

Commercial Combined Policy



All information in this Policy Wording is correct at the time of printing (August 2016), for full up to date information please visit our website

coveainsurance.co.uk



Thank you for choosing Covéa Insurance.

This is **Your** Commercial Combined policy. It sets out the details of **Your** insurance contract with Covéa Insurance.

Your premium has been calculated upon the information shown in the policy **Schedule** and recorded in **Your** Statement of Fact.

Please read the policy and **Schedule** carefully to ensure that the cover meets **Your** requirements.

Please contact **Your** insurance broker if **You** have any questions or if **You** wish to make any adjustments.

Important

Please read this policy, its **Schedule** and any endorsements to ensure that they are in accordance with **Your** requirements.

Contents

Helplines	2
Customer Information	3
Introduction	6
General Definitions	7
General Conditions	8
Claims Conditions	11
General Exclusions	13
Policy Cover	
Section 1: Material Damage	15
Section 2: Business Interruption	25
Section 3: Goods in Transit	31
Section 4: Loss of Business Money	34
Section 5: Personal Accident (assault)	37
Sections 6, 7 & 8: Employers', Public and Products Liability	39
Section 6: Employers Liability	40
Section 7: Public Liability	42
Section 8: Products Liability	47
Section 9: Specified All Risks	49
Section 10: Refrigerated Stock	52
Section 11: Loss of Licence	53
Section 12: Essential Business Legal	54

Helplines

Covéa Insurance Commercial Care Line (Other than Section 12 Essential Business Legal)

Commercial Care Line
0330 024 2266

Should **You** be unfortunate enough to have to make a claim, **Covéa Insurance Commercial Care Line** will manage all aspects of the claim for **You** from the time it is reported.

- Dedicated telephone number – **0330 024 2266**
- Dedicated fax number – **0330 024 2623**
- By E-Mail – newcommercialclaims@coveainsurance.co.uk
- In writing – **Covéa Insurance Commercial Care Line, Norman Place, Reading RG1 8DA**

Covéa Insurance Commercial Care Line is a service exclusive to Covéa Insurance available 24 hours a day, 365 days a year. Staff trained in managing commercial claims will:

- Take details of **Your** claim over the phone, in most cases removing the need for completion of an incident report form.
- Take control of the management of **Your** claim from start to finish and arrange replacement of goods lost or stolen using the latest product information.

As a Covéa Insurance policyholder **You** have 24 hour access to emergency assistance should **You** encounter a problem affecting **Your** business premises ranging from a broken window to a fire or any other emergency including:

- Emergency glazing
- Locks
- Plumbing

Arrangements will be made for a suitable contractor or repairer to attend, although if the incident is not covered by **Your** policy **You** will be responsible for all costs incurred.

Our aim is to bring **Your** claim to a speedy and satisfactory conclusion.

Essential Business Legal Helpline

For claims under section 12 Essential Business Legal please call **0330 024 2290**.

Business Legal Helpline

As a Covéa Insurance policyholder should **You** require advice or guidance on any **Business** legal problem, **You** may use the 24 hour telephone helpline at any time within the **Period of Insurance** of this policy.

This service is provided free of charge by Cigna Insurance Services (Europe) Limited.

To use this service please telephone **0330 024 2624** and quote **Your** verification number shown on **Your** policy schedule.

Advice given to **You** will be confirmed in writing where necessary.

If section 12 Essential Business Legal is operative, separate contact details will be shown on the policy **Schedule**.

Customer Information

Registration and Regulatory Information

Insurance cover under sections 1-11 is provided by Covea Insurance plc. Registered in England and Wales No. 613259. Registered office: Norman Place, Reading, Berkshire RG1 8DA.

Covea Insurance plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. **Our** Firm Reference Number is 202277.

The insurance cover under section 12 Essential Business Legal is administered in the United Kingdom by Cigna Insurance Services (Europe) Limited, and underwritten by Cigna Europe Insurance Company S.A.-N.V.

Cigna Insurance Services (Europe) Limited is registered in England and Wales No. 04617110. Registered office at Chancery House, St Nicholas Way, Sutton, Surrey SM1 1JB

Cigna Insurance Services (Europe) Limited is authorised and regulated by the Financial Conduct Authority. Its Firm Reference Number is 310671.

Cigna Europe Insurance Company S.A.-N.V. UK Branch, First Floor, Chancery House, St Nicholas Way, Sutton, Surrey SM1 1JB. Registered in Belgium with limited liability (Brussels trade register no. 0474624562), Avenue de Cortenbergh 52, 1000 Brussels, Belgium. Subject to the prudential supervision of the National Bank of Belgium, Boulevard de Berlaimont 14, 1000 Brussels (Belgium) and to the supervision of the Financial Services and Markets Authority (FSMA), rue du Congrès 12-14, 1000 Brussels (Belgium), in the field of consumer protection and subject to limited regulation by the Financial Conduct Authority. Details of the extent of our regulation by the Financial Conduct Authority are available on request. Cigna Europe Insurance Company S.A.-N.V. is represented through their UK branch and is registered in England and Wales, No. FC032098 with the registered office address of Chancery House, St Nicholas Way, Sutton, Surrey SM1 1JB.

Both Cigna Europe Insurance Company S.A.-N.V. and Cigna Insurance Services (Europe) Limited are part of the Cigna group of companies.

You can check a firm's regulatory authorisation and supervision on the Financial Services Register by visiting the FCA's website www.fca.org.uk/register or by contacting the FCA on 0800 111 6768.

How to make a complaint – Sections 1-11

It is always **Our** intention to provide a first class standard of service. However, **We** do appreciate that occasionally things go wrong. In some cases the broker who arranged **Your** insurance will be able to resolve any concerns, particularly if **Your** complaint relates to the way the policy was sold and **You** should contact them directly.

Alternatively, please contact **Us** using the following details, quoting **Your** Policy or claim number:

Customer Relations, Covéa Insurance,
Norman Place, Reading,
Berkshire RG1 8DA.
Telephone: 0330 221 0444
Website: www.coveainsurance.co.uk
Email: customer.relations-rdg@coveainsurance.co.uk

Full details of the Covéa Insurance Internal Complaints Procedure are detailed in **Our** leaflet 'Complaints Procedure' which is available on request or may be downloaded from **Our** website at www.coveainsurance.co.uk/complaints.

You may be eligible to refer **Your** complaint to the Financial Ombudsman Service. There are a few instances where they will not be able to assist and they will confirm if **Your** complaint is eligible when **You** contact them. Their contact details are:

Financial Ombudsman Service
Exchange Tower,
Harbour Exchange Square,
London E14 9SR
www.financial-ombudsman.org.uk
email: complaint.info@financial-ombudsman.org.uk

How to make a complaint – Section 12

Complaints Procedure

As a customer of Cigna, **You** have the right to expect the best possible service and support. If **We** have not delivered the service that **You** expect or **You** are concerned with the service provided, **We** would like the opportunity to put things right. **You** can contact **Us** using one of the following methods:

Cigna Legal Protection
1st Floor, Chancery House, St Nicholas Way,
Sutton, Surrey SM1 1JB
Telephone: 0330 100 9513
Fax: 0330 100 9514
Email: personal.legal.claims@cignainsurance.co.uk

Our complaints process

Many problems can be resolved by speaking to the staff directly responsible for the handling of **Your** policy or claim. They will do their best to address the problem and in **Our** experience most issues can be resolved satisfactorily.

If **We** are unable to resolve the issue immediately or if **We** need to investigate further, **We** will write to acknowledge **Your** complaint and provide **You** with details of the person who will be handling it. **We** will then keep **You** updated on the progress **We** are making.

Customer Information

continued

Once **We** have concluded **Our** investigations **We** will write to **You** with **Our** decision, giving **Our** reasons for it. **We** will issue **Our** final response within 8 weeks of receiving **Your** original complaint, or if it is not possible to issue **Our** response within this timescale **We** will write to explain why. This will conclude **Our** Internal Complaints Procedure.

If **You** are not satisfied with **Our** final response or more than 8 weeks have passed since **We** received **Your** complaint **You** may be eligible to refer **Your** complaint to the Financial Ombudsman Service. **You** will need to do this within 6 months of receiving **Our** final response letter and they will only consider **Your** complaint after **We** have been given the opportunity to resolve it first. The Financial Ombudsman Service is a free and impartial service, they can be contacted at:

Exchange Tower
Harbour Exchange Square
London E14 9SR
www.financial-ombudsman.org.uk

Your rights

We must accept the Ombudsman's final decision, but **You** are not bound by it and may take further action if **You** wish.

Your rights as a customer to take legal action remain unaffected by the existence or use of **Our** complaints procedure. However the Financial Ombudsman Service will not adjudicate on any cases where litigation has commenced.

Please note that the Financial Ombudsman Service will only consider complaints if **You** are a private policyholder, an enterprise which employs fewer than 10 persons and has a turnover or annual balance sheet that does not exceed €2M, a charity with an annual income of less than £1 million.

How to Cancel Your Policy

If **You** do not want to accept the policy **You** have the right to cancel it within 14 days from the date of purchase of **Your** policy or the day **You** receive **Your** policy documentation, whichever is later. To do this **You** must return the policy documentation to **Your** broker when giving **Your** instruction to cancel.

If cover has not yet started a full refund will be given. If cover has started **We** will refund the premium for the exact number of days left on the policy, less an additional charge of **£25** plus the prevailing rate of Insurance Premium Tax as stated on **Your** policy **Schedule**. No refund will be given if a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **Period of Insurance**. **We** will also do this if **You** want to cancel the policy within 14 days after the renewal date.

You may cancel the policy at any other time by contacting **Your** broker.

If **You** cancel **Your** policy after 14 days and a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **Period of Insurance**, **We** will not refund any part of the premium. If **You** have a Loan Agreement with Covéa Insurance, all outstanding monies must be paid to **Us** as described in **Your** Loan Agreement.

If no claims have been submitted and there have been no incidents that are likely to give rise to a claim during the current **Period of Insurance**, **We** will refund the premium for the exact number of days left on the policy less an additional charge of **£25** plus the prevailing rate of Insurance Premium Tax as stated on **Your** policy **Schedule**.

For **Our** rights to cancel **Your** policy please see Our Rights to Cancel the Policy Condition on page 9 of this policy document.

