

Commercial Combined

Policy Wording

Introduction

The duty of fair presentation

By entering into this insurance contract **we** accept that **you** have made a reasonably clear and accessible presentation of the risk, in accordance with Section 3(3)(b) of the Insurance Act 2015.

The contract of insurance

This is **your** Capital Markets Underwriting Limited commercial combined insurance policy. It sets out the details of **your** insurance contract with **us**.

This document, any endorsements, certificates and the schedule must be read together as one contract as they form **your** policy.

In return for payment of the premium shown in the schedule, **we** agree to insure **you** against:

- loss or damage **you** sustain;
- loss resulting from interruption or interference with the **business** following **damage**,

during the **period of insurance** and in accordance with the terms and conditions contained in or endorsed on this policy.

Please read the whole document carefully and keep it in a safe place. **You** should take the time to read all its terms, especially the conditions which **you** have to fulfil to ensure **your** insurance remains valid and what **you** have to do when making a claim.

It is important that **you**:

- check that the sections **you** have requested are included in the schedule;
- check that the information **you** have given **us** is accurate;
- comply with **your** duties under each section and under the insurance as a whole.

If this policy does not meet **your** requirements, or if **your** requirements change, **you** should contact **your** insurance agent at **your** earliest opportunity.

If you need to get in touch with us please either contact Capital Markets Underwriting Limited on 0207 183 5589 or telephone MS Amlin on 020 7746 1000.

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All sections which are not noted as being automatically included within the cover provided are optional. Your schedule will show which sections are insured.

If you need to make a claim

If **you** need to make a claim under this policy, please refer to the contact details set out in **your** policy schedule.

In all communications with **us** please quote **your** policy number.

We would refer **you** also to the claims conditions of this policy set out on pages 19 – 21.

Important Information

Registration and regulatory information

Capital Markets Underwriting Limited is authorised and regulated by the Financial Conduct Authority (No. 511151). Registered office: Arden House, Arden Grove, Harpenden, Hertfordshire, AL5 4SL.

Amlin UK is a trading name of Amlin UK Limited. Amlin UK Limited is wholly owned by and an Appointed Representative of MS Amlin Underwriting Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under reference number 204918. Amlin UK Limited is registered in England No. 02739220. Registered office: Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AG.

Financial Services Compensation Scheme (FSCS)

We are covered by the Financial Services Compensation Scheme. **You** may be entitled to compensation from the Scheme if a Lloyd's insurer is unable to meet its obligations to **you** under this policy. If **you** were entitled to compensation from the Scheme, the level and extent of the compensation would depend on the nature of this policy. Further information about the Scheme is available from the Financial Services Compensation Scheme (10th Floor, Beaufort House, 15 St. Botolph Street, London EC3A 7QU) and on their website www.fscs.org.uk

Choice of Law and jurisdiction

In the absence of any agreement to the contrary, the laws of England and Wales will apply and this policy will be subject to the exclusive jurisdiction of the courts of England unless, at the beginning of the **period of insurance**, **you** are either:

- a) a resident of; or
- b) a business with its registered office or principal place of business situated in;

Scotland, Northern Ireland, the Channel Islands or the Isle of Man, in which case (in the absence of agreement to the contrary) the law of that country, crown protectorate or dependency will apply and this policy will be subject to the exclusive jurisdiction of the courts of that country, crown protectorate or dependency.

Changes to your circumstances

Please tell **your** insurance agent as soon as reasonably possible if there are any changes to **your** circumstances which could affect **your** insurance.

Please refer to General Conditions 3 and 7 of this policy.

If **your** circumstances change and **you** do not tell **your** insurance agent, **you** may find that **you** are not covered if **you** need to claim.

How to cancel your policy

You have a statutory right to cancel **your** policy within 14 days from the day of purchase or renewal of the contract or the day on which **you** receive **your** policy or the renewal documentation, whichever is the later.

If **you** wish to cancel and the insurance cover has not yet began, **you** will be entitled to a full refund of the premium paid. Alternatively, if **you** wish to cancel and the insurance cover has already started, provided **you** have not made a claim, **you** will be entitled to a refund of the premium paid, less a proportional deduction for the time **we** have provided cover.

If **you** do not exercise **your** right to cancel **your** policy, it will continue in force and **you** will be required to pay the premium.

For cancellation outside of this statutory cooling off period **you** can cancel this insurance at any time by telephoning Capital Markets Underwriting Limited on 0207 183 5589 or by writing (by e-mail, fax or letter) to Capital Markets Underwriting Limited at Arden House, Arden Grove, Harpenden, Hertfordshire, AL5 4SL.

If this insurance is cancelled outside the statutory cooling off period, provided **you** have not made a claim and there hasn't been an event that could give rise to a claim, **you** will be entitled to a refund of any premium paid, less a deduction for any time for which **you** have been covered. This will be calculated on a proportional basis. For example, if **you** have been covered for 6 months, the deduction for the time **you** have been covered will be half the annual premium.

If **we** pay any claim, in whole or in part, then no refund of premium will be allowed.

For **our** rights to cancel **your** policy please refer to General conditions on page 15.

Privacy Notice

Information we process

You should understand that information **you** provide, have provided and may provide in future will be processed by **us**, in compliance with UK data privacy laws for the purpose of providing insurance, handling claims and/or responding to complaints.

Information containing personal and sensitive personal information

Information **we** process may be defined as personal and/or sensitive personal information. Personal information is information that can be used to identify a living individual e.g. name, address, driving licence or national insurance number. Personal information is also information that can identify an individual through a work function or their title.

In addition, personal information may contain sensitive personal information; this can be information about **your** health and/or any criminal convictions.

We will not use personal and/or sensitive personal information except for the specific purpose for which **you** provide it and to carry out the services as set out within this notice.

Collecting electronic information

If **you** contact **us** via an electronic method, **we** may record **your** internet electronic identifier i.e. **your** internet protocol (IP) address. **Your** telephone company may also provide **us** with **your** telephone number.

How we use your information

Your personal and/or sensitive personal information may be used by **us** in a number of ways, including to:

- arrange and administer an application for insurance;
- manage and administer the insurance;
- investigate, process and manage claims; and/or
- prevent fraud.

Who we share your information with

We may pass **your** personal and/or sensitive personal information to industry related third parties, including authorised agents; service providers; reinsurers; other insurers; legal advisers; loss adjusters; and claims handlers.

We may also share **your** personal and/or sensitive personal information with law enforcement, fraud detection, credit reference and debt collection agencies and within the MS Amlin Group of companies to:

- assess financial and insurance risks;
- recover debt;
- to prevent and detect crime; and/or
- develop products and services.

We will not disclose **your** personal and/or sensitive personal information to anyone outside the MS Amlin Group of companies except:

- where **we** have **your** permission;
- where **we** are required or permitted to do so by law;
- to other companies who provide a service to **us** or **you**; and/or
- where **we** may transfer rights and obligations under the insurance.

Why it is necessary to share information

Insurance companies share claims data to:

- ensure that more than one claim cannot be made for the same personal injury or property damage;
- check that claims information matches what was provided when the insurance was taken out;
- act as a basis for investigating claims when **we** suspect that fraud is being attempted; and/or
- respond to requests for information from law enforcement agencies.

The transferring of information outside the European Economic Area

In providing insurance services, **we** may transfer **your** personal and/or sensitive personal information to other countries including countries outside the European Economic Area. If this happens **we** will ensure that appropriate measures are taken to safeguard **your** personal and/or sensitive personal information.

Access to your information

You have a right to know what personal and/or sensitive personal information **we** hold about **you**. If **you** would like to know what information **we** hold, please contact The Data Privacy/Protection Officer at the address listed within this notice, stating the reason for **your** enquiry. **We** may write back requesting **you** to confirm **your** identity, **we** may also charge a fee of £10 for processing **your** enquiry.

If **we** do hold information about **you**, **we** will:

- give **you** a description of it;
- tell **you** why **we** are holding it;
- tell **you** who it could be disclosed to; and
- let **you** have a copy of the information in an intelligible form.

If some of **your** information is inaccurate, **you** can ask **us** to correct any mistakes by contacting **our** Data Privacy Officer.

Providing consent to process your information

By providing **us** with **your** personal and/or sensitive personal information, **you** consent to **your** information being used, processed, disclosed, transferred and retained for the purposes set out within this notice.

If **you** supply **us** with personal information and/or sensitive personal information of other people, please ensure that **you** have fairly and fully obtained their consent for the processing of their information. **You** should also show this notice to the other people.

You should understand that if **you** do not consent to the processing of **your** information or **you** withdraw consent, **we** may be unable to provide **you** with insurance services.

Changes to this Notice

We keep **our** privacy notice under regular review. This notice was last updated on the 20th October 2015.

Contacting us

If **you** have any questions relating to the processing of **your** information, please write to:

The MS Amlin Data Privacy Officer, The Leadenhall Building, 122 Leadenhall Street, London EC3V 4AG.
You can also email: dataprivacyofficer@amlin.com

For information about the MS Amlin Group of companies please visit www.amlin.com

Employers' Liability Tracing Office

By entering into this insurance policy **you** will be deemed to specifically consent to the use of **your** insurance policy data in the following way and for the following purposes.

1. Certain information relating to **your** insurance policy including, without limitation:
 - a) the policy number(s);
 - b) employers' names and addresses (including subsidiaries and any relevant changes of name);
 - c) dates of cover;
 - d) employer's reference numbers provided by Her Majesty's Revenue and Customs; and
 - e) Companies House reference numbers (if relevant)

will be provided to the Employers' Liability Tracing Office (ELTO) and added to an electronic database (database).

2. This information will be made available by us to ELTO in a specified and readily accessible form as required by the Employers' Liability Insurance: Disclosure by Insurers Instrument 2011. This information will have regular periodic updating and certification and will be audited on an annual basis.
3. The database will assist individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK for employers carrying on or who carried on business in the UK and who are covered by the employers' liability insurance of their employers (claimants):

- a) to identify which insurer (or insurers) provided employers' liability cover during the relevant periods of employment; and
 - b) to identify the relevant employers' liability insurance policies.
4. The database will be managed by ELTO.
 5. The database and the data stored on it may be accessed and used by claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

Contracts (Rights of Third Parties) Act 1999

A person or company who was not party to this policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this policy but this condition does not affect any right or remedy of a third party which exists or is available other than by virtue of this Act and any later amendment to it.

Sanction limitation

This policy will not provide any insurance cover or benefit and **we** will not pay any sum if doing so would mean that **we** are in breach of any sanction, prohibition or restriction imposed by any law or regulation applicable to **us**.

Tax

There may be circumstances where taxes may be due that are not paid via **us**. If this occurs then it is **your** responsibility to ensure that these are paid direct to the appropriate authority.

How to make a complaint

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.

If **you** have any questions or concerns about **your** policy or the handling of a claim **you** should, in the first instance, contact **your** insurance agent or **us**.

In the event that **you** remain dissatisfied and wish to make a complaint, **you** can do so at any time. Making a complaint does not affect any of **your** legal rights. **Our** contact details are:

Post:	Complaints, MS Amlin Underwriting Limited, The Leadenhall Building, 122 Leadenhall Street, EC3V 4AG.
Telephone:	+44 (0) 207 7746 1300
Fax:	+44 (0) 20 7746 1001
Email:	complaints@amlin.com
Website:	www.amlin.com

If **your** complaint cannot be resolved within two weeks, or if **you** have not received a response within two weeks **you** are entitled to refer the matter to Lloyd's. Lloyd's will then conduct a full investigation of **your** complaint and provide **you** with a written final response. Lloyd's contact details are:

Post:	Complaints, Lloyd's, Fidentia House, Walter Burke Way Chatham Maritime, Chatham, Kent ME4 4RN
Telephone:	+44 (0) 20 7327 5693
Fax:	+44 (0) 20 7327 5225
Email:	complaints@lloyds.com

Details of Lloyd's complaints procedures are set out in a leaflet "Your Complaint – How We Can Help" available at www.lloyds.com/complaints and are also available from the above address.

If **you** remain dissatisfied after Lloyd's has considered **your** complaint, or if **you** have not received a written final response within eight weeks from the date **your** complaint was received, **you** may be entitled

to refer **your** complaint to the Financial Ombudsman Service who will independently consider **your** complaint free of charge. Their contact details are:

Post: The Financial Ombudsman Service, Exchange Tower, London E14 9SR
Telephone: (Fixed): 0800 0234567 Tel (Mobile): 0300 1239123
Tel (Outside UK): +44 (0) 20 7964 0500
Fax: +44 (0)20 7964 1001
Email: complaint.info@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk

Alternatively, if you have bought a product or service online you may have the right to register your complaint with the European Commission's on-line dispute resolution (ODR) platform. The ODR platform will redirect your complaint to the appropriate alternative dispute resolution body.

For further details visit <http://ec.europa.eu/odr>

Please note:

- You** must refer **your** complaint to the Financial Ombudsman Service within six months of the date of Lloyd's final response.
- The Financial Ombudsman Service will normally only consider a complaint from private individuals or from a business that has an annual turnover of less than 2 million Euros and fewer than 10 employees.

General definitions

*The following definitions apply in all sections of this policy unless otherwise stated. Each time one of the words below is used it will have the same meaning wherever it appears in this policy or schedule. To help identify these words they will appear in **bold** in this policy wording.*

Note: Please read the additional definitions applicable to each section of the policy wording which can differ from the definition shown in the general definitions below.

Alarmed premises

The **premises** or those parts of the **premises** protected by the **intruder alarm system**.

Bodily injury

- a) Death, injury, illness or disease;
- b) mental injury, anguish or nervous shock sustained by any person as a result of actual or threat of bodily injury, death, illness or disease;
- c) false arrest, false imprisonment and false eviction.

Buildings

- a) buildings being built mainly of brick, stone, concrete or other non-combustible materials unless otherwise stated in the schedule.
- b) landlords fixtures and fittings in and on the buildings.
- c) small outside buildings, extensions, annexes, gangways.
- d) walls, gates and fences, yards, car parks, roads, pathways and loading bays;
- e) Services, meaning telephone, gas and water mains, electrical instruments, meters, piping, cabling and the like extending from the buildings to the perimeter of the **premises** or to the public mains (including those underground).

Business

The business stated in the schedule carried on in the **territorial limits** and for sections 7 and 8:

- a) Ownership, use, repair, maintenance and decoration of premises occupied by **you**;
- b) repair or maintenance of vehicles or plant owned or used by **you**;
- c) the provision and management of canteen, social, sports, educational and welfare organisations for the benefit of any **employee** and first aid, fire, security and ambulance services;
- d) participation in exhibitions held in member countries of the European Union in connection with the business specified in the schedule; and
- e) private work undertaken for **you** by any **employee** or for any director or **employee** with **your** consent.

Business hours

The usual working hours (including overtime) during which **you** or **your employees** entrusted with **money** are on the **premises** for the purpose of the **business**.

Computer virus

A set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network. **Computer virus** includes but is not limited to “Trojan Horses”, “worms”, and “time or logic bombs”.

Consequential loss

Loss resulting from interruption of or interference with the **business** carried on by **you** at the **premises** following **damage** to property used by **you** at the **premises** for the purpose of the **business**.

Costs and expenses (Sections 7 and 8)

- a) Claimants’ costs and expenses arising for any claim against **you** which may be the subject of cover under this policy.
- b) All cost and expenses incurred by **you** with **our** written consent for any claim against **you** which may be the subject of cover under this policy.

Damage

Loss, destruction of or damage to the property insured.

Denial of service attack

Any actions or instructions constructed or generated with the ability to **damage**, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks.

Employee

Any person who is:

- a) employed under a contract of service or apprenticeship with **you**;
- b) a labour master or supplied by a labour master;
- c) employed by labour only sub-contractors;
- d) self-employed and working for **you** and under **your** control;
- e) hired to or borrowed by **you**;
- f) supplied to **you** for the purposes of study, work or training experience;
- g) a prospective employee who is undergoing practical work experience whilst being assessed by **you** as to his or her suitability for employment;
- h) a voluntary helper while working under **your** supervision and control in connection with the **business**;
- i) an outworker or homeworker employed under a contract to personally carry out any work in connection with the **business** while they are engaged in that work.

Excess

This is the first part of any claim that **you** will have to pay after the application of all other terms and conditions of the insurance.

Hacking

Unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data, whether **your** property or not.

Insured person – applicable to Section 2 part 2 and additionally, for sections 7 and 8:

- a) **You** and **your** directors, partners, managers, officers and **employees** of **your business**.
- b) The estate, heirs, legal representatives or assigns of any persons mentioned in a) in the event of the person dying.
- c) Any other person who is contracted to perform work for **you**, who in all other respects **you** have arranged to insure on the same basis as **your** other **employees** and who performs work under **your** supervision.

Intruder alarm system

The component parts including the means of communication used to transmit signals detailed in the alarm specification agreed by **us**.

Keyholder/s

You or any **responsible person** or keyholding company **you** authorise:

- a) to accept notification of faults or alarm signals relating to the **intruder alarm system**; and
- b) to attend and allow access to the **premises**.

Money

Cash, bank and currency notes, postal and money orders, bankers' drafts, cheques, giro cheques, giro drafts, national giro payment orders, travellers cheques, crossed warrants, bills of exchange, securities for money, postage revenue, current postage stamps and unused postal franking machine units, national insurance and holiday with pay stamps, stamped national insurance and holiday with pay cards, national savings certificates, national savings stamps, saving stamps, war bonds, premium savings bonds, franking machine impressions, credit company sales vouchers, luncheon vouchers, trading stamps, VAT invoices, travel vouchers, travel tickets, airline tickets, uncrossed dividend warrants, consumer redemption vouchers, gift tokens, certificates of deposit and credit cards.

Offshore

From the time of embarkation by an **employee** onto a conveyance at the point of final departure to an offshore rig or offshore platform until disembarkation by that **employee** from a conveyance on to land upon return from an offshore rig or offshore platform.

Period of insurance

The period from the effective date shown in the schedule until midnight on the expiry date shown in the schedule. This includes any later period for which **we** may accept payment for renewal of this policy.

Phishing

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

Pollution

Pollution or contamination by naturally occurring or man-made substances, forces, organisms or any combination of them whether permanent or transitory and all loss, damage or injury, directly or indirectly caused by such pollution or contamination.

Premises

The premises stated in the schedule.

Property insured

Buildings, general contents, all other contents, stock and other property at the **premises** (in accordance with any specific exclusions) all as defined below or more fully described in the schedule and all belonging to **you** or for which **you** are responsible but excluding:

- a) property which is more specifically insured; and
- b) unless specifically notified to and accepted by **us** as insured:
 - i) land, piers, jetties, bridges, culverts or excavations;
 - ii) livestock, growing crops or trees unless they form part of the **general contents**.

Responsible person

You or any person **you** authorise to be responsible for the security of the **premises**

Stock

Stock and material in trade, work in progress and finished goods **your** property or for which **you** are responsible.

Tenants' improvements

Decorations, alterations and improvements to the **buildings** including landlords fixtures and fittings for which **you** are responsible as tenant and not as the owner.

Territorial limits

England, Scotland, Wales, Northern Ireland the Channel Islands and the Isle of Man.

Terrorism

- a) Acts of persons acting on behalf of or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of Her Majesty's government in the Territorial limits or any other legitimate government or accepted (illegitimate) government.
- b) Any action in controlling, preventing, suppressing, retaliating against or responding to any act or preparation for action or threat of action described in a) above.

Unoccupied

Any **building** or part of any **building** which is unoccupied or not in use by **you** or any tenant of **you** for more than thirty consecutive days.

