will be deemed to specifically consent to the use of Your insurance Policy data in this way and for these purposes.

Section 1 – Property Damage

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 15 also apply to this Section. The General Conditions in Sub-Section 16A and General Exclusions in Section 17 also apply to this Section.

Definitions for Section 1 – Property Damage

Buildings

Buildings described in the Schedule, and including:

- a) landlords' fixtures and fittings;
- b) outbuildings, extensions, annexes, canopies, fixed signs, gangways, conveniences, lamp posts and street furniture;
- c) walls, gates and fences;
- d) drains, sewers, piping, ducting, cables, wires and associated control gear and accessories on the Premises, and extending to the public mains, but only to the extent of Your responsibility; and
- e) yards, car parks, roads, pavements, forecourts, all constructed of solid materials.

Computer and Electronic Business Equipment

All computers, computer installations and systems, microchips, integrated circuits, microprocessors, embedded systems, hardware and any electronic equipment, data processing equipment, information repository, telecommunication equipment, computer controlled or programmed machinery, equipment capable of processing data and similar devices, whether physical or remotely connected, for which You are responsible, all inside the Premises.

Contents

Contents belonging to You or held by You in trust for which You are legally responsible including:

- a) tenants' improvements, alterations and decorations, including closed circuit television and security systems;
- b) Employees', directors', partners', customers' and visitors' personal effects of every description (other than motor vehicles) not otherwise insured, for an amount not exceeding £500 in respect of any one person;
- c) Computer and Electronic Business Equipment;
- d) contents of outbuildings;
- e) contents in the open yards;
- f) patterns, models, moulds, plans and designs for an amount not exceeding the cost of the labour and materials expended in reinstatement;
- g) wines and spirits for an amount not exceeding £1,000; and
- h) contents temporarily at dwelling places of directors and senior staff.

but excluding:

- i) landlords' fixtures and fittings;
- ii) Stock and materials in trade;
- iii) Money and stamps (including National Insurance stamps) in excess of £500;
- iv) documents, manuscripts and business books, except for the cost of the materials and of clerical labour expended in reproducing such records;
- v) computer systems records, except for an amount not exceeding £10,000 in respect of the cost of the materials and of clerical labour and computer time expended in reproducing such records but not for the value to You of the information contained therein;
- vi) any expense in connection with the production of the information to be recorded in documents, manuscripts, business books or computer systems records; and
- vii) vehicles (and accessories) licensed for road use.

Damage

Damage shall mean accidental loss or destruction of or damage to the Property Insured.

Declared Value

Your assessment of the cost of reinstatement of the Property Insured at a level of costs applying at the time that such values are required by the Insurer as the basis for the calculation of the Policy premium (ignoring inflationary factors which may operate subsequently) together with, insofar as the insurance by the item provides, due allowance for:

- a) debris removal costs;
- b) professional fees; and
- c) additional cost of reinstatement to comply with European Community and Public Authority requirements.

Section 1 – Property Damage

Empty

Empty shall mean unoccupied or not in use.

Excess

The first amount of each and every claim (as shown in the Schedule) for which You are responsible at each separate Premises after the application of all other terms and conditions of this Policy including but not limited to any condition of Average.

Money

Cash, bank and currency notes, cheques, postal orders, money orders, crossed bankers drafts, current postage stamps, unused units in franking machines, National Savings Stamps and Certificates, National Insurance Stamps, trading stamps, gift tokens, customer redemption vouchers, VAT purchase receipts, credit company sales vouchers, credit card counterfoils, travellers tickets, holidays with pay stamps and luncheon vouchers.

Non-Standard Construction

Constructed of materials other than those detailed in the definition Standard Construction.

Standard Construction

Brick, stone or concrete built and roofed with slates, tiles, metal, concrete, asphalt or sheets or slabs composed entirely of incombustible mineral ingredients and plastic rooflights.

Stock

Stock and materials in trade, work in progress and finished goods belonging to You or held by You in trust for which You are legally responsible.

Territorial Limits

Great Britain, Northern Ireland, the Channel Islands, and the Isle of Man.

Cover

The Insurer agrees that if any of the Property Insured described in the Schedule suffers Damage at the Premises by any of the following Perils if shown as operative in the Schedule the Insurer will settle claims in accordance with the undernoted Basis of Claims Settlement.

Property Insured

Building(s) at the Premises as described on the Schedule.

Contents at the Premises as described on the Schedule.

Stock and materials in trade at the Premises as described on the Schedule.

Miscellaneous as described in the Schedule.

The values shown on the Schedule represent the maximum values at risk.

Limit of Liability

The liability of the Insurer under this Section shall not exceed in the whole the Total Sum Insured or the Sum Insured in respect of each item or any other Limit of Liability as stated herein or in the Schedule.

The Sum Insured under each item other than items solely applying to fees, removal of debris, rent, private dwelling houses, churches or other buildings in course of erection is separately subject to Average.

Section 1 – Property Damage

Perils

(Operative only if stated in the Schedule)

- A)** Fire excluding:
- a) Damage by explosion resulting from fire;
 - b) Damage to property caused by its undergoing any process involving the application of heat.
- B)** Lightning.
- C)** Aircraft or other aerial devices or articles dropped therefrom.
- D)** Explosion excluding Damage:
- a) caused by the bursting of any boiler economiser or other vessel machine or apparatus belonging to You or under Your control and in which internal pressure is due to steam only;
 - b) to any vessel machine or apparatus or its contents resulting from the explosion thereof; but this shall not exclude Damage caused by explosion of:
 - i) any boiler
 - ii) gasused for domestic purposes only.
- E)** Earthquake excluding Damage caused by fire.
- F)** Riot civil commotion strikers locked-out workers or persons taking part in labour disturbances or malicious persons excluding:
- a) Damage arising from nationalisation confiscation requisition seizure or destruction by order of the government or any public authority;
 - b) Damage arising from cessation of work;
 - c) as regards Damage directly caused by malicious persons not acting on behalf of or in connection with any political organisation:
 - i) Damage in the course of theft or attempted theft;
 - ii) Damage in respect of any Building which is Empty.
- G)** Storm or flood excluding:
- a) Damage solely due to change in the water table level;
 - b) Damage caused by frost subsidence ground heave or landslip;
 - c) Damage to fences gates and moveable property in the open.
- H)** Escape of water or oil from any tank apparatus pipe or appliance excluding:
- a) Damage by water discharged or leaking from an automatic sprinkler installation;
 - b) Damage in respect of any Building which is Empty.
- I)** Impact by any road or rail vehicle (including any fork lift truck or other industrial vehicle) or animal.
- J)** Accidental escape of water from any automatic sprinkler installation excluding:
- a) Damage by freezing in any building which is Empty;
 - b) Damage by heat caused by fire.
- K)** Theft or attempted theft excluding:
- a) Damage which does not involve:
 - i) entry to or exit from that part of any Building occupied by You for the purpose of the Business by forcible and violent means;
 - or
 - ii) actual or threatened assault or violence;
 - b) Damage from any part of the Building not occupied by You for the purpose of the Business;
 - c) Damage from the open or from any outbuilding;
 - d) Damage to property in transit;
 - e) Damage to Money and securities of any description.

Section 1 – Property Damage

- L)** Subsidence ground heave or landslip excluding:
- a) Damage arising from the settlement or movement of made-up ground or by coastal or river erosion;
 - b) Damage resulting from:
 - i) the construction demolition structural alteration or structural repair of any property;
 - ii) groundworks or excavation works;
at the Premises.
 - c) Damage arising from normal settlement or bedding down of new structures;
 - d) Damage commencing prior to the granting of cover under this insurance.
- M)** Any other accident excluding:
- a) Damage by any:
 - i) of the Perils;
 - ii) of the causes expressly excluded from the Perils;
specified in paragraphs **A)** to **L)** (whether or not insured);
 - b) Damage to any property caused by:
 - i) its own faulty or defective design or materials;
 - ii) inherent vice latent defect gradual deterioration wear and tear;
 - iii) faulty or defective workmanship operational error or omission on the part of You or any of Your Employees
but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded;
 - c) Damage caused by:
 - i) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects;
 - ii) change in temperature colour flavour texture or finish;
 - iii) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith;
 - iv) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates;
but this shall 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;
 - d) Damage caused by:
 - i) acts of fraud or dishonesty;
 - ii) disappearance unexplained or inventory shortage misfiling or misplacing of information;
 - e) Damage to:
 - i) any building or structure caused by its own collapse or cracking;
 - ii) moveable property in the open fences and gates by wind rain hail sleet snow flood or dust;
 - iii) property resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair.
 - f) Damage to:
 - i) property in transit;
 - ii) Money and securities of any description;
 - iii) vehicles licensed for road use (including accessories thereon) caravans trailers railway locomotives rolling stock watercraft or aircraft;
 - iv) property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection.

Section 1 – Property Damage

Basis of Claims Settlement

Unless stated otherwise in the Schedule the basis of settlement under this Section shall be:

1 Reinstatement:

The amount payable In respect of Buildings or Contents shall be the cost of reinstatement of the Damage.

For this purpose “reinstatement” means:

- a) the rebuilding or replacement of Property Insured lost or destroyed which provided Our liability is not increased may be carried out;
 - i) in any manner suitable to Your requirements
 - ii) upon another site
 - b) the repair or restoration of Property Insured damaged
- in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

Provided that:

- (1) Our liability for the repair or restoration of Property Insured damaged in part only shall not exceed the amount which would have been payable had such Property been wholly lost or destroyed.
- (2) If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the Property covered by any item subject to this Basis of Claims Settlement exceeds its Sum Insured at the commencement of any Damage Our liability shall not exceed that proportion of the amount of the Damage which the Sum Insured shall bear to the sum representing the total cost of reinstating the whole of such Property at that time.
- (3) No payment beyond the amount which would have been payable in the absence of this Basis of Claims Settlement shall be made:
 - a) unless reinstatement commences and proceeds without unreasonable delay
 - b) until the cost of reinstatement shall have been actually incurred
 - c) if the Property Insured at the time of the Damage shall be insured by any other insurance effected by You or on Your behalf which is not upon the same basis of reinstatement.
- (4) All the terms and conditions of this Policy shall apply:
 - a) in respect of any claim payable under the provisions of this Basis of Claims Settlement except insofar as it is varied hereby
 - b) where claims are payable as if this Basis of Claims Settlement had not been incorporated.

The maximum amount We will pay in respect of any one item is the Sum Insured.

2 Indemnity

The amount payable in respect of Stock and/or all other Property Insured shall be the value at the time of the Damage or at Our option the cost of reinstatement or replacement of such Property Insured or any part of it

Provided that:

if at the time of the Damage the Sum Insured for the item is less than the value of the item insured then Our liability shall be limited to that proportion of the Damage which the Sum Insured bears to the value of the Property Insured.

In respect of Rent, the insurance only applies if any of the Buildings or part thereof are unfit for occupation in consequence of Damage thereto but the amount payable shall not exceed such proportion of the Sum Insured on Rent as the period necessary for reinstatement bears to the term of the Rent insured.

Section 1 – Property Damage

Exclusions

What is not covered (see also General Exclusions):

- 1) Damage to Property which at the time of the happening of 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 insurance not been effected.
- 2) Damage caused by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.
- 3) Any property more specifically insured by You or on Your behalf.
- 4) Damage to any computer or other equipment or component or system or item which processes, stores, transmits or retrieves data, or any part of any computer, other equipment, component or system, whether tangible or intangible (including but without limitation any information or programs or software) and whether Your property or not where such Damage is caused by programming or operator error, Virus or Similar Mechanism or Hacking;
but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded provided that such Damage does not arise by reason of any malicious act or omission.

For the purpose of this exclusion the following definitions apply:

- a) Virus or Similar Mechanism shall mean program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not. This definition of Virus or Similar Mechanism includes but is not limited to Trojan horses, worms and logic bombs;
- b) Hacking shall mean unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data.

Clauses & Conditions that apply to Section 1 – Property Damage

1.1 Acquisitions

The insurance for Buildings and Contents extends to include:

- a) additions and extensions to the Property Insured (but not appreciation in value) made after the commencement of each annual Period of Insurance;
- b) any newly built or newly acquired Buildings or Contents;

at any Premises covered by this insurance or elsewhere in the Territorial Limits.

Provided that:

- a) such additional property is not otherwise insured;
- b) the Sum Insured by each item shall be increased for that period only by the value of the additional property insured but by no more than 10% of the Buildings or Contents Sum Insured or £250,000 whichever is the less;
- c) You provide the Insurer with details of these acquisitions as soon as practicable and pay the appropriate additional premium.

1.2 Architects, Surveyors, Legal and Consulting Engineers Fees

The insurance for Buildings and Contents items includes an amount in respect of architects', surveyors', legal and consulting engineers' fees necessarily incurred in the reinstatement or repair of the Property Insured consequent upon its Damage but not for preparing any claim it being understood that the amount payable under the item shall not exceed in total the limits stated in the Basis of Claims Settlement.

1.3 Automatic Reinstatement after a Loss

In the event of loss the limits stated in the Basis of Claims Settlement will be automatically reinstated from the date of the loss unless written notice to the contrary is given either by the Insurer or You and You shall pay any required premiums for reinstatement from that date.

1.4 Change of Tenancy

You must advise the Insurer of all changes in tenancy or occupation within the Premises, as specified in Section 16 Policy Conditions, General Condition 16A.1 – Alteration in Risk.

Section 1 – Property Damage

1.5 Construction of Buildings

Except as otherwise stated the Buildings described in the Schedule are of Standard Construction.

1.6 Contract Price

In respect only of goods sold, but not delivered, for which You are responsible subject to a sale contract, which following Damage is cancelled by reason of its conditions wholly or to the extent of the Damage the liability of the Insurer shall be based on the contract price.

For the purpose of this insurance the value of all goods to which this clause could apply in the event of Damage shall also be ascertained on this basis.

1.7 Damage to Landscaped Gardens

The Insurer will pay the cost of restoring landscaped gardens for which You are responsible which have suffered Damage caused by the Emergency Services in attending the Premises as a result of any Peril insured. The Insurer's liability under this clause shall not exceed £5,000 any one loss.

1.8 Day One Basis

Applicable only to those items showing a Declared Value as stated in the Schedule.

- 1) The Declared Value (shown in brackets below the Sum Insured) incorporated in each item to which this clause applies, having been stated in writing by You, has been used as the basis for calculating the premium.

For the purposes of this clause Declared Value shall mean:

Your assessment of the cost of reinstatement of Buildings and Contents arrived at in accordance with paragraph 1 of the Basis of Claims Settlement condition of this Section at the level of costs applying at the start of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with an allowance for:

- a) the additional cost of reinstatement to comply with:
 - i) European Union Legislation
 - ii) Act of Parliament
 - iii) Bye-Laws of any public authority
 - b) professional fees
 - c) debris removal costs
- 2) You must notify Us of the Declared Value at the start of each Period of Insurance. If You fail to notify Us of the Declared Value at the start of any Period of Insurance We will use the last Declared Value notified to Us for the following Period of Insurance.
 - 3) Provisions (2) and (4) of the Basis of Claims Settlement condition are for the purposes of this Day One Basis condition only deemed to be restated as follows:
 - (2) If at the time of the Damage the Declared Value is less than the cost of reinstatement of the Property Insured arrived at in accordance with paragraph 1 of this condition at the start of the Period of Insurance Our liability for any Damage will be limited to that proportion which the Declared Value bears to the cost of reinstatement of the Property Insured arrived at in accordance with paragraph 1 of this condition.
 - (4) All the terms and conditions of this Policy shall apply:
 - a) in respect of any claim payable under the provisions of this Basis of Claims Settlement except insofar as it is varied hereby;
 - b) where claims are payable as if this Basis of Claims Settlement had not been incorporated except that the Sums Insured shall be limited to 115% of the Declared Value.

1.9 Designation

For the purposes of determining where necessary the heading under which any property is insured the Insurer agrees to accept the designation under which such property has been entered in Your books.

1.10 Empty Buildings

- a) Whenever the Premises stated in the Schedule are unoccupied or not in use the Empty Buildings Condition below applies.
- b) You must notify the Insurer in writing immediately any Empty building or Empty portion of a building insured by this Policy becomes occupied or any occupied building becomes Empty and pay an additional premium if required.

Section 1 – Property Damage

1.11 Empty Buildings Condition

It is a condition precedent to the liability of the Insurer that whenever the Premises are Empty:

- a) You notify the Insurer immediately You become aware:
 - i) that the Building(s) are Empty; and
 - ii) of any Damage to the Empty Building(s) whether or not such loss, destruction or damage is insured;
- b) the Buildings are inspected internally and externally at least once during each week by You or on Your behalf;
- c) all trade refuse and waste materials are removed from the interior of the Premises and no accumulation of refuse and waste be allowed in the adjoining yards or spaces You own;
- d) You shall secure the Buildings and rectify any defects which render the Buildings insecure; and
- e) the gas, water and electricity supplies are turned off at the mains (except electricity needed to maintain any fire or intruder alarm system in operation).

1.12 European Community and Public Authorities (Including Undamaged Property)

Subject to the following Special Conditions the insurance for Buildings and Contents in this Section extends to include such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the stipulations of:

- a) European Community legislation; or
 - b) Building or other regulations under or framed in pursuance of any Act of Parliament or bye-laws of any Public Authority;
- (hereafter referred to as 'Stipulations') in respect of:
- i) the lost, destroyed or damaged property thereby insured; and
 - ii) undamaged portions of that property.

Excluding:

- a) the cost incurred in complying with the Stipulations:
 - i) in respect of Damage occurring prior to the inception of this Policy;
 - ii) in respect of Damage not insured by the Policy;
 - iii) under which notice has been served on You prior to the happening of the Damage;
 - iv) for which there is an existing requirement which has to be implemented within a given period; and
 - v) in respect of property entirely undamaged by any peril insured against by this Policy;
- b) the additional cost that would have been required to make good the property lost destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen;
- c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner of that property by reason of compliance with the Stipulations.

Special Conditions

- 1) The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve months after the Damage or within such further time as the Insurer may agree (during the said twelve months) and may be carried out upon another site (if the Stipulations so necessitate) subject to the liability of the Insurer under this clause not being increased.
- 2) If the liability of the Insurer under (any item of) this Section apart from this clause shall be reduced by the application of any of the terms and conditions of the Policy then the liability of the Insurer under this clause (in respect of any such item) shall be reduced in like proportion.
- 3) The total amount payable under (any item of) this Section in respect of this clause shall not exceed:
 - a) £250,000 in respect of the lost, destroyed or damaged property;
 - b) £250,000 in respect of undamaged portions of property (other than foundations).
- 4) All the terms and conditions of the Policy except insofar as they are varied by this condition shall apply as if they had been incorporated herein.

1.13 Exhibitions

The insurance for Contents extends to cover the property described for a period not exceeding 15 days whilst at any exhibition within the Territorial Limits.

The liability of the Insurer under this clause shall not exceed £50,000.

1.14 Fire Break Doors and Shutters

It is a condition precedent to liability of the Insurer that all fire break doors and shutters are kept closed except during working hours and are maintained in efficient working order.

1.15 Fire Extinguishing Appliances

It is a condition precedent to liability of the Insurer that all fire extinguishing appliances will be maintained in efficient working order during the currency of the insurance.

Section 1 – Property Damage

1.16 Fire Extinguishment – Automatic Sprinkler Installations

It is a condition precedent to liability of the Insurer that if:

- a) a reduced premium rate is allowed on account of such an installation;
- b) such an installation is required by the Insurer as a condition of cover; or
- c) the insurance covers Damage by the accidental escape of water from a sprinkler installation;

You will:

- a) take all reasonable steps to:
 - i) prevent frost and other damage to the installations;and in so far as it is Your responsibility:
 - ii) maintain the installations (including the automatic external alarm signal) in efficient condition;
 - iii) maintain ready access to the water supply control facilities;
- b) in the event that changes repairs or alterations to the installations are proposed notify the Insurer in writing and obtain Our prior agreement in writing;
- c) allow the Insurer access to the Premises at all reasonable times for the purpose of inspecting the installations; and
- d) undertake to:
 - i) make a test every week for the purposes of ascertaining that the alarm gong is in working order and that the stop valves controlling the individual water supplies and the installations are fully open;
 - ii) make a test every working day for the purposes of ascertaining the condition of the circuit between the alarm switch and the control unit;
 - iii) make a test at least once a week for the purposes of ascertaining the condition of:
 - (i) the fire brigade connection; and
 - (ii) the batteries in respect of each approved system for the transmission of alarm signals from sprinkler installations to a fire brigade;
 - iv) make quarterly or half-yearly tests if required by the Insurer to do so for the purposes of ascertaining that each water supply is in order and record the particulars of each test;
 - v) make tests every week for the purposes of ascertaining that the pump(s) can be started both automatically and manually and that in respect of any diesel engine driven pump the battery electrolyte level and density are correct and record the completion of these tests;
 - vi) have a contract with approved installing engineers providing for the maintenance of and half-yearly inspection of the installations and to obtain from them following each inspection certification that they are in satisfactory working order; and
 - vii) remedy promptly any defect revealed by such tests or otherwise.

1.17 Glass Breakage

The Insurer will, at its option, pay for or make good to You any breakage or malicious scratching of internal or external fixed glass being Your property for which You are responsible at the Premises occurring during the Period of Insurance and being in sound condition at the inception of this Policy.

The Insurer will in addition pay for the cost of:

- a) breakage of fixed sanitary ware;
- b) boarding up and repair to associated framework reasonably incurred as a result of an insured breakage. You may without the Insurer's prior consent instruct builders or glaziers to board up where necessary;
- c) repair or replacement of lettering alarm foil or other ornamentation work on glass provided that the Insurer's maximum liability for any one loss shall not exceed £500;
- d) repair or replacement of fixed mirrors provided that the Insurer's maximum liability for any one loss shall not exceed £500; and
- e) removal or replacement of fixtures and fittings which may be necessary in connection with the replacement of the glass provided that the Insurer's maximum liability for any one loss shall not exceed £500.

Excluding any breakage whilst buildings are Empty and or more specifically insured by You or on Your behalf.

1.18 Loss of Metered Water

The Insurer will pay the cost of additional metered water charges being those incurred by You following accidental discharge from a metered system as a result of Damage as insured by this Section except those in respect of any loss which has not been discovered and remedial action taken within 30 days of occurrence of the Damage provided that the Insurer's maximum liability for any one loss shall not exceed £2,500. The Insurer will not pay charges incurred in respect of any building which is Empty.

1.19 Mortgagees

The act or neglect of any mortgagor or occupier of any Building insured by this Policy whereby the risk of Damage is increased without the authority or knowledge of any mortgagees shall not prejudice the interest of the mortgagees in this insurance provided they shall notify the Insurer immediately on becoming aware of such increased risk and pay an additional premium if required.

Section 1 – Property Damage

1.20 Non Invalidation

Any act, omission or alteration, unknown to You or beyond Your control, which increases the risk of Damage, will not invalidate this insurance if, immediately You become aware of it, You give notice to the Insurer and pay an additional premium if required.

1.21 Reinstatement by the Insurer

If any Property Insured is to be reinstated or replaced by the Insurer You shall at Your own expense provide all such plans, documents, books and information as may be reasonably required. The Insurer shall not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner and the maximum amount payable in respect of any one of the items insured is its Sum Insured.