Financial Services Compensation Scheme

Covéa Insurance is covered by the Financial Services Compensation Scheme. **You** may be entitled to receive compensation from the scheme if **We** cannot meet **Our** obligations.

Further information is available from the Financial Services Compensation Scheme, 10th Floor Beaufort House, 15 St Botolph Street, London EC3A 7QU
Telephone 020 7741 4100
Email: enquiries@fscs.org.uk
Website: www.fscs.org.uk

How we use your Information

The personal information, provided by **You**, is collected by or on behalf of Covéa Insurance and may be used by **Us**, **Our** employees, agents and service providers acting under **Our** instruction for the purposes of insurance administration, underwriting, claims handling and for research, or statistical purposes.

We may also share **Your** information with reinsurers and regulators, as required by law.

From time to time **We** may need to undertake some of the processing of **Your** data in countries outside of the European Economic Area, and in such cases **We** will ensure that there is an agreement in place which gives equivalent assurances as found in the Data Protection Act 1998.

We will not use **Your** information or pass it on to any other person for the purposes of marketing further products or services to **You**.

Customer Information

continued

Commercial Care Line
0330 024 2266

We will collect sensitive information when dealing with **Your** Policy, **We** will however only collect information that is relevant to **Your** Policy, its administration or claims handling.

Your personal information will be kept secure at all times.

Fraud prevention and detection

In order to prevent or detect fraud **We** will check **Your** details with various fraud prevention agencies, who may record a search. Searches may also be made against other insurers' databases. If fraud is suspected, information will be shared with those insurers. Other users of the fraud prevention agencies may use this information in their own decision making processes. **We** may also conduct credit reference checks in certain circumstances. **You** can find out further details explaining how the information held by fraud prevention agencies may be used or in which circumstances **We** conduct credit reference checks and how these checks might affect **Your** credit rating by contacting Covéa Insurance.

Disclosure of other people's personal information

You should show this notice to anyone whose personal information **You** provide to **Us**. **You** must ensure that any such information **You** supply relating to anyone else is accurate and that **You** have obtained their consent to the use of their data for the purposes set out above.

Your rights

Under the Data Protection Act 1998 **You** have the right of access to the personal information held about **You** by Covéa Insurance. **You** can exercise this right by contacting **Us**. **We** will make a charge of **£10** for dealing with these requests.

You have the right to request that **We** correct any inaccuracies in the personal information **We** hold about **You**. Please contact **Your** insurance broker, or Covéa Insurance, if **Your** personal information needs updating.

Consent

By providing **Us** with information, **You** also provide **Us** with **Your** consent and that of any other person whose information **You** provide, to the personal information being used for the purposes set out above.

How to contact us

Please visit www.coveainsurance.co.uk/dataprotection if **You** would like some more detailed information on how **We** share **Your** personal information.

If **You** have any concerns about **Our** use of **Your** information please write to Customer Relations, Covéa Insurance, Norman Place,

Reading, Berkshire RG1 8DA. Telephone: 0330 221 0444. If **You** contact Covéa Insurance by telephone **Your** call may be recorded for training and evidential purposes.

Employers' Liability Tracing Office

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

This information will be made available in a specified and readily accessible form as required by the [Employers' Liability Insurance: Disclosure By Insurers Instrument 2010]. This information will be subject to regular periodic updating and certification and will be audited on an annual basis.

The Database will assist individual consumer claimants who have suffered an employment related injury or disease arising out of 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, (the Claimants):

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

The Database will be managed by the ELTO.

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

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

Choice of Law

The parties to an insurance contract are free to choose the law that will apply. Unless **We** agree in writing with **You** otherwise, this insurance shall be subject to the law applying in that part of the United Kingdom, Channel Islands or Isle of Man where **You** have **Your** principal place of business. If there is any dispute, the law of England and Wales shall apply.

Introduction

Each Section of this policy, the **Schedule** and any endorsements, together with this Introduction, Customer Information and the General Definitions, General Conditions, Claims Conditions and General Exclusions shall be read as one document.

Any word or expression given a specific meaning in:

1. the **Schedule**, and policy endorsements, or this Introduction, the Customer Information and the General Definitions, Exclusions and Conditions shall have the same meaning throughout the policy unless **We** state otherwise
2. an individual Section or any Section endorsements shall only have the same meaning throughout such Section or endorsement unless **We** state otherwise.

Any such word or expression given a specific meaning shall be highlighted with a leading capital letter and in bold text within the policy wording.

In return for **You** having paid or agreed to pay the premium for the **Period of Insurance**, **We** will indemnify **You**, subject to the terms contained in or endorsed on the policy, in respect of loss **Damage** or liability or pay other benefits which fall within the operative Sections of this policy, provided that the loss, **Damage** or injury which gives rise to the claim occurs (or in the case of the Employer's Liability Section is caused) during the **Period of Insurance** and in connection with the **Business**.

The **Schedule** shows the Sections of the policy that are operative.

IMPORTANT

This policy is a legal contract.

You have a duty to make a fair presentation of the risk which is covered by this policy. Therefore **You** should ensure that any information **You** have provided to **Us** and the content of any application form, declaration and / or Statement of Fact is accurate and complete. Where **You** have provided **Us** with information which relates to matters of **Your** expectation or belief, it does not matter if such information turns out to be inaccurate provided that **You** acted in good faith when **You** provided **Us** with such information. If **You** do not comply with **Your** duty to make a fair presentation of the risk, **Your** policy may not be valid or the policy may not cover **You** fully or at all.

You must also tell **Us** about any facts or changes which affect **Your** insurance and which have occurred either since the policy started or since the last renewal date.

If **You** are not sure whether certain facts are relevant please ask **Your** insurance broker. If **You** do not tell **Us** about relevant changes, **Your** policy may not be valid or the policy may not cover **You** fully or at all.

You should keep a written record (including copies of letters) of any information **You** give **Us** or **Your** insurance broker.

General Definitions

Commercial Care Line
0330 024 2266

Each Section of the policy contains definitions which apply to that particular Section and they must be read in conjunction with the following General Definitions.

Average

If at the time of any loss the total Sum Insured specified in the **Schedule** is less than 85 % of the total value of the property insured **We** shall bear only that proportion of the loss which the total Sum Insured bears to the total of the property insured.

Business

Your business described in the **Schedule**.

Business Hours

The period during which **The Premises** are actually occupied by **You** and/or **Your Employees** for the purposes of the **Business**.

Damage

Physical loss destruction or damage.

Employee

Any person while working under **Your** direct control in connection with the **Business** who is:

1. under a contract of service or apprenticeship with **You**
2. a person under a contract of service or apprenticeship with some other employer and who is hired to or borrowed by **You**
3. a labour master or person supplied by him
4. a person engaged by a labour only sub-contractor
5. a self-employed person performing work under a similar degree of control and direction by **You** as a person under a contract of service or apprenticeship with **You**
6. a driver or operator of hired-in plant
7. a trainee or person undergoing work experience
8. a voluntary helper.

Excess / Excesses

The amount(s) shown in **Your** policy or **Schedule**, for which **You** are responsible and which **We** will deduct from each and every claim.

Index-Linking

Whenever a Sum Insured or Declared Value is declared to be subject to Index-Linking it is adjusted at monthly intervals as follows:

1. in respect of Buildings – in accordance with the percentage change in the General Building Cost Information Service

2. in respect of Plant, Machinery, Trade Fixtures, Tenants' Improvements, Portable Hand Tools, Electronic Business Machines, Computers and Software – in accordance with the Durable Goods Section of the Retail Prices Index
3. in respect of Stock in Trade, Customers' Goods and Refrigerated Stock – in accordance with the Producer Price Index.

We reserve the right to use alternative suitable indices to those mentioned at any time without prior notice if either index becomes unavailable or inappropriate.

Indirect Loss

Loss resulting from interruption of or interference with **Business** carried on by **You** at **The Premises** in consequence of loss of or **Damage** to property used by **You** at **The Premises** for the purpose of the **Business**.

Period of Insurance

The period beginning with the effective date and ending with the expiry date both shown in the **Schedule** and any other period for which **We** accept payment for renewal of this policy.

The Premises

The premises at the address(es) stated in the **Schedule** occupied by **You** for the purposes of the **Business**.

Proposal

Any signed proposal, declaration or other information supplied to **Us** by **You** or on **Your** behalf.

Schedule

The document that specifies details of **The Insured**, **The Premises**, the property insured and any **Excesses**, Endorsements and Conditions applicable. The schedule shows the Sections of the policy that are operative.

Vacant or Unoccupied

Buildings or part thereof that have become vacant or unoccupied, untenanted or which have not been actively used by **You** for a period of more than 30 days.

We / Us / Our / The Company

Covea Insurance plc

You / Your / The Insured

The person, persons or limited or public limited company named in the **Schedule**.

General Conditions

All of the following General Conditions apply in addition to the Conditions contained in each Section of the policy.

1. Fair Presentation of the Risk

You must make a fair presentation of the risk when **You** first take out this policy and also whenever **You** renew it or ask **Us** to change **Your** cover.

If **You** fail to make a fair presentation of the risk including failing to disclose or misrepresenting a material fact, or disclosing material facts to **Us** in a way which is not clear and accessible:

We may avoid this policy and refuse all claims where:

- (a) such failure was deliberate or reckless; or
- (b) **We** would not have entered into this policy on any terms had **You** made a fair presentation of the risk.

Should **We** avoid this policy **We**:

- (a) Shall treat the policy as if it had not existed from the start date, the renewal date, or the date when **You** asked **Us** to change **Your** cover, depending on when the failure to make a fair presentation of the risk occurred
- (b) shall return the premium paid for the period for which the policy is treated as not having existed unless the failure to make a fair presentation of the risk was deliberate or reckless
- (c) may deduct from any return of premium due to **You** any monies already paid in respect of claims falling within the period for which the policy is treated as not having existed or require **You** to repay such claims.

Provided that any failure to make a fair presentation of the risk is not deliberate or reckless, if **We** would have entered into or renewed this policy, or agreed to make changes to **Your** cover on different terms had **You** made a fair presentation of the risk, **We** may:

- (a) proportionately reduce the amount payable in respect of a claim; and/or
- (b) treat the policy as if it contained such different terms (other than relating to the premium) that **We** would have applied to the policy had **You** made a fair presentation of the risk.

