

# POLICY DOCUMENT CONTRACTORS COMMERCIAL COMBINED INSURANCE POLICY WORDING

MGAM

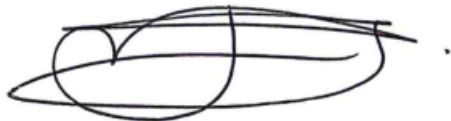
# CONTRACTORS COMMERCIAL COMBINED INSURANCE

This is to certify that in accordance with the authorisation granted under Contracts (as identified in the **Schedule**) to the **Coverholder** specified in the **Schedule** by the **Insurer(s)** listed therein, and in consideration of the premium specified having been paid, the **Insurer** agrees to provide insurance to the extent and in the manner specified herein or endorsed hereon.

Provided always that:

- (1) the liability of the **Insurer** shall not exceed the Limits of Liability or **Sums Insured** expressed in the **Policy Schedule** or contained herein or such other Limits of Liability or **Sums Insured** as may be substituted by **Endorsement** and agreed by them or on their behalf.
- (2) this insurance provides cover only in respect such **Sections** of the **Policy Schedule** as are specified as being covered or have a Limit of Liability or **Sum Insured** shown against them.
- (3) this insurance is subject to all the provisions, conditions, warranties and exclusions contained within the body of the wording or endorsed or added thereto, all of which are to be considered as incorporated and shall be read together as one document.

This **Policy** has been issued and signed for and on behalf of the **Insurer** by

A handwritten signature in dark ink, appearing to be 'Jason Anthony', written over a faint, stylized oval background.

Jason Anthony  
Chief Executive Officer  
MGAM Limited  
Authorised signatory

# Contents

This part of the **Policy** provides key information and gives an overview of the **Policy**.

Page number

## **CUSTOMER INFORMATION STATEMENTS**

|  |    |
|--|----|
| The Coverholder  | 6  |
| Several Liability  | 7  |
| What to do if You have a complaint   | 7  |
| Financial Ombudsman Service  | 8  |
| Compensation Scheme  | 8  |
| Your insurance and the information disclosed by You  | 8  |
| Observance of insurance terms and suspension of cover  | 9  |
| Your right to cancel   | 9  |
| The law that governs the interpretation of this insurance  | 9  |
| Claims notification - This part of the <b>Policy</b> details the procedure to be followed where <b>You</b> wish to notify a claim. | 9  |
| Privacy Notice   | 10 |

## **DEFINITIONS** - This **Section** sets out the specific meaning given to certain words and terms used in this **Policy**.

|                    |    |
|--------------------|----|
| Perils Definitions | 12 |
| Other Definitions  | 16 |

## **SECTION A – FIRE AND ADDITIONAL COVERS** - This **Section** sets out the Fire and Additional Covers provided by the **Policy** and it includes specific terms applicable to these covers, including Exclusions, Conditions and Extensions.

|                    |    |
|--------------------|----|
| Definitions        | 19 |
| Insuring Clause    | 19 |
| Limit of Liability | 19 |
| Exclusions         | 19 |
| Conditions         | 20 |
| Extensions         | 23 |

## **SECTION B – GLASS** - This **Section** sets out the Glass cover provided by the **Policy** and it includes specific terms applicable to this cover, including Exclusions, Conditions and Extensions.

|                    |    |
|--------------------|----|
| Definitions        | 27 |
| Insuring Clause    | 27 |
| Limit of Liability | 27 |
| Exclusions         | 27 |
| Conditions         | 27 |
| Extensions         | 28 |

## **SECTION C – ALL RISKS** - This **Section** sets out the Property insurance cover provided by the **Policy** and it includes specific terms applicable to this cover, including Exclusions and Conditions.

|                    |    |
|--------------------|----|
| Definitions        | 29 |
| Insuring Clause    | 29 |
| Limit of Liability | 29 |
| Exclusions         | 29 |
| Conditions         | 30 |

## **SECTION D – BUSINESS INTERRUPTION** - This **Section** sets out the Business Interruption cover provided by the **Policy** and it includes specific terms applicable to this cover, including Exclusions, Conditions and Extensions.

|  |    |
|--|----|
| Definitions  | 31 |
| Insuring Clause  | 31 |
| Limit of Liability   | 31 |
| Exclusions   | 31 |
| Conditions   | 32 |
| Basis of Settlement - Gross Profit                         | 33 |
| Basis of Settlement - Gross Revenue                        | 34 |
| Basis of Settlement - Gross Rent Receivable                | 35 |
| Basis of Settlement – Increased Cost of Working            | 35 |
| Basis of Settlement – Additional Increased Cost of Working | 36 |
| Extensions   | 36 |

|   |           |
|---|-----------|
| <b>SECTION E – BOOK DEBTS</b> - This <b>Section</b> sets out the Book Debts cover provided by the <b>Policy</b> and it includes specific terms applicable to this cover, including Exclusions, Conditions and Extensions.                     | <b>38</b> |
| Definition  | 38        |
| Insuring Clause   | 38        |
| Limit of Liability  | 38        |
| Exclusions  | 38        |
| Conditions  | 39        |
| Extensions  | 39        |
| <b>SECTION F – MONEY</b> - This <b>Section</b> sets out the Money cover provided by the <b>Policy</b> and it includes specific terms applicable to this cover, including Exclusions, Conditions and Extensions.                               | <b>40</b> |
| Definitions   | 40        |
| Insuring Clause   | 40        |
| Limit of Liability  | 41        |
| Exclusions  | 41        |
| Conditions  | 41        |
| Extensions  | 41        |
| <b>SECTION G – GOODS IN TRANSIT</b> - This <b>Section</b> sets out the Goods in Transit cover provided by the <b>Policy</b> and it includes specific terms applicable to this cover, including Exclusions, Conditions and Extensions.         | <b>43</b> |
| Definitions   | 43        |
| Insuring Clause   | 43        |
| Limit of Liability  | 44        |
| Exclusions  | 44        |
| Conditions  | 45        |
| Extensions  | 45        |
| <b>SECTION H – LOSS OF LICENCE</b> - This <b>Section</b> sets out the Loss of Licence cover provided by the <b>Policy</b> and it includes specific terms applicable to this cover, including Exclusions and Conditions.                       | <b>47</b> |
| Definitions   | 47        |
| Insuring Clause   | 47        |
| Limit of Liability  | 47        |
| Exclusions  | 47        |
| Conditions  | 48        |
| <b>SECTION I – DETERIORATION OF STOCK</b> - This <b>Section</b> sets out the Deterioration of Stock cover provided by the <b>Policy</b> and it includes specific terms applicable to this cover, including Exclusions and Conditions.         | <b>49</b> |
| Definitions   | 49        |
| Insuring Clause   | 49        |
| Limit of Liability  | 49        |
| Exclusions  | 49        |
| Conditions  | 49        |
| <b>SECTION J – EMPLOYERS’ LIABILITY</b> - This <b>Section</b> sets out the Employers’ Liability cover provided by the <b>Policy</b> and it includes specific terms applicable to this cover, including Exclusions, Conditions and Extensions. | <b>51</b> |
| Definitions   | 51        |
| Insuring Clause   | 51        |
| Limit of Liability  | 51        |
| Exclusions  | 51        |
| Conditions  | 52        |
| Extensions  | 53        |
| <b>SECTION K – PUBLIC LIABILITY</b> - This <b>Section</b> sets out the Public Liability cover provided by the <b>Policy</b> and it includes specific terms applicable to this cover, including Exclusions, Conditions and Extensions.         | <b>54</b> |
| Insuring Clause   | 54        |
| Limit of Liability  | 54        |
| Exclusions  | 54        |
| Conditions  | 55        |
| Extensions  | 56        |
| <b>SECTION L – PRODUCTS LIABILITY</b> - This <b>Section</b> sets out the Products Liability cover provided by the <b>Policy</b> and it includes specific terms applicable to this cover, including Exclusions, Conditions and Extensions.     | <b>59</b> |
| Insuring Clause   | 59        |

|  |           |
|--|-----------|
| Limit of Liability   | 59        |
| Exclusions   | 59        |
| Conditions   | 60        |
| Extensions   | 61        |
| <b>EXTENSIONS TO SECTIONS J, K and L</b> - This <b>Section</b> sets out Extensions which are specific to the Employers' Liability, Public Liability and Products Liability covers provided by <b>Sections J, K and L</b> .   | <b>62</b> |
| <b>SECTION M - CONTRACTORS ALL RISKS</b> - This <b>Section</b> sets out the Property insurance cover provided by the <b>Policy</b> for materials intended for use in the works on site and it includes specific terms applicable to this cover, including Exclusions, Conditions and Extensions.   | <b>67</b> |
| Definitions  | 67        |
| Insuring Clause  | 67        |
| Limit of Liability   | 67        |
| Exclusions   | 67        |
| Conditions   | 70        |
| Extensions   | 71        |
| <b>SECTION N – COMMERCIAL LEGAL PROTECTION</b> - This <b>Section</b> sets out the Legal Costs & Expenses cover provided by the <b>Policy</b> and it includes specific terms applicable to this cover, including Exclusions and Conditions.   | <b>74</b> |
| Definitions  | 74        |
| Insuring Clause  | 75        |
| Insured Incidents  | 75        |
| Exclusions   | 78        |
| Conditions   | 80        |
| <b>GENERAL EXCLUSIONS</b> - Exclusions explain when <b>You</b> are not covered. This part of the <b>Policy</b> contains Exclusions that apply to the entire <b>Policy</b> . There are also Exclusions that apply more specifically to each <b>Section</b> of the <b>Policy</b> and these are set out in the relevant <b>Sections</b> to which they apply.                                | <b>84</b> |
| <b>GENERAL CONDITIONS</b> - This part of the <b>Policy</b> sets out the rights, obligations and conditions, relating both to <b>You</b> and <b>Us</b> , which are applicable to the entire <b>Policy</b> . There are also Conditions that apply more specifically to each <b>Section</b> of the <b>Policy</b> and these are set out in the relevant <b>Sections</b> to which they apply. | <b>88</b> |

## CUSTOMER INFORMATION STATEMENTS

This insurance contract is an important document that **You** should read and store carefully. It sets out what is and is not covered under the insurance cover **You** have purchased and explains key contractual obligations that apply to **You** and to **Us**.

This **Policy** consists of:

1. the **Schedule** (in a separate document),
2. these Customer Information Statements,
3. **Sections A-N**, which set out the covers provided by each **Section** and their specific terms,
4. the Extensions to **Sections J, K and L**,
5. the Definitions, General Exclusions and General Conditions; plus
6. any **Endorsements** (in a separate document if issued),

all of which are to be read as one contract (together the "**Policy**").

The insurance cover provided under each of **Sections A-N** of this **Policy** is subject to:

- (i) the **Section** being stated as included in the **Schedule**; plus
- (ii) any terms, Conditions, Extensions and Exclusions which are specific to the relevant **Section**; plus
- (iii) all the General Exclusions and General Conditions set out within this **Policy**.

Words and terms starting with an upper case letter which are printed in bold type have special meaning and are defined in the Definitions **Section**. Insofar as such words and terms have a special meaning in relation to specific **Sections**, they are defined in the relevant **Section** itself.

This document has been issued by the **Coverholder** as an agent of the **Insurer**.

Please read the **Schedule** carefully and if it is incorrect return it immediately to **Your** insurance broker or intermediary for alteration.

It is essential that:

- **You** check that each of the insured **Sections** and the **Schedule** are correct.
- **You** comply with **Your** duties under each **Section** and under this insurance as a whole.

This document should be kept in a safe place as **You** may need to refer to it if **You** have to make a claim. It is recommended that **You** retain details of **Your** Employers' Liability certificates for at least 40 years.

**You** have a duty at inception and renewal of this insurance and a continuing duty throughout the **Period of Insurance** to disclose and to make a fair presentation of all facts that are material to **Us** including those relating to any claim. If **You** have any doubt as to whether or not a fact is material **You** should disclose it to **Us**.

**You** must pay to **Us** all premiums due to **Us** together with all taxes due on the premiums.

In all communications the **Policy** number specified in the **Schedule** should be quoted.

Reference to any statute or statutory provision and orders or regulations thereunder shall include a reference to that provision, order or regulation as amended, re-enacted or replaced from time to time.

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.

The headings in this **Policy** are for reference only and shall not be considered when determining the meaning of this **Policy**.

**Your** insurance may be invalidated if **You** have failed to comply with any of the terms and conditions of this **Policy**.

### The Coverholder

The **Coverholder** shall mean the **Coverholder** specified in the **Schedule** (referred to herein as the **Coverholder**).

The **Coverholder** is authorised and regulated by the Financial Conduct Authority (the "FCA") – their FCA firm reference number is specified in the **Schedule**.



## Several Liability

This notice contains important information. **You** should read it carefully.

The liability of an insurer under this insurance is several and not joint with other insurers party to this insurance. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this insurance.

The proportion of liability under this insurance underwritten by an insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this insurance.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this insurance. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Although reference is made at various points in this notice to "this insurance" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

## What to do if You have a complaint

**Sections A to M inclusive:**

**Our** aim is to ensure that all aspects of **Your** insurance are dealt with promptly, efficiently and fairly. At all times **We** are committed to providing **You** with the highest standard of service.

In the first instance please contact **Your** insurance broker or intermediary who arranged this insurance for **You** or contact the **Coverholder** using the details specified in the **Schedule**.

If **Your** complaint is not resolved to **Your** satisfaction please contact MGAM Limited by email: [complaints@mgamutual.com](mailto:complaints@mgamutual.com)

Details of any internal complaint-handling procedures are available on request.

If **You** remain dissatisfied after MGAM have considered **Your** complaint, **You** may have the right to refer **Your** complaint to the Financial Ombudsman Service (FOS) using the details shown below.

**Section N:**

If **Your** complaint is about the way a policy was sold to **You**, please contact the insurance intermediary who sold the policy to **You**.

If **Your** complaint is about **Your** claim, **We** are committed to providing a high level of service, but if **You** believe that **We** have not delivered the service **You** expected from **Us**, please let **Us** know so that **We** can put things right. If **You** wish to make a complaint, please contact:

The Complaints Officer  
Irwell Insurance Company Limited  
2 Cheetham Hill Road  
Manchester  
M4 4FB  
Email: [info@Irwell.co.uk](mailto:info@Irwell.co.uk)  
Telephone: 0161 836 9247

**We** will contact **You** within 3 days of receiving **Your** complaint to inform **You** of what action **We** are taking. **We** will try to resolve **Your** complaint within 4 weeks. If it will take **Us** longer, **We** will explain why and let **You** know when **You** can expect **Our** final response.

If **You** are not happy with **Our** response to **Your** complaint, or **You** have not received a response within 8 weeks of the date **We** received **Your** complaint, **You** may be eligible to refer **Your** case to the Financial Ombudsman Service.

The Financial Ombudsman Service can review complaints from 'eligible complainants', but **Your** complaint must be submitted to them within 6 months of receiving **Our** final response.

## Financial Ombudsman Service

Contact details for the FOS are:

The Financial Ombudsman Service,  
Exchange Tower,  
London E14 9SR.

Telephone: 0800 023 4567 (calls to this number are free from “fixed lines” in the UK) or  
0300 123 9123 (calls to this number are charged at the same rate as 01 and 02  
numbers on mobile phone tariffs in the UK).

Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk).

The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. **You** can find more information on the FOS at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

The FOS’s decision is binding upon **Us**, but **You** are free to reject it without affecting **Your** legal rights.

Accepting an award made by the FOS may affect **Your** rights to subsequently take legal action.

## Compensation Scheme

**We** contribute to the Financial Services Compensation Scheme (FSCS).

**You** may be entitled to compensation from the FSCS if **We** are unable to meet **Our** liabilities. For compulsory insurance **You** may be entitled to compensation up to 100% of the claim. For non-compulsory types of insurance **You** may be entitled to compensation of up to 90% of the claim.

Further information about compensation scheme arrangements is available from the FSCS:

Financial Services Compensation Scheme, 10th Floor Beaufort House, 15 St Botolph Street, London EC3A 7QU

Telephone: 0207 741 4100 or 0800 678 1100

or **You** can visit their website at [www.fscs.org.uk](http://www.fscs.org.uk)

## Your insurance and the information disclosed by You

In deciding to accept this insurance and in setting the terms and premium, **We** have relied on the information **You** have given **Us**. **You** must take care when answering any questions **We** ask by ensuring that all information provided is accurate and complete.

If **We** establish that **You** deliberately or recklessly provided **Us** with false or misleading information **We** will treat **Your** insurance as if it never existed and decline all claims. **We** may not return premium already paid by **You** in this situation.

If **We** establish that **You** provided **Us** with false, incomplete or misleading information and that it was not deliberate or reckless on **Your** part, it can still adversely affect **Your** insurance and any claim.

For example:

- (a) where **We** could have accepted the risk and offered **You** an insurance but **We** would have charged a higher premium, **We** may only pay a percentage of any claim that **You** make under this insurance. **We** would do this by considering the premium **We** actually charged as a percentage of the higher premium **We** would have charged and then paying **You** the same percentage of any claim.

So, as an example: if the premium **We** actually charged was £250 and the higher premium **We** would have charged was £1,000, then the premium **We** actually charged represents 25% of the higher premium **We** would have charged and **We** will only pay 25% of any claim.

- (b) **We** may treat this insurance as if it had never existed and refuse to pay all claims and return the premium, subject to a deduction for any commission paid to **Your** insurance broker or intermediary. **We** will only do this if the false, incomplete or misleading information means that **We** provided **You** with insurance cover when **We** would not otherwise have offered it at all had the risk been fairly presented.
- (c) if **We** would have written the risk on different terms had it been fairly presented, **We** may amend this insurance to include these terms. **We** may apply these amended terms as if they were already in place before a claim is made.
- (d) **We** may cancel **Your** insurance in accordance with its cancellation provisions.

**We** will write to **You** if **We**:



- (i) intend to treat **Your** insurance as if it never existed; or
- (ii) amend the terms of **Your** insurance; or
- (iii) reduce **Your** claim in accordance with the above.

If **You** become aware that information **You** have given **Us** is inaccurate or incomplete or if the information changes, **You** must inform **Us** without delay. **We** will be entitled to vary the premium and the terms for the rest of the **Period of Insurance** or, if the changes make the risk unacceptable to **Us**, **We** are under no obligation to make them and may no longer be able to provide **You** with insurance cover in which case **We** may cancel **Your** insurance cover in accordance with the cancellation provisions.

#### Observance of insurance terms and suspension of cover

Every condition precedent that applies to this insurance (whether to one or more **Sections** or this insurance as a whole) shall apply and continue to be in force during the whole currency of this insurance. If **You** breach any such condition precedent cover will be suspended for the period from the date of the breach until the breach has been remedied.

**We** will have no liability under this insurance in respect of any loss occurring or attributable to something happening during a period of non-compliance with a condition precedent unless **You** can prove that the breach of the condition precedent could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

#### Your right to cancel

In the first year of this insurance **You** have the right to cancel this insurance within 14 days of receiving the contract documentation or from the day of the conclusion of the contract, whichever day is the later, and receive a full refund of any premium paid, provided that there have been no claims either paid, reported or outstanding. For the purposes of this cancellation clause, it will be considered that **You** will have received the insurance documents upon the day following the date they were posted to **You** by first class post or were supplied to **You** electronically or **You** were supplied with the means by which **You** could access them electronically.

If **You** do cancel this insurance within the initial 14 day period, then no cover will have been in place from the date of inception, as specified in the **Schedule**, and no liability whatsoever shall attach to **Us** in respect of this insurance.

If **You** do not exercise **Your** right of cancellation within the initial 14 day period, this insurance will automatically come into force from the inception date specified in the **Schedule** and **You** be liable to pay the full premium. Following the expiry of the initial 14 day period, this insurance may be cancelled at any time at **Your** written request. **We** reserve the right not to allow a return of premium.

To exercise **Your** right to cancel please contact the insurance broker or intermediary who arranged this cover for **You**.

#### The law that governs the interpretation of this insurance

All disputes concerning the interpretation of this insurance are understood and agreed by both **You** and **Us** to be subject to English Law. Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within England or Wales and to comply with all requirements necessary to give such court jurisdiction. All matters arising hereunder shall be determined in accordance with the law and practice of such court. In the event that, at the commencement of the **Period of Insurance**, **You** are resident in (or if **You** are a business, **Your** registered office or principal place of business is situated in) Scotland or Northern Ireland then the law of that country will apply.

#### Claims notification

All claims under this insurance are to be notified to **Us** using the following method and quoting the **Policy** number:

Please notify **Our** appointed claims representatives using the contact details specified in the **Schedule**.

#### Privacy Notice

by MGAM Limited (the intermediary acting on behalf of the **Insurers**)

as specified in the **Schedule**.

by Convex Insurance UK Limited (the **Insurer**) - **Sections A to M** inclusive

The **Insurer**, Convex Insurance UK Limited, collects and processes data, in order to deliver insurance services such as providing **You** with a quote, processing claims and administration purposes. The **Insurer** also processes data for recruitment purposes, relationship management and dealing with complaints.

The data that the **Insurer** collects from **You** and how the **Insurer** processes that data will depend on their relationship with **You**. Consequently, the **Insurer** will collect relevant data dependent on whether **You** are an applicant (policyholder), beneficiary, a claimant, a witness, a broker, a potential **Employee** or a third party. The type of personal information the **Insurer** may collect will depend on the purpose for which it is collected.

The **Insurer** will process **Your** data for a number of purposes and these will be conducted under a 'lawful basis for processing' which means that they have a legitimate interest in processing **Your** data.

The **Insurer** will keep personal data confidential and will only share it where necessary.

Under data protection law **You** have a number of rights in relation to the personal data held. **You** can exercise those rights by contacting the **Insurer** at any time.

The **Insurer's** full Privacy Notice is available at [www.convexin.com](http://www.convexin.com). If **You** would like further information about any of the matters in this notice or have other questions about how the **Insurer** collects, stores or uses personal data, contact their Data Protection Officer at [dataprotectionofficer@convexin.com](mailto:dataprotectionofficer@convexin.com) or by writing to Data Protection Officer, Convex Insurance UK Limited, 52 Lime Street, London, EC3M 7AF.

by Irwell Insurance Company Limited (the **Insurer**) – Section N

**We** are committed to protecting **Your** privacy in accordance with the current Data Protection Legislation as per the terms set out in the General Data Protection Regulations 2016 (GDPR) and the Data Protection Act 2018 (DPA). This fair processing notice sets out the details of the information that **We** may collect from **You**, as well as the ways in which **We** may process data relating to **You** and **Your** company. This notice should be read in conjunction with **Our** products terms and conditions. The specific company also acting as a data controller of your personal information will be listed in this policy documentation.

**We** may process personal data in order to arrange **Your** insurance cover (including renewals and claims), to comply with a legal requirement, to administer accounts, for research and statistical purposes, to provide customer service, to perform credit checks, to engage in fraud prevention and market **Our** products and services and any other related purposes which may include underwriting decisions made via automated means. In addition, **We** may use it for the purposes more particularly described below.

Who is Irwell Insurance?

Irwell Insurance Company Limited is an insurance company based in the UK. **We** offer insurance to limited companies, sole traders, partnerships, and individuals for the purpose of insuring **You**.

What personal information do **We** collect and use?

For the provision of **Our** products in some circumstances, **We** may need to obtain and process more sensitive personal information about **You** and **Your** company, such as information relating to health, criminal convictions, or civil offence data. **We** may also process other sensitive personal information including details of **Your** race; ethnicity; religious or philosophical beliefs; political opinions; trade union membership; genetic or biometric data; or data concerning **Your** sex life or sexual orientation if relevant to **Your** policy or claim.

This information once gathered may form part of the underwriting of the policy or form part of the claims handling process. The provision of such data is conditional for **Us** to be able to provide insurance or manage a claim. Any such data will only be used for the specific purposes set out in **Our** notice.

How long will we keep **Your** data for?

**Your** data will not be retained for longer than is necessary and will be managed in accordance with **Our** data retention policy. In most cases, the retention period will be for a period of ten years following the expiry of the insurance contract, the closure of **Your** claim, or **Our** business relationship with **You**, unless **We** are required to retain the data for a longer period due to business, legal or regulatory requirements.

Will **Your** data leave the EEA?

**We** may store, process or transfer information **We** collect about **You** to destinations outside of the European Economic Area ("EEA"). Where this happens, **We** ensure that **Your** information is treated securely using appropriate safeguards. For example, **We** would protect any transfer of data to another party with standard contractual clauses (SCC's) built in as part of the contractual obligations in accordance with GDPR legislation.

## DEFINITIONS

This **Section** sets out the specific meaning given to certain words and terms used in this **Policy**.

These definitions apply to all of this insurance contract (including the **Schedule**) wherever these words or phrases appear starting with an upper case letter and printed in bold except where otherwise stated. Words importing the singular shall include the plural and vice versa and references to persons include bodies corporate or unincorporated. Words importing any gender shall include all genders.

Each **Section** or Extension may include definitions unique to that **Section** or Extension.

### Perils Definitions

- 1) **Fire** (whether resulting from **Explosion** or otherwise) but excluding **Damage** caused by:
  - (a) **Explosion** occasioned by fire.
  - (b) **Earthquake** or **Subterranean Fire**.
  - (c) **Damage to Property** occasioned by its own **Spontaneous Fermentation, Heating or Combustion** or its undergoing any process involving the application of heat.
- 2) **Lightning**.
- 3) **Explosion** but excluding **Damage**:
  - (a) caused by or consisting of the bursting of a boiler (not being a boiler used for domestic purposes only), economiser or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to **You** or under **Your** control.
  - (b) in respect of and originating in any vessel machinery or apparatus or its contents belonging to **You** or under **Your** control which requires to be examined to comply with any statutory regulations unless such vessel machinery or apparatus shall be the subject of a certificate or other contract providing the required inspection service.
- 4) **Aircraft** and other aerial devices or articles dropped therefrom excluding **Damage** occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.
- 5) **Riot, Civil Commotion, Strikers, Locked-Out Workers**, or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation excluding **Damage**:
  - (a) arising from cessation of work or from confiscation or destruction or requisition by order of the government or any public authority.
  - (b) by **Fire** caused by **Strikers, Locked-Out Workers** or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation.
- 6) **Malicious Persons** not acting on behalf of or in connection with any political organisation excluding:
  - (a) **Damage** by **Theft or attempted Theft**.
  - (b) **Damage** in respect of any **Unoccupied Building**.
- 7) **Earthquake**.
- 8) **Subterranean Fire**.
- 9) **Spontaneous Fermentation, Heating or Combustion of Property** resulting in **Fire**.
- 10) **Breakage or Collapse of radio and television aerials, aerial fittings and masts**.
- 11) **Escape of Fuel Oil** from any fixed heating installation, tank, apparatus or pipe excluding **Damage** in respect of any **Unoccupied Building**.
- 12) **Impact** by any road vehicle or **Animal**.
- 13) **Storm** excluding **Damage**:
  - (a) by **Lightning**, frost, **Subsidence, Ground Heave or Landslip**.
  - (b) to fences, gates and moveable **Property** in the open unless the **Building** is also **Damaged** at the same time.