1.22 Removal of Debris

The insurance by each item of this Section extends to include costs and expenses necessarily incurred by You with the Insurer's consent in:

- a) removing debris;
- b) dismantling and/or demolishing; and
- c) shoring up or propping;

of the portions of the Property Insured as a result of Damage insured against by this Policy.

Excluding any costs or expenses:

- a) incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site; and
- b) arising from pollution or contamination of property not insured by this Section.

The liability of the Insurer in respect of any item shall in no case exceed the limits stated in the Basis of Claims Settlement.

1.23 Repairs and Alterations

Tradesmen may be employed to effect repairs or minor alterations in all or any of the Buildings insured without prejudice to this insurance.

1.24 Sale of Property Insured

If at the time of Damage You have contracted to sell Your interest in any Building insured by this Policy and the purchase has not been, but is later, completed, the purchaser, on completion of the purchase (if and so far as the property is not otherwise insured against such Damage by him or on his behalf), shall be entitled to the benefit under this Section so far as it relates to such Damage without prejudice to the rights and liabilities of You or the Insurer until completion.

1.25 Subrogation Waiver

In the event of a claim arising under this Section the Insurer agrees to waive any rights remedies or relief to which they might have become entitled by subrogation against:

- a) any Company standing in relation of parent to subsidiary (or subsidiary to parent) to You; and
- b) any Company which is a subsidiary of a parent company of which You are a subsidiary;

in each case within the meaning of the Companies Act or the Companies (NI) Order, as appropriate, current at the time of Damage.

1.26 Subsidence Ground Heave and Landslip

Special Conditions for Peril L - Subsidence Ground Heave and Landslip.

Insofar as this insurance relates to Damage caused by subsidence ground heave or landslip:

- a) You shall notify the Insurer immediately You become aware of any demolition groundworks excavation or construction being carried out on any adjoining site;
- b) the Insurer shall then have the right to vary the terms or cancel this cover.

1.27 Temporary Removal

The Property Insured by this Section (other than Stock if insured) is covered whilst temporarily removed for cleaning, renovation, repair or similar purposes elsewhere and in transit to and from the cleaners, renovators or repairers, all in the Territorial Limits. The liability of the Insurer under this clause in respect of each item of this Section for any Damage occurring elsewhere than at the Premises shall not exceed £50,000.

Excluding:

- a) property insofar as it is otherwise insured; or
- b) property temporarily removed to motor vehicles and motor chassis licensed for normal road use.

All the terms and conditions of the Policy except insofar as they are varied by this condition shall apply as if they had been incorporated herein.

Section 1 – Property Damage

1.28 Temporary Removal of Documents

The insurance of deeds and other documents (including stamps thereon) manuscripts, plans and writings of every description, computer systems records and books (written and printed) extends to cover such property for an amount not exceeding £5,000 whilst temporarily removed to any premises not in Your occupation and in transit to and from these premises all in the Territorial Limits but excluding property insofar as it is otherwise insured.

1.29 Theft Cover Extension

Any cover provided under this Section in respect of theft is extended to include:

a) Theft Damage to Buildings

Where there is no building insurance under this Section the Insurer will pay for loss or damage (except for fire) to that part of the Premises referred to in the Schedule containing the property insured under this Section directly resulting from theft or attempted theft. Provided always that You are the owner of such Premises or are legally liable for such damage and subject always to the Insurer's maximum liability not exceeding £25,000.

b) Theft of Keys

The Insurer will pay the reasonable costs necessarily incurred in replacing external door locks at the Property Insured following the loss of keys by:

- i) theft from the Premises or registered office or from the home of; or
- ii) theft following hold-up whilst such keys are in the personal custody of;

You or any principal director, partner or Employee authorised to hold such keys.

Provided that the maximum amount payable in any one Period of Insurance shall not exceed:

- i) £1,000 in respect of any one Premises; and
- ii) £25,000 in aggregate.

1.30 Trace and Access

The Insurer will pay the reasonable costs necessarily incurred by You in locating the source and subsequent making good of Damage resulting from:

- a) the escape of water from any tank apparatus or pipe; and
- b) accidental damage to cables underground pipes and drains serving the Premises.

Provided that the maximum amount payable in any one Period of Insurance shall not exceed:

- a) £10,000 in respect of any one occurrence; and
- b) £10,000 in aggregate.

Section 2 – Business Interruption

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 15 also apply to this Section. The General Conditions in Sub-Section 16A and General Exclusions in Section 17 also apply to this Section.

Definitions for Section 2 – Business Interruption

For the purpose of these definitions any adjustment implemented in current cost accounting shall be disregarded.

Business Interruption

Business Interruption shall mean loss resulting from interruption of or interference with the Business carried on by You at the Premises in consequence of loss or destruction of or damage to property used by You at the Premises for the purpose of the Business.

Territorial Limits

Great Britain, Northern Ireland, the Channel Islands, and the Isle of Man.

Incident

- a) Loss or destruction of or damage to property used by You at the Premises for the purpose of the Business; or
- b) Loss, destruction of or damage to Your books of account or other business books or records at the Premises in respect of Book Debts.

Indemnity Period

The period beginning with the occurrence of the Incident and ending not later than the Maximum Indemnity Period thereafter during which the results of the Business shall be affected in consequence thereof.

Maximum Indemnity Period

The Period as stated in the Schedule.

Turnover

The money paid or payable to You for goods sold and delivered and for services rendered in the course of the Business at the Premises.

Gross Profit

The amount by which:

- a) the sum of the amount of the Turnover and the amounts of the closing stock and work in progress shall exceed
- b) the sum of the amount of the opening stock and work in progress and the amount of the Uninsured Working Expenses.

Note: The amounts of the opening and closing stocks (including work in progress) shall be arrived at in accordance with Your usual accounting methods due provision being made for depreciation.

Uninsured Working Expenses

Bad debts purchases (less discounts received) carriage packing and freight and discounts allowed, unless otherwise stated in the Schedule.

Note: The words and expressions used in this definition shall have the meaning usually attached to them in Your books and accounts.

Rent Receivable

The money paid or payable to You for accommodation and services provided in the course of the Business at the Premises.

Gross Revenue

The money paid or payable to You for work done and services rendered in the course of the Business at the Premises.

Estimated Gross Profit or Estimated Gross Revenue

The amount declared by You to Us as representing not less than the Gross Profit or Gross Revenue which it is anticipated will be earned by the Business during the financial year most nearly concurrent with the Period of Insurance (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months).

Section 2 – Business Interruption

Actual Gross Profit or Actual Gross Revenue

The Gross Profit or Gross Revenue earned during the financial year most nearly concurrent with the Period of Insurance (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months).

Rate of Gross Profit

The rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Incident.

Annual Turnover

The Turnover during the twelve months immediately before the date of the Incident.

Standard Turnover

The Turnover during the period in the twelve months immediately before the date of the Incident which corresponds with the Indemnity Period.

Annual Rent Receivable

The Rent Receivable during the twelve months immediately before the date of the Incident.

Standard Rent Receivable

The Rent Receivable during the period in the twelve months immediately before the date of the Incident which corresponds with the Indemnity Period.

Annual Gross Revenue

The Gross Revenue during the twelve months immediately before the date of the Incident.

Standard Gross Revenue

The Gross Revenue during the period in the twelve months immediately before the date of the Incident which corresponds with the Indemnity Period.

*Under **Rate of Gross Profit, Annual Turnover, Standard Turnover, Annual Rent Receivable, Standard Rent Receivable, Annual Gross Revenue and Standard Gross Revenue** 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 Incident or which would have affected the Business had the Incident not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Incident would have been obtained during the relative period after the Incident.*

Outstanding Debit Balances

The total recorded debits 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 the Incident) to the credit accounts of the Business in the period between the date to which the last monthly record relates and the date of the Incident
- c) any abnormal condition of trade which had or could have had a material effect on the Business

so that the figures thus adjusted will represent as nearly as reasonably practicable those which would have been obtained at the date of the Incident had the Incident not occurred.

Cover

In the event of Business Interruption the Insurer will pay to You in respect of each item in the Schedule the amount of loss resulting from such interruption or interference provided that at the time of the happening of the loss, destruction or damage there is an insurance in force covering Your interest in the property at the Premises against such loss, destruction or damage and that:

- a) payment shall have been made or liability admitted therefore; or
- b) payment would have been made or liability admitted therefore but for the operation of a proviso in such insurance excluding liability for losses below a specified amount.

Limit of Liability

The Liability of the Insurer under this Section shall not exceed:

- 1) 133.33% of the Estimated Gross Profit or Estimated Gross Revenue shown in the Schedule and
- 2) 100% of the Total Sum Insured shown in the Schedule for each other item stated in the Schedule.

Section 2 – Business Interruption

Perils

(Operative only if stated in the Schedule)

- A) Fire excluding Damage:
- a) by explosion resulting from fire
 - b) to property caused by its undergoing any process involving the application of heat.
- B) Lightning.
- C) Aircraft or other aerial devices or articles dropped therefrom.
- D) Explosion excluding:
- a) Damage caused by the bursting of any vessel machine or apparatus belonging to You or under Your control and in which internal pressure is due to steam only;
 - b) loss resulting from You being deprived of the use of any vessel machine or apparatus or its contents as a result of the explosion thereof;
- but this shall not exclude explosion of:
- i) any boiler used for domestic purposes only or of any other boiler or economiser on the Premises;
 - ii) gas used for domestic purposes only.
- E) Earthquake excluding Damage caused by fire.
- F) Riot civil commotion strikers locked-out workers or persons taking part in labour disturbances or malicious persons excluding Damage:
- a) arising from nationalisation confiscation requisition seizure or destruction by order of the government or any public authority;
 - b) arising from cessation of work;
- G) Storm or flood excluding Damage:
- a) solely due to change in the water table level;
 - b) caused by frost subsidence ground heave or landslip;
 - c) to fences gates and moveable property in the open.
- H) Escape of water or oil from any tank apparatus pipe or appliance excluding Damage:
- a) by water discharged or leaking from an automatic sprinkler installation;
 - b) in respect of any Building which is Empty.
- I) Impact by any road or rail vehicle (including any fork lift truck or other industrial vehicle) or animal.
- J) Accidental escape of water from any automatic sprinkler installation excluding Damage:
- a) by freezing in any building which is Empty;
 - b) by heat caused by fire.
- K) Theft or attempted theft excluding Damage:
- a) which does not involve:
 - i) entry to or exit from a Building by forcible and violent means
 - or
 - ii) actual or threatened assault or violence;
 - b) to property in transit;
- L) Subsidence ground heave or landslip excluding Damage:
- a) arising from the settlement or movement of made-up ground or by coastal or river erosion;
 - b) resulting from:
 - i) the construction demolition structural alteration or structural repair of any property;
 - ii) groundworks or excavation works;at the Premises.
 - c) arising from normal settlement or bedding down of new structures;
 - d) commencing prior to the granting of cover under this insurance.

Section 2 – Business Interruption

- M)** Any other accident excluding Damage:
- a) by any:
 - i) of the Perils;
 - ii) of the causes expressly excluded from the Perils; specified in paragraphs **A**) to **L**) (whether or not insured);
 - b) to any property caused by:
 - i) its own faulty or defective design or materials;
 - ii) inherent vice latent defect gradual deterioration wear and tear;
 - iii) faulty or defective workmanship operational error or omission on the part of You or any of Your Employeesbut this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded;
 - c) caused by:
 - i) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects;
 - ii) change in temperature colour flavour texture or finish;
 - iii) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith;
 - iv) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates;
 - v) the deliberate act of a supply undertaking in withholding the supply of water gas electricity fuel or telecommunications services;but this shall 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;
 - d) caused by:
 - i) acts of fraud or dishonesty;
 - ii) disappearance unexplained or inventory shortage misfiling or misplacing of information;
 - iii) erasure or distortion of information on computer systems or other records
 - (1) whilst mounted in or on any machine or data processing apparatus or
 - (2) due to the presence of a magnetic fluxunless caused by Damage to the machine or apparatus in which the records are mounted.
 - e) to:
 - i) any building or structure caused by its own collapse or cracking;
 - ii) moveable property in the open fences and gates by wind rain hail sleet snow flood or dust;
 - iii) property resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair.
 - f) to:
 - i) property in transit;
 - ii) vehicles licensed for road use (including accessories thereon) caravans trailers railway locomotives rolling stock watercraft or aircraft;
 - iii) property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection;
 - iv) land roads pavements piers jetties bridges culverts or excavations
 - v) livestock growing crops or trees.

Section 2 – Business Interruption

Basis of Claims Settlement

Gross Profit/Estimated Gross Profit (if shown as operative in the Schedule)

The insurance is limited to loss of Gross Profit due to:

- a) reduction in Turnover; and
- b) increase in cost of working;

and the amount payable as indemnity shall be:

- a) in respect of a reduction in Turnover:
the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall fall short of the Standard Turnover in consequence of the Incident; and
- b) in respect of increase in cost of working:
the additional expenditure (subject to the provisions of the Uninsured Working Expenses Clause) necessarily and reasonably incurred 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 Incident but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction in Turnover avoided

less any sum saved during the Indemnity Period in respect of such charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the Incident.

Provided that:

if the Sum Insured by the item on Gross Profit be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

Gross Revenue/Estimated Gross Revenue (if shown as operative in the Schedule)

The insurance is limited to:

- a) loss of Gross Revenue; and
- b) increase in cost of working;

and the amount payable as indemnity shall be:

- a) in respect of loss of Gross Revenue:
the amount by which the Gross Revenue during the Indemnity Period shall fall short of the Standard Gross Revenue in consequence of the Incident; and
- b) in respect of increase in cost of working:
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the Incident but 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 as may cease or be reduced in consequence of the Incident.

Provided that:

if the Sum Insured by the item on Gross Revenue be less than the Annual Gross Revenue (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

Section 2 – Business Interruption

Rent Receivable (if shown as operative in the Schedule)

The insurance is limited to:

- a) loss of Rent Receivable; and
- b) increase in cost of working;

and the amount payable as indemnity shall be:

- a) in respect of loss of Rent Receivable:
the amount by which the Rent Receivable during the Indemnity Period shall fall short of the Standard Rent Receivable in consequence of the Incident; and
- b) in respect of increase in cost of working:
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss in Rent Receivable which but for that expenditure would have taken place during the Indemnity Period in consequence of the Incident but not exceeding the amount of the reduction in Rent Receivable thereby avoided

less any sum saved during the Indemnity Period in respect of such charges and expenses of the Business payable out of Rent Receivable as may cease or be reduced in consequence of the Incident.

Provided that:

if the Sum Insured by the item on Rent Receivable be less than the Annual Rent Receivable (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

Additional Increase in Cost of Working (if shown as operative in the Schedule)

The insurance is limited to the additional expenditure beyond that recoverable under clause b) of any item on Gross Profit or Gross Revenue of this insurance necessarily and reasonably incurred in consequence of the Incident for the sole purpose of avoiding or diminishing the reduction in Gross Profit or Gross Revenue which would have occurred during the Indemnity Period but for that expenditure.

Additional Cost of Working only (if shown as operative in the Schedule)

The insurance is limited to Additional Cost of Working only and the amount payable as indemnity shall be the additional expenditure necessarily and reasonably incurred in order to minimise any interruption or interference with the Business during the Indemnity Period in consequence of the Incident.

Provided that:

the liability of the Insurer shall be no more than 50% of the Sum Insured for such additional expenditure arising in the first 3 months following the date of the Damage or 10% of the Sum Insured for the additional expenditure in any one month thereafter but the Insurer's liability shall not exceed the Sum Insured as stated in the Schedule.

Book Debts (if shown as operative in the Schedule)

If any of Your books of account or other business books or records at the Premises suffer loss destruction or damage preventing You from tracing or establishing the Outstanding Debit Balances, the Insurer will indemnify You for:

- a) the difference between the Outstanding Debit Balances and the total of the amounts received or traced in connection with such balances;
- b) the additional expenditure incurred with the consent of the Insurer in tracing and establishing customer's debit balances after the Incident.

Provided that:

- a) if the Sum Insured is less than the Outstanding Debit Balances the amount payable shall be proportionately reduced;
- b) You shall:
 - i) maintain a record elsewhere than in the building in which the original records are kept showing the total amount outstanding in the credit accounts of the Business at the end of each month and in the event of an Incident giving rise to a claim shall supply that record to the Insurer;
 - ii) keep all business records in which credit accounts of the Business are shown stored in fire resisting safes strongrooms or cabinets when not in use.

Section 2 – Business Interruption

Exclusions

What is not covered (see also General Exclusions):

- 1) Loss resulting from any loss destruction or damage by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.
- 2) Business Interruption directly or indirectly caused by or arising from any programming or operator error, Virus or Similar Mechanism or Hacking; but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded provided that such Damage does not arise by reason of any malicious act or omission.

For the purpose of this exclusion the following Definitions apply:

- a) Virus or Similar Mechanism shall mean program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not. This definition of Virus or Similar Mechanism includes but is not limited to Trojan horses, worms and logic bombs;
- b) Hacking shall mean unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data.

Clauses & Conditions that apply to Section 2 – Business Interruption

2.1 Alternative Trading

If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the Premises for the benefit of the Business either by You or by others on Your behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.

2.2 Automatic Reinstatement after a Loss

In the event of loss the limits stated in the Basis of Claims Settlement will be automatically reinstated from the date of the loss unless written notice to the contrary is given either by the Insurer or You and You shall pay any required premiums for reinstatement from that date.

2.3 New Business

For the purpose of any claim arising from an Incident occurring before the completion of the first years trading of the Business at the Premises such loss will be ascertained by applying the Gross Profit Gross Revenue or Rent Receivable earned during the period between the commencement of the Business and the date of the Incident to the amount by which the Gross Profit Gross Revenue or Rent Receivable during the period of interruption or interference will have fallen short of the proportional equivalent for that period of the Gross Profit or Gross Revenue or Rent Receivable realised during the period between the commencement of the Business and the date of the Incident.

2.4 Payments on Account

Payments on Account may be made during the Indemnity Period if required.

Section 2 – Business Interruption

2.5 Premium Adjustment

The following provisions apply separately to each item on Gross Profit or Gross Revenue.

- a) Where the premium paid is not provisional.
At the end of the Period of Insurance the Insurer will allow a pro rata return of premium (not exceeding 50% of the premium paid) if the premium calculated at the appropriate rate on the Actual Gross Profit or Actual Gross Revenue (as reported by Your auditors) is less than the premium paid.

Provided that if the Actual Gross Profit or Actual Gross Revenue has been affected by Damage as insured the Insurer will add to the amount declared the additional amount of Gross Profit or Gross Revenue which would have been earned in the relative financial year had the Damage not occurred and the adjusted figure will be deemed to be the declaration.

- b) Where a provisional premium is paid.
The premium paid at the commencement of each Period of Insurance is provisional and You shall declare to the Insurer within six months of the expiry of each period the Actual Gross Profit or Actual Gross Revenue as reported by Your auditors.

The premium will be calculated at the appropriate rate on the declaration and the premium paid will be adjusted as stated below provided that if the Actual Gross Profit or Actual Gross Revenue has been affected by Damage as insured the Insurer will add to the amount declared the additional amount of Gross Profit or Gross Revenue which would have been earned in the relative financial year had the Damage not occurred and the adjusted figure will be deemed to be the declaration.

- i) If the insurance is on the Gross Profit or Gross Revenue basis:

If the premium calculated is:

- a) less than the premium paid
the Insurer will repay the difference to You but not exceeding the difference between the premium paid and the premium payable on 50% of the Sum Insured;
- b) greater than the premium paid
You shall pay the difference but not exceeding the difference between the premium paid and the premium payable on the full Sum Insured.

In the event that no declaration is received within six months of the expiry of the Period of Insurance the Sum Insured will be deemed to be the declaration and the additional premium due will become payable.

- ii) If the insurance is on the Estimated Gross Profit or Estimated Gross Revenue basis:

If the premium calculated is:

- a) less than the premium paid
the Insurer will repay the difference to You;
- b) greater than the premium paid
You shall pay the difference.

2.6 Professional Accountants

The Insurer will pay the reasonable charges payable by You to Your professional accountants for producing information required by the Insurer, under Obligation 18.1e) of Section 18 – Claims Procedure, and for reporting that such information is in accordance with Your accounts, but not for any other purposes in the preparation of any claim.

Provided that the sum of the amount payable under this clause and the amount otherwise payable under the Policy shall in no case exceed the Sum Insured.

2.7 Renewal Clause

(Applicable if Estimated Gross Profit or Estimated Gross Revenue Cover is operative)

Prior to each renewal You shall provide the Insurer with the Estimated Gross Profit or Estimated Gross Revenue for the financial year most nearly concurrent with the ensuing Period of Insurance.

Section 2 – Business Interruption

2.8 Subsidence Ground Heave and Landslip

Special Conditions for Peril L - Subsidence Ground Heave and Landslip.

Insofar as this insurance relates to Damage caused by subsidence ground heave or landslip:

- a) You shall notify the Insurer immediately You become aware of any demolition groundworks excavation or construction being carried out on any adjoining site;
- b) the Insurer shall then have the right to vary the terms or cancel this cover.

2.9 Uninsured Working Expenses

If any working expenses of the Business are not insured by this Section (having been deducted in arriving at the Gross Profit as defined herein) then in calculating the amount recoverable under this Section as an increase in 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 Uninsured Working Expenses.

2.10 Value Added Tax

To the extent that You are accountable to the tax authorities for Value Added Tax all terms in this Section shall be exclusive of such tax.

Extensions that apply to Section 2 – Business Interruption (Operative only if stated in the Schedule)

The maximum amount payable in respect of the following extensions shall not exceed in respect of any one event the percentage of the Sum Insured as shown in the Schedule or the monetary amount whichever is the lesser.

2.1 Contract Sites

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of an Incident at any site in the Territorial Limits not in Your occupation where You are carrying out a contract.

2.2 Failure of Supply

This Section includes loss resulting from interruption of or interference with the Business as insured as a result of the accidental failure of supply of:

- a) electricity at the terminal ends of the service provider's feeders at the Premises;
- b) gas at the service provider's meters at the Premises;
- c) water at the service provider's main stop cock serving the Premises (other than by drought);
- d) telecommunications services (excluding the provision of extranets or access to or presence on the internet or access to applications and related services over the internet) at the incoming line terminals or receivers at the Premises but excluding satellites;

not occasioned by the deliberate act of any service provider nor by the exercise by any such provider of its power to withhold or restrict supply or provision of telecommunication services.

Special Conditions applicable to this clause:

- 1) the Maximum Indemnity Period shall not exceed 3 months in respect of telecommunications services;
- 2) the Indemnity Period shall commence 24 hours after the commencement of the failure of supply including telecommunications services and not as stated in the Definitions.