Any reduction in claims payments or application of different terms will take effect from the date on which the policy started, was renewed or when changes were made to **Your** cover, depending on when **You** failed to make a fair presentation of the risk.

Where **We** elect to proportionately reduce the amount payable in respect of a claim, **We** will pay a percentage of the claim, the percentage being calculated by comparing the premium which **You** actually paid with the premium which **We** would have charged had

You made a fair presentation of the risk. For example, if the premium which **You** actually paid is **70%** of the premium **We** would have charged, **We** will only pay **70%** of any claim.

Where this policy provides benefits to individuals who would, if they had taken out similar insurance in their own name, have done so for purposes wholly or mainly unconnected with their trade, **Business** or profession, **We** will not rely on this condition if the failure to make a fair presentation of the risk concerns only facts or information which relate to that particular individual, unless the individual (or **You** on their behalf) makes a careless misrepresentation, in which case **We** may rely on this condition as against that particular individual as if a separate insurance contract had been issued to them leaving the remainder of the policy unaffected.

2. Reasonable Precautions

You must:

- (a) take all reasonable precautions to prevent or minimise **Damage** accident or injury
- (b) maintain the **Business** premises machinery equipment and furnishings in a good state of repair
- (c) exercise care in the selection and supervision of **Employees**
- (d) comply with all relevant statutory requirements manufacturers' recommendations and other regulations relating to the use inspection and safety of property and the safety of persons.

3. Change of Risk or Interest

This policy shall be avoided if:

- (a) **Your** interest ceases other than by death
- (b) the **Business** be wound up or carried on by a liquidator or receiver or permanently discontinued

at any time after the commencement of this insurance unless **We** have accepted the change.

Nothing contained in this policy shall give any right against **Us** to any person other than **You** except to a transferee approved by **Us**.

4. Adjustment of Premium

If any part of the premium or renewal premium is based on estimates provided by **You**, **You** shall keep an accurate record containing all relevant particulars and shall allow **Us** to inspect such record. **You** shall within one month after the expiry of each **Period of Insurance** provide such information as **We** may require. The premium shall then be adjusted and the difference paid by or allowed to **You**. Should **You** fail to supply the information required then **We** shall be entitled to charge a reasonable additional premium.

General Conditions

continued

Commercial Care Line
0330 024 2266

5. Our Rights to Cancel the Policy

We or any agent appointed by **Us** and acting with **Our** authority have the right to cancel **Your** policy, where there is a valid reason for doing so. **We** will give **You** fourteen days notice of cancellation in writing, by recorded delivery, to the latest address **We** have for **You** and will set out **Our** reason for cancellation in **Our** letter.

Valid reasons may include but are not limited to:

- (a) not
 - (i) paying a premium when it is due
 - (ii) co-operating with **Us**, or sending **Us** information or documentation that materially affects **Our** ability to process the policy or **Our** ability to defend **Our** interests
 - (iii) taking all reasonable precautions to prevent or minimise **Damage** accident or injury as required by General Condition – Reasonable Precautions of this policy.
and failing to put this right when **We** ask **You** to by sending **You** seven days written notice to **Your** latest address.
- (b) use of threatening or abusive behaviour or language, or intimidation or bullying of **Our** staff or suppliers.

If **We** cancel **Your** policy, **We** will refund the premium for the exact number of days left on the policy less an additional charge of **£25** plus the prevailing rate of Insurance Premium Tax as stated on **Your** policy **Schedule**.

If a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **Period of Insurance**, **We** will not refund any part of the premium.

If **You** have a Loan Agreement with Covéa Insurance to pay for **Your** insurance, outstanding monies may be owed when **Your** policy is cancelled. They must be paid to Covéa Insurance as described in **Your** Loan Agreement.

For **Your** rights to cancel the policy please see “How to Cancel Your Policy” on page 4 of this policy document.

6. Instalments

If **You** have a Loan Agreement with Covéa Insurance to pay for **Your** insurance it is a condition precedent to **Our** liability that payments shall be made in line with the Loan Agreement otherwise all benefit under the policy shall be forfeited and the policy shall be cancelled as outlined in **Your** Loan Agreement.

You shall surrender forthwith to **Us** any effective certificate(s) of insurance.

7. Interest Clause

The interests of third parties which **You** are required to include on this policy under the terms of any mortgage property lease or hiring leasing or hire purchase agreement are automatically noted subject to **You** advising **Us** at the time of notification of any claim.

8. Contracts (Rights of Third Parties) Act 1999

A person or company who was not a 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 does not affect any right or remedy of a third party which exists or is available apart from that Act.

9. Vacant or Unoccupied Buildings

It is a condition precedent to **Our** liability that whenever **The Premises** are **Vacant or Unoccupied**:

- (a) **You** shall notify **Us** immediately **You** become aware:
 - (i) that **The Buildings** are **Vacant or Unoccupied**
 - (ii) of any **Damage** to the **Vacant or Unoccupied** Buildings whether such **Damage** is insured or not
 - (iii) that **The Buildings** are to be occupied by contractors for renovation alteration or conversion purposes or if **The Buildings** are to become occupied again
- (b) **The Buildings** are inspected internally and externally at least every 7 days and a weekly log of such inspections maintained
- (c) all trade refuse and waste materials are removed from the interior of **The Premises** and no accumulation of refuse and waste be allowed in the adjoining yards or spaces owned by **You**
- (d) **You** shall secure **The Buildings** and rectify any defects which render **The Buildings** insecure
- (e) the gas water and electricity supplies are turned off at the mains and wherever possible isolation valves are chained and padlocked except where power and heat are needed to maintain security and fire protection apparatus or equipment including to prevent freezing of vulnerable water carrying apparatus or equipment in **The Buildings**.

10. Survey

It is a condition precedent to **Our** liability under this policy that **You** shall comply with any risk improvements required by **Us** following a survey within the timescales specified.

We retain the right to cancel suspend or alter the terms of the insurance provided by this policy should the survey show the risk or any part thereof to be unacceptable to **Us** or requiring improvement.

General Conditions

continued

11. Alteration in Risk

You or **Your** broker must tell **Us** immediately if during the **Period of Insurance** there is any alteration in risk or to the facts which **You** disclosed when **You** took out this policy, which materially affects the risk of injury, loss, **Damage** or liability which would fall within the policy cover. This includes but is not limited to alterations to the **Business** or **The Premises**.

When **You** tell **Us** about an alteration in risk, **We** may apply additional terms and conditions to this policy (including but not limited to premium) or, if the risk is unacceptable to **Us**, **We** may cancel the policy in accordance with General Condition 5 (Our Rights to Cancel the Policy).

If an alteration creates an additional premium, this will be subject to a minimum premium of **£25** plus insurance premium tax. If an alteration creates a lower premium, **We** will refund any difference, except for the first **£25** or any difference which is less than **£25** plus insurance premium tax, which will be retained to cover administrative costs.

If **You** fail to tell **Us** about an alteration in risk, **We** may:

- (a) terminate the policy back to the date when the alteration occurred, if **We** would have cancelled the policy had **You** told **Us** of the alteration in risk;
- (b) proportionately reduce the amount payable in respect of a claim; and/or
- (c) treat the policy as if it contained such different terms (other than relating to the premium) that **We** would have applied to the policy had **You** told **Us** of the alteration in risk.

Any reduction in claims payments or application of different terms will take effect from the date on which the alteration in risk occurred.

Where **We** elect to proportionately reduce the amount payable in respect of a claim, **We** will pay a percentage of the claim, the percentage being calculated by comparing the premium which **You** actually paid with the premium which **We** would have charged had **You** told **Us** about the alteration in risk. For example, if the premium which **You** actually paid is **70%** of the premium **We** would have charged, **We** will only pay **70%** of any claim.

Claims Conditions

All of the following Claims Conditions apply in addition to any Claims Conditions contained in the Sections of this policy.

1. Action by The Insured

It is a condition precedent to **Our** liability that **You** shall on the happening of any incident which could result in a claim under this policy:

- (a) in respect of claims relating to Sections 1, 2, 3, 4, 5, 9, 10 and 11 – immediately notify **Us** and deliver to **Us** at **Your** own expense a claim in writing with such detailed particulars and proofs as may reasonably be required and (if demanded) a statutory declaration of the truth of the claim and any matters connected therewith within:
 - (i) 7 days of the event in the case of **Damage** caused by riot civil commotion strikers lock-out workers persons taking part in labour disturbances or malicious persons
 - (ii) 30 days of the expiry of the indemnity period in respect of Business Interruption claims
 - (iii) 30 days of the event in the case of any other claim or such further time as **We** may allow
- (b) in respect of claims relating to Sections 6, 7 and 8 – give written notice to **Us** as soon as reasonably practicable of any occurrence that may give rise to a claim and shall give all such additional information as **We** require. Every letter of claim writ summons or process and all documents relating thereto and any other written notification of claim shall be forwarded unanswered to **Us** immediately they are received
- (c) give immediate notification to the police in respect of:
 - (i) vandalism
 - (ii) theft or any attempt thereat
 - (iii) loss of money by any cause whatsoever
- (d) make no admission of liability or offer promise or payment without **Our** written consent
- (e) inform **Us** immediately of any impending prosecution inquest or fatal accident enquiry or civil proceedings and send to **Us** immediately every relevant document
- (f) take all reasonable action to minimise or check any interruption or interference with the **Business**
- (g) produce to **Us** such books of account or other **Business** books or documents or such other proofs as may reasonably be required by **Us** for investigating or verifying the claim.

2. Our Rights

We shall be entitled:

- (a) on the happening of any **Damage** in respect of which a claim is made and without thereby incurring any liability or diminishing any of **Our** rights under this policy to enter take or keep possession of **The Premises** where such **Damage** has occurred and to take possession of or require to be delivered to **Us** any property insured and deal with such property for all reasonable purposes and in a reasonable manner
- (b) at **Our** discretion to take over and conduct in **Your** name the defence or settlement of any claim and to prosecute at **Our** own expense and for **Our** own benefit any claim for indemnity or damages against any other persons in respect of any event insured by this policy and **You** shall give all information and assistance required
- (c) to any property for the loss of which a claim is paid hereunder and **You** shall execute all such assignments and assurances of such property as may be reasonably required but **You** shall not be entitled to abandon any property to **Us**
- (d) in the event of any occurrence resulting in any claim(s) under Sections 6, 7 and 8 to pay to **You** the amount of the Limit of Liability for such occurrence (less any sums already paid as damages in respect of such occurrence and in respect of Section 6 less costs and expenses incurred before the date of payment) or any lesser amount for which the claim(s) can be settled after which **We** shall have no further responsibility in connection with such claim(s) except in respect of Sections 7 and 8 for costs and expenses incurred before the date of payment.