Virus or Similar Mechanism

Program code, programming instruction or any set of instructions intentionally constructed with the ability to **damage**, interfere with or otherwise adversely affect computer programs, data files or operations, whether involving self-replication or not. The definition of virus or similar mechanism includes but is not limited to Trojan horses, worms and logic bombs.

We/us/our/Insurers/Underwriters

Insurer(s) named in the policy schedule.

You/your/Assured

The person, persons, partnership, firm, company, body corporate, trust or association stated in the schedule.

For sections 7 and 8 it also includes the following:

- a) Any of your associated or subsidiary companies provided they have been notified to and agreed by **us**;
- b) At your request:
 - i) any director or **employee** while acting on behalf of or in course of their employment or engagement with **you** for liability for which you would have been entitled to cover under this policy if the claim against any person had been made against you;
 - ii) any officer, member or **employee** in their respective capacities of your social, sports or welfare organisation or fire, first aid or ambulance service;
 - iii) any of your directors, partners or senior officials for private work carried out by any **employee** for them with your consent;
 - iv) any principal for legal liability for which you would have been entitled to cover under this policy if the claim had been made against you arising out of work carried out by you under a contract or agreement;
 - v) your personal representatives (in the event of your death) for liability incurred by you provided that if cover is extended to any party described in paragraphs i) to iii) above, that party will be bound to the terms of this policy so far as they can apply and in any event **our** liability will not exceed the limit of liability.

General conditions

These are conditions of the insurance that **you** need to meet as **your** part of this contract. There may be additional conditions under the sections within this policy as well as in any endorsements which attach to it. If **you** do not meet these conditions, **we** may need to reject a claim or a claim payment could be reduced.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact Capital Markets Underwriting Ltd.

1. Adjustment of premium

If the premium has been calculated on estimates given by **you**, **you** must keep an accurate record of all relevant particulars which must be available to **us** for inspection.

Within a reasonable time after the end of each **period of insurance**, **you** will supply to **us** an accurate statement in the form required so that the premium for that period can be calculated and the difference paid by or returned to **you**.

If **you** do not supply a statement within a reasonable time after the end of the **period of insurance**, **we** will be entitled to charge an additional premium for that **period of insurance**.

2. Average (Applicable to Section 1 – Material damage, Section 4 – Specified All Risks and Section 6 – Business interruption)

Wherever the sum insured is stated to be in accordance with average, if at the time of any **damage** the sum insured on any item of the **property insured** is less than the total value of the property, **you** will be considered as being **your** own insurer for the difference and will bear a rateable share of the loss accordingly.

3. Cancellation – our rights

We may cancel this policy or any section by giving 30 days' notice in writing by registered letter to **you** at **your** last known address and in this case **you** will be entitled to a proportionate return of premium for the unexpired term of this policy (other than in circumstances where **we** invoke the Fraudulent claims condition under the Claims conditions section or payment of a claim has been made, in whole or in part).

Reasons **we** may decide to cancel **your** policy include if:

- a) there is a material change in **your business**;
- b) there is reasonable suspicion of fraud or where there has been a deliberate or reckless misrepresentation of material facts and/or other non-disclosure;
- c) **you** do not co-operate or supply information or documentation that **we** request which materially affects our ability to process this policy or **our** ability to defend **our** interests;
- d) following a survey at any of **your** properties or sites **we** have required **you** to make risk improvements and **you** have not completed these within a reasonable period of time advised by **us**;
- e) the first or renewal premium has not been paid;
- f) threatening or abusive behaviour or the use of threatening or abusive language, intimidation or bullying of **our** staff or suppliers;

- g) not exercising **your** duty of care as required under General condition 6 – Maintenance and reasonable precautions contained in this policy and failing to put this right when **we** ask **you** by sending **you** 7 days' written notice to **your** last known address.

Where a claim has been made during the current **period of insurance**, the full annual premium will still be payable despite cancellation of cover and **we** reserve the right to deduct this from any claim payment.

4. **Change in circumstances or alteration to the risk**

If **you** would like to make changes to **your** policy please contact Capital Markets Underwriting Limited or **your** insurance agent.

If **you** are aware of any material changes to the information provided or if **you** become aware of any material changes **you** must tell **us** about those changes. **You** must take care when answering any questions **we** ask by ensuring that all information provided is accurate and complete.

If **you** need to change the information **you** have given **us** please contact Capital Markets Underwriting Ltd or **your** insurance agent as soon as reasonably practicable on becoming aware of that change.

Examples where **we** would need **you** to notify **us** of a change include:

- If any sums insured **you** have declared to **us** have increased or decreased;
- There is a change to the business **you** undertake that **we** do not know about;
- **You** move premises or make alterations to the **premises you** occupy;
- The security and fire protections **you** have declared to **us** change.

These are just some examples and there may be other circumstances **we** would want **you** to tell **us** about. If **you** are in any doubt, please contact Capital Markets Underwriting Limited or **your** insurance agent directly as failure to notify **us** of any changes could lead to **your** policy being cancelled, or a claim rejected or not fully paid.

If **you** are unsure whether a change to the information **you** have given **us** is material please contact Capital Markets Underwriting Limited or **your** insurance agent.

In addition **you** must notify **us** of any alteration to the information provided at the start or renewal occurring during the **period of insurance** at which time **we** may apply an additional premium or other additional terms or conditions.

5. **Interest Clause**

We agree to automatically note the interest of any other party if requested to do so by **you**, to any of the **property insured** and which attached before the happening of any **damage**, but only to the extent that the interest is not otherwise insured and provided that their identity is disclosed in writing to Capital Markets Underwriting Limited by **you** in the event of **damage**.

6. Maintenance and reasonable precautions

You will at **your** own expense:

- a) take all reasonable precautions to prevent or reduce **damage**;
- b) cease any activity which may give rise to liability under this policy;
- c) maintain all **buildings**, furnishings, ways, works machinery, caravans and vehicles in sound condition and good repair;
- d) exercise care in the selection and supervision of **employees**;
- e) remedy any defect or danger as soon as reasonably practicable after discovery and in the meantime take additional precautions as the circumstances may require; and
- f) comply with all statutory requirements and other safety regulations imposed by any authority.

7. Remedy for breach of the duty of fair presentation

A non-disclosure or misrepresentation is “deliberate or reckless” if:

- a) in the case of a misrepresentation, **you** knew it was untrue or misleading, or did not care whether it was untrue or misleading;
- b) in the case of a non-disclosure, **you** knew that the matter to which the non-disclosure related was material to **us**, or did not care whether or not it was material to **us**.

The burden will be on **us** to prove all matters set out in this condition.

Deliberate or reckless breach of the duty of fair presentation

If **you** deliberately or recklessly breach **your** duty of fair presentation of the risk this policy will be avoided from its start date and no premium will be returned.

Breach of the duty of fair presentation which is neither deliberate nor reckless

If **your** breach of the duty of fair presentation of the risk was neither deliberate nor reckless, and had **we** known the information which led to the breach from the start of the policy or at the time of its renewal, **we**:

- a) **would not have entered into the contract:**
we will cancel the policy and refuse to pay any claim, however, **we** will return any premiums paid;
- b) **would have applied different terms**
we will apply those different terms from the start of the policy. Any claims already made will be affected by **our** discovery and be subject to the different terms;
- c) **would have charged a higher premium**
we may reduce proportionately the amount to be paid on a claim (and if applicable, the amount already paid on previous claims). In these circumstances **we** will pay only X% of what **we** would otherwise have been required to pay, where $X = (\text{premium actually charged} / \text{higher premium}) \times 100$.

d) **would have applied different terms and charged a higher premium**

we will apply those different terms from the start of the policy. **We** may also reduce proportionately the amount to be paid on a claim (and if applicable, the amount already paid on previous claims). In these circumstances we will pay only X% of what we would otherwise have been required to pay, where $X = (\text{premium actually charged} / \text{higher premium}) \times 100$.

e) **would not have reduced the premium as much as we did or at all**

we may reduce proportionately the amount to be paid on a claim. In those circumstances, **we** will pay only X% of what **we** would otherwise have been required to pay, where $X = (\text{premium actually charged/reduced total premium}) \times 100$.

We or **your** insurance agent will write to **you** if **we** intend to apply one of the above proportional remedies.

8. **Unoccupied property**

A. **Notification**

We must be notified in writing by e-mail, letter or fax, as soon as practicable of any **unoccupied building** or **unoccupied** portion of a **building** that becomes occupied or any occupied **building** which becomes **unoccupied** or partially **unoccupied**.

B. **Security**

For an **unoccupied property** **you** must take the following steps:

- i) the gas, electricity (other than power required for an intruder or fire alarm system) and water supplies are turned off at the mains and all water pipes, apparatus and tanks are drained down (unless the central heating system is kept running to maintain a temperature of 5 degrees centigrade) during the period 1st October to 31st March. Where sprinkler systems are installed and water supplies must be maintained, heating must be maintained at a minimum temperature of 5 degrees centigrade;
- ii) **buildings** must be secured against unlawful entry by closing and locking doors and windows and setting any security and alarm systems;
- iii) the **premises** and yards are clear of all waste materials and redundant contents;
- iv) the letter box is permanently sealed shut or a non-combustible receptacle is permanently fixed to the letter box;
- v) the **premises** are inspected both internally and externally at least once a week by a responsible person to ensure that there is no deterioration in the fabric of the **buildings** and that compliance with conditions i) - iv) above continues.

In the event that i)-v) above are not complied with **we** will apply an excess of £2,500 for any claim arising under Section 1 – Material damage which will be effective from the date of discovery of the non compliance, in accordance with General condition 7.

Following notification as described in A Notification above, and/or a breach of your duty in complying with B. – Security as described above, **we** will have the right to impose additional terms, conditions and exclusions and charge a suitable additional premium which will be paid by **you** if required.

C. Theft damage to buildings

Where **unoccupied buildings** are insured under Section 1 – Material damage, **we** will pay **you** for **damage** to the **buildings** at the **premises** for which **you** are responsible by theft or attempted theft but not **damage**:

- i) caused to any property other than **buildings**;
- ii) caused by any person lawfully on the **premises**; or
- iii) more specifically insured by **you** or on **your** behalf.

The maximum amount **we** will pay is £50,000 in any one **period of insurance**.

D. Unauthorised persons on the premises

- i) upon **your** discovery of unauthorised persons being on the **unoccupied premises you** must inform **us** as soon as reasonably practicable;
- ii) **you** must take all reasonable measures to remove any unauthorised persons from the **premises** and that **we** are informed of progress on a weekly basis;
- iii) In the event i) or ii) above are not complied with **we** will apply an excess of £2,500 for any claim arising under Section 1 – Material damage.

Unauthorised persons are deemed to be persons entering and remaining on the **premises** without legal entitlement or **your** permission.

Claims conditions

1. Arbitration

If **we** agree to pay **your** claim and **you** disagree with the amount to be paid it may be referred to an arbitrator who is jointly appointed. Whether **we** or **you** bear the costs of the arbitration, or these are shared by **us** and **you** will be determined at the discretion of the arbitrator. Alternatively, depending on the size of **your business**, **you** may be able to refer **your** case to the Financial Ombudsman Service (FOS). In either case, this will not affect **your** right to take action against **us** over the disagreement.

2. Claims Co-operation

You must provide all help and assistance and co-operation reasonably required by **us** in connection with any claim.

3. Claims Procedures

These are conditions of the insurance that **you** need to meet as **your** part of this contract. If **you** do not meet these conditions, **we** may need to reject a claim or a claim payment could be reduced.

Things **you** must do:

You must comply with the following conditions. If **you** fail to do so, **we** may not pay **your** claim, or any payment could be reduced.

- a) **You** must notify **your** insurance agent as soon as reasonably practicable giving full details of what has happened.
- b) **You** must provide **your** insurance agent with any other information **we** may require.
- c) **You** must forward to **your** insurance agent as soon as reasonably practicable, if a claim for liability is made against **you**, any letter, claim, writ, summons or other legal document **you** receive.
- d) **You** must inform the police as soon as reasonably practicable following any loss caused by malicious acts, violent disorder, riots or civil commotion, theft, attempted theft or lost property.
- e) **You** must not admit liability or offer or agree to settle any claim without **our** written permission.
- f) **You** must take, or allow others to take, practical steps to prevent further **damage** or **bodily injury**, recover property lost and otherwise minimise the claim.

Under Section 2 – Money – part 2 Personal injury (robbery) the following claims procedures apply:

- 1) **You** must provide all certificates, information and evidence required by **us** in the form prescribed by **us** at **your** expense. The **insured person** will as often as required submit to medical examination on **our** behalf and expense in connection with any claim. In the event of the death of an **insured person**, **we** are entitled to have a post mortem examination at **our** own expense.
- 2) **We** will not be affected by notice of any trust, charge, lien, assignment or other dealing with this section and **our** liability will be discharged when **you** or **your** personal representative receive any damages payable.
- 3) The **insured person** or their personal representative will have no right to claim from or sue **us**.
- 4) If more than one party has an interest in the **insured person**, the benefit will represent the total.

Under Section 3 – Goods in transit the following claims procedures apply:

- A. **You** should keep any merchandise or package for which **you** are making a claim together with its packaging, as far as possible in the same state as delivered, so **we** or any person authorised by **us** can inspect it.
- B. **You** will at **our** expense assist **us** in providing any claim against carriers or others for any **damage** for which **we** will be liable.
- C. If **we** ask, **you** will assign the claim against the carriers or others to **us** so **we** can make the claim in **our** own name.
- D. Once a claim has been paid, any damages recovered from the carriers or others for any **damage** will belong to **us**, except that any amount recovered in excess of the sum paid by **us** as damages will belong to **you**.
- E. Once a claim has been paid, the property for which payment is made will belong to **us**.

4. Discharge of liability

Where in **our** opinion, the limit of liability or the sum insured of any claim may exceed the available limit of liability or sum insured **we** will be entitled at **our** discretion, to discharge **our** liability by paying the available limit of liability or sum insured to **you** or on **your** behalf and pay defence costs up to the date of that payment. In this situation, if at the time of payment **we** are conducting the defence of the claim, **we** will also relinquish that conduct.

5. Excess

Where stated in the schedule, **you** will be responsible for paying an **excess** in relation to each claim made by **you** under this policy.

6. Fraudulent claims

If **you** or anyone acting on **your** behalf makes a fraudulent claim under **your** policy, including providing fraudulent information or documentation, **we** will:

- a) refuse to pay the claim;
- b) seek to recover any of costs already incurred by **us** relating to the fraudulent claim;
- c) have the option to cancel the policy from the date of the fraudulent act; and
- d) keep any premium paid to **us**.

This will not affect separate claims made before the fraudulent act, unless they too were fraudulent.

7. Multiple insureds

The most **we** will pay is the relevant amount shown in the schedule or this policy.

If more than one insured is named in the schedule, the total amount **we** will pay will not exceed the amount **we** would be liable to pay were there only one insured named in the schedule.

You agree that if there is more than one insured named in the schedule, the first insured listed is authorised to receive all notices and agree any changes to this policy unless **we** are advised otherwise.

8. Other insurance

If the **damage** or liability which is the subject of a claim under this policy is covered by any other insurance **we** will not pay more than **our** proportionate share.

9. Salvage and recoveries

We may enter the **premises** where **damage** has occurred and take possession of or require to be delivered to **us** any property insured and deal with it in a reasonable manner but property may not be abandoned to **us**.

10. Subrogation

We are entitled to:

- a) take over and conduct the defence or settlement of any claim in **your** name or on **your** behalf at **our** discretion; and
- b) take steps to enforce rights against any other party before or after payment is made by **us**.

General exclusions

This policy will not insure or pay any claims for:

1. **Asbestos** Not applicable to Section 7 - Employers' liability

any loss, demand, claim or due to out of or related in any way to asbestos or asbestos containing materials.

2. **Cyber terrorism**

digital or cyber risks, that is:

- a) any loss caused by or contributed to, by, or arising from or occasioned by or resulting from:
- i) the alteration, modification, distortion, corruption of or **damage** to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part of it whether tangible or intangible (including but without limitation any information or programs or software); or
 - ii) any alteration, modification, distortion, erasure or corruption of data processed by any computer or other equipment or component or system or item;

whether **your** property or not, where the loss is caused by a **virus or similar mechanism, phishing or hacking or denial of service attack,**

or

- b) any legal liability or financial loss or expense, including but not limited to **consequential loss**, caused by or contributed to, by, or arising from or occasioned by or resulting from a **virus or similar mechanism, phishing or hacking or denial of service attack.**

3. **Date recognition**

damage caused by, contributed to or arising from the failure of equipment (including hardware and software) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.

We will cover further **damage** resulting from an insured cover, providing **damage** is covered elsewhere in this policy.

4. **Excess**

the **excess** shown in **your** schedule.

5. **Northern Ireland - civil commotion**

civil commotion in Northern Ireland. **Damage** is excluded regardless of any other cause, event or intervention that contributes concurrently or in any sequence to the **damage**.

6. **Radioactive contamination**

bodily injury, disablement or **damage** to any property, or any resulting loss or expense or any legal liability caused by, contributed to or arising from:

- a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from

any nuclear waste from the combustion of nuclear fuel;

- b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or its nuclear components;
- c) any weapon of war employing atomic or nuclear fission or fusion or other like reaction or radioactive force or matter; or
- d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter but this exclusion d) will not apply to radioactive isotopes other than nuclear fuel when those isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other peaceful purposes.

When applying to Section 7 – Employers Liability, this exclusion will apply only for **bodily injury** to an **employee** when **you** have under a contract agreed to:

- i) cover another party; or
- ii) assume the liability of another party,

for the **bodily injury**.

7. Terrorism

damage or financial loss or expense, occasioned by or happening through or following **terrorism**. In any action suit or other proceedings where **we** allege that any **damage** is not covered by this policy the burden of proving that **damage** is covered will be upon **you**.

This exclusion will apply to all sections of this policy, other than liability covered under section 8 – Public and products liability and Section 7 - Employers' liability to the extent that it is necessary to comply with the minimum requirements of the laws of the countries, crown protectorates and dependencies in the Territorial limits of Great Britain and Northern Ireland and the Channel Islands and the Isle of Man, relating to compulsory insurance of liability to **employees** and provided that the maximum limit for any one loss or series of claims arising from one source or original cause will not exceed £5,000,000.

8. War

any loss which is the result of any of the following, or anything connected with any of the following, whether or not the result has been contributed to by any other cause or event:

- a) war, hostile or warlike action in time of peace or war (whether or not declared) including action in hindering, combating or defending against an actual, impending or expected attack:
 - i) by government or sovereign power (legal or illegal) or by any authority maintaining or using military, naval or air forces, or any other armed forces or militia; or
 - ii) by military, naval or air forces, or any other armed forces or militia; or
 - iii) by an agent of any government, power, authority or force;
- b) any weapon of war employing nuclear or radioactive force or contamination whether in time of peace or war (whether or not declared), whether or not its discharge was accidental;

insurrection, rebellion, or action taken by a government authority in hindering, combating, or defending against an event, seizure or destruction.

Section 1 – Material damage

This is automatically included within the cover provided and will be shown as insured on your schedule

Additional definitions

*The following words will have the same meaning wherever they appear in this section of the policy or in the schedule or any endorsement relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions.*

All other contents

- a) Personal effects, pedal cycles, tools, instruments and the like belonging to **employees**, principals, directors, customers and visitors to the extent that they are not more specifically insured.
- b) Computer records, documents, manuscripts and business books.
- c) Patterns, models, moulds, plans and designs.
- d) **Money** and securities of any description.
- e) Wines, spirits, cigarettes and tobacco other than **stock**.
- f) Motor vehicles and their contents but only if they are not otherwise insured.
- g) Rare books or works of art.