Section 2 – Business Interruption

2.3 Infectious Diseases

The Insurer shall indemnify You in respect of interruption of or interference with the Business during the Indemnity Period following:

- a) any:
 - i) occurrence of a Notifiable Disease (as defined below) at the Premises or attributable to food or drink supplied from the Premises;
 - ii) discovery of an organism at the Premises likely to result in the occurrence of a Notifiable Disease;
 - iii) occurrence of a Notifiable Disease within a radius of 25 miles of the Premises;
- b) the discovery of vermin or pests at the Premises which causes restrictions on the use of the Premises on the order or advice of the competent local authority;
- c) any accident causing defects in the drains or other sanitary arrangements at the Premises which causes restrictions on the use of the Premises on the order or advice of the competent local authority; or
- d) any occurrence of murder or suicide at the Premises.

Special Conditions applicable to this clause:

- 1) Notifiable Disease shall mean illness sustained by any person resulting from:
 - i) food or drink poisoning; or
 - ii) any human infectious or human contagious disease excluding Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition, an outbreak of which the competent local authority has stipulated shall be notified to them.
- 2) For the purposes of this clause:

Indemnity Period shall mean the period during which the results of the Business shall be affected in consequence of the occurrence discovery or accident beginning:

 - i) in the case of a) and d) above with the date of the occurrence or discovery; or
 - ii) in the case of b) and c) above the date from which the restrictions on the Premises applied; and ending not later than the Maximum Indemnity Period thereafter shown below.

Premises shall mean only those locations stated in the Premises definition. In the event that the Section includes an extension which deems loss destruction or damage at other locations to be an Incident such extension shall not apply to this clause.
- 3) The Insurer shall not be liable under this clause for any costs incurred in the cleaning repair replacement recall or checking of property.
- 4) The Insurer shall only be liable for the loss arising at those Premises which are directly affected by the occurrence discovery or accident.

Maximum Indemnity Period shall mean 3 months.

2.4 Public Utilities

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of loss destruction or damage to property at any:

- a) generating station or sub-station of the public electricity supply undertaking;
- b) land based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith;
- c) water works and pumping stations of the public water supply undertaking; and
- d) land based premises of the public telecommunications undertaking

from which You obtain electricity, gas, water or telecommunications services within the Territorial Limits which shall be deemed to be an Incident.

2.5 Prevention of Access

Subject to the terms and conditions of this Section, loss resulting from interruption of or interference with the Business in consequence of loss, destruction of or damage to property in the vicinity of the Premises, where such loss, destruction or damage shall prevent or hinder the use of or access to the Premises, whether or not Your Premises or Your property in the Premises is damaged, shall be deemed to be an Incident, but excluding loss resulting from loss or destruction of or damage to property of any supply undertaking from which You obtain electricity, gas, water or telecommunications services which prevents or hinders the supply of such services.

2.6 Specified Customers

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of loss, destruction or damage at the premises of Your customers as stated in the Schedule.

2.7 Specified Suppliers

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of loss, destruction or damage at the premises of Your suppliers as stated in the Schedule.

Section 2 – Business Interruption

2.8 Storage Sites

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of loss, destruction or damage at the premises of any site where Your goods are stored in the Territorial Limits, which shall be deemed to be an Incident.

2.9 Transit

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of loss, destruction or damage to Your property while in transit in Great Britain or Northern Ireland, but excluding loss in respect of impact to or collision with the conveying road or rail vehicle or waterborne craft.

2.10 Unspecified Customers

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of loss, destruction or damage at the premises of any of Your Customers, all in the Territorial Limits, which shall be deemed to be an Incident.

Provided that for the purposes of this extension the term Customers means the companies, organisations or individuals with whom, at the time of the Incident, You have contracts or trading relationships to supply goods or services.

2.11 Unspecified Suppliers

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of loss, destruction or damage at the premises of any of Your suppliers, manufacturers or processors of components goods or materials, all in the Territorial Limits, which shall be deemed to be an Incident, but excluding loss resulting from loss or destruction of or damage to property of any supply undertaking from which You obtain electricity, gas, water or telecommunications services which prevents or hinders the supply of such services.

Section 3 – Goods In Transit

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 15 also apply to this Section. The General Conditions in Sub-Section 16A and General Exclusions in Section 17 also apply to this Section.

Definitions for Section 3 – Goods In Transit

Clothing and Personal Effects

Personal possessions of You or Your drivers worn or carried during transit excluding cash bank notes credit cards watches and jewellery.

Consignment

All property sent at one time in one or more packages in one load to the same destination.

Damage

Loss or destruction of or damage.

Excess

The first amount of each and every claim (as shown in the Schedule) for which You are responsible after the application of all other terms and conditions of this Policy including but not limited to any condition of Average.

Money

Cash, bank and currency notes, cheques, postal orders, money orders, crossed bankers drafts, current postage stamps, unused units in franking machines, National Savings Stamps and Certificates, National Insurance Stamps, trading stamps, gift tokens, customer redemption vouchers, VAT purchase receipts, credit company sales vouchers, credit card counterfoils, travellers tickets, holidays with pay stamps and luncheon vouchers.

One Event

Any one occurrence or series of occurrences attributable to one original cause.

Property

Goods and Tools belonging to You or for which You are responsible relating to the Business shown in the Schedule except for any goods specifically excluded by this Section.

Territorial Limits

Anywhere in Great Britain, Northern Ireland, the Channel Islands, and the Isle of Man including sea or air transits between these territories.

Tools

Tools, tool kits or test equipment which You own or are hired by You or used by You in connection with the Business and for which You are responsible.

Vehicle

Motor vehicle, articulated vehicle, trailer, semi-trailer.

Section 3 – Goods In Transit

Cover

In the event of Damage to Property in transit to destinations within the Territorial Limits whilst being carried by Vehicles operated by You, hauliers, rail or post, the Insurer will pay You the value of the Property at the time of the Damage or, at its option reinstate, replace or repair the Property. In the event of Damage affecting labels, capsules or wrappers the Insurer shall not be liable for more than an amount sufficient to pay the cost of new labels, capsules or wrappers and the cost of reconditioning the Property but in no event shall the Insurer be liable for more than the insured value of the damaged Property.

Cover commences when the Property is lifted immediately prior to despatch or loading and continues until arrival at destination including unloading.

Cover includes temporary housing in the course of transit, whether on or off the means of conveyance, and does not include temporary housing of Property unloaded from a Vehicle at any premises owned or rented by You.

Cover includes incoming supplies and Property consigned to You from addresses within the Territorial Limits if it is Your responsibility.

Limit of Liability

The liability of the Insurer under this Section shall not exceed any Limit of Liability as stated in the Schedule or any other Limit of Liability as stated herein.

Extensions

Expenses

The Insurer will pay expenses reasonably incurred for which You are responsible in:

- a) the removal of debris and site clearance of Property damaged whilst in transit from the immediate area of the site where the Damage occurred;
- b) transferring Property to any other Vehicle following fire, collision, overturning or impact of the conveying Vehicle including carrying the Property to the original destination or to place of collection;
- c) reloading onto the Vehicle any Property which has fallen from the Vehicle; and
- d) re-securing the Property where there is dangerous movement of the load in transit.

Subject to a limit of £5,000 in respect of any one loss.

Clothing and Personal Effects

In the event of the payment of a claim under this Section for Property the Insurer will also pay up to £500 for Damage to Clothing and Personal Effects (excluding wear and tear) whilst they are in Vehicles operated by You but the Insurer will not pay for audio visual and telecommunications equipment or clothing watches and jewellery whilst being worn.

Ropes and Sheets

The Insurer will pay for Damage (excluding wear and tear) to tarpaulins, sheets, trailer curtains, ropes, chains, webbing straps and packing materials which belong to You or for which You are responsible whilst carried on any Vehicle operated by You.

Subject to a limit of £1,000 in respect of any one loss.

Section 3 – Goods In Transit

Exclusions

What is not covered (see also General Exclusions):

We will not provide an indemnity in respect of:

- 1) Damage caused by:
 - a) defective or inadequate packing insulation or labelling, inadequate documentation, disappearance or unexplained or inventory shortage;
 - b) evaporation or ordinary leakage;
 - c) vermin insects wear tear inherent vice latent defect gradual deterioration;
 - d) an existing or hidden defect;
 - e) vibration denting scratching or bruising;
 - f) mechanical or electrical breakdown derangement defect or failure.
- 2) Shortage in weight.
- 3) Damage caused by deterioration or variation in temperature unless directly consequent upon fire, theft or overturning or collision of the carrying Vehicle.
- 4) Damage arising from:
 - a) confiscation requisition or destruction by order of any government or any public authority;
 - b) riot civil commotion strikes lockouts or labour disturbances.
- 5) Damage;
 - a) occurring outside the Territorial Limits;
 - b) not connected with the Business.
- 6) Damage to:
 - a) jewellery precious stones watches clocks gold and silver articles furs curios;
 - b) wines spirits perfumes and tobacco products;
 - c) audio visual equipment;
 - d) computer hardware and software;
 - e) rare books and works of art;
 - f) Money and bullion;
 - g) non-ferrous metals;
 - h) living creatures;
 - i) explosives;unless such Property is specifically stated in the Schedule as insured and the Damage is not otherwise excluded.
- 7) Damage caused by theft or attempted theft of the Property insured and/or Tools and/or Clothing and Personal Effects from any unattended Vehicle being any Vehicle with no person in charge or keeping the Vehicle under observation and able to observe or prevent any attempt by any person to interfere with the Vehicle unless You have ensured that:
 - a) all doors windows and other points of access have been locked where locks have been fitted; and
 - b) all manufacturers' security devices have been put into effect; and
 - c) the keys have been removed from any unattended Vehicle; and
 - d) unattached trailers have anti-hitching devices fitted and they are put into effect.
- 8) Damage resulting from theft or attempted theft from any unattended Vehicle during the hours from 9pm until 6am unless such Vehicle is garaged in:
 - a) a securely locked building of substantial nature; or
 - b) a compound which has secure walls and/or fences and securely locked gates.
- 9) Property in transit for hire or reward.
- 10) loss of market, loss of profits, delay or any Consequential Loss.

Section 3 – Goods In Transit

Clauses & Conditions that apply to Section 3 – Goods In Transit

3.1 Average

If at the time of the Damage the Sum Insured is less than the total value of the Property You will be considered as Your own insurer for the difference and bear a proportionate share of the loss.

3.2 Basis of Claims Settlement

This will normally be a payment in money but the Insurer has the option to repair, replace or reinstate Property lost or damaged.

In the event of Damage to any part of a machine which, when complete for sale or use, consists of several parts the Insurer will only pay for the value of the part actually lost or damaged including any replacement charges.

3.3 Basis of Valuation

The valuation of Property shall be at invoice cost. If an invoice has not been raised the basis of valuation will be the value of the Property at the time of the commencement of the transit.

3.4 Limitations and Requirements

If Your Vehicles are left unattended all doors and the boot must be securely locked and windows and other openings securely closed.

3.5 Reasonable Precautions

It is a Condition precedent to Our Liability that You must take all reasonable precautions to prevent Damage by:

- a) exercising reasonable care in the selection of drivers obtaining references and providing instruction;
- b) exercising reasonable care in the packaging and labelling or addressing of the Property;
- c) maintaining Vehicles in an efficient and roadworthy condition and ensure they are suitable for the purpose for which they are to be used;
- d) complying with regulations imposed by any lawful authority.

3.6 Reinstatement of Sum Insured

The Insurer will automatically reinstate the Vehicle limits shown in this Section from the date of any loss unless written notice to the contrary is given by the Insurer.

You may be required to pay extra premium and if the loss has resulted from theft the Insurer may require You to fit additional protective devices to the Vehicle.

Section 4 – Money and Assault

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 15 also apply to this Section. The General Conditions in Sub-Section 16A and General Exclusions in Section 17 also apply to this Section.

Definitions for Section 4 – Money and Assault

Bodily Injury

Bodily Injury by violent and visible means which, directly and independently of any other cause, results in death or disablement.

Business Hours

Your normal working hours and any other period during which You or any Employees entrusted with Money are on the Premises in connection with the Business.

Insured Person

You or any of Your Employees, within the age limits 16 to 70 years.

Loss of Limb

Physical severance of one or more limbs at or above the wrist or ankle or the total and permanent loss of use of an entire hand arm foot or leg.

Loss of Sight

Total and irrecoverable loss of sight, which shall be considered as having occurred:

- a) in both eyes when the Insured Person's name has been added to the register of Blind Persons on the authority of a fully qualified ophthalmic specialist;
- b) in one eye when the degree of sight remaining after correction is 3/60 or less on the Snellen Scale (which means the Insured Person is only able to see at 3 feet that which they should normally be able to see at 60 feet).

Money

Cash, bank and currency notes, cheques, postal orders, money orders, crossed bankers drafts, current postage stamps, unused units in franking machines, National Savings Stamps and Certificates, National Insurance Stamps, trading stamps, gift tokens, customer redemption vouchers, VAT purchase receipts, credit company sales vouchers, credit card counterfoils, travellers tickets, holidays with pay stamps and luncheon vouchers.

Non-Negotiable Items

Crossed cheques, crossed postal orders, crossed money orders, crossed bankers drafts, National Savings Certificates, credit company sales vouchers or receipts, National Insurance Stamps affixed to cards and VAT purchase receipts.

Permanent Total Disablement

Permanent total disablement (other than by Loss of Limb or Loss of Sight) which, after 24 months of the Bodily Injury, prevents You or any of Your Employees from pursuing any occupation.

Temporary Total Disablement

Total disablement which, within 24 months of the Bodily Injury, prevents You or any of Your Employees from pursuing their normal occupation.

Territorial Limits

Great Britain, Northern Ireland, the Channel Islands, and the Isle of Man.

Section 4 – Money and Assault

Cover - Money

The Insurer will indemnify You up to the Limit of Liability any one loss stated in the Schedule in respect of loss from any cause of Money held in connection with the Business:

- a) while in transit within the Territorial Limits or in a bank night safe until removed by the bank;
- b) from the Premises during Business Hours;
- c) from the Premises out of Business Hours;
 - i) in locked safes or strongrooms as specified in the Schedule;
 - ii) in all other unspecified locked safes or strongrooms;
 - iii) not in a locked safe or strongroom;
- d) while at Your residence or that of any of Your principals or authorised Employees.

Non-Negotiable Items

Notwithstanding the limits referred to in the Schedule the limit for Non-Negotiable Items shall be £250,000 any one loss.

Safes and machines

The Insurer will pay the cost of repair or replacement of safes, strong rooms, tills, cash registers, franking machines and special Money-carrying cases following loss or destruction of, or damage to, safes, strong rooms, tills, cash registers, franking machines and special Money-carrying cases if loss, destruction or damage results from theft or attempted theft of Money or Non-Negotiable Items, subject to a limit of £1,000 for any one loss.

Clothing and personal effects

The Insurer will pay for damage to clothing and personal effects belonging to You or any of Your Employees as a result of robbery or attempted robbery up to a limit of £500 in respect of any one person.

Exclusions

What is not covered (see also *General Exclusions*):

We shall not indemnify You in respect of loss destruction or damage:

- 1) arising from fraud or dishonesty of any director partner or Employee unless discovered and reported to the Police and Us in writing within 7 days after the event;
- 2) resulting from use of any form of payment which proves to be counterfeit false invalid uncollectible or irrecoverable for any reason;
- 3) where a more specific insurance is in force except for any excess beyond the amount recoverable thereunder;
- 4) due to errors or omissions;
- 5) from unattended vehicles being any vehicle with no person in charge or keeping the vehicle under observation and able to observe or prevent any attempt by any person to interfere with the vehicle;
- 6) outside the Territorial Limits;
- 7) resulting directly or indirectly from forgery fraudulent alteration or substitution fraudulent use of a computer or electronic transfer;
- 8) from any gaming machine vending machine or automated teller machine or cash dispensing machine unless specifically stated in the Schedule.

Section 4 – Money and Assault

Cover - Assault

If the Insured Person shall suffer Bodily Injury caused solely or directly as a result of robbery or attempted robbery in the course of the Business the Insurer will pay Benefit on the basis of the Table of Compensation as stated below or as otherwise shown in the Schedule:

Table of Compensation (Assault)

Benefit	Description	Limits of Liability
1	Death	£10,000
2	Loss of Limb	£10,000
3	Loss of Sight	£10,000
4	Permanent Total Disablement	£10,000
5	Temporary Total Disablement	£100 per week (maximum 104 weeks)

Provided that Benefits 1, 2 or 3 must occur within 2 years of sustaining Bodily Injury.

Exclusions

What is not covered (see also *General Exclusions*):

No liability will attach to the Insurer for Bodily Injury arising from or influenced by:

- any existing physical defect or infirmity;
- the medical condition of any person entitled to compensation hereunder; or
- pregnancy or childbirth.

Compensation will not be payable:

- under more than one of the Benefits for the same injury; or
- under more than one Section of this Policy in respect of the same injury.

No further Compensation will be payable to the same Insured Person after payment of any Compensation made under Benefits 1, 2, 3 or 4.

Clauses & Conditions that apply to Section 4 – Money and Assault

4.1 Money Carryings

It is a condition precedent to the liability of the Insurer that Money in transit shall be carried by the number of able bodied and responsible adults or by the security carrier described below:

- | | |
|--------------------------------------|---|
| a) Up to £2,500 | One able bodied and responsible adult; |
| b) greater than £2,500 up to £5,000 | Two able bodied and responsible adults; |
| c) greater than £5,000 up to £7,500 | Three able bodied and responsible adults; |
| d) greater than £7,500 up to £10,000 | Four able bodied and responsible adults; |
| e) greater than £10,000 | Approved Security Carrier. |

4.2 Key Security

It is a condition precedent to the liability of the Insurer that outside Business Hours the safes or strongrooms be kept locked and the keys and/or combination codes of the safes or strongrooms shall not be left on the Premises unless the Premises are occupied by You or any of Your authorised Employees in which case such keys and/or combination codes if left on the Premises shall be deposited in a secure place not in the vicinity of the safes or strongrooms.

Section 5 – Employers’ Liability

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 15 also apply to this Section. The General Conditions in Sub-Section 16A and General Exclusions in Section 17 also apply to this Section.

Definitions for Section 5 – Employers’ Liability

Injury

Bodily injury, death, disease, illness or nervous shock.

Offshore

From the time of embarkation onto a conveyance at the point of final departure from land to any offshore rig or any offshore platform, and until such time of disembarkation from a conveyance onto land upon return from any offshore rig or any offshore platform.

Territorial Limits

- a) Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.
- b) Elsewhere in the world, other than Offshore, in connection with temporary visits undertaken in the course of the Business by any person normally resident in the territories described in a) above.

Cover

The Insurer will indemnify You against all sums that You shall become legally liable to pay as damages, together with costs and expenses shown below, in respect of Injury sustained within the Territorial Limits during the Period of Insurance by any Employee arising out of his employment by You in the course of the Business.

Limit of Indemnity

The liability of the Insurer under this Section for damages, costs and expenses payable in respect of any one claim or series of claims against You arising out of one event shall not exceed the amount stated in the Schedule.

Costs and expenses shall be deemed to mean:

- a) costs and expenses of claimants for which You are legally liable;
- b) other costs and expenses incurred with the Insurer’s written consent in respect of any claim which may be the subject of indemnity under this Section;
- c) solicitors’ fees incurred with the Insurer’s written consent for:
 - i) defence in any Court of Summary Jurisdiction of any proceedings brought against You in respect of breach or alleged breach of any statutory duty resulting in Injury;
 - ii) representation at a Coroner’s Court or Fatal Accident Inquiry in respect of any death; which may be the subject of indemnity under this Section;
- d) legal costs and expenses incurred with the Insurer’s written consent by You and, at Your request, any director or Employee, and costs awarded against You or the director or Employee arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of an alleged offence occurring during the Period of Insurance under the Health and Safety at Work etc Act 1974 or similar safety legislation of Great Britain, Northern Ireland, the Channel Islands or the Isle of Man provided that:
 - i) the proceedings relate to the health safety or welfare of Employees;
 - ii) the Insurer will not indemnify You in respect of:
 - (1) proceedings consequent upon a deliberate act by or omission by You, any director or Employee;
 - (2) fines or penalties of any kind or the costs of appeal against improvement or prohibition notices; or
 - (3) costs and expenses insured by any other policy.
- e) legal costs and expenses incurred with the Insurer’s written consent by You, and costs awarded against You arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of the defence of criminal proceedings brought under the Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation provided that:
 - i) the liability of the Insurer for all legal costs and expenses payable in any one Period of Insurance shall not exceed the sum of £5,000,000 or the Limit of Indemnity stated in the Schedule whichever is the lesser and will form part of and not be in addition to the Limit of Indemnity stated in the Schedule;
 - ii) the proceedings relate to an actual or alleged offence committed during the Period of Insurance within the Territorial Limits and in connection with the Business;
 - iii) the Insurer will not indemnify You in respect of:
 - (1) proceedings which result from any deliberate act or omission by You;

Section 5 – Employers’ Liability

- (2) any fines or penalties of any kind;
- (3) any remedial or publicity orders or any steps required to be taken by such orders;
- (4) costs and expenses insured by any other policy.

Additional Persons Insured

- a) In the event of the death of any person entitled to indemnity under this Section the Insurer will indemnify in the terms of this Section the deceased’s legal personal representatives but only in respect of liability incurred by such deceased person;
- b) At Your request the Insurer will indemnify in the terms of this Section:
 - i) any principal in respect of liability arising out of the performance by You of any agreement entered into by You with the principal to the extent required by such agreement;
 - ii) any of Your directors or Employees in respect of liability arising in connection with the Business;

Provided that You would have been entitled to indemnity under this Section if the claim had been made against You;

- iii) any officer committee or member of Your canteen, sports, social or welfare organisations, fire, security, first aid, medical or ambulance services in their respective capacities as such;
- iv) any of Your directors or senior officials in respect of private work undertaken by any Employee for such director or senior official;

Provided that:

- a) each person shall as though he were You observe fulfil and be subject to the terms of this Section insofar as they can apply; and
- b) the Insurer shall retain the sole conduct and control of all claims.

Compensation for Court Attendance

In the event of the following persons attending court as a witness at the request of the Insurer in connection with a claim in respect of which You are entitled to indemnity under this Section the Insurer will provide compensation to You at the following rates per day for each day on which attendance is required:

- a) any of Your directors or partners £250
- b) any Employee £100

Right of Recovery

This Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in Great Britain Northern Ireland the Channel Islands or the Isle of Man but You shall repay to the Insurer all sums paid by the Insurer which the Insurer would not have been liable to pay but for the provisions of such law.

Unsatisfied Court Judgments

In the event of Injury to an Employee, sustained during the Period of Insurance and arising out of his employment by You in the course of the Business, which results in a judgment for damages being obtained by such Employee, or his personal representatives, and which remains unsatisfied in whole or in part six months after the date of such judgment, the Insurer will, at Your request, pay to the Employee or his personal representatives the amount of any such damages and any awarded costs to the extent that they remain unsatisfied provided that:

- a) the judgment for damages is obtained:
 - i) in a court of law within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man; and
 - ii) against a company, partnership or individual other than You, conducting a business at or from premises within the territories described in i) above;
- b) there is no appeal outstanding;
- c) the judgment relates to Injury which would otherwise be within the terms of the Policy; and
- d) if any payment is made under the terms of this clause the Employee or the personal representative of the Employee shall assign the judgment to the Insurer.