3. Fraudulent Claims

For the purposes of this Condition the definition of '**You/Your**' will also include any person who is entitled to benefit from the policy to the extent that a claim is made by or on their behalf.

If **You** or anyone acting on **Your** behalf makes a claim which is in any way fraudulent **We**:

- (a) will not pay the claim;
- (b) may recover from **You** any sums already paid by **Us** in respect of the claim; and
- (c) may notify **You** that **We** are treating this policy as having terminated with effect from the time of the fraudulent act.

If **We** do treat this policy as having terminated, **You** will have no cover under this policy from the date of termination and will not be entitled to any refund of premium.

Claims Conditions

continued

Where a fraudulent claim is made by or on behalf of a person who is not **The Insured**, this condition applies only to that person's claim and references to 'this policy' should be read as if they were references to the cover for that person alone and not to the policy as a whole.

Fraudulent claims include but are not limited to:

- (a) making a claim which is fraudulent, fictitious or known to be false
- (b) intentionally exaggerating or inflating a claim
- (c) supporting a claim with false or forged documents, information or statements
- (d) wilfully causing loss, **Damage** or injury

4. Subrogation

Any claimant under this policy shall at **Our** request and expense take and permit to be taken all necessary steps for enforcing rights against any other party in the name of **The Insured** before or after any payment is made by **Us**.

5. Other Insurances

If at the time a claim arises there be any other insurance effected by **You** or on **Your** behalf applicable to such event **Our** liability shall be limited to its rateable proportion thereof.

If any other such insurance is subject to any provision whereby it is excluded from ranking concurrently with this policy whether in whole or in part or from contributing rateably then **Our** liability hereunder shall be limited in respect of such **Damage** to any excess beyond the amount which would have been payable under such other insurance had this policy not been effected.

6. Arbitration

If any difference shall arise as to the amount to be paid under this policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions regarding arbitration in force at the time. Where any difference is so referred to arbitration the making of an award shall be a condition precedent to any right of action against **Us**.

7. Terms Not Relevant to Actual Loss

If payment of a claim is conditional upon compliance with any term of this policy **We** will not pay for any claim where the term has not been complied with except where the term concerned:

- (a) is operative only in connection with particular premises or locations;
- (b) is operative only at particular times; or
- (c) is intended to reduce the risk of particular types of injury, loss, **Damage** or liability

where **We** will pay for claims in respect of which **You** can prove that non-compliance with the term could not have increased the risk of the injury, loss, **Damage** or liability which occurred.

General Exclusions

Commercial Care Line
0330 024 2266

The following General Exclusions apply to all Sections unless otherwise stated and in addition to the Exclusions contained in each Section.

This policy does not cover :

1. War, Government Action and Terrorism

- (a) **Damage** to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any **Indirect Loss** directly or indirectly caused by or contributed to by or arising from:
- (i) War Government Action or Terrorism
 - (ii) civil commotion in Northern Ireland
- (b) legal liability of whatsoever nature or any costs or expenses whatsoever directly or indirectly caused by or contributed to by or arising from War Government Action or Terrorism except to the extent stated in the Liability Provisions.

For the purpose of this Exclusion and its Liability Provisions:

War shall mean war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to popular rising, military rising, insurrection, rebellion, revolution, or military or usurped power.

Government Action shall mean martial law, confiscation, nationalisation, requisition or destruction of property by or under the order of any government or public or local authority or any action taken in controlling, preventing, suppressing or in any way relating to war.

Terrorism shall mean acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of Her Majesty's government in the United Kingdom or any other government whether legally recognised by the international community or otherwise.

In any action suit or other proceedings where **We** allege that by reason of this exclusion as far as it relates to Terrorism any **Damage** or resulting loss or expense or **Indirect Loss** is not covered by this insurance the burden of proving that such **Damage** loss expense or **Indirect Loss** is covered shall be upon **You**.

Liability Provisions

Subject otherwise to the terms definitions exclusions provisions and conditions of this policy **We** will indemnify **You** under Section 6: Employers' Liability provided that in respect of any one occurrence or series of occurrences arising out of any one original cause **Our** liability in respect of all legal liability costs and expenses directly or

indirectly caused by or contributed to by or arising from Terrorism shall not exceed **£5,000,000**.

2. Sonic Bangs

Damage caused by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

3. Radioactive Contamination

Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any **Indirect Loss** or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

- (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- (b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

As far as concerns Bodily Injury caused to any **Employee** of **Yours** if such Bodily Injury arises out of and in the course of employment or engagement of such person by **You** this exclusion shall apply only in respect of:

- (i) the liability of any principal
- (ii) liability assumed by **You** under agreement and which would not have attached in the absence of such agreement.

4. Pollution or Contamination

This Exclusion shall not apply to Sections 6, 7 and 8 of this policy.

For the purposes of this Exclusion "defined peril" shall mean those Perils numbered 1 to 12 inclusive within Section 1 – Material Damage.

Damage caused by pollution or contamination except (unless otherwise excluded) destruction of or **Damage** to the property insured caused by:

- (a) pollution or contamination which itself results from a defined peril
- (b) a defined peril which itself results from pollution or contamination

5. Data Recognition

Damage accident or liability directly or indirectly caused by or consisting of or arising from the failure of any computer data processing equipment or media microchip integrated circuit or similar device or other equipment or system for processing storing or receiving data or any computer software whether **Your** property or not and whether occurring before during or after the year 2000:

General Exclusions

continued

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

In respect of Section 1 – Material Damage, Section 2 – Business Interruption, Section 4 – Loss of Business Money, Section 9 – Specified All Risks and Section 10 – Refrigerated Stock, this Exclusion shall not exclude subsequent **Damage** not otherwise excluded which itself results from fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons other than thieves earthquake storm flood escape of water from any tank apparatus or pipe theft or impact by any vehicle or animal.

6. Marine Policies

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

7. Date Recognition Computer Equipment

This Exclusion shall not apply to Section 6 – Employers' Liability.

The expected cost which would have been incurred in modifying any computer data processing equipment or media microchip integrated circuit or similar device or other equipment or system for processing storing or receiving data or any computer software so as to correctly recognise save retain manipulate interpret or process any date after December 31st 1999 where such computer or other property is unable to do so at the time of any **Damage** insured by this policy.

8. Asbestos

This Exclusion shall not apply to Section 6 – Employers' Liability.

Any loss cost expense or liability for **Bodily Injury** loss or **Damage** directly or indirectly arising out of or resulting from the manufacture mining processing distribution testing remediation removal storage disposal sale use of or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.

In respect of liability for property **Damage** only that part of any such loss which is directly or indirectly arising out of or resulting from the manufacture mining processing distribution testing remediation removal storage disposal sale use of or exposure to asbestos is excluded by the foregoing.

9. Confiscation & Nationalisation

Confiscation nationalisation or requisition by order of any government public municipal local or customs authority.

10. Electronic Data Exclusion

Damage distortion erasure corruption or alteration of Electronic Data from any cause whatsoever (including but not limited to Computer Virus) or loss of use reduction in functionality cost expense of whatsoever nature resulting therefrom regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purposes of this Exclusion the following definitions apply:

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

"Computer Virus" shall mean a set of corrupting harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code programmatic or otherwise that propagate themselves through a computer system or network of whatsoever nature. It shall include but not be limited to 'trojan horses' 'worms' and 'time or logic bombs'.

Electronic Data Processing Media Valuation

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

Section 1: Material Damage

Commercial Care Line
0330 024 2266

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Definitions

The Buildings

- (a) Structures on the site of **The Premises** (being built mainly of brick, stone, concrete or other non-combustible materials unless otherwise advised to **Us**)
- (b) Landlords fixtures and fittings in and on the structures
- (c) Central heating systems
- (d) Small outside buildings, extensions, annexes and gangways
- (e) Concrete, paved or asphalt forecourts, yards, terraces, drives and footpaths
- (f) Walls, gates and fences

The Contents

- (a) **Stock in Trade**
- (b) Machinery, plant, fixtures, fittings and other trade equipment
- (c) **Tenants' Improvements**
- (d) All office equipment and other contents other than **Electronic Business Machines, Computers and Software**
- (e) Internal and external **Glass and Sanitaryware** and signs
- (f) **Portable Hand Tools**
- (g) **Electronic Business Machines, Computers and Software**
- (h) Patterns, models, moulds, plans and designs
- (i) Documents, manuscripts and **Business** books but only for the value of the materials as stationery together with the cost of clerical labour expended in writing up and not for the value to **You** in respect of the information contained therein
- (j) Directors', partners', visitors' and **Employees'** personal effects insofar as they are not otherwise insured including clothing, pedal cycles, tools, instruments and the like for an amount not exceeding **£500** per person but any cover granted under this insurance for **Damage** by theft shall not apply to personal effects partly or wholly of precious metal, jewellery, furs, money and securities of any description
- (k) Wines, spirits, cigarettes and tobacco held for entertainment purposes for an amount not exceeding **£250** in total in respect of **Damage** by theft (if insured)
- (l) To the extent that they are not otherwise insured motor vehicles, motor chassis and their contents

all belonging to **You** or held by **You** in trust for which **You** are responsible but excluding any property which is more specifically insured.

Electronic Business Machines, Computers and Software

Electronic Business Machines, Computers and Software the property belonging to **You** or for which **You** are responsible. **Our** liability in respect of Electronic Business Machines, Computers and Software shall not exceed the limit stated in the **Schedule**. In addition computer systems records up to a limit of **£25,000**, but only for the value of the material together with reproduction costs including the cost of gathering information but excluding the value to **You** in respect of the information contained therein.

Glass and Sanitaryware

- (a) All fixed glass including shelves showcases and mirrors
- (b) Fixed baths, washbasins, pedestals, bidets, shower trays, sinks, lavatory pans and cisterns.

Portable Hand Tools

Portable Hand Tools the property belonging to **You** and/or belonging to **Your Employees** and for which **You** have accepted responsibility and are not more specifically insured provided that:

- (a) The maximum value of any one tool shall not exceed **£500**
- (b) **Our** liability in respect of Portable Hand Tools shall not exceed the limit stated in the **Schedule**.