General contents

Machinery, plant, fixtures and fittings, **tenants improvements**, alterations, decorations, improvements, internal and external glass being part of the **buildings** not owned by **you** but for which **you** are responsible, office equipment and **all other contents**.

Other property

Any other items of property not specifically insured above which **you** have advised to **us** and **we** have specified on the schedule.

Reinstatement

- a) The rebuilding or replacement of property lost or destroyed which may be carried out:
 - i) in any manner suitable to **you**; or
 - ii) on another siteprovided **our** liability is not increased; and
- b). The repair or restoration of property damaged

in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

Insuring clause

We will at **our** option pay for, repair or reinstate any **property insured** that sustains **damage** at the **premises** directly caused by any of the covers listed below provided they are shown as applying in the schedule.

We will not pay in any one **period of insurance** more than:

1. the total sum insured;
2. for any item its sum insured; or
3. any other stated limit of liability.
4.

a)	£750	per person per loss for personal effects, instruments and the like belonging to employees , principals directors, customers and visitors (to the extent that they're not insured elsewhere);
b)	£25,000	for any one loss of computer records, documents, manuscripts and business books.
c)	£1,000	in total in any one period of insurance for money and securities of every description.
d)	£2,500	in total in any one period of insurance for damage by theft of wines, spirits, cigarettes and tobacco (other than stock).
e)	£1,000	in total in any one period of insurance for rare books or works of art.
f)	£250	per person per loss for pedal cycles.
g)	£750	per person per loss for jewellery, furs, watches, contact lenses, portable electronic entertainment equipment or cameras.

Covers (which are provided as standard unless indicated otherwise in your schedule or by endorsement).

1. **Fire, lightning and explosion** but not **damage** caused by:
 - i) earthquake, subterranean fire, riot, civil commotion;
 - iii) its undergoing any heat process or any process involving the application of heat;
 - iv) explosion of non – domestic steam pressure machinery or equipment under **your** control.
2. **Aircraft** or other aerial devices or articles dropped from them but not **damage** caused by:
 - i) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
 - ii) fire.
3. **Riot, civil commotion, strikers, locked out workers** or persons taking part in labour disturbances or **malicious persons** but not **damage** arising from:
 - i) confiscation, requisition or destruction by order of the government or any public authority;
 - ii) stopping work;
 - iii) fire caused by strikers, locked out workers or persons taking part in labour disturbances or malicious persons;
 - iv) theft or attempted theft directly caused by malicious persons to any **building** which is **unoccupied**.
4. **Earthquake** or **subterranean fire**.
5. **Storm** but not **damage**:
 - i) caused by lightning, frost, subsidence, ground heave or landslip;
 - ii) for movable property in the open (other than motor vehicles), fences and gates.
6. **Flood** but not **damage**:
 - i) due solely to change in the water table level;
 - ii) caused by lightning, frost, subsidence, ground heave or landslip;
 - iii) for movable property in the open (other than motor vehicles), fences and gates.
7. **Escape of water** from any tank apparatus or pipe but not **damage**:
 - i) by water discharged or leaking from any automatic sprinkler installation;
 - ii) for any **building** which is **unoccupied**.
8. **Accidental discharge or leakage** from any automatic sprinkler installation provided the discharge or leakage is not caused by:
 - i) freezing or when the **premises** are unoccupied.
 - ii) explosion, earthquake, subterranean fire or heat caused by fire.
9. **Impact** by any road vehicle or animal.

10. **Accidental damage** but not:

- i) **damage** caused by
 - a) any of the covers specified above;
 - b) the causes expressly excluded from the covers specified above;
 - c) inherent vice, latent defect, gradual deterioration, wear and tear, faulty or defective design or materials;
 - d) faulty or defective workmanship, operational error or omission on the part of **you** or any **employee** but this will not include further **damage** which itself results from a cause not otherwise excluded;
 - e) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects;
 - f) change in temperature, colour, flavour, texture or finish;
 - g) the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunication services;
 - h) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any steam and feed piping connected to them;
 - i) mechanical, electronic, electrical or computer breakdown or derangement of the particular machine, apparatus or equipment in which the breakdown or derangement originates but this will not exclude later **damage** so long as it is not excluded above;
 - j) **pollution**;
 - k) normal settlement or bedding down of new structures;
 - l) acts of fraud or dishonesty;
 - m) disappearance, unexplained or inventory shortage, misfiling or misplacing of information;
 - n) **damage** to a **building** or structure caused by its own collapse or cracking;
 - o) any process of production, packing, treatment, testing, commissioning, servicing or repair;
 - p) nationalisation, confiscation, requisition, seizure or destruction by the government or any public authority.
- ii) **damage** to:
 - a) movable property in the open (other than motor vehicles), fences and gates caused by wind, rain, hail, sleet, snow, flood or dust,;
 - b) vehicles (other than stock of motor vehicles), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft (including accessories);
 - c) property or structures in course of construction or erection and materials or supplies in connection with this other than internal alterations or refurbishments not more specifically insured under a contract works policy;
 - d) glass.

11. i) **Glass breakage** at the **premises** all being plain sheet or plain plate glass unless stated otherwise in the schedule including the cost of boarding up and any lettering and artwork.
- ii) **Damage to:**
- a) the contents of display windows;
 - b) windows and doorframes, vitrolite, marble, marmerile and similar materials, intruder alarm foils and other detection devices and circuits;
 - c) electric light fittings; or
 - d) neon and illuminated signs

as a direct result of glass breakage as defined under paragraph 11. i) provided that **our** liability will not exceed £10,000 in total.

12. Breakage of fixed sanitaryware but not breakage or **damage:**

- i) in vehicles, vending machines or to **stock**;
- ii) in any **building** which is **unoccupied** unless specifically agreed by **us**;
- iii) in transit or while being fitted;
- iv) due to settlement, expansion or contraction of frames or fittings in **buildings** under construction and during a period of six months after the date of completion;
- v) existing before the start of the **period of insurance**;
- vi) of neon and illuminated signs and electric light fittings;
- vii) by wear and tear, gradual deterioration, mechanical or electrical breakdown or removal from the fixed position other than by theft or attempted theft;
- viii) of bulbs or tubes unless the signs or fittings are also damaged.;
- ix) caused by fire or explosion.

13. Theft or attempted theft but not:

- i) **damage** which does not involve:
 - a) entry to or exit from a **building** by forcible and violent means; or
 - b) actual or threatened assault or violence.

This exclusion does not apply to theft of items which are fixed to the building.

- ii) loss from any part of the **building** not occupied by **you** for the purpose of the **business**;
- iii) loss from the open or from any outbuilding not communicating with the main **building** unless otherwise specified;
- iv) **damage** to property in transit;
- v) **damage** to **money** and securities of any description.

For the purpose of this cover **building** does not include walls, gates, fences, yards, car parks, roads, pathways and loading bays.

This cover is optional and will be shown in your schedule if included.

14. **Subsidence, ground heave or landslip** of any part of the site on which the property stands but not **damage**:
- i) to yards, car parks, roads, pavements, walls, gates and fences unless also affecting the structure of a **building**.
 - ii) caused by
 - a) normal settlement or bedding down of new structures;
 - b) settlement or movement of made up ground;
 - c) coastal or river erosion;
 - d) fire, subterranean fire, explosion, earthquake or the escape of water from any tank apparatus or pipe.
 - iii) which originated before the inception of this cover.
 - iv) resulting from:
 - a) demolition, construction, structural alteration or repair of any property; or
 - b) groundwork or excavationat the same **premises**.

Special condition to cover 14

- a) **You** must notify **us** as soon as reasonably practicable that **you** become aware of any demolition, groundworks or excavation being carried out on any adjoining site.
- b) **We** will then have the right to vary the terms or cancel this cover.

Additional cover – all provided as standard

1. Additional costs following theft

We will cover **you** for:

- a) the reasonable costs incurred in repairing **damage** to the **buildings** (whether or not the **buildings** are insured under this section) if **you** are responsible for the repairs and the **damage** is not otherwise insured; and
- b) the expenses incurred in necessarily replacing locks to **buildings**, safes or strongrooms at the **premises** following theft (if insured) of keys from the **building** or the residence of **you** or any of the **keyholders** up to £10,000 any one loss.

We will not pay more than £50,000 for all losses occurring during any one **period of insurance**.

2. Additional metered electric, water or gas charges

The insurance covers additional metered electric, water or gas charges **you** incur as a result of **damage** by an insured cover to **buildings**. Provided that repairs are completed within 30 days of the **damage** being discovered.

We will calculate the amount to be paid by comparing the charge made by the water suppliers for the period during which the **damage** occurred with the charges for the previous period, adjusted for any relevant factors affecting **your** consumption of water during the periods concerned.

We will not pay more than £10,000 in total for any one **period of insurance** excluding the cost or value of metered water or heating oil lost when the **premises** are **unoccupied**.

General condition 2. Average does not apply to this cover.

3. Additions

The insurance extends to include:

- a) any newly acquired or built property which is not insured elsewhere; and
- b) alterations, additions and improvements to **buildings** insured or **buildings, forecourt facilities** or **general contents** acquired or constructed at any **premises** but not increases in value

anywhere within the **territorial limits**.

We will not pay under this additional cover in any one situation more than 15% of the sum insured on **buildings** and **general contents** or £500,000 whichever is the lesser.

You must advise **us** of all the additional property within 6 months and pay the appropriate additional premium from the date on which the items become **your** responsibility.

Once the premium has been paid for the additional property, the provisions of this additional cover are reinstated.

4. Clearing of drains

We will cover expenses up to a maximum of £25,000 necessarily incurred in clearing, cleaning or repairing drains, gutters, sewers and the like for which **you** are responsible as a result of the operation of an insured cover.

5. Contracting purchaser's interest

If at the time of **damage**, **you** have contracted to sell **your** interest in any **building** insured and the purchase has not been but will be completed, the purchaser on completion will be entitled to benefit under this policy without prejudice to the rights and liabilities of **you** or **us** from the date of the **damage** until completion as long as the purchaser has not otherwise insured the **building** against the **damage**.

6. Customers, agents, suppliers and sub-contractors premises

The insurance on **general contents** and **stock** applies to the premises:

- a) of any machine maker, engineer, founder or other metal worker;
- b) of any customer, agent, supplier or exhibition; or
- c) of any sub-contractor

but not any **premises** occupied by **you** in the **territorial limits** with a limit overall of 10% of the sum(s) insured on these items or £100,000 whichever is the less.

7. **Customers' goods**

If **you** have intimated to **your** customers that **you** have accepted responsibility for **damage** to their goods or goods for which they may be legally responsible and which are temporarily in **your** custody and control, **we** agree that all goods will be held to be insured by this policy as **stock** unless they are more specifically insured elsewhere.

8. **Debris including stock removal**

The sum insured for each item of **property insured** includes costs and expenses **you** necessarily incur with **our** consent for

- a) removing debris from;
- b) dismantling or demolishing;
- c) shoring or propping up; or
- d) boarding up

those parts of the **property insured** damaged by any cover insured.

We will not pay:

- i) more than the sum insured for each item; or
- ii) for any costs or expenses:
 - a) incurred in removing debris except from the site of property damaged and the area immediately adjacent to it; or
 - b) arising from **pollution** of property not insured by this policy.

9. **European Union and public authorities**

The insurance by this section extends to include the additional cost of reinstatement that may be incurred solely by reason of the necessity to comply with the stipulations of:

- a) European Union legislation, or
- b) building or other regulations under or framed in pursuance of any Act of Parliament or public authority bylaw

for the damaged **property insured** and any undamaged portions but excluding the following.

- i) The cost incurred in complying with the stipulations:
 - a) for **damage** occurring before the inception of this additional cover;
 - b) for **damage** not insured by the section;
 - c) under which notice has been served on **you** before the happening of the **damage**;
 - d) for which there is an existing requirement, which has to be implemented within a given period; or
 - e) for property entirely undamaged by any insured cover.

- ii) The additional cost that would have been required to make good the property damaged to a condition equal to its condition when new, had the necessity to comply with the stipulations not arisen.
- iii) The amount of any charge or assessment due to capital appreciation which may be payable for the property or by its owner by reason of compliance with the stipulations.

Special conditions

1. The work of reinstatement must start and be carried out without unreasonable delay, and in any case must be completed within twelve months after the **damage** or within any further time that **we** may allow (during the twelve months), and may be carried out upon another site (if the stipulations require it) however **our** liability under this additional cover will not be increased by this.
2. If **our** liability under any item of the section, apart from this additional cover, is reduced by the application of any of the terms and conditions of this policy, then **our** liability under the additional cover will be similarly reduced.
3. The total amount recoverable under any item of the section for this additional cover will not exceed:
 - i) for the damaged property:
 - a) 15% of its sum insured;
 - b) where the sum insured by the item applies to property at more than one **premises**, 15% of the total amount for which **we** would have been liable had the **property insured** at the **premises** where the **damage** has occurred been wholly destroyed; or
 - ii) for undamaged portions of property (other than foundations), 15% of the total amount for which **we** would have been liable had the **property insured** at the **premises** where the **damage** occurred been wholly destroyed.
4. The total amount recoverable under any item of this policy will not exceed its sum insured.
5. All the terms and conditions of this policy, except where they are varied by this additional cover, will apply as if they had been incorporated in it.

10. Fire extinguishing expenses

We will pay the reasonable costs incurred by **you** for

- a) refilling fire-extinguishing appliances and replacing used sprinkler heads solely following insured **damage**;
- b) extinguishing operations in order to minimise loss; and
- c) **damage** to lawns, trees, shrubs and gardens caused by extinguishing operations.

11. Premises of exhibitions

The insurance on **general contents** and **stock** applies also at any exhibition premises up to a maximum of 15 consecutive days, including while in transit to and from, within the **territorial limits**. The maximum **we** will pay is £20,000 in any one **period of insurance**.

We will not be liable for the first £250 of each loss.

12. Professional fees

The sum insured for each item on **buildings** and **general contents** includes an amount for professional fees necessarily and reasonably incurred in the **reinstatement** of the **property insured** but not for preparing any claim.

We will not pay more than the sum insured for each item.

13. Property at other locations

This policy applies to the following **property insured** while it is not on the **premises** except that:

- a) the insurance applies only if the **property insured** is not otherwise insured;
- b) this additional cover applies only to **damage** occurring within the **territorial limits**; and
- c) **our** liability for any one loss will not exceed the limits shown below:
 - A. Computer records, documents, manuscripts and business books at any location and while in transit. The maximum **we** will pay is 10% of sum insured or £25,000 whichever is the lesser;
 - B. **Stock** (excluding goods held in trust) at any location used by **you** for storage. The maximum **we** will pay is £25,000 or 15% of the **stock** sum insured whichever is the lesser at any one location or £500,000 in total in the **period of insurance**;
 - C. **Other property** (excluding vehicles licensed for road use) at any location to which the property has been temporarily removed for cleaning, renovation or repair. The maximum **we** will pay is £25,000 or 15% of the sum insured whichever is the lesser.

14. Rent

If **we** cover rent of **buildings** which suffer **damage**, **we** will pay:

- a) for rent receivable, the actual reduction in rent received solely following **damage**;
- b) for rent payable, the amount of rent which continues to be payable by **you** for the **building** or parts of the **building** whilst unfit for occupation following **damage**.

Our cover will be limited to the loss suffered within the period of rent insured as shown in the schedule which starts from the date of the **damage**.

15. Seasonal increases

Any sum insured for **stock** is increased by 25% for the months of November and December, the first 14 days of January and for a period of 30 days preceding Easter Day in each **period of insurance**.

16. Subrogation waiver

In the event of a claim arising under this policy, **we** agree to waive any rights, remedies or relief to which **we** might become entitled by subrogation against

- a) any company standing in the relation of parent to subsidiary (subsidiary to parent) to **you** as defined in the Companies Act or Companies (N.I.) Order current at the time of the **damage**;
or
- b) any company which is a subsidiary of a parent company of which **you** are a subsidiary as defined in the Companies Act or Companies (N.I.) Order current at the time of the **damage**.

17. Theft of building fabric

We will cover **you** for:

- a) **damage** to the external fabric of any **building(s)** insured by this section as a result of theft or attempted theft;
- b) **damage** following entry of rainwater as a result of theft or attempted theft of the external fabric of the **buildings**.

This cover excludes:

- i) any **buildings** which are **unoccupied**;
- ii) the **excess** shown in **your** schedule for each and every claim for each separate **premises** shown in **your** schedule.

Our liability for any one loss will not exceed £2,500 any one loss.

18. Trace and access

In the event of **damage** resulting from escape of water or oil as covered by this policy, **we** will pay

- a) the costs necessarily and reasonably incurred in locating the source of the **damage** and then making good; and
- b) the cost of repairing or replacing tanks, apparatus, pipes or appliances which have been damaged by freezing.

We will not pay more than £25,000 for any one loss.

19. Unauthorised use of supplies

Cover includes the cost of water, gas, electricity or other metered supply charges **you** incur and for which **you** are legally responsible, up to an amount of £5,000 any one loss, due to unauthorised use by persons taking possession of, keeping possession of or occupying any **building** without **your** written consent, provided that:

- a) **you** take all practicable steps to terminate unauthorised use as soon as it is covered;
- b) **you** have complied with the Claims conditions - 3 Claims procedures.
- c) notification of possession is given to **us** as soon as practicably possible upon **you** becoming aware of it.

20. Underground services

We will pay for:

- a) accidental **damage** not otherwise excluded to underground water, gas, oil, drain or sewer pipes and underground electricity or telephone cables which extend from the **premises** to the public mains and for which **you** have responsibility for repair or reinstatement; and
- b) **costs and expenses** incurred in clearing and cleaning drains, gutters, sewers, drain inspection covers and similar underground service areas for which **you** are responsible following any cover insured by this section.

We will not pay more than £5,000 in any one **period of insurance**.

21. Workmen and alteration to the premises or business

Workmen and tradesmen are allowed in or about the **premises** for maintenance purposes and for undertaking minor repairs and alterations without affecting this policy, but **we** have insured **you** on the basis of information supplied and cover under this policy will cease if:

- a) there are changes to the **premises** or the **building** in which it is located or to **your business** which may increase the risk of **damage**, liability, accident or injury; or
- b) there are changes in the occupancy or use of the **premises**.

Conditions

Included here are the conditions of the insurance that **you** need to meet as **your** part of this policy. If **you** do not meet these conditions, **we** may need to reject a claim or a claim payment could be reduced.

1. Automatic reinstatement after a loss

Unless **we** advise **you** to the contrary, **our** liability will not be reduced by the amount of any loss as long as

- a) **you** pay the appropriate additional premium for reinstatement of cover; and
- b) **you** carry out any reasonable recommendations **we** put forward to prevent further loss.

If the **damage** is as a result of theft (if insured) automatic reinstatement will apply once in each **period of insurance**.

2. Basis of settlement

Reinstatement

The basis upon which **we** will calculate the amount **we** will pay for any claim for **damage** to the **buildings** will be the **reinstatement** of the property lost, destroyed or damaged, provided that:

- a) where the **building** is:
 - i) destroyed, **we** will pay for its rebuilding or replacement by similar property in a condition as good as, but not better or more extensive than, its condition when new.
 - ii) damaged, **we** will pay for the replacement or repair of the damaged portion to a condition as good as, but not better or more extensive than, its condition when new.

However, **we** will not pay more than **we** would have done had the property been completely destroyed.

- b) The reinstatement works:
 - i) may be carried out on another site and in a manner suitable to **your** needs should **you** elect to do so.

However, **our** liability must not be increased.
 - ii) must begin and be carried out as quickly as reasonably practicable.

The maximum **we** will pay under this section in any one **period of insurance** will not exceed:

- a. the sum insured; or
- b. the total sum insured, or

- c. any other maximum amount payable or the limit of liability specified in this section or the schedule.