Section 5 – Employers' Liability

Exclusions

What is not covered (see also General Exclusions):

- 1) So far as concerns the liability of any principal or liability assumed by You under agreement, and which would not have attached in the absence of such agreement, this Section shall not apply to any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
 - a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
 - b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- 2) Any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or other compulsory road traffic act legislation.
- 3) Any liability arising out of work undertaken or operations located Offshore.
- 4) More than £5,000,000 including Claimant's Costs, Defence Costs and under all extensions in respect of any one claim or series of claims (regardless of the number of claimants) arising out of one event which falls within the definition of Terrorism under this Policy.
- 5) More than £5,000,000 including Claimant's Costs, Defence Costs and under all extensions in respect of any one claim or series of claims (regardless of the number of claimants) directly or indirectly caused by or alleged to be caused by or contributed to in whole or in part by or arising out of the manufacture of, mining of, use of, sale of, installation of, survey or investigation of, management of, removal or distribution of, existence of or exposure to asbestos products, asbestos fibres or asbestos dust or property or materials containing any of the foregoing.

Section 6 – Public Liability and Products Liability

Sub-Section 6(a) – Public Liability

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 15 also apply to this Section. The General Conditions in Sub-Section 16A and General Exclusions in Section 17 also apply to this Section.

Definitions for Sub-Section 6(a) – Public Liability

Injury

Bodily injury, death, disease, illness or nervous shock.

Offshore

From the time of embarkation onto a conveyance at the point of final departure from land to any offshore rig or any offshore platform, and until such time of disembarkation from a conveyance onto land upon return from any offshore rig or any offshore platform.

Products Supplied

Product or item, including containers, packaging, instruction, or labelling sold, supplied, hired out, constructed, erected, installed, treated, repaired, serviced, processed, stored, handled, transported or disposed of by or on behalf of You or any structure, constructed, erected or installed or contract work executed by or on behalf of You in the course of the Business.

Territorial Limits

- a) Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- b) manual and non-manual work carried out during temporary visits anywhere in the world other than the United States of America or Canada in the course of the Business by any person normally resident within the territories described in a) above.
- c) non-manual work carried out during temporary visits to the United States of America or Canada by any person normally resident within the territories described in a) above.

Cover

Indemnity

The Insurer will indemnify You against all sums that You shall become legally liable to pay as damages in respect of accidental:

- a) Injury to any person;
- b) loss of or damage to material property;
- c) obstruction, trespass, nuisance or interference with any right of way, air, light or water or other easement; or
- d) wrongful arrest, detention, imprisonment or eviction of any person or invasion of the right of privacy;

occurring within the Territorial Limits during the Period of Insurance and happening in connection with the Business.

Limit of Indemnity

The liability of the Insurer for all damages payable to any claimant or number of claimants as a result of any one occurrence or all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the amount stated in the Schedule for any one event.

Section 6 – Public Liability and Products Liability

Contingent Motor Liability

Notwithstanding Exclusion 2) under Exclusions '**What is not covered.**' the Insurer will indemnify You in the terms of this Sub-Section against legal liability in respect of Injury, loss or damage arising out of the use in connection with the Business of any motor vehicle not owned or provided by You.

The Indemnity will not apply to legal liability:

- a) in respect of loss of or damage to any such vehicle or to goods carried in or on the vehicle;
- b) in respect of Injury, loss of or damage arising while such vehicle is being:
 - i) driven by You;
 - ii) driven with the general consent of You or of Your representative by any person who to the knowledge of You or Your representative does not hold a licence to drive the vehicle unless such person has held and is not disqualified from holding such a licence;
 - iii) used elsewhere than in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man; or
 - iv) engaged in racing, pace making reliability trials or speed testing;
- c) in respect of which You are entitled to indemnity under any other insurance.

Defective Premises Act

The Insurer will indemnify You in respect of Injury or loss or damage to Property which You may incur as owner by virtue of the Defective Premises Act 1972 in connection with any premises which have been disposed of by You and which prior to disposal were occupied by You in connection with the Business.

The Indemnity will not apply to legal liability:

- a) for which You are entitled to indemnity under any other policy of insurance;
- b) for Injury, loss or damage happening prior to such disposal; or
- c) for the cost of repairing, replacing or reinstating any defect giving rise to such claim or for the rectification of faulty workmanship.

Overseas Personal Liability

The Insurer will indemnify You and, if You so request, any of Your directors, partners or Employees 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 will not apply to legal liability:

- a) arising out of the ownership or occupation of land or buildings; or
- b) in respect of which any person referred to is entitled to indemnity under any other insurance.

Rented Premises

Exclusion 5) b) under Exclusions '**What is not covered.**' shall not apply to premises leased, let, rented, hired or lent to You.

The Indemnity will not apply to legal liability in respect of:

- a) loss or damage arising under agreement unless liability would have attached to You in the absence of such agreement;
- b) loss of or damage to premises caused by fire or any other peril against which a tenancy or other agreement stipulates that insurance shall be effected by You or on Your behalf; and
- c) the first £500 of each and every occurrence of loss or damage caused otherwise than by fire or explosion.

Section 6 – Public Liability and Products Liability

Exclusions

What is not covered (see also General Exclusions):

Legal liability:

- 1) arising out of:
 - a) work in or on aircraft;
 - b) work in or on airport or aerodrome runways, manoeuvring areas or aprons or those parts of airports or aerodromes to which aircraft have access; or
 - c) the ownership possession or use by You or on Your behalf of any aircraft watercraft (other than watercraft not exceeding 8 metres in length or any hand-propelled boat or pontoon);
- 2) arising out of the ownership, possession or use by You or on Your behalf of any mechanically propelled vehicle or attached trailer in circumstances where compulsory insurance or security is required or where insurance is provided by another policy provided always that:
this exclusion shall not apply in respect of liability arising during the act of loading or unloading any such mechanically propelled vehicle or attached trailer unless insurance is provided by another policy;
- 3) in respect of Injury or loss of or damage to property caused by or in connection with any Products Supplied which have ceased to be in Your custody or control other than food or drink provided as a service at Your Premises to Employees or visitors;
- 4) in respect of Injury to any Employee;
- 5) in respect of loss of or damage to:
 - a) property belonging to You; or
 - b) property which is leased, let, rented, hired or lent to You or which is the subject of a bailment to You;
- 6) arising out of professional advice, design or specification provided by You or on behalf of You for a fee;
- 7) for the costs of remedying any defect or alleged defect in land or premises sold or disposed of by You or for any reduction in the value of such land or premises;
- 8) assumed by You under agreement unless the conduct and control of claims is vested in the Insurer but indemnity shall not in any event apply to liquidated damages, fines or penalties;
- 9) arising out of work undertaken or operations located Offshore;
- 10) for loss of or damage to that part of any property upon which You are or have been working where the loss or damage is the direct result of such work;
- 11) for aggravated exemplary vindictive or punitive damages awarded by any Court of Law;
- 12) for the first £250 of each and every occurrence in respect of loss or damage to property.

Section 6 – Public Liability and Products Liability

Sub-Section 6(b) – Products Liability

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 15 also apply to this Section. The General Conditions in Sub-Section 16A and General Exclusions in Section 17 also apply to this Section.

Definitions for Sub-Section 6(b) – Products Liability

Injury

Bodily injury, death, disease, illness or nervous shock.

Offshore

From the time of embarkation onto a conveyance at the point of final departure from land to any offshore rig or any offshore platform, and until such time of disembarkation from a conveyance onto land upon return from any offshore rig or any offshore platform.

Products Supplied

Product or item, including containers, packaging, instruction, or labelling sold, supplied, hired out, constructed, erected, installed, treated, repaired, serviced, processed, stored, handled, transported or disposed of by or on behalf of You or any structure, constructed, erected or installed or contract work executed by or on behalf of You in the course of the Business.

Territorial Limits

Anywhere in the world in respect of Products Supplied in or from Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

Cover

Indemnity

The Insurer will indemnify You against all sums that You shall become legally liable to pay as damages and costs and expenses of claimants in respect of accidental:

- a) injury to any person; and
- b) loss of or damage to material property;

occurring within the Territorial Limits during the Period of Insurance and caused by any Products Supplied.

Limit of Indemnity

The liability of the Insurer for all damages payable as a result of all occurrences during any one Period of Insurance shall not exceed the amount stated in the Schedule for any one Period of Insurance.

Section 6 – Public Liability and Products Liability

Exclusions

What is not covered (see also *General Exclusions*):

Legal liability:

- 1) in respect of Injury, loss or damage to property caused by or in connection with any Products Supplied which are in Your custody or control;
- 2) in respect of Injury, loss or damage to property caused by or in connection with any Products Supplied which to Your knowledge are for use in or on any aircraft or aerospace device;
- 3) in respect of Injury, loss or damage to property caused by or in connection with any Products Supplied which to Your knowledge are directly or indirectly exported to the United States of America or Canada;
- 4) in respect of Injury to any Employee;
- 5) in respect of loss of or damage to:
 - a) property belonging to You; or
 - b) property which is leased, let, rented, hired or lent to You or which is the subject of a bailment to You.
- 6)
 - a) in respect of the cost or value of any Products Supplied or replacement, repair, removal, rectification or reinstatement of Products Supplied where legal liability arises from a defect in or the unsuitability of such Products Supplied;
 - b) for any costs incurred in recalling or modifying any Products Supplied;
- 7) assumed by You under agreement unless the conduct and control of claims is vested in the Insurer but indemnity shall not in any event apply to:
 - a) liquidated damages fines or penalties; or
 - b) legal liability which attaches by virtue of an express warranty indemnity or guarantee given or entered into by You in connection with any Products Supplied and which would not have attached in the absence of such warranty indemnity or guarantee.
- 8) arising out of professional advice, design or specification provided by You or on behalf of You for a fee;
- 9) for aggravated exemplary vindictive or punitive damages awarded by any Court of Law.

Section 6 – Public Liability and Products Liability

Applicable to Section 6 – Public Liability and Products Liability

Cover

Costs

The Insurer will in addition:

- a) pay all other costs and expenses incurred with its written consent in respect of any claim which may be the subject of indemnity under this Section;
- b) pay solicitors' fees incurred with its written consent for:
 - i) defence in any Court of Summary Jurisdiction of any proceedings brought against You in respect of breach or alleged breach of any statutory duty resulting in Injury; and
 - ii) representation at a Coroner's Court or Fatal Accident Inquiry in respect of any death; which may be the subject of indemnity under this Section;
- c) indemnify You and, at Your request, any director or Employee in respect of legal costs and expenses incurred with the Insurer's written consent, and costs awarded against You and Your director or Employee arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of an alleged offence occurring during the Period of Insurance under the Health and Safety at Work etc Act 1974 or similar safety legislation of Great Britain, Northern Ireland, the Channel Islands or the Isle of Man provided that:
 - i) the proceedings relate to the health, safety or welfare of persons other than Employees;
 - ii) the Insurer will not indemnify You in respect of:
 - (1) fines or penalties of any kind or the costs of appeal against improvement or prohibition notices;
 - (2) proceedings which result from any deliberate act by or omission by You, any director or Employee;
 - (3) costs and expenses insured by any other policy.
- d) indemnify You in respect of legal costs and expenses incurred with the Insurer's written consent by You, and costs awarded against You arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of the defence of criminal proceedings for any offence brought under the Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation provided that:
 - i) the liability of the Insurer for all legal costs and expenses payable in any one Period of Insurance shall not exceed the sum of £5,000,000 or the Limit of Indemnity stated in the Schedule whichever is the lesser and will form part of and not be in addition to the Limit of Indemnity stated in the Schedule;
 - ii) the proceedings relate to an actual or alleged offence committed during the Period of Insurance within the Territorial Limits and in connection with the Business;
 - iii) the Insurer will not indemnify You in respect of:
 - (1) proceedings which result from any deliberate act or omission by You;
 - (2) any fines or penalties of any kind;
 - (3) any remedial or publicity orders or any steps required to be taken by such orders;
 - (4) costs and expenses insured by any other policy.

Additional Persons Insured

- a) In the event of the death of any person entitled to indemnity under this Section the Insurer will indemnify in the terms of this Section the deceased's legal personal representatives but only in respect of liability incurred by such deceased person;
- b) At Your request the Insurer will indemnify in the terms of this Section:
 - i) any principal in respect of liability arising out of the performance by You of any agreement entered into by You with the principal to the extent required by such agreement;
 - ii) any of Your directors or Employees in respect of liability arising in connection with the Business; Provided that You would have been entitled to indemnity under this Section if the claim had been made against You.
 - iii) any officer committee or member of Your canteen, sports, social or welfare organisations, fire, security, first aid, medical or ambulance services in their respective capacities as such;
 - iv) any of Your directors or senior officials in respect of private work undertaken by any Employee for such director or senior official;

Provided that:

- a) each such person shall, as though he were You, observe, fulfil and be subject to the terms of this Section insofar as they can apply;
- b) the Insurer shall retain the sole conduct and control of all claims;
- c) where the Insurer is required to indemnify more than one party the total amount of indemnity payable to all parties in respect of damages shall not exceed the Limit of Indemnity.

Section 6 – Public Liability and Products Liability

Compensation for Court Attendance

In the event of the following persons attending court as a witness at the request of the Insurer in connection with a claim in respect of which You are entitled to indemnity under this Section the Insurer will provide compensation to You at the following rates per day for each day on which attendance is required:

- a) any of Your directors or partners £250
- b) any Employee £100

Consumer Protection Act 1987 – Legal Defence Costs

The Insurer will pay all amounts You or, at Your request, any of Your directors or Employees become legally liable to pay in the defence of any criminal proceedings brought for a breach of Part II of the Consumer Protection Act 1987 or any regulations made under the Act committed or alleged to have been committed during the Period of Insurance including legal costs and expenses incurred with its consent in an appeal against conviction arising from the proceedings.

Provided always that:

- a) the criminal proceedings relate to an offence committed in the course of Your Business as stated on the Schedule;
- b) this extension shall apply only to proceedings brought in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands;
- c) You and Your directors or Employees shall give the Insurer immediate notice of any summons or other proceedings against You or Your directors or Employees.

The Indemnity will not apply to legal liability:

- a) where You or Your directors or Employees are insured by any other policy of insurance;
- b) where the criminal proceedings are in respect of any deliberate or intentional criminal act or omission of You or Your directors or Employees;
- c) in respect of legal costs and expenses which You or any of Your directors or Employees may be ordered to pay by a court of criminal jurisdiction in respect of a deliberate or intentional criminal act or omission of You or Your director or Employee;
- d) in respect of fines or penalties;
- e) for the cost of any investigation or inquiry other than a solicitor's investigation restricted to criminal proceedings as above defined; and
- f) unless the Insurer have the sole conduct and control of all claims.

Cross Liabilities

This Section shall apply separately to each person named in the Schedule as if a separate policy had been issued to each provided that if the Insurer is required to indemnify more than one party in respect of any occurrence the total liability of the Insurer shall not exceed the Limit of Indemnity.

Data Protection Act 1998 Extension

The Insurer will indemnify You in respect of liability arising under the Data Protection Act 1998 to pay compensation for damages or distress, provided that:

- a) the process of registration under the above Act has been commenced or completed by You and the application has not been refused or withdrawn;
- b) no liability arises as a result of the provision by You of the services of a Data Processor.

The total liability of the Insurer including all costs and expenses shall not exceed £250,000 during any one Period of Insurance.

For the purposes of this extension the phrases or words Data Processor and Data shall carry the same meaning as defined under the Data Protection Act 1998.

The Indemnity will not apply to legal liability:

- a) in respect of the recording or provision of Data for reward or for determining the financial status of any person; or
- b) which arises as a result of Your deliberate act or omission and which could reasonably have been expected by You having regard to the nature and circumstances of such act or omission.

Discharge of Liability

The Insurer may pay the Limit of Indemnity or any lesser amount for which any claim or claims against You can be settled and the Insurer shall be under no further liability in respect of such claim or claims except for costs or expenses incurred prior to the date of such payment.

Section 6 – Public Liability and Products Liability

Food Safety Act Legal Defence Costs

The Insurer will pay legal costs and expenses You or, at Your request, any of Your directors or Employees incur in the defence of any criminal proceedings brought for a breach of the Food Safety Act 1990, or any regulations under the Act, committed or alleged to have been committed during the Period of Insurance. The Insurer will also pay legal costs and expenses incurred with its consent in an appeal against conviction arising from such proceedings.

Provided always that:

- a) the criminal proceedings relate to an offence committed in the course of Your Business as stated on the Schedule;
- b) this extension only applies to proceedings brought in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man;
- c) You or Your directors or Employees give the Insurer immediate notice of any summons or other process served upon You or Your directors or Employees and of any event that may give rise to proceedings against You or Your directors or Employees.

The Indemnity will not apply to legal liability:

- a) where You or Your directors or Employees are insured by any other policy of insurance;
- b) where the criminal proceedings are in respect of any deliberate or intentional criminal act or omission of You or Your directors or Employees;
- c) in respect of legal costs and expenses which You or any of Your directors or Employees may be ordered to pay by a court of criminal jurisdiction in respect of a deliberate or intentional criminal act or omission of You or Your director or Employee;
- d) in respect of fines or penalties;
- e) for the cost of any investigation or inquiry other than a solicitor's investigation restricted to criminal proceedings as above defined.

USA and Canada

Insofar as this Section applies to legal liability arising in the United States of America or Canada or if an action for damages is commenced therein or in any subsequent action in connection therewith is brought elsewhere in the world the liability of the Insurer in respect of all damages payable together with the costs and expenses of claimants and any other costs and expenses incurred with the Insurer's written consent shall not exceed the Limit of Indemnity and shall exclude punitive damages and/or exemplary damages and/or aggravated damages and/or any additional damages resulting from the multiplication of compensatory damages or by way of fines or penalties.

Exclusions

What is not covered (see also General Exclusions):

Pollution or Contamination

Legal liability in respect of Pollution or Contamination other than 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.

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

The liability of the Insurer for all damages payable in respect of all Pollution or Contamination which is deemed to have occurred during the Period of Insurance shall not exceed in the aggregate the amount shown in the Schedule as the Limit of Indemnity for any one event.

For the purpose of this exclusion and limitation 'Pollution or Contamination' shall be deemed to mean:

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

Asbestos

This insurance does not cover any loss, cost or expense directly or indirectly arising out of, resulting as a consequence of, or related to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.

Section 6 – Public Liability and Products Liability

Clauses & Conditions that apply to Section 6 – Public Liability and Products Liability

6.1 Use of Heat Condition

Fire Precautions

It is a condition precedent to liability under this Section that in respect of use away from Your Premises of blow lamps, blow torches, flame guns, hot air guns, electric, oxy-acetylene or other welding or cutting equipment and angle grinders (in circumstances where sparks are emitted) or asphalt, bitumen, tar, pitch or lead heaters, the undernoted precautions will be complied with on each occasion:

Blow Lamps Blow Torches Flame Guns and Hot Air Guns

- a) the area in which work is to be carried out to be examined and combustible property within the vicinity of the work either removed or as far as practicable covered by non-combustible materials;
- b) suitable fire extinguishing appliances to be kept available for immediate use at the point of work or as near as is practicable;
- c) blow lamps, blow torches and flame guns not to be lighted until required for use and extinguished immediately after use;
- d) lighted blow lamps, blow torches and flame guns not to be left unattended;
- e) hot air guns to be switched off when unattended; and
- f) upon completion of each period of work a thorough fire safety check to be made of the vicinity of the work. The fire safety checks to be undertaken at regular intervals for a period of at least one hour after completion.

Electric Oxy-Acetylene or other Welding or Cutting Equipment and Angle Grinders

- a) the area in which the work is to be carried out, including adjoining shafts or openings and the area on the other side of any wall or partition, to be inspected to see whether any combustible property, other than the property to be worked upon, is in danger of ignition either directly or by conduction of heat;
- b) all combustible property to be removed to a distance of not less than 6 metres from the point of work and property which cannot be moved to be covered and fully protected by overlapping sheets of non-combustible material or equivalent protection;
- c) You shall arrange for a person who is competent in the use of fire extinguishing appliances to work in conjunction with the operative using the equipment to act as a fire watcher and to remain in attendance at all times until lighted flame equipment is extinguished;
- d) suitable fire extinguishing appliances to be made available for immediate use at the point of work;
- e) gas cylinders not in use to be kept outside the building in which the work is taking place where practicable but in any event at least 15 metres from the point of application of the heat; and
- f) upon completion of each period of work a thorough fire safety check to be made of all areas referred to in paragraph a) above. The fire safety checks to be undertaken at regular intervals for a period of at least one hour after completion.

Use of asphalt, bitumen, tar, pitch or lead heaters

The heating must be carried out in the open in a vessel designed for the purpose and, if carried out on a roof, the vessel must be placed on a non-combustible heat insulating base.

Section 7 – All Risks (Specified Items)

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 15 also apply to this Section. The General Conditions in Sub-Section 16A and General Exclusions in Section 17 also apply to this Section.

Definitions for Section 7 – All Risks (Specified Items)

Excess

The first amount of each and every claim (as shown in the Schedule) for which You are responsible at each separate Premises after the application of all other terms and conditions of this Policy including but not limited to any condition of Average.

Geographical Area

- A) The Premises;
- B) Great Britain, Northern Ireland, the Channel Islands and the Isle of Man;
- C) European Union, including Great Britain, Northern Ireland, the Channel Islands and the Isle of Man;
- D) Worldwide.

Cover

The Insurer shall indemnify You against loss or damage to any of the property shown in the Schedule by any accident or misfortune of a fortuitous nature occurring anywhere in the Geographical Area shown on the Schedule for an amount in respect of:

- a) property lost or stolen - such sum as shall be equal to the intrinsic value of the property at the time of the loss;
- b) damage to property - such sum as shall be sufficient to make good the damage.

Limit of Liability

The maximum amount payable under any item is the Sum Insured shown in the Schedule.

Average

If at the time of any loss or damage the value of the Property Insured under any item is greater than its Sum Insured You shall be considered as being Your own insurer for the difference and shall bear a rateable share of the loss accordingly.

Basis of Claims Settlement

The basis of claims settlement is the cost of repair or the current replacement value without deduction for wear and tear provided that all necessary repairs or replacements are carried out without delay.

Section 7 – All Risks (Specified Items)

Exclusions

What is not covered (see also *General Exclusions*):

This Section does not cover:

- 1) loss or damage arising from wear and tear or from any process of cleaning or restoring or adjusting or repairing;
- 2) loss or damage arising from or attributable to the action of light or atmosphere, moths, parasites or vermin;
- 3) loss by official confiscation or detention;
- 4) loss or damage to any electrically driven machine or apparatus directly caused by its own overrunning short-circuiting self-heating or by the application of excessive electrical energy or mechanical derangement not arising from external impact;
- 5) loss or damage to any component part of any item insured in the Schedule while such part is removed from its normal position in the item;
- 6) loss, destruction or damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds;
- 7) loss or damage by theft from any unattended motor vehicle unless such vehicle has been securely locked at all points of access;
- 8) loss or destruction of or damage to any computer or other equipment or component or system or item which processes, stores, transmits or retrieves data or any part of any computer, other equipment, component or system, whether tangible or intangible (including but without limitation any information or programs or software) and whether or not Your property where such loss, destruction or damage is caused by programming or operator error Virus or Similar Mechanism or Hacking; but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded provided that such Damage does not arise by reason of any malicious act or omission.