(c) to open sided or open fronted **Buildings** or to the **Property** contained therein.

**14) Flood excluding Damage:**

- (a) attributable solely to changes in the water table level.
- (b) by **Lightning**, frost, **Subsidence**, **Ground Heave or Landslip** or **Storm**.
- (c) to fences, gates and moveable **Property** in the open unless the **Building** is also **Damaged** at the same time.
- (d) **Escape of Water from Water Tanks, Apparatus or Pipes**.

**15) Escape of Water from Water Tanks, Apparatus or Pipes excluding Damage:**

- (a) by water discharged or leaking from any automatic sprinkler installation(s).
- (b) in respect of any **Unoccupied Building**.

**16) Accidental Escape of Water** from any automatic sprinkler installation(s) in the **Premises** not occasioned by:

- (a) freezing whilst the **Buildings** belonging to **You** or for which **You** are responsible are **Unoccupied**.
- (b) **Explosion** (including the blowing up of buildings or blasting), **Earthquake** or **Subterranean Fire** or heat caused by **Fire**.

**17) 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) occurring as a result of the construction, demolition, alteration or structural repair of any **Property** at the **Premises**.
- (c) arising from the settling, shrinkage or expansion of foundations, walls, floors, ceilings or roof, settlement or bedding down of new structures or extensions.
- (d) occurring prior to the inception date of this insurance.
- (e) caused by subsidence, ground heave of any part of the site on which the **Buildings** stand or landslip resulting from groundworks or excavation at the **Premises**.
- (f) caused by subsidence, ground heave of any part of the site on which the **Buildings** insured stand or landslip to the yards, car parks, roads, pavements, walls, gates and fences unless the **Buildings** are affected at the same time.

**18) Theft or Attempted Theft:**

- (a) involving forcible and violent entry to or exit from **Buildings**
- (b) following assault or violence or threat of assault or violence to **You** or any of **Your** partners, directors or **Employees** or members or their families or any other person lawfully on the **Premises**
- (c) including **Damage** to the **Premises** for which **You** are responsible as a result of (a) above

but **We** exclude **Damage**:

- (i) caused by **You** or any of **Your** partners, directors or **Employees** or any other person to whom **Property** has been entrusted apart from when in collusion with any **Employee** where such **Damage** involves forcible and violent entry to or exit from the **Buildings**.
- (ii) in respect of:
  - (A) coin and similarly operated gaming and or amusement machines or their contents
  - (B) money or stamps (except as provided for within **All Other Contents**), bonds, bills of exchange, promissory notes, securities for money or coins
  - (C) growing crops or trees, furs, jewellery, gold, silver or other precious metals or precious stones or curiosities, works of art or rare books except as provided for within **All Other Contents**
  - (D) livestock other than any **Stock** of **Animals** held by **You** in the course of **Business**
  - (E) to **Property** in gardens, yards, open spaces or in open sided or fronted **Buildings** or in **Buildings** not on permanent foundations
  - (F) any **Property** more specifically insuredunless **We** state otherwise in the **Schedule**.

**19) Accidental Damage** excluding:

(a) **Damage** or consequential loss caused by:

- (i) perils 1 to 18 inclusive above and the causes excluded therein.
- (ii) (I) inherent vice, latent defect, gradual deterioration, gradually operating cause, wear and tear, faulty or defective design or materials
- (II) faulty or defective workmanship, operational error or omission on **Your** part or on the part of any of **Your Employees**

but this shall not exclude subsequent **Damage** or consequential loss which itself results from a cause which is not otherwise excluded.

- (iii) (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) mechanical or electrical breakdown, derangement or overloading in respect of the particular machine, apparatus or equipment in which such breakdown or derangement originates but this shall not exclude **Damage** to surrounding **Property** not forming part of the same machine, apparatus or equipment

but this shall not exclude such **Damage** or consequential loss which itself results from a cause which is not otherwise excluded.

- (iv) (I) 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
- (II) unexplained disappearance, unexplained shortage, inventory shortage, misfiling or misplacing of information.

but this shall not exclude such **Damage** or consequential loss which itself results from a cause which is not otherwise excluded or subsequent **Damage** or consequential loss which itself results from a cause which happens afterwards and is not otherwise excluded

- (v) electrical or magnetic disturbance or erasure of electronic recordings.
- (vi) acts of fraud or dishonesty.
- (vii) **You** voluntarily parting with title or possession of any **Property** or rights to **Property**.
- (viii) confiscation, requisition, seizure or destruction by order of the government or any public authority.
- (ix) cessation of work.
- (x) the solidification of molten material unless such **Damage** is directly caused by any other **Specified Peril** not otherwise excluded.

(b) **Damage** to:

- (i) **Buildings** or structures caused by their own collapse or cracking or consequential loss arising therefrom but this shall not exclude such **Damage** or consequential loss which itself results from a cause which is not otherwise excluded
- (ii) **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
- (iii) fences, gates and moveable **Property** in the open by wind rain hail, sleet, snow, flood or dust
- (iv) vehicles (other than forklift trucks) and vehicle accessories thereon licensed or intended to be licensed for road use, caravans, trailers, railway locomotives, rolling stock, watercraft or **Aircraft**
- (v) livestock, growing crops or trees
- (vi) jewellery, precious stones, precious metals, bullion, furs, curiosities, rare books or works of art
- (vii) fixed glass, glass (other than fixed glass), china, earthenware, marble or other fragile or brittle objects
- (viii) money (except as provided for within **All Other Contents**), cheques, stamps, bonds, credit cards, or securities of any description

- (ix) land, roads, pavements, piers, jetties, bridges, culverts or excavations
- (x) computer systems records except as provided for within **All Other Contents**
- (xi) **Property** in transit

or consequential loss resulting therefrom.

(c) **Damage** resulting from **Property** undergoing:

- (i) any process of production
- (ii) any process of packaging, treatment, testing, commissioning, cleaning, servicing, repair or any other similar process but this will not exclude **Damage** to surrounding **Property**:
  - (A) not forming part of the same machine
  - (B) not forming part of the same process of production or the same process of packaging, treatment, testing, commissioning, cleaning, servicing, repair or any other similar process

or consequential loss resulting therefrom.



## Other Definitions

**1) All Other Contents** means:

other contents including the following (insofar as they are not otherwise or more specifically insured):

- (a) money and stamps (other than National Insurance Stamps) for an amount not exceeding £500.
- (b) National Insurance Stamps including stamps affixed to cards.
- (c) documents, manuscripts and business books but only for the value of the materials as stationery together with the cost of clerical labour expended in writing up and not for the value to **You** of the information they contain.
- (d) **Computer** systems records for an amount not exceeding £1,000 but only for the value of the materials together with the cost of clerical labour and **Computer** time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded in them) and not for the value to **You** of the information they contain.
- (e) patterns, models, moulds, plans and designs but only for the value of the materials together with the cost of labour expended in reinstatement.
- (f) directors', partners', customers', visitors' and **Employees'** pedal cycles and other personal effects and tools for an amount not exceeding £500 in respect of any one person.
- (g) cigarettes, cigars, tobacco, wines and spirits for an amount not exceeding £250 unless otherwise specifically insured hereby.

**2) Animal(s)** means:

any living creature including but not limited to livestock, birds, fish, vermin or insects.

**3) Asbestos** means:

asbestos fibres or particles or any derivatives of asbestos including any product or material containing asbestos, asbestos fibres or particles or any derivatives of asbestos.

**4) Bodily Injury** means:

physical or mental injury including death, illness, disease, mental anguish or shock but not defamation.

**5) Buildings** means:

buildings including:

- (a) landlord's fixtures and fittings
- (b) unless more specifically insured small outbuildings, annexes and extensions
- (c) lines, wires, service pipes and other equipment belonging to **You**
- (d) walls and (except insofar as **Section A** covers **Storm and Flood**) gates and fencing

and unless otherwise stated in the **Schedule**, buildings are constructed of brick, stone or concrete and roofed with slates, tiles, metal, concrete, asphalt or sheets composed entirely of incombustible material.

**6) Business** means:

**Your** business as stated in the **Schedule**.

**7) Business Equipment** means:

equipment used in connection with the **Business** and includes fixtures, fittings, utensils, machinery, plant and **All Other Contents** being **Your Property** or **Property** held by **You** in trust for which **You** are responsible but excluding **Computers**, **Stock** and landlord's fixtures and fittings.

**8) Computers** means:

**Computer** equipment (including fixed disks and interconnecting wiring) used for electronic processing, communication and storage of data and ancillary equipment pertaining thereto and used in conjunction therewith.

**9) Contractual Liability** means:

liability attaching to **You** by virtue of a contract but which would not have attached in the absence of such contract.

- 10) Damage** means:  
physical loss or destruction or damage.
- 11) Employee** means:
- (a) any person under a contract of service or apprenticeship with **You**
  - (b) any labour master or labour only subcontractor or person supplied or employed by them
  - (c) any self-employed person
  - (d) any person hired to or borrowed by **You**
  - (e) any person engaged under a work experience, youth training or similar scheme
  - (f) any voluntary helper
  - (g) any outworker or homeworker
- under **Your** control and supervision while working for **You** in connection with **Your Business**.  
This definition shall not include any bona fide sub-contractor.
- 12) Endorsement(s)** means:  
the document(s) detailing modifications made to the cover provided under this insurance and/or the **Section(s)** thereof.
- 13) Excess** means:  
the amount that will be deducted from each and every loss or series of losses arising out of any one event or occurrence likely to give rise to a claim hereunder (after the application of all other terms, exclusions and conditions of the applicable **Section**) as stated on the **Schedule**.
- 14) Insured/You/Your** means:  
the person or corporate body or organisation detailed in the **Schedule**.
- 15) Insurer/Our/Us/We** means:  
insurer(s) whose identity is stated in the **Schedule**.
- 16) Loss of Limb** means:  
permanent loss by physical separation of a hand at or above the wrist or of a foot at or above the ankle, and includes permanent total and irrecoverable loss of use of a hand, arm or leg.
- 17) Period of Insurance** means:  
the period stated in the **Schedule** or any subsequent period for which **We** agree to accept payment of premium.
- 18) Pollution or Contamination** means:
- (a) pollution or contamination of buildings or structures or of water or land or the atmosphere  
and
  - (b) all loss, **Damage to Property** or **Bodily Injury** directly or indirectly caused by or arising from such pollution or contamination.
- 19) Premises** means:  
the **Buildings** at the **Business** premises as shown in the **Schedule** or any other premises more specifically described in the **Schedule** exclusively occupied by **You** in connection with the **Business** but excluding any garden, yard, open space or outbuilding unless specifically mentioned.
- 20) Principal** means:  
any person, employer, firm, company, ministry or authority for whom **You** carry out a contract for the performance of work.
- 21) Product Supplied** means:  
any product or thing (including containers, packaging or labelling) sold, supplied, erected, repaired, altered, treated, installed, processed, manufactured, tested, serviced, hired out, stored, transported or delivered by **You** in the course of **Your Business** from premises within the **Territorial Limits**.

- 22) Property** means:  
material property.
- 23) Rent** means:  
periodic payments made to **You** or by **You** for the lease of **Buildings** owned or leased by **You**. The insurance by this item applies only if the **Building** or any part of it is unfit for occupation in consequence of **Damage** and the amount payable under this item shall not exceed such proportion of the **Sum Insured** on rent as the period necessary for reinstatement bears to the term of rent insured.
- 24) Schedule** means:  
the document stating the operative **Section(s)** **You** have chosen, the **Period of Insurance**, details of **Your Business**, the Limit(s) of Liability or **Sum(s) Insured** and/or total **Sum Insured**.
- 25) Section(s)** means:  
the parts of this insurance that detail the cover provided by each individual section of this insurance.
- 26) Specified Peril** means:  
perils 1 to 19 inclusive as defined in the Perils Definitions.
- 27) Stock** means:  
stock merchandise and materials of trade belonging to **You** or held by **You** in trust or on commission for which **You** are responsible.
- 28) Sum Insured** means:  
**Our** limit of liability in respect of **Damage to Insured Property** or business interruption arising therefrom as shown in the **Schedule**.
- 29) Temporary Total Disablement** means:  
disablement which entirely prevents the **Insured Person** from attending to their business or occupation.
- 30) Tenants Improvements** means:  
tenants improvements, landlords fixtures and fittings and that portion of the structure of the **Building** for which **You** are responsible as tenant.
- 31) Territorial Limits** means:  
Great Britain, Northern Ireland and the Isle of Man.
- 32) Terrorism** means:  
an 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 or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.
- 33) Unoccupied** means:  
unoccupied and/or untenanted and not actively used for a period of more than 30 consecutive days.

## SECTION A – FIRE AND ADDITIONAL COVERS

Cover under this **Section A** is subject to the Conditions and Exclusions set out within this **Section A**, plus all the General Conditions and General Exclusions set out in the General Conditions and General Exclusions **Sections** of the **Policy**.

Words and phrases starting with an upper case letter and printed in bold are defined below, insofar as they apply specifically to **Section A**, and in the Definitions **Section** of this **Policy**.

### Definitions

These definition(s) apply to this **Section** wherever these words or phrases appear starting with an upper case letter and printed in bold except where stated otherwise.

In this **Section**:

- 1) **Insured Property** means:  
the **Property** listed in the **Schedule** for this **Section**.

### Insuring Clause

If the **Insured Property** or any part of it is **Damaged** at the **Premises** by a **Specified Peril** during the **Period of Insurance**, **We** cover **You** for such **Damage** and will, at **Our** option, replace or repair or pay for any item or any part thereof that has been so **Damaged** (whether wholly or in part) in accordance with the provisions of the Basis of Settlement condition.

### Limit of Liability

The most **We** will pay under this **Section** shall not exceed the **Sum Insured** for each item stated in the **Schedule** for this **Section** or any limit specified in any Extension to this **Section**.

### Exclusions

**We** will not cover **you** for:

- 1) delay, loss of market, loss of use or subsequent or inevitable loss and/or **Damage** of any kind unless specifically insured as an item under this **Section**.
- 2) **Damage** to motor vehicles and their contents and any other **Property** more specifically insured except in respect of any amount over and above that recoverable under such specific insurance.
- 3) **Damage** to **Property** which at the time of the happening of such **Damage** is insured by or would but for the existence of this insurance 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.
- 4) **Damage** to any electrical plant, apparatus or conductor due to abnormal currents or self heating but this exclusion shall only apply to that part of the electrical plant, apparatus or conductor in which the **Damage** shall have originated.
- 5) **Damage** directly or indirectly occasioned by or happening through or in consequence of **Riot or Civil Commotion** except as provided for within this **Section**.
- 6) **Damage** to explosives unless specially mentioned as insured by this **Section**.
- 7) **Damage** caused by pollution or contamination except (unless otherwise excluded) **Damage** to the **Insured Property** caused by:
  - (i) pollution or contamination which itself results from a **Specified Peril** but excluding peril 19 (**Accidental Damage**).
  - (ii) any of the perils covered by (i) above which itself results from pollution or contamination.
- 8) **Damage** in respect of any **Stock** of **Animals** held by **You** in the course of **Your Business** caused by peril 19 (**Accidental Damage**).
- 9) the amount of the **Excess** shown in the **Schedule** to this **Section** which **We** will deduct from each and every claim after the application of any applicable condition of Average (underinsurance).

Cover under **Section A** is also subject to the General Exclusions set out in the General Exclusions **Section** of the **Policy**.

General Exclusion 3 (Cyber) does not apply to **Computers Damaged** by a **Specified Peril**, insofar as such **Damage** is covered under **Section A** of the **Policy**.

## Conditions

### 1) Additional Interests

The interest of other parties in this insurance is noted it being understood that in the event of loss **You** will disclose the nature and extent of such other interest.

### 2) Automatic Reinstatement

In the event of **Damage** insured by this **Section** and in the absence of written notice by **Us** or **You** to the contrary within 30 days, the amount of the loss will be reinstated automatically as from the date of the loss providing **You** undertake to pay such additional premium as **We** may require.

### 3) Automatic Sprinkler Installations

If an automatic sprinkler is installed at the **Premises** then, in consideration of **Our** allowing a discount and/or reduced rate for the presence of such an automatic sprinkler installation(s), **You** or **Your** tenant(s) will:

- (a) conduct a test every working day to determine the condition of the circuit between the alarm switch and the control unit unless:
  - (i) this function is continuously monitored.
  - (ii) a ring circuit or one break of wire(s) will not prevent an alarm signal being transmitted.
- (b) conduct a test at least once a week to determine the condition of:
  - (i) the connection with the public fire station, central fire alarm depot or public fire brigade control unless **You** have a written undertaking from the public fire brigade that they will carry out this test.
  - (ii) the relevant batteries provided that where the circuit is not continuously monitored a test is made and recorded every working day.
- (c) have a contract with approved installing engineers providing for the maintenance of and half-yearly inspection of the installation(s) and obtain from them following each inspection certification that the said installation(s) are in satisfactory working order.
- (d) conduct a test every week to determine that the alarm bell is in working order and that the stop valves controlling the individual water supplies and the installation(s) are fully open.
- (e) conduct tests each week to determine 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.
- (f) conduct quarterly or half-yearly tests if required by **Us** to do so to determine that each water supply is in order and record the particulars of each test.
- (g) remedy promptly any defect disclosed by such tests or otherwise.
- (h) notify **Us** before any installation is rendered inoperative or immediately in the event of emergency.

**We** shall have access to the **Premises** at all reasonable times for the purpose of inspecting the sprinkler installation(s).

### 4) Average

Each item of this **Section** is separately subject to the condition of Average, that is to say, if the **Property** insured by such item shall at the time of any loss be of greater value than the **Sum Insured** for such item, **You** will only be entitled to recover hereunder such proportion of the said loss as the **Sum Insured** by this insurance bears to the total value of the said **Property Insured**.

Note: This Condition does not apply to **Sums Insured** which relate solely to Removal of Debris and Professional Fees.

### 5) Basis of Settlement

Applicable to each item covering **Buildings** and **Business Equipment** unless otherwise stated:

In the event of the **Insured Property** being **Damaged** the basis upon which the amount payable is to be calculated shall be the reinstatement of the **Property Damaged** subject to the terms, exclusions and conditions of this **Section** except insofar as the same may be varied hereby.

For the purpose of this condition "reinstatement" shall mean the carrying out of the after mentioned work namely:

- (a) where **Property** is lost or destroyed the rebuilding of the **Property** if a building or in the case of other **Property** its replacement by similar **Property** in either case to a condition equal to but not better or more extensive than its condition when new.
- (b) where **Property** is **Damaged** the repair of the **Damage** and the restoration of the **Damaged** portion of the **Property** to a condition substantially the same as but not better or more extensive than its condition when new.

#### **Special Provisions**

- 1 The work of reinstatement (which may be carried out upon another site and in any manner suitable to **Your** requirements subject to **Our** liability not being thereby increased) must be commenced and carried out with reasonable despatch otherwise no payment beyond the amount which would have been payable under this **Section** if this condition had not been incorporated herein shall be made.
- 2 When any **Insured Property** under this **Section** is **Damaged** in part only **Our** liability shall not exceed the sum representing the cost which **We** could have been called upon to pay for reinstatement if such **Property** had been wholly destroyed.
- 3 No payment beyond the amount which would have been payable under this **Section** will be made until the cost of reinstatement has been actually incurred.
- 4 Each item insured under this **Section** is declared to be separately subject to the following Condition of Average namely:

If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in Reinstatement if the whole of the **Property** covered by such item had been destroyed exceeds the **Sum Insured** thereon at the commencement of any **Damage** **You** will only be entitled to recover hereunder such proportion of the said loss as the **Sum Insured** by this insurance bears to the total value of the said **Property Insured**.
- 5 No payment will be made beyond the amount which would have been payable under this **Section** if this condition had not been operative if at the time of any **Damage** to any **Insured Property** by this **Section** such **Property** is covered by any other insurance effected by **You** or on **Your** behalf which is not upon an identical basis of Reinstatement.
- 6 Where by reason of any of the above Special Provisions no payment is to be made beyond the amount which would have been payable under this insurance had this condition not been operative **Our** and **Your** rights and liabilities in respect of any **Damage** shall be subject to the terms of this **Section** as if this condition had not been operative including any Condition of Average.

Applicable to each item covering **Stock** and all other **Insured Property** (other than **Buildings** and **Business Equipment**) unless otherwise stated:

The amount payable in respect of **Stock** and all other **Insured Property** will be the value of such **Property** at the time of **Damage** or, at **Our** option, the cost of reinstatement or replacement of such **Property** or any part of it, provided that each item subject to this basis of settlement is declared to be separately subject to the following Condition of Average (underinsurance):

If at the time of **Damage** the **Sum Insured** for each 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**.

#### **6) Contract Price**

In respect only of goods sold but not delivered for which **You** are responsible and with regard to which under the conditions of the sale, the sale contract is cancelled by reason of the **Damage**, the amount **We** will pay shall be based on the contract price and for the purpose of Average the value of all goods to which this condition would in the event of **Damage** be applicable shall be ascertained on the same basis.

#### **7) Designation**

For the purposes of determining where necessary the heading under which any **Property** is insured **We** agree to accept the designation under which such **Property** has been entered in **Your** books.

#### **8) Fire Extinguishing Appliances**

It is a condition precedent to cover hereunder that adequate fire extinguishing appliances as recommended by the local fire prevention officer or as required by any fire insurance surveyor acting on **Our** behalf must be installed at the **Premises** and must be maintained under contract in full working order during the currency of this insurance.



Subject to observance of the above, this **Section** shall not be invalidated by any defect in any of the said fire extinguishing appliances due to any circumstances unknown to **You** or beyond **Your** control.

#### 9) **Fireproof doors and Shutters**

All fireproof doors and shutters must be maintained in efficient working order and kept closed except during working hours.

#### 10) **Interested Parties**

The rights of any freeholder, mortgagee or lessor in this insurance shall not be prejudiced by any act or neglect of the occupier of any **Buildings** insured by this **Section** whereby the risk of **Damage** is increased provided that the freeholder mortgagee or lessor on becoming aware of such act gives notice to **Us** and pays any additional premium **We** may require.

#### 11) **Intruder Alarm**

It is a condition of insurance under this **Section** that when an intruder alarm is installed on the **Premises**:

- (a) such alarm is kept in an efficient condition.
- (b) a maintenance service contract which has been approved by **Us** shall be kept in force and the maintenance contract company must be immediately advised of any apparent defect in the intruder alarm or its signalling.
- (c) the **Premises** are not left unattended unless:
  - (i) the intruder alarm is set in its entirety and, where the equipment permits, any Central Station to which the intruder alarm is connected has acknowledged the setting signal and
  - (ii) the intruder alarm is in full and efficient working order to **Your** best knowledge and belief and that of **Your** authorised representative.
- (d) **We** are notified:
  - (i) as soon as possible if written notice is received from the police force warning of a possible or intended withdrawal of response to calls from the intruder alarm.
  - (ii) before any alteration or substitution of the intruder alarm and associated maintenance contract is made.
  - (iii) before any alteration and / or erection of internal walling or partitioning which impedes the efficient operation of the intruder alarm.

For the purpose of this condition, intruder alarm includes detection devices, sensors, detection circuit control and processing equipment, power supplies, audible and remote signalling including ancillary telecommunication systems all as set out in the specification furnished to and agreed by **Us**.

#### 12) **Non Invalidation**

The insurance by this **Section** shall not be invalidated by any act or neglect or any alteration whereby the risk of **Damage** is increased unknown to or beyond **Your** control provided that immediately **You** become aware of this **You** shall give notice to **Us** and pay any additional premium **We** may require.

#### 13) **Records**

It is a condition precedent to cover hereunder that **You** maintain a complete record of **Stock** received and sold.

#### 14) **Storage of Stock**

**Stock** stored in basements, sub-basements and ground floors must be on racks shelves or pallets at least 15 centimetres above floor level.

#### 15) **Subrogation Waiver**

In the event of a claim under this **Section**, **We** agree to waive any rights remedies or relief to which **We** become entitled by subrogation against any company standing in the relation of parent or subsidiary to **You** or any company which is a subsidiary of a parent company of which **You** are a subsidiary in each case as defined in current legislation.

#### 16) **Waste**

It is a condition precedent to cover hereunder that:

- (i) all oily and/or greasy waste and used cleaning cloths must be kept in metal receptacles with metal lids and removed from the **Buildings** at least once a week.

- (ii) all other trade waste and refuse must be swept up and removed from the **Buildings** daily.
- (iii) all waste and refuse as described in (i) and (ii) above must be removed from the **Premises** at least weekly.

## 17) Workmen

Workmen are allowed in and about the **Premises** for the purpose of minor alterations, repairs, decorations, general maintenance and the like without prejudice to this insurance.

Cover under **Section A** is also subject to the General Conditions set out in the General Conditions **Section** of the **Policy**.

## Extensions

The terms of this **Section** and General Conditions and General Exclusions of this insurance apply to these Extensions. These Extensions apply only to **Section A** of the **Policy**.

### 1) Additional Metered Supply Charges

This **Section** extends to cover additional metered charges incurred by **You** or for which **You** are responsible as a result of **Damage** at the **Premises**.

The most **We** will pay under this extension shall not exceed £25,000 in respect of any occurrence of **Damage** and **We** will not cover any claims where, following discovery of **Damage**, no remedial action is taken within 7 days of such discovery.

### 2) Capital Additions

The insurance by each item on **Buildings** and **Business Equipment** extends to cover:

- (a) alterations, additions and/or improvements to the **Property** but not any appreciation in value
- (b) newly acquired and/or newly occupied **Property** (provided **Your** interest is not otherwise insured) anywhere in the **Territorial Limits**

provided that:

- (i) at any one **Premises** the cover provided by this extension will not exceed 10 per cent of the **Sum Insured** under the respective item or £500,000 in the aggregate whichever is the less.
- (ii) **You** will advise **Us**:
  - (A) every 6 months in respect of any such alterations, additions and improvements.
  - (B) as soon as practicable of any newly acquired and/or newly occupied **Property**.

**You** will pay the appropriate additional premium required from inception of any additional insurance provided.

The additional **Sum Insured** declared will be added by **Endorsement** to the respective **Schedule Sum Insured** whereupon these provisions shall be fully reinstated.