3. **Computer system records**

It is a condition of liability that computer systems records used in connection with the **business** are backed up on a daily basis with a copy being kept elsewhere than at the **premises**.

4. **Contract price**

If goods sold but not delivered for which **you** are responsible suffer **damage** and as a result the sale contract is cancelled either wholly or to the extent of the **damage**, **our** liability will be based on the contract price and the value of all goods to which this clause applies will be calculated on this basis.

5. **Designation**

For the purpose of determining the heading under which any property is insured, **we** agree to accept the designation under which the property has been entered in **your** books.

6. **Foundations**

For any sum insured on **buildings**, those parts of the foundations and incombustible floors of **buildings** (other than machinery foundations) more than 8 cms below the level of floors of the lowest storeys (whether the floors constitute the flooring of the basements or otherwise) are excluded from this insurance except where they are within a radius of 60 cms around and below any structural column or similar superstructure support.

7. **Fire extinguishing appliances**

If **you** maintain fire-extinguishing appliances at the **premises**, **you** must ensure all appliances are in good working order and remedy promptly any defects.

Providing **you** do this, **we** agree **we** will not invalidate this policy because of any defect in any of the appliances due to circumstances unknown to or beyond **your** control

8. **Non-invalidation**

This policy will not be invalidated by any act, omission or alteration where the risk of damage is increased unknown to or beyond **your** control, provided that as soon as reasonably practicable after **you** become aware of it **you** tell **us** and pay any additional premium required.

9. **Re-erection**

The insurance within the limits of the sum insured for **general contents** includes the cost of re-erection and fixing machinery and plant because of **damage** covered by this policy.

Exclusions

We will not pay for the following:

1. **damage** to property caused by the bursting of a boiler, economiser, vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under **your** control other than a boiler used for domestic purposes only, but this will not exclude further **damage** to property which itself results from a cause not otherwise excluded.
2. **damage** to property consisting of:
 - a) subsidence, ground heave or landslip unless resulting from fire, explosion, earthquake or the escape of water from any tank apparatus or pipe unless otherwise stated in the schedule;
 - b) normal settlement or bedding down of new structures;
 - c) acts of fraud or dishonesty or arising from the purchase by **you** of any motor vehicle involving defective title;
 - d) sprinkler leakage unless otherwise stated in the schedule.
3. **damage**:
 - a) arising directly from theft or attempted theft:
 - i) involving any member of **your** household or **employee** unless resulting from violent and forcible entry to or exit from a building;
 - ii) involving parting with title of possession of any **property insured** if induced to do so by fraud, trick or false pretence unless specifically mentioned as insured;
 - iii) of hand tools unless they are kept after the workshop has closed for business within a secured toolbox or cabinet which must be contained in a locked storeroom or vehicle (but not a private car) or secured to the internal structure of the **building**.
 - b) arising directly from the theft or attempted theft of token or coin-operated amusement machines or their contents unless specifically mentioned as insured.
4. for motor vehicles:
 - a) loss or **damage** following theft of or from a **motor vehicle** resulting directly from the vehicle being left with its keys on or within the vehicle, or the keys not being in **your** possession following the theft of a vehicle without obvious signs of a break-in to the **premises** to obtain the keys (unless, at the time of the loss, the vehicle was within a securely locked **building**, the keys to which were removed to a place of safety);
 - b) loss or shortage discovered only at stocktaking or during inventory; or
 - c) loss or **damage** by theft where possession is obtained by fraud, trick or false pretence.
5. **damage** to property caused by or consisting of misfiling or misplacing of information unless mentioned specifically as insured.
6. **damage** to a **building** or structure caused by its own collapse or cracking unless resulting from **defined covers** insofar as it is not otherwise excluded.
7. **damage** to property for:
 - a) fixed glass, solar panels and associated framework or intruder alarm foil if attached;
 - b) other glass (other than fixed glass in any motor vehicle) china, earthenware, marble or other fragile or brittle objects; or

- c) computers or data-processing equipment

unless caused by or resulting from an insured cover insofar as it is not otherwise excluded.

8. **damage** for:

- a) jewellery, precious stones or metals, bullion, medals, furs, curiosities, works of art or rare books; or

- b) property in transit

unless caused by or resulting from an insured cover insofar as it is not otherwise excluded.

9. **damage** to:

- a) any motor vehicle due to the use of that vehicle in circumstances requiring compulsory insurance or security under Road Traffic legislation other than any motor vehicle parked on the **premises** and without a driver in attendance;

- b) property or structures in course of construction or erection and materials or supplies in connection with all the property in course of construction or erection;

- c) lands, roads, pavements, piers, jetties, bridges, culverts or excavations;

- d) living creatures, growing crops or trees; or

- e) any railway locomotive, rolling stock watercraft or aircraft

except as specifically mentioned as insured insofar as it is not otherwise excluded.

10. **damage** to any property more specifically insured by **you** or on **your** behalf.

11. **damage** to tyres by application of brakes or by punctures cuts or bursts.

12. **damage** to any electrical plant, apparatus or fittings directly caused by its own overrunning, short-circuiting, excessive pressure or self-heating, but if fire extends to any other part of the plant or appliances or **other property** the **damage** is not excluded.

13. **damage** to property caused by, consisting of or resulting from **pollution** except where:

- a) the **pollution** itself results from an insured cover; or

- b) an insured cover itself results from **pollution**.

Section 2 – Money

This section only applies if shown as insured in the schedule

Part 1 – Loss of money

Additional definitions

*The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsement relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions.*

Limits any one loss

As stated in the schedule for:

1. Stamped National Insurance cards, unused tax discs, crossed cheques (including crossed giro cheques and drafts but excluding pre-signed blank cheques) crossed money orders, crossed postal orders, crossed bankers draft, crossed warrants, National Savings certificates, premium savings bonds, unused units in franking machines, credit company sales vouchers and VAT invoices.
2. **Money** other than as described in item 1 not contained in locked safes:
 - a) in **your premises** outside **business hours**;
 - b) in the private houses of **your** principals or authorised **employees** or the premises of solicitors or authorised agents to the extent that **money** is not otherwise insured;
3. **Money** other than as described in item 1 from locked safes outside **business hours**.
4. Any other loss of **money** other than as described in item 1 insured by this section.

Insuring clause

We will cover **you** for loss of or **damage** to **money**, **your** property or for which **you** are responsible, in the course of the **business** up to the limit any one loss as stated in the schedule:

Conditions

Included here are the conditions of the insurance that **you** need to meet as **your** part of this policy. If **you** do not meet these conditions, **we** may need to reject a claim or a claim payment could be reduced.

1. It is a condition that any **money** (other than described in Item 1) in transit other than by an approved security organisation will be accompanied by at least
 - a) 2 persons for amounts over £3,000 but less than £6,000; or
 - b) 3 persons for amounts over £6,000 up to £10,000
 - c) an approved security organisation for amounts over £10,000
2. It is a condition under item 3 of the schedule (**money** from locked safes outside **business hours**) that, outside **business hours**, the safes are kept locked and the keys of the safes are not left on the **premises** unless:
 - a) the **premises** are occupied by **you** or an authorised **employee**, in which case the keys if left on the **premises** must be kept in a secure place not in the vicinity of the safes; or
 - b) if the **premises** are unoccupied, the keys to the safe(s) detailed under item 3 on the schedule are placed in a separate locked safe or strongroom and the keys to this removed from the **premises**. In this event, **our** maximum liability will not exceed the limit of liability stated in the schedule under item 3 or £5,000 whichever is the lesser for loss of **money**.

If **you** do not comply with this special condition, **we** will deal with any loss of **money** under Item 2 i) of the schedule (**money** not contained in locked safes in **your premises** outside **business hours**), provided that **our** maximum liability will not in total exceed the **limit any one loss** stated in the schedule.

3. It is a condition for **damage** that:
 1. the **alarmed premises** are protected by the **intruder alarm system** whenever they are closed for business or left unattended.
 2. the **intruder alarm system** is maintained in full and good working order under a contract to provide both corrective and preventative maintenance with the installing company or the other company agreed with **us**.
 3. no alteration to or substitution of:
 - a) any part of the **intruder alarm system**;
 - b) the procedures agreed with **us** for police or any other response to any activation of the **intruder alarm system**; or
 - c) the maintenance contractwill be made without **our** written agreement.
 4. No structural alteration of or changes in the layout to the **premises** that could affect the operation of the **intruder alarm system** will be made without **our** written consent.
 5. the **alarmed premises** will not be left without at least one **responsible person** on them without **our** agreement:
 - a) unless the **intruder alarm system** is set in its entirety with the means of communication used to transmit signals in full operation; or

- b) if the police have withdrawn their response to alarm calls.
- 6. all keys to the **intruder alarm system** are removed from the **premises** when they are left unattended.
- 7. the **keyholders** will keep all codes for the operation of the **intruder alarm system** secret and will not leave details of them on the **premises**.
- 8. **you** must appoint at least two **keyholders** and lodge written details (which must be kept up to date) with the police and the alarm company who are contracted to maintain the alarm.
- 9. if the **intruder alarm system** is activated or the communication signal interrupted then (unless alternative procedures have been agreed with **us** in writing) a **keyholder** will attend the **premises** as soon as reasonably possible following notification and will not leave without leaving there at least one **responsible person** until the provisions of paragraph 5 have been complied with.
- 10. in the event of **you** receiving any notice:
 - a) that police response to alarm signals/calls from the **intruder alarm system** may be withdrawn or the level of response reduced or delayed;
 - b) from a local authority or magistrate imposing any requirements for abatement of a nuisance; or
 - c) from the installing company or other company as agreed by **us** that the **intruder alarm system** cannot be returned to or maintained in fully working order

you will advise **us** as soon as reasonably practicable and in any event not later than 10.00 am on the next working day and comply with all **our** later requirements.

Special condition

It is a condition that, before **we** agree the alarm specification and maintenance contract arrangements, **you** will comply with all the requirements detailed above as if **we** had agreed the specification and maintenance arrangements.

Exclusions

We will not be liable for the following:

1. loss by theft by any of **your** directors, partners or **employees**:
 - a) not discovered within fourteen working days of it happening; or
 - b) more specifically insured by any other policy or policies except for any excess beyond the amount payable under the other policy or policies.
2. loss arising elsewhere than in the **territorial limits**;
3. loss from an unattended vehicle unless the vehicle is stolen at the same time or the vehicle is securely locked and **money** stored out of sight at the time of the loss;
4. loss due to the dishonesty of any director, partner, principal or **employee** unless it is discovered and reported to **us** within 14 days;
5. loss due to falsification of accounts;
6. loss more specifically insured under another policy except for any amount in excess of the amount payable under this policy;
7. loss arising from shortages due to error, omission, depreciation in value or the use of counterfeit **money**;
8. loss of **money** or contents from any gaming or vending machine in excess of £500;
9. loss arising from **consequential loss** of any kind;
10. loss or **damage to money** during transit by post (other than registered post).

Part 2 – Personal injury (robbery)

Additional definitions

*Each time one of the definitions below is used in this section it will have the same meaning wherever it appears in this section or in the schedule or any endorsement applicable to this section. To help identify these words they appear in **bold** in this section wording. Please also refer to the General definitions.*

Bodily injury (the general definition of bodily injury does not apply)

Injury resulting solely and directly from accident caused by outward, violent and visible means which will directly and independently of any other cause result in death or disablement.

Loss of limb

- A. in the case of an upper limb, the physical severance of four fingers through or above the meta-carpo phalangeal joints or permanent total loss of use of an entire arm or hand.
- B. in the case of a lower limb, the physical severance at or above the ankle or permanent total loss of use of an entire leg or foot.

Loss of sight

Permanent and total loss of sight which will be considered as having occurred:

- A. In both eyes if the **insured person's** name is added to the Register of Blind Persons on the authority of a fully qualified ophthalmic specialist;
- B. in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen scale (meaning seeing at 3 feet what the **insured person** should see at 60feet).

Medical expenses

The cost of medical, surgical or other remedial attention, treatment or appliances given or prescribed by a qualified member of the medical profession and all hospital, nursing home or ambulance charges.

Permanent total disablement

Bodily injury (not resulting in **loss of limb** or **loss of sight**) which is the sole and direct cause of the **insured person** being totally disabled and prevented from attending to any business or occupation, with proof satisfactory to **us** that the disablement has continued for 104 weeks from the date of the loss and will in all probability continue for the remainder of the life of the **insured person**.

Temporary partial disablement

Bodily injury which is the sole and direct cause of the **insured person** being partially disabled and prevented from attending to a substantial part of his business or occupation.

Temporary total disablement

Bodily injury which is the sole and direct cause of the **insured person** being totally disabled and prevented from attending to his business or occupation.

Insuring clause

- a) **We** will pay the benefits stated in the table of benefits below for **bodily injury** sustained by the **insured person** as a result of robbery or attempted robbery arising in the course of the **business** and within two years resulting in any of the following:

Table of benefits

1.	Death.	£10,000
2.	Loss of sight.	£10,000
3.	Loss of limbs.	£10,000
4.	Permanent total disablement (other than by loss of limb or loss of sight).	£10,000
5.	Temporary total disablement.	£100 per week
6.	Temporary partial disablement.	£50 per week
7.	Damage to clothing or personal effects (including up to £25 per person for personal money) belonging to you or any of your employees up to a limit of £500 any one person.	

- b) **We** will reimburse **you** for **medical expenses** necessarily incurred in the treatment of the **insured person** up to 15% of any amount paid under benefit 5 and 6.

Benefits

The benefits applicable are as stated in the schedule.

Limits of amounts payable

1. The benefit under item 5 and 6 will not be payable for more than 104 weeks for any one injury calculated from the start date of disablement.
2. If and when benefit becomes payable under any of items 1-3, any weekly benefit being paid in connection with the same injury will cease.
3. **Permanent total disablement** must have lasted for 104 weeks and have been proved to **our** satisfaction to be permanent and without expectation of recovery before benefit under item 4 becomes payable.
4. Payment of a claim under one of the items 1, 2, 3 or 4 will end the cover granted insofar as it applies to the **insured person** concerned.
5. No benefit will be payable for more than one of the items 1 to 4 for the same injury.
6. No benefit will be payable for death or disablement consequent upon aggravated or prolonged by any pre-existing physical or mental defect, infirmity, pregnancy or childbirth.

Conditions

Included here are the conditions of the insurance under this section that **you** need to meet as **your** part of this policy. If **you** do not meet these conditions, **we** may need to reject a claim or a claim payment could be reduced.

- A. The cover under this part of the section applies only to persons between the ages of 16 and 70 years.
- B. **Bodily injury** must occur within the **territorial limits**.

Exclusions

We will not be liable for the following:

- 1. loss arising elsewhere than within the **territorial limits**.
- 2. loss more specifically insured under another policy except for any amount in excess of the amount payable under this policy.
- 3. loss arising from **consequential loss** of any kind.

Section 3 – Goods in transit

This section only applies if shown as insured in the schedule

Additional definitions

The following words will have the same meaning wherever they appear in this section of this policy or in the schedule or any endorsement relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions.

High value property

Cigars, cigarettes and tobacco, non-ferrous metals, wines and spirits, clocks and watches, photographic equipment, furs, jewellery, gold, silver and precious stones and precious metals, radio, TV, hi-fi and video equipment, computers, mobile phones, video tapes, cassettes, CDs and DVDs, antiques and works of art belonging to **you** or for which **you** are responsible.

In transit

The period of time beginning when the **property insured** comes under the control of the carrier and ending when it is delivered. This will include loading, temporary housing en route for a period not exceeding 30 days and unloading. This will also include return transits to **you** from **your** customers.

Property insured

Stock and material in trade connected with the **business** which are owned by **you** or which **you** are responsible for. This excludes any property carried for hire or reward.

Territorial limits (replacing the General definition of Territorial limits for this section only)

Great Britain, Northern Ireland, the Republic of Ireland, the Channel Islands and the Isle of Man including direct sea or air transit between these territories.

Vehicle

Vehicle including any trailer attached to it.

Insuring clause

We will at **our** option cover **you** by payment or reinstatement for accidental **damage** to the **property insured** while **in transit** within the **territorial limits** from any of **your business premises** and while being carried by **vehicles** operated by **you** or hauliers, by rail or by parcel post.

We will not pay more than the limits shown in the schedule and **you** will be responsible for any **excess** that applies.

Additional cover – provided as standard

We will extend this section to cover the following:

1. extra costs and expenses necessarily incurred in reloading onto any **vehicle** any **property insured** which has fallen from the **vehicle** or removing debris of the **property insured** following **damage** which is not excluded or following an accident to the **vehicle**.
Our limit of liability will not exceed £2,500 any one loss;
2. **damage** to containers, tarpaulins, ropes, chains and other fastenings owned by **you** or in **your** charge or control while carried on the **vehicle**;
3. **damage** to the personal effects of the driver and his attendant whilst in or from any **vehicle** up to a maximum amount of £500.

We will not be responsible for the first £25 of each loss.

We will not cover **you** or **your** driver for **damage** to any item insured by any other insurance policy.

4. expenses reasonably incurred for which **you** are responsible in transferring **property insured** to any other **vehicle** following fire, collision, overturning or impact of the conveying **vehicle** including carrying the **property insured** to its original destination or place of collection;
5. costs and expenses reasonably incurred by **you** in re-securing the **property insured** following a dangerous movement of the load in transit for an amount not exceeding £500 any one event;
6. any **vehicle** used temporarily in substitution of any **vehicle** referred to in the schedule while it is out of use for maintenance, repair or official vehicle testing. Any substitute **vehicle** will be bound to the terms applicable to the original **vehicle**.

Conditions

Included here are the conditions of the insurance that **you** need to meet as **your** part of this policy. If **you** do not meet these conditions, **we** may need to reject a claim or a claim payment could be reduced.

A. Due care

You must ensure that:

1. for any **vehicle you** own or operate under **your** control that
 - a) it is maintained in roadworthy condition and is regularly serviced with particular attention to the roadworthiness of steering, brakes, tyres, lights and all security devices fitted;
 - b) all protective devices specified in the schedule and all other security devices fitted are properly maintained and not changed without **our** written agreement.
 - c) whenever the **vehicle** containing the **property insured** is left unattended;
 - i) all doors and boot are locked and all windows and other openings are securely closed; and
 - ii) all protective devices are put into operation.
2. **you** take all reasonable care in the selection and employment of drivers and should obtain satisfactory written references as to their ability, integrity and honesty from two previous employers before **property insured** is entrusted to them;
3. reasonable monitoring of the performance of **your** drivers and attendants is carried out;
4. **you** take due care to make sure that for each package or parcel insured:
 - a) it is securely and adequately packed according to the nature of the goods;
 - b) it is correctly and fully addressed; and
 - c) **you** obtain proper receipts from the postal and rail authorities and any other carrier and keep them for **our** inspection at any time.

B. Money in transit

It is a condition that any **money** (other than described in Item 1) in transit other than by an approved security organisation will be accompanied by at least:

- a) 2 persons for amounts over £3,000 but less than £6,000;
- b) 3 persons for amounts over £6,000 but less than £10,000; or
- d) amounts over £10,000 must be carried by professional carriers.

Optional conditions which only apply if stated in the schedule

Included here are the conditions of the insurance that **you** need to meet as **your** part of this policy. If **you** do not meet these conditions, **we** may need to reject a claim or a claim payment could be reduced.

A. Alarm

We will not be liable for any **damage** by theft or attempted theft from any unattended **vehicle** unless the alarm system:

- i) is maintained and inspected in accordance with the terms and conditions of the installing company's agreement; and
- ii) put into operation and all alarm keys removed from the **vehicle**.