For the purpose of this exclusion the following Definitions apply:

- a) Virus or Similar Mechanism shall mean program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether or not involving self-replication. This definition of Virus or Similar Mechanism includes, but is not limited to Trojan horses, worms and logic bombs.
 - b) Hacking shall mean unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data.
- 9) damage caused by:
- a) acts of fraud or dishonesty by Your Employees;
 - b) unexplained disappearance, unexplained or inventory shortage, misfiling or misplacing of information; or
 - c) any process of fitting, testing, servicing, repair, renovation or adjustment.

Section 8 – Personal Accident

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 15 also apply to this Section. The General Conditions in Sub-Section 16A and General Exclusions in Section 17 also apply to this Section.

Definitions for Section 8 – Personal Accident

Accident

A sudden unexpected event (including being exposed to the weather) which happens during the Operative Time of Cover and causes physical injury and which is the only direct cause of death or disability.

Accident Accumulation Limit

The most We will pay under this Section for an Accident involving more than one Insured Person.

Bodily Injury

A physical injury which:

- a) an Insured Person suffers;
- b) is caused by an Accident during the Operative Time of Cover; and
- c) is the only cause of death or disability within two years of the Accident happening.

Director

Any executive director under a contract of service with You.

Insured Person

Any principal partner or director aged 16 to 70 within Your Business.

Loss of Hearing

Total and permanent loss of hearing in one or both ears to the extent that the hearing loss is greater than 95 decibels across all frequencies using a pure tone audiogram in one or both ears.

Loss of Limb

Physical severance of one or more limbs at or above the wrist or ankle or the total and permanent loss of use of an entire hand arm foot or leg.

Loss of Sight

Total and irrecoverable loss of sight, which shall be considered as having occurred:

- a) in both eyes when the Insured Person's name has been added to the register of Blind Persons on the authority of a fully qualified ophthalmic specialist;
- b) in one eye when the degree of sight remaining after correction is 3/60 or less on the Snellen Scale (which means the Insured Person is only able to see at 3 feet that which they should normally be able to see at 60 feet).

Loss of Speech

Total and permanent loss of speech.

Operative Time of Cover

At any time during the Period of Insurance.

Permanent Total Disablement

Disablement which is beyond reasonable hope of improvement having lasted for a continuous period of 2 years and preventing the Insured Person from attending to any occupation or paid work.

Section 8 – Personal Accident

Cover

If an Insured Person suffers a Bodily Injury during the Operative Time of Cover We will pay You the Sum Insured shown in the Table of Benefits.

Table of Benefits

1) Death occurring within 2 years of the event giving rise to Bodily Injury:	£10,000
2) Loss of Limb	£5,000
3) Loss of:	
a) Sight:	£5,000
b) Speech:	£5,000
c) Hearing:	£5,000
4) Permanent Total Disablement (other than specified in 2-3 above)	£5,000

Exclusions

What is not covered (see also *General Exclusions*):

This Section does not cover:

- 1) Bodily Injury:
 - a) resulting from or engaging in aeronautics or aviation other than as a fare paying passenger of a properly licensed passenger aircraft;
 - b) resulting from or engaging in racing on wheels or on horseback, or practice therefore, rugby, football, motorcycling or pillion riding or underwater activities involving the use of breathing apparatus;
 - c) resulting from or engaging in mountaineering, rock climbing or potholing;
 - d) resulting from or engaging in hang gliding, parachuting and winter sports other than curling or skating;
 - e) resulting from or engaging in any sport undertaken on a professional or semi-professional basis;
 - f) due to, contributed to or accelerated by insanity;
 - g) resulting from any operational duties as a member of the armed forces of any nation; or
 - h) resulting directly or indirectly from pregnancy or childbirth;
- 2) any sickness or disease not resulting from an accidental Bodily Injury;
- 3) any naturally occurring condition or process or any gradual cause;
- 4) suicide or attempted suicide self inflicted injuries (other than in an attempt to save life) or venereal infection;
- 5) Bodily Injury sustained whilst under the influence of or disablement due wholly or partly to the effects of alcoholism or drugs other than drugs taken in accordance with treatment prescribed and directed by a qualified registered medical practitioner but not for the treatment of drug addiction;
- 6) any claim arising directly or indirectly from Bodily Injury attributable to HIV (Human Immunodeficiency Virus) and/or any HIV related illness including AIDS (Acquired Immune Deficiency Syndrome) and/or mutant derivative(s) or variation(s) thereof however caused.

Section 8 – Personal Accident

Clauses & Conditions that apply to Section 8 – Personal Accident

8.1 Accident Accumulation Limit

If a claim goes over the Accident Accumulation Limit of £50,000 the amount payable in respect of each Insured Person will be proportionately reduced.

8.2 Changes in Circumstances

You shall give notice to the Insurer before each renewal period of any disease physical defect or infirmity by which any Insured Person under this Section has become affected during the previous Period of Insurance. You must notify the Insurer as soon as possible in writing of any change which may materially affect the insurance by this Section.

8.3 Claims Evidence

An Insured Person must have any medical examinations which We decide are necessary. In the case of death of the Insured Person We shall be entitled to have a post mortem examination. Any examinations will be at the Company's expense.

8.4 Payment of Benefit

We will not pay a claim under:

- a) more than one of items 1 to 4 on the Table of Benefits for any one Insured Person for any one Accident;
- b) more than one Section of this Policy in respect of the same Accident.

8.5 Transferring the Policy

You cannot transfer the benefit of this Policy to anyone else or use this contract of insurance as a mortgage or guarantee of any kind.

Section 9 – Directors and Officers Liability

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 15 also apply to this Section. The General Conditions in Sub-Section 16A and General Exclusions in Section 17 also apply to this Section.

Definitions for Section 9 – Directors and Officers Liability

Claim

Any demand made by a third party upon an Insured Director for damages.

Continuity Date

The date from which You have maintained uninterrupted Director and Officers liability cover with the Insurer.

Defence Costs

Any reasonable fees, costs and out of pocket expenses incurred by any Insured Director, with the prior written consent of the Insurer, in the investigation, defence, settlement or appeal of any Claim.

Employment Practice Violation

Any actual or alleged:

- a) unfair or wrongful dismissal, discharge or termination, either actual or constructive, of an employment relationship or agreement in a manner which is against the law, misleading representation or advertising relating to employment;
- b) failure to employ or promote, unfair deprivation of a career opportunity, unfair discipline, failure to grant tenure or negligent employee evaluation;
- c) sexual harassment in the workplace or workplace harassment of any kind (including the alleged creation or permission of a harassing workplace environment);
- d) employment-related denial of natural justice, invasion of privacy, defamation, wrongful infliction of emotional distress or discrimination on any legally prohibited basis.

Insured Director

Any natural person who is Your past, present or future director, secretary or executive officer. It does not include any externally appointed offices such as receivers, managers, liquidators, administrators, mortgagees in possession and the like.

For the avoidance of doubt, Insured Director shall not include external auditors appointed in accordance with Part 10 of the Companies Act 2006 (UK) or any similar legislation in any other jurisdiction.

Knowledge, First Discovered or Discovery

The knowledge or discovery of a Loss occurs when You become aware of facts which would cause a reasonable person to believe that a Loss covered by the Policy has been or may be incurred, even though the exact amount or details of the Loss may not then be known. Knowledge possessed or discovery made by any of Your directors or officers shall constitute knowledge possessed or discovery made by You.

Loss

- a) damages or judgments, but not punitive, aggravated or exemplary damages;
- b) legal costs and expenses awarded against any Insured Director in respect of any Claim;
- c) Defence Costs;
- d) settlements negotiated with the Insurer's prior written consent;

not including any non compensatory damages, taxes, any amount for which You are not legally liable, or matters which are uninsurable under the law to which the Policy shall be construed.

Loss, damages, judgments, settlements and Defence Costs incurred in more than one Claim against an Insured Director but resulting from a Single Wrongful Act shall constitute a single Loss.

Single Act or Single Wrongful Act

An act or any related or continuous or repeated acts, whether committed by an individual or group of individuals, and whether directed to or affecting one or more person or legal entity.

Transaction

Any of the following events:

- a) You consolidating with or merging with any other person, entity or group of persons, and/or entities acting in concert; or
- b) You becoming a subsidiary of another entity by virtue of any applicable law.

Section 9 – Directors and Officers Liability

Wrongful Act

Any actual or alleged act, error, omission, misstatement, misleading statement, misleading conduct, neglect or breach of duty (excluding an Employment Practice Violation) made, committed, by any Insured Director. All related or continuous or repeated Wrongful Acts shall be deemed to be one Wrongful Act for the purpose of the cover provided by the Policy.

Cover

The Insurer will pay the Loss of each Insured Director resulting from any Claim first made against them and notified to the Insurer during the Period of Insurance (or at the latest within 30 days after it expires), by reason of any Wrongful Act occurring on or after the Continuity Date, in their capacity as Insured Director. The Insurer shall advance (subject to the Limit of Liability and retention) to each Insured Director Defence Costs incurred before the final disposition of the Claim. Such payments shall be repaid to the Insurer by the Insured Directors severally, according to their respective interests and responsibilities, in the event and to the extent that the Claim is ultimately determined not to be covered or is resolved on terms or in a manner which excludes it from cover under the Policy.

Limit of Liability

The maximum We will pay in respect of any one Claim (including Defence Costs) and in total for all Claims first made during the Period of Insurance shall be the amount as stated in the Schedule or £50,000, whichever is the lesser.

Exclusions

What is not covered (see also *General Exclusions*):

Any Loss:

- 1) arising out of an Employment Practice Violation.
- 2) arising out of, based upon, attributable to, or in any way involving, directly or indirectly:
 - a) the actual, alleged, imminent or threatened discharge, dispersal, seepage, release or escape of pollutants; or
 - b) any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise pollutants, nuclear material or nuclear waste.
- 3) arising out of bodily injury, sickness, disease, death or emotional distress of any person, or damage to or destruction of any property, including the loss of use of it.
- 4) arising out of any criminal, dishonest, fraudulent, wilful, intentional or malicious acts or omissions, or any knowing or wilful violation of any statute or regulation, or the gaining in fact of any profit or advantage to which You or the Insured Directors were not legally entitled;

however, this exclusion shall only apply if such conduct has been established by final adjudication to have, in fact occurred. It is agreed that Defence Costs will be provided until such final adjudication but may then be recovered from each Insured Director as a debt by the Insurer if this exclusion is to apply.

- 5) arising out of or in any way connected to any:
 - a) litigation, material circumstances or other facts disclosed as contingent liabilities in Your Report & Accounts unless previously agreed by the Insurer;
 - b) any alleged facts or circumstances of which notice was given or ought reasonably to have been given under any policy in force prior to the Continuity Date;
 - c) pending or prior litigation or derived from the same or essentially the same facts as might be alleged in such pending or prior litigation, as at the Continuity Date; or
 - d) Transaction of which You had knowledge, or had reason to expect, as at the inception date of this Policy unless previously agreed in writing by the Insurer.

For purposes of 5), the term litigation shall include, but not be limited to, any civil or criminal proceeding as well as any administrative or regulatory proceeding or official investigation or arbitration or adjudication.

Section 9 – Directors and Officers Liability

- 6) in connection with any Claim made against an Insured Director which is brought by You or any other Insured Director or on Your behalf or on behalf of any other Insured Director; provided however that this exclusion shall not apply to:
 - a) Defence Costs; or
 - b) any Claim brought or maintained by a liquidator, receiver, administrative receiver derivatively on Your behalf without the solicitation or participation of any Insured Director.
- 7) arising out of any legal action or litigation brought in a court within the United States of America or Canada or out of any legal action or litigation brought in a court outside of the United States of America or Canada to enforce a judgment handed down in a court within the United States of America or Canada whether by way of reciprocal agreement or otherwise.
- 8) in connection with any Claim made against an Insured Director directly or indirectly arising out of, or in connection with, any public or private offering, issue or sale of shares, debentures, promissory notes or any other form of negotiable or non-negotiable security for the raising of capital by equity, debt or any other means.
- 9) in connection with any Claim made against an Insured Director brought by, at the instigation of, or on behalf of any past or present shareholder or stockholder who had or has direct or indirect ownership of or control over 15% or more of Your voting shares or rights.
- 10) in connection with any Claim made against an Insured Director arising out of any Claim or any developments of such Claim for or in respect of or in any way arising out of a breach of duty owed, or malpractice, in a professional medical capacity.
- 11) in a capacity as trustee or fiduciary under law (statutory or non-statutory including common) or administrator of any pension, profit sharing or Employee benefits programme.

Section 10 – Equipment Breakdown

This Section is an extension to the cover provided under Sections 1 and 2 of this Policy and will apply only:

- 1) where the Property Damage and Business Interruption Sections of the Policy are shown as operative under the Policy Schedule for the current Period of Insurance;
- 2) where the Schedule shows that “Section 10 – Equipment Breakdown” is operative.

This Section is underwritten by HSB Engineering Insurance Limited.

In this Section all terms of the Policy are restated as follows and the insurance provided by this Equipment Breakdown Section is not subject to the General Definitions, General Conditions and General Exclusions stated under Sections 15, 16A and 17.

Definitions for Section 10 – Equipment Breakdown

Accident means:

- a) electrical or mechanical Breakdown, including rupture or bursting caused by centrifugal force;
- b) artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;
- c) Explosion or Collapse of Covered Equipment operating under steam or other fluid pressure owned or leased by the Insured, or operated under the Insured's control;
- d) loss or damage to 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 to hot water boilers, other water heating equipment, oil or water storage tanks caused by or resulting from any condition or event (not otherwise excluded), occurring inside such equipment; or
- f) loss or damage caused by or due to operator error.

If an initial Accident causes other Accidents, all will be considered one Accident. All Accidents that are the result of the same event will be considered one Accident.

Breakdown means:

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.

Fracturing of any part of the Covered Equipment by frost when such fracture renders the Covered Equipment inoperative.

The actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary.

Collapse means:

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 means:

- a) electronic, computer or other data processing equipment;
- b) peripherals used in conjunction with a); and
- c) software and programs licensed to the Insured and installed on a).

Covered Equipment means:

Equipment built to operate under vacuum or pressure, other than weight of contents, or used for the generation, transmission or utilisation of energy.

Explosion means:

The sudden and violent rending of the 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.

Manufacturing Production or Process Equipment means:

Any machine or apparatus which takes in, processes, forms, cuts, shapes, grinds or conveys raw materials, materials undergoing the process or the finished product, including any equipment forming a part of the dedicated power supply, driving or controlling mechanism for such machine or apparatus.

Section 10 – Equipment Breakdown

Media means:

All forms of electronic, magnetic and optical tapes and discs for use in any electronic computer or electronic data processing equipment.

Verified means:

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

Cover

Direct physical loss or damage from an Accident at the Premises to Covered Equipment that is owned by the Insured or for which the Insured is responsible.

Extensions of Cover and Sub-limits

The following Extensions of Cover also apply to loss caused by or resulting from an Accident to Covered Equipment. These extensions do not provide additional amounts of insurance.

1. Hazardous Substances

The Insurer shall be liable for the additional cost to repair or replace property covered because of contamination by a hazardous substance. This includes the additional expenses to clean up or dispose of such property.

Hazardous substance means any substance other than ammonia that has been declared to be hazardous to health by a governmental agency.

Additional costs mean those beyond what would have been required had no hazardous substance been involved.

The Insurer shall not be liable for more than £10,000 for loss or damage under this coverage, including, if shown as covered, actual loss of Business Interruption sustained.

2. Computer Equipment, Reinstatement of Data and Increased Costs of Working

A. The Insurer shall be liable under this extension for loss or damage caused by or resulting from an Accident to Computer Equipment. The liability of the Insurer in any one Period of Insurance shall not exceed £250,000 in respect of damage to Computer Equipment.

B. In addition the Insurer shall be liable for costs incurred in reinstating data lost or damaged in consequence of an Accident to Computer Equipment;

Provided that:

- a) liability is limited solely to the cost of reinstating data onto Media;
- b) the Insurer shall not be liable for any losses discovered later than six months after the loss was initiated;
- c) the liability of the Insurer shall not exceed £25,000 in respect of such costs;
- d) the Insurer shall not be liable for loss of or damage to software; and
- e) the Insurer shall not be liable under this additional coverage for costs more specifically described under the Increased Costs Of Working coverage.

C. In addition the Insurer will pay reasonable costs necessarily incurred in minimising or preventing the resulting interruption or interference to the computer operations of the Insured. The total liability of the Insurer in any one Period of Insurance shall not exceed £25,000 in respect of such additional costs.

3. Business Interruption

Liability of the Insurer for loss as described under the Business Interruption section of the Policy that is caused by an Accident to Covered Equipment or Computer Equipment shall not exceed £50,000.

Section 10 – Equipment Breakdown

4. Public Authorities/Law or Ordinance

If an Accident to Covered Equipment damages 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 Insurer 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; and
- c) loss as described under the Business Interruption section of the Policy caused by loss covered in a) or b) above.

This additional coverage is within and does not increase the Limit of Indemnity shown in the Schedule.

The Insurer shall not be liable under Extension of Cover 4 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 of Cover 1); or
- d) increased construction costs until the building is actually repaired or replaced.

5. Expediting Expenses

With respect to damaged Covered Equipment or Computer Equipment, the Insurer shall be liable for the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement. The Insurer shall not be liable for more than £20,000 for loss or damage under this coverage.

6. Hire of Substitute Item

If Covered Equipment is damaged as a result of an Accident the Insurer will also indemnify the Insured against 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 Insurer shall not be liable for more than £5,000 under this coverage.

7. Storage Tanks and Loss Of Contents

The insurance under this Policy extends to include loss or damage caused by an Accident to oil storage tanks or water tanks (other than sprinkler system 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; and
- b) contamination - contamination of the contents of the oil storage tanks caused by or resulting from an Accident;

including cleaning costs incurred as a result of such loss.

The Insurer shall not be liable for more than £7,500 under this coverage in respect of any one Accident or series of Accidents arising out of one occurrence.

However this extension excludes:

- a) loss caused by fire howsoever the fire may have been caused;
- b) loss resulting from corrosion erosion or wasting;
- c) contamination of the contents resulting from:
 - i) the natural settling separation or accumulation of fluids or materials constituting the normal contents;
 - ii) the deliberate use of fluids or materials in the oil storage for cleaning flushing or similar purposes.
- d) loss sustained whilst oil storage tanks are in transit between premises;
- e) costs or expenses arising from pollution or contamination of property not covered by this Extension of Cover.

Section 10 – Equipment Breakdown

8. Loss Avoidance Measures

Reasonable costs necessarily incurred by You to take exceptional measures to prevent or mitigate impending damage to Covered Equipment or Computer Equipment as a result of an Accident;

Provided that:

- a) damage would reasonably be expected if such measures were not implemented;
- b) We are satisfied that damage has been avoided or mitigated by means of the exceptional measures;
- c) the amount payable will be limited to the cost of damage which would have otherwise occurred;
- d) the terms conditions and exclusions of this Section and the Policy apply as if damage has occurred; and
- e) if damage had occurred it would have resulted in a claim that would have been accepted by Us under this Section of the Policy.

The Insurer shall not be liable for more than £5,000 under this cover extension in any one Period of Insurance.

9. Damage to Own Surrounding Property due to steam explosion

The Insurer shall be liable for damage to property belonging to or in the custody and control of the Insured and for which the Insured is responsible directly resulting from Explosion or Collapse of any steam boiler, steam generator, economiser, superheater, steam pipework or steam vessel not used for domestic purposes only.

The Insurer shall not be liable for more than £1,000,000 under this extension.

Exclusions

What is not covered (see also *General Exclusions*):

- 1) None of the following is Covered Equipment:
 - a) supporting structure, foundation, masonry, brickwork, cabinet, compartment or air supported structure or building;
 - b) insulating or refractory material;
 - c) sewer piping, underground vessels or piping, or piping forming a part of a sprinkler system;
 - d) water piping other than boiler feed water piping, boiler condensate return piping hot water heating and supply piping or water piping forming a part of a refrigerating or air conditioning system;
 - e) vehicles, aircraft, floating vessels or any equipment mounted thereon (other than vehicle recovery cranes or equipment, which are included but not the actual vehicle);
 - f) mobile plant and equipment, dragline, excavation or construction equipment;
 - g) any lifting or handling equipment other than passenger, service and goods lifts, escalators, dumb waiters, fork lift trucks used at the Premises and loading dock levellers;
 - h) equipment manufactured by the Insured for sale;
 - i) tools, dies, cutting edges, crushing surfaces, trailing cables, non metallic linings, driving belts or bands or any part requiring periodic renewal;
 - j) any electronic equipment (other than Computer Equipment), used for research, diagnostic, treatment, experimental or other medical or scientific purposes;
 - k) any Manufacturing Production or Process Equipment;
 - l) domestic laundry, kitchen, audio visual and home entertainment equipment when such equipment is used in private living quarters;
 - m) equipment owned by tenants of the Insured; or
 - n) cinema projection and sound equipment.
- 2) The Excess under this Section is the Excess applying under Sections 1 and 2 (as appropriate) or £250 whichever amount is greater.
- 3) Loss or damage caused by or resulting from:
 - a) a hydrostatic, pneumatic, or gas pressure test of any boiler or pressure vessel, or an insulation breakdown test of any type of electrical equipment;
 - b) any defect, virus, loss of data (other than as specifically insured under Extension of Cover 2) or other situation within Media;
 - c) depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions, but if loss or damage from an Accident results, the Insurer shall be liable for that resulting loss or damage; or
 - d) loss due to solidification, biological activity or spontaneous chemical reaction in the contents of tanks or materials being processed therein.

Section 10 – Equipment Breakdown

- 4) Loss or damage recoverable under the maintenance agreement or any Warranty or Guarantee, or which would be recoverable but for breach of the Insured's obligations under the agreement.
- 5) With respect to Business Interruption, the Insurer will not be liable for delay in resuming operations due to the need to reconstruct or re-input data or programs on Media where the Insured has not fully complied with Condition 10.2 – Back-Up Records.

Clauses & Conditions that apply to Section 10 – Equipment Breakdown

10.1 Precautions

The Insured shall exercise due diligence in:

- a) complying with any statute or order; and
- 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.

10.2 Back-Up Records

The Insured shall maintain a minimum of 2 generations of Verified back-up computer records taken at intervals no less frequently than 48 hours, one copy as a minimum being held off site, and take all reasonable precautions to store and maintain records in accordance with the makers' recommendations.

Section 11 – Legal Expenses

This Section applies ONLY if the Schedule shows that “Section 11 – Legal Expenses” is operative.

This Section is underwritten by DAS Legal Expenses Insurance Company Limited (“DAS”).

In this Section all terms of the Policy are restated as follows and the insurance provided by this Legal Expenses Section is not subject to the General Definitions, General Conditions and General Exclusions stated under Sections 15, 16A and 17.

Definitions for Section 11 – Legal Expenses

We, Us, Our (for the purposes of this Section only)
DAS Legal Expenses Insurance Company Limited (“DAS”).

The Policyholder

As shown in the Schedule.

Insured Person

The Policyholder and the directors, partners, managers and employees of the Policyholder.