### 3) Change of Temperature

The insurance by any item on **Stock** extends to cover **Damage** caused by change of temperature resulting from the total or partial destruction or disablement of the refrigerating plant or electrical plant or apparatus used in connection therewith by any causes insured by this **Section**.

### 4) Cleaning of Drains

This insurance extends to cover expenses necessarily incurred in clearing, cleaning and/or repairing drains, gutters, sewers and the like for which **You** may be responsible following **Damage** insured by this **Section**.

The most **We** will pay under this extension shall not exceed £5,000 in the **Period of Insurance**.

### 5) Contracting Purchaser

If at the time of **Damage** **You** have contracted to sell **Your** interest in any **Buildings** hereby insured and the purchase shall not have been but shall thereafter be completed, the purchaser on completion of the purchase, if and so far as the **Property** is not otherwise insured by or on behalf of the purchaser against such **Damage**, shall be entitled to the benefit of this **Section** so far as it relates to such **Damage** without prejudice to **Your** and **Our** rights and liabilities under this **Section** up to the date of completion.

### 6) Customers' Goods

**You** having told **Your** customers before the **Damage** that **You** will accept responsibility for **Damage** to goods belonging to such customers or for which they may be legally responsible upon which work is to be is being or has been done by **You**

on behalf of such customers or which may be left temporarily in **Your** custody for storage, despatch or otherwise, **We** agree that such goods shall be insured by such items of this **Section** as cover **Stock** except in so far as they shall be more specifically otherwise insured.

#### 7) **Fire Extinguishment Expenses**

Where they are not otherwise recoverable, this **Section** extends to include:

- (a) expenses reasonably incurred by **You** in **Fire** extinguishment operations in order to minimise loss.
- (b) **Damage** to lawns and gardens caused by such extinguishment operations.

The most **We** will pay under this extension shall not exceed £25,000 in respect of any occurrence of **Damage**.

#### 8) **Keys**

Unless peril 18 (**Theft or Attempted Theft**) is excluded under this **Section**, if any of the keys of the **Premises** (including any safe or strong-room therein) are stolen involving entry or exit by forcible and violent means from the **Premises** or from **Your** home or the homes of any of **Your** partners, Directors or **Employees** and not recovered within 7 days, this **Section** extends to cover the costs of replacement of such locks at the **Premises** to a standard equal to but not better than their original standard provided that **We** are notified of the loss within 7 days of it occurring and that safe keys are not left on the **Premises** overnight.

The most **We** will pay under this extension shall not exceed £500 during any one **Period of Insurance**.

#### 9) **Local Authorities Requirements**

The insurance by each item on **Buildings** and **Business Equipment** extends to include such additional cost of reinstatement of the **Damaged Property** thereby insured as may be incurred solely by reason of the necessity to comply with Building or other Regulations under or framed in pursuance of any Act of Parliament or with Bye-Laws of any Municipal or Local Authority.

Provided that:

- (a) The amount recoverable under this extension shall not include:
  - (i) the cost incurred in complying with any of the aforesaid Regulations or Bye-Laws:
    - (I) in respect of **Damage** occurring prior to granting of this extension,
    - (II) in respect of **Damage** not insured by this **Section**,
    - (III) under which notice has been served upon **You** prior to the happening of the **Damage**,
    - (IV) in respect of **Property** that has not been **Damaged** or portions of **Property** that have not been **Damaged** other than foundations (unless foundations are specifically excluded from the insurance by this **Section**) of that portion of **Damaged Property**.
  - (ii) the additional cost that would have been required to make good the **Damaged Property** to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations or Bye-Laws not arisen.
  - (iii) the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the **Property** or by the owner thereof by reason of compliance with any of the aforesaid Regulations or Bye-Laws.
- (b) The work of reinstatement must be commenced and carried out with reasonable despatch and in any case must be completed within twelve months after the **Damage** or within such further time as **We** may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulation or Bye-Laws so necessitate) subject to **Our** liability under this extension not being thereby increased.
- (c) If **Our** liability under (any item of) this **Section** apart from this extension shall be reduced by the application of any of the terms and conditions of this **Section** then **Our** liability under this extension (in respect of any such item) shall be reduced in like proportion.
- (d) **Our** liability for **Damage** and for such additional costs in respect of any item shall not exceed in the aggregate the **Sum Insured** for such item as shown in the **Schedule**.

#### 10) Professional Fees

This **Section** extends to include, within the **Sum Insured** for each **Buildings** and **Business Equipment** item as stated in the **Schedule**, an amount for architects, surveyors, legal and/or consulting engineers fees incurred with **Our** consent in the reinstatement and/or repair of **Property Insured** following **Damage** but **We** do not cover any fees for preparation or presentation of any claim.

#### 11) Removal of Debris

The insurance by each item includes costs and expenses necessarily incurred by **You** with **Our** consent in removing debris, demolishing, shoring-up, propping or fencing following **Damage** to such **Property**.

**We** will not pay for any costs or expenses:

- (a) incurred in removing debris except from the site of such **Damaged Property** and the area immediately adjacent to such site.
- (b) arising from **Pollution or Contamination** of **Property** not insured by this **Section**.

**Our** liability for **Damage** and for such additional costs and expenses in respect of any item shall not exceed in the aggregate the **Sum Insured** for such item as shown in the **Schedule**

#### 12) Temporary Removal

Subject to the following provisions, the **Insured Property** by any item of this **Section** other than on **Stock** is covered whilst temporarily removed for cleaning, renovation, repair or other similar purposes, elsewhere on the same or to any other premises and in transit thereto and therefrom by road, rail or inland waterway in Great Britain, Northern Ireland, Ireland, the Isle of Man or the Channel Islands.

The amount recoverable under this extension in respect of each item of this **Section** shall not exceed the amount which would have been recoverable had the loss occurred in that part of the **Premises** from which the **Property** is temporarily removed, nor, in respect of any loss occurring elsewhere than at the said **Premises**, 10% of the **Sum Insured** by the item after deducting therefrom the value of any building (exclusive of fixtures and fittings) or merchandise insured thereby.

This extension does not apply to the **Property** if and so far as it is otherwise insured, nor, as regards losses occurring elsewhere than at the **Premises** from which the **Property** is temporarily removed to:

- (a) motor vehicles and motor chassis.
- (b) **Property** held by **You** in trust, other than **Business Equipment**.

#### 13) Temporary Work

This **Section** extends to cover **You** for the reasonable cost of temporary work necessary to secure the **Premises** against entry following **Damage** covered under this insurance in order to protect the **Insured Property** pending completion of permanent repairs.

#### 14) Trace and Access

This **Section** extends to cover costs necessarily and reasonably incurred with **Our** consent in locating the source of any **Escape of Water** from any fixed water services or heating installation and/or **Escape of Fuel Oil** including subsequent repair to walls, floors or ceilings provided that:

- (a) this extension shall not pay the cost of repairs to any fixed water services or heating installation.
- (b) The most **We** will pay under this extension shall not exceed £15,000 in respect of any occurrence of **Damage**.

## SECTION B – GLASS

Cover under **Section B** is subject to the Conditions and Exclusions set out within this **Section B**, plus all the General Conditions and General Exclusions set out in the General Conditions and General Exclusions **Sections** of the **Policy**.

Words and phrases starting with an upper case letter and printed in bold are defined below, insofar as they apply specifically to **Section B**, and in the Definitions **Section** of the **Policy**.

### Definitions

These definition(s) apply to this **Section** wherever these words or phrases appear starting with an upper case letter and printed in bold except where stated otherwise.

In this **Section**:

- 1) **Glass** means:
  - (a) all fixed glass in windows, doors, fanlights, partitions, showcases, shelves, and fixed mirrored glass within the **Premises** shown in the **Schedule** to this **Section**.
  - (b) all fixed external glass in windows, doors, and fanlights at the **Premises** shown in the **Schedule** to this **Section**.
- 2) **Damage** means:  
accidental fracture extending through the entire thickness of the **Glass**, excluding scratching or chipping.

### Insuring Clause

In the event of **Damage** to any of the **Glass** described in the **Schedule** to this **Section** occurring during the **Period of Insurance** at the **Premises**, **We** will cover **You** by, at **Our** option, repairing, replacing or paying the amount of the **Damage** including the cost of any necessary boarding up.

### Limit of Liability

The most **We** will pay under this **Section** shall not exceed the **Sum Insured** for each item stated in the **Schedule** for this **Section** or any limit specified in any Extension to this **Section**.

### Exclusions

**We** will not cover **You** for:

- 1) **Glass** already cracked at the commencement of this insurance.
- 2) **Damage** caused by removal or replacement of **Damaged Glass** or the expense of removing **Stock** or internal fittings obstructing removal or replacement.
- 3) the amount of the **Excess** shown in the **Schedule** to this **Section** which **We** will deduct from each and every claim after the application of any applicable condition of Average (underinsurance).

Cover under **Section B** is also subject to the General Exclusions set out in the General Exclusions **Section** of the **Policy**.

### Conditions

#### 1) Automatic Reinstatement

In the event of **Damage** insured by this **Section** and in the absence of written notice by **Us** or **You** to the contrary within 30 days, the amount of the loss will be reinstated automatically as from the date of the loss providing **You** undertake to pay such additional premium as **We** may require.

#### 2) Average

Each item of this **Section** is separately subject to the condition of Average, that is to say, if the **Property** insured by such item shall at the time of any loss be of greater value than the **Sum Insured** for such item, **You** shall only be entitled to recover hereunder such proportion of the said loss as the **Sum Insured** by this Insurance bears to the total value of the said **Property Insured**.

### 3) Reasonable Precautions

**You** shall take all reasonable precautions to protect the **Glass** and in the event of its being exposed to unusual risk on account of building alterations or repairs or other special circumstances, shall cause it to be properly protected by boards or rails.

Cover under **Section B** is also subject to the General Conditions set out in the General Conditions **Section** of the **Policy**.

### Extensions

The terms of this **Section** and General Conditions and General Exclusions of this insurance apply to these Extensions. These Extensions apply only to **Section B** of the **Policy**.

This **Section** extends to include the following:

- 1) accidental damage to washbasins, lavatory pans and other sanitary fittings but only insofar as the article is rendered unserviceable and excluding damage arising from wear, tear, depreciation, mechanical breakdown, atmospheric or weather conditions, rust, or any process of cleaning, repair or removal.

The most **We** will pay under this extension shall not exceed £5,000 during any one **Period of Insurance**.

- 2) accidental damage to external name signs (not exceeding the amount shown in the **Schedule** to this **Section** in respect of any one loss) but excluding damage arising from wear, tear, depreciation, mechanical breakdown, the application of electrical energy, atmospheric or weather conditions, rust, or any process of cleaning, repair, removal or erection.

The most **We** will pay under this extension shall not exceed £5,000 during any one **Period of Insurance**.

- 3) consequent upon **Damage to Glass**:

- (a) damage to lettering and alarm foil.
- (b) damage to window frames and framework.
- (c) damage to goods on display including fittings unless caused by or resulting from **Theft or Attempted Theft**.

The most **We** will pay under this extension shall not exceed £5,000 during any one **Period of Insurance**.



## SECTION C – ALL RISKS

Cover under **Section C** is subject to the Conditions and Exclusions set out within this **Section C**, plus all the General Conditions and General Exclusions set out in the General Conditions and General Exclusions **Sections** of the **Policy**.

Words and phrases starting with an upper case letter and printed in bold are defined below, insofar as they apply specifically to **Section C**, and in the Definitions **Section** of the **Policy**.

### Definitions

These definition(s) apply to this **Section** wherever these words or phrases appear starting with an upper case letter and printed in bold except where stated otherwise.

In this **Section**:

- 1) **Insured Property** means:  
the **Property** listed in the **Schedule** for this **Section**.
- 2) **Territorial Area** means:
  - (A) At the **Premises** specified in the **Schedule** to this **Section** or whilst temporarily removed for cleaning, renovation or repair anywhere in Area B.
  - (B) anywhere in Great Britain, Northern Ireland, Republic of Ireland, the Channel Islands and the Isle of Man or whilst in transit within such area.
  - (C) as Area B plus Continental Europe or whilst in transit within such area.
  - (D) anywhere in the World.

### Insuring Clause

If the **Insured Property** or any part of it is **Damaged** by any cause not specifically excluded herein during the **Period of Insurance** within the **Territorial Area**, **We** will pay **You** the value of the **Property** at the time of the **Damage** (if it is totally lost or destroyed) or the amount of the **Damage** or at **Our** option repair, reinstate or replace the **Property** or any part of it.

### Limit of Liability

The most **We** will pay under this **Section** shall not exceed the **Sum Insured** for each item stated in the **Schedule** for this **Section** or any limit specified in any Extension to this **Section**.

### Exclusions

**We** will not cover **You** for:

- 1) loss by delay, loss of market or consequential loss of any and every description.
- 2) **Damage** arising from:
  - (a) wear and tear, the action of light, atmospheric conditions, gradual deterioration or gradually operating cause or any process of cleaning, repair or restoration.
  - (b) frost or change in the water table level.
  - (c) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness or marring.
  - (d) mechanical or electrical breakdown, failure or derangement unless exterior **Damage** first occurred to the **Insured Property**.
  - (e) confiscation or detention by Customs or Government Officials.
  - (f) inherent vice, latent defect, faulty manipulation, design, plan, specification or materials.
  - (g) moth, vermin or insect or scratching, biting or chewing by any **Animal**.
- 3) scratching or denting or loss of magnetism and/or erasure of tapes or discs or faulty projection, shortage in weight, contamination, taint or insufficiency of insulation.

- 4) breakage of articles of a brittle nature (other than jewellery) unless such breakage is caused by burglars, thieves or **Fire**, and/or breakage of glass, over-winding or internal damage of clocks and/or watches.
- 5) loss by disappearance or shortage if only revealed by stocktaking.
- 6) **Damage** arising through theft or attempted theft by or in collusion with any of **Your Employees** or theft from any unattended vehicle.
- 7) **Damage** caused by the **Insured Property** undergoing any heating process or any process involving the application of heat.
- 8) loss due to any person obtaining the **Insured Property** by deception.
- 9) **Damage** caused by **Pollution** or **Contamination**.
- 10) the amount of the **Excess** shown in the **Schedule** to this **Section** which **We** will deduct from each and every claim after the application of any applicable condition of Average (underinsurance).

Cover under **Section C** is also subject to the General Exclusions set out in the General Exclusions **Section** of the **Policy**.

#### **Conditions**

##### **1) Average**

Each item of this **Section** is separately subject to the condition of Average, that is to say, if the **Property** insured by such item shall at the time of any loss be of greater value than the **Sum Insured** for such item, **You** shall only be entitled to recover hereunder such proportion of the said loss as the **Sum Insured** by this Insurance bears to the total value of the said **Property Insured**.

Cover under **Section C** is also subject to the General Conditions set out in the General Conditions **Section** of the **Policy**.

## SECTION D – BUSINESS INTERRUPTION

Cover under this **Section D** is subject to the Conditions and Exclusions set out within this **Section D**, plus all the General Conditions and General Exclusions set out in the General Conditions and General Exclusions **Sections** of the **Policy**.

Words and phrases starting with an upper case letter and printed in bold are defined below, insofar as they apply specifically to **Section D**, and in the Definitions **Section** of the **Policy**.

### Definitions

These definition(s) apply to this **Section** wherever these words or phrases appear starting with an upper case letter and printed in bold except where stated otherwise.

**1) Additional Increased Cost of Working** means:

the further additional expenditure, up to the **Sum Insured** stated in the **Schedule**, beyond that recoverable under **Gross Profit** or **Gross Revenue** or **Gross Rent Receivable** and necessarily and reasonably incurred during the **Indemnity Period** in consequence of the **Damage**.

**2) Indemnity Period** means:

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

**3) Maximum Indemnity Period** means:

for each item, the number of months stated in the **Schedule**.

### Note:

- 1)** To the extent that **You** are accountable to the tax authorities for Value Added Tax all terms in this insurance shall be exclusive of such tax.
- 2)** For the purpose of these definitions any adjustment implemented in current cost accounting shall be disregarded.

### Insuring Clause

If any **Building** or other **Property** or any part thereof that **You** use at the **Premises** for the purposes of the **Business** is **Damaged** during the **Period of Insurance** by a **Specified Peril** and **Your Business** is in consequence thereof interrupted or interfered with, **We** will pay **You** in respect of each item the amount of **Your** loss resulting from such interruption or interference as provided for in the **Schedule** for this **Section** in accordance with the applicable Basis of Settlement.

Provided that at the time of the happening of the **Damage** causing the business interruption there is in force an insurance covering **Your** interest in the **Property Insured** at the **Premises** against such **Damage** and that payment:

- 1)** shall have been made or liability admitted or
- 2)** would have been made or liability admitted but for the operation of a proviso in such insurance excluding liability for losses below a specified amount.

### Limit of Liability

The most **We** will pay under this **Section** shall not exceed the **Sum Insured** for each item stated in the **Schedule** for this **Section** or any limit specified in any Extension to this **Section**.

### Exclusions

**We** will not cover:

- 1)** loss resulting from such interruption or interference with the **Business** caused by pollution or contamination except (unless otherwise excluded) **Damage to Property** caused by:
  - (i) pollution or contamination which itself results from a **Specified Peril** but excluding peril 19 (**Accidental Damage**).
  - (ii) any of the perils covered by (i) above which itself results from pollution or contamination.
- 2)** the amount of the **Excess** shown in the **Schedule** to this **Section** which **We** will deduct from each and every claim after the application of any applicable condition of Average (underinsurance).

Cover under **Section D** is also subject to the General Exclusions set out in the General Exclusions **Section** of the **Policy**.

## Conditions

### 1) Automatic Reinstatement

In the event of interruption or interference with **Your Business** as insured by this **Section** resulting in a claim being paid hereunder and in the absence of written notice by **Us** or **You** to the contrary within 30 days, the **Sum Insured** will be reinstated automatically as from the date of such payment providing **You** undertake to pay such additional premium as **We** may require.

### 2) Changes in Risk Conditions

In respect of the insurance by this **Section**, General Condition 1 of this insurance (Alteration of risk) paragraph (a) is amended to read:

'**Your** interest ceases other than by death'.

### 3) Claims Procedure

In respect of the insurance by this **Section**, General Condition 6 of this insurance is amended to read;

(a) In the event of any **Damage** in consequence of which a claim is or may be made under this **Section** **You** will:

- (i) notify **Us** immediately using one of the methods described in the Customer Information Statements section at the beginning of this document.
- (ii) deliver to **Us** at **Your** expense within 7 days of its happening full details of **Damage** caused by **Riot, Civil Commotion, Strikers, Locked-Out Workers**, persons taking part in labour disturbances or **Malicious Persons**.
- (iii) with due diligence carry out and permit to be taken any action which may be reasonably practicable to minimise or check any interruption of or interference with **Your Business** or to avoid or diminish the loss.

(b) In the event of a claim being made under this **Section**, **You** will at **Your** own expense:

- (i) not later than 30 days after the expiry of the **Indemnity Period** or within such further time as **We** may allow, deliver to **Us** in writing particulars of **Your** claim together with details of all other insurances covering the **Damage** or any part of it or any resulting business interruption.
- (ii) deliver to **Us** such books of account and other business books vouchers invoices balance sheets and other documents proofs information explanation and other evidence as **We** may reasonably require for the purpose of investigating or verifying the claim together with, if demanded, a statutory declaration of the truth of the claim and of any matters connected with it.

### 4) Payments on Account

In the event of a claim, payments on account may be made to **You** during the **Indemnity Period** if required.

### 5) Professional Accountants

Any particulars or details contained in **Your** books of account or other business books or documents which **We** may require under Condition 3 above for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for **You** and their report shall be prima facie evidence of the particulars and details to which such report relates.

**We** will pay to **You** the reasonable charges payable by **You** to **Your** professional accountants for producing such particulars or details or any other proofs information or evidence as **We** may require under the terms of Condition 3 above and reporting that such particulars or details are in accordance with **Your** books of account or other business books or documents.

Provided that the sum of the amount payable under this condition and the amount otherwise payable under this **Section** shall in no case exceed the sum expressed in the **Schedule** to this **Section** to be insured hereon.

Cover under **Section D** is also subject to the General Conditions set out in the General Conditions **Section** of the **Policy**.

## Basis of Settlement - Gross Profit

The amount payable shall be loss of **Gross Profit** due to:

- a) Reduction in **Turnover** being:

the sum produced by applying the **Rate of Gross Profit** to the amount by which the **Turnover** during the **Indemnity Period** shall in consequence of the **Damage** fall short of the **Standard Turnover**

b) Increase in cost of working being:

the additional expenditure (subject to the provisions of the Uninsured Standing Charges condition) 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 **Damage** but not exceeding the sum produced by applying the **Rate of Gross Profit** to the amount of the reduction thereby avoided

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

Provided that if the **Sum Insured** by this Item is less than the sum produced by applying the **Rate of Gross Profit** to the **Annual Turnover** (or to a proportionately increased multiple thereof where the **Maximum Indemnity Period** exceeds 12 months) the amount payable hereunder shall be proportionately reduced.

**Definitions to Gross Profit Basis of Settlement only:**

**Turnover**

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

**Gross Profit**

means the amount by which

- a) the sum of the amount of the **Turnover** and the amount of the closing **Stock** and work in progress exceeds
- b) the sum of the amount of the opening **Stock** and work in progress and the amount of the Uninsured Working Expenses.

**Note** For the purposes of this Definition the amounts of the opening and closing **Stocks** and work in progress shall be arrived at in accordance with **Your** normal accountancy methods due provision being made for depreciation.

**Uninsured Working Expenses**

means those stated in the **Schedule** to this **Section**.

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

|                             |  |   |   |
|-----------------------------|--|---|---|
| <b>Rate of Gross Profit</b> | means the rate of <b>Gross Profit</b> earned on the <b>Turnover</b> during the financial year immediately before the date of the <b>Damage</b>                       | ) | to which such adjustments shall be made as may be necessary to provide for the trend of the <b>Business</b> and for variation in or other circumstances affecting the <b>Business</b> either before or after the <b>Damage</b> or which would have affected the <b>Business</b> had the <b>Damage</b> not occurred so that the figures thus adjusted represent as nearly as may be reasonably practicable the results which but for the <b>Damage</b> would have been obtained during the relative period after the <b>Damage</b> . |
| <b>Annual Turnover</b>      | means the <b>Turnover</b> during the period twelve months immediately before the date of the <b>Damage</b>   | ) |   |
| <b>Standard Turnover</b>    | means the <b>Turnover</b> during the period in the twelve months immediately before the date of the <b>Damage</b> which corresponds with the <b>Indemnity Period</b> | ) |   |

**Conditions to Gross Profit Basis of Settlement only:**

**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) Departmental Clause**

If the **Business** is conducted in departments for which the independent trading results are ascertainable the provisions of clauses (a) and (b) of the Basis of Settlement – Gross Profit condition of this **Section** shall apply separately to each department affected by the incident.

### 3) Uninsured Standing Charges

If any standing charges of the **Business** be not insured by this insurance (having been deducted in arriving at the **Gross Profit** as defined herein) then, in computing the amount recoverable hereunder as 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 standing charges.

#### Basis of Settlement - Gross Revenue

The amount payable shall be loss of **Gross Revenue** due to:

a) Reduction in **Gross Revenue** being:

the amount by which the **Gross Revenue** during the **Indemnity Period** shall in consequence of the **Damage** fall short of the Standard **Gross Revenue**

b) Increase in cost of working being:

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 **Damage** but not exceeding the amount of the reduction thereby avoided

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

Provided that if the **Sum Insured** by this Item is less than the **Annual Gross Revenue** (or to a proportionately increased multiple thereof where the **Maximum Indemnity Period** exceeds 12 months) the amount payable hereunder shall be proportionately reduced.

#### *Definitions to Gross Revenue Basis of Settlement only:*

##### **Gross Revenue**

means the money paid or payable to **You** in respect of work done and services rendered.

|                               |   |   |   |
|-------------------------------|---|---|---|
| <b>Annual Gross Revenue</b>   | means the <b>Gross Revenue</b> during the period twelve months immediately before the date of the <b>Damage</b>   | ) | to which such adjustments shall be made as may be necessary to provide for the trend of the <b>Business</b> and for variation in or other circumstances affecting the <b>Business</b> either before or after the <b>Damage</b> or which would have affected the <b>Business</b> had the <b>Damage</b> not occurred so that the figures thus adjusted represent as nearly as may be reasonably practicable the results which but for the <b>Damage</b> would have been obtained during the relative period after the <b>Damage</b> . |
| <b>Standard Gross Revenue</b> | means the <b>Gross Revenue</b> during the period in the twelve months immediately before the date of the <b>Damage</b> which corresponds with the <b>Indemnity Period</b> | ) |   |

#### *Conditions to Gross Revenue Basis of Settlement only:*

##### 1) Alternative Trading

If during the **Indemnity Period** 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 services shall be brought into account in arriving at the **Gross Revenue** during the **Indemnity Period**.

#### Basis of Settlement - Gross Rent Receivable

The amount payable shall be loss of **Gross Rent Receivable** due to:

(a) Reduction in **Gross Rent Receivable** being:

the amount by which the **Gross Rent Receivable** during the **Indemnity Period** shall in consequence of the **Damage** fall short of the Standard **Gross Rent Receivable**

(b) Increase in cost of working being:



the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Gross Rent Receivable** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage** but not exceeding the amount of the reduction thereby avoided

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

Provided that if the **Sum Insured** by this item is less than the **Annual Gross Rent Receivable** (or to a proportionately increased multiple thereof where the **Maximum Indemnity Period** exceeds 12 months) the amount payable hereunder shall be proportionately reduced.

**Definitions to Gross Rent Receivable Basis of Settlement only:**

**Gross Rent Receivable**

means the money paid or payable to **You** for tenancies and other charges and for services rendered in the course of **Your Business** at the **Premises**.

|  |   |  |
|--|---|--|
| <b>Annual Gross Rent Receivable</b>      | ) | to which such adjustments shall be made                  |
| means the <b>Gross Rent Receivable</b>   | ) | as may be necessary to provide for the                   |
| during the period 12 months              | ) | trend of the <b>Business</b> and for variation in        |
| immediately before the date of the       | ) | or other circumstances affecting the                     |
| <b>Damage</b>                            | ) | <b>Business</b> either before or after the <b>Damage</b> |
|  | ) | or which would have affected the <b>Business</b>         |
| <b>Standard Gross Rent Receivable</b>    | ) | had the <b>Damage</b> not occurred so that the           |
| means the <b>Gross Rent Receivable</b>   | ) | figures thus adjusted represent as nearly as             |
| during the period in the 12 months       | ) | may be reasonably practicable the results                |
| immediately before the date of the       | ) | which but for the <b>Damage</b> would have               |
| <b>Damage</b> which corresponds with the | ) | been obtained during the relative period                 |
| <b>Indemnity Period</b>                  | ) | after the <b>Damage</b> .                                |

**Conditions to Gross Rent Receivable Basis of Settlement only:**

**1) Alternative Trading**

If during the **Indemnity Period** 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 services shall be brought into account in arriving at the **Gross Rent Receivable** during the **Indemnity Period**.