Rent

The money paid or payable to **You** in respect of accommodation and services provided at **The Premises**.

Stock in Trade

All stock and materials in trade work in progress and finished goods belonging or held in trust by **You** for which **You** are responsible.

Tenants Improvements

Structured fixtures and fittings the property of **The Insured** as occupier of **The Premises**.

The Perils

1. (a) **Fire** but excluding **Damage** caused by:
 - (i) explosion resulting from fire
 - (ii) earthquake or subterranean fire
 - (iii) the property insured's own spontaneous fermentation or heating or its undergoing any heating process or any process involving the application of heat.
- (b) **Lightning**
2. **Explosion**
 - (a) of boilers or of gas used for domestic purposes only but excluding **Damage** caused by earthquake or subterranean fire

Section 1: Material Damage

continued

- (b) otherwise excluding **Damage** caused by or consisting of the bursting by steam pressure of a boiler economiser or other vessel machine or apparatus in which internal pressure is due to steam only and belonging to **You** or under **Your** control.
3. **Aircraft** and/or other aerial devices and/or articles dropped therefrom.
4. **Earthquake**, subterranean fire.
5. **Riot, civil commotion**, strikers, locked out workers, persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation. Excluding **Damage** resulting from cessation of work or due to confiscation, requisition or destruction by order of the government or any public authority.
6. **Malicious Persons** or vandals not acting on behalf of or in connection with any political organisation excluding **Damage**:
- (a) resulting from cessation of work or due to confiscation, requisition or destruction by order of the government or any public authority
 - (b) caused by Theft
 - (c) when **The Premises** are **Vacant or Unoccupied**.
7. **Theft** or any attempt thereat involving:
- (a) entry to or exit from **The Buildings** at **The Premises** by forcible and violent means
 - (b) violence or threat of violence to **You** or any director, partner or **Employee** or their families
- excluding **Damage**:
- (i) in respect of property in the open unless **We** have agreed otherwise in writing
 - (ii) in respect of any loss from any structure which is incapable of being locked
 - (iii) when **The Premises** are **Vacant or Unoccupied**
 - (iv) in respect of **Stock at Exhibitions** that is not contained in an indoor exhibition hall which is locked and/or guarded outside **Business Hours**
 - (v) in respect of jewellery, precious metals, precious stones, bullion or furs except where specifically mentioned in the **Schedule** as being insured.
8. **Storm or Tempest** excluding **Damage**:
- (a) caused by the escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal or dam
 - (b) caused by inundation from the sea whether resulting from storm or otherwise
 - (c) caused by frost, subsidence, ground heave or landslip
 - (d) attributable solely to change in the water table level
 - (e) to fences, gates and moveable property in the open or in open sided buildings.
9. **Flood** excluding **Damage**:
- (a) caused by Storm or Tempest
 - (b) caused by Escape of Water from any tank apparatus or pipe
 - (c) caused by frost, subsidence, ground heave or landslip
 - (d) attributable solely to change in the water table level
 - (e) to fences, gates and moveable property in the open or in open sided buildings.
10. **Escape of Water** from any tank, apparatus or pipe or escape of oil from any fixed oil-fired heating installation excluding **Damage**:
- (a) caused by water discharged or leaking from any automatic sprinkler installations
 - (b) when **The Premises** are **Vacant or Unoccupied**.
11. **Impact** by:
- (a) falling trees or boughs excluding **Damage** caused by lopping, pruning or felling
 - (b) collapse or breakage of television or radio receiving aerials or satellite dishes
 - (c) vehicles or animals.
12. **Accidental Discharge or Leakage of Automatic Sprinkler Installations** excluding **Damage** occasioned by or attributable to:
- (a) heat caused by Fire
 - (b) freezing when **The Premises** are **Vacant or Unoccupied**
 - (c) repairs, alterations or extensions to **The Buildings** and/or sprinkler installations
 - (d) defects in construction or condition of which **You** are aware.
13. **Any Accidental Cause** excluding **Damage**:
- (a) caused by or specifically excluded in **The Perils** 1-12
 - (b) caused by Theft or any attempt thereat not involving:
 - (i) entry to or exit from **The Buildings** at **The Premises** by forcible and violent means

Section 1: Material Damage

continued

Commercial Care Line
0330 024 2266

(ii) violence or threat of violence to **You** or any director, partner or **Employee** or their families

(c) to the property insured caused by or consisting of:

- (i) inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, its own faulty or defective design or materials
- (ii) faulty or defective workmanship, operational error or omission on **Your** part or any of **Your Employees**
- (iii) the bursting by steam pressure of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to **You** or under **Your** control

but this shall not exclude subsequent **Damage** which results from a cause not otherwise excluded.

(d) caused by or consisting of:

- (i) corrosion, rust, wet or dry rot, shrinkage, evaporation, leakage, loss of weight, dampness, contamination, fermentation, dryness, marring, scratching, vermin or insects
- (ii) change in temperature, colour, flavour, texture or finish, action of light
- (iii) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers superheaters, pressure vessels or any range of steam and feed piping in connection therewith
- (iv) mechanical or electrical breakdown or derangement in respect of the particular machines, apparatus or equipment in which such breakdown or derangement originates

but this shall not exclude:

- such **Damage** not otherwise excluded which itself results from any other of **The Perils**
- subsequent **Damage** which itself results from a cause not otherwise excluded.

(e) caused by or consisting of:

- (i) subsidence, ground heave or landslip
- (ii) normal settlement or bedding down of new structures
- (iii) acts of fraud or dishonesty
- (iv) disappearance, unexplained or inventory shortage, misfiling or misplacing of information
- (v) electrical or magnetic injury, disturbance or erasure of electronic records.

(f) to or destruction of a building or structure caused by its own collapse or cracking.

(g) in respect of moveable property in the open or in open-sided buildings fences and gates caused by wind, rain, hail, sleet, snow, flood or dust.

(h) to the property insured:

- (i) caused by Fire resulting from its undergoing any heating process or any process involving the application of heat
- (ii) (other than by Fire or Explosion) resulting from its undergoing any process of production packing treatment testing commissioning servicing adjustment or repair.

(i) in respect of:

- (i) jewellery, precious stones, precious metals, bullion or furs
- (ii) property in transit
- (iii) money, cheques, stamps, bonds, credit cards or securities of any description

(iv) **Glass and Sanitaryware** and signs:

- due to repairs and alterations being carried out at **The Premises**
- during installation or removal of such **Glass and Sanitaryware** or signs
- which were broken or cracked prior to the inception of this policy
- in greenhouses or conservatories unless specifically accepted by **Us**
- in tubes unless the Glass is fractured.

(j) in respect of:

- (i) vehicles licensed for road use (including accessories thereon) caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
- (ii) property or structures in the course of construction or erection and materials or supplies in connection with all such property in course of construction or erection
- (iii) land, roads, piers, jetties, bridges, culverts or excavations
- (iv) livestock, growing crops or trees unless specifically mentioned as insured by this Section.

(k) occasioned by delay, embargo, nationalisation, confiscation, requisition, seizure or destruction by the government or any public authority.

Section 1: Material Damage

continued

- (l) (i) caused by freezing
- (ii) to **Glass and Sanitaryware** in respect of any building which is left **Vacant or Unoccupied**.
- (m) to or caused by:
- (i) loss of market, loss of use, monetary devaluation or any other **Indirect Loss** (other than loss of **Rent** when insured as an Item under this Section)
- (ii) property let out on hire or loaned to another person or company
- (iii) loss resulting from **You** voluntarily parting with title or possession of any property if induced to do so by deception
- (iv) **Damage** to any part of any electrical plant or apparatus directly caused by breakdown, leakage of electricity or excessive pressure therein or by its own short circuiting or overrunning but this shall not exclude: **Damage** to any other part of such plant or apparatus or to other property insured by the spread of fire therefrom
- (v) showcases, automatic or vending machines or their contents situated outside **The Buildings of The Premises** unless specifically mentioned in the **Schedule**.
- (a) alterations additions and improvements to such property provided that:
- (i) in respect of **The Contents Our** liability shall not exceed the Limit of Liability set against that Item
- (ii) **You** will undertake to advise such additional insurance at the expiry of the **Period of Insurance**
- (b) any such property newly acquired and/or newly erected anywhere in Great Britain the Channel Islands or the Isle of Man other than at **The Premises** provided that:
- (i) the property is not otherwise insured
- (ii) at any one situation the limit of **Our** liability shall not exceed **£250,000**
- (iii) **You** undertake to advise such additional insurance as soon as practicable and to pay the additional premium required from its inception date.

Cover

In the event of any of the property insured suffering **Damage** at **The Premises** by any of **The Perils** insured **We** will subject to the provisions of the insurance pay **You** the value of the property or the amount of the **Damage** at the time of such **Damage** or at **Our** own option reinstate repair or replace such property.

Provided that **Our** liability in any one **Period of Insurance** shall in no case exceed the total Sum Insured or total Limit of Liability in respect of any Item its Sum Insured or any other stated Limit of Liability.

Clauses

The following Clauses apply to this Section.

Average

Each Item of property insured under this Section is similarly but separately subject to **Average** as defined in the General Definitions.

Capital Additions

The insurance by this Section on **The Buildings** and **The Contents** extends to cover:

Clearing of Drains

The insurance in respect of this Section extends to cover expenses necessarily and reasonably incurred in cleaning clearing and/or repairing drains gutters sewers and the like for which **You** are responsible in consequence of **Damage** by any of **The Perils** insured against at **The Premises**.

Contents at the Homes of Directors and Employees

The insurance by this Section extends to include **Damage** to contents at the homes of directors and **Employees** (including in transit thereto and therefrom) in Great Britain, Northern Ireland, Isle of Man and the Channel Islands for use in connection with the **Business**.

Provided that **Our** liability in respect of any one location shall not exceed the limit stated in the **Schedule**:

- (a) **We** shall not be liable for **Damage** caused by or consisting of Theft or any attempt thereat from an unattended vehicle
- (b) **We** shall not be liable for **Damage** caused by or consisting of Theft or any attempt thereat to property which is not contained in a locked building of substantial construction.