Representative

The lawyer, accountant or other suitably qualified person, who has been appointed to act for an Insured Person in accordance with the terms of this Section.

Period of Insurance

The period as shown in Your Schedule, for which We have agreed to cover the Insured Person and for which the Premium has been paid.

Full Enquiry

An extensive examination by HM Revenue & Customs which considers all aspects of the Policyholder's tax affairs, excluding those enquiries which are limited to one or more specific aspects of the Policyholder's self assessment and/or corporation tax return.

Aspect Enquiry

An examination by HM Revenue & Customs which considers one or more specific aspects of the Policyholder's self assessment and/or corporation tax return.

Tax Intervention Enquiry

An examination by HM Revenue & Customs to measure the level of compliance in the Policyholder's financial accounting records to highlight areas where errors have or may occur.

Date of Occurrence

- 1) For civil cases (other than under Insured Incident - 4 Tax Protection), the Date of Occurrence is when the originating cause of action first accrued.
- 2) For criminal cases, the Date of Occurrence is when the Insured Person commenced or is alleged to have commenced to violate the criminal law in question.
- 3) For Full Enquiries or Aspect Enquiries, the Date of Occurrence is when HM Revenue & Customs first notifies in writing the intention to make enquiries. For Tax Intervention Enquiries, the Date of Occurrence is when HM Revenue & Customs first contacts the Policyholder in relation to commencing an intervention enquiry into their Business accounts. For Employers' Compliance and Value Added Tax disputes, the Date of Occurrence is when the relevant authority sends an assessment or written decision to the Policyholder.

Territorial Limit (for the purposes of this Section only)

- For Insured Incident 2 - Legal Defence (excluding paragraph 4) thereof, and Insured Incident 3 b) - Bodily Injury:
The European Union, the Isle of Man, the Channel Islands, Albania, Andorra, Bosnia Herzegovina, Croatia, Gibraltar, Iceland, Liechtenstein, Macedonia, Monaco, Montenegro, Norway, San Marino, Serbia, Switzerland and Turkey.
- For all other Insured Incidents:
The United Kingdom of Great Britain and Northern Ireland, the Isle of Man and the Channel Islands.

Section 11 – Legal Expenses

Costs and Expenses

- Legal Costs

All reasonable and necessary costs chargeable by the Representative on a standard basis.

Also the costs incurred by opponents in civil cases if an Insured Person has been ordered to pay them, or pays them with Our agreement.

- Accountant's Costs

A reasonable amount in respect of all costs reasonably incurred by the Representative.

- Attendance Expenses

The Insured Person's salary or wages for the time that the Insured Person is off work to attend any arbitration, court or tribunal hearing at the request of the Representative or while attending jury service. We will pay for each half or whole day that the court, tribunal or the Insured Person's employer will not pay for.

The amount We will pay is based on the following:

- the time the Insured Person is off work including the time it takes to travel to and from the hearing. This will be calculated to the nearest half day assuming that a whole day is eight hours;
- if the Insured Person works full time, the salary or wages for each whole day equals 1/250th of the Insured Person's yearly salary or wages;
- if the Insured Person works part-time, the salary or wages will be a proportion of the Insured Person's weekly salary or wages.

How We can help

To make a claim under this Section please telephone Us on 0117 934 2111, quoting Your DAS Policy number TS5/6891978. We will ask You about Your legal dispute and if necessary call You back at an agreed time to give You legal advice. If Your dispute needs to be dealt with as a claim under this Section, We will provide You with a claim reference number. At this point We will not be able to confirm that You are covered but We will pass the information You have given Us to Our claims handling teams and explain what to do next.

If You would prefer to report Your claim in writing please send it to the Claims Department, DAS Legal Expenses Insurance Company Limited, DAS House, Quay Side, Temple Back, Bristol BS1 6NH.

Alternatively You can email Your claim to Us at newclaims@das.co.uk

Claims are usually handled by a Representative appointed by Us, but sometimes We deal with them ourselves. Claims outside the United Kingdom may be dealt with by other DAS offices elsewhere in Europe.

If You need help from Us

You can phone Us any time on 0117 934 2111 for advice on any commercial legal or tax problem affecting Your Business.

When We cannot help

Please do not ask for help from a solicitor or accountant before We have agreed. If You do, We will not pay the costs involved.

Problems

We will always try to give You a quality service. If You think We have let You down, please write to Our Customer Relations Department at Our Head Office address shown below. Alternatively You can telephone Us on 0117 934 0066 or email Us at customerrelations@das.co.uk. Details of Our internal complaint handling procedures are available on request.

Our Head and Registered Office is:

DAS Legal Expenses Insurance Company Limited, DAS House, Quay Side, Temple Back, Bristol, BS1 6NH.

If You are still not happy, You can contact the Financial Ombudsman Service at Exchange Tower, London, E14 9SR. They can also be contacted by telephone on 08000 234 567. Their website is www.financial-ombudsman.org.uk (Using these services does not affect Your right to take legal action).

Section 11 – Legal Expenses

Cover

This Section will cover the Insured Person in respect of any Insured Incident arising in connection with the Business shown in the Policy Schedule if the insurance premium has been paid.

We agree to provide the insurance in this Section in accordance with the operative covers shown in the Policy Schedule as long as:

- a) the Date of Occurrence of the Insured Incident happens during the Period of Insurance and within the Territorial Limit; and
- b) any legal proceedings will be dealt with by a court, or other body We have agreed to, in the Territorial Limit; and
- c) in civil claims it is always more likely than not that an Insured Person will recover damages (or obtain any other legal remedy which We have agreed to) or make a successful defence.

For all Insured Incidents, We will help in appealing or defending an appeal as long as the Insured Person tells Us within the time limits allowed that they want Us to appeal. Before We pay any Costs and Expenses for appeals, We must agree that it is always more likely than not that the appeal will be successful.

If a Representative is used, We will pay the Costs and Expenses incurred for this.

We will pay Compensation Awards that We have agreed to.

The most We will pay for all claims resulting from one or more event arising at the same time or from the same originating cause is £100,000.

INSURED INCIDENTS WE WILL COVER

1) Employment Disputes and Compensation Awards

a) *Employment Disputes*

We will defend the Policyholder's legal rights:

- 1) prior to the issue of legal proceedings in a court or tribunal following the dismissal of an employee; or
- 2) in the resolution of unfair dismissal disputes under the ACAS Arbitration Scheme; or
- 3) in legal proceedings in respect of any dispute with:
 - a) an employee or ex-employee or a trade union acting on behalf of an employee or ex-employee which arises out of, or relates to, a contract of employment with the Policyholder; or
 - b) an employee, prospective employee or ex-employee arising from an alleged breach of their statutory rights under employment legislation.

What is not covered by ***Insured Incident 1a) Employment Disputes***

- 1) Any employment dispute where the cause of action arises within the first 90 days of the indemnity provided by this Section.
- 2) Any dispute with an employee who was subject to a written or oral warning (formal or informal) within 180 days immediately preceding the inception date of the indemnity provided by this Section if the Date of Occurrence was within the first 180 days of the indemnity provided by this Section.
- 3) Any redundancy or alleged redundancy or unfair selection for redundancy arising within the first 180 days of the indemnity provided by this Section.
- 4) Any claim in respect of damages for personal injury or loss of or damage to property.
- 5) Any claim arising from or relating to any transfer of business which falls within the scope of the Transfer of Undertakings (Protection of Employment) Regulations 2006 or the Transfer of Employment (Pension Protection) Regulations 2005.

b) *Compensation Awards*

We will pay:

- 1) any basic and compensatory award; and/or
 - 2) an order for compensation following a breach of the Policyholder's statutory duties under employment legislation;
- in respect of a claim We have accepted under Insured Incident 1a) Employment Disputes;

Provided that:

- 1) In cases relating to performance and/or conduct, the Policyholder has throughout the employment dispute either:
 - a) followed the ACAS Code of Disciplinary and Grievance Procedures as prepared by the Advisory Conciliation and Arbitration Service; or

Section 11 – Legal Expenses

- b) followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland; or
- c) sought and followed advice from Our legal advice service.
- 2) For an order of compensation following the Policyholder's breach of statutory duty under employment legislation the Policyholder has at all times sought and followed advice from Our legal advice service since the date when the Policyholder should have known about the employment dispute.
- 3) For any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, the Policyholder has sought and followed advice from Our claims department prior to serving notice of redundancy.
- 4) The compensation is awarded by a tribunal or through the ACAS Arbitration Scheme, under a judgement made after full argument and otherwise than by consent or default, or is payable under settlement approved in writing in advance by Us.
- 5) The total of the compensation awards payable by Us shall not exceed £1,000,000 in any one Period of Insurance.

What is not covered by **Insured Incident 1b) Compensation Awards**

- 1) Any compensation award relating to the following:
 - a) trade union activities, trade union membership or non-membership;
 - b) pregnancy or maternity rights;
 - c) health and safety related dismissals brought under section 44 of the Employment Rights Act 1996;
 - d) statutory rights in relation to trustees of occupational pension schemes;
 - e) statutory rights in relation to Sunday shop and betting work.
- 2) Non-payment of money due under the relevant contract of employment or statutory provision relating thereto.
- 3) Any award ordered because the Policyholder has failed to provide relevant records to employees under the National Minimum Wage laws.
- 4) Any compensation award or increase in compensation award ordered by the tribunal for failure to comply with a recommendation it has made, including non-compliance with a reinstatement or re-engagement order.

c) **Service Occupancy**

We will negotiate for the Policyholder's legal rights against an employee or ex-employee to recover possession of premises owned by, or for which the Policyholder is responsible.

What is not covered by **Insured Incident 1c) Service Occupancy**

Any claim relating to defending the Policyholder's legal rights other than defending a counter-claim.

2) **Legal Defence**

At the Policyholder's request:

- 1) We will defend the Insured Person's legal rights:
 - a) prior to the issue of legal proceedings when dealing with the;
 - (i) Police;
 - (ii) Health and Safety Executive and/or Local Authority Health and Safety Enforcement Officer; where it is alleged that the Insured Person has or may have committed a criminal offence; or
 - b) following an event which leads to the Insured Person being prosecuted in a court of criminal jurisdiction; or
 - c) if civil action is taken against the Insured Person for compensation under section 13 of the Data Protection Act 1998. We will also pay any compensation award made against the Insured Person under section 13 of the Data Protection Act 1998.
- 2) We will defend the Policyholder's legal rights following civil action taken against the Policyholder for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the Period of Insurance.
- 3) We will defend the Insured Person's (other than the Policyholder) legal rights if:
 - a) an event arising from their work as an employee leads to civil action being taken against them under legislation for unlawful discrimination on the grounds of sex, sexual orientation, race, disability, age, religious belief or political opinion; or
 - b) civil action is taken against them as a trustee of a pension fund set up for the benefit of the Policyholder's employees.
- 4) We will represent the Insured Person in appealing against the imposition or terms of any Statutory Notice issued under legislation affecting the Policyholder's Business.
- 5) We will represent the Policyholder in appealing against the refusal of the Information Commissioner to register the Policyholder's application for registration.
- 6) We will pay the attendance expenses of an Insured Person for jury service.

Provided that:

Section 11 – Legal Expenses

- a) in so far as proceedings under the Health and Safety at Work etc Act 1974 are concerned, the Territorial Limit shall be any place where the Act applies.
- b) at the time of the Insured Incident, the Policyholder has registered with the Information Commissioner in respect of Insured Incident 2) 1) c).

What is not covered by **Insured Incident 2) Legal Defence**

Any claim which leads to the Insured Person being prosecuted for infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

3) Property Protection and Bodily Injury

a) Property Protection

We will negotiate for the Policyholder's legal rights in any civil action relating to material property which is owned by, or the responsibility of the Policyholder, following:

- 1) any event which causes physical damage to such material property; or
- 2) any nuisance or trespass.

What is not covered by **Insured Incident 3a) Property Protection**

Any claim relating to the following:

- 1) a contract entered into by the Policyholder;
- 2) goods in transit or goods lent or hired out;
- 3) goods at premises other than those occupied by the Policyholder unless the goods are at such premises for the purpose of installations or use in work to be carried out by the Policyholder;
- 4) mining subsidence;
- 5) defending the Policyholder's legal rights other than in defending a counter-claim;
- 6) a motor vehicle owned or used by, or hired or leased to an Insured Person other than damage to motor vehicles where the Policyholder is engaged in the business of selling motor vehicles.

b) Bodily Injury

At the Policyholder's request, We will negotiate for an Insured Person's and their family members' legal rights following an event which causes the death of, or bodily injury to them.

What is not covered by **Insured Incident 3b) Bodily Injury**

Any claim relating to the following:

- 1) any illness or bodily injury which develops gradually or is not caused by a specific or sudden accident; or
- 2) defending an Insured Person's or their family members' legal rights other than in defending a counter-claim; or
- 3) a motor vehicle owned or used by, or hired or leased to an Insured Person or their family members.

4) Tax Protection

a) Full or Aspect Enquiries

We will negotiate on behalf of the Policyholder in respect of a Full Enquiry and/or Aspect Enquiry and represent them in any subsequent appeal proceedings.

b) Tax Intervention Enquiries

We will negotiate on behalf of the Policyholder and represent them in any dealings with HM Revenue & Customs in respect of a Tax Intervention Enquiry.

c) Employers' Compliance

We will negotiate on behalf of the Policyholder and represent them in any appeal proceedings in respect of a dispute concerning the Policyholder's compliance with Pay As You Earn or Social Security Regulations following a review by HM Revenue & Customs.

d) VAT Disputes

We will negotiate on behalf of the Policyholder and represent them in any appeal proceedings following an assessment issued by HM Revenue & Customs in respect of Value Added Tax due.

Provided that:

- 1) for all Insured Incidents, the Policyholder has taken reasonable care to ensure that all returns are complete and correct and that such returns are submitted within the statutory time limits allowed.
- 2) We will not pay more than £2,000 for claims in respect of Aspect Enquiries or Tax Intervention Enquiries

What is not covered by **Insured Incident 4) Tax Protection**

- 1) In respect of Aspect Enquiries and Tax Intervention Enquiries the first £200 of Costs and Expenses in each and every claim.
- 2) Any Insured Incident arising from a tax avoidance scheme.
- 3) Any Insured Incident caused by the failure of the Policyholder to register for Value Added Tax.
- 4) Any Insured Incident arising from any investigation or enquiries undertaken by HM Revenue & Customs Special Investigations Section or Special Civil Investigations or the Revenue & Customs Prosecution Office.

Section 11 – Legal Expenses

- 5) Any Insured Incident arising from any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences.

Exclusions

What is not covered (see also *General Exclusions*):

- 1) Any claim reported to Us more than 180 days after the date the Insured Person should have known about the Insured Incident.
- 2) Costs and Expenses incurred before the written acceptance of a claim by Us.
- 3) Fines, penalties, compensation or damages which the Insured Person is ordered to pay by a court or other authority other than compensation awards as covered under Insured Incident 1(b) Compensation Awards and 2 Legal Defence.
- 4) Any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.
- 5) Any claim relating to franchise rights, or agency rights where the Policyholder has the legal capacity to alter the legal relations of another.
- 6) Any Insured Incident deliberately or intentionally caused by an Insured Person.
- 7) A dispute with Us not otherwise dealt with under Condition 11.7 of this Section.
- 8) Any claim relating to a shareholding or partnership share in the Policyholder unless such shareholding was acquired under a scheme open to all employees of the Policyholder or a substantial number of them of a certain minimum grade other than the directors or partners of the Policyholder.
- 9) Judicial Review.
- 10) Any claim caused by, contributed to by or arising from pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.
- 11) Legal action an Insured Person takes which We or the Representative have not agreed to or where the Insured Person does anything that hinders Us or the Representative.
- 12) When either at the commencement of or during the course of a claim, the Policyholder is bankrupt or has filed a bankruptcy petition or winding-up petition, or has made an arrangement with its creditors, or has entered into a deed of arrangement or is in liquidation or part or all of its affairs or property are in the care or control of a receiver or administrator.
- 13) Apart from Us, the Insured Person is the only person who may enforce all or part of this Section and the rights and interests arising from or connected with it. This means that the Contracts (Rights of Third Parties) Act 1999 does not apply to the Section in relation to any third-party rights or interest.

Section 11 – Legal Expenses

Clauses & Conditions that apply to Section 11 – Legal Expenses

- 11.1** An Insured Person must:
- a) keep to the terms and conditions of this Section;
 - b) notify Us immediately of any alteration which may materially affect Our assessment of the risk;
 - c) take reasonable steps to keep any amount We have to pay as low as possible;
 - d) try to prevent anything happening that may cause a claim;
 - e) send everything We ask for, in writing;
 - f) give Us full details of any claim as soon as possible and give Us any information We need.
- 11.2**
- a) We can take over and conduct in the name of the Insured Person, any claim or legal proceedings at any time. We can negotiate any claim on behalf of an Insured Person.
 - b) We will choose the Representative to represent an Insured Person in any proceedings where We are liable to pay a compensation award. In any other case an Insured Person is free to choose a Representative (by sending Us a suitably qualified person's name and address) if:
 - i) We agree to start legal proceedings and it becomes necessary for a lawyer to represent the interests of an Insured Person in those proceedings; or
 - ii) there is a conflict of interest.
 - c) Before an Insured Person chooses a lawyer or an accountant, We can appoint a Representative.
 - d) A Representative will be appointed by Us and represent an Insured Person according to Our standard terms of appointment (which may include a 'no win, no fee' agreement). The Representative must co-operate fully with Us at all times.
 - e) We will have direct contact with the Representative.
 - f) An Insured Person must co-operate fully with Us and with the Representative and must keep Us up-to-date with the progress of the claim.
 - g) An Insured Person must give the Representative any instructions that We require.
- 11.3**
- a) An Insured Person must tell Us if anyone offers to settle a claim and must not agree to any settlement without Our written consent.
 - b) If an Insured Person does not accept a reasonable offer to settle a claim, We may refuse to pay further Costs and Expenses.
 - c) We may decide to pay the Insured Person a reasonable amount subject to the maximum sum recoverable at law in settlement of damages that the Insured Person is claiming or which is being claimed against them instead of starting or continuing legal proceedings.
- 11.4**
- a) If We ask, an Insured Person must tell the Representative to have Costs and Expenses taxed, assessed or audited.
 - b) An Insured Person must take every step to recover Costs and Expenses that We have to pay and must pay Us any Costs and Expenses that are recovered.
- 11.5** If a Representative refuses to continue acting for an Insured Person with good reason or if an Insured Person dismisses a Representative without good reason, the cover We provide will end at once, unless We agree to appoint another Representative.
- 11.6** If an Insured Person settles a claim or withdraws their claim without Our agreement, or does not give suitable instructions to a Representative, the cover We provide will end at once and We will be entitled to re-claim any Costs and Expenses paid by Us.
- 11.7** If there is a disagreement about the way We handle a claim that is not resolved through Our internal complaints procedure, We and the Insured Person can choose a suitably qualified person to arbitrate. We and the Insured Person must both agree to the choice of this person in writing. Failing this We will ask the president of a national association relevant to the arbitration to choose a suitably qualified person. All costs of resolving the matter must be paid by the party whose argument is rejected. If the decision is not clearly made against either party, the arbitrator will decide how the costs are shared.
- 11.8** We may at Our discretion require the Policyholder to obtain an opinion from counsel at the Policyholder's expense as to the merits of a claim or proceedings. If counsel's opinion indicates that there are reasonable grounds for the pursuit or defence of a claim or proceedings, the cost of obtaining the opinion will be paid by Us.
- 11.9** We will not pay any claim covered under any other policy, or any claim that would have been covered by any other policy if this Section did not exist.
- 11.10** This Section will be governed by English law.
- 11.11** All Acts of Parliament within this Section of the Policy wording shall include equivalent legislation in Scotland, Northern Ireland, the Isle of Man or the Channel Islands as the case may be.

Section 11 – Legal Expenses

Helpline Services

We provide these services 24 hours a day, seven days a week during the Period of Insurance. To help Us check and improve Our service standards, We record all calls.

EuroLaw Commercial Legal Advice

We will give the Policyholder confidential legal advice over the phone on any commercial legal problem affecting the Business, under the laws of the member countries of the European Union, the Isle of Man, the Channel Islands, Switzerland and Norway.

Tax Advice

We will give the Policyholder confidential advice over the phone on any tax matters affecting the Business, under the laws of the United Kingdom.

Business Assistance

In the event of an unforeseen emergency affecting the Policyholder's Business Premises which causes damage or potential danger, We will contact a suitable repairer or contractor and arrange assistance on behalf of the Policyholder. All costs of assistance provided are the responsibility of the Policyholder.

To contact the above services, phone Us on 0117 934 2111 quoting Your DAS Policy number – TS5/6891978.

Counselling

We will provide all employees (including any members of their immediate family who permanently live with them) of the Policyholder with a confidential counselling service over the phone including, where appropriate, onward referral to relevant voluntary and/or professional services.

To contact the counselling helpline, phone Us on 0117 934 2121. These calls are not recorded.

We will not accept responsibility if the Helpline Services fail for reasons We cannot control. Please do not phone Us to report a general insurance claim.

Employment Manual

The DAS Employment Manual offers comprehensive, up to date guidance on rapidly changing employment law. To view it, please visit Our website at www.das.co.uk. From the Home Page click on the Employment Manual icon. All the sections of this web-based document can be printed off for Your own use. Contact Us at employmentmanual@das.co.uk with Your email address, quoting Your DAS Policy number (TS5/6891978) and We will contact You by email to inform You of future updates to the information.

DASbusinesslaw

The DASbusinesslaw service provides a wide range of letters, articles and reference information, as well as interactive document builders, designed to help You run Your Business.

This service also provides useful tools and information on matters such as new legislation, employment issues, property law and taxation, all regularly updated by legal experts.

To access DASbusinesslaw, You will need to visit www.dasbusinesslaw.co.uk and register using password DAS472301 and Policy number TS5/6891978. When prompted to input Your company name, please insert the prefix TLU followed by the name of Your Business.

If You experience any problems accessing the service, please e-mail the problem to businesslaw@das.co.uk, quoting the above Policy number.

Please note that if You have a specific problem or dispute, You should always contact the legal advice helpline for assistance.

Section 12 – Frozen Food

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 15 also apply to this Section. The General Conditions in Sub-Section 16A and General Exclusions in Section 17 also apply to this Section.

Definitions for Section 12 – Frozen Food

Appliance

Any frozen food cabinet deep freezer cold room cold store refrigerator or chilled unit at the Premises.

Damage

Loss or destruction of or damage.

Cover

The Insurer will indemnify You in respect of Damage occurring during the Period of Insurance, by deterioration or putrefaction, to stock belonging to You or for which You are responsible while contained in any Appliance caused by:

- a) a change in temperature as a result of:
 - i) the breaking, distortion or burning out of any part of the:
 - (i) unit;
 - (ii) unit wiring;
 - (iii) supply cable to the unit, including the plug and fuse;
caused by mechanical or electrical defects in the unit while it is being used under normal working conditions;
 - ii) failure of temperature controls to operate correctly;
 - iii) accidental failure of the public electricity supply but only if this is not deliberately caused by the supply authority.
- b) accidental leakage of refrigerant or refrigerant fumes from the Appliance.