**Basis of Settlement – Increased Cost of Working**

The amount payable shall be the net increase in cost of working as a consequence of **Damage** (including the cost of moving to and from and the additional rent of temporary premises, additional rates and taxes thereon and expenses incurred in equipping the said premises to make them suitable for **Your Business**, additional cost in respect of lighting, heating and water, additional cost in respect of additional staff and overtime and allowances for meals to existing staff) reasonably incurred in order to minimise any interruption or interference with the **Business** during the **Indemnity Period**.

**Conditions to Increased Cost of Working Basis of Settlement only:**

**1) Settlement terms**

In the event of loss **We** will be liable for not more than 50 per cent of the **Sum Insured** hereunder in respect of such additional expenditure arising in the first three months following the date of **Damage** nor 25 per cent of the **Sum Insured** in respect of additional expenditure in any one month thereafter.

**Basis of Settlement – Additional Increased Cost of Working**

The insurance under this item is limited to **Additional Increased Cost of Working** and the amount payable hereunder shall be such additional expenditure, beyond that recoverable under increase in cost of working by the other item(s) of this **Section**, necessarily and reasonably incurred for the purposes of:

- avoiding or diminishing the reduction in **Turnover** or **Gross Revenue** or **Gross Rent Receivable**, as applicable, which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage**, or
- resuming or maintaining the normal operations of the **Business**.

## Extensions

The terms of this **Section** and General Conditions and General Exclusions of this insurance apply to these Extensions. These Extensions apply only to this **Section D** of the **Policy**.

The cover provided by this **Section** extends to include interruption of or interference with the **Business** in consequence of:

(a) Suppliers

**Damage** by a **Specified Peril** to property at the premises of **Your** suppliers in Great Britain and Northern Ireland but excluding the premises of any supplier from which **You** obtain gas, electricity or water.

(b) Denial of Access

**Damage** by a **Specified Peril** to property in the vicinity of the **Premises** which prevents or hinders the use of or access to the **Premises** whether the **Premises** or **Your Property** is **Damaged** or not, but excluding **Damage** of or to property of any supplier from which **You** obtain gas, electricity or water which prevents or hinders the supply of such services to the **Premises**.

(c) Public Utilities

**Damage** by a **Specified Peril** to property at the premises of any public supplier from which **You** obtain gas, electricity, water or telecommunications but excluding:

(i) telecommunications where such failure is for a period of less than 24 hours

or

(ii) other utilities where such failure is for a period of less than 2 hours.

Cover does not include interruption of or interference with the **Business** in consequence of the deliberate act of any supplier or by the exercise by any such supplier of its power to withhold or restrict supply due to drought or any other reason.

(d) Customers

**Damage** by a **Specified Peril** to property of **Your** Customers in Great Britain and Northern Ireland.

(e) Closure

the closure of the **Premises** or part thereof on the order or advice of any local or government authority as a result of:

(i) murder or suicide occurring at the **Premises**.

(ii) injury or illness sustained by any visitor arising from or traceable to foreign or injurious matter in food or drink provided on the **Premises**.

(iii) defects in the drains or other sanitary arrangements at the **Premises** or the **Premises** becoming infested with vermin or pests.

**Our** liability under the above extensions in respect of any one event and in any one **Period of Insurance** shall be limited to £100,000 or 10 per cent of the **Sum Insured** stated in the **Schedule** to this **Section** whichever is less.

## SECTION E – BOOK DEBTS

Cover under this **Section E** is subject to the Conditions and Exclusions set out within this **Section E**, plus all the General Conditions and General Exclusions set out in the General Conditions and General Exclusions **Sections** of the **Policy**.

Words and phrases starting with an upper case letter and printed in bold are defined below, insofar as they apply specifically to **Section E**, and in the Definitions **Section** of the **Policy**.

### Definition

These definition(s) apply to this **Section** wherever these words or phrases appear starting with an upper case letter and printed in bold except where stated otherwise.

**1) Outstanding Debit Balances** means:

the total last recorded by **You** under the provisions of condition 2 of this **Section**, 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 **Damage**) to customers' accounts in the period between the date to which said last statement relates and the date of the **Damage** and
- (c) any abnormal condition of trade which had or could have had a material effect on the **Business**

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

### Insuring Clause

In the event of **Your** books of account or other business books or records at the **Premises** being **Damaged** during the **Period of Insurance** by a **Specified Peril** and in consequence thereof **You** are unable to trace or establish the **Outstanding Debit Balances** in whole or in part due to **You**, then **We** will pay to **You** the amount of loss resulting from such **Damage** but not exceeding:

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

provided that if the **Sum Insured** by this item is less than the **Outstanding Debit Balances** the amount **We** will pay shall be proportionately reduced.

### Limit of Liability

The most **We** will pay under this **Section** for **Outstanding Debit Balances** shall not exceed the **Sum Insured** stated in the **Schedule** for this **Section** or any limit specified in any Extension to this **Section**.

### Exclusions

**We** will not cover **You** for any loss occasioned by or happening through:

- 1)** erasure or distortion of information on **Computer** systems or other records:
  - (a) due to the presence of a magnetic flux or whilst mounted in or on any machine or data processing apparatus unless caused by **Damage** to the said machine or apparatus.
  - (b) due to defects in such records.
- 2)** deliberate falsification of business records.
- 3)** mislaying or misfiling of tapes and records.

- 4) the deliberate act of the public supply undertaking in restricting or withholding electricity supply.
- 5) the connivance of any of **Your Employees**.

Cover under **Section E** is also subject to the General Exclusions set out in the General Exclusions **Section** of the **Policy**.

### Conditions

#### 1) Automatic Reinstatement

In the event of **Damage** insured by this **Section** and in the absence of written notice by **Us** or **You** to the contrary within 30 days, the amount of the loss will be reinstated automatically as from the date of the loss providing **You** undertake to pay such additional premium as **We** may require.

#### 2) Debit Balances

At the end of each month **You** will record the total amount outstanding in customers' accounts as set out in **Your** accounts as at the end of the said month and such record shall be kept at a place other than **Your Premises**.

If the recorded amount exceeds the **Sum Insured** applicable at the date of such declaration then for the purposes of this condition only, **You** shall be deemed to have recorded such **Sum Insured**.

Cover under **Section E** is also subject to the General Conditions set out in the General Conditions **Section** of the **Policy**.

### Extensions

The terms of this **Section** and General Conditions and General Exclusions of this insurance apply to these Extensions. These Extensions apply only to this **Section E** of the **Policy**.

#### 1) Other Premises

This insurance extends to include the amount of any loss ascertained in accordance with the provisions of this **Section** resulting from **Damage**:

- (a) to **Your** books of account or other business books or records whilst they are temporarily removed to any premises in Great Britain, Northern Ireland, the Republic of Ireland the Channel Islands or the Isle of Man occupied by persons acting on **Your** behalf.
- (b) to **Your** books of account or other business books or records whilst in transit within Great Britain Northern Ireland the Republic of Ireland the Channel Islands or the Isle of Man.

#### 2) Professional Accounts

**We** will pay **You** the reasonable charges **You** have to pay to **Your** professional accountants for producing any particulars or details or any other proofs information or evidence as **We** may require under the terms of the claims condition of this insurance and reporting that such particulars or details are in accordance with **Your** books of account or other business books or documents.

**Our** liability for loss resulting from **Damage** and for such additional charges shall not exceed in the aggregate the **Sum Insured** as shown in the **Schedule**.

## SECTION F – MONEY

Cover under **Section F** is subject to the Conditions and Exclusions set out within this **Section F**, plus all the General Conditions and General Exclusions set out in the General Conditions and General Exclusions **Sections** of the **Policy**.

Words and phrases starting with an upper case letter and printed in bold are defined below, insofar as they apply specifically to **Section F**, and in the Definitions **Section** of the **Policy**.

### Definitions

These definition(s) apply to this **Section** wherever these words or phrases appear starting with an upper case letter and printed in bold except where stated otherwise.

**1) Bodily Injury** means:

injury (including multiple injuries sustained in one incident) caused solely and directly by violent, external and visible means which shall be the sole and direct cause of such injury.

**2) Business Hours** means:

the period during which the **Premises** are actually occupied by **You** for **Business** purposes and during which **You** or **Your Employees** entrusted with **Money** are in the **Premises**.

**3) Insured Person** means:

**You** or **Your** directors or **Employees** aged between 18 and 65 years.

**4) Loss of sight** means:

total, irremediable and irrecoverable loss of sight of one or both eyes.

**5) Money** means:

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

**6) Non-Negotiable Money** means:

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

**7) Permanent Total Disablement** means:

disablement which entirely prevents the **Insured Person** from engaging in or attending to any occupation and which lasts continuously for 52 weeks and which at the end of that period is without prospect of improvement.

### Insuring Clause

We will cover **You** for:

- 1) loss of **Money** or **Non-Negotiable Money** belonging to **You** or for which **You** are responsible from any cause not hereinafter excluded
- 2) **Damage** done by thieves to cash registers, safes, strongrooms, franking machines or bags, cases or waistcoats used for the carriage of **Money** or **Non-Negotiable Money**, up to but not exceeding the cost of repair or replacement,
- 3) **Damage** to clothing or personal effects belonging to **You** or to any of **Your** principals or **Employees** which arises from attack by any person in the course of theft or attempted theft of **Your Money** or **Non-Negotiable Money** (the most **We** will pay in respect of any one person is £250)

occurring during the **Period of Insurance**.

### Limit of Liability

The most **We** will pay under this **Section** shall not exceed the **Sum Insured** for each item stated in the **Schedule** for this **Section** or stated herein or any limit specified in any Extension to this **Section**.

### Exclusions

**We** will not cover **You** for:

- 1) loss of **Money** or **Non-Negotiable Money**:
  - (a) due to the dishonesty of **Your** principal(s) or **Employee(s)** unless discovered and reported to **Us** within seven working days of its occurrence.
  - (b) due to falsification of accounts.
  - (c) insured under a Fidelity Guarantee Policy.
  - (d) from an unattended vehicle.
  - (e) during transit by unregistered post.
  - (f) from any coin operated machine.
- 2) loss or shortage due to errors or omissions or due to depreciation in value.
- 3) loss resulting from any business transaction dishonoured cheques or the use of counterfeit money.
- 4) loss arising outside Great Britain, Ireland, Northern Ireland, the Isle of Man or the Channel Islands.
- 5) loss by theft or attempted theft from the **Business Premises** or **Your** private residence or the private residence of any director, partner or authorised **Employee** unless involving entry to or exit from such **Premises** or private residence by forcible and violent means or actual or threatened hold up assault or violence.
- 6) the amount of the **Excess** shown in the **Schedule** to this **Section** which **We** will deduct from each and every claim.

Cover under **Section F** is also subject to the General Exclusions to the **Policy** set out in the General Exclusions **Section** of the **Policy**.

### Conditions

#### 1) Keys

All keys and notes of combination lock numbers for safes and strongrooms containing **Money** or **Non-Negotiable Money** must be held in the personal custody of an authorised person and removed from **Your Premises** out of working hours.

#### 2) Records

**You** must:

- (a) keep a daily record of
  - (i) the amount of **Money** or **Non-Negotiable Money** in any safe or strongroom secure in some place other than the safe or strongroom.
  - (ii) the amount of franking machine units used.
- (b) record details of all transits in a book retained for that purpose.

The most **We** will pay will be the amount of **Money** or **Non-Negotiable Money** shown in such record at the time of the loss or the Limit shown in the **Schedule** to this **Section** whichever is the less.

Cover under **Section F** is also subject to the General Conditions to the **Policy** set out in the General Conditions **Section** of the **Policy**.

### Extensions

The terms of this **Section** and General Conditions and General Exclusions of this insurance apply to this Extension, save that General condition 5, Claims (contribution), does not apply to this Extension.

This Extension applies only to this **Section F** of the **Policy**.

**1) Assault**

This **Section** extends to pay compensation in accordance with the applicable benefits stated in the **Schedule** to this **Section** for **Bodily Injury** sustained by the **Insured Person** in the course of **Your Business** where such **Bodily Injury** arises directly from assault for the purposes of theft or attempted theft of **Money** or **Non-Negotiable Money** happening during the **Period of Insurance**.

Provided always that:

- (a) compensation shall be payable only under one of Items 1, 2 or 3 of the **Schedule** and weekly compensation shall become payable only when the total amount of compensation shall have been ascertained and agreed.
- (b) compensation shall not be payable in respect of death or injury caused by or arising wholly, or in part from pre-existing illness, disease, physical or mental defect or infirmity.
- (c) compensation shall not be payable to any person whose age exceeds 65 years.

It is agreed that the **Excess** to the **Money Section** does not to apply to this extension.

## SECTION G – GOODS IN TRANSIT

Cover under **Section G** is subject to the Conditions and Exclusions set out within this **Section G**, plus all the General Conditions and General Exclusions set out in the General Conditions and General Exclusions **Sections** of the **Policy**.

Words and phrases starting with an upper case letter and printed in bold are defined below, insofar as they apply specifically to **Section G**, and in the Definitions **Section** of the **Policy**.

### Definitions

These definition(s) apply to this **Section** wherever these words or phrases appear starting with an upper case letter and printed in bold except where stated otherwise.

**1) Consignment** means:

all goods whether contained in one or a number of parcels, packages or containers or in bulk sent at one time in one load from one address to another.

**2) Goods of a Dangerous Nature** means:

goods which are specified in the Special Classification of Dangerous Goods issued by the British Railways Board current at the time such goods are accepted for transit or goods which present a comparable hazard.

**3) Insured Property** means:

**Stock**, merchandise and materials of the trade being **Your Property** or **Property** held by **You** in trust or on commission for which **You** are responsible.

**4) Territorial Limits** means:

within Great Britain, Northern Ireland and the Isle of Man including direct transit within or between such territories.

**5) Vehicle** means:

any motor vehicle described in the **Schedule** to this **Section** owned and/or operated by **You** including:

- (a) temporary substitution whilst a vehicle is out of use for maintenance repair or official testing.
- (b) permanent substitution for individually specified vehicles provided **We** are notified within 21 days of the substitution.

**6) Working Hours** means:

the whole period during which the **Vehicle** is being used by its driver in connection with the **Business**.

### Insuring Clause

**Cover A Carriage of the Insured Property by Vehicles owned and/or operated by You**

*(This cover is operative only if specified in the **Schedule** to this **Section**).*

If the **Insured Property** or any part of it is **Damaged** by any cause not specifically excluded herein during the **Period of Insurance** while

- (a) being loaded on to, carried by or unloaded from

or

- (b) temporarily housed in the course of transit upon

any **Vehicle** described in the **Schedule** to this **Section** owned and/or operated by **You** within the **Territorial Limits** in connection with the **Business**, **We** will pay **You** the value of the **Property** at the time of the **Damage** (if it is totally lost or destroyed) or the amount of the **Damage** or at **Our** option reinstate or replace the **Property** or any part of it.

In the event of the original **Vehicle** becoming disabled due to accident or breakdown during a transit this **Section** shall continue to apply whilst the **Insured Property** is being transferred to and carried by any other **Vehicle** for completion of the original transit.



## Cover B Despatch of the Insured Property by Rail Road or Post Carrier.

*(This Cover is operative only if specified in the **Schedule** to this **Section**).*

If the **Insured Property** or any part of it is **Damaged** by any cause not specifically excluded herein during the **Period of Insurance** while in course of transit in connection with the **Business** by rail carrier or road carrier or post carrier from **Your Premises** to any destination within the **Territorial Limits** and whilst:

- (a) in the charge of the carrier until delivered to the consignee including temporary housing in the course of transit.
- (b) being loaded upon or unloaded from the carrier's conveyance.
- (c) being delivered to or collected from any delivery or collection point of the carrier other than by a **Vehicle** owned or operated by **You**.

**We** will pay **You** the value of the **Property** at the time of the **Damage** (if it is totally lost or destroyed) or the amount of the **Damage** or at **Our** option reinstate or replace the **Property** or any part of it.

### Limit of Liability

The most **We** will pay under this **Section** shall not exceed the **Sum Insured** for each item stated in the **Schedule** for this **Section** or any limit specified in any Extension to this **Section**.

### Exclusions

**We** will not cover **You** for:

#### 1) Damage to:

- (a) coins, bank notes, treasury notes, stamps or cheques securities bills of exchange promissory notes
- (b) deeds, bonds, documents, manuscripts, business books, computer systems records
- (c) patterns, models, moulds, plans or designs
- (d) furs, jewellery, precious stones, precious metals or bullion pictures, paintings, engravings, statuary works of art
- (e) livestock
- (f) explosives or **Goods of a Dangerous Nature**
- (g) **Property** despatched on F.O.B. terms
- (h) **Property** conveyed in a refrigerated, frozen, chilled or insulated condition as a result of deterioration due to any variation in temperature unless as a result of an accident to the **Vehicle**

unless otherwise stated in the **Schedule** to this **Section**.

#### 2) Damage due to:

- (a) wear and tear, gradual deterioration, contamination, depreciation, inherent vice or nature of the **Insured Property**.
- (b) normal atmospheric conditions where the **Insured Property** is on an open vehicle unless such **Property** shall have been adequately and properly protected.
- (c) mechanical or electrical breakdown, failure or derangement unless exterior **Damage** first occurred to the **Insured Property**.
- (d) delay, loss of market or other consequential loss.
- (e) **Pollution** or **Contamination**.

#### 3) the amount of the **Excess** shown in the **Schedule** to this **Section** which **We** will deduct from each and every claim.

#### 4) loss due to theft by or with **Your** connivance or the connivance of **Your Employees**.

#### 5) losses from unattended vehicles of **Property** consisting of tobacco, wines, spirits, clothing, audio/visual equipment, **Computers**, **Computer** games and audio/visual cassettes or discs or other storage device.

#### 6) in respect of **Cover A**, **Damage** resulting from theft or attempted theft or unexplained shortages from any unattended **Vehicle** unless:

- (a) during **Working Hours** all doors, windows and other points of access have been closed and locked and any security devices correctly set to operate and all keys to doors ignition or other services removed.

(b) at all times out of **Working Hours** the **Vehicle** is in a securely locked building or guarded security park.

- 7) in respect of **Cover B**, any claim arising as a result of failure to make proper and complete declarations required by carriers or failure to obtain receipts for parcels, packages or **Consignments** sent by rail, road, post or other carriers.

Cover under **Section G** is also subject to the General Exclusions set out in the General Exclusions **Section** of the **Policy**.

## Conditions

### 1) Average

If at the date of any **Damage** the goods at risk at one location or on any one **Vehicle** or **Vehicle** and trailer as the case may be or in any one package or comprising one **Consignment** by road or rail shall be collectively of greater value than the Limit of Liability **You** shall only be entitled to recover hereunder such proportion of the said loss as the **Sum Insured** by this insurance bears to the total value of the said **Insured Property**.

### 2) Reasonable Precautions

**You** must take all reasonable precautions to prevent **Damage** by:

- (a) maintaining **Vehicles** in an efficient and roadworthy condition and ensuring that they are suitable for the purpose for which they are to be used.
- (b) exercising reasonable care in the:
  - (i) selection of **Employees**, obtaining references, providing instruction and in the supervision of **Employees**.
  - (ii) packaging and labelling or addressing of the **Insured Property**.
- (c) complying with regulations imposed by any lawful authority

Cover under **Section G** is also subject to the General Conditions set out in the General Conditions **Section** of the **Policy**.

## Extensions

The terms of this **Section** and General Conditions and General Exclusions of this insurance apply to these Extensions. These Extensions apply only to this **Section G** of the **Policy**.

Extensions to **Cover A**:

### 1) Additional Costs

This **Section** extends to cover **You** against additional costs necessarily incurred in:

- (a) transferring the **Insured Property** to another conveyance and/or delivering/returning such **Property** to its original destination/place of despatch if any **Vehicle** is disabled as a result of an accident
  - (b) re-loading on to any **Vehicle** any of the **Insured Property** fallen from such **Vehicle**
  - (c) removing debris consequent upon **Damage** to any of the **Insured Property**
- up to an amount not exceeding £1,000 for any one event.

**We** will not pay the first £25 of each and every loss.

### 2) Sheets Tarpaulins Ropes etc/Personal Effects

This **Section** extends to cover **You** for **Damage** to:

- (a) sheets, tarpaulins, ropes, toggles, chocks, chains, skips and trolleys whilst carried in the course of transit by any **Vehicle** up to an amount not exceeding £1,000 for any one event.

**We** will not pay the first £25 of each and every loss.

- (b) the personal **Property** belonging to the driver and/or mate whilst carried in any **Vehicle** conveying the **Insured Property** in the course of their employment up to an amount not exceeding £150 for any one person

**We** will not pay the first £25 of each and every loss.

## SECTION H – LOSS OF LICENCE

Cover under **Section H** is subject to the Conditions and Exclusions set out within this **Section H**, plus all the General Conditions and General Exclusions set out in the General Conditions and General Exclusions **Sections** of the **Policy**.

Words and phrases starting with an upper case letter and printed in bold are defined below, insofar as they apply specifically to **Section H**, and in the Definitions **Section** of the **Policy**.

### Definitions

These definition(s) apply to this **Section** wherever these words or phrases appear starting with an upper case letter and printed in bold except where stated otherwise.

**1) Licence - Code A** means:

all licences which have been granted for the sale of excisable and/or alcoholic liquor.

**2) Licence - Code B** means:

all licences which have been granted for the provision of entertainment and/or music and dancing.

### Insuring Clause

In the event of the **Licence** (as defined above and identified within the **Schedule** to this **Section** as being applicable) granted in respect of the **Premises** stated in the **Schedule** being:

- a) totally and permanently forfeited or revoked under the provisions of the appropriate legislation governing such **Licences** or
- b) refused renewal after due application for such renewal to the appropriate authority

during the **Period of Insurance**, **We** will cover **You** for:

- i) the consequential depreciation in value of **Your** interest in the **Premises** arising from
- ii) the costs and expenses **You** incur with **Our** prior written consent in connection with an appeal against the forfeiture of or revocation of or refusal to renew such **Licence**.

### Limit of Liability

The most **We** will pay under this **Section** shall not exceed the **Sum Insured** for each item stated in the **Schedule** for this **Section** or any limit specified in any Extension to this **Section**.

### Exclusions

**We** will not cover **You** for:

- 1)** refusal to renew the **Licence** if **You** are entitled to obtain compensation under the provisions of any Act of Parliament.
- 2)** (i) actual or proposed compulsory purchase of the **Premises**  
(ii) any scheme of town or country planning improvement or redevelopment  
whether such loss is direct or indirect.
- 3)** any alteration in the law governing the grant, surrender, renewal, suspension or forfeiture of the **Licence**.
- 4)** any loss as a result of:
  - (i) the **Premises** being altered without the consent of the appropriate authority or not being maintained in a sanitary condition or satisfactory state of repair.
  - (ii) the **Premises** being closed for any period when not required by law.
- 5)** the loss of any extension to the normal opening hours.

Cover under **Section H** is also subject to the General Exclusions set out in the General Exclusions **Section** of the **Policy**.

## Conditions

### 1) Change of Licence Holder

In the event of death, bankruptcy, incapacity, desertion of the **Premises** or conviction for any offence (where such conviction affects the character or reputation of the convicted person with respect to his or her honesty, moral standing or sobriety) of the **Licence** holder, manager, tenant or occupier of the **Premises**, **You** shall where practicable and at **Our** request procure a suitable person to replace him or her and one to whom the appropriate authorities will transfer the **Licence** or grant the **Licence** by way of renewal.

### 2) Forfeited Licence/Refused Renewal

In the event of the **Licence** being forfeited or refused **You** shall:

- a) give **Us** written notice within 24 hours of receiving knowledge of such event stating the grounds upon which the **Licence** was forfeited or the renewal refused.
- b) apply if practicable and if required by **Us** for the grant of such new **Licence** for the same or alternative premises as may enable **You** to continue the **Business** in a similar or alternative form.

### 3) Proof of loss.

**You** will deliver as soon as possible a written statement substantiating any claim together with such documents statements and accounts as **We** may require to verify such claim and if required by **Us** make a statutory declaration as to the truth of such claims and give **Us** free access to the **Premises** and the books and accounts thereof as may be necessary for ascertaining the value of the **Premises** and the goodwill in relation to the **Licence**.

### 4) Reasonable Precautions

**You** shall take all reasonable steps necessary to keep the **Licence** in force and exercise reasonable care in ensuring that the **Licence** holder, manager, tenant or occupier of the **Premises** are suitable and competent.

### 5) Your Duty of Notification

**You** shall on becoming aware of any:

- (a) complaint against the **Premises** or control thereof
- (b) proceedings against or conviction of the **Licence** holder, manager, tenant or occupier of the **Premises** for any breach of licensing laws of any other matter whereby the character or reputation of the person concerned is affected or called into question in respect of his or her honesty, moral standing or sobriety
- (c) change of tenancy or management of the **Premises**
- (d) transfer or proposed transfer of the **Licence**
- (e) alteration in the purpose for which the **Premises** are used
- (f) objection to renewal or other circumstances which may endanger the renewal of the **Licence**

immediately give **Us** written notice thereof and supply such additional information and give such assistance as **We** may reasonably require. Subject to such notice **You** shall be considered to have reaffirmed at the date of each renewal of this **Section** the statements made in the proposal form or statement of facts and/or any other information supplied by **You**.

Cover under **Section H** is also subject to the General Conditions set out in the General Conditions **Section** of the **Policy**.

## SECTION I – DETERIORATION OF STOCK

Cover under **Section I** is subject to the Conditions and Exclusions set out within this **Section I**, plus all the General Conditions and General Exclusions set out in the General Conditions and General Exclusions **Sections** of the **Policy**.

Words and phrases starting with an upper case letter and printed in bold are defined below, insofar as they apply specifically to **Section I**, and in the Definitions **Section** of the **Policy**.

### Definitions

These definition(s) apply to this **Section** wherever these words or phrases appear starting with an upper case letter and printed in bold except where stated otherwise.

**1) Refrigerated Stock** means:

**Stock**, merchandise and materials of the trade being **Your Property** or held by **You** in trust or on commission for which **You** are responsible.

**2) Refrigeration Equipment** means:

the refrigeration equipment specified in the **Schedule** to this **Section** and installed at the **Premises**.