Contract Price

In respect only of goods sold but not delivered for which **You** are responsible subject to a sale contract which following **Damage** is cancelled by reason of its conditions wholly or to the extent of the **Damage Our** liability will be based on the contract price. For the purposes of this insurance the value of all goods to which this Clause could apply in the event of **Damage** will be ascertained similarly.

Section 1: Material Damage

continued

Commercial Care Line
0330 024 2266

Contracting Purchaser's Interest

If at the time of **Damage** You have contracted to sell **Your** interest in any building insured and the purchase is subsequently completed the purchaser on completion of the purchase shall be entitled to benefit under this policy in respect of such **Damage** (if and so far as the property is not otherwise insured against such **Damage** by the purchaser or on their behalf) without prejudice to either **Your** or **Our** rights and liabilities until completion.

Cost of Debris Removal/Re-erection

The insurance by each Item on **The Buildings** and **The Contents** extends to include costs and expenses necessarily incurred by **You** with **Our** consent in:

- (a) removing debris
- (b) dismantling and/or demolishing
- (c) shoring up or propping
- (d) re-erecting fitting and fixing (in respect of plant and machinery only) of the portion of the property which is the subject of a claim under this Section.

Our liability under this Clause and the Section for any Item will in no case exceed the Sum Insured or Limit of Liability for that Item.

We will not pay for any costs or expenses:

- (i) incurred in removing debris except from the site of any property which is the subject of a claim under this Section and the area immediately adjacent to such site
- (ii) arising from pollution or contamination of property not insured by this Section.

Designation

For the purpose of determining where necessary the Item or column heading under which any property is insured **We** agree to accept the designation under which such property has been entered in **Your** books.

Exhibitions

The insurance by this Section extends to include **Damage to The Contents** whilst at any indoor exhibition (including in transit thereto and therefrom) or in any building used for storage purposes in Great Britain and Northern Ireland.

Fire Brigade Damage to Grounds

The insurance by this Section extends to include **Damage** caused by the Fire Brigade to the grounds at **The Premises** as far as **You** are responsible for the cost of repair provided that **Our** liability for any one claim for such **Damage** is limited to **£10,000**.

Fire Extinguishment Expenses

In the event of **Damage** to the property insured caused by fire the insurance by this Section is extended to include costs reasonably and necessarily incurred with **Our** consent in refilling fire extinguishment appliances replacing used sprinkler heads and refilling sprinkler tanks resulting from such **Damage** subject to **Our** liability under this Clause not exceeding **£5,000** any one claim.

Glass and Sanitaryware

Any cover granted by this insurance in respect of accidental **Damage to Glass and Sanitaryware** for which **You** are responsible at **Your Premises** includes:

- (a) the reasonable costs of any necessary boarding up or temporary glazing pending replacement of broken **Glass**
- (b) the cost of removal or replacement of fixtures and fittings necessarily incurred to effect replacement of **Glass** not exceeding **£500** any one occurrence
- (c) **Damage** to frames framework security fittings and alarm foil following breakage of **Glass** not exceeding **£500** any one occurrence
- (d) accidental **Damage** to goods incidental to **Your Business** caused by breakage of **Glass** in display windows not exceeding **£250** any one occurrence provided such **Damage** was not a direct result of Theft or attempted Theft.

We shall not be liable under this Clause for:

1. **Damage** arising from
 - (a) Fire Lightning Explosion
 - (b) repairs or alterations
 - (c) defect in frames framework and or other fitting
2. superficial **Damage to Glass**
3. **Indirect Loss** of any kind
4. **Damage** in respect of any **Vacant or Unoccupied** building
5. **Damage** caused by or arising from:
 - (a) inherent vice latent defect gradual deterioration wear tear frost it's own faulty or defective designs or materials
 - (b) faulty or defective workmanship on **Your** part or any of **Your Employees**
 - (c) changes in temperature or atmospheric or climatic conditions
6. **Damage** to any lettering embossing beading silvering or ornamental work unless specifically detailed in the **Schedule**
7. **Damage** to fixed **Sanitaryware** except where such breakage renders such articles wholly unserviceable

Section 1: Material Damage

continued

Index Linking

The Sums Insured and Declared Values in respect of **The Buildings** and **The Contents** are subject to **Index-Linking**.

Lock Replacement

The insurance by this Section extends to include the cost of changing locks on doors windows safes and strongrooms at **The Premises** following Theft (as insured herein) of keys from **The Premises** or from **Your** home or of any partner director or **Employee** entrusted with keys for an amount not exceeding **£1,000**.

Loss of Metered Water

Cover against **Damage** caused by escape of water from any tank apparatus or pipe not being automatic sprinkler installations includes up to **£10,000** for the cost of water (calculated at the current rate per cubic metre) consumed as a direct result of the escape.

Mortgagees and Lessors

The act or neglect of any mortgagor leaseholder lessee or occupier of any building hereby insured whereby the risk of **Damage** is increased without the knowledge of any mortgagee freeholder or lessor shall not prejudice the interest of the latter parties in this insurance provided they shall notify **Us** immediately on becoming aware of such increased risk and pay additional premium if required.

Non-Invalidation

This insurance shall not be invalidated by any act or omission or by any alteration whereby the risk of **Damage** is increased unknown to or beyond **Your** control provided that immediately **You** become aware **You** shall give notice to **Us** and pay an additional premium if required.

Other Interests

Interests of third parties which **You** are required to include herein under the terms of any mortgage property lease or hiring leasing or hire purchase agreement are automatically deemed to be held covered hereunder subject to notification by **You** to **Us** as soon as is reasonably practicable.

Professional Fees

The insurance by each Item on **The Buildings** and **The Contents** (excluding **Stock in Trade**) includes an amount for architects' surveyors' consulting engineers' and legal fees necessarily and reasonably incurred in the reinstatement or repair of the property consequent on its **Damage** but not for preparing any claim. The total amount payable under this Clause and the Section for any Item will not exceed its Sum Insured or Limit of Liability.

Public Authorities

The insurance by each Item on **The Buildings** and **The Contents** (excluding **Stock in Trade**) extends to include the additional cost of reinstatement of any **Damage** to the property insured and undamaged portions thereof incurred solely by reason of the necessity to comply with European Union legislation regulations under Acts of Parliament or local authority bye-laws provided that:

- (a) You receive the notice to comply after the **Damage** occurs
- (b) the work of reinstatement is completed within twelve months of the date of the **Damage** or within such further time as **We** may in writing allow
- (c) the total amount recoverable under any Item of this Section in respect of this Clause shall not exceed:
 - (i) in respect of the damaged property 15% of its Sum Insured or Limit of Liability
 - (ii) in respect of undamaged portions of the property (other than foundations) 15% of the total amount for which **We** would have been liable had the property been wholly destroyed
- (d) the total amount recoverable under any Item of this section shall not exceed its Sum Insured or Limit of Liability.

Reinstatement of Sum Insured

Unless written notice to the contrary be given by either **You** or **Us** the insurance by this Section shall not be reduced by the amount of any loss and provided that **You** pay the appropriate extra premium on the amount of the loss from the date thereof to the date of expiry of the **Period of Insurance**.

Services

The insurance by each Item on **The Buildings** and **The Contents** extends to include telephone gas water and electric instruments meters piping cabling and the like and the accessories thereof including similar property in adjoining yards or roadways or underground **Your** property or for which **You** are responsible.

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 (subsidiary to parent) to **You** as defined in the Companies Act or Companies (NI) Order as appropriate current at the time of the **Damage**

Section 1: Material Damage

continued

Commercial Care Line
0330 024 2266

- (b) any company which is a subsidiary of a parent company of which **You** are **Yourself** a subsidiary in each case within the meaning of the Companies Act or Companies (NI) Order as appropriate, current at the time of the **Damage**.

Temporary Removal

- (a) The cover in respect of **The Contents** other than **Stock in Trade** is extended to include such property whilst temporarily removed from **The Premises** for the purposes of cleaning renovation repair or other similar purposes to any other premises within the United Kingdom or in transit by road rail or inland waterway.

Provided that **Our** maximum liability hereunder in respect of any one incident of **Damage** shall not exceed 15% of the Limit of Liability on each Item and in the case of documents manuscripts plans and the like 15% of the total value thereof.

- (b) The cover in respect of **The Contents** including **Stock in Trade** is also extended to include property as therein defined transferred between **Premises** described in the **Schedule** including transit by road, rail or inland waterway between such **Premises**.

Provided that the amount recoverable under this part of the Clause shall not exceed the amount which would have been recoverable had the **Damage** occurred at **The Premises** from which the property is transferred or **£50,000** whichever is the less in respect of any such transfers at any one time.

Both (a) and (b) above are subject to:

- (i) such property not being more specifically insured
- (ii) the **Excess** applying under this Section.

Theft Damage to Buildings

The cost of repairing **Damage** by Theft or any attempt thereof to **The Buildings** of **The Premises** (whether or not **The Buildings** are insured hereunder) if **You** are responsible for the repairs and the **Damage** is not otherwise insured.

Trace and Access

In the event of **Damage** resulting from Escape of Water or Oil (as insured herein) **We** will pay costs necessarily and reasonably incurred in locating the source of such **Damage** and subsequently making good subject to **Our** liability under this Clause not exceeding **£10,000** any one claim.

Underground Services

Accidental **Damage** for which **You** are legally liable to underground pipes cables drains (and their relevant inspection covers) supplying services to and carrying waste from **The Premises** to the point of junction with public supply lines mains and sewers.

Workmen

Workmen are allowed in and about any of **The Premises** described within for the purpose of making new erections or alterations repair decoration plant installation general maintenance and the like without prejudice to the terms and conditions of this policy.

Basis of Settlement Clauses

Reinstatement/Day One Basis of Settlement – The Buildings and The Contents (other than Stock in Trade)

Any payment under this Clause is subject to the Special Conditions below.

Reinstatement is defined as:

- (a) the rebuilding or Replacement of property lost or destroyed
- (b) the repair or restoration of property damaged.

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

Declared Value is defined as:

Your assessment of the cost of **Reinstatement** of the property insured at the level of costs applying at the inception of the **Period of Insurance** (ignoring inflationary factors which may operate subsequently) together with in as far as the insurance provides allowance for:

- (a) the additional cost of **Reinstatement** to comply with public authority requirements
- (b) professional fees
- (c) debris removal costs.