Limit of Liability

The maximum amount payable under any item is the Sum Insured shown in the Schedule.

Average

If at the time of any loss or damage the value of the Property Insured under any item is greater than its Sum Insured You shall be considered as being Your own insurer for the difference and shall bear a rateable share of the loss accordingly.

Exclusions

What is not covered (see also *General Exclusions*):

We shall not indemnify You in respect of:

- 1) Damage caused by:
 - a) wear and tear, deterioration or gradually developing flaws or defects in the unit;
 - b) failure to correctly set any temperature controls;
 - c) Your wilful neglect.
- 2) loss, destruction or damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

Clauses & Conditions that apply to Section 12 – Frozen Food

12.1 Maintenance

It is a condition precedent to liability under this Section that You must ensure that You arrange a maintenance contract on any Appliance which is over 10 years old.

Section 13 – Loss of Licence

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 15 also apply to this Section. The General Conditions in Sub-Section 16A and General Exclusions in Section 17 also apply to this Section.

Definitions for Section 13 – Loss of Licence

Licence

The licence granted for the retail sale of excisable liquors at the Premises specified in the Schedule.

Loss of Licence

- a) Forfeiture of a Licence under the provisions of the appropriate legislation covering the issue of the Licence;
- b) refusal to renew a Licence by the licensing authority; due to causes beyond Your control.

Cover

The Insurer will indemnify You for reduction in the value of Your interest in:

- a) the Premises; or
- b) the Business

following Loss of Licence.

In addition We will also pay for costs and expenses incurred with Our written consent where You appeal against the Loss of Licence.

Limit of Liability

The liability of the Insurer under this Section shall not exceed the Limit of Indemnity as shown in the Schedule.

Exclusions

What is not covered (see also General Exclusions):

We will not pay where:

- 1) You can obtain statutory compensation for Loss of Licence;
- 2) the Loss of Licence arises out of:
 - a) any town or country planning improvement or redevelopment;
 - b) compulsory purchase or surrender;
 - c) reduction or redistribution of Licences;
 - d) a change in the law affecting the grant surrender or forfeiture or refusal to renew the Licence.

Clauses & Conditions that apply to Section 13 – Loss of Licence

13.1 Change in Risk

It is a condition precedent to liability under this Section that You must notify Us in writing immediately that You become aware of any:

- a) change in tenancy or management of the Premises;
- b) transfer or proposed transfer of the Licence;
- c) complaint against the Premises or the control of the Premises;
- d) action or complaint against the:
 - i) Licence holder;
 - ii) manager;
 - iii) tenant or other occupier of the Premises;for any breach of the licensing law, or any other matter where the character or reputation of the person concerned is affected or brought into question with respect to their honesty moral standing or sobriety;
- e) objection to renewal of the Licence, or other reasons which could endanger the Licence or its renewal.

Section 13 – Loss of Licence

13.2 Notification

It is a condition precedent to liability under this Section that, in the event of a Loss of Licence, You must inform Us in writing within 24 hours. You are also required to provide any assistance or information We may request.

13.3 Replacement

In the event of the death bankruptcy or incapacity or desertion of the Premises or conviction for any offence (where such conviction affects the character or reputation of the convicted person with respect to their honesty moral standing or sobriety) of the Licence holder tenant manager or occupier You will where practicable and at Our request procure a suitable person to replace the person concerned and one to whom the Licence will be transferred or a new Licence will be granted by way of renewal.

Section 14 – Terrorism

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 15 also apply to this Section. The General Conditions in Sub-Section 16A and General Exclusions in Section 17 also apply to this Section.

Definitions for Section 14 – Terrorism

Act of Terrorism

Act of Terrorism means 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 Her Majesty's government in the United Kingdom or any other government de jure or de facto.

Business Interruption

Business Interruption shall mean loss resulting from interruption of or interference with the Business carried on by You at the Premises in consequence of loss or destruction of or damage to property used by You at the Premises for the purpose of the Business.

Damage

Damage shall mean accidental loss or destruction of or damage to the Property Insured.

Denial of Service Attack

Denial of Service Attack means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information 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 and the generation of excess or non-genuine traffic between and amongst networks.

Great Britain

Great Britain means England and Wales and Scotland but not the territorial seas adjacent thereto (as defined by the Territorial Sea Act 1987).

Hacking

Hacking means unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data, whether the property of the Insured or not.

Nuclear Installation

Nuclear Installation means any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument, being an installation designed or adapted for:

- a) the production or use of atomic energy; or
- b) the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations; or
- c) the storage, processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter, being matter which has been produced or irradiated in the course of the production or use of nuclear fuel.

Nuclear Reactor

Nuclear Reactor means any plant (including any machinery, equipment or appliance, whether affixed to land or not) designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons.

Phishing

Phishing means any access or attempted access to data or information made by means of misrepresentation or deception.

Private Individual

Any person other than:

- a) a trustee or body of trustees where insurance is arranged under the terms of a trust;
- b) a person who owns Residential Property for the purpose of their business as a sole trader.

Residential Property

Residential Property means houses and blocks of flats and other dwellings (including household contents and personal effects of every description).

Section 14 – Terrorism

Virus or Similar Mechanism

Virus or Similar Mechanism means program code, programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files 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.

Cover

In consideration of the payment of the Premium in respect of the Period of Insurance, the cover provided under the Sections shown under the Terrorism Section of the Schedule of this Policy is extended to include Damage to the Property Insured or Business Interruption where covered in Great Britain occasioned by or happening through or in consequence of an Act of Terrorism.

Provided that

- a) the Insurer's liability in respect of all losses shall not exceed in the whole the Total Sum Insured or the Sum Insured in respect of each item or any other Limit of Liability as stated herein or in the Schedule;
- b) the insurance by this Section is subject to the Exclusions stated below.

Exclusions

What is not covered (see also General Exclusions):

1) War and Allied Risks

Any losses whatsoever occasioned by 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.

2) Electronic Risks

Any losses whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from:

- a) the alteration, modification, distortion, corruption of or damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software); or
- b) any alteration modification distortion erasure corruption of data processed by any such computer or other equipment or component or system or item

whether or not Your property, 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.

3) Nuclear Installation or Nuclear Reactor

This insurance does not cover any Nuclear Installation or Nuclear Reactor and all fixtures and fittings situated thereon and attached thereto and all pipes wires cables drains or other conduits or service media of any description which are affixed or connected to or in any way serve such Nuclear Installation or Nuclear Reactor.

4) Residential Property

This insurance does not cover any land or building which is occupied as a private residence or any part thereof which is so occupied, unless:

- a) insured under the same Policy as the remainder of the building which is not a private residence; or
- b) not insured in the name of a Private Individual

Section 14 – Terrorism

Clauses & Conditions that apply to Section 14 – Terrorism

- 14.1** In any action or other proceedings where the Insurer alleges that any Damage or Business Interruption is not covered by this Section the burden of proving that such Damage or Business Interruption is covered shall be upon You.
- 14.2** Any terms in this Policy which provide for adjustments of premium based upon declarations on expiry or during the Period of Insurance do not apply to this Section.
- 14.3** If this Policy is subject to any Long Term Agreement/Undertaking, it does not apply to this Section.
- 14.4** The cover provided by this Section is subject to a maximum Period of Insurance of 12 months from the Effective Date or any subsequent Renewal Date of this Policy. Any subsequent period of cover of 12 months (or part thereof) provided by this Section is deemed to constitute a separate Period of Insurance, provided that:
- a) no subsequent Period of Insurance by this Section shall extend beyond the next Renewal Date of this Policy;
 - b) the renewal premium due in respect of this Section has been received by the Insurer.

Subject otherwise to all the terms and conditions of this Policy.

Section 15 – General Definitions

These Definitions apply to all Sections of the Policy unless stated otherwise. Other Definitions are contained within the Sections of the Policy where they apply.

We/ Insurer/ Our/ Us

ERGO Versicherung AG, UK Branch (not applicable to Section 10 and Section 11)
HSB Engineering Insurance Limited (Section 10 only)
DAS Legal Expenses Insurance Company Limited (Section 11 only)

Business

The Business stated in the Schedule, including in respect of Sections 5 and 6:

- a) the provision and management of canteen sports social or welfare organisations for the benefit of Employees and fire security first aid medical and ambulance services;
- b) private work undertaken with Your prior consent by Employees for any of Your directors or senior officials;
- c) the ownership maintenance and repair of Your Premises.

Consequential Loss

Any further loss of any kind that may arise due to, or as a result of, loss or destruction of or any damage to any property whatsoever.

Employee (not applicable to Section 11 – Legal Expenses)

- a) any person under a contract of service or apprenticeship with You;
 - b) any person who is hired to or borrowed by You;
 - c) any person engaged in connection with a work experience or training scheme;
 - d) any labour master or person supplied by him;
 - e) any person engaged by labour only sub-contractors;
 - f) any self employed person working on a labour only basis under Your control or supervision; or
 - g) any voluntary helper;
- while working for You in connection with the Business.

Insured/ Policyholder/ You/ Your

The person(s) or company named in the Schedule.

Period of Insurance

The period shown in the Schedule and any subsequent period for which We accept Your premium for renewal of this Policy.

Policy

The Policy and Schedule and any endorsements attached or issued.

Premises

The Premises as stated in the Schedule.

Proposal

The signed Proposal or “Statement of Fact” form (however described) and any additional information submitted to the Insurer by You or on Your behalf.

Terrorism

- a) In Great Britain and Northern Ireland: 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 Her Majesty’s government in the United Kingdom or any other government de jure or de facto.
- b) In so far that the insurance by this Policy is extended to include any situation elsewhere than in Great Britain and Northern Ireland: any act, including but not limited to the use of force or violence and/or the 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 or any international governmental organisation and/or to put the public, or any section of the public in fear.

Section 16 – Policy Conditions

Sub-Section 16A – General Conditions

These General Conditions apply to all Sections of the Policy unless stated otherwise. The Special Conditions and Clauses in Sub-Section 16B only apply if they are shown as operative on the Schedule. Other Conditions are contained within the Sections of the Policy where they apply.

16A.1 Alteration in Risk

This Policy shall be avoided if after the commencement of this insurance:

- a) the Business is wound up or carried on by a liquidator or receiver or permanently discontinued; or
- b) Your interest ceases other than by death; or
- c) any alteration is made either in the Business or in the Premises or Property Insured therein or any other circumstances whereby the risk is increased unless otherwise stated

unless such alteration is notified to and accepted by the Insurer in writing and, in respect of General Condition 16A.1 c) above, the Insurer agrees not to avoid the Policy provided that:

- i) such alteration is not of such a nature that if the alteration had occurred prior to the commencement of this Policy the Insurer would not have entered into this Policy on any terms;
- ii) You shall pay an appropriate additional premium if required by the Insurer with effect from the date of the alteration;
- iii) the Insurer shall be entitled to impose appropriate additional terms, other than premium, with effect from the date of the alteration.

16A.2 Arbitration

If any difference shall arise as to an amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to a sole arbitrator to be appointed in accordance with the provisions of the Arbitration Act 1996. An award made by the arbitrator shall be a condition precedent to any right of legal action against the Insurer.

16A.3 Average (Underinsurance)

Where a Sum Insured is subject to Average if at the time of the Damage the Sum Insured is less than the actual value of the property You will be considered as Your own insurer for the difference and bear a proportionate share of the loss.

16A.4 Cancellation

The Insurer shall not be bound to accept any renewal of this Policy and may at any time give You thirty days notice to cancel this Policy. This termination shall be without prejudice to any rights or claims of the Insurer or You prior to the expiry of such notice.

You can cancel this insurance at any time by writing to Your broker and returning Your certificate of Employers' Liability insurance (if one has been issued to You). Any return premium due to You will depend on how long this insurance has been in force and whether You have made a claim or incidents have occurred that might give rise to a claim. The Insurer reserves the right on refunding any premium paid if You have made a claim under this Policy.

16A.5 Claims - The Insurer's Rights

The Insurer:

- a) on the happening of any loss, destruction or damage in respect of which a claim is made, may, without incurring any liability or diminishing any of the Insurer's rights under this Policy, enter, take or keep possession of, the Premises where such loss destruction or damage has occurred and take possession of, or require to be delivered to the Insurer, any Property Insured and deal with such property for all reasonable purposes and in any reasonable manner.
No claim under Section 1 shall be payable unless the terms of this condition have been complied with.
No property may be abandoned to the Insurer whether taken possession of by the Insurer or not.
- b) shall have full discretion in the conduct of any proceedings and in the settlement of any claim.

16A.6 Computer Records

It is a condition precedent to liability that the Insured shall maintain a minimum of two generations of back-up computer records and software taken at intervals no less frequently than seven days, one copy as a minimum being held off site.

16A.7 Conditions Precedent to Liability

Every condition stated as a condition precedent that applies to this Policy (whether a Policy, Section or Special Condition) shall apply from the time the condition attaches and continue to be in force during the whole currency of this Policy. Failure to comply with any such condition shall be a bar to any claim.

Section 16 – Policy Conditions

16A.8 Contracts (Rights of Third Parties) Act

The parties to this contract do not intend that any clause or term of this contract should be enforceable by virtue of the Contracts (Right of Third Parties) Act 1999 by any person who is not a party to this contract.

16A.9 Excess

This Policy does not cover the Excess being the first amount of each and every claim (as shown in the Schedule) for which You are responsible at each separate Premises after the application of all other terms and conditions of this Policy including but not limited to any condition of Average.

16A.10 Financial or Trade Sanctions

The Insurer shall not be deemed to provide cover and shall not be liable to pay any claim or provide any benefit under this Policy to the extent that the provision of such cover, payment of such claim or provision of such benefit would implicate the Insurer in the breach of any sanctions, 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.

16A.11 Fraud

If any:

- a) claim made under this Policy by You or anyone acting on Your behalf is fraudulent or intentionally exaggerated in any way;
- b) false declaration or statement is made;
- c) fraudulent device is used to support the claim;
- d) loss, Injury, destruction or Damage is caused by Your wilful act or with Your connivance;

then the Insurer will:

- i) have no liability to pay any part of or the whole of the fraudulent claim;
- ii) be entitled to refuse all claims arising after the fraudulent action;
- iii) remain liable for legitimate claims before the fraudulent action;
- iv) be entitled to terminate the Policy from the date of the fraudulent action whether or not the Policy had expired before the discovery of the fraud.

16A.12 Insurable Interest

The insurable interest in the insurance by this Policy shall not be transferred without the written consent of the Insurer.

16A.13 Interpretation

In this Policy;

- a) reference to any statute or statutory provision and orders or regulation thereunder shall include a reference to that provision, order or regulation as amended, re-enacted or replaced from time to time whether before or after the date of the inception of this Policy;
- b) reference to any statutory or other body shall include the successor to that body;
- c) words importing the singular include the plural and vice versa and references to persons includes bodies corporate or unincorporated. Words importing any gender shall include all genders;
- d) if any term, condition, exclusion or endorsement or part thereof is found to be invalid or unenforceable the remainder shall remain in full force and effect;
- e) the headings are for reference only and shall not be considered when determining the meaning of this Policy.

16A.14 Minimum Standards of Security

The Insurer requires Your Premises to have the Minimum Standard of Security as detailed below:

Exit Doors

- a) Sliding and/or folding doors, where the door meets the stile, are to be secured with a locking bar and close shackle padlock. If a multi-leaf door then each leaf should be secured internally by bolts top and bottom.
- b) Roller shutters which are manually operated are to be secured with bullet locks or alternatively a locking bar and close shackle padlock, with a staple set into concrete and the locking bar secured to the shutter. Roller shutters which are automatically operated internally are to have operating chains secured with a hardened shackle padlock to the door frame or any other part of the building structure. Roller shutters which are electrically operated externally are to be fitted with automatic cut-off devices in the event that keys are not used.
- c) Wicket gate doors are to be secured by either a mortise deadlock which has five or more levers and/or conforms to BS 3621 with a matching box striking plate fitted, or by a locking bar and close shackle padlock.
- d) Single leaf, solid or panelled doors are to be secured by either a mortise deadlock which has five or more levers and/or conforms to BS 3621 with a matching box striking plate fitted, or by a locking bar and close shackle padlock.

Section 16 – Policy Conditions

- e) Double leaf, solid or panelled doors are to be secured by flush or barrel bolts top and bottom on the first closing leaf and:
 - i) a mortise deadlock which has five or more levers and/or conforms to BS 3621 and a matching box striking plate; or
 - ii) a locking bar and close shackle padlock on the second closing leaf.
- f) Aluminium or UPVC framed doors are to be fitted with integral cylinder key operated mortise deadlocks.

Internal Doors

Internal doors giving access to any part of the Building not occupied by You or for Your Business are to be fitted on Your side of the door with either:

- a) a mortise deadlock which has five or more levers and conforms to BS 3621 with a matching box striking plate and You are to be the sole key holder;
- b) two key operated security bolts, one fitted approximately 30 cm from the top of the door and the other 30 cm from the bottom; or
- c) a locking bar and close shackle padlock.

Windows, Fanlights, Rooflights and Skylights

All opening external basement, ground floor and other accessible windows, fanlights, rooflights and skylights are to be fitted with key operated window locks or a padlock and locking bar or padlock, hasp and staple.

Note: An accessible window is one which can easily be reached such as a window adjacent to a flat roof or fire escape, balcony, canopy or downpipe.

This requirement does not apply to windows protected by solid steel bars, weld mesh or expanded metal grilles securely fixed to brickwork surrounding the window or demountable weld mesh or expanded metal grilles secured by means of a hardened shackle padlock.

Fire Exits

Any door or window officially designated as a fire exit by a fire authority is excluded from the above requirements. These are to be secured internally by panic bolts or fire exit bolts (capable of opening at all times). Any additional devices must be approved by the local Fire Prevention Officer.

Important Note:

No cover will be in operation for theft or attempted theft involving entry into or exit from the Premises and malicious damage and fire caused by arson unless:

- a) *Your Premises are protected to the Minimum Standards of Security detailed above;*
- b) *security devices stipulated are in full and effective operation whenever Your Premises are left unattended; or*
- c) *Your Premises have been surveyed by one of Our Risk Control Surveyors and the Insurer has accepted alternative levels of security.*

16A.15 Misrepresentation and Misdescription - Policy Voidable

This Policy may be voidable in the event You have not made a fair presentation of the risks which are relevant to Your Business as set out under the Your obligations section of this Policy, that is to say that there has been a material misrepresentation, misdescription or non-disclosure in such presentation.

However, the Insurer agrees not to void the Policy provided that:

- a) such misrepresentation, misdescription or non-disclosure has not been deliberate or reckless;
- b) such misrepresentation, misdescription or non-disclosure has not been of such nature that, if the material particular had been fairly presented, fairly described or had been disclosed, the Insurer would not have entered into the Policy on any terms;
- c) the Insurer shall be entitled to impose appropriate additional terms (other than premium) with effect from inception, or if applicable, the date of the alteration.

If at the time of Damage, claim or loss the premium charged to You would have been higher but for the misrepresentation, misdescription or non-disclosure in any material particular, the liability of the Insurer for any loss amount payable shall be limited to the proportion that the premium charged bears to the higher premium.

16A.16 Observance of Terms

It is a condition precedent to any liability on the part of the Insurer under this Policy that the terms hereof so far as they relate to anything to be done or complied with shall be duly and faithfully observed except in so far as it is necessary to comply with the requirements of any legislation enacted in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man relating to compulsory insurance of legal liability to Employees.

Section 16 – Policy Conditions

16A.17 Other Insurances and Average

Applicable to Section 1 – Property Damage and Section 7 – All-Risks (Specified Items)

If at the time of any Damage there is any other insurance effected by You or on Your behalf covering any of the Property damaged the liability of the Insurer under this Policy shall be limited to its rateable proportion of such Damage.

If any other insurance shall be subject to any Average (under-insurance) condition this Section if not already subject to any condition of Average shall be subject to Average in like manner.

If any other insurance is subject to any provision whereby it is excluded from ranking concurrently with this Section either in whole or in part or from contributing rateably the liability of the Insurer hereunder shall be limited to that proportion of the Damage as the Sum Insured by this Section bears to the value of the Property.

Applicable to Section 2 – Business Interruption

If at the time of any Incident resulting in a loss under this Section there is any other insurance effected by You or on Your behalf covering such loss or any part of it the liability of the Insurer under this Policy shall be limited to its rateable proportion of such loss.

Application to Section 3 – Goods in Transit

If at the time of a claim there is any other insurance arranged by You or on Your behalf covering anything insured under this Section the Insurer shall be liable only for a proportionate share.

If the other insurance is more specific in relation to the Property then this Section will only apply after the other insurance has been exhausted.

Applicable to Section 5 – Employers' Liability and Section 6 – Public Liability and Products Liability

The Insurer will not indemnify You in respect of liability which is insured by or would but for the existence of the Section be insured by any other policy except in respect of any excess beyond the amount payable under such other policy had this insurance not been effected.

16A.18 Reasonable Precautions

You shall:

- a) take all reasonable precautions to prevent occurrences which may give rise to loss destruction or damage;
- b) take all reasonable steps to comply with statutory requirements obligations and regulations imposed by any authority;
- c) take immediate steps to make good or remedy any defect or danger which becomes apparent or take such additional precautions as circumstances may require; and
- d) take reasonable care in selecting Employees and maintain security precautions when the Property insured under Section 3 is in Your custody or control.

16A.19 Subjectivity

- a) If the Policy is issued with subjectivity it will clearly state in the Schedule if the cover provided by the Policy is subject to You:
 - i) providing the Insurer with any additional information requested by the required date;
 - ii) completing any actions agreed between You and the Insurer by the required dates; or
 - iii) allowing the Insurer to complete any actions agreed between You and the Insurer.
- b) If required by the Insurer You must allow access to the Premises and the Business to carry out surveys within 60 days of the inception or renewal date, unless agreed otherwise in writing.

If cover under this Policy is subject to You completing risk improvements and complying with the risk improvements for the currency of the Policy then the risk improvements identified must be completed within the individual timescales specified and complied with for the currency of the Policy.

Following the above actions the Insurer reserves the right to:

- a) modify the premium;
- b) change the terms and conditions of the Policy;
- c) require You to make alterations to the Premises insured by required dates;
- d) cancel the Policy in accordance with General Condition 16A.4;
- e) leave the Policy terms, conditions and premium unaltered.

You will be advised of the Insurer's decision and any required actions and dates. The effective date of any changes will apply unless and until the Insurer agrees otherwise in writing.

If You disagree with the Insurer's decision You must make Your comments in writing and the Insurer will attempt to negotiate a resolution with You. If this is unsuccessful You have the right to cancel the Policy and, subject to no claims, a proportionate part of the premium will be refunded to You.

The above conditions do not affect the Insurer's right to void the Policy in accordance with General Condition 16A.15 if information material to its acceptance of Your Proposal is discovered.

16A.20 Subrogation

Any claimant under this Policy shall, at the request and at the expense of the Insurer, take and permit to be taken all necessary steps for enforcing rights against any other party in Your name before or after any payment is made by the Insurer. The Insurer shall be entitled to take over and conduct in Your name the defence or settlement of any claim or to prosecute in Your name, at its own expense and for its own benefit, any claim for indemnity or damages or otherwise.