### Insuring Clause

In the event of **Damage** to **Refrigerated Stock** in the **Refrigeration Equipment**, caused by deterioration or putrefaction due to:

- a) change in temperature resulting from:
  - (i) breakdown of the equipment
  - (ii) failure from any inherent cause of any thermostatic or automatic controlling device of the equipment
  - (iii) the accidental failure of the public electricity supply to the **Premises**
- b) accidental leakage of refrigerant or refrigerant fumes

happening during the **Period of Insurance** at the **Premises**, **We** will cover **You** for the cost of replacing the **Damaged Refrigerated Stock** up to the **Sum Insured** set against any item of equipment specified in the **Schedule** to this **Section**.

### Limit of Liability

The most **We** will pay under this **Section** shall not exceed the **Sum Insured** for each item stated in the **Schedule** for this **Section** or any limit specified in any Extension to this **Section**.

### Exclusions

**We** will not cover **You** for:

- 1) Damage** caused by **Fire, Lightning** or **Explosion**.
- 2) Damage** caused by any wilful act or wilful neglect by **You** or any of **Your Employees** or due to faulty packing or stowage.
- 3) Damage** resulting from the deliberate act of any public electricity supply authority or the exercise by any such authority of its power to withhold or restrict the supply of electricity.
- 4) the amount of the Excess** shown in the **Schedule** to this **Section** which **We** will deduct from each and every claim.

Cover under **Section I** is also subject to the General Exclusions set out in the General Exclusions **Section** of the **Policy**.

### Conditions

**1) Average**

Each item of this **Section** is separately subject to the condition of Average, that is to say, if the **Property** insured by such item shall at the time of any loss be of greater value than the **Sum Insured** for such item, **You** shall only be entitled to recover hereunder such proportion of the said loss as the **Sum Insured** by this Insurance bears to the total value of the said **Property Insured**.

## 2) Maintenance

It is a condition precedent to cover hereunder that the **Refrigeration Equipment** is the subject of a current manufacturers guarantee or maintenance agreement with a competent refrigeration engineer.

Cover under **Section I** is also subject to the General Conditions to the **Policy** set out in the General Conditions **Section** of the **Policy**.

## SECTION J - EMPLOYERS' LIABILITY

Cover under **Section J** is subject to the Conditions and Exclusions set out within this **Section J**, plus all the General Conditions and General Exclusions set out in the General Conditions and General Exclusions **Sections** of the **Policy**.

Words and phrases starting with an upper case letter and printed in bold are defined below, insofar as they apply specifically to **Section J**, and in the Definitions **Section** of the **Policy**.

### Definitions

These definition(s) apply to this **Section** wherever these words or phrases appear starting with an upper case letter and printed in bold except where stated otherwise.

**1) Conveyance** means:

any water and/or air and/or road and/or rail conveyances of every description.

**2) Offshore Activity** means:

any work on or visit to an **Offshore Installation** from the time of embarkation onto a **Conveyance** at the point of final departure to such **Offshore Installation** until the time of disembarkation from a **Conveyance** onto land on return from such **Offshore Installation**.

**3) Offshore Installation** means:

any offshore installation, rig or platform whether fixed or mobile or any vessel or semi-submersible including any catwalk, landing ramp, bridge, walkway, accommodation or other connected structure which has been is or will be engaged in the processes of prospecting for or extraction, separation, storage, treatment or distribution of oil or gas.

### Insuring Clause

**We** will cover **You** for **Your** legal liability for **Bodily Injury** sustained by an **Employee** occurring during the **Period of Insurance** within the **Territorial Limits** and arising out of and in the course of employment by **You** in connection with **Your Business**.

### Limit of Liability

**Our** limit of liability for damages and claimant's costs, fees and expenses payable in respect of any occurrence shall not exceed the amount stated in the **Schedule** as the Limit of Liability for this **Section** but, if the **Bodily Injury** arises from **Asbestos** or **Terrorism**, then **Our** limit of liability shall not exceed £5,000,000.

### Exclusions

**We** will not provide cover for liability:

- 1)** in respect of which compulsory insurance or security is required to be arranged by **You** under the Road Traffic Act 1988 or the Road Traffic (Northern Ireland) Order 1981 or any subsequent legislation amending or replacing such Act or Order.
- 2)** caused by or arising from any **Offshore Activity**.
- 3)** for punitive, exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages.
- 4)** arising from any judgement, award or settlement made within countries which operate under the laws of the United States of America or Canada (or from any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part).

Cover under **Section J** is also subject to the General Exclusions set out in the General Exclusions **Section** of the **Policy**.

General Exclusions 2 (Communicable Disease), 4 (Date Recognition), 10 (Terrorism) and 11 (War and Similar Risks) do not apply to this **Section J**. General Exclusion 7 (Radioactive and Other Contamination) applies to **Section J** only in respect of the liability of any **Principal** or liability assumed under the terms of an agreement which would not have attached in the absence of such agreement.

## Conditions

### 1) Claims notification

In the event of an occurrence which may give rise to a claim under this **Section**:

**You** will:

- (a) give written notice to **Us** as soon as reasonably practicable of any circumstance which may give rise to a claim under this **Section** with full particulars of such circumstance. All claims should be notified to **Us** using one of the methods described in the Customer Information Statements section near the beginning of this document.
- (b) provide all additional information **We** may require within the time stipulated by **Us**.
- (c) forward unanswered to **Us** immediately they are received, every claim form, summons or other originating process or any letter of claim or other written notification of claim and all documents relating thereto.
- (d) give immediate notice in writing to **Us** of any impending prosecution, inquest or fatal accident inquiry.
- (e) at all times and in addition to the obligations set out above forward such information to and cooperate with **Us** or **Our** appointed agents to allow **Us** to be able to comply with such relevant practice, directions and pre-action protocols as may be in force.
- (f) carry out and permit to be taken any action which may be reasonably practicable to prevent further **Bodily Injury**.
- (g) give immediate notice in writing to **Us** if **You** become aware of any RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995) incident involving any person which may result in a claim hereunder.

### 2) Conduct and Control

It is a condition of this **Section** that no admission, offer, promise or payment shall be made or given by **You** or on **Your** behalf without **Our** written consent.

**We** shall be entitled if **We** so desire to take over and conduct in **Your** name the defence or settlement of any claim or to prosecute in **Your** name for **Our** benefit any claim for damages or otherwise.

**We** shall have full discretion in the conduct of any proceedings and in the settlement of any such claim against **You** and **You** shall give all such information and assistance as **We** may require.

### 3) Discharge of Liability

**We** may at any time at **Our** sole discretion pay to **You** the Limit of Liability for this **Section** (less any sum or sums already paid in respect or in lieu of damages and less other costs and expenses already paid or incurred prior to such payment) or any lesser sum for which the claim or claims against **You** can be settled and **We** shall not be under any further liability in respect of such claim or claims.

### 4) Employers' Liability Tracing Office

Where **We** provide cover under the Employers' Liability (Compulsory Insurance) Regulations 1998, **We** are required by regulation to maintain a database of all the companies and subsidiary companies covered by such insurance. **We** support and will add details of all company names to the Employers' Liability Tracing Office database.

Accordingly, it is a condition of this insurance that **You** undertake to supply full details (as required by the Employers' Liability Tracing Office) of **Your** company and all subsidiary companies to **Us** at inception of this insurance and promptly thereafter following acquisition or disposal of any subsidiary company.

### 5) Rights of Recovery

The cover provided under this **Section** is deemed to be in accordance with such provisions as any law relating to the compulsory insurance of liability to **Employees** within the **Territorial Limits** or **Offshore Installations** within the continental shelf around those countries may require but **You** shall repay to **Us** all sums paid by **Us** which **We** would not have been liable to pay but for the provisions of such law.

Cover under **Section J** is also subject to the General Conditions set out in the General Conditions **Section** of the **Policy**.

General Condition 6 (Claims Procedure) does not apply to this **Section J**.



## Extensions

The terms of this **Section** and General Conditions and General Exclusions of this insurance apply to these Extensions and where no limit or maximum liability is stated in the Extension the Limit of Liability for this **Section** applies. These Extensions apply only to this **Section J** of the **Policy**.

### 1) Unsatisfied Court Judgments.

Where a judgment for damages has been obtained by any **Employee** or the legal personal representatives of any **Employee** in respect of **Bodily Injury** sustained by the **Employee** arising out of and in the course of employment by **You** in connection with **Your Business** and such judgment remains unsatisfied in whole or in part 6 months after the date of judgment then, at **Your** request, **We** will pay to the **Employee** or their legal 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 has been obtained against a company, partnership or individual (but not against **You**) operating from or resident in premises within the **Territorial Limits** in any court situated in the **Territorial Limits**.
- (b) there is no appeal outstanding.
- (c) if any such payment is made by **Us**, the **Employee** or their legal personal representatives shall assign the judgment to **Us**.
- (d) this **Section** of **Your** insurance is operative at the time that such **Bodily Injury** is sustained and cover will only apply in respect of those damages that relate to **Bodily Injury** sustained during the **Period of Insurance**.
- (e) **Our** liability for damages, costs and expenses shall not exceed the amount stated in the **Schedule** as the Limit of Liability for this **Section**.

### 2) Work Overseas.

The cover provided under this **Section** shall extend to cover **You** for **Your** legal liability for **Bodily Injury** sustained by any **Employee** whilst undertaking work on a temporary basis within any country outside of the **Territorial Limits** provided that:

- (a) any such **Employee** is ordinarily resident within the **Territorial Limits**.
- (b) **We** will not provide cover for any medical expenses or repatriation costs.
- (c) **We** will not provide cover in respect of any amount payable under Workers' Compensation, Social Security or Health Insurance legislation.

## SECTION K - PUBLIC LIABILITY

Cover under **Section K** is subject to the Conditions and Exclusions set out within this **Section K**, plus all the General Conditions and General Exclusions set out in the General Conditions and General Exclusions **Sections** of the **Policy**.

Words and phrases starting with an upper case letter and printed in bold are defined in the Definitions **Section** of the **Policy**.

### Insuring Clause

**We** will cover **You** for **Your** legal liability for accidental:

- 1) **Bodily Injury** to any person
- 2) **Damage to Property**
- 3) obstruction, trespass, nuisance or interference with any right of way, air, light or water or other easement
- 4) wrongful arrest, wrongful detention, false imprisonment or malicious prosecution

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

### Limit of Liability

**Our** limit of liability for damages and claimant's costs, fees and expenses payable in respect of any occurrence shall not exceed the amount stated in the **Schedule** as the Limit of Liability for this **Section**.

### Exclusions

**We** will not provide cover for liability:

- 1) in respect of **Bodily Injury** to any **Employee** arising out of and in the course of employment by **You** in connection with **Your Business**.
- 2) caused by or arising from the ownership or possession or use by **You** or on **Your** behalf of any:
  - (a) aircraft or aerospace device or hovercraft.
  - (b) watercraft other than hand propelled watercraft or other watercraft not exceeding 8 metres in length.
  - (c) mechanically propelled vehicle:
    - (i) in circumstances for which compulsory insurance or security is required under any legislation governing the use of the vehicle.
    - (ii) where cover is provided by any other insurance.
- 3) arising from any **Product Supplied** after it has ceased to be in **Your** custody or under **Your** or any **Employee's** control other than food and drink for consumption on **Your Premises**.
- 4) for **Contractual Liability** unless the sole conduct and control of claims is vested in **Us** but **We** will not in any event provide cover in respect of:
  - (a) liquidated damages or liability under any penalty clause.
  - (b) **Damage to Property** against which **You** are required to effect insurance under the terms of Clause 21.2.1 of the Joint Contracts Tribunal Standard Form of Building Contract 1980 Edition or any revision or substitution thereof or any clause of similar intent under any other contract conditions.
  - (c) **Damage to Property** which comprises the contract works executed or in the course of execution by **You** or on **Your** behalf and occurs after the date of issue of a certificate of completion of such works or, where the contract has no provision for such a certificate, the date on which such works are completed and handed over to the **Principal** if **You** are expressly responsible for such **Damage** under the terms of the contract.
- 5) in respect of **Damage to Property**:
  - (a) belonging to **You**.
  - (b) in **Your** or any **Employee's** custody or control other than personal effects including vehicles and their contents of any of **Your** visitors, directors, partners and/or **Employees**.

- (c) being that part of any **Property** on which **You** or any of **Your Employees** or agents is or has been working where **Damage** arises out of such work.

**6) in respect of **Pollution or Contamination** occurring:**

- (a) within the United States of America or Canada.
- (b) elsewhere than within the United States of America or Canada unless caused by a sudden, identifiable, unintended and unexpected occurrence which takes place in its entirety at a specific time and place during the **Period of Insurance**.

Provided that in respect of any liability for which cover is not excluded under exclusion (b) above:

- (i) all **Pollution or Contamination** which arises out of one occurrence shall be deemed to have occurred at the time such occurrence takes place.
  - (ii) **Our** liability for all damages, costs fees and expenses under this **Section** payable in respect of all **Pollution or Contamination** which is deemed to have occurred during any one **Period of Insurance** shall not exceed in the aggregate the amount stated in the **Schedule** as the Limit of Liability for this **Section**.
- 7) caused by or arising from advice, design or specification **You** provided for a fee.**
- 8) (a) in respect of mental injury, mental anguish or shock or fear of suffering death, **Bodily Injury**, illness or disease arising out of the actual, alleged or suspected presence or release of **Asbestos** or exposure to or inhalation of **Asbestos**.**
- (b) for the costs of management (including those of any persons under any statutory duty to manage), removal, mitigation, remediation, repair, alteration, recall, rectification, replacement or reinstatement of any **Property** or part thereof arising out of the presence of **Asbestos**.**
- 9) for punitive, exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages.**
- 10) arising from any judgement, award or settlement made within countries which operate under the laws of the United States of America or Canada (or from any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part).**
- 11) for the amount stated in the **Schedule** as being the **Excess** for this **Section** which shall apply in respect of each and every claim. Such amount shall be contributed by **You** or any party entitled to cover under this insurance before **We** assume any responsibility to make a payment for any claim hereunder. This exclusion will not apply to claims in respect of **Damage** to premises including their fixtures and fittings leased, rented or hired to **You**.**
- 12) directly or indirectly resulting from or in consequence of the performance of work involving the application or generation of heat away from Premises that **You** own, lease or rent.**

Cover under **Section K** is also subject to the General Exclusions set out in the General Exclusions **Section** of the **Policy**.

## **Conditions**

### **1) Claims notification**

In the event of an occurrence which may give rise to a claim under this **Section**:

**You** will:

- (a) give written notice to **Us** as soon as reasonably practicable of any circumstance which may give rise to a claim under this **Section** with full particulars of such circumstance. All claims should be notified to **Us** using one of the methods described in the Customer Information Statements section near the beginning of this document.
- (b) provide all additional information **We** may require within the time stipulated by **Us**.
- (c) forward unanswered to **Us** immediately they are received, every claim form, summons or other originating process or any letter of claim or other written notification of claim and all documents relating thereto.
- (d) give immediate notice in writing to **Us** of any impending prosecution, inquest or fatal accident inquiry.
- (e) at all times and in addition to the obligations set out above forward such information to and cooperate with **Us** or **Our** appointed agents to allow **Us** to be able to comply with such relevant practice, directions and pre-action protocols as may be in force.
- (f) carry out and permit to be taken any action which may be reasonably practicable to prevent further **Bodily Injury** and **Damage to Property**.

- (g) give immediate notice in writing to **Us** if **You** become aware of any RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995) incident involving any person which may result in a claim hereunder.

## 2) Conduct and Control

It is a condition of this **Section** that no admission, offer, promise or payment shall be made or given by **You** or on **Your** behalf without **Our** written consent.

**We** shall be entitled if **We** so desire to take over and conduct in **Your** name the defence or settlement of any claim or to prosecute in **Your** name for **Our** benefit any claim for damages or otherwise.

**We** shall have full discretion in the conduct of any proceedings and in the settlement of any such claim against **You** and **You** shall give all such information and assistance as **We** may require.

## 3) Discharge of Liability

**We** may at any time at **Our** sole discretion pay to **You** the Limit of Liability for this **Section** (less any sum or sums already paid in respect or in lieu of damages) or any lesser sum for which the claim or claims against **You** can be settled and **We** will not be under any further liability in respect of such claim or claims except for other costs and expenses for which **We** may be responsible incurred prior to such payment.

Cover under **Section K** is also subject to the General Conditions set out in the General Conditions **Section** of the **Policy**.

General Condition 6 (Claims Procedure) does not apply to **Section K**.

## Extensions

The terms of this **Section** and General Conditions and General Exclusions of this insurance apply to these Extensions and where no limit or maximum liability is stated in the Extension the Limit of Liability for this **Section** applies. These Extensions apply only to this **Section K** of the **Policy**.

### 1) Buildings Temporarily Occupied

Exclusion (5) (b) to this **Section** shall not apply to liability for **Damage** to buildings including contents therein which are not owned leased or rented by **You** but are temporarily occupied by **You** for the purpose of maintenance, alteration, extension, installation or repair.

### 2) Cross Liabilities

If the **Insured** comprises more than one party **We** will provide cover to each such **Insured** in the same manner and to the same extent as if a separate insurance had been issued to each of them provided that nothing in this extension shall increase **Our** liability to pay any amount exceeding the amount stated in the **Schedule** as the Limit of Liability for this **Section** regardless of the number of persons claiming to be covered.

### 3) Defective Premises Act

The cover provided by this **Section** shall extend to apply in respect of liability arising under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with any premises previously owned or occupied by **You** for purposes pertaining to **Your Business** and which have since been disposed of by **You** provided that **We** will not provide cover for liability:

- (a) for which cover is provided by any other insurance.
- (b) for the costs of remedying any defect or alleged defect in such premises.

### 4) Leased or Rented Premises

Exclusion (5) (b) to this **Section** shall not apply to liability for **Damage** to premises including their fixtures and fittings leased or rented to **You** provided that **We** will not provide cover for:

- (a) **Contractual Liability**.
- (b) the first £500 of each and every occurrence of **Damage** to premises caused other than by fire or explosion.

### 5) Motor Contingent Liability

Notwithstanding Exclusion (2) (c) to this **Section** **We** will cover **You** (and no other person for the purpose of this extension) for **Your** legal liability for **Bodily Injury** or **Damage** to **Property** caused by or arising from any motor vehicle or trailer attached thereto which do not belong to or are provided by **You** being used in the course of **Your Business** provided that **We** will not provide cover for liability:

- (a) in respect of **Damage** to any such vehicle or trailer or **Property** conveyed therein or thereon.
- (b) for which cover is provided by any other insurance.
- (c) caused or arising whilst such vehicle or trailer is:
  - (i) engaged in racing, pace-making, reliability trials or speed testing.
  - (ii) being driven by **You**.
  - (iii) being driven with **Your** general consent or the consent of **Your** representative by any person who to **Your** knowledge or the knowledge of such other representative does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence.
  - (iv) used elsewhere other than within the **Territorial Limits**.

## 6) Motor Vehicles

Exclusion (2) (c) to this **Section** shall not apply to liability caused by or arising from:

- (a) the use of plant as a tool of trade at **Your Premises** or on any site at which **You** are working.
- (b) the loading or unloading of any vehicle or the bringing to or taking away of a load from any vehicle.
- (c) **Damage** to any building, bridge, weighbridge, road or to anything beneath caused by vibration or by the weight of any vehicle or its load provided that **We** will not provide cover for liability:
  - (i) in respect of which compulsory insurance or security is required under any legislation governing the use of the vehicle.
  - (ii) for which cover is provided by any other insurance.

## 7) Overseas Personal Liability

**We** will cover **You** or at **Your** request:

- (a) any director, partner or **Employee** of **Your Business**
- (b) **Your** spouse or **Your** child or the spouse or child of any of the persons stated in (a) above who are accompanying **You** or such persons

for legal liability incurred by **You** or such persons in a personal capacity in a country outside of the **Territorial Limits** whilst on a temporary visit to such country in connection with **Your Business** provided that:

- (i) any person entitled to cover under this extension shall as though they were **You** be subject to the terms, Conditions and Exclusions of this insurance insofar as they can apply.
- (ii) nothing in this extension shall increase **Our** liability to pay any amount exceeding the amount stated in the **Schedule** as the Limit of Liability for this **Section** regardless of the number of persons claiming to be covered.
- (iii) **We** will not provide cover for:
  - (A) **Contractual Liability**.
  - (B) liability for which cover is provided by any other insurance.
  - (C) liability in respect of **Damage** to **Property** belonging to or in the custody of or under the control of any person entitled to cover under this extension.
  - (D) liability in respect of **Bodily Injury** to any person entitled to cover under this extension.
  - (E) liability caused by or arising from:
    - (I) the ownership or occupation of land or buildings.
    - (II) the carrying on of any business, profession trade or employment.
    - (III) the ownership, possession or use of **Animals** other than horses or domestic dogs or cats.

## 8) Work Overseas

The cover provided under this **Section** shall extend to apply in respect of **Your** legal liability caused by or arising from:

- (a) work being undertaken on a temporary basis by **You** or **Your Employee(s)** within any country outside of the **Territorial Limits** which is a member of the European Union

(b) non-manual work being undertaken on a temporary basis by **You** or **Your Employee(s)** within any country outside of the **Territorial Limits** and not a member of the European Union

provided **You** or **Your Employee(s)** are ordinarily resident within the **Territorial Limits**.

The Extensions under **Section K** of the **Policy** are further extended by the Extension contained at General Condition 9.

## SECTION L - PRODUCTS LIABILITY

Cover under **Section L** is subject to the Conditions and Exclusions set out within this **Section L**, plus all the General Conditions and General Exclusions set out in the General Conditions and General Exclusions **Sections** of the **Policy**.

Words and phrases starting with an upper case letter and printed in bold are defined in the Definitions **Section** of the **Policy**.

### Insuring Clause

**We** will cover **You** for **Your** legal liability for accidental:

- 1) **Bodily Injury** to any person
- 2) **Damage to Property**

occurring during the **Period of Insurance** anywhere in the world and caused by or arising from any **Product Supplied**.

### Limit of Liability

**Our** limit of liability for damages and claimant's costs, fees and expenses payable in respect of any occurrence and in the aggregate in respect of all occurrences during any one **Period of Insurance** shall not exceed the amount stated in the **Schedule** as the Limit of Liability for this **Section**.

### Exclusions

**We** will not provide cover for liability:

- 1) in respect of **Bodily Injury** to any **Employee** arising out of and in the course of employment by **You** in connection with **Your Business**.
- 2) in respect of **Damage** to or the costs or expenses of recalling, repairing, replacing, altering, removing or making any refund in respect of any **Product Supplied** caused by or arising from:
  - (a) any defect in or the harmful nature of or the unsuitability for its intended purpose of such **Product Supplied**.
  - (b) an error or fault in connection with the sale, supply or presentation of such **Product Supplied**.
- 3) caused by or arising from any **Product Supplied** whilst in **Your** custody or under **Your** control or the control of any **Employee**.
- 4) caused by or arising from any **Product Supplied** which to **Your** knowledge is for:
  - (a) use in or on any aircraft or aerospace device.
  - (b) aviation or aerospace purposes.
  - (c) use in the safety or navigation of marine craft of any sort.
- 5) caused by or arising from any **Product Supplied** which to **Your** knowledge is for use in or supply to the United States of America or Canada.
- 6) arising from **Contractual Liability** other than liability arising out of a condition or warranty of goods implied by law but **We** will not in any event provide cover in respect of liquidated damages or liability under any penalty clause.
- 7) in respect of **Pollution or Contamination** occurring:
  - (a) within the United States of America or Canada.
  - (b) elsewhere than within the United States of America or Canada unless caused by a sudden, identifiable, unintended and unexpected occurrence which takes place in its entirety at a specific time and place during the **Period of Insurance**.

Provided that in respect of any liability for which cover is not excluded under exclusion (b) above:

- (i) all **Pollution or Contamination** which arises out of one occurrence shall be deemed to have occurred at the time such occurrence takes place.
- (ii) **Our** liability for all damages, costs fees and expenses under this **Section** payable in respect of all **Pollution or Contamination** which is deemed to have occurred during any one **Period of Insurance** shall not exceed in the

aggregate the amount stated in the **Schedule** as the Limit of Liability for this **Section**.

- 8) caused by or arising from advice, design or specification **You** provided for a fee.
- 9)
  - (a) in respect of mental injury, mental anguish or shock or fear of suffering death, **Bodily Injury**, illness or disease arising out of the actual, alleged or suspected presence or release of **Asbestos** or exposure to or inhalation of **Asbestos**.
  - (b) for the costs of management (including those of any persons under any statutory duty to manage), removal, mitigation, remediation, repair, alteration, recall, rectification, replacement or reinstatement of any **Property** or part thereof arising out of the presence of **Asbestos**.
- 10) for punitive, exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages.
- 11) arising from any judgement, award or settlement made within countries which operate under the laws of the United States of America or Canada (or from any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part).
- 12) for the amount stated in the **Schedule** as being the **Excess** for this **Section** which shall apply in respect of each and every claim. Such amount shall be contributed by **You** or any party entitled to cover under this insurance before **We** assume any responsibility to make a payment for any claim hereunder.

Cover under **Section L** is also subject to the General Exclusions set out in the General Exclusions **Section** of the **Policy**.

## Conditions

### 1) Claims notification

In the event of an occurrence which may give rise to a claim under this **Section**:

**You** will:

- (a) give written notice to **Us** as soon as reasonably practicable of any circumstance which may give rise to a claim under this **Section** with full particulars of such circumstance. All claims should be notified to **Us** using one of the methods described in the Customer Information Statements section near the beginning of this document.
- (b) provide all additional information **We** may require within the time stipulated by **Us**.
- (c) forward unanswered to **Us** immediately they are received, every claim form, summons or other originating process or any letter of claim or other written notification of claim and all documents relating thereto.
- (d) give immediate notice in writing to **Us** of any impending prosecution, inquest or fatal accident inquiry.
- (e) at all times and in addition to the obligations set out above forward such information to and cooperate with **Us** or **Our** appointed agents to allow **Us** to be able to comply with such relevant practice, directions and pre-action protocols as may be in force.
- (f) carry out and permit to be taken any action which may be reasonably practicable to prevent further **Bodily Injury** and **Damage to Property**.
- (g) give immediate notice in writing to **Us** if **You** become aware of any RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995) incident involving any person which may result in a claim hereunder.

### 2) Conduct and Control

It is a condition of this **Section** that no admission, offer, promise or payment shall be made or given by **You** or on **Your** behalf without **Our** written consent.

**We** shall be entitled if **We** so desire to take over and conduct in **Your** name the defence or settlement of any claim or to prosecute in **Your** name for **Our** benefit any claim for damages or otherwise.

**We** shall have full discretion in the conduct of any proceedings and in the settlement of any such claim against **You** and **You** shall give all such information and assistance as **We** may require.