Exclusions

We will not be liable for **damage**:

1. to **money**, deeds, bonds, documents, manuscripts, business books and computer system records, patterns, moulds, models, designs, plans;
2. to **high value property** unless specifically insured;
3. to livestock and other living creatures;
4. to explosives or goods of a dangerous nature;
5. to tools of trade;
6. caused by deterioration due to change in temperature of **property insured** carried in a chilled, refrigerated, frozen or insulated condition unless caused by an accident to the **vehicle** including trailer;
7. caused by:
 - a) wear and tear, gradual deterioration, contamination, depreciation, evaporation, leakage spillage or shortage of weight, inherent vice, insects, mildew, vermin or nature of the **property insured**;
 - b) normal atmospheric conditions where the **property insured** is on an open **vehicle** unless it is properly protected;
 - c) mechanical, electrical, electronic, computer breakdown, failure or derangement unless external **damage** occurs first to the **property insured**;
 - d) delays, loss of market or other **consequential loss**;

- e) not making full and complete declarations or not getting receipts for parcels, packages or consignments.
8. resulting from theft or attempted theft or unexplained disappearance:
 - a) from an unattended **vehicle** unless the item stolen is stored in a locked boot; or
 - b) of **property insured** which is unattended unless there is forcible and violent entry or exit.
 9. to **property insured** carried on **vehicles** other than those listed in the schedule;
 10. to **property insured** in any **vehicle you** own or which is in **your** custody or control while the **vehicle** is being used for private purposes outside the normal course of **your business**;
 11. caused by nationalisation, confiscation, requisition or destruction by order of any government, public or local authority;
 12. to **property insured** arising as a result of packing which was inadequate to withstand normal handling during transit or from overloading of the **vehicle**;
 13. to property more specifically insured.

Section 4 – Specified all risks

This section only applies if shown as insured in the schedule

Additional definitions

The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsement relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions.

Property insured

Property belonging to **you** or for which **you** are responsible as set out in the schedule.

Territorial limits (this definition replaces the General definition of territorial limits for this section only)

The limits chosen by **you** and shown in the schedule attaching to this policy

- A. **At your business premises;**
- B. Anywhere in the General definition of **territorial limits;**
- C. Anywhere in the European Union; or
- D. Anywhere in the world.

Insuring clause

We will cover **you** for **damage** by any cause not specifically excluded to **property insured** specified in the schedule up to the limits specified in the schedule anywhere in the **territorial limits** provided the **damage** occurs within the **period of insurance**.

Conditions

Included here are the conditions of the insurance that **you** need to meet as **your** part of this policy. If **you** do not meet these conditions, **we** may need to reject a claim or a claim payment could be reduced.

1. Reinstatement

The basis upon which **we** will calculate the amount payable for **property insured** by all items other than **stock** or rent will be the reinstatement of the property damaged to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

For this purpose reinstatement means

- a) the rebuilding or replacement of property damaged which may be carried out in any manner suitable to **your** requirements or on another site as long as **our** liability is not increased; or
- b) the repair or restoration of property damaged.

Special conditions

- 1. **Our** liability for the repair or restoration of property partly damaged will not exceed the amount which would have been payable had the property been wholly destroyed.
- 2. If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property covered by any item exceeds its sum insured at the start of any **damage**, **our** liability will not exceed that proportion of the

amount of the **damage** which the sum insured will bear to the sum representing the total cost of reinstating the whole of the property at that time.

3. No payment beyond the amount which would have been payable in the absence of this condition will be made:
 - a) unless reinstatement starts and proceeds as quickly as possible;
 - b) until the cost of reinstatement will have been actually incurred;
 - c) if the **property insured** at the time of its **damage** will be insured by any other insurance effected by or on **your** behalf which is not upon the same basis of reinstatement.
 4. All the other terms and conditions of this policy will apply for any claim payable under this condition so far as they are able.
- NB:** This condition does not apply to claims for **employees'**, principals' or directors' personal effects.

2. Subrogation waiver

In the event of a claim arising under this section **we** agree to waive any rights, remedies or relief to which **we** might become entitled by subrogation against:

- a) any company standing in the relation of parent to subsidiary(or subsidiary to parent) to **you** as defined in the Companies Act or Companies (N.I.) Order current at the time of the **damage**.
- b) any company which is a subsidiary of a parent company of which **you** are a subsidiary as defined in the Companies Act or Companies (N.I.) Order current at the time of the **damage**.

Exclusions

We will not pay for the following:

1. any **consequential loss**;
2. financial loss caused by the loss of use or malfunction of the **property insured**;
3. **damage** arising from:
 - a) faulty or defective design materials, inherent vice or latent defect;
 - b) mechanical, electrical, electronic, computer breakdown, failure or derangement;
 - c) wear and tear, gradual deterioration, the action of light, atmospheric conditions or other gradually operating cause;
 - d) process of cleaning, restoring or repairing;
 - e) process of production, packing, treatment, testing or commissioning;
 - f) confiscation or detention by Customs or government officials;
 - g) disappearance or shortage identified only by stocktaking;
 - h) riot, civil commotion occurring elsewhere than in Great Britain, the Channel Islands or the Isle of Man.

4. **damage** resulting from theft or attempted theft or unexplained disappearances:
 - a) from an unattended vehicle unless the item stolen is stored in a locked boot or if there is no boot, an unattended vehicle without windows; or
 - b) of **property insured** which is unattended unless there is forcible and violent entry or exit.
5. **damage** to:
 - a) **property insured** loaned or hired out by **you**;
 - b) glass and other fragile or brittle materials unless as a direct result of fire, theft or accident to the vehicle in which the **property insured** was being transported;
 - c) property left in the open by theft, attempted theft, storm or flood;
 - d) property carried on the outside of vehicles unless as a direct result of collision or overturning.
6. **damage** caused by **pollution**.

However **we** will cover **damage** to the **property insured** caused by **pollution** which itself results from:

 - a) fire, lightning, explosion, aircraft or other aerial devices dropped from them, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any pipe, tank or apparatus, sprinkler leakage or impact by any road vehicle or animal; or
 - b) any of the above named covers which itself results from **pollution** provided it is not otherwise excluded.
7. **damage** occurring outside the **territorial limits**;
8. the **excess** shown in the schedule

Section 5 – Refrigerated stock

This section only applies if shown as insured in the schedule

Insuring clause

We will pay for **damage** to frozen or chilled stock in any freezer cabinet, deep freezer, cold room, cold store or chilled cabinet due to a change in temperature resulting from any cause other than those stated under the Exclusions.

Additionally **we** will pay for accidental leakage of refrigerant or refrigerant fumes from any freezer cabinet, deep freezer, cold room, cold store or chilled cabinet.

Limit of liability

The most **we** will pay **you** during any one **period of insurance** is £2,000 for any one unit.

Conditions

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced.

1. Automatic reinstatement of sum insured

Following **damage**, the sums insured by this section will be automatically reinstated from the date of the **damage**, unless written notice is given to the contrary either by **us** or by **you**, provided always that following reinstatement **you** will pay any additional premium as may be requested for reinstatement from the date of reinstatement.

2. Maintenance

On the expiry of any guarantee period, **you** must:

- a) effect a maintenance contract on any of the refrigerating plant which does not have hermetically sealed motors and compressors;
- b) maintain the maintenance contract throughout the currency of this insurance; and
- c) keep a proper record of all examinations, adjustments and replacements carried out.

Exclusions

We will not be liable under this section for:

- a) any wilful act or wilful neglect by **you** or any of **your** director's partners or **employees**;
- b) the deliberate act of any public electricity authority in termination, disconnection, restriction or withholding the supply of electricity;
- c) loss that is not directly connected to the **damage** of frozen or chilled stock;
- d) 10% of each loss (minimum £100) after the application of the General condition of average in the event of **damage** involving any freezer cabinet, deep freezer, cold room, cold store or chilled cabinet over 10 years old at the time of the **damage**.

Section 6 – Business interruption

This section only applies if shown as insured in the schedule

Additional definitions

*The following words will have the same meaning wherever they appear in this section of this policy or in the schedule or any endorsement relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions.*

Declaration

A declaration of the **gross profit** earned during the financial year most nearly concurrent with the **period of insurance** (plus any increase by the amount by which the **gross profit** may have been reduced during the financial year solely following a loss giving rise to a claim for loss of **gross profit**) which must be:

- a) provided to **us** not later than six months after the expiry of each **period of insurance**;
and
- b) confirmed by **your** professional accountants.

Estimated gross profit

The amount **you** declare to **us** as representing the **gross profit** which **you** anticipate will be earned by the **business** during the financial year most nearly concurrent with the **period of insurance** (proportionately increased where the **maximum indemnity period** exceeds 12 months).

Gross profit

The amount of the **turnover** (net of discounts allowed), closing stock and work in progress less the amount of the opening stock, work in progress and **specified working expenses**.

N.B. For the purpose of this definition **gross profit** is as defined but the words and expressions used will have the meaning attached to them in **your** usual accounting methods, due provision being made for depreciation of stock and work in progress.

Indemnity period

The period beginning with the loss and ending not later than the **maximum indemnity period** after that during which the results of the **business** will be affected following the loss.

However for the Notifiable disease additional cover the following definition applies:

the period during which the results of the **business** will be affected following the loss, discovery or accident beginning:

- a) in the case of 1 and 4 with the date of the loss or discovery; or
- b) in the case of 2 and 3 with the date from which the restrictions on the **premises** are applied and ending not later than the **maximum indemnity period** after that.

For the Lottery win by your employees additional cover:

the period during which the **business** results are affected due to an **employee** or group of **employees** resigning from their posts within **your business** as a direct result of their securing a win in a **lottery**, starting from the date of their first departure.

Lottery

- a) UK National Lottery prize draws including scratchcards.
- b) UK National Football Pools (Littlewoods and Vernons).
- c) Euro Millions lottery.
- d) Irish National lottery.
- e) UK Premium Bond prize draws.

Maximum indemnity period

The **indemnity period** stated in the schedule, other than under the Notifiable Disease and the Lottery win by your employees additional covers where it is 3 months.

Notifiable disease

Illness sustained by any person resulting from:

- a) food or drink poisoning; or
- b) any human infectious or contagious disease (excluding Acquired Immune Deficiency Syndrome (AIDS)) an outbreak of which the competent local authority has stipulated will be notified to them.

Outstanding debit balances

Where there are monthly declarations, the total declared under the last statement adjusted for:

- a) bad debts;
- b) amounts debited (or invoiced but not debited) and credited to customer accounts in the period between the date to which the statement applied and the date of **damage**; and
- c) any abnormal trade condition which had or could have a material effect on the **business**;
or

A reasonable estimate of the total outstanding debits at the date of the **damage** after adjustment for bad debts and as agreed between **you** and **us** provided that this estimate does not exceed 75% of the sum insured as set out in the schedule.

Specified working expenses

- a) 100% of purchases (less discounts received).
- b) 100% of discounts allowed.
- c) 100% of bad debts written off.

Standard turnover

The **turnover** during that period in the 12 months immediately before the date of the **damage** which corresponds with the **indemnity period** to which adjustments will be made as necessary to provide for the trend of the **business** and for variations in or other circumstances affecting the **business** had the **damage** not occurred, so that the figures adjusted represent as nearly as may be reasonably practicable the results which but for the **damage** would have been obtained during the relative period after the **damage**.

Turnover

The money paid or payable to **you** for goods sold or delivered and for services rendered in course of the **business** at the **premises**.

Insuring clause

For each item in the schedule, **we** will pay **you** for any interruption or interference with the **business** resulting from **damage** to property used by **you** at the **premises** for the purpose of the **business** occurring during the **period of insurance** caused by an insured cover and provided that **damage** is not excluded under section 1.

The maximum **we** will pay for any one loss is:

- a) for any item - the sum insured stated in the schedule;
- b) in total during the **period of insurance** - the total sum insured unless stated otherwise in the schedule.

Property cover

We will not provide **you** with any cover under this section unless:

- a) there is in force at the time of the **damage**, an insurance policy covering **your** interest in the **property insured** at the **premises** for the **damage**; and
- b)
 - i) payment has been made or liability admitted for the **damage**; or
 - ii) payment would have been made or liability would have been admitted for **damage** but for the exclusion of losses below a stated amount.

Claims – basis of settlement – please refer to your schedule for the basis of settlement applicable to your policy.

Please also refer to Condition 8. Premium adjustment, under this section 6 – Business interruption.

Claims - basis of settlement A – Gross profit

The insurance by this item is limited to loss of **gross profit** not exceeding the limit of liability due to:

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

and the amount payable will be:

1. for reduction in **turnover**, the sum produced by applying the **rate of gross profit** to the amount by which the **turnover** during the **indemnity period** will following the **damage** fall short of the **standard turnover**
2. for increase in cost of working, the additional expenditure 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** following the **damage** but not exceeding the total of:
 - a) the sum produced by applying the **rate of gross profit** to the amount of reduction avoided; plus
 - b) 25% of the sum insured by this item (but not more than £250,000)

less any sum saved during the **indemnity period** for the charges and expenses of the **business** payable out of **gross profit** as may cease or be reduced following the **damage**.

Additional increased cost of working (if insured) is limited to additional expenditure following the **damage** in excess of the amount recoverable under clause b) above, necessarily and reasonably incurred to maintain the **business** during the **indemnity period**.

Claims - basis of settlement B – Additional cost of working

The insurance by this item is limited to additional cost of working due to additional expenditure and costs necessarily and reasonably incurred in order to minimise any interruption or interference with the **business** during the **indemnity period** but not exceeding the sum insured stated in the schedule.

Claims - basis of settlement C – Rent receivable

The insurance by this item is limited to loss of **rent receivable** not exceeding the sum insured stated in the schedule due to:

- a) loss of **rent receivable**; and
- b) increase in the cost of working

and the amount payable will be:

1. for loss of **rent receivable**, the amount by which the **rent receivable** during the **indemnity period** will following the **damage** fall short of the **standard rent receivable**
2. for increase in cost of working, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **rent receivable** which but for that expenditure would have taken place during the **indemnity period** following the **occurrence** but not exceeding the reduction in **rent receivable** avoided

less any sum saved during the **indemnity period** for the charges and expenses of the **business** payable out of **rent receivable** as may cease or be reduced following the **damage**.

Claims - basis of settlement D – Book debts

- a) This cover is limited to the loss sustained by **you** for **outstanding debit balances** directly due to **damage** and the amount payable for any one loss due to **damage** will not exceed:
 - i) the difference between:
 - a. the **outstanding debit balances**; and
 - b. the total of the amounts received or traced.
 - ii) the additional expenditure incurred with **our** 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 payable will be proportionately reduced.
- b) If **we** require any information to verify a claim **your** professional accountants at the time of the claim may produce and report details contained in business books or records. Their report will be accepted as sufficient evidence of the details.

We will pay **your** professional accountant's charges for:

- i) producing information **we** require for investigating any claim; and
- ii) confirming the information in accordance with **your** business books.

The maximum **we** will pay for any claim, including professional accountant's fees, will not exceed:

- 1) is the sum insured on each item, or
- 2) the total sum insured, or
- 3) any other maximum amount payable or limit specified in the schedule.

Covers (which are provided as standard unless indicated otherwise in your schedule or by endorsement)

1. **Fire, lightning and explosion** but not **consequential loss** caused by:
 - h) earthquake, subterranean fire, riot, civil commotion;
 - iii) its undergoing any heat process or any process involving the application of heat;
 - iv) explosion of non – domestic steam pressure machinery or equipment under **your** control.
2. **Aircraft** or other aerial devices or articles dropped from them but not **consequential loss** caused by:
 - i) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
 - ii) fire.
3. **Riot, civil commotion, strikers, locked out workers** or persons taking part in labour disturbances or malicious persons but not **consequential loss** arising from:
 - i) confiscation, requisition or destruction by order of the government or any public authority;
 - ii) stopping work;
 - iii) fire caused by strikers, locked out workers or persons taking part in labour disturbances or malicious persons;
 - iv) theft or attempted theft directly caused by malicious persons to any **building** which is **unoccupied**.
4. **Earthquake** or **subterranean fire**.
5. **Storm** but not **consequential loss**:
 - i) caused by lightning, frost, subsidence, ground heave or landslip;
 - ii) for movable property in the open, fences and gates.
6. **Flood** but not **consequential loss**:
 - i) due solely to change in the water table level;
 - ii) caused by lightning, frost, subsidence, ground heave or landslip;
 - iii) for movable property in the open, fences and gates.

7. **Escape of water** from any tank apparatus or pipe but not **consequential loss**:
 - i) by water discharged or leaking from any automatic sprinkler installation;
 - ii) for any **building** which is **unoccupied**.
8. **Accidental escape of water** from any automatic sprinkler installation in the **premises** but not **consequential loss** caused by
 - i) freezing whilst the **building** is **unoccupied**.
 - ii) explosion, earthquake, subterranean fire or heat caused by fire.
9. **Impact** by any road vehicle or animal.
10. **Accidental damage** but not
 - i) **consequential loss** caused by:
 - a) any of the covers specified above.
 - b) the causes expressly excluded from the covers specified above;
 - c) inherent vice, latent defect, gradual deterioration, wear and tear, faulty or defective design or materials;
 - d) faulty or defective workmanship, operational error or omission on the part of **you** or any **employee** but this will not include later **consequential loss** which itself results from a cause not otherwise excluded;
 - e) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects;
 - f) change in temperature, colour, flavour, texture or finish;
 - g) the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services;
 - h) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any steam and feed piping connected to them;
 - i) mechanical, electronic, electrical or computer breakdown or derangement of the particular machine, apparatus or equipment in which the breakdown or derangement originates but this will not exclude **consequential loss** caused by later **damage** so long as it is not excluded above;
 - j) **pollution**;
 - k) normal settlement or bedding down of new structures;
 - l) acts of fraud or dishonesty;
 - m) disappearance, unexplained or inventory shortage, misfiling or misplacing of information;
 - n) **damage** to a **building** or structure caused by its own collapse or cracking;
 - o) any process of production, packing, treatment, testing, commissioning, servicing or repair;

- p) nationalisation, confiscation, requisition, seizure or destruction by the government or any public authority.
- ii) **consequential loss** for:
 - a) movable property in the open, fences and gates caused by wind, rain, hail, sleet, snow, flood or dust;
 - b) vehicles licensed for road use (including accessories) caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft;
 - c) property or structures in course of construction or erection and materials or supplies in connection with this other than internal alterations or refurbishments not more specifically insured under a contract works policy;
 - d) glass.
11. a) **Glass breakage** at the **premises** all being plain sheet or plain plate glass unless stated otherwise in the schedule including the cost of boarding up and any lettering and artwork.
- b) **Damage to:**
- i) the contents of display windows;
 - ii) windows and doorframes, vitrolite, marble, marmerile and similar materials, intruder alarm foils and other detection devices and circuits;
 - iii) electric light fittings; or
 - iv) neon and illuminated signs
- as a direct result of **glass breakage** as defined under paragraph 11a) provided that **our** liability will not exceed £10,000 in total during the **period of insurance**.
12. **Breakage of fixed sanitaryware** but not breakage or **consequential loss**:
- i) in vehicles, vending machines or to stock in trade;
 - ii) in any **building** which is **unoccupied** unless specifically agreed by **us**;
 - iii) in transit or while being fitted;
 - iv) due to settlement, expansion or contraction of frames or fittings in buildings under construction and during a period of six months after the date of completion;
 - v) existing before the start of the **period of insurance**;
 - vi) of neon and illuminated signs and electric light fittings;
 - vii) by wear and tear, gradual deterioration, mechanical or electrical breakdown or removal from the fixed position other than by theft or attempted theft;
 - viii) of bulbs or tubes unless the signs or fittings are also damaged;
 - ix) caused by fire or explosion.