Section 16 – Policy Conditions

Sub Section 16B – Special Conditions and Clauses

These Special Conditions and Clauses only apply if they are shown as operative on the Schedule. The General Conditions in Sub-Section 16A apply to all Sections of the Policy unless stated otherwise. Other Conditions are contained within the Sections of the Policy where they apply.

16B.1 Financial Loss

The indemnity provided by Section 6 of this Policy is extended to indemnify You against all such sums that You shall become legally liable to pay as damages and costs and expenses of claimants in respect of accidental financial loss;

but the Indemnity will only apply to:

- a) a claim which is first made in writing against You during the Period of Insurance; and
- b) which is notified to the Insurer during the same Period of Insurance or within 30 days after the expiry of such Period of Insurance.

Provided that:

- a) the liability of the Insurer under this extension for all damages and claimants costs and expenses arising out of all claims first made against You during any one Period of Insurance shall not in the aggregate exceed the sum of £250,000; and
- b) You shall be responsible under this extension for the first 10% of all damages and claimants costs and expenses payable in respect of each and every claim made against You subject to You being responsible for a minimum amount of £5,000 in respect of each and every such claim.

Exclusions to Clause 16B.1 Financial Loss:

The indemnity provided by this extension will not apply to legal liability:

- a) in respect of:
 - i) Injury to any person;
 - ii) loss of or damage to material property;
 - iii) nuisance, trespass, obstruction, loss of amenities or interference with any right of way, air, light or water; or
 - iv) wrongful arrest, detention, imprisonment or eviction of any person or invasion of the right of privacy.
- b) arising under contract whether by virtue of express agreement or otherwise.
- c) for the actual cost or value of any Products Supplied or replacement, repair, removal or reinstatement of any Products Supplied;
- d) for:
 - i) liquidated damages, fines, penalties or payments to any statutory authority arising out of the enforcement of any statutory requirement or duty;
 - ii) libel, slander or passing off or infringement of patent, copyright, trademark or trade name;
 - iii) financial loss sustained by any Employee arising out of or in the course of employment by You.
- e) caused by or arising from:
 - i) breach of professional duty or service or any error or omission in estimates or advice given by You or on Your behalf in a professional capacity or in design, plan, drawings or specification for which a fee is charged or would normally be charged;
 - ii) property in the custody or under the control of You or any Employee or failure to return such property;
 - iii) the storage, processing or transmission by You or on Your behalf of computer data;
 - iv) delay, non-completion or non delivery;
 - v) any act of fraud or dishonesty by You or any Employee; or
 - vi) any circumstances known to You at inception of this extension which may give rise to a claim for financial loss.
- f) arising:
 - i) outside Great Britain, Northern Ireland, the Channel Islands, or the Isle of Man;
 - ii) out of any cause giving rise to financial loss happening before the Retroactive Date which, unless specified to the contrary, shall be the inception date of this Policy.

The indemnity provided under this extension is subject otherwise to the terms Exclusions and Conditions of Section 6 of this Policy.

Section 16 – Policy Conditions

16B.2 Alarm Clause

It is a condition precedent to liability under Sections 1, 4 and 7 in respect of loss or damage following entry or attempted entry to or exit from the Premises by forcible and violent means that:

- a) the Premises are protected by an Intruder Alarm System designed installed and maintained to British Standard BS 4737 including Code of Practice DD243 or EN 50131 by an intruder alarm installation and maintenance company who are both:
 - i) a member of an Alarm Inspectorate which is accredited by UKAS to EN 45011 or EN 45012; and
 - ii) accredited and operate a Quality Management System in accordance with EN ISO 9000.
- b) the Intruder Alarm System shall be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance, as per the requirements of BS 4737 or EN 50131, with the installing company or such other company as agreed with the Insurer.

Where remote alarm signalling is required the signal transmission must be transmitted to an Alarm Receiving Centre fully compliant with BS 5979:2000 and operated by a company accredited and operating to a Quality Management System in accordance with EN ISO 9000.

- c) no alteration to or substitution of:
 - i) any part of the Intruder Alarm System;
 - ii) the maintenance contract;
 - iii) the structure of the Premises or changes to the layout of the Premises which would affect the effectiveness of the Intruder Alarm System; or
 - iv) the procedures agreed with the Insurer for Police or any other response to any activation of the Intruder Alarm System;be made without the written agreement of the Insurer.
- d) the Alarmed Premises shall not be left unattended without the agreement of the Insurer:
 - i) unless the Intruder Alarm System is set in its entirety with the means of communication used to transmit signals in full operation;
 - ii) if the Police have withdrawn their response to alarm activations.
- e) You shall maintain secrecy of codes for the operation of the Intruder Alarm System and detail of such codes and all keys to the Intruder Alarm System shall be removed from the Premises when the Premises are left unattended.
- f) You shall appoint at least two Key Holders and lodge written details (which must be kept up to date) with the alarm company and either the Police or the Alarm Receiving Centre.
- g) in the event of notification of any activation of the Intruder Alarm System or interruption of means of communication during any period the Intruder Alarm System is set a Key Holder shall attend the Premises as soon as reasonably possible.
- h) in the event of You receiving any notification:
 - i) the Police attendance in response to alarm signals/calls from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed;
 - ii) from a Local Authority or Magistrate imposing any requirement for abatement of nuisance;
 - iii) that the Intruder Alarm System cannot be returned to or maintained in full working order;You shall advise the Insurer as soon as possible and comply with any subsequent requirements stipulated by the Insurer.

Definitions for 16B.2 Alarm Clause:

Intruder Alarm System

The component parts including the means of communication used to transmit signals to and from the Premises.

Alarmed Premises

The Premises or those portions of the Premises protected by the Intruder Alarm System.

Key Holder

You or any person or key holding company authorised by You who is available at all times to accept notification of faults or alarm signals to the Intruder Alarm System and attend and allow access to the Premises.

Premises

The Buildings occupied by You or under Your control (unless stated otherwise in the Schedule).

Section 16 – Policy Conditions

16B.3 Composite Panels

- a) It is a condition precedent to liability of the Insurer in respect of any building containing composite panels with combustible cores that:
- i) the existence and extent of the composite panels has been fully disclosed to the Insurer prior to inception of the Policy;
 - ii) all wiring passing through composite panels is, and will continue to be, encased in metal conduits and sealed with rubber grommets;
 - iii) when services, which pierce any composite panels, are removed, the openings will immediately be capped by metal plates;
 - iv) any ductwork or services that pass through composite panels and which may get hot are, and will continue to be, sleeved in non-combustible insulation sufficient to prevent any transfer of heat to the composite panels through which they pass;
 - v) no repairs will be made to composite panels that involve welding, grinding, cutting or other obvious ignition sources; and
 - vi) heat sources will be kept a minimum distance of 2 metres away from all composite panels.
- b) It is a condition precedent to the liability of the Insurer in respect of any building containing composite panels that:
- i) fire extinguishers and fire blankets, suitable both in number and type, are supplied for all cooking areas;
 - ii) at least weekly inspections are undertaken by You to check for Damage to composite panels or panel joints;
 - iii) any defects which are found during the course of the inspections referred to at ii) are rectified or the defective panel(s) replaced by a panel(s) with a non-combustible core without delay and in any event within 7 days; and
 - iv) there is no external storage of combustible waste, stock, packaging, pallets, or skips or bins containing such items within 10 metres of any building containing composite panels.
- c) Where work involving the application of heat is to be carried out in any building containing composite panels with combustible cores, the following condition applies:
- It is a condition precedent to the liability of the Insurer under the Policy that;
- i) any work involving the application of heat is only carried out by a suitably experienced contractor;
 - ii) the contractor carrying out the work has public liability insurance in force at least to the same level as the Sums Insured shown on the Schedule to this Policy and that You confirm the same through sight of the certificate of insurance;
 - iii) You do not waive any subrogation rights against the contractor at any time;
 - iv) the area in which the work is to be carried out must be cleared of any loose debris and all movable combustible materials removed to a distance of not less than 6 metres from the area of the proposed work prior to its commencement;
 - v) if work is to be carried out overhead, the area beneath that work must be cleared of any loose debris and all movable combustible materials removed to a distance of not less than 6 metres from the area of the proposed work prior to its commencement;
 - vi) any combustible materials within a 6 metre radius of the area of the proposed work which cannot be moved, including any composite panels, are to be fully covered and protected by fire-proof blankets and/or screens. [For the avoidance of doubt, the condition at a) (vi) will still apply such that under no circumstances must hot works be carried out within 2 metres of any composite panels];
 - vii) the ground or floor or other horizontal surface (including any gutters) directly beneath the area of the proposed work is to be liberally covered with sand to a distance of not less than 50cm all around the area of the proposed work;
 - viii) a suitable number of fire extinguishers with a total capacity of not less than 20 litres must be kept available for immediate use and located no more than 2 metres from the area of work;
 - ix) a dedicated person, with no other responsibilities, must be in attendance to keep a constant fire watch and to damp down the area of the proposed works whilst the hot work is being carried out and for at least 15 minutes following any interruption to and/or cessation of the hot work;
 - x) blow lamps and blow torches shall be lit for as short a time as possible before use and extinguished immediately after use;
 - xi) lighted blow lamps and torches must not be left unattended;
 - xii) any work involving the application of heat will cease at least 1 hour before the Premises close for Business for the day;
 - xiii) a thorough examination of the area in which the work was carried out, including an examination of the other side of any roof or partition to the side on which the hot works were being carried out, shall be made 30 minutes and 60 minutes after hot works have ceased or been interrupted for 30 minutes or more, and immediately prior to the Premises closing for Business on any day during which hot works have been carried out; and
 - xiv) You obtain written confirmation from the contractor prior to the start of work that the precautions stated on Your hot work permit will be adhered to.

Section 16 – Policy Conditions

16B.4 Electrical Circuit Maintenance Warranty

It is warranted that a current and valid electrical certificate is issued for the Premises and that the electrical installation will be inspected and tested once every five years by a contractor approved by the National Inspection Council for Electrical Installation Contracting (NICEIC) and that defects found will be remedied forthwith in accordance with regulations of the Institution of Engineering and Technology (IET).

16B.5 Frying and Cooking Equipment

It is a condition precedent to liability of the Insurer in respect of any frying and/or other cooking range in the Premises that:

- a) a flame failure device is fitted if the range is gas or oil fired;
- b) all cooking equipment used for deep fat frying shall be fitted with a thermostat to prevent fat or oil exceeding 205° centigrade and a high temperature non-self resetting limit control to shut off the heat source if fat or oil exceeds 230° centigrade;
- c) all frying and other cooking ranges, equipment, flues and exhaust ducting will be kept securely fixed and free from contact with combustible materials;
- d) frying equipment will be installed, used and maintained in accordance with the manufacturer's instructions;
- e) where ducts pass through any combustible material, it should be cut away to a distance of at least 150mm from the duct and the space filled with non-combustible insulation;
- f) extraction of heat, fumes and/or combustion products be via an integral duct, or an overhead canopy and duct system, vented direct to the open;
- g) all ducts be constructed of and supported by galvanised or stainless steel;
- h) all extraction hoods, canopies, filters and grease traps will be cleaned at least once each week;
- i) all extraction ducts will be cleaned regularly and maintained and checked at least once every six months by a specialist contractor;
- j) the record of such cleaning and servicing of the extraction ducts will be kept elsewhere other than at the Premises and will be made available for inspection at any time;
- k) multi-purpose fire extinguishers and at least one fire retardant blanket which conforms to the relevant British Standard suitable for extinguishing oil and fat fires will be kept in the close proximity to the working area of the range and maintained ready for use;
- l) frying ranges will not be left unattended whilst in use;
- m) all naked flames (other than pilot lights) and all electrical elements will be turned off at the close of the working day.

16B.6 Waste Removal – A (Oily/Greasy Waste, Weekly Removal)

It is warranted that all oily and/or greasy waste and used cleaning cloths which remain in the buildings overnight will be kept in metal receptacles with close fitting metal lids and removed from the buildings at least once a week.

16B.7 Waste Removal – B (Combustible Waste, Daily Removal)

It is warranted that all combustible trade waste and refuse will be removed from the buildings every night.

16B.8 Waste Removal – C (Combustible Waste, Weekly Removal)

It is warranted that all combustible trade waste and refuse will be swept up daily and kept in bags or bins and removed from the buildings at least once a week.

16B.9 Stillage Warranty

It is warranted that all stock stored in basements and/or at ground level is stored on racks pallets or stillages at least 15cm above floor level.

Section 17 – General Exclusions

These Exclusions apply to all Sections of the Policy unless stated otherwise.

Other Exclusions are contained within the Sections of the Policy where they apply.

17.1 *Applicable to all Sections other than Section 5 – Employers' Liability*

a) **War & Similar Risks**

The insurance by this Policy does not cover:

Damage or Business Interruption or legal liability directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection, military or usurped power, or confiscation, or nationalisation, or requisition, or destruction of or damage to property by or under the order of any government or public or local authority.

b) **Nuclear Risks & Radioactive Contamination Risks**

This insurance does not cover;

- a) loss destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any Consequential Loss; or
- b) any legal liability of whatsoever nature;

directly or indirectly caused by or contributed to by or arising from:

- a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
- e) any chemical, biological, bio-chemical, or electromagnetic weapon.

17.2 *Applicable to all Sections other than Section 5 – Employers' Liability and Section 8 – Personal Accident*

Date Recognition

The insurance by this Policy does not apply to:

Any claim directly or indirectly caused by or contributed to by or arising from the failure of any computer or other equipment data processing service product microchip micro processor integrated circuit embedded chip or similar device computer software program or process or any other electronic system or any design or advice in connection with any of the foregoing irrespective of ownership possession or use and whether occurring before during or after the Year 2000:

- a) correctly to recognise any date as its true calendar date;
- b) to capture save or retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date; or
- c) to capture save or retain or correctly to process any data as a result of the operation of any command which has been programmed into the computer software being a command which causes the loss of data or the inability to capture save retain or correctly to process such data on or after any date;

but this shall not exclude subsequent Damage in respect of Section 1 (Property Damage) subsequent Business Interruption in respect of Section 2 (Business Interruption) and subsequent loss or damage in respect of Section 7 (All Risks-Specified Items) not otherwise excluded which itself results from fire, lightning, explosion, theft, aircraft or other aerial devices or articles dropped from aircraft or other aerial devices, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood, escape of water from any tank apparatus or pipe or impact by any road vehicle or animal, provided such Peril is insured by the Section.

Section 17 – General Exclusions

17.3 *Applicable to all Sections other than Section 5 – Employers' Liability and Section 14 – Terrorism*

Terrorism

- a) This insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.
- b) This insurance also excludes loss, damage, cost or expense of whatsoever nature in Northern Ireland directly or indirectly resulting from or in connection with civil commotion.
- c) This insurance also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to a) or b) above.

If the Insurer alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon You.

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

17.4 *Applicable to all Sections other than Section 5 – Employers' Liability and Section 6 – Public Liability and Products Liability*

Contamination and Pollution Clause

- a) The insurance by this Policy does not cover any loss or damage due to contamination, pollution, soot, deposition, impairment with dust, chemical precipitation, adulteration, poisoning, impurity, epidemic and disease or due to any limitation or prevention of the use of objects because of hazards to health.
- b) This exclusion does not apply if such loss or damage arises out of one or more of the following Perils:
Fire, Lightning, Explosion, Impact of Aircraft
Vehicle Impact, Sonic Boom
Accidental Escape of Water from any tank apparatus or pipe
Riot, Civil Commotion, Malicious Damage
Storm, Hail
Flood, Inundation
Earthquake
Landslide, Subsidence
Pressure of Snow, Avalanche
Volcanic Eruption
- c) If a Peril not excluded from this Policy arises directly from pollution and/or contamination any loss or damage arising directly from that Peril shall be covered.
- d) All other terms and conditions of this Policy shall be unaltered and especially the exclusions shall not be superseded by this clause.

17.5 *Applicable to all Sections other than Section 10 – Equipment Breakdown*

Electronic Data

1) Electronic Data Exclusion

- a) The insurance by this Policy does not cover loss, damage, destruction, distortion, erasure, corruption or alteration of Electronic Data from any cause whatsoever (including but not limited to Computer Virus) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

Electronic Data means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

Computer Virus means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. Computer Virus includes but is not limited to Trojan horses, worms and logic bombs.

- b) However, in the event that a Peril listed below results from any matters described in paragraph a) above, this insurance, subject to all its terms, conditions and exclusions, will cover physical damage occurring during the Policy Period of Insurance to the Property Insured by this Policy directly caused by such listed Peril.

Section 17 – General Exclusions

Listed Perils:
Fire
Explosion

2) **Electronic Data Processing Media Valuation**

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the Electronic Data from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such Electronic Data. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this insurance does not insure any amount pertaining to the value of such Electronic Data to the Insured or any other party, even if such Electronic Data cannot be recreated, gathered or assembled.

Section 18 – Claims Procedure

To make a claim under this Policy please telephone the appropriate number listed on the Important Helplines Section of this Policy.

Your claims (*other than* Section 11 – Legal Expenses) will be dealt with by:
Davies Managed Systems Limited, PO Box 2801, Stoke-on-Trent, Staffordshire, ST4 9DN.

If Your claim is under **Section 11 – Legal Expenses** and You would prefer to report Your claim in writing please send it to:

The Claims Department,
DAS Legal Expenses Insurance Company Limited,
DAS House,
Quay Side,
Temple Back,
Bristol, BS1 6NH.

Alternatively You can email Your Legal Expenses claim to DAS at newclaims@das.co.uk.

18.1 Your Obligations

On learning of any circumstances likely to give rise to a claim or on receiving verbal or written notice of any claim You must:

- a) tell the Insurer as soon as reasonably possible and give the Insurer all the assistance they may reasonably require;
- b) tell the Police as soon as reasonably possible if the Damage is due to any actual or suspected criminal act;
- c) send to the Insurer immediately any intimation of a claim from a third party, writ, summons or other legal proceedings issued against You;
- d) supply, at Your own expense, full details of the claim in writing within 30 days;
- e) provide all the help and assistance and co-operation required by the Insurer in connection with any claim to include supplying, as soon as reasonably practicable, any supporting evidence and information that they require;
- f) take action following circumstances likely to give rise to a claim to:
 - i) minimise the Damage;
 - ii) prevent further Injury or Damage; and
 - iii) avoid interruption with the Business.

18.2 Negotiations

You must not admit, deny, negotiate or settle any claim without the Insurer's written consent.

The Insurer will not pay any claim if its position is prejudiced for any reason as a result of Your failure to comply with 18.1 or 18.2 above.

18.3 The Insurer's Rights

- a) The Insurer has the right to take over the defence or settlement of a claim against You by another person.
- b) The Insurer has the right to the salvage of any Property Insured.
- c) The Insurer has the right to enter the building where the Damage has happened, and to take and keep any of the Property Insured, and to deal with salvage in a reasonable manner.

Section 19 – Enquiries and Complaints Procedure

Our aim is to provide all Our customers with a first class standard of service. However, there may be occasions when You feel this objective has not been achieved. If You have a complaint about Your Policy or the handling of a claim, the details below set out some of the key steps that You can take to address your concerns.

Please quote Your Policy number in all correspondence so that Your concerns may be dealt with speedily.

Where do I start?

If Your complaint is about the way in which the Policy was sold to You or whether it meets Your requirements, You should contact the Insurance Broker who arranged the Policy for You.

If Your complaint relates to Section 10 – Equipment Breakdown You should contact:

The Group Operations Manager
HSB Engineering Insurance Limited
Chancery Place,
50 Brown Street,
Manchester,
M2 2JT
Phone 0330 100 3433
E-mail: complaints@hsbeil.com

If Your complaint relates to Section 11 – Legal Expenses You should contact:

Customer Relations Department
DAS Legal Expenses Insurance Company Limited
DAS House,
Quay Side,
Temple Back,
Bristol,
BS1 6NH
Phone 0800 934 0066
E-mail: customerrelations@das.co.uk

If Your complaint relates to Sections 1-9 or Sections 12-14 and Your complaint is about a claim, You should refer the matter to Davies Managed Systems Limited. Their contact details are provided below.

Customer Relations
Davies Managed Systems Limited
PO Box 2801
Stoke-on-Trent
ST4 9DN

Telephone: 01782 339128

Alternatively You can ask Your broker to refer the matter on for You.

What happens next?

If Davies Managed Systems Limited is not able to resolve Your complaint satisfactorily by close of business at the end of the third business day, they will refer Your complaint to the Head of Compliance at ERGO Versicherung AG, UK Branch, who will send You an acknowledgement letter. If You don't receive any acknowledgement letter, or at any time if You wish to do so, You may contact the Head of Compliance yourself by writing to:

Head of Compliance
ERGO Versicherung AG, UK Branch,
Plantation Place
30 Fenchurch Street
London
EC3M 3AJ

Telephone: 0203 003 7444
E-mail: complaints@ergo-commercial.co.uk

Section 19 – Enquiries and Complaints Procedure

If Your complaint is about any other matter, You should refer it to the Head of Compliance at ERGO Versicherung AG, UK Branch, whose contact details appear above.

The Head of Compliance will investigate Your complaint and will provide You with a written response within eight weeks of Your initial complaint. This will either be a final response or a letter informing You that We need more time for Our investigation.

If You remain unhappy

If We (or where applicable Your Insurance Broker) have not resolved Your complaint at the end of eight weeks, or if after receiving Our final response You remain dissatisfied, You may be able to refer Your complaint to the Financial Ombudsman Service (contact details below). You will have six months from the date of the final response to make this referral.

Your rights as a customer to take legal action are not affected by the existence or use of the complaints procedure mentioned above. However the Financial Ombudsman Service may not adjudicate on a case where court proceedings are actively in progress.

The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Telephone: 08000 234 567

Further information is available from them and You may refer a complaint to them online at www.financial-ombudsman.org.uk

The Ombudsman will review complaints from eligible complainants. An eligible complainant is defined as:

1. a private individual;
2. a business, which has a group annual turnover of less than €2m (approx. £1.6m) and fewer than 10 staff at the time the complainant refers the complaint to the respondent;
3. a charity which has an annual income of less than £1m at the time the complainant refers the complaint to the respondent; or
4. a trustee of a trust which has a net asset value of less than £1m at the time the complainant refers the complaint to the respondent.

Financial Services Register

The Financial Services Register can be checked by visiting the Financial Conduct Authority website on www.fca.org.uk or by calling 0800 111 6768

Financial Services Compensation Scheme (FSCS)

ERGO Versicherung AG, UK Branch, HSB Engineering Insurance Ltd and DAS Legal Expenses Insurance Company Ltd are all covered by the Financial Services Compensation Scheme (FSCS). This means that You may be entitled to compensation from the scheme in the unlikely event that they cannot meet their obligations. Further details can be obtained from FSCS, 10th Floor, Beaufort House, 15 St Botolph Street, London, EC3A 7QU Tel: 0207 741 4100 or www.fscs.org.uk

This insurance is effected by ERGO Versicherung AG, UK Branch.
Registered in England and Wales.
Registered No: BR016401. Registered Office: Plantation Place, 30 Fenchurch Street, London, EC3M 3AJ