### 3) Discharge of Liability

**We** may at any time at **Our** sole discretion pay to **You** the Limit of Liability for this **Section** (less any sum or sums already paid in respect of or in lieu of damages) or any lesser sum for which the claim or claims against **You** can be settled and **We** will not be under any further liability in respect of such claim or claims except for other costs and expenses for which **We** may be responsible incurred prior to such payment.



Cover under **Section L** is also subject to the General Conditions set out in the General Conditions **Section** of the **Policy**.

General condition 6 (Claims Procedure) does not apply to **Section L**.

### **Extensions**

The terms of this **Section** and General Conditions and General Exclusions of this insurance apply to these Extensions and where no limit or maximum liability is stated in the Extension the Limit of Liability for this **Section** applies. These Extensions apply only to this **Section L** of the **Policy**.

#### **1) Cross Liabilities**

If the **Insured** comprises more than one party **We** will provide cover to each such **Insured** in the same manner and to the same extent as if a separate insurance had been issued to each of them provided that nothing in this extension shall increase **Our** liability to pay any amount exceeding the amount stated in the **Schedule** as the Limit of Liability for this **Section** regardless of the number of persons claiming to be covered.

## EXTENSIONS TO SECTIONS J, K and L

The terms of **Sections J, K and L** and the General Conditions and General Exclusions of this insurance apply to these Extensions and where no limit or maximum liability is stated in the Extensions the **Section** Limit of Liability applies.

These extensions apply to the Employers' Liability, Public Liability and Products Liability **Sections** (where those **Sections** are specified in the **Schedule** as being included) to the extent specified below.

### 1) Additional Activities

**We** will provide cover in respect of **Your** legal liability caused by or arising from any of the activities stated below where these are undertaken as part of and are ancillary to **Your Business**:

- (a) the provision and management of catering or social or sports or educational or medical or dental or welfare organisations or nursery or crèche or child care facilities for the benefit of **Your Employees** and fire or security or first aid and ambulance services.
- (b) the ownership, repair, maintenance and decoration of **Your Premises**.
- (c) private work carried out by any **Employee** with **Your** consent for any of **Your** directors or partners.
- (d) participation in exhibitions, trade fairs, conferences and the like.
- (e) sponsorship of events or organisations or entities or individuals.
- (f) repair, maintenance or servicing of **Your** own mechanically propelled vehicles.
- (g) provision of gifts and promotional material.

### 2) Consumer Protection Act 1987 and Consumer Rights Act 2015

**We** hereby agree to cover **You** under the Public Liability and Products Liability **Sections** for:

- (a) costs and expenses incurred with **Our** written consent
- (b) costs and expenses awarded against **You**

in connection with a prosecution including (where Counsel advises such an appeal would have reasonable prospects of success) any appeal against a conviction resulting from a prosecution as a result of an alleged offence under Part II of the Consumer Protection Act 1987 and similar legislation under the Consumer Rights Act 2015 which occurs during the **Period of Insurance** and where the circumstances of the alleged offence may be the subject of cover under this insurance.

**We** will not provide cover:

- (a) for any fines or penalties imposed on **You**.
- (b) for the amount stated in the **Schedule** as being the **Excess** for the applicable **Section**.
- (c) where the prosecution results from a deliberate management decision, act or omission and which would knowingly or could reasonably have been expected by **You** to result in a liability or the committing of an offence under the Act.

Nothing in this extension shall increase **Our** liability to pay any amount exceeding the amount stated in the **Schedule** as the Limit of Liability for the **Section** under which the claim is made.

### 3) Costs of Court Attendance

If any of the under mentioned persons attend court as a witness at **Our** request in connection with a claim in respect of which **You** are entitled to cover under this insurance **We** will reimburse **You** at the following rates per day for each day on which attendance is required:

- (a) any of **Your** directors or partners £500.
- (b) any **Employee** £250.

### 4) Cover for Other Persons

**We** will also provide cover as if a separate insurance had been issued:

- (a) to **You** legal personal representatives or the legal personal representatives of any other person entitled to cover under this insurance but only in respect of liability incurred by **You** or such other person
- (b) to any **Principal** but only to the extent required by the contract for work and which arises solely out of the work performed for the **Principal** by **You** or on **Your** behalf but not any **Principal** who is located within the United States of America or Canada.
- (c) to any owner of plant hired to **You** but only to the extent required by the conditions of the contract of hire and not to any such owner who is located within the United States of America or Canada
- (d) at **Your** request to:
  - (i) any officer or member of **Your** catering or social or sports or educational or medical or dental or welfare organisations or nursery or crèche or child care facilities for the benefit of **Your Employees** and fire or security or first aid and ambulance services in their respective capacity as such but not any medical or dental practitioner in respect of medical or dental services provided
  - (ii) any of **Your** directors or partners or **Employees** while acting in connection with **Your Business** in respect of liability for which **You** would be entitled to cover under this insurance if the claim for which cover is being sought had been made against **You**

provided that:

- (i) any persons specified above shall as though they were **You** be subject to the terms Conditions and Exclusions of this insurance in so far as they can apply.
- (ii) nothing in this extension shall increase **Our** liability to pay any amount exceeding the amount stated in the **Schedule** as the Limit of Liability for the **Section** under which the claim is made regardless of the number of persons claiming to be covered.

## 5) Defence Costs and Expenses

**We** shall provide cover in respect of all costs and fees and expenses incurred with **Our** prior written consent in the defence or settlement of any claim for which cover is provided by this insurance including legal expenses:

- (a) arising out of representation at any coroner's inquest or fatal accident enquiry
- (b) arising out of the defence of any proceedings in any court in respect of matters which may form the subject of cover under this insurance including the defence of any charge of manslaughter

provided that:

- (i) the proceedings relate to an offence alleged to have been committed during the **Period of Insurance** and in the course of the **Business**.
- (ii) **We** will not be liable for any fines or penalties imposed as a consequence of any such prosecution.

Any consent given by **Us** in relation to incurring defence costs shall cease if opinion is obtained from instructed solicitors or counsel stating that any of the following apply:

- (I) there is no reasonable prospect of a defence to a prosecution relating to (a) or (b) above.
- (II) the defence of any such prosecution ceases to be relevant to the defence of any claim for damages for which cover is provided by this insurance.
- (III) the prosecution relates to a deliberate act or omission that is intended to cause **Bodily Injury**.

Depending upon which **Section** the claim for damages is being made, defence costs as provided for above:

- (A) are included within the amount stated in the **Schedule** as the Limit of Liability for the Employers' Liability **Section**.
- (B) will be payable in addition to the amounts stated in the **Schedule** as the Limit of Liability for the Public Liability **Section** and the Products Liability **Section**.

In respect of the Public Liability and Products Liability **Sections**, if a payment exceeding the amount stated in the **Schedule** as the Limit of Liability for the **Section** under which the claim attaches has to be made by **You** to dispose of the claim **Our** liability to pay any defence costs in connection therewith shall be limited to such proportion of the defence costs as the Limit of Liability bears to the amount paid to dispose of the claim.

## 6) Food Safety Act 1990 and The Food Safety and Hygiene (England) Regulations 2013

**We** hereby agree to cover **You** under the Public Liability and Products Liability **Sections** for:

- (a) costs and expenses incurred with **Our** written consent.
- (b) costs and expenses awarded against **You**

in connection with a prosecution including (where Counsel advises such an appeal would have reasonable prospects of success) any appeal against a conviction resulting from a prosecution as a result of an alleged offence under Part II of the Food Safety Act 1990 and similar legislation under The Food Safety and Hygiene (England) Regulations 2013 which occurs during the **Period of Insurance** and where the circumstances of the alleged offence may be the subject of cover under this insurance.

**We** will not provide cover:

- (a) for any fines or penalties imposed on **You**.
- (b) for the amount stated in the **Schedule** as being the Excess for the applicable **Section**.
- (c) where the prosecution results from a deliberate management decision, act or omission and which would knowingly or could reasonably have been expected by **You** to result in a liability or the committing of an offence under the Act.

Nothing in this extension shall increase **Our** liability to pay any amount exceeding the amount stated in the **Schedule** as the Limit of Liability for the **Section** under which the claim is made.

## 7) General Data Protection Regulation

Notwithstanding General Exclusion 3 (Cyber), **We** will cover **You** for any compensation claim in respect of material or non-material damage where such damage occurs during the **Period of Insurance** and happens in connection with the **Business**.

Provided that **You**:

- (a) have complied in all respects with **Your** obligations under the Data Protection (Charges and Information) Regulations 2018.
- (b) are not in business as a computer bureau.
- (c) are acting as a sole and independent controller in respect of the matter giving rise to the compensation claim.

**We** will not provide cover for:

- (a) any claim in respect of material or non-material damage caused by any deliberate act or omission of **Yours**, where such material or non-material damage could reasonably have been expected by **You** having regard to the nature and circumstances of such act or omission.
- (b) any claim in respect of material or non-material damage caused by any act of fraud or dishonesty.
- (c) the costs and expenses of rectifying, rewriting or erasing data (including personal data).
- (d) liability arising from the recording, processing or provision of data for reward or to determine the financial status of any person.
- (e) any regulatory fines or penalties imposed on **You**.
- (f) any material or non-material damage caused by:
  - (i) any deliberate, reckless or negligent act of any **Employee**.
  - (ii) any failure by an **Employee** to act in accordance with **Your** internal policies, procedures and guidelines.

**Our** liability for all damages, costs fees and expenses under this extension shall not exceed £500,000 in the aggregate in any one **Period of Insurance**. This sum will form part of and not be in addition to the applicable Limit of Liability stated in the **Schedule**.

For the purposes of this extension:

- (a) "GDPR" means the General Data Protection Regulation (EU) 2016/679.
- (b) "compensation claim" means any sums which **You** become legally liable to pay as compensation to any data subject under and in accordance with Article 82 of the GDPR, or any equivalent legislation in the Isle of Man or the Channel Islands, or any similar or successor legislation, including the Data Protection Act 2018 (as may be amended from time to time).

- (c) "controller" shall have the meaning given to it in Article 4 of the GDPR.
- (d) "material or non-material damage" shall be interpreted in accordance with Article 82 of the GDPR.

#### **8) Health and Safety at Work etc Act 1974**

**We** hereby agree to cover **You** for:

- (a) costs and expenses incurred with **Our** written consent.
- (b) costs and expenses awarded against **You** or **Your** director(s) or **Employee(s)**

in connection with a prosecution including (where Counsel advises such an appeal would have reasonable prospects of success) any appeal against a conviction resulting from a prosecution as a result of an alleged offence occurring during the **Period of Insurance** under sections 2-8 of the Health and Safety at Work Act 1974 or the Construction (Design & Management) Regulations 2015 or equivalent safety legislation of Great Britain Northern Ireland the Channel Islands or the Isle of Man.

**We** will not provide cover:

- (a) for any fines or penalties imposed on **You**.
- (b) for the amount stated in the **Schedule** as being the **Excess** for the applicable **Section**.
- (c) where the prosecution results from a deliberate management decision, act or omission and which would knowingly or could reasonably have been expected by **You** to result in a liability or the committing of an offence under the Act.

Nothing in this extension shall increase **Our** liability to pay any amount exceeding the amount stated in the **Schedule** as the Limit of Liability for the **Section** under which the claim is made.

#### **9) Manslaughter and Culpable Homicide**

**We** hereby agree to cover **You** for:

- (a) costs and expenses incurred with **Our** written consent
- (b) costs and expenses awarded against **You** or **Your** director(s) or **Employee(s)**

in connection with a prosecution including (where Counsel advises such an appeal would have reasonable prospects of success) any appeal against a conviction resulting from a prosecution as a result of an alleged offence occurring during the **Period of Insurance**:

- (a) of manslaughter or culpable homicide or
- (b) of corporate manslaughter or corporate homicide under the Corporate Manslaughter and Corporate Homicide Act 2007 and where the circumstances of the alleged offence may be the subject of cover under this insurance.

**We** will not provide cover:

- (a) for any fines or penalties imposed on **You**.
- (b) for the amount stated in the **Schedule** as being the **Excess** for the applicable **Section**.
- (c) where the prosecution results from a deliberate management decision, act or omission and which would knowingly or could reasonably have been expected by **You** to result in a liability or the committing of an offence under the Act.

**Our** liability for all damages, costs fees and expenses under this extension shall not exceed £1,000,000 in the aggregate in any one **Period of Insurance**. This sum will form part of and not be in addition to the applicable Limit of Liability stated in the **Schedule**.

## SECTION M - CONTRACTORS ALL RISKS

Cover under **Section M** is subject to the Conditions, Extensions and Exclusions set out within this **Section M**, plus all the General Conditions and General Exclusions set out in the General Conditions and General Exclusions **Sections** of the **Policy**.

Words and phrases starting with an upper case letter and printed in bold are defined below, insofar as they apply specifically to **Section M**, and in the Definitions **Section** of the **Policy**.

### Definitions

These definition(s) apply to this **Section** wherever these words or phrases appear starting with an upper case letter and printed in bold except where stated otherwise.

#### 1) **Property Insured** means:

- (a) the works whether permanent or temporary, materials incorporated or for incorporation therein, other than **Property** insured by item (b) below, being **Your** property or property for which **You** are responsible including all transits in respect of any contract or work undertaken whether such contract or work was commenced during the **Period of Insurance** or otherwise, referred to herein as the "Contract Works";
- (b) contractors' plant, tools and equipment demountable and temporary buildings and/or caravans and/or other items of a like nature and materials and/or stores and/or any other property of whatsoever nature used or intended for use in connection with any contract works being undertaken by **You** and insured under this Policy all being **Your Property** or hired by **You** under the Contractors Plant Association conditions or conditions no more onerous including transit by road rail or inland waterways, referred to herein as "Plant, Tools and Equipment";
- (c) Employees' effects for which **You** are responsible whilst on any site or for which **You** are responsible under the terms of any joint working agreement, referred to herein as "Employees' Effects".

### Insuring Clause

**We** will indemnify **You** by payment or, at **Our** option, reinstatement or repair in respect of **Damage to Property Insured** which is being used or is intended for use in connection with the works on any contract site which is the subject of this Policy:

- 1) arising from any cause not otherwise excluded;
- 2) occurring anywhere within the **Territorial Limits**; and
- 3) during the **Period of Insurance**.

### Limit of Liability

The most **We** will pay under this **Section** shall not exceed the **Sum Insured** for each item stated in the **Schedule** for this **Section** or any limit specified in any Extension to this **Section**.

### Exclusions

**We** will not cover **You** for:

- 1) contracts originally scheduled to be of longer duration than two (2) years (exclusive of the maintenance period) or contracts with an estimated contract value at inception exceeding £2,000,000 unless otherwise agreed by **Us**;
- 2) consequential loss, loss of use, penalties for delay or non-completion or liquidated damages or costs of any nature;
- 3) **Damage to**:
  - (a) aircraft, aero spatial devices or hovercraft;
  - (b) waterborne craft or vessels other than safety boats, non-self propelled craft or other craft up to 20 feet in length on or about the contract site;
- 4) **Damage to** mechanically propelled vehicles other than:
  - (a) vehicles designed primarily to operate as tools of trade (which shall be deemed to include any plant primarily designed to operate on or about a contract site);
  - (b) other vehicles brought on to a site for use only on such site;

- 5) costs rendered necessary by defects of material workmanship, design, plan or specification. Should **Damage** occur to any portion of the **Property Insured** containing any of the said defects, the cost of replacement or rectification which is hereby excluded is that cost which would have been incurred if replacement or rectification of the **Property Insured** had been put in hand immediately prior to the said **Damage**;

For the purposes of this **Section**, the **Property Insured** shall not be regarded as **Damaged** solely by virtue of the existence of any defect in design, plan, specification, materials or workmanship in the **Property Insured** or any part thereof.

- 6) the cost of making good:
- (a) mechanical or electrical breakdown or derangement;
  - (b) wear, tear, or gradual deterioration;
  - (c) any form of corrosion, erosion, rust, oxidation or mildew howsoever the same may arise;
- but this exclusion shall be limited to the parts immediately affected and shall not apply to accidental **Damage** arising in consequence thereof;
- 7) **Damage** to stock and materials in trade and/or materials for incorporation into the Contract Works whilst away from any contract site unless in transit;
- 8) **Damage** to cash, notes, postal and/or money orders, cheques, stamps or negotiable instruments of whatsoever nature or other securities for money;
- 9) **Damage** to any part of the **Property Insured** arising out of the works being taken into use or occupation (except for testing and commissioning when applicable) unless **You** give **Us** notice as soon as possible and agree to pay such additional premium as **We** may reasonably require. This Exclusion will not apply:
- (a) to the use of any property as a show house with a value up to £250,000 and contents with a value up to £50,000; or
  - (b) during the period of 14 days from the date of issue by the Engineer of a Certificate of Completion when a contract is subject to the Standard Conditions of Contract of the Institute of Civil Engineers or equivalent conditions of contract;
- 10) any loss of **Property Insured** either by disappearance or by shortage if such disappearance or shortage is only revealed when a routine inventory is made or is not traceable to an individual Occurrence;
- 11) **Damage** for which **You** are relieved of responsibility under the terms of any contract;
- 12) **Damage** arising from directional drilling operations unless specifically agreed by **Us**;
- 13) the cost of normal upkeep or normal making good;
- 14) **Damage** which under the terms or conditions of the contract is the responsibility of the employer or **Principal** (as applicable) unless **You** have agreed under the terms or conditions of the said contract to accept responsibility to indemnify or to arrange insurance on the employer's or **Principal's** behalf in respect of such liability or **Damage**;
- 15) **Damage** caused by **Your** wilful act or wilful negligence;
- 16) **Damage** to existing structures and/or existing property being worked upon unless specifically agreed by **Us**;
- 17) **Damage** arising from transits by sea or air except for roll on roll off ferries;
- 18) **Damage** caused by contamination of asbestos or asbestos dust;
- 19) **Damage** arising from **Terrorism** as follows;

Notwithstanding any provision to the contrary within this Policy or any endorsement hereto, unless an endorsement is issued that expressly overrides the provisions contained herein, the Policy does not provide indemnity:

- (a) for **Damage by Terrorism** to any property whatsoever or any loss or cost or expense of whatsoever nature resulting or arising there from or any consequential loss
- (b) against any legal liability of whatsoever nature directly or indirectly caused by, resulting from or contributed to, by or arising from or in connection with:
  - (i) any act of **Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
  - (ii) any action taken in controlling, preventing, suppressing or in any way relating to any act of **Terrorism**;

If **We** allege that by reason of this exclusion any liability, **Damage**, cost or expense or consequential loss is not covered by this Policy, the burden of proving the contrary shall be upon **You**.

**20) Damage** arising from contracts involving work in, on, over or adjacent to tidal waters, tunnels (but not cut and cover) and galleries with an estimated contract value greater than £25,000 unless specifically agreed by **Us**;

**21) theft** from unattended vehicles away from any contract sites, unless:

- (a) in respect of items carried inside any such vehicle or contained within vehicle storage boxes:
  - (i) the vehicle is secured by all factory fitted locks and alarm/immobiliser (where fitted); and
  - (ii) any externally mounted vehicle storage boxes are locked; and
  - (iii) the keys have been removed from the vehicle; or
  - (iv) the vehicle is garaged in a locked building or parked in a secure compound;
- (b) in respect of items carried upon or attached to any such vehicle:
  - (i) the vehicle is garaged in a locked building or parked in a secure compound; or
  - (ii) the vehicle is in transit but there shall be no cover if the vehicle is parked overnight and the keys have not been removed from the vehicle;
- (c) in respect of theft from any Unsecure Location, when not in use irrespective of whether the items are in, on or attached to a vehicle;

An Unsecure Location shall be deemed to include driveways and public or private roads.

**22) Damage** to any contract or plant or equipment within the High Radio Active Zone (HRZ) of any nuclear installation;

**23) any Damage** to:

- (a) Data which shall include but shall not be limited to:
  - (i) loss, destruction, or corruption of Data whether in whole or in part;
  - (ii) unauthorised appropriation, use, access to, or modification of Data;
  - (iii) unauthorised transmission of Data to any third parties;
  - (iv) Damage arising out of any misinterpretation, use or misuse of Data; or
  - (v) Damage arising out of any operator error in respect of Data;
- (b) the **Property Insured** arising directly or indirectly from:
  - (i) the transmission or impact of any Virus;
  - (ii) unauthorised access to a System;
  - (iii) interruption of or interference with electronic means of communication used in the conduct of **Your Business** including but not limited to any diminution in the performance of any website or electronic means of communication;
  - (iv) Failure of a System; or
  - (v) any of the matters described in paragraph 23(a) above;

Damage to the **Property Insured** caused by; fire, lightning, explosion, earthquake, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion except in Northern Ireland, strikers, locked-out workers, persons taking part in labour disturbances, storm, flood, escape of water from any tank apparatus or pipe, impact by any road vehicle or animal, accidental escape of water from any automatic sprinkler installation, subsidence, ground, heave or landslip, shall not be excluded by virtue of this exclusion, provided that such Damage does not arise by reason of any malicious act or omission or theft.

Definitions for the purposes of this exclusion only:

- (a) 'Damage' means: accidental loss or destruction of or damage to the **Property Insured** and any accidental loss or destruction or damage to Data.
- (b) 'Data' means: information represented or stored electronically including but not limited to code or series of instructions, operating systems, software, programs and firmware.



- (c) 'Failure' of a System means: the complete or partial failure or inability whether in terms of availability, functionality and/or performance, or otherwise of a System, whether or not owned by **You**, to operate at any time as desired, as specified or as required in the circumstances of the **Your Business**.
  - (d) 'Microchip' means: a unit of packaged computer circuitry manufactured in small scale and made for program logic and/or computer memory purposes and expressly including integrated circuits and microcontrollers.
  - (e) 'System' means: including but not limited to computers, other computing and electronic equipment linked to computer hardware, electronic data processing equipment, Microchips and anything which relies on a Microchip for any part of its operation and includes for the avoidance of doubt any computer installation.
  - (f) 'Virus' means: including but not limited to computers, other computing and electronic equipment linked to computer hardware, electronic data processing equipment, Microchips and anything which relies on a Microchip for any part of its operation and includes for the avoidance of doubt any computer installation
- 24)** programming code or series of instructions designed to achieve an unexpected, unauthorised, and/or undesirable effect or operation, when loaded onto a **System**, transmitted between **Systems**, by transfer between computer systems via networks, extranets, internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMS or otherwise, and whether involving self-replication or not;
- 25)** any tandem lifting operation or any lifting operation which involves the use of two (2) or more cranes or other lifting devices used in tandem to lift any item(s) unless otherwise specifically agreed by **Us**;
- 26)** **Damage** to free issue materials unless the value of such free issue materials is included in the declared turnover.

Cover under **Section M** is also subject to the General Exclusions set out in the General Exclusions **Section** of the **Policy**.

## Conditions

### 1) Automatic Reinstatement

In consideration of the **Sum Insured** not being reduced by the amount of any **Damage**, **You** will pay the appropriate additional premium calculated at pro rata of the applicable rate on the amount of the **Damage** from the date thereof to the expiry of the **Period of Insurance** such additional premium to be disregarded for the purposes of adjustment in accordance with General Condition 11, Premium Adjustment.

### 2) General Interest

This **Section** duly notes the interest of any Bank, Finance Company, Building Society and any other institution or concern that have a financial interest in the **Property Insured** by this **Section**.

### 3) Increase

If, during the **Period of Insurance**, the actual reinstatement value of the **Property Insured** shall be in excess of the **Sum Insured** stated in the **Schedule**, then the **Sum Insured** shall be deemed to be increased by the amount of such excess but not exceeding in all 110% of the **Sum Insured** stated in the **Schedule**.

### 4) Joint Code of Practice

- (a) In respect of all contracts or work whose estimated value (including free issue materials) exceeds £1,000,000, **You** undertake to comply with the Joint Code of Practice on the Protection from Fire of Construction Sites and Buildings Undergoing Renovation Ninth Edition dated October 2015 (the Joint Code) or any subsequent edition thereof.
- (b) **Our** appointed representative shall have the right at all reasonable times to enter and inspect any such contract site for the purpose of ensuring that the conditions of such sites or work in all respects comply with the Joint Code.
- (c) For the purpose of Paragraph 6.3 of the Joint Code, any building site including those where demolition, alterations, fitting out, renovations, refurbishment, or repair work is carried out whose estimated value (including free issue materials) exceeds £20,000,000 shall be deemed to be a "Large Project".
- (d) In the event of a breach of the Joint Code **We** may inform the employer or **Principal** and **Your** management of the nature of the breach and may specify the required remedial measures (the "Remedial Measures") and the reasonable period of time in which such Remedial Measures are to be completed. If **You** should fail to complete such Remedial Measures within the specified time **We** may confirm the same by notice in writing given by actual delivery or by registered post or by recorded delivery to both the employer and **You** at the respective addresses nominated at the inception of cover or as otherwise subsequently amended.

- (e) Such notice shall be at **Our** discretion to either suspend or cancel this Policy from the date named in the notice, which shall not be less than 30 days from the date of delivery of such notice, it being understood this Policy may be reinstated with effect from the date on which **We** are satisfied that the Remedial Measures have been completed.
- (f) This clause shall not in itself be considered a condition precedent to liability, but its inclusion shall not prejudice, waive or remove **Our** or **Your** rights under the terms, exceptions and conditions of this **Section**.

## 5) Occurrence

For the purposes of indemnity under this **Section** only, the word "Occurrence", and only where it appears capitalised, shall mean all individual losses arising out of and directly occasioned by one event. However, the duration and extent of any Occurrence so defined shall be limited to 72 consecutive hours starting from the first loss.

Cover under **Section M** is also subject to the General Conditions set out in the General Conditions **Section** of the **Policy**.

## Extensions

The terms of this **Section** and General Conditions and General Exclusions of this insurance apply to these Extensions. These Extensions apply only to this **Section M** of the **Policy**.

### 1) Continuing Hire Charges

Cover under this **Section** is extended to indemnify **You** in respect of **Your** legal liability for the payment of hiring charges in respect of plant hired in by **You** under Contractors Plant Association and/or British Crane Hire Corporation Conditions of Hire or conditions imposing similar liability whilst such plant is out of use following Damage for which cover is provided by this **Section** (or which would be provided hereunder but for the application of an excess clause).

**We** will not be liable under this extension for:

- (a) liability for a period longer than three months or £50,000 whichever is the least; and
- (b) the first 7 days such plant is out of use.

### 2) Debris Removal

This **Section** includes costs and expenses necessarily incurred in respect of removal of debris, dismantling, demolition (including off site storage), shoring, propping and clearance of drains and sewers following loss or damage insured up to 10% of the amount of the loss.