The amount payable under this Clause in respect of **The Buildings** and **The Contents** (other than **Stock in Trade**) will be the cost of **Reinstatement** of the property sustaining **Damage**.

Special Conditions:

1. At the inception of each **Period of Insurance** **You** will notify **Us** of the **Declared Value** of the property insured by each Item for **The Buildings** and **The Contents** (excluding **Stock in Trade**). In the absence of such declaration the last amount declared adjusted to reflect **Index-Linking** will be taken as the **Declared Value** for the ensuing **Period of Insurance**.
2. In respect of each Item to which this Clause applies the definition of **Average** is amended to read:

If at the time of **Damage** the **Declared Value** of an Item for **The Buildings** or **The Contents** (excluding **Stock in Trade**) is less than 85% of the cost of **Reinstatement** at the inception of the **Period of Insurance** then **Our** liability for the **Damage**

Section 1: Material Damage

continued

- will not exceed the proportion thereof which the **Declared Value** bears to such cost of **Reinstatement**.
3. No payment beyond the amount which would have been payable had this Clause not been operative shall be made:
 - (a) unless the work of **Reinstatement** is commenced and carried out with reasonable despatch
 - (b) until the cost of **Reinstatement** has been incurred
 - (c) unless any other insurance covering **Your** interest in the property at the time of **Damage** is on the same basis of **Reinstatement** as this policy and if no such payment is made then both **Ours** and **Your** rights and liabilities shall be those which would have applied had this Clause not been operative.
 4. **Reinstatement** may be carried out at another site and in any manner suitable to **You** subject to **Our** liability not being increased as a result.
 5. In the event of partial **Damage** to property insured **Our** liability for any loss shall not exceed the cost which would have been incurred had such property been totally destroyed.

Basis of Settlement – Stock in Trade

Any payment under this clause is subject to the Special Conditions below.

Replacement is defined as:

The repair or Replacement of the property sustaining **Damage** to a condition equivalent to or substantially the same as but not better or more extensive than its condition immediately prior to the **Damage**.

Sum Insured is defined as:

Your assessment of the cost of **Replacement** of **Stock in Trade** at the level of costs applying at the inception of the **Period of Insurance** (ignoring inflationary factors which may operate subsequently) together with, insofar as the insurance provides allowance for debris removal costs.

The amount payable under this Clause in respect of **Stock in Trade** will be the cost of **Replacement** of the property sustaining **Damage**.

Special Conditions:

1. At the inception of each **Period of Insurance** **You** will notify **Us** of the **Sum Insured** of the **Stock in Trade** and in the absence of such declaration the last amount declared adjusted to reflect **Index-Linking** will be taken as the **Sum Insured** for the ensuing **Period of Insurance**.

2. If at the time of **Damage** the **Sum Insured** of the **Stock in Trade** is less than the cost of **Replacement** at the inception of the **Period of Insurance** then **Average** will apply.
3. No payment beyond the amount which would have been payable had this Clause not been operative shall be made:
 - (a) unless **Replacement** is effected with reasonable despatch
 - (b) until the cost of **Replacement** has been incurred
 - (c) unless any other insurance covering **Your** interest in the property at the time of **Damage** is on the same basis of **Replacement** as this policyand if no such payment is made then **Your** rights and liabilities and **Ours** shall be those which would have applied had this Clause not been operative.
4. In the event of partial **Damage** to property insured **Our** liability for any loss shall not exceed the cost which would have been incurred had such property been totally destroyed.

Conditions

The following conditions apply to this Section in addition to the General Conditions and Claims Conditions at the front of this policy.

Electrical Inspection

It is a condition precedent to **Our** liability that:

- (a) the electrical system at **The Premises** is inspected and tested by a qualified electrical engineer in accordance with IET Regulations for electrical installations and a completion and inspection certificate is issued following such inspection
- (b) any work specified on such certificates to ensure that the electrical installation meets IET Regulations shall be carried out within 90 days of the inspection
- (c) a copy of each completion and inspection certificate is retained by **You** and available to **Us** upon request
- (d) the electrical installation is further inspected and tested within the timescale recommended on the completion and inspection certificate or within 5 years - whichever is less.

Fire Break Doors and Shutters

It is a condition precedent to **Our** liability that all fire break doors and shutters are kept closed except during **Business Hours** and kept maintained and in efficient working order.

Fire Extinguishment – Automatic Sprinkler Installations

It is a condition precedent to **Our** liability that in consideration of the discount and or reduced rate granted for the automatic sprinkler installation(s) **You** must ensure that **You**:

Section 1: Material Damage

continued

Commercial Care Line
0330 024 2266

- (a) test every working day for the purpose of ascertaining the condition of the circuit between the alarm switch and the control unit (except where it is continuously monitored or is such that one break of wires will not prevent an alarm signal being transmitted (for example a ring circuit))
- (b) test at least once a week for the purpose of ascertaining the condition of:
 - (i) the connection with the public fire station, central fire alarm depot or public fire brigade control (unless the fire brigade have given a written undertaking to carry out this test)
 - (ii) the relevant batteries

NOTE: Where the circuit concerned is not continuously monitored test (b) must be made every working day

- (c) have a contract with approved installing engineers providing for the maintenance of and half-yearly inspection of the installation(s) and to obtain from them following each inspection certification that they are in satisfactory working order
- (d) test every week for the purpose of ascertaining that the alarm gong is in working order and that the stop valves controlling the individual water supplies and the installation(s) are fully open
- (e) test every week for the purpose of ascertaining that the pump(s) can be started both automatically and manually and that in respect of any diesel engine driven pump the battery electrolyte level and density are correct and record the completion of these tests
- (f) test quarterly or half-yearly if required by **Us** for the purpose of ascertaining that each water supply is in order and record the particulars of each test
- (g) remedy promptly any defect disclosed by such tests or otherwise.

NOTE: Notice must be given to **Us** before any installation is rendered inoperative or immediately in the event of emergency.

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

Fire Extinguishment – Other Appliances

It is a condition precedent to **Our** liability that **You** maintain all fire extinguishing appliances on **The Premises** in proper working order

and have said appliances serviced and maintained under an annual service contract with approved suppliers in accordance with the Regulatory Reform (Fire Safety) Order 2005.

Subject to the observance of this undertaking this Section shall not be invalidated as a result of any defect in any of the said appliances due to any circumstances beyond **Your** control.

Minimum Security

It is a condition precedent to **Our** liability that if **Damage** occurs more than 30 days after the inception of the policy the following security measures or any alternatives that **We** agree to in writing are installed and activated.

Your Responsibility

It is **Your** responsibility to ensure that the following security measures are in place on all outside doors and inside doors at **The Premises**.

Doors

Up and over doors

Sectional up and over doors must be secured by a padlock conforming to CEN Grade 4 inserted through a hole drilled into each guide channel approximately 25mm above the guide roller.

Steel roller shutters

Each shutter must be secured by two security shutter locks, locking mechanisms should be positioned as close as possible to the bottom of the door to prevent the shutter being prised up at the bottom to gain entry, alternatively a closed shackle padlock conforming to CEN Grade 4 with matching locking bar may be utilised.

Aluminium doors

Single leaf doors should be fitted with a cylinder mortice deadlock. Double leaf doors should have the standing leaf secured with flush bolts and the opening leaf secured with a cylinder mortice deadlock with a hookbolt mechanism.

Outward opening doors

The hinge side of the door must be protected by hinge covers such as dog bolts or equivalent fitted approximately 400mm from the top and bottom of the door.

Fire exit doors

Must be protected on the outside by a sheet of steel minimum thickness 1.6mm fixed to the top, bottom and side rails of the door by either non-return screws or coach bolts at 150mm centres. Bolt heads must be on the outside of the door(s). If the door(s) is/are outward opening the steel must overlap the frame on the locking

Section 1: Material Damage

continued

side to prevent the door being prised open between the door and the frame. In addition two hinge bolts must be fitted to the hinge side of the door approximately 400mm from the top and bottom of the door.

Double doors

Standing leaf must be secured with two flush bolts or two mortice rack bolts. Opening leaf of timber doors must be secured with a deadlock conforming to BS3621 with a manufacturers matching striking plate. Opening leaf of aluminium doors must be fitted with a cylinder mortice deadlock with hook bolt mechanism.

Doors not otherwise specified

Must be secured with a deadlock conforming to BS3621 with manufacturers matching striking plate.

Windows

All accessible opening windows must be fitted with key operated locks or protected internally or externally by solid steel bar grille(s) secured within a hardened or galvanised steel frame unless officially designated as a fire escape by the fire and rescue authority.

Each side of the frame must be secured to the brickwork surrounding the window by either Rawlbolts at 300mm intervals or non return screws at 150mm intervals.

If **You** do not have key operated window locks and are required by **Us** to protect **Your** windows with solid steel bar grille(s) **You** must ensure that:

- (a) the bars are of a minimum diameter of 19mm and no further apart than 125mm
- (b) the bars are welded to or pass through tie bars of steel of at least 6mm dimension thick x 40mm wide and the distance between the tie bars must not exceed 600mm
- (c) the tie bars are secured to the wall surrounding the window at a minimum of four points by expansion bolts of at least M8 size which penetrate the masonry or brickwork by at least 60mm and Bolt holes must be set back at least 60mm from the edge of the window opening
- (d) if the bars are fixed externally the heads of the bolts must be welded to the tie bars to prevent them being undone.

any alternative specification or fixing methods must be agreed by **Us** in writing prior to fitting.

Stock storage – Basements and Ground floors

It is a condition precedent to **Our** liability that all **Stock in Trade** susceptible to water **Damage** stored in basements and/or the ground floor of **The Premises** is stored at least 10cm above floor

level.

Smoking

It is a condition precedent to **Our** liability that **You** will:

- (a) communicate to **Employees** and visitors and rigorously enforce a no smoking policy at **The Premises**
- (b) prominently display 'No Smoking' signs throughout **The Premises**
- (c) only allow smoking in clearly marked and specifically designated smoking areas that comply with current legislation
- (d) in all designated smoking areas, provide metal receptacles with metal lids for the safe disposal of waste smoking materials
- (e) keep waste smoking materials separate from other combustible waste material when being removed from the designated smoking areas and store in metal receptacles with metal lids whilst awaiting final removal from **The Premises**.

Exclusions

The following exclusions apply to this Section, in addition to the General Exclusions at the front of this policy.