13. Theft or attempted theft but not consequential loss

- i) a) to **property insured** (other than **forecourt facilities, structural attachments** or any **motor vehicle**) at the **premises** which does not involve entry to or exit from a **building** by forcible and violent means; or
 - b) which does not involve actual or threatened assault or violence;
- ii) from any part of the **building** not occupied by **you** for the purpose of the **business**;
- iii) from the open or from any outbuilding not communicating with the main **building** unless otherwise specified;
- iv) to property in transit;
- v) to **money** and securities of any description.

This cover is optional and must be requested if needed.

14. Subsidence, ground heave or landslip of any part of the site on which the property stands but not **consequential loss**:

- i) to yards, car parks, roads, pavements, walls, gates and fences unless also affecting the structure of a **building**;
- ii) caused by:
 - a) normal settlement or bedding down of new structures;
 - b) settlement or movement of made up ground;
 - c) coastal or river erosion;
 - d) fire, subterranean fire, explosion, earthquake or the escape of water from any tank apparatus or pipe.
- iii) which originated before inception of this cover.
- iv) resulting from:
 - a) demolition, construction, structural alteration or repair of any property; or
 - b) groundwork or excavationat the same **premises**.

Special condition applicable to cover 14

- a) **You** must notify **us** as soon as reasonably practicable after **you** become aware of any demolition, groundworks or excavation being carried out on any adjoining site.
- b) **We** will then have the right to vary the terms or cancel this cover.

Additional cover – provided as standard

We will pay **you** for:

1. Action of competent authorities

loss resulting from interruption or interference with the **business** following action by the police or other competent local, civil or military authority following a danger or disturbance in the vicinity of the **premises** where access will be prevented provided always that there will be no liability under this additional cover for loss resulting from interruption of the business during the first 24 hours of the **indemnity period**.

We will not pay more than £50,000 under this additional cover for a period not exceeding 12 weeks.

2. Additional increased cost of working

Your further additional expenses beyond that recoverable under Claims – basis of settlement, Gross Profit Item b) incurred with **our** written consent during the **indemnity period** following **damage** for the sole purpose of avoiding or diminishing a reduction in **turnover** or resuming or maintaining normal business operations but not exceeding the limit stated in the schedule.

3. Contract sites

Consequential loss as a result of **damage** at any situation in the **territorial limits** where **you** are carrying out a contract subject to a maximum of £25,000 for any one loss.

4. Customers - unspecified

Consequential loss as a result of damage at any customer's premises within the **territorial limits** will be deemed to be **damage** provided that **our** liability under this additional cover will not exceed 10% of the sum insured (or 133 $\frac{1}{3}$ % of the estimated amount) shown in the schedule or £250,000 whichever is the less

5. Failure of utilities

loss resulting from interruption of or interference with the **business** carried on by **you** at the **premises** following any **damage** arising at any:

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

from which **you** obtain electricity, gas, water or telecommunications services, all in the **territorial limits**.

The maximum **we** will pay for any one loss will not exceed the total of the sum insured (or 133 $\frac{1}{3}$ % of the estimated amounts) or any limit of liability shown in the schedule.

This additional cover does not cover **consequential loss**;

- i) brought about by the deliberate act of any supply authority nor by the exercise of any the authority of its power to withhold or restrict supply or by drought; or
- ii) following any failure which does not involve a total stop of supply for at least 30 minutes.

6. Lottery win by your employees

Any additional expense **you** incur to prevent or limit a reduction in income during the **indemnity period** due to an **employee** or group of **employees** resigning from their posts within **your business** as a direct result of their securing a win in a **lottery**, including but not limited to:

- a) recruitment and additional overtime costs; and
- b) the cost of employing temporary staff for amounts in excess of permanent full time rates of payment.

We will not cover **you** unless:

- i) the **employee** or group of **employees** resign within fourteen days from the date of the successful **lottery** win; and
- ii) the amount won by any one **employee** is not less than £100,000.

We will not pay under this additional cover more than £50,000 in any one **period of insurance**.

7. Notifiable disease, vermin, defective sanitary arrangements, murder and suicide

Consequential loss as a result of interruption of or interference with the **business** carried on by **you** at the **premises** following:

- a)
 - i. any **notifiable disease** at the **premises** or due to food or drink supplied from the **premises**;
 - ii. any discovery of an organism at the **premises** likely to result in the event of a **notifiable disease**;
 - iii. any **notifiable disease** within a radius of twenty five miles of the **premises**;
- b) the discovery of vermin or pests at the **premises** which causes restrictions on the use of the **premises** on the order of the competent local authority;
- c) any accident causing defects in the drains or other sanitary arrangements at the **premises** which causes restrictions on the use of the **premises** on the order of the competent local authority; or
4. any murder or suicide at the **premises**.

The maximum **we** will pay for any one loss will not exceed £100,000.

Conditions

1. For the purpose of this additional cover **premises** will mean only those locations stated in the **premises** definition. If this policy includes an additional cover which deems **damage** at other locations to be insured, the additional cover will not apply to this additional cover.
2. **We** will not be liable for any costs incurred in the cleaning, repair, replacement, recall or checking of property.
3. **We** will only be liable for the loss arising at those **premises** which are directly affected by the loss, discovery or accident.

8. Prevention of access

Consequential loss as a result of damage to property near the **premises** which prevents or hinders the use of the **premises** or access to them will be deemed to be damage. The maximum **we** will pay for any one loss will not exceed the total of the sum insured (or 133⅓% of the estimated amounts) or any limit of liability shown in the schedule.

9. Professional accountants

The reasonable charges payable by **you** to **your** professional accountants for producing any particulars or details or any other proofs, information or evidence as may be required by **us** under the terms of this policy and reporting that the particulars or details are in accordance with **your** books of account or other business books or documents.

The amount payable under this additional cover together with the amount payable under this section will not exceed the limit of liability.

10. Suppliers - unspecified

Consequential loss as a result of **damage** at any supplier's premises within member countries of the European Union, Norway, Switzerland and Iceland will be deemed to be loss, provided that **our** liability under this clause does not exceed 10% of the sum insured (or 133⅓% of the estimated amount) shown in the schedule or £250,000 whichever is the less.

11. Temporary removal

Consequential loss as a result of **damage**:

- e) to computer systems, other records, machinery and plant (but not motor vehicles) removed for cleaning, renovation, repair or other similar purposes, patterns, models, moulds, plans and designs whilst temporarily removed from the **premises** and in transit by road, rail or inland waterway to and from the **premises**.

We will not be liable for any loss arising from delay or loss of use of the conveying road or rail vehicle or waterborne craft.

- f) to plans, deeds, briefs, manuscripts, books, documents and office records whilst temporarily removed within the **territorial limits** subject to a maximum of 15% of the total of the sums insured or £250,000, whichever is the lesser, any one loss and any one **period of insurance**.

12. Transit

Consequential loss as a result of damage to **your** property whilst in transit by road, rail or inland waterway within the **territorial limits** will be deemed to be **damage** provided that **our** liability under this additional cover for any one loss will not exceed the percentage of the total sum insured (or 133⅓% of the estimated amount) or the amount shown in the schedule as the limit.

We will not be liable for any loss arising from delay or loss of use of the conveying road or rail vehicle or waterborne craft.

Conditions

Included here are the conditions of the insurance under this section that **you** need to meet as **your** part of this policy. If **you** do not meet these conditions, **we** may need to reject a claim or a claim payment could be reduced.

1. Alteration

The insurance by this section will be cancelled if:

- a) the **business** is wound up, carried on by a liquidator or permanently discontinued; or
- b) **your** interest ceases otherwise than by death

at any time after the start of this policy unless **we** agree it may continue.

2. Alternative premises

If during the **indemnity period** goods are sold or services carried out elsewhere than at the **premises** for the benefit of the **business** either by **you** or by others on **your** behalf, **we** will take into account the **money** paid or payable for the sales or services in arriving at the **turnover** during the **indemnity period**.

3. Automatic reinstatement after a loss

Unless **you** tell **us** otherwise in writing, **our** liability will not be reduced by the amount of any loss and **you** agree to pay the appropriate additional premium for this automatic reinstatement of cover.

4. Books of account

You must ensure that **your** books of account and other business books or records in which **you** record customer accounts are kept in fire resisting safes or cabinets when not in use.

5. Declaration for gross profit

If the **declaration** (adjusted as above and proportionately increased where the **maximum indemnity period** exceeds twelve months):

- a) is less than the **estimated gross profit** for the relative **period of insurance**, **we** will allow a pro rata return of premium not exceeding 50% of the premium;
- b) is greater than the **estimated gross profit** for the relative **period of insurance**, **you** will pay a pro rata additional premium.

6. Departments

If the **business** is conducted in departments and their trading results can be calculated separately, clauses a) and b) of the item on **gross profit** will apply separately to each department affected.

7. Payments on account

Payments on account will be made at **our** discretion during the **indemnity period** if requested.

8. Premium adjustment

Book debts –basis of settlement

Within 30 days of the end of each calendar month, **you** will advise **us** in writing of the total amount of **outstanding debit balances** as shown in **your** accounts. If **you** do not advise **us**, **we** will take the maximum sum insured as the total amount declared.

At the end of each **period of insurance** the actual premium will be calculated on the average amount insured i.e. the total of the amounts declared divided by the number of declarations. If the actual premium is greater than the first or annual premium paid, **you** will pay **us** the difference. If it is less **we** will refund the difference to **you** but only up to one half of the first or annual premium paid.

Gross profit basis of settlement

The first and annual premiums for **gross profit** are provisional and are based on the **estimated gross profit** for the financial year most nearly concurrent with the **period of insurance**.

Within six months of the expiry of each **period of insurance**, **you** will give **us** a declaration of the **gross profit** earned during the financial year most nearly concurrent with the **period of insurance** as confirmed by **your** auditors.

If any loss has occurred giving rise to a claim for loss of **gross profit**, **we** will increase the declaration for the purpose of premium adjustment by the amount by which the **gross profit** was reduced during the financial year solely following the loss.

Rent receivable basis of settlement

If the **rent receivable** earned (proportionately increased where the **maximum indemnity period** exceeds twelve months) during the accounting period of twelve months most nearly concurrent with any **period of insurance** as certified by **your** auditors is less than the sum insured, **we** will make a pro rata return of premium not exceeding 50% of the premium paid on the sum insured for the **period of insurance**. If any loss will have occurred giving rise to a claim under this section, the return of premium will be made in respect only of so much of the difference as is not due to the **damage**.

9. Renewal

You will before each renewal tell **us** the **estimated gross profit/revenue** (as applicable) for the financial year most nearly concurrent with the next **period of insurance**.

10. Removal of computer disks and tapes

You must ensure that copies of all computer disks, tapes or other recording materials are made each day and the copies removed from the **premises** and kept at a secure location on a daily basis.

11. Uninsured standing charges

If any standing charges of the **business** are not insured by this section (having been deducted in arriving at the **gross profit**), then in calculating the amount recoverable as increase in cost of working that proportion only of any additional expenditure will be brought into account which the **gross profit** bears to the sum of the **gross profit** and the uninsured standing charges.

Optional conditions which only apply if shown in the schedule

1. Duplicate records and storage

You:

- a) must maintain a record elsewhere than in the **building** in which the original records are kept showing the total amount outstanding in the customer's accounts of the **business** at the end of each month and in the event of **damage** resulting in a claim will supply that record to **us**; and
- b) will keep all business records in which credit accounts of the **business** are shown stored in standard metal cabinets fire-resisting cabinets, safes or strong rooms when not in use.

Exclusion

1. Pollution and contamination

We will not be liable for loss resulting from **pollution**.

However, **we** will cover **consequential loss** caused by:

- a) **pollution** which itself results from anycover insured (other than cover 10); or
 - b) any cover insured (other than cover 10) which itself results from **pollution**
- provided it is not otherwise excluded.

Section 7 – Employers’ liability

This section only applies if shown as insured in the schedule

Insuring clause

We will cover **you** under this section of this policy against:

- a) all sums which **you** will become legally liable to pay as damages; and
- b) costs and expenses**

in the event of **bodily injury** sustained by any **employee** which arises out of and in the course of their employment by **you** in the **business** and which is caused:

- 1. in the **territorial limits**.
- 2. elsewhere in the world for temporary non-manual visits by any **employee** provided that the **employee** is normally resident in the **territorial limits**.

Limit of liability

- 1. The amount specified in the schedule.

Our liability for all cover payable to any claimant or any number of claimants for or arising out of any one event or all events of the series consequent on or due to one source or original cause will not exceed the limit of liability.

The limit of liability will be the maximum amount payable including **costs and expenses**.

- 2. Regardless of anything contained in paragraph 1 above, **our** liability under this section for damages and **costs and expenses** payable for any one loss caused by any one event or all events of a series consequent on or due to one source or original cause and arising out of **terrorism** will not exceed £5,000,000.
- 3. Regardless of anything contained in paragraph 1 above, **our** liability under this section for damages and **costs and expenses** payable for any one loss caused by any one event or all events of a series consequent on or due to one source or original cause and caused by or related to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use or exposure to asbestos or materials or products containing asbestos will not exceed £5,000,000.

Employers’ liability compulsory insurance

The cover granted by this section is deemed to be in accordance with the provisions of any law enacted in the **territorial limits** relating to compulsory insurance of liability to **employees**.

If, however, **we** pay any sum which would not have been paid but for the provisions of the law then **you** will repay the sum to **us**.

Additional cover – provided as standard

1. Compensation for court attendance

In the event of any of **your** directors, partners or **employees** attending court as a witness at **our** request in connection with a loss for which **you** are entitled to compensation under this **policy**, **we** will provide compensation at the following rates for each day on which attendance is required.

- a) Any director or partner £250 per day
- b) Any **employee** £150 per day

2. Contractual liability

Regardless of anything contained in this policy to the contrary, **we** will cover **you** under this section against liability for **bodily injury** assumed by **you** to the extent that any contract or agreement entered into by **you** with any principal so requires provided that:

- a) the liability arises out of the performance by **you** of a contractor agreement;
- b) the conduct and control of claims is vested in **us**;
- c) the cover granted will apply only for liability to any **employee**; and
- d) nothing in this additional cover will increase **our** liability to pay any amount in excess of the limit of cover under this section.

For the purpose of this additional cover, principal means the other party to a contract or agreement for whom **you** are undertaking work or services where the party is responsible for setting out the terms of this policy or agreement.

3. Cross liabilities

If the policyholder named in the schedule comprises more than one party, **we** will treat each party as though a separate policy had been issued to each of them.

However, nothing in this additional cover will increase **our** liability to pay any amount in excess of the limit of cover under this section.

4. Unsatisfied court judgements

If:

- a) a judgement for damages is obtained against any company or individual operating from premises within the **territorial limits** by any **employee** for **bodily injury** caused during any **period of insurance** due to their employment by **you** in the **business**; and
- b) it remains unsatisfied in whole or in part six months after the date of the judgement **we** will cover the **employee** or their personal representative up to the limit of liability for the amount of damages and awarded costs which remain unsatisfied as long as
 - i) there is no appeal outstanding;
 - ii) any payment made by **us** will only be for **bodily injury** which would otherwise be within the scope of cover of this section of this policy;
 - iii) any payment made by **us** will only be for liability for which **you** would have been entitled to cover under this section of this policy if the judgement had been made against **you**; and

- iv) **we** will be entitled to take over and prosecute for **our** own benefit any claim against any other party and **you**, the **employee** or their personal representatives will give all information and assistance required.

Condition

Included here are the conditions of this policy that **you** need to meet as **your** part of this policy. If **you** do not meet these conditions, **we** may need to reject a claim or a claim payment could be reduced.

1. **Asbestos**

You must not manufacture, mine, process, distribute, test, remediate, remove, store, dispose of, sell or use asbestos or materials or products containing asbestos.

Exclusions

- 1. **We** will not cover **you** under this section against liability for **bodily injury** to an **employee** in circumstances where compulsory insurance or security is required by Road Traffic Act legislation.
- 2. **We** will not cover **you** under this section against liability arising **offshore**.

Section 8 – Public and products liability

This section only applies if shown as insured in the schedule

Definitions

The following words will have the same meaning wherever they appear in this section of this policy or in the schedule or endorsements relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions.

Clean up

- a) Testing for or monitoring of **pollution**.
- b) Cleaning up, removing, containing, treating, detoxifying or neutralising **pollution**.

Contract work executed

Work carried out by **you** or on **your** behalf away from **your** normal place of **business** or that of the party who carried out the work on **your** behalf and which at the time of the event giving rise to a claim under this policy is no longer **your** property and not under the control of **you** or of any **employee**.

Products

Any tangible products or goods (including containers, labelling, instructions or advice provided in connection with them) which are manufactured, sold, supplied, erected, repaired, altered, treated, designed, tested, installed, formulated, constructed or serviced by **you** in the course of the **business**.

Property

Property which is both material and tangible.

Part 1 – Public liability

Insuring clause

We will cover **you** under this section of this policy against:

- a) all sums which **you** will become legally liable to pay as damages; and
- b) costs and expenses**

in the event of:

1. accidental **bodily injury** to any person other than any **employee**;
2. accidental **damage** to **property**; or
3. obstruction, loss of amenities, trespass, nuisance or interference with any right of way, light, air or water

occurring during the **period of insurance** and arising out of **your business**:

- i) in the territorial limits**
- ii) elsewhere in the world other than the United States of America or Canada arising out of business visits by directors or non-manual **employees** ordinarily resident in the **territorial limits**.

Limit of liability

1. **Our** liability for all claims arising out of one original cause will not exceed the amount stated in the schedule, irrespective of the number of claims or claimants.
2. **Costs and expenses** are payable in addition to the limit of liability detailed in the schedule apart from any claim brought in the United States of America or Canada or any territory within their jurisdiction where the limit of liability will be the maximum amount payable including **costs and expenses**.

Additional cover applying to part 1 – provided as standard

1. Contingent liability (non-owned vehicles)

We will provide cover to **you** for legal liability for **bodily injury** and **damage to property** arising out of the use of any **motor vehicle** which is not **your property** or leased or hired to **you** and is not provided by **you** being used in connection with the **business**.

This cover does not apply for:

- i) **damage** to the vehicle;
- ii) **bodily injury** or **damage to property** while the vehicle is being driven by **you**;
- iii) liability arising from circumstances in which it is compulsory for **you** to insure or provide security for the vehicle as a requirement of relevant Road Traffic Act legislation; or
- iv) a vehicle being used outside the **territorial limits**.

For the purposes of this additional cover “**you**” is restricted to a) and b) of Definitions only.

2. Data Protection legislation

We will provide cover to **you** and, at **your** request, any of **your** directors, partners or **employees** against legal liability to pay damages and **costs and expenses** for damage or distress as described in Section 13 of the Data Protection Act 1998.

However this additional cover will not apply for:

- i) the payments of fines or penalties;
- ii) the costs of replacing, reinstating, rectifying or erasing any personal data;
- iii) liability arising from or caused by a deliberate act or omission of any person eligible for cover by this additional cover if the result could reasonably have been expected by **you** or any other person having regard to the nature and circumstances of the act or omission;
- iv) claims which arise out of circumstances notified to previous insurers and known to **you** at inception of this additional cover; or
- v) liability where cover is provided by any other insurance.

3. Defective premises

We will cover **you** against liability for **bodily injury** or loss of or damage to **property** arising for any premises disposed of by **you**. This cover does not apply to any **costs or expenses** incurred in repairing, replacing or making any refund for any premises.

4. Leased premises

We will cover **you** against liability for **damage** to premises or their fixtures or fittings which are leased to **you**. This cover does not apply for liability for:

- a) **damage** if the liability is assumed under any tenancy or other agreement and would not have attached in the absence of an agreement; or
- b) the first £250 of **damage**.