### 3) Employees' Effects

It is understood and agreed that for the purpose of this **Section**, Employees' Effects extends to include tools clothing and personal effects belonging to any:

- (a) of Your directors or Employees; or
- (b) clerk of works, resident engineer or his employee

whilst on or about any contract site.

### 4) European Union and Public Authorities Requirements

**We** will indemnify **You** for such additional costs of reinstatement of the works as may be incurred with **Our** prior written consent in complying with the stipulations of European Union legislation or building or other regulations under or framed in pursuance of any Act of Parliament or bye-laws of any public authority first imposed upon **You** following **Damage** provided that the reinstatement is completed within twelve months of the Occurrence of the **Damage** or within such further time as **We** may in writing allow.

Provided that **We** shall not be liable in respect of costs for:

- (a) requirements relating to any undamaged part of the works other than foundations (unless foundations are specifically excluded from this **Section**);
- (b) any rate, tax, duty, development or other charge or assessment which may arise out of capital appreciation as a result of complying with any of the regulations or requirements referred to.

### 5) Expediting Expenses

In the event of **Damage** to items (a) Contract Works and (b) Plant, Tools and Equipment, the cost of repair reinstatement or replacement admitted under this **Section** shall, subject to **Our** consent, include the additional costs of overtime, weekend shift working, plant hire charges, express delivery (including air freight) necessarily and reasonably incurred in

expediting repair reinstatement or replacement of such **Damage** (but excluding any such costs to expedite the completion of any construction erection or installation of **Property** not **Damaged**) provided that **Our** liability shall not exceed £50,000 in respect of each and every loss or series of losses arising out of one originating cause.

#### 6) **Immobilised Plant**

In the event of constructional plant and/or equipment becoming unintentionally immobilised in any physical situation in or about the site of an insured contract, the necessarily incurred cost of recovery and/or withdrawal shall be **Damage** within the meaning of this **Section**. Always provided that the total liability in respect of the actual **Damage** and the recovery cost shall not exceed the total value of the item at the time of the **Damage**. No indemnity shall be provided hereon in respect of the cost of recovery and/or withdrawal following electrical or mechanical breakdown or derangement where such is the sole reason for the recovery and/or withdrawal.

#### 7) **Maintenance**

Where required by the contract governing the Contract Works, this **Section** includes **Damage**:

- (a) occurring during the maintenance period (not exceeding twenty-four months unless otherwise agreed) from a cause arising before the issue of a certificate of practical completion; and
- (b) occasioned by **You** in the course of fulfilling **Your** obligations during the maintenance period as required by the terms of the contract.

#### 8) **Negligent Breakdown**

**We** will indemnify **You** in respect of liability assumed under Clause 9(d) of the Model Conditions for the Hiring of Plant of the Construction Plant-Hire Association or any similar liability assumed under the Scottish Plant Owners Association Conditions or other Conditions no more onerous than these.

#### 9) **New Activities and/or Subsidiaries**

This **Section** will automatically include **Your** new activities and/or subsidiaries provided always that **We** have received notification within 30 days of the new or intended activity and/or subsidiary company and subject to such terms and conditions as **We** may require.

#### 10) **Offsite Storage**

Notwithstanding exclusion 7. to this **Section**, **We** will indemnify **You** in respect of **Damage** to finished materials or goods designated for and awaiting incorporation into specific contract works while such goods are temporarily held In-store away from the contract site but not while such materials or goods are being worked upon subject to a limit of £50,000 any one Occurrence.

#### 11) **Plans**

The Contract Works shall be deemed to include plans and specifications or other contract documentation of the works or temporary works but only for the cost of reproducing such plans specifications and documentation up to maximum limit of £10,000.

#### 12) **Professional Fees**

This **Section** includes architects', surveyors', consulting engineers' and other professional fees necessarily incurred in connection with the reinstatement of the **Property Insured**. Provided that:

- (a) such fees shall not exceed those authorised under the scale of the appropriate professional body or institute regulating such charges subject to a maximum of 15% of the estimated contract value or £250,000 whichever is the less;
- (b) **We** will not provide indemnity against any fees incurred in preparing or pursuing any claim.

#### 13) **Speculative Housing**

In the event of speculative housing being completed but unsold, cover under this **Section** shall continue for a period of six months unless otherwise agreed from the date of practical completion, but **Our** liability shall not exceed £250,000 any one Occurrence.

The Extensions under this **Section M** of the **Policy** are further extended by the Extension contained at General Condition 9.

## SECTION N – COMMERCIAL LEGAL PROTECTION

Cover under **Section N** is subject to the Conditions and Exclusions set out within this **Section N**, plus all the General Conditions and General Exclusions set out in the General Conditions and General Exclusions **Sections** of the **Policy**.

Words and phrases starting with an upper case letter and printed in bold are defined below, insofar as they apply specifically to **Section N**, and in the Definitions **Section** of the **Policy**.

### Definitions

These definition(s) apply to this **Section** wherever these words or phrases appear starting with an upper case letter and printed in bold except where stated otherwise.

**1) Adviser's Costs and Expenses** means:

- (a) reasonable and necessary costs, fees, and disbursements chargeable by the **Appointed Adviser** which have been agreed by **Us** in accordance with **Our Standard Adviser's Terms of Appointment**.
- (b) costs and disbursements incurred by the other party in civil cases if an **Insured Person** is ordered to pay them or pays them with **Our** agreement.

**2) Appointed Adviser** means:

the law firm, accountant or other suitably qualified person appointed by **Us** to act on **Your** behalf, under the terms and conditions of this insurance and in accordance with **Our Standard Adviser's Terms of Appointment**.

**3) Business Activity** means:

the activities carried out by **You**, as shown in **Your Schedule**.

**4) Employee** means:

any individual contracted to work for **You** under a permanent full or permanent part time contract of employment or apprenticeship.

**5) Insured Incident** means:

an incident or event or the first in a series of incidents or events, arising at the same time or from the same originating cause, which leads to a claim under this insurance and where **We** have agreed to provide cover under the terms and conditions of this insurance.

**6) Insured Person** means:

**You**, and, at **Your** request, **Your** directors, partners, managers, and **Employees**.

**7) Limit of Indemnity** means:

the most **We** will pay (including any subsequent appeal agreed by **Us**) is:

£100,000 for any one **Insured Incident** and £1,000,000 in aggregate for any one **Period of Insurance**.

**8) Reasonable Prospects of Success** means:

for each action following an **Insured Incident** there must always be more than a 50% chance that **You** will:

- (a) recover any losses or damages;
- (b) successfully defend a claim or prosecution;
- (c) succeed in reducing a sentence, penalty or a fine if **You** plead guilty in a criminal prosecution;
- (d) succeed in enforcing a judgment or obtain a legal remedy which **We** have agreed to; or
- (e) make a successful appeal or defence of an appeal.

In all cases **We** or a suitably qualified expert acting on **Our** behalf will assess whether **Reasonable Prospects of Success** exist. This assessment will also take into account whether a reasonable person would wish to pursue such a dispute if this insurance was not in force.

**9) Standard Adviser's Terms of Appointment** means:

a separate agreement, available on request, that **We** require an **Appointed Adviser** to enter into with **Us**. This agreement sets out the **Appointed Adviser's** responsibilities and the amounts **We** will pay the **Appointed Adviser** in respect of an **Insured Incident**.

**10) Territorial Limit** means:

the United Kingdom of Great Britain and Northern Ireland and the Isle of Man.

**11) You or Your** means:

the business, partnership or individual who has purchased this insurance and is named in the **Schedule** which is registered and located in the United Kingdom of Great Britain and Northern Ireland or the Isle of Man.

### **Insuring Clause**

Following an **Insured Incident**, as provided for herein:

- 1) that happens within the **Territorial Limit**; and
- 2) the action following the **Insured Incident** always has **Reasonable Prospects of Success** which must be present throughout the duration of the action

**We** will pay the **Adviser's Costs and Expenses** and such other sums as are specified in the **Insured Incidents** detailed below to the extent provided for therein.

### **Insured Incidents**

**1) Breach of Restrictive Covenant**

**Adviser's Costs and Expenses** to pursue **Your** legal rights in a dispute with a current or former **Employee** following their breach of a restrictive covenant expressly incorporated into their contract of employment with **You** which places restrictions on that current or former **Employee**:

- working for a direct competitor of **Yours** in a similar role or setting up as a direct competitor to **You**;
- contacting **Your** current customers or suppliers with the intention of taking their business from **You**;
- contacting **Your** current **Employees** with the intention of hiring them to work for a direct competitor of **Yours**.

*Please note that the restrictive covenant must have been designed to reasonably and fairly protect **Your** legitimate business interests and must not contain any restrictions for periods longer than 12 months.*

**2) Defence of Legal Rights**

**Part 1 - defending an Insured Person:**

**Adviser's Costs and Expenses** to defend an **Insured Person's** legal rights (only upon **Your** request) following an event arising from **Your Business Activity** which leads to:

(a) Pre-charge

an **Insured Person** being interviewed by the police or other authority with the powers to prosecute where the **Insured Person** is suspected of committing a criminal offence;

(b) Criminal prosecutions

an **Insured Person** being prosecuted in a criminal court;

(c) Professional or regulatory body disciplinary hearings

a formal investigation or disciplinary hearing brought against an **Insured Person** by a regulatory or professional body;

(d) Data Protection breaches

Civil action taken against an **Insured Person** for compensation following a breach of Section 13 of the Data Protection Act 1998, including a compensation award the **Insured Person** is ordered to pay under Section 13 of the Data Protection Act 1998 for the holding, loss, or unauthorised disclosure of data;

*Please note that **You** must have registered **Your** organisation as a data controller with the Information Commissioner Office before the breach or alleged breach occurred.*

**We** will not cover any claim relating to:

- (i) an **Insured Person** using or driving a motor vehicle;
- (ii) any investigation conducted by or on behalf of HMRC (this exclusion applies to **Insured Incident 4(a) – Pre-charge only**).

#### **Part 2 - defending You:**

**Adviser's Costs and Expenses** to defend **Your** legal rights following an event arising from **Your Business Activity** which leads to:

- (e) Wrongful Arrest  
civil action taken against **You** for wrongful arrest following an allegation of theft from **Your** business premises;
- (f) Appealing against a Statutory Notice  
an appeal against the imposition of terms of a Statutory Notice served on **You** by the relevant authority;
- (g) Information Commission Officer (ICO) Appeals  
an appeal against the refusal of the ICO to register **Your** application for registration.

#### **Part 3 - defending an Employee:**

**Adviser's Costs and Expenses** to defend an **Employee's** legal rights (only upon **Your** request) following an event arising from **Your Business Activity** which leads to:

- (h) Unlawful discrimination  
civil action taken against an **Employee** under legislation for unlawful discrimination on the grounds of age, gender, gender reassignment, sexual orientation, disability, race or religion or any other subsequent protected characteristic defined by Acts of Parliament;
- (i) Pension trustee defence  
civil action taken against an **Employee** in their role as a trustee of a pension fund set up for the benefit of **Your Employees**.

### **3) Protecting Your Property**

- (a) Nuisance and Trespass

**Adviser's Costs and Expenses** to pursue or defend **Your** legal rights in a civil dispute relating to a legal nuisance or trespass which interferes with the use or right over land and/or buildings owned or occupied by **You** or for which **You** are legally responsible.

*Please note that where the claim relates to a dispute over the boundary of **Your** land and/or buildings, **You** must be able to supply **Us** with proof of where that boundary lies.*

- (b) Damage to Property

**Adviser's Costs and Expenses** to pursue **Your** legal rights following an event which causes physical damage to:

- land and/or buildings owned or occupied by **You** or for which **You** are legally responsible; and/or
- material property owned by **You** for which **You** are legally responsible.

- (c) Service Occupancy Licences

**Adviser's Costs and Expenses** to pursue **Your** legal rights to recover possession of premises, owned by **You** or for which **You** are legally responsible, from a current or former **Employee**.

**We** will not cover any claim relating to:

- (i) a contract **You** have entered into (other than a service occupancy licence in respect of **Insured Incident 3(c)**);
- (ii) compulsory purchase orders, repossession or planning permissions, building regulations or restrictions or controls placed on **Your** land and/or buildings by any government, public or local authority;
- (iii) any work carried out by, or under the order of, government, public or local authorities or their contractors (unless the claim is for accidental physical damage to **Your** land and/or buildings and/or material property);
- (iv) motor vehicles owned or used by or hired or leased to an **Insured Person** (other than damage to motor vehicles where **Your Business Activity** is the selling of motor vehicles);

- (v) goods in transit or goods lent or hired out;
- (vi) subsidence, heave, quarrying or mining activities.

#### 4) Personal Injury

**Adviser's Costs and Expenses** to pursue an **Insured Person's** (and family members who permanently live with them) legal rights following a sudden and specific event which causes death or bodily injury to the **Insured Person** (or family members who permanently live with them).

*Please note that:*

- (i) **We will only provide cover for an Insured Person (and members of their family who permanently live with them) at Your request; and**
- (ii) *Claims relating to stress, mental illness, emotional or psychological injury are only covered if that condition is caused by a sudden and specific event which results in physical bodily injury to an Insured Person (or to members of their family who permanently live with them).*

**We** will not cover any claim relating to illness or injury which develops gradually over a period of time or is not caused by a sudden and specific event.

#### 5) Jury Service and Witness Expenses

**We** will pay an **Insured Person's** lost salary or wages, up to a maximum of £1,000, from time taken off work to:

- (a) perform jury service;
- (b) attend a court, tribunal, mediation, arbitration, disciplinary or regulatory hearing at the request of an **Appointed Adviser** in respect of an **Insured Incident** under this policy.

*Please note that:*

- (i) **We will only pay sums which cannot be recovered from the relevant court, tribunal or any other party, or sums which are not payable by You; and**
- (ii) **We will only provide this cover for an Insured Person if You request that We do so.**

**We** will not cover any claim where an **Insured Person** cannot provide evidence of the extent of their lost salary or wages.

#### 6) Statutory Licence Appeal

**Adviser's Costs and Expenses** in an appeal to the relevant statutory or regulatory authority, court, or tribunal, following their decision to suspend, cancel, alter the terms of or refuse to renew a licence or certificate of registration, which has been issued to **You** under statute or statutory instrument or by Government or Local Authority and which is required for **You** to carry out **Your Business Activity**.

*Please note that:*

**We will only provide cover for appeals and will not help with an application for an original or renewal of a licence or certificate of registration.**

**We** will not cover any claim relating to the ownership, driving or use of a motor vehicle.

#### 7) Contract Disputes

**Adviser's Costs and Expenses** to pursue or defend **Your** legal rights in a dispute arising from a breach or alleged breach of a contract entered into by **You** for the purchase, sale, hire, hire purchase, lease, or provision of goods or of services.

*Please note that:*

- (i) *the amount in dispute must exceed £200 (including VAT);*
- (ii) *if money is owed to You, all normal credit control procedures must be exhausted before You notify Us of a claim;*
- (iii) *if the other party has not contested liability, Your claim will instead be considered under Insured Incident 8 - Recovery of Undisputed Debts (if that cover is in force).*

**We** will not cover any claim relating to:

- (i) the sale or purchase of land or buildings or any lease, tenancy, or licence to occupy land or buildings (other than a dispute with a professional adviser in connection with such matters);

- (ii) disputes over pensions, investments, guarantees, loans, mortgages, borrowing or any other arrangement **You** have with a bank, building society or supplier of credit;
- iii) motor vehicles owned or used by or hired or leased to **You** (other than contract disputes for the sale of motor vehicles where **Your Business Activity** is the selling of motor vehicles);
- (iv) disputes over the amount of money or compensation payable in respect of a claim under any insurance policy;
- (v) disputes with a current or former **Employee** arising from an actual or alleged contract of employment;
- (vi) computer hardware, software, systems, or services which have either been supplied by **You**, or have been custom-made by a supplier to **Your** specific requirements;
- vii) a breach or alleged breach of professional duty by an **Insured Person** or any error or omission in any advice given by an **Insured Person**.

## 8) Recovery of Undisputed Debts

**Adviser's Costs and Expenses** to pursue **Your** legal rights to recover money and interest due to **You** arising from a breach or alleged breach of a contract entered into by **You** for the sale, hiring or leasing out or provision of goods or of services.

*Please note that:*

- (i) *the debt must exceed £200 (including VAT);*
- (ii) *all normal credit control procedures must be exhausted before **You** notify **Us** of a claim;*
- (iii) ***We** must be satisfied that the other party has the financial means to pay the debt before **We** agree to take further action to recover that debt;*
- (iv) *if the other party contests liability, **Your** claim will instead be considered under **Insured Incident 7 - Contract Disputes** (if that cover is in force).*

**We** will not cover any claim relating to:

- (i) the sale or purchase of land or buildings or any lease, tenancy, or licence to occupy land or buildings;
- (ii) pensions, investments, guarantees, loans, mortgages, borrowing or any other arrangement **You** have with a bank, building society or supplier of credit;
- (iii) motor vehicles owned or used by or hired or leased to **You** (other than contracts for the sale of motor vehicles where **Your Business Activity** is the selling of motor vehicles);
- (iv) the amount of money or compensation payable in respect of a claim under any insurance policy;
- (v) sums owed by a current or former **Employee** arising from an actual or alleged contract of employment;
- (vi) computer hardware, software, systems, or services which have been supplied by **You**.

## Exclusions

This **Section** does not cover:

### 1) Claims arising before this insurance started

any event or dispute which an **Insured Person** was aware of, or should reasonably have been aware of, which could give rise to a claim under this insurance and existed or happened before this insurance first started.

### 2) Costs incurred and legal actions **We** have not authorised

any **Adviser's Costs and Expenses** or other costs incurred:

- (a) before **We** have accepted a claim; and/or
- (b) which we have not authorised in advance.
- (c) any action taken by an **Insured Person** which **We** or the **Appointed Adviser** have not agreed to.

### 3) Fines and court awards

- (a) fines, compensation (other than amounts **We** agree to pay under **Insured Incident 2(d) – Data Protection Breaches**), damages or penalties awarded against an **Insured Person**;
- (b) any costs an **Insured Person** is ordered to pay by a court of criminal jurisdiction.



**4) Wilful acts**

any claim resulting from an act which is wilfully carried out and the outcome of which is consciously intended by an **Insured Person**.

**5) Judicial Review and challenges to legislation**

- (a) judicial reviews (reviewing the way a decision has been made by a government authority, local authority, or other public body), coroner's inquests or fatal accident inquiries.
- (b) any challenges to current or proposed legislation.

**6) Disputes with Us or the Appointed Adviser**

any claim made against **Us** or the **Appointed Representative** (please also refer to Condition 9 of this **Section**).

**7) Intra-business disputes**

- (a) any claim relating to disputes between **You** (acting in **Your** capacity as the business, partnership or individual named in the **Schedule** who has purchased this insurance) and any of **Your** subsidiary, associated or parent companies.
- (b) any dispute between shareholders, directors, or partners in **Your** business.

**8) Franchise or agency rights**

any claim relating to disputes over franchise rights or agency rights.

**9) Intellectual Property**

any claim relating to patents, copyrights, passing-off, trade or service marks, intellectual property, registered designs, secrecy, and confidential information (other than claims **We** have agreed to cover under **Insured Incident 1 – Breach of Restrictive Covenant**).

**10) Libel and slander**

any claim relating to something said or written:

- (a) about an **Insured Person** which may damage the **Insured Person's** reputation;
- (b) by an **Insured Person** which may damage another person's reputation.

**11) Liquidation and insolvency**

any claim where either at the commencement of or during that claim, **You** have entered into liquidation, receivership, administration, become insolvent, are declared bankrupt or file for bankruptcy, or enter into a voluntary arrangement or deed of arrangement.

**12) Pressure waves**

any claim resulting directly or indirectly from or in connection with pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speed.

Cover under **Section N** is also subject to the General Exclusions set out in the General Exclusions **Section** of the **Policy**.

**Conditions**

An **Insured Person** must keep to these conditions as failure to do so may lead to **Us** refusing a claim, withdrawing funding from a claim, or cancelling this insurance (please refer to Condition 11 of this **Section**).

**1) An Insured Person's Obligations**

An **Insured Person** must:

- (a) keep to the terms and conditions of this **Policy**;
- (b) take all reasonable precautions to prevent or minimise the risk of a claim occurring under this **Policy** and to avoid incurring any unnecessary costs; and
- (c) supply **Us** with honest and accurate information when asked to do so.

**2) Appointment of an Appointed Adviser**

- (a) If **We** accept an **Insured Person's** claim, **We** will appoint an **Appointed Adviser** who may be able to negotiate settlement before or without the need for court action.

- (b) If an **Insured Person's** claim cannot be settled by negotiation and it becomes necessary for legal proceedings to be issued (starting an action in court to settle a dispute), or if a conflict of interest arises (where **Our** chosen **Appointed Adviser** cannot act for the **Insured Person** as to do so would breach their professional code of conduct), the **Insured Person** is free to nominate a law firm or suitably qualified representative to act as the **Appointed Adviser**.
- (c) **We** will always choose the **Appointed Adviser** to act on the **Insured Person's** behalf in any claim where **We** are liable to pay a compensation award (this means **We** will always choose the **Appointed Adviser** for any claim arising under **Insured Incident 2(d) – Data Protection Breaches**).
- (d) Any law firm or suitably qualified representative nominated by an **Insured Person** must agree to represent the **Insured Person** in accordance with **Our Standard Adviser's Terms of Appointment** (which are available on request) and the most **We** will pay is no more than the amount **We** would have paid to **Our** own choice of **Appointed Adviser**.

### 3) Conduct of the claim

An **Insured Person** must:

- (a) co-operate fully with **Us** and the **Appointed Adviser** and provide any relevant information, documentation, and evidence in connection with a claim when asked to do so; and
- (b) keep **Us** and the **Appointed Adviser** fully informed of any developments and instruct the **Appointed Adviser** to provide **Us** with any information **We** ask for.

An **Insured Person** must not:

- (c) act in a way which obstructs **Us** or the **Appointed Adviser** or hinders the progress of a claim; and incur any **Adviser's Costs and Expenses** or any other costs or amounts without **Our** consent.

**We** can:

- (d) contact the **Appointed Adviser** at any time and have access to all documents, information, and evidence regarding an **Insured Person's** claim;
- (e) withdraw funding for a claim and pursue an **Insured Person** to recover **Adviser's Costs and Expenses** or other costs or amounts already paid, if the **Insured Person** pursues or withdraws from that claim without **Our** consent or fails to pass on any instructions to the **Appointed Adviser**;
- (f) withdraw funding for a claim if an **Insured Person** dismisses the **Appointed Adviser** without **Our** consent and there is no valid cause to do so, or if the **Appointed Adviser** refuses to continue acting for an **Insured Person** with **Our** consent and there is valid cause to do so; and
- (g) withdraw funding for a claim if at any time **We** believe **Reasonable Prospects of Success** are no longer present. **We** will still pay any **Adviser's Costs and Expenses** or other costs or amounts **We** have agreed to, prior to **Reasonable Prospects of Success** no longer being present.

### 4) Claims Settlement

- (a) An **Insured Person** must tell **Us** immediately when an offer to settle a claim is received and must not enter negotiations to settle a claim without **Our** prior consent.
- (b) If an **Insured Person** refuses a fair and reasonable offer to settle a claim, **We** will be entitled to withdraw funding for that claim and **We** will pay no further **Adviser's Costs and Expenses** or other costs or amounts.
- (c) **We** may decide to settle a claim by paying the reasonable value of that claim instead of pursuing, defending, or continuing with any action in court. In such cases **We** may decide to pursue the other party for the amount **We** have paid to an **Insured Person** and the **Insured Person** must allow **Us** to take over and continue the claim in their name and provide **Us** with any information in support of this action.

### 5) Costs Recovery and Assessment of Costs

An **Insured Person** must:

- (a) take all reasonable steps to recover **Adviser's Costs and Expenses** or other costs or amounts and pay such sums recovered to **Us**;
- (b) tell the **Appointed Adviser** to have **Adviser's Costs and Expenses** taxed, assessed, and audited if **We** ask for this. If it is established that **Adviser's Costs and Expenses** or any other costs have been billed which have not been agreed by **Us**, **We** reserve the right to refuse to pay these unauthorised costs.

## 6) **Appealing the outcome of a claim**

- (a) Appeals regarding the outcome of an **Insured Incident**, either made by or against an **Insured Person**, must be notified to **Us** as soon as possible and, in any event, at least 10 days before the deadline of any appeal.
- (b) **Reasonable Prospects of Success** must still be present in order for an appeal to be considered.

## 7) **Other insurance and apportionment of costs**

If any **Adviser's Costs and Expenses** or other costs or amounts covered by this insurance are also covered under an alternative insurance policy or would have been covered if this insurance did not exist, **We** will only pay **Our** share of these costs.

## 8) **Obtaining a legal opinion**

- (a) **We** may require an **Insured Person**, at their own expense, to obtain an independent opinion from a barrister or other expert agreed between the **Insured Person** and **Us** over a claim's merits, financial value, and **Reasonable Prospects of Success**.
- (b) If the opinion supports the **Insured Person** and there are clear merits in proceedings with that claim, the costs incurred by the **Insured Person** in seeking that opinion will be reimbursed.

## 9) **Disputes with Us**

- (a) If there is a dispute between an **Insured Person** and **Us** over this **Policy**, which cannot be resolved through **Our** internal complaints handling process, the **Insured Person** is entitled to seek a resolution through the Financial Ombudsman Service as long as **You** are eligible to complain.
- (b) Where the Financial Ombudsman Service cannot deal with that complaint, the dispute may be referred to arbitration where disputes are resolved by independent arbitrators in accordance with the Arbitration Act. The decision of the appointed arbitrator is binding, and the arbitrator may require the **Insured Person** or **Us** to pay the costs.
- (c) The arbitrator will be chosen jointly by the **Insured Person** and **Us**. If **We** are not able to agree on the appointment of the arbitrator with the **Insured Person**, the President of the Chartered Institute of Arbitrators will decide.
- (d) Nothing in this clause shall limit **Your** right to pursue legal action against **Us**.

## 10) **Your Cancellation Rights**

Cooling-off period:

**You** can cancel this insurance, without giving any reason, within 14 days of its start date or within 14 days of receiving **Your** policy documents, whichever is later.

If **You** wish to exercise this right, **You** must notify the person who sold **You** this insurance. **You** will be entitled to a full refund of premium paid as long as an **Insured Person** has not made a claim under this insurance.

Outside the cooling-off period:

**You** can cancel this insurance at any other time, subject to providing the person who sold **You** this insurance with 7 days' notice. **You** will be entitled to a pro-rata refund of premium as long as an **Insured Person** has not made a claim under this insurance during the current **Period of Insurance**.

In the event of cancellation, the person who sold **You** this insurance may apply an administration charge.

## 11) **Our Cancellation Rights**

**We** can cancel this insurance at any time, where there is a valid reason to do so, subject to providing **You** with 7 days' notice. Reasons for cancellation may include, but are not strictly limited to:

- (a) an **Insured Person** has failed to co-operate with **Us** or the **Appointed Adviser** and this failure has significantly hindered **Our** ability to deal with a claim or administer this insurance; and/or
- (b) a premium payment is due, or a costs recovery is still outstanding by the end of the final deadline notified to an **Insured Person**.

## 12) **Fraudulent or dishonest claims**

If **We** have evidence that an **Insured Person** has made a fraudulent, dishonest, or exaggerated claim, or has deliberately misled **Us** or the **Appointed Adviser** when presenting relevant information in support of a claim, **We** reserve the right to cancel this insurance from the date of the alleged claim or misrepresentation and recover from the **Insured Person** any

**Adviser's Costs and Expenses** or other costs or amounts already paid in respect of that claim which **We** otherwise would not have paid. **We** will also not refund any premium paid by **You**.

### 13) Fraud and fraud prevention agencies

If fraudulent activity or false or inaccurate information is identified, **We** may, at **Our** discretion, pass details to fraud prevention or law enforcement agencies who have the right to access and use this information, which could result in a prosecution.

### 14) How to make a claim

If **You** are involved in a legal dispute which cannot be resolved by using **Our** Helpline Service and needs to be reported as a claim under this insurance, please phone **Our** dedicated claims reporting line on 0344 892 0162 which is open 24 hours a day, 365 days a year. All calls are recorded for training purposes.

Please have ready **Your** policy number or the name of the organisation who sold **You** this insurance.

Please note the following important information:

- (a) An **Insured Person** must report their claim to us on 0344 892 0162 as soon as the **Insured Person** becomes aware of any circumstances which could give rise to a claim under this insurance. **You** will need to provide confirmation that any other **Insured Person** has **Your** authority to claim.
- (b) Be ready to provide as much information concerning the claim as possible. This may include details of employment contracts or agreements entered into with other parties, names and addresses of all parties involved, expert or medical reports and contact details of any witnesses. **We** may also ask an **Insured Person** to provide other information relevant to the claim as part of its assessment which may involve completing a claims form.
- (c) This is a claims made insurance which means that claims must be notified to **Us** during **Your Period of Insurance**. If **Your** policy expires and an **Insured Person's** claim is reported more than 14 days after the expiry date, **We** will not be able to assist with the claim.
- (d) **We** will not provide cover if the circumstances giving rise to a claim exist before the start date of this insurance (please refer to Exclusion 1 of this **Section**).
- (e) Under no circumstances should an **Insured Person** instruct their own lawyer, accountant or legal representative or incur any costs before **We** have accepted the claim as **We** will not pay any costs incurred without **Our** agreement. Unless it is necessary to start legal proceedings (starting an action in a court to settle a dispute) or if there is a conflict of interest (where **Our** chosen **Appointed Adviser** cannot act for an **Insured Person** as to do so would breach their professional code of conduct), **We** will appoint **Our** own **Appointed Adviser** to act on the **Insured Person's** behalf if **We** accept **Your** claim.
- (f) **We** will always choose the **Appointed Adviser** in any claim where **We** are liable to pay a compensation award (this means **We** will always choose the **Appointed Representative** for any claim arising under **Insured Incidents 2(d) – Data Protection Breaches**).
- (g) Once all relevant information has been received, an assessment of an **Insured Person's** claim will be conducted, and **We** will let the **Insured Person** know if **We** can help. Please note that **Reasonable Prospects of Success** must be present throughout the duration of any claim and cover could be withdrawn if at any stage **Reasonable Prospects of Success** no longer exist which could be as a result of new information emerging regarding the claim or as legal arguments develop.
- (h) If **We** are unable to cover an **Insured Person's claim**, then **We** will explain the reasons why and discuss any other available methods (which may be at the **Insured Person's** expense) to help achieve a successful outcome.

If **You** need to write to **Us**, **You** can write to **Us** at the following address:

Irwell Insurance Company Limited  
2 Cheetham Hill Road  
Manchester  
M4 4FB

Please ensure to include **Your** policy number on all correspondence.

Cover under **Section N** is also subject to the General Conditions set out in the General Conditions **Section** of the **Policy**.

General Conditions 2 (Arbitration), 4 (cancellation), 5 (Claims (contribution)), 6 (Claims procedures) and 8 (Fraud) do not apply to **Section N**.

## GENERAL EXCLUSIONS

This part of the **Policy** sets out the General Exclusions applicable to the **Policy**. The following Exclusions apply to all **Sections** of this insurance unless stated otherwise.

**We** will not provide cover for:

### 1) Avian influenza

any claim directly or indirectly caused by, happening through, in consequence of or contributed to by avian influenza or any mutant variation thereof.

This insurance also excludes any claim:

- (i) arising from any fear or threat (whether actual or perceived) of such avian influenza.
- (ii) directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any outbreak of such avian influenza.

If **We** allege that by reason of this exclusion, any claim is not covered by this insurance the burden of proving the contrary shall be upon **You**.

### 2) Communicable disease

any loss, **Bodily Injury, Damage**, legal liability, cost or expense of whatsoever nature directly or indirectly arising out of, contributed to by or resulting from any Communicable Disease (as hereinafter defined), or any fear or threat (whether actual or perceived) of any Communicable Disease, or any action taken in controlling, preventing, suppressing or in any way relating to any outbreak of any Communicable Disease.

For the purposes of this exclusion, Communicable Disease means any disease capable of being transmitted from an infected person or species to a susceptible host, either directly or indirectly.

This exclusion does not apply to the Employers' Liability **Section**.

If **We** allege that by reason of this exclusion, any loss is not covered by this insurance, the burden of proving the contrary shall be upon **You**.

### 3) Cyber

any loss, **Bodily Injury, Damage**, legal liability, cost or expense of any kind directly or indirectly caused by, arising from or consisting of (in whole or in part):

- (i) the use or misuse of the internet or similar facility.
- (ii) any electronic transmission of data or other information.
- (iii) any **Computer** virus, malicious code or similar problem.
- (iv) use or misuse of any internet address, website or similar facility.
- (v) any data or other information posted on a website or similar facility.
- (vi) any loss of data or **Damage** to any **Computer** system including but not limited to hardware or software.
- (vii) the functioning or malfunctioning of the internet or similar facility or of any internet address, website or similar facility.
- (viii) any infringement whether intentional or unintentional of any intellectual property rights (including but not limited to trademark, copyright or patent).
- (ix) the use or operation of any **Computer**, computer system, computer software programme or process or any other electronic system, except as provided for within **All Other Contents**.

This cyber exclusion does not apply to **Computers Damaged** by a **Specified Peril** insofar as such **Damage** is covered under **Section A** of this **Policy**.

### 4) Data recognition

loss, **Bodily Injury, Damage**, legal liability, cost or expense of whatsoever nature directly or indirectly caused by or consisting of or arising from the failure of any **Computer** data processing equipment or media microchip integrated circuit or similar device or any **Computer** software whether **Your Property** or not:

- (a) correctly to recognise any date as its true calendar date
- (b) to capture save or retain and/or correctly 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
- (c) to capture save retain or correctly process any data as a result of the operation of any command which has been programmed into any **Computer** software being a command which causes the loss of data or the inability to capture save or retain or correctly to process such data on or after any date

but, under all **Sections** except the Public and Products Liability **Sections**, this shall not exclude subsequent **Damage** or consequential loss not otherwise excluded which itself results from a **Specified Peril** but not including peril 19 (**Accidental Damage**).

Provided that nothing contained in this exclusion or any other provision or extension of this insurance shall be considered as extending **Our** liability to cover any costs and expenses, whether preventative, remedial or otherwise arising out of or relating to change, alteration or modification of any computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer or non-computer equipment, whether **Your Property** or not.

This exclusion does not apply to the Employers' Liability **Section**.

## 5) **Mould**

any **Damage**, claim, cost, expense or other sum directly or indirectly arising out of or relating to:

mould, mildew, fungus, spores or other micro-organism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

This exclusion applies regardless of whether there is:

- (i) any **Damage** to **Insured Property**.
- (ii) any **Specified Peril** or cause, whether contributing concurrently or in any sequence.
- (iii) loss of use, occupancy, or functionality.
- (iv) any action required, including but not limited to repair, replacement, removal, clean up abatement, disposal, relocation or steps taken to address medical or legal concerns.

This exclusion replaces and supersedes any provision in this insurance that provides insurance cover in whole or in part for these matters.

## 6) **Northern Ireland**

**Damage** or consequential loss for such **Damage** in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of **Riot, Civil Commotion** and (except in respect of **Damage** by **Fire** or **Explosion**), **Strikers, locked-out workers or persons taking part in labour disturbances** or **Malicious Persons**.

## 7) **Radioactive and other contamination**

- (a) **Damage** to any **Property** whatsoever or any loss cost or expense whatsoever resulting or arising therefrom or any consequential loss; and/or
- (b) legal liability of whatsoever nature; and/or
- (c) any legal costs and expenses;

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

- (i) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- (ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
- (iii) any weapon or device employing atomic or nuclear fission and or fusion or other like reaction or radioactive force or matter.
- (iv) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter but the exclusion in this paragraph shall 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.

(v) any chemical, biological, biochemical or electromagnetic weapon.

In respect of the Employers' Liability **Section** this exclusion shall only apply in respect of the liability of any **Principal** or liability assumed under the terms of an agreement which would not have attached in the absence of such agreement.

#### 8) Sanction limitation and exclusion

any claim or provide any benefit hereunder to the extent that the provision of such cover payment of such claim or provision of such benefit would expose **Us** to any sanction prohibition or restriction under the United Nations resolutions or the trade or economic sanctions laws or regulations of the European Union, United Kingdom or United States of America.

#### 9) Sonic bang

**Damage** occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds or any legal costs or expenses arising therefrom or relating thereto.

#### 10) Terrorism

- (a) **Damage** to any **Property** whatsoever or any loss, cost or expense whatsoever resulting or arising therefrom or any consequential or inevitable loss; and/or
- (b) legal liability of whatsoever nature; and/or
- (c) legal costs and expenses;

caused by resulting from or in connection with:

- (i) any act of **Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to this loss.
- (ii) any action taken in controlling, preventing, suppressing or in any way relating to the act of **Terrorism**

If **We** allege that by reason of this exclusion any loss, **Bodily Injury**, **Damage**, legal liability, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon **You**.

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

This exclusion does not apply to the Employers' Liability **Section**.

#### 11) War and similar risks

- (a) **Damage** to any **Property** whatsoever or any loss cost or expense whatsoever resulting or arising therefrom or any consequential or inevitable loss; and/or
- (b) legal liability of whatsoever nature directly or indirectly caused by or contributed to by; and/or
- (c) legal costs and expenses;

arising from any of the following regardless of any other cause or event contributing concurrently or in any sequence to the **Damage**, cost, expense or liability:

- (i) war, invasion, act(s) of foreign enemies, hostilities or warlike operators (whether war be declared or not), civil war, rebellion, revolution, insurrection, **Civil Commotion** assuming the proportions of or amounting to an uprising, military or usurped power or confiscation or nationalisation or requisition by or under the order of any government or public or local authority.
- (ii) any action taken in controlling preventing suppressing or in any way relating to (i) above.

This exclusion does not apply to the Employers' Liability **Section**.

## GENERAL CONDITIONS

This part of the **Policy** sets out the General Conditions applicable to the **Policy**. The following Conditions apply to all **Sections** of this insurance unless stated otherwise.

### 1) Alteration of risk

The cover under this insurance will cease if after the commencement of this insurance:

- (a) **Your** interest ceases other than by will or operation of the law
  - (b) **Your Business** is wound up carried on by a liquidator or receiver or permanently discontinued
- unless **We** agree in writing to continue this insurance.

### 2) Arbitration

If any difference shall arise as to the amount to be paid under this insurance (liability being otherwise admitted) such difference shall be referred to an Arbitrator to be appointed by the parties in accordance with the statutory provisions for the time being in force. Where any difference is by this condition to be referred to arbitration the making of any award shall be binding upon **You** and **Us**.

This condition does not apply to the Commercial Legal Protection **Section**.

### 3) Assignment

**You** shall not assign any of the rights or benefits under this insurance and/or any **Section** of this insurance without **Our** prior written consent.

**We** will not be bound to accept or be affected by any notice of trust charge, lien or purported assignment or other dealing with or relating to this insurance and/or any **Section** of this insurance.

### 4) Cancellation

**We** may cancel this insurance at any time if there is a valid reason by providing **You** with 14 days notice of cancellation by recorded delivery letter to **Your** last known **Business** address and by providing a copy of such notice to **Your** broker or intermediary.

Valid reasons may include but are not limited to:

- (a) **You** failing to co-operate with **Us** or failing to send **Us** information or documentation as required by the terms of this insurance where this significantly affects **Our** ability to process **Your** claim or deal with **Your** insurance.
- (b) **You** fail to provide **Us** with correct information and fail to correct this when **We** ask **You** to.
- (c) **Your** circumstances change which means **You** no longer meet **Our** criteria for providing insurance cover.
- (d) **You** use threatening or abusive behaviour or language with **Our** staff or suppliers.

If this insurance is cancelled as provided for above and during the current **Period of Insurance** there have been no:

- (i) claims made under this insurance for which **We** have made a payment
- (ii) claims made under this insurance which are still under consideration
- (iii) occurrences likely to give rise to a claim but yet to be reported to **Us**

**You** shall be entitled to the return of a proportionate part of the premium in respect of the unexpired **Period of Insurance** or if the premium has been based wholly or partly upon estimates the premium will be adjusted in accordance with the Premium adjustment condition.

If a claim has been submitted or there has been any occurrence(s) likely to give rise to a claim during the current **Period of Insurance** no refund of premium for the unexpired **Period of Insurance** will be given and any unpaid instalments of the full premium will become due for payment.

If **We** cancel **Your** insurance on the grounds of fraud **We** may not return any premium **You** have paid.

If this insurance is cancelled **You** must return to **Us** any current certificate of insurance that has been issued to **You** as a statutory requirement to provide evidence of cover.

This condition does not apply to the Commercial Legal Protection **Section**.



## 5) Claims (contribution)

In respect of the Employers' Liability, Public Liability and Products Liability **Sections**, if at the time of any occurrence to which those **Sections** apply there is or but for the existence of this insurance there would be any other insurance covering the same liability, **We** will not be liable under this insurance except in respect of any excess beyond the amount which would be payable under such other insurance had this insurance not been effected.

In respect of the other **Sections**, if at the time of **Damage** which forms the subject of cover under this insurance there shall be any other insurance covering such **Damage** or any part thereof **We** will not be liable for more than **Our** rateable proportion thereof.

This condition does not apply to the Assault extension to the Money **Section** or the Commercial Legal Protection **Section**.

## 6) Claims procedure

(a) In the event of any occurrence which may result in a claim being made under this insurance **You** will:

- (i) notify **Us** immediately using one of the methods described in the Customer Information Statements section at the beginning of this document.
- (ii) notify the Police Authority immediately in respect of **Damage** caused by **Malicious Persons**, theft or loss of any **Property** (including **Money**).
- (iii) carry out and permit to be taken any action which may be reasonably practicable to minimise or check the loss or recover missing **Property**.
- (iv) deliver to **Us** at **Your** expense:
  - (A) full information in writing of the **Damaged Property** and of the amount of **Damage** and details of any other insurances on any **Property** hereby insured within 30 days after such **Damage** (7 days in the case of **Damage** caused by **Riot, Civil Commotion, Strikers, Locked-Out Workers or persons taking part in labour disturbances or Malicious Persons**) or such further time as **We** may allow.
  - (B) all such proofs and information relating to the claim as may be reasonably required.
  - (C) if demanded, a statutory declaration of the truth of the claim and of any matters connected with it and at **Our** request and expense do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by **Us** for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which **We** shall be or would become entitled or subrogated upon **Our** paying for or making good any loss under this insurance, whether such acts and things shall be or become necessary or required before or after **We** make such payment.

- (b) No admission, offer, promise, payment or indemnity shall be made or given by **You** or on **Your** behalf without **Our** written consent.
- (c) Every relevant letter, writ or other document must be sent to **Us** unanswered immediately it is received.
- (d) **You** or any person claiming cover under this insurance must give all information and assistance to **Us** and must not negotiate pay settle admit or repudiate any claim without **Our** written consent.
- (e) No **Property** may be abandoned to **Us** whether taken possession of by **Us** or not.

This condition does not apply to the Employers' Liability, Public Liability or Products Liability **Sections**.

## 7) Electrical installation

It is a requirement of cover under this insurance that:

- the electrical installation is inspected and tested at least once every five years by a contractor approved by the National Inspection Council for Electrical Installation (N.I.C.E.I.C).
- any defects found by the above inspections have been remedied immediately in accordance with the regulations of the Institute of Electrical Engineers and **You** have been issued with a Certificate of Compliance.
- in addition to the above requirements, portable appliance testing (PAT) is undertaken at appropriate intervals to ensure that electrical equipment that has the potential to cause injury is maintained in a safe condition and any defects found are remedied immediately.

## 8) Fraud

If **You** make a fraudulent claim under this insurance **We** will not be liable to pay **You** any sums in respect of the fraudulent claim. **We** may recover from **You** any sums that **We** have already paid to **You** in respect of the fraudulent claim. **We** may by notice to **You** treat this insurance as terminated with effect from the date of the fraudulent act.

This condition does not apply to the Commercial Legal Protection **Section**.

## 9) Housing Grants, Construction and Regeneration Act 1996

The cover provided by the Public Liability and Contractors All Risks **Sections** is extended to apply to any process of adjudication or decision of any adjudicator pursuant to the Act provided always that **You** agree to comply with the following:

### (a) **You** will:

- (i) notify **Us** immediately upon receipt (and in no event later than two working days thereafter) of any notice of intention to refer a dispute to adjudication (a "Notice of Adjudication") or of the service by **You** of any Notice of Adjudication that amounts to a circumstance (whether under a process of adjudication or otherwise);
- (ii) promptly forward to **Us** all information relating to any adjudication notified under (i) above including copies of all documentation made available to **You** or subsequently by **You** to the adjudicator;
- (iii) allow **Us** to appoint advisers or representatives and to have conduct (including the right but not the obligation to take over the conduct) of the adjudication as **We** deem appropriate and provide such assistance as **We** may reasonably require;
- (iv) meet any request, direction or timetable of the adjudicator;
- (v) satisfy **Us** that any dispute referred to adjudication is or would be the subject of indemnity under this Policy and that the decision reached by the adjudicator represents the award against **You** of a payment of money by **You** which constitutes compensatory damages which form the subject of such indemnity;
- (vi) not agree to accept the decision of the adjudicator as finally determining the dispute without **Our** prior written consent;
- (vii) in the event of a decision reached by the adjudicator that such an award as described in (v) above is payable give **Us** every assistance in instituting legal proceedings (or arbitration if applicable in accordance with **Your** contract) in order to challenge, reopen, stay the enforcement of, or overturn such adjudicator's decision or otherwise to recover such award if the Underwriters deems it appropriate. **We** will have sole conduct of all such proceedings.

### (b) Any provisions relating to adjudications pursuant to the Act in any contract entered into by **You** shall:

- (i) provide that the adjudicator must be independent of the parties to the contract;
- (ii) not allow for any decision of the adjudicator to be binding or to determine any dispute finally;
- (iii) not allow the adjudicator to disregard the legal entitlements of the parties in order to reach a decision based on commercial considerations;
- (iv) not prohibit the assistance or representation by advisers or representatives (whether legally qualified or not) at any adjudication;
- (v) not place any conditions upon the timing of commencement of legal or arbitration proceedings (other than adjudications pursuant to the Act).

**We** will have no liability under this extension, if **You** fail to comply with the above provisions, unless **You** show that non-compliance with this provision could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

## 10) Minimum security requirements

The following security devices are to be put into full and effective operation at night and whenever the **Premises** are unattended unless varied in writing by **Us**:

- 1 All external doors at the **Premises** together with internal doors which give access to any part of the **Building** not occupied by **You** shall be fitted and secured with one of the following:
  - (a) a mortice deadlock with boxed metal striking plate or a rim lock either of which conforms to BS3621 Specification for Thief Resistant Locks.

- (b) a five or more lever close shackle padlock and matching locking bar fitted in accordance with the manufacturers instructions.
  - (c) all aluminium framed doors are fitted with an integral cylinder operated swing bolt mortice lock with high security cylinder rose and armoured striking plate.
  - (d) all UPVC doors are fitted with an integral cylinder operated swing bolt mortice lock with high security cylinder rose and armoured striking plate of a multi-point locking system with a minimum of three locking points of which at least the central one must contain a horizontal dead lock or hook bolt with a minimum engagement in keep of 10mm. The profile cylinder for use with the lock must have a minimum of 5 pins and anti-drill inserts.
  - (e) two key operated locking mechanisms or one key operated locking mechanism with:
    - (i) 300mm tower bolts fitted top and bottom.
    - (ii) steel or timber cross bars fitted internally.
- 2 All outward opening external doors and internal doors which give access to any part of the **Building** not occupied by **You** are fitted and secured with hinge bolts top and bottom.
- 3 Steel or aluminium roller shutters are secured by at least two of the following:
- (a) integral locking mechanism fitted to bottom rail of shutter.
  - (b) proprietary guide mounted locking system (pinlocks).
  - (c) a five or more lever close shackle padlock and matching locking bar fitted in accordance with the manufacturers instructions.
- 4 All accessible opening windows fanlights and skylights including those accessible from decks roofs fire escapes or downpipes are fitted with key operated locks or solid steel or iron bars or security grilles.

Note: This condition does not apply to any door or window officially designated a fire exit by the fire authority.

#### 11) Notice and unoccupancy

**You** must notify **Us** when any part of the **Building** at the **Premises** becomes **Unoccupied** or when an **Unoccupied Building** or part thereof is again occupied and pay such additional premium as **We** consider necessary.

While any part of the **Building** at the **Premises** is **Unoccupied**, this insurance shall exclude **Damage** arising from the escape of water from such **Unoccupied** part of the **Building**.

Further, should the **Building** at the **Premises** be insured hereby, this insurance shall exclude **Damage** to such **Unoccupied** part(s) of the **Building** arising from **Theft or Attempted Theft, Accidental Damage** or caused by **Malicious Persons** or glass breakage.

If the **Buildings** are **Your** responsibility, whether insured hereby or otherwise, it is a condition of this insurance that:

- (a) **Unoccupied** areas are firmly secured against unauthorised entry.
- (b) in the case of separate services being provided, all water pipes, tanks and apparatus are drained and water, electric and gas services are disconnected at the main other than for the use of a full time caretaker or security guard and/or, if required, to operate a burglar or fire alarm system approved by **Us**.
- (c) **Unoccupied** areas are kept clear of all loose combustible material and all letter boxes are sealed to prevent insertion of material.
- (d) **You** or **Your** agent inspect said **Unoccupied Buildings** or **Unoccupied** areas thereof both internally and externally at least once per week to ascertain and instigate promptly any remedial work necessary to maintain the **Buildings** in a weather tight and good state of repair and maintain security levels. A written record of such visits and remedial work undertaken is maintained and made available for **Our** inspection on request.

**We** will not cover **Damage** to the **Insured Property** caused by or arising from refurbishment or renovation of the **Premises**.

#### 12) Our rights

- (a) **We** may enter any **Premises** where **Damage** has occurred and take possession of or require to be delivered to **Us** any **Damaged Insured Property** and deal with such **Property** in any reasonable manner.
- (b) If **We** elect to replace reinstate or repair any **Property** **We** shall only do so as far as circumstances permit and in a reasonably sufficient manner. In any case **We** will not pay more than the relevant **Sum Insured**.

### 13) Personal Protective Equipment

**You** must at all times ensure that:

- (a) all **Employees** are made aware of the dangers of not using personal protective equipment including but not limited to by way of training;
- (b) personal protective equipment is provided and signed for upon receipt by the **Employee**, except that disposable personal protective equipment does not need to be signed for; and
- (c) a register is maintained which demonstrates compliance with the above including but not limited to demonstrating that **Employees** have received appropriate training.

In the event of a breach of this condition, **We** will have no liability under this Policy unless **You** show that the non-compliance with this term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

### 14) Premium adjustment

If the premium for any **Section** or any part thereof is based on estimates **You** will keep an accurate record containing all particulars relative thereto.

**You** will allow **Us** to inspect such record on request and will supply such particulars as **We** may require within one month from the expiry of each **Period of Insurance**. The premium shall thereupon be adjusted by **Us** subject to any Minimum Premium as stated in the **Schedule** being retained by **Us**.

At **Our** request **You** will supply an auditors certificate in support of such particulars.

If **You** fail to supply such particulars within the period stated by **Us** **We** will be entitled to make a reasonable estimate of such particulars and adjust the premium accordingly.

### 15) Reasonable precautions

It is a condition of this insurance that **You** shall take all reasonable care:

- (a) to prevent any occurrence which may give rise to a claim under this insurance including but not limited to securing the **Premises** whenever they are left unattended and ensuring that all locks fastenings or other protective devices stipulated by or agreed with **Us** are in full operation.
- (b) to maintain the **Premises** plant and everything used in the **Business** in proper repair.
- (c) in the selection and supervision of **Employees**.
- (d) to comply with all statutory and other obligations and regulations imposed by any authority.
- (e) to make good or remedy any defect or danger which becomes apparent and take such additional precautions as the circumstances may require.

### 16. Rights of Recourse

**You** will all times retain full rights of recourse against those parties supplying products or otherwise providing a service in connection with any **Product Supplied** or any component part thereof, unless **We** have agreed in writing to the waiver of such rights.

In the event of a breach of this condition, **We** will be entitled to refuse to pay, or reduce the amount **We** pay, for any claim under this Policy.

### 17) Rights of third parties

A person or company who is not a party to this insurance has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this insurance but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

### 18) Sub-Contractors

**You** must take all steps to ensure that all subcontractors that **You** engage maintain policies of insurance (with insurers other than **Us**) no less comprehensive than:

- (a) employers' liability coverage with a limit of liability of not less than £5,000,000 any one occurrence;

- (b) public liability coverage with a limit of liability equal to or greater than the limits provided by this Policy; and
- (c) both such policies contain an Indemnity to **You** as principal.

**You:**

- (a) shall obtain written evidence of the above; and
- (b) shall not assume by agreement, any liability that would not have attached to **You** in the absence of such agreement, including but not limited to, the assumption of liability on behalf of any sub-contractor or the waiver of rights of recourse against any sub-contractor.

In the event of a breach of this condition, **We** will have no liability under this Policy unless **You** show that the non-compliance with this term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.