5. Pollution and contamination clean up

Where this sub-section provides cover against liability caused by or arising from **pollution** happening within the **territorial limits** the cover will include **clean up** and legal costs to the extent not already included within that cover.

Provided that the cover provided by this clause does not:

- a) include **clean up** in or on any property, land, watercourse or body of water owned leased or rented by **you**;
- b) include the cost of restoration or reintroduction of flora or fauna.

We will not pay more than £100,000 for any one loss or series of losses arising from one original source or cause and for all claims arising during the **period of insurance**, it being understood that this total limit is part of and not separate to the amount provided within this sub section for Public liability.

6. Overseas personal liability

Where **you** or any of **your** directors or **employees** are temporarily visiting a country outside the **territorial limits** in connection with the **business**, we will provide cover to **you** and to

- a) any of **your** directors or **employees**; or
- b) any spouse or child of **your** director or **employee** accompanying them

against liability incurred in a personal capacity for accidental **bodily injury** or **damage** to **property** occurring during a visit.

The cover will not apply to legal liability:

- i) arising out of the ownership or occupation of land or buildings; or
- ii) for which any person referred to above is entitled to cover under any other insurance.

7. Wrongful arrest

We will cover **you** against all sums **you** will become legally liable to pay as damages for wrongful arrest, malicious prosecution, false imprisonment, defamation of or assault of any person (other than an **employee**), occurring during the **period of insurance** and arising out of any theft or suspicion of theft at the **premises**.

Exclusions applicable to part 1

We will not cover **you** under this section against liability for the following:

1. for **damage** to **property** belonging to **you** or in the custody or control of **you** or any **employee** other than:
 - a) **property** including motor vehicles belonging to an **employee** or visitor; and
 - b) any premises including contents (not being premises leased to **you**) which are temporarily occupied by **you** for the purpose of carrying out work in or to the premises.
2. arising from the ownership, possession or use under the control of **you** or any **employee** of any mechanically propelled vehicle in circumstances where compulsory insurance or security is required under any Road Traffic Act legislation;
3. arising out of the ownership, possession or use by **you** or on **your** behalf of any aircraft or other aerial devices, hovercraft, **offshore** installation or watercraft (other than hand- propelled or wind-powered watercraft whilst on inland waterways);
4. arising from any **products** after they have ceased to be in **your** custody or control other than food or drink for consumption on **your** premises;
5. caused by or arising out of:
 - a) advice, design or specification given by **you** for a fee; or
 - b) professional services rendered by **you** or on **your** behalf.
6. for the costs incurred by anyone in:
 - a) recalling or making refunds for any **products** or **contract work executed**; or
 - b) remedying any defects or alleged defects in land or buildings or structures or other premises disposed of by **you**;
7. for **damage** to contract work executed.

Part 2 – Products liability

Insuring clause

We will cover **you** under this section of this policy against:

- a) all sums which **you** will become legally liable to pay as damages; and
- b) costs and expenses**

in the event of:

- 1. accidental **bodily injury** to any person; or
- 2. accidental damage to property**

occurring anywhere in the world during the **period of insurance** and caused by any **products** after they have ceased to be in **your** custody or control.

Limit of liability

- 1. **Our** liability for all sums payable for any one **period of insurance** will not exceed the limit of liability detailed in the schedule.
- 2. Costs and expenses** are payable in addition to the limit of liability under this section.

Exclusions applicable to Part 2

We will not cover **you** against liability for the following:

- 1. caused by or arising out of any **products** which:
 - a) to **your** knowledge are for delivery or use in the United States of America or Canada; or
 - b) are sold, supplied, erected, repaired, altered, treated, installed in or for use in any aircraft, Aerospace device, hovercraft or waterborne craft or for marine or aviation purposes;
- 2. for the costs incurred in the repair, reconditioning, replacement, removal or breaking out of any **products** or its parts;
- 3. arising out of **damage to products**;
- 4. for the costs incurred in recalling or making refunds for any **products** or motor vehicles;
- 5. caused by or arising out of:
 - a) advice, design or specification given by **you** for a fee; or
 - b) professional services rendered by **you** or on **your** behalf.

Additional cover applying to Section 8 (provided as standard)

1. Cloakroom

Regardless of anything contained in this policy **we** will cover **your** liability for **damage** to the personal effects of guests and/or visitors whilst deposited in any cloakroom at the **premises**.

Provided that:

- a) **you** issue numbered tickets for articles deposited in any cloakroom;
- b) **you** ensure that all cloakrooms are locked and secured when left unattended;
- c) **you** return items from the cloakroom only upon production of the appropriate numbered ticket;
- d) **you** display a disclaimer notice in all cloakroom areas;
- e) **we** will not be liable for more than the amount stated in the schedule;
- f) **we** will not be liable for the first £250 of each claim.

2. Compensation for court attendance

In the event of any of **your** directors, partners or **employees** attending court as a witness at **our** request in connection with a claim for which **you** are entitled to compensation under this policy, **we** will provide compensation at the following rates for each day on which attendance is required.

- a) Any director or partner £250 per day.
- b) Any **employee** £150 per day.

3. Contractual liability

Regardless of anything contained in this policy to the contrary **we** will cover **you** under this section of this policy against liability for **bodily injury** or **damage** to **property** as follows.

To the extent that any contract or agreement entered into by **you** with any principal so requires, **we** will cover **you** against liability assumed by **you** for liability which arises out of the performance by **you** of a contract or agreement provided that

- a) the conduct and control of claims is vested in **us**; and
- b) nothing in this additional cover will increase **our** liability to pay any amount in excess of the limit of liability under this section.

For the purpose of this additional cover, principal means the other party to a contract or agreement for whom **you** are undertaking work or services or providing **products** where a party is responsible for setting out the terms of this policy or agreement.

4. Cross liabilities

If the policyholder named in the schedule comprises more than one party, **we** will treat each party as though a separate policy had been issued to each of them.

However, nothing in this additional cover will increase **our** liability to pay any amount in excess of the limit of liability under this section.

5. Public car park liability

We will cover **you** for vehicles (including their accessories and spare parts) left in any garage or parking place belonging to or under **your** control.

Provided that:

- a) any covered garage or parking place is not used by **you** for any motor trade purposes;
- b) disclaimer notices in terms approved of by **us** are prominently displayed in any covered garage or parking place;
- c) no cover is given for:
 - i) loss of motor vehicle accessories by theft unless the motor vehicle is stolen at the same time;
 - ii) **damage** arising whilst any motor vehicle is being driven by **you** or any **employee**;
 - iii) the first £250 of any claim for **damage**.

Optional conditions which only apply if stated in the schedule

1. Application of heat away from the premises

If **you** carry out work away from the **premises** using gas or electric welding and cutting equipment, blowlamps, blow torches or hot-air paint strippers these are conditions of the insurance that **you** need to meet as **your** part of this contract. If **you** do not meet these conditions, **we** may need to reject a claim or a claim payment could be reduced:

- a) Before starting work:
 - i) **you** must appoint an **employee** on site to be responsible for fire safety and for seeing that adequate precautions are taken;
 - ii) the appointed **employee** must obtain permission to start work from the person in charge at each site;
 - iii) each **employee** must be advised of the location of the site's fire alarms and fire fighting equipment;
 - iv) the appointed **employee** must examine all property in the vicinity, including where practicable the area on the other side of any wall or partition, to make sure that no combustible material is in danger of ignition either directly or by conducted heat;
 - v) all combustible materials in the immediate vicinity of the work and exposed to the risk of fire must be covered and fully protected by sheets or screens of non-combustible materials or removed to a distance of not less than fifteen metres from the point of working.
- b) While work is in progress:
 - i) **you** must arrange for a person to work with the operative using the equipment to make sure there is no outbreak of fire;
 - ii) the lighting of all equipment must be carried out strictly in accordance with the manufacturer's instructions and no lighted equipment must be left unattended;

- iii) a fire extinguisher of appropriate capacity and type for the combustible materials in the premises must be kept immediately to hand;
 - iv) any gas cylinders not required for immediate use must be kept outside of the building where the work is being carried out and at least fifteen metres from the point of application of heat;
- c) When the work is finished:
- i) a thorough examination of the immediate vicinity, including where practicable the area on the other side of any wall or partition, must be made to make sure that there is no risk of fire.

Exclusions applying to Section 8

We will not cover **you** against liability for the following:

1. for any judgement award or settlement made within countries which operate under the laws of the United States of America or Canada or to any order made anywhere in the world to enforce the judgement award or settlement either in whole or in part;
2. caused by or arising out of the deliberate, conscious or intentional disregard of **your** obligation to take all reasonable steps to prevent **bodily injury** or loss of or **damage to property**;
3. caused by or arising out of liquidated damages clauses, penalty clauses or performance warranties unless the liability would have attached in the absence of any clauses or warranties;
4. caused by or arising out of **pollution**.

But **we** will cover **you** against liability for accidental **bodily injury** or accidental **damage to property** caused solely by **pollution** which results from a sudden, identifiable, unintended and unexpected event and the loss takes place in its entirety at a specific and identified time and place during the **period of insurance** provided that:

- a) all **pollution** which arises out of any one loss will be deemed to have occurred at the time the loss takes place;
 - b) **we** will not cover **you** against liability for **pollution** happening anywhere in the United States of America or Canada; and
 - c) nothing in these provisos will increase **our** liability to pay damages, costs, fees and expenses in excess of the limit of liability in the schedule in total for any one **period of insurance**.
5. For the first amount of each loss stated as the **excess** in the schedule arising out of **damage to property**.

Prosecution defence costs applicable to Sections 7 and 8

This cover only applies where either or both Section 7 – Employers’ liability and Section 8 Public and products liability are shown as insured in the schedule.

Additional definitions

*The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsement relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions.*

Applicable legislation

- a) Health and Safety at Work etc. Act 1974 including the Control of Substances Hazardous to Health Regulations 2002 concerning the risk from exposure to legionella;
 - b) Management of Health and Safety at Work Regulations 1999;
 - c) Corporate Manslaughter and Corporate Homicide Act 2007;
 - d) Health and Safety Inquiries (Procedure) Regulations 1975;
 - e) Protection from Harassment Act 1997,
- or similar legislation in force in the **territorial limits**; and
- f) Part II of the Consumer Protection Act 1987 and Part II of the Food Safety Act 1990.

Appointed advisor

The solicitor, accountant, mediator or other suitably qualified person, who has been appointed to act for an **insured person** in accordance with the terms of this section.

Costs and expenses

Reasonable legal costs, fees and disbursements reasonably and proportionately incurred by the **appointed advisor** on the **standard basis** and agreed in advance by **us**.

Reasonable prospects of success

In criminal prosecution claims where the **insured person**:

- i) pleads guilty, a greater than fifty per cent chance of the **insured person** successfully reducing any sentence or fine;
- ii) pleads not guilty, a greater than fifty per cent chance of that plea being accepted by the court.

Standard basis

The basis of assessment of costs where the court only allows recovery of costs which are proportionate to the claim and which have been reasonably incurred.

Insuring clause

We will pay the **insured person's costs and expenses** up to £1,000,000 in total during the **period of insurance** for all claims related by time or original cause including the cost of appeals, for:

- a) the defence of any criminal proceedings brought against **you** for an offence or breach, whether actual or alleged, of any **applicable legislation**;
- b) any prosecution costs awarded against **you** arising from those proceedings described in a) above;
- c) **costs and expenses** incurred with **our** consent for **your** legal representation at an inquiry ordered under any applicable legislation;
- d) appeals against improvement and prohibition notices incurred with **our** consent.

Provided that:

1. the claim arises in connection with **your business** and occurs within the **territorial limits**;
2. the claim always has **reasonable prospects of success**; and
3. the prosecution or proceedings relate to an offence alleged to have been committed during the **period of insurance**.

Conditions

Included here are the conditions of this policy that **you** need to meet as **your** part of this policy. If **you** do not meet these conditions, **we** may need to reject a claim or a claim payment could be reduced.

1. **Acts of parliament, statutory instruments, civil procedure rules and jurisdiction**

All legal instruments and rules referred to within this section of this policy include equivalent legislation within the **territorial limits** and any later changes or replacement legislation.

2. **Consent**

The **insured person** must agree to **us** having sight of the **appointed advisor's** file relating to the **insured person's** claim. The **insured person** is considered to have provided consent to **us** or **our** appointed agent to have sight of the **appointed advisor's** file for auditing and quality and cost control purposes.

3. **Freedom to choose an appointed advisor**

- a) **We** will choose the **appointed advisor** however, the **insured person** is free to choose an **appointed advisor** if they wish.
- b) Where the **insured person** wishes to exercise their right to choose, they must write to Capital Markets Underwriting Limited at Arden House, Arden Grove, Harpenden, Hertfordshire, AL5 4SL. (by e-mail, fax or letter) with their preferred representative's contact details. If the **insured person** does choose their own **appointed advisor**, the amount payable for their services will be on the basis of **our** standard terms of appointment for legal representation or other reasonable terms of appointment to which **we** agree **our** agreement not to be unreasonably withheld.

- c) If the **insured person** dismisses the **appointed advisor** without good reason, or withdraws from the claim without **our** written agreement or if the **appointed advisor** refuses with good reason to continue acting for the **insured person**, cover will end with immediate effect.

4. **Barrister's opinion**

At any time **we** may seek an independent barrister's opinion as to the **reasonable prospects of success** in defending the prosecution.

If the opinion is that a "not guilty" plea does not have a **reasonable prospect of success** then **we** will advise **you** of that opinion.

Should **you** elect to continue with a "not guilty" plea then **we** will withdraw **our** support for the **insured person's** defence and be under no further obligation to cover **you** for any costs incurred from the date of **your** refusal to accept that opinion; unless **you** obtain an independent barrister's opinion at **your** own expense which contradicts the opinion that **we** have obtained; in which case **we** will ask the chairperson or vice- chairperson of the bar council to appoint a queen's counsel to give a final opinion, at **our** expense, as to the prospects of success in defending the prosecution.

If the opinion of the queen's counsel agrees with the **insured person's** barrister's opinion then **we** will continue to support the **insured person's** defence, but if it does not **we** will withdraw **our** support for the **insured person** and be under no further obligation to cover the **insured person's** costs incurred from the date of the queen's counsel final opinion.

This does not affect the **insured person's** right under the Arbitration clause contained within the Claims conditions section.

5. **The insured person's responsibilities**

An **insured person** must:

- a) tell **us** as soon as is practicably possible of anything that may make it more costly or difficult for the **appointed advisor** to resolve a claim in their favour;
- b) cooperate fully with **us**, give the **appointed advisor** any instructions **we** require, and keep them updated with progress of the claim and not hinder them;
- c) take reasonable steps to recover **costs and expenses** and pay them to **us**; and
- d) keep **costs and expenses** as low as reasonably possible.

Exclusions

We will not be liable under this section for any claim arising from or relating to:

1. **Costs and expenses incurred without consent**

costs and expenses incurred without **our** consent;

2. **Fines & penalties**

finances or penalties of any kind;

3. **Prior losses**

any actual or alleged act, omission or dispute happening before, or existing at the inception of this policy, and which the **insured person** knew or ought reasonably to have known could lead to a claim; and

4. **Legal expenses insurance**

costs and expenses incurred as a result of any criminal proceedings, appeals or inquiries which arise independently of any legal liability **you** may have to pay damages which may, subject always to all applicable terms, conditions and exclusions, be covered under a Legal expenses policy.

Business Legal Cover

This section is provided by Arc Legal Assistance Limited

Legal Advice Line Service

Capital Markets Underwriting Business Legal Cover provides access to a 24 hour, 365 days a year legal advice line service.

You can use the service to seek legal advice on any legal problem that you have concerning your business, for example, employment queries, contract disputes or data protection or health & safety laws etc. The list is endless.

The advice line is staffed by qualified lawyers who will confirm the advice in writing if you wish.

Employment Disputes

As a condition of the business legal cover, you must seek authorisation from the advice line before dismissing an employee or making any significant changes to the employee's terms and conditions of employment.

If you fail to seek and/or follow the advice of the advice line, in the event that an employee makes a claim against you, you may not be covered under this insurance.

Claims Notification

To notify us of a claim under the business legal cover, you should telephone the legal advice line. The advice line will discuss the problem with you and, if appropriate, arrange for a claim form to be sent to you. Claim forms are only available by contacting the advice line.

Nobody wants to become involved in legal action if it can be avoided. Most disputes can be resolved amicably if the right course of action is followed at an early stage. By contacting the advice line as soon as you are aware of a potential dispute and by following our advice, you will know what your legal position is and what course of action you should take next.

TO CONTACT THE LEGAL ADVICE LINE TELEPHONE

Telephone 0344 770 1040

AND QUOTE

**“Capital Markets Underwriting Business
Legal Cover”**

You should notify us of any potential claim immediately. If you do not notify us within 180 days of you first becoming aware of a potential claim you will not be covered.

This insurance only covers legal costs incurred by Irwin Mitchell Solicitors or their agents appointed by us until court or tribunal proceedings are issued.

Definitions

- **“Aggregate Limit of Liability”** shall mean the maximum amount payable under this Section of Cover in any one Period of Insurance. **The Aggregate Limit of Liability is £500,000.**
- **“Appointed Representative”** shall mean Irwin Mitchell Solicitors or their agents appointed to act for the Assured by Arc.
- **“Arc”** shall mean Arc Legal Assistance Limited who administers this insurance on behalf of Underwriters.
- **“Assured”** shall mean the person, persons, partnership, firm, company, body corporate, trust or association stated in the Schedule including all partners, Officers, Employees, trustees or committee members of such Assured but in that capacity only.
- In the event of the death or incapacity of the Assured who is an individual, the estate, heirs, legal representatives or assigns
- (as the case may be) of that Assured shall be entitled to receive indemnity or benefit under this Section of Cover as if it or they were that Assured.

- **“Award”** shall mean the award of compensation which the Assured must pay as a result of
 - i) Judgment in a claim under the Legislation in relation to Employment, or
 - ii) Judgment in a claim under section 22 or 23 of the Data Protection Act 1984 concerning the inaccuracy, loss, destruction or unauthorised disclosure of data, or
 - iii) The Assured's out-of-court settlement of a claim under (i) or (ii) above to which Underwriters have given their written consent

other than

- i) Anything due under the contract of Employment, or
 - ii) Any payment made for or in recognition of redundancy, or
 - iii) Any additional, protective or special award, or
 - iv) Any compensatory award specified in a reinstatement or re-engagement order or made by reason of the Assured's failure to provide written reasons for a dismissal, or
 - v) Any interim relief or other interim payment.
- **“Business”** shall mean any business activity of the Assured specified in the Schedule and carried on in the Territory.
 - **“Claim”** shall mean any claim made under this Section of Cover for any benefit provided by this insurance.
 - **“Claim Limit of Liability”** shall mean the maximum amount payable under this Section of Cover arising from any one Event. **The Claim Limit of Liability is £100,000.**
 - **“Computer”** shall mean any computer or other electronic data processing device, equipment or system, any hardware, software, programme, instruction, data or component utilised or intended to be utilised in or by any such item, or any actual or intended function of or process performed by any of them.
 - **“Dispute”** shall mean any situation involving a disagreement with or action by someone in which the Assured's legal rights need to be protected by legal proceedings or accounting practice.
 - **“Employee”** shall mean any individual who was or is or may become subject to a contract of service or apprenticeship with anyone named or identified in the Schedule as the Assured, or with any partner therein or trustee or committee member thereof.
 - **“Employment”** shall mean any actual, alleged or attempted employment of the Employee in the course of the Business.
 - **“Enforcement Notice”** shall mean an improvement notice or a prohibition notice within the respective meanings given by sections 21 and 22 of the Health and Safety at Work etc. Act 1974.
 - **“Event”** shall mean any Dispute, accident or other event which produces a Claim or Claims.
 - **“Insolvent”** shall mean that the Assured is unable to pay its debts when they are due, or its total assets are less than its total financial obligations and its financial affairs are under legal control.
 - **“Legal Advice Service”** shall mean the legal advice service provided by Arc on behalf of Underwriters which may be contacted by telephoning **0344 770 1040.**
 - **“Legal Expenses”** shall mean reasonable legal fees up to the hourly rate shown in the Arc fee scale ruling at the time the Adviser is instructed, costs and other expenses which are paid by Underwriters or properly charged by the Appointed Representative in relation to the Claim. Anything more than is allowed on the Standard Basis must be paid by the Assured.
 - **“Legislation”** shall mean any statute, order, rule or regulation having the force of law in the Territory. Every reference in this Section of Cover to Legislation (whether or not specified) is deemed to mean that Legislation inclusive of any other Legislation by which it is supplemented, amended or re-enacted.
 - **“Officer”** shall mean any director, officer, manager, partner or trustee of the Assured.
 - **“Opponent's Costs”** shall mean the Assured's opponent's legal costs which it is liable to pay in a civil action.)
 - **“Period of Insurance”** shall mean the period for which Underwriters have agreed to provide this insurance, as shown in the Schedule.
 - **“Right of Action”** shall mean
 - i) Any need of the Assured to respond to a claim or legal proceedings made, brought, commenced or threatened against it, or
 - ii) Any right the Assured has to pursue legal action.
 - **“Standard Basis”** shall mean the basis for charging costs
 - i) In England and Wales under Order 62, Rule 12 of the Rules of the Supreme Court 1965, or
 - ii) in Scotland under Chapter II (in Ordinary Proceedings) or Chapter IV (in Summary Cause Proceedings) of the Act of Sederunt (Fees of Solicitors in the Sheriff Court) (Amendment and Further Provisions) 1993
 - **“Territory”** shall mean the United Kingdom, Channel Islands and the Isle of Man.
 - **“Underwriter/s”** shall mean Inter Partner Assistance, The Quadrangle, 106-118 Station Road, Redhill, Surrey, RH1 1PR

Insuring Clauses

(The heading of each clause is for ease of identification only)

Underwriters hereby agree to insure the Assured subject to the terms, limitations, exclusions and conditions of this Section of Cover as well as those general terms, limitations, exclusions and conditions contained within the certificate of insurance to which this Section of Cover attaches.

If the Assured makes a valid Claim under any of the insuring clauses and based on the Right of Action of which the Assured first becomes aware during the Period of Insurance, Underwriters will:

- i) At their expense do what is explained in each insuring clause,
- ii) Take, or defend or represent the Assured in, any reasonable legal proceedings (including making or defending an appeal) which are necessary because of any action under the operative insuring clauses. These legal proceedings must take place within the Territory,
- iii) Pay on behalf of the Assured its irrecoverable Legal Expenses and Opponent's Costs arising from any action under the insuring clauses,
- iv) Pay to the Assured who is an individual, compensation for his or her attendance as a witness (at the request of the Appointed Representative and necessary because of any action under the insuring clauses) or as a juror at any court, tribunal, arbitration or hearing. Such compensation will be paid at the rate of up to £100 per witness/juror per day of attendance (or part thereof) and is limited in respect of any one Claim to a total of £5,000 for all such witnesses/jurors.

Each half or full day of such attendance shall be calculated on the following basis:

- a) The period of absence from work shall include the time taken to travel to and from the hearing
- b) The period of absence from work shall be calculated to the nearest half day, taking an eight hour to be a whole day for this purpose and the maximum period for which a Claim can be made in respect of any one day
- c) For full-time Employees, one whole days salary or wages equals 1/250th of the Employees annual salary or wages at the time of such attendance
- d) For the part-time Employees, the salary or wages for the period of absence from work shall bear the same proportion of their weekly salary or wages as the period of absence bears to their normal working week for the Assured.

1. Employment

Underwriters will

- a) Represent or defend the Assured's civil rights in any Dispute it has with the Employee and arising from:
 - i) Employment, or
 - ii) Any actual or alleged breach of the Legislation in relation to Employment;
 - iii) Pay on the Assured's behalf any Award in favour of the Employee and arising from Employment.

2. Health and Safety

Underwriters will represent or pursue the Assured's rights in appealing against any Enforcement Notice served on it in relation to the Business.

3. Property

Underwriters will represent, pursue or defend the Assured's rights in owning, occupying or using any land or building for the purposes of the Business, other than in respect of any

- a) Review of any rent or service charge, or
- b) Land or building being let or otherwise made available by the Assured to any person, or
- c) Dispute between the Assured and any government department or statutory or local authority, or
- d) Dispute arising from mining or other subsidence, ground swell or heave, or
- e) Prosecution of the Assured.

4. Taxation

Underwriters will represent, pursue or defend the Assured's rights if any government department in the Territory

- a) Makes any official investigation into the Assured's liability to taxation on income, profits or gains of the Business, or
- b) Is in Dispute with the Assured concerning its liability to Value Added Tax or its responsibility to comply with or apply the Legislation concerning the assessment, collection or recovery of Value Added Tax

other than in respect of the Assured's prosecution or to the extent of anything done or to be done:

- i) After any matter first becomes referred to or dealt with by any Special Office of the Inland Revenue, or the Investigation Division or Collection Investigation Unit of H.M. Customs and Excise, or
- ii) In an official investigation before the government department has first expressed its written dissatisfaction with the books and records the Assured is required to produce for in-depth examination, or
- iii) Before the commencement of Value Added Tax enforcement proceedings against the Assured, or
- iv) Only because of some earlier official investigation into the Assured's affairs or some earlier Value Added Tax enforcement proceedings against the Assured, or
- v) In preparing, challenging, appealing, or otherwise processing any tax computation, assessment, demand or payment which the Assured would necessarily deal with notwithstanding that official investigation or dispute.

5. Data Protection

Underwriters will

- a) Represent or pursue the Assured's rights in appealing (in accordance with Section 13 of the Data Protection Act 1984) against
 - i) Any refusal by the Registrar of Data Protection of an application, or
 - ii) Any notice served on the Assured

which is mentioned in that section and arises in relation to the Business;

- b) Represent or defend the Assured's rights in any Dispute to which it is a party and arising from any actual or alleged breach of the Data Protection Act 1984 in relation to the Business, other than in respect of the Assured's prosecution,
- c) Pay on the Assured's behalf any Award made in respect of the Dispute referred to in (b) above.

6. Statutory License

Underwriters will represent or pursue the Assured's rights in appealing (in accordance with the applicable Legislation) against any refusal, non-renewal, revocation, suspension, or compulsory amendment of any licence, permit or other authorisation necessarily issued to the Assured for any purpose of the Business by any person acting in the exercise of a statutory power or duty, other than in respect of any

- a) Such authorisation required to be held by the individual present in or on any means of transport in order to drive it or otherwise control its movement, or
- b) Enforcement Notice, or
- c) Matters governed by the Data Protection Act 1984, or
- d) inquiry or hearing concerning the Assured's actual or alleged professional duty, or any appeal or judicial review arising from such an inquiry or hearing, or
- e) Prosecution of the Assured.
- f) Of the following trades:
 - i) Gaming, Gambling and Nightclubs
 - ii) Gentlemen's Clubs and other venues providing entertainment in the form of Lap Dancing, Table Dancing, Pole Dancing and/or where striptease and/or erotic dance is regularly performed.
 - iii) Fairgrounds and Amusement Arcades

7. Prosecution

Underwriters will represent or defend the Assured's rights if it is prosecuted in a court of criminal jurisdiction, other than because of

- a) The ownership, possession or use of any vehicle, aircraft, hovercraft or watercraft, or
- b) Seepage, pollution or contamination of any kind
- c) A prosecution under the Health & Safety at Work etc. Act 1974.

8. Personal Injury

Underwriters will pursue the rights of an, Officer of the Assured to compensation following their death or personal injury caused by another person or organisation during the normal course of the Director or Officer's employment by the Assured, other than because of an accident or incident caused by, or the responsibility of the Assured.

Exclusions

(The heading of each clause is for ease of identification only)
Underwriters shall not be liable in respect of:

1. Other Insurance

Anything for which indemnity is (or would be but for this insurance) available from any other source.

2. Dishonest, Fraudulent or Malicious Conduct

The Assured's defence in any Claim or legal proceedings arising from its actual or alleged dishonesty, fraud or malicious conduct, unless legal proceedings are brought against the Assured but are dismissed, successfully defended or find that the Assured did nothing dishonest, fraudulent or malicious.

3. Disputes Between Assured's

Any Claim arising from a Dispute between any two or more Assured's in relation to their common partnership, trust or committee.

4. Bodily Injury / Property Damage and Professional Services

The Assured's defence in any civil claim or legal proceedings brought in respect of its actual or alleged legal liability for

- 1) Loss, destruction or loss of use of or damage to any property, or
- 2) Death of or bodily injury to any person, or
- 3) Breach of any duty owed by the Assured in providing any professional service or (other than as the Officer) as a director or officer of any company.

5. Dispute Over Insurance

Any Dispute about this insurance, or between the Assured and Arc or Underwriters or any other insurer about the way in which any insurance claim should be settled or the amount of the settlement.

6. Libel, Slander and Intellectual Property Rights

Any Claim arising from actual or alleged defamation, malicious falsehood or infringement of any intellectual property rights.

7. Damages, Fines and Penalties

Any damages (other than the Award), fine or penalty.

8. Legal Expenses

Legal Expenses to which Underwriters have not agreed in writing or are incurred by a lawyer or other professional adviser not appointed by Arc.

9. Circumstances Known at Inception

Any Claim based on the Right of Action (or any circumstance which might lead to the Right of Action) of which the Assured was or should have been first aware outside the Period of Insurance.

10. "Year 2000"

Any consequence of any failure of the Computer (by whomsoever owned or operated) to recognise or respond to, correctly and effectively, any particular date or period of time (continuous or otherwise).

11. Radioactive Contamination or Explosive Nuclear Assemblies

Any Claim brought about by or contributed to by or consequent upon

- i) Loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
- ii) Any legal liability of whatsoever nature

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

- i) Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- ii) The radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

12. Reasonable Care

Any consequence of the Assured's failure in relation to the Business to

- i) Enter into and reply to correspondence with reasonable care and promptness, or
- ii) Keep and retain all necessary books, records and accounts with reasonable care and in an appropriate manner, or
- iii) Prepare and issue or submit all notices, accounts and returns in the manner and within the period required by the Legislation.

13. Wrongful Acts

Any Claim arising from something the Assured did, knowing it to be wrongful or ignoring that possibility.

14. Appointment of Solicitor

Arc will appoint Irwin Mitchell Solicitors or their agents as the Legal Representative to act for the Assured. Legal Expenses incurred by a legal adviser other than the Legal Representative are not covered under this insurance until court or tribunal proceedings are issued.

Conditions

(The heading of each condition is for ease of identification only)

1. Claims Conditions

- a) It is a condition precedent to Underwriters' liability to meet the Claim that the Assured
 - i) Shall notify any potential claims immediately to Underwriters or certainly within 180 days of the Assured first becoming aware of any Event or Right of Action which may give rise to a claim
 - ii) Gives Underwriters, as soon as possible, all the information, documents and assistance they need to deal with that Claim,
 - iii) Gives Underwriters its reasons if it wishes to appeal
 - iv) seeks and follows the advice of the Legal Advice Service before the Assured takes any action for the purpose of:
 - a) Dismissing the Employee for any reason, or
 - b) Making any intended significant variation in the Employee's terms and conditions of Employment,
 - v) Forwards to Underwriters, immediately upon receipt, every form IT1, IT2 and IT3 issued by the Employment Tribunal to the Assured.
- b) The Assured must
 - i) Try to limit the effect of anything which may lead to a Claim,
 - ii) Try to limit any loss and costs which it may wish to recover and any Legal Expenses arising from any Claim it makes,
 - iii) Notify Underwriters as soon as it receives any offer to settle a Dispute or action, or any offer of a payment into court. Underwriters may stop supporting the Claim if the Assured makes, accepts or rejects any such offer without Underwriters' agreement. If the Assured does accept any such offer and this limits the Legal Expenses Underwriters are able to recover or makes the Assured liable for Opponent's Costs, Underwriters may refuse to pay the irrecoverable Legal Expenses and Opponent's Costs which arise,
 - iv) Give Underwriters written details of everything they ask for.
- c)
 - i) Underwriters must have accepted the Claim in writing before they can deal with it.
 - ii) Underwriters will accept the Claim when they are satisfied that
 - a) They have all the information that they need, and
 - b) The Assured can identify any person with whom it is in Dispute, and it is reasonable for the Assured to pursue or defend its legal rights taking into account a reasonable estimate of the Assured's total Legal Expenses and the Assured will probably achieve a worthwhile result.
 - iii) Underwriters may withdraw their acceptance of the Claim and stop providing benefit for it if
 - a) The Assured no longer has both a reasonable case and a reasonable chance of a worthwhile result, or
 - b) The Assured acts wrongly or unreasonably in dealing with anything to do with the Claim, or

- c) The Appointed Representative stops dealing with them Claim for any reason, or
- d) The Assured becomes Insolvent and is unlikely to receive and keep any worthwhile personal benefit by continuing with its action, even if it is successful.

If Underwriters do withdraw acceptance, they will still pay for all benefits the Assured was entitled to get up to that time.

- iv) If the Assured withdraws its Claim or stops or discontinues its action without Underwriters' agreement, it must pay all Legal Expenses and Opponent's Costs which arise before it withdraws, stops or discontinues
- d) When Underwriters are considering whether to accept the Claim or to withdraw from it, or the cost or value of any benefit, they will take into account the opinion of the Appointed Representative. If the Assured disagrees with Underwriters' decision, it may then agree with Underwriters to use arbitration.

In all cases Underwriters will advise the Assured in writing of their decision on the Claim.

- e)
 - i) Underwriters shall appoint a lawyer or other suitably qualified person working for them to represent, pursue or defend the Assureds rights.
 - ii) The Assured must give the Appointed Representative full details of the Event and the Claim and any other information the Assured is asked for. The Assured must make sure that the Appointed Representative keeps Underwriters fully up to date with the progress of the action and lets Underwriters see the papers if they request them.
 - iii) Unless the Assured has Underwriters' written permission, it must not make any arrangement with the Appointed Representative about the Legal Expenses.
 - iv) The Assured must give Underwriters all the Appointed Representative's bills as soon as it receives them. If Underwriters request it, the Assured must confirm that any bill for Legal Expenses is correct, or instruct the Appointed Representative to have that bill and any demand for Opponent's Costs officially confirmed as being charged on the Standard Basis.

2. Fraudulent Claims

If a Claim is false or fraudulent in any way, this Section of Cover shall (unless Underwriters otherwise agree) be void and the Assured will not be entitled to any benefit under this Section of Cover for that Claim or for any other Claim.

3. Multiple Assured's

Underwriters' liability under any and all contracts of insurance evidenced or deemed to be evidenced by this Section of Cover shall be the liability so specified in this Section of Cover as applicable to any one such contract and shall not (except as so specified) be varied or deemed varied because of the number or type of Assured's or Claims under this Section of Cover.

4. Recoveries

The Assured must do everything possible to recover all Legal Expenses and any payment made by Underwriters to the Assured for his or her attendance as a witness at any court, tribunal, arbitration or hearing. Any recoveries will be applied in the following sequence

- a) any Legal Expenses and Opponent's Costs incurred by the Assured over and above the relevant Limit of Liability which would otherwise have fallen within the terms and conditions of this Section of Cover,
- b) The total Legal Expenses, Opponent's Costs and any payment for the attendance as a witness paid by Underwriters;

The total amount recovered is to be applied, as far as it will go, to items a) and b) in that order, and the Assured and Underwriters are to make whatever settlement is necessary between them to reflect this.

5. Notice

Notice under this Section of Cover shall be deemed duly given:

- a) To Underwriters if made in writing to Arc Legal Assistance Limited at PO Box 8921, Colchester, CO4 5YD
- b) To the Assured if sent by post to the last known address of that Assured.

6. Cancellation

Underwriters can cancel this insurance by giving at least 30 days written notice to the Assured.

7. Arbitration

If there is a dispute between the Assured and the Underwriters, the matter may be referred to an arbitrator who the Assured and the Underwriters agree to. If the Assured and the Underwriters cannot agree on an arbitrator, one will be chosen by the President of the Law Society or by the Bar Council.

All costs of the arbitration will be paid by the person the arbitrator's decision goes against. If the decision is not clearly made against either the Assured and the Underwriters, the arbitrator will decide how the Assured and the Underwriters will share the costs. This policy does not cover the arbitration costs.

If arbitration is used, it does not affect the Assured's right to take legal action or any other remedy.

8. Law of Contract

The contract for this insurance is governed by English law and is subject to the exclusive jurisdiction of the English courts.

9. Language

The language for contractual terms and obligations will be English.

Data Protection Act

The details of the Assured, the Assured's insurance cover and claims will be held by Arc and or the Underwriters for underwriting, processing, claims handling and fraud prevention subject to the provisions of the Data Protection Act 1998

Customer Care

Our aim is to get it right, first time, every time. If We make a mistake, We will try to put it right promptly. If You are unhappy with the service that has been provided, You should contact Us at the address below. We will always confirm to You, within five working days, that We have received Your complaint. Within four weeks You will receive either a final response or an explanation of why the complaint is not yet resolved plus an indication of when a final response will be provided. Within eight weeks You will receive a final response or, if this is not possible, a reason for the delay plus an indication of when a final response will be provided. After eight weeks, if You are not satisfied with the delay You may refer Your complaint to the Financial Ombudsman Service. You can also refer to the Financial Ombudsman Service if You cannot settle Your complaint with Us or before We have investigated the complaint if both parties agree. Further information about the service and eligibility is available at <http://www.financial-ombudsman.org.uk>.

Our contact details are:

Arc Legal Assistance Ltd
PO Box 8921
Colchester
CO4 5YD
Tel 0120 661 5000
Email customerservice@arclegal.co.uk

The Financial Ombudsman Service contact details are:

Financial Ombudsman Service
Exchange Tower
London
E14 9SR
Tel 0800 023 4567
Email complaint.info@financial-ombudsman.org.uk

Compensation

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if We or the Underwriters are unable to meet their obligations, Your entitlement to compensation will depend on the circumstances of the claim. Further information about compensation scheme arrangements and eligibility is available at <http://www.fscs.org.uk/>

Authorisation

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if We or the Insurer are unable to meet their obligations, Your entitlement to compensation will depend on the circumstances of the claim. Further information about compensation scheme arrangements and eligibility is available at <http://www.fscs.org.uk/>

Claims Procedure

The Assured notify Arc immediately, and certainly within 180 days of them first becoming aware of any actual or potential Dispute by telephoning the Legal Advice Service on **0344 770 1040** and quoting "Capital Markets Underwriting Business Legal Cover". Arc will handle all Claims under this Section of Cover on behalf of Underwriters.

Legal Helpline

The helpline service may be used to discuss any business legal problem concerning the Assured. Simply telephone **0344 770 1040** and ask for the legal helpline quoting "Capital Markets Underwriting Business Legal Cover". The service is here to help you. Do not hesitate to make full use of it.

In particular if something you are proposing to do may result in a claim under this Section of Cover, such as dismissing an Employee, you must use the helpline first.

To ensure that an accurate record is maintained your telephone call may be recorded.