We shall not be liable under this Section for the amount of the **Excess** as specified in the **Schedule**.

Section 2: Business Interruption

Commercial Care Line
0330 024 2266

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Definitions

NOTE: To the extent that **You** are accountable to the tax authorities for Value Added Tax all terms of this section shall be exclusive of such tax.

Customers Accounts

Your accounts of all customers who are trading with **You** on a credit or hire purchase basis.

Explosion

For the purposes of this Section **The Peril** Explosion shall be restated as follows:

Explosion

- (a) of boilers or of gas used for domestic purposes only but excluding **Damage** caused by earthquake or subterranean fire
- (b) otherwise excluding **Damage** caused by the bursting by steam pressure of any vessel machine or apparatus (not being a boiler or economiser on **The Premises**) in which internal pressure is due to steam only and belonging to **You** or under **Your** control.

Gross Profit

The amount by which:

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

NOTE: For the purpose of this definition the amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with **Your** usual accounting methods due provision being made for depreciation.

Gross Rentals

The money paid or payable to **You** by tenants in respect of accommodation and services provided at the Premises.

Gross Revenue

The money paid or payable to **You** as fees for services rendered in the course of the **Business** at **The Premises**.

Indemnity Period

The period beginning with the Occurrence of the **Damage** and ending when the results of the **Business** shall cease to be affected by the **Damage** but not exceeding the maximum Indemnity Period being the number of months stated in the **Schedule**.

Outstanding Debit Balances

The total last recorded by **You** under the provisions of the Monthly Records Clause adjusted for:

- (a) bad debts
- (b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the **Damage**) to **Customers Accounts** in the period between the date to which said last record relates and the date of the **Damage** and
- (c) any abnormal condition of trade which had or could have had a material effect on the **Business**

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

Rate of Gross Profit

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

Standard Gross Rentals

The **Gross Rentals** during the period in the 12 months immediately before the date of the **Damage** which corresponds with the **Indemnity Period**.

Standard Gross Revenue

The **Gross Revenue** during the period in the 12 months immediately before the date of the **Damage** which corresponds with the **Indemnity Period**.

Standard Turnover

The **Turnover** during that period in the 12 months immediately before the date of the **Damage** which corresponds with the **Indemnity Period**.

Section 2: Business Interruption

continued

NOTE: To the **Rate of Gross Profit, Standard Turnover** and **Standard Gross Revenue** adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or special circumstances affecting the **Business** either before or after the **Damage** which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

Turnover

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

Uninsured Working Expenses

1. Purchases net of discounts received
2. Bad debts
3. Packaging carriage and freight
4. Discounts allowed

Cover

Provided that payment shall have been made or liability admitted for the **Damage** under an insurance covering **Your** interest in the property or payment would have been made or liability admitted for the **Damage** but for the operation of a proviso in the insurance excluding liability for losses below a specified amount and that **Our** liability shall in no case exceed **133.33%** of the **Gross Profit** or **Gross Revenue** or **Gross Rentals** shown in the **Schedule** and **100%** of the Sum Insured shown in the **Schedule** for Increase in Cost of Working Additional Increase in Cost of Working **Outstanding Debit Balances** or any other Item insured hereunder.

If **Damage** by any of **The Perils** insured under Section 1 or by **Explosion** occurs to property used by **You** at **The Premises** for the purposes of the **Business** and causes interruption to or interference with the **Business** at **The Premises** or if **You** are unable to trace or establish **Outstanding Debit Balances** in whole or in part due to them as a result of **Your** books of account or other **Business** books or records at **The Premises** being **Damaged** We will pay **You** (subject to the provisions of the insurance) the amount of loss resulting from such interruption, interference or **Damage** in accordance with the basis of cover shown in the **Schedule** and described below.

Basis of Cover

Gross Profit (Declaration Linked Basis)

The insurance in respect of **Gross Profit** is limited to loss of **Gross Profit** due to:

- (a) reduction in **Turnover** and
- (b) Increase in Cost of Working

and the amount payable as indemnity thereunder shall be:

- (i) in respect of reduction in **Turnover**: the sum produced by applying the rate of **Gross Profit** to the amount by which the **Turnover** during the **Indemnity Period** shall in consequence of the **Damage** fall short of the **Standard Turnover**
- (ii) in respect of Increase in Cost of Working: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Turnover** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage** but not exceeding the sum produced by applying the **Rate of Gross Profit** to the amount of the reduction thereby avoided

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

Gross Rentals (Declaration Linked Basis)

The insurance in respect of **Gross Rentals** is limited to:

- (a) loss of **Gross Rentals** and
- (b) Increase in Cost of Working

and the amount payable as indemnity thereunder shall be:

- (i) in respect of loss of **Gross Rentals**: the amount by which the **Gross Rentals** during the **Indemnity Period** shall in consequence of the **Damage** fall short of the **Standard Gross Rentals**
- (ii) in respect of Increase in Cost of Working: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Gross Rentals** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage** but not exceeding the amount of the reduction thereby avoided

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

Section 2: Business Interruption

continued

Commercial Care Line
0330 024 2266

Gross Revenue (Declaration Linked Basis)

The insurance in respect of **Gross Revenue** is limited to:

- (a) reduction in **Gross Revenue** and
- (b) Increase in Cost of Working

and the amount payable as indemnity thereunder shall be:

- (i) in respect of reduction in **Gross Revenue**: the amount by which the **Gross Revenue** during the **Indemnity Period** shall in consequence of the **Damage** fall short of the **Standard Gross Revenue**
- (ii) in respect of Increase in Cost of Working: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Gross Revenue** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage** but not exceeding the amount of the reduction thereby avoided

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

Increase in Cost of Working

The insurance in respect of Increase in Cost of Working (where insured as a separate Item) is limited to the additional expenditure necessarily and reasonably incurred as a result of the **Damage** in order to minimise any interruption or interference with the **Business** during the **Indemnity Period**.

Additional Increase in Cost of Working

The insurance in respect of Additional Increase in Cost of Working is limited to the additional expenditure necessarily and reasonably incurred as a result of the **Damage** to maintain the **Business** during the **Indemnity Period** which exceeds the amount recoverable in respect of Increase in Cost of Working whilst insured as a separate item.

Our liability shall not exceed the Limit of Liability shown in the **Schedule**.

Cost of Document Replacement

The insurance under this Item is limited to legal clerical and other charges necessarily incurred in consequence of the **Damage** in the replacement or restoration of **Your Business** records including deeds and other documents (including stamps thereon) manuscripts plans specifications and writings of every description and books (written and printed) books of account card indexes including such property if and insofar as it is not otherwise insured whilst

temporarily at premises not in **Your** occupation or whilst in transit in Great Britain or Northern Ireland provided that **Our** liability for any one claim shall not exceed in total the Limit of Liability for **Gross Profit** or **Gross Revenue** (whichever is applicable) shown in the **Schedule**.

Outstanding Debit Balances

The insurance in respect of **Outstanding Debit Balances** is limited to loss sustained by **You** directly due to the **Damage** and the amount payable in respect of any one incident shall not exceed

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

Professional Accountants Charges

Where insurance is arranged on **Gross Profit** or **Gross Revenue** **We** will also pay **You** the reasonable charges payable by **You** to **Your** professional accountants for producing any particulars or details contained in **Your** books of account or other **Business** books or documents or such other proofs information or evidence as **We** may require and reporting that such particulars or details are in accordance with **Your** books of account or other **Business** books or documents provided that **Our** liability for any one claim shall not exceed in total the Limit of Liability for **Gross Profit** or **Gross Revenue** (whichever is applicable) shown in the **Schedule**.

Clauses

The following clauses apply to this Section.

Accumulated Stocks

In adjusting any loss account shall be taken and an equitable allowance made if any shortage of **Turnover** due to the **Damage** is postponed by reason of the **Turnover** being temporarily maintained from accumulated stocks of raw materials work in progress or finished goods at **The Premises** or elsewhere.

Alternative Trading

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

Section 2: Business Interruption

continued

Departmental

If the **Business** be conducted in departments the independent trading results of which are ascertainable the provisions of clauses (a) and (b) of the **Gross Profit** or **Gross Revenue** or **Gross Rentals** items shall apply separately to each department affected by the **Damage**.

Monthly Records (applicable to **Outstanding Debit Balances**)

You shall at the end of each month record the total amount of **Outstanding Debit Balances** as set out in **Customers Accounts** at that date and such record shall be kept at a place other than **Your** own premises.

Payments on Account

Payments on account will be made to **You** during the **Indemnity Period** if desired.

Reinstatement of Losses

Unless written notice to the contrary be given by either **Us** or **You** the insurance by this Section shall not be reduced by the amount of any loss and provided that **You** pay the appropriate extra premium on the amount of the loss from the date thereof to the date of expiry of the **Period of Insurance**.

The reinstatement of losses shall not apply to extension I. Notifiable disease, vermin, pests and defection, sanitation, murder or suicide

Standing Charges (applicable to **Gross Profit**)

If any of the 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 only that proportion of any additional expenditure shall be brought into account which the **Gross Profit** bears to the sum of the **Gross Profit** and the **Uninsured Working Expenses**.

Extensions

Any loss in respect of **Gross Profit** or **Gross Revenue** as insured by this section resulting from interruption to or interference with the **Business** in consequence of:

A. Unspecified Suppliers

Damage by any of **The Perils** insured under Section 1 of this policy at the premises of **Your** suppliers manufacturers or processors of components goods or materials in Great Britain or Northern Ireland but excluding the premises of any supply undertaking from which **You** obtain electricity gas water or telecommunications services in Great Britain or Northern Ireland.

B. Unspecified Customers

Damage by any of **The Perils** insured under Section 1 of this policy at the premises of any of **Your** customers in Great Britain or Northern Ireland provided that for the purposes of this Extension the term 'customers' means those companies organisations or individuals with whom at the time of the **Damage You** have contracts or trading relationships to supply goods or services.

C. Storage Sites

Damage by any of **The Perils** insured under Section 1 of this policy at any premises in Great Britain or Northern Ireland not in **Your** occupation where **Your** property is stored.

D. Property In Transit

Damage by any of **The Perils** insured under Section 1 of this policy to property whilst in transit in Great Britain or Northern Ireland.

E. Contract Sites

Damage by any of **The Perils** insured under Section 1 of this policy at any situation in Great Britain or Northern Ireland where **You** are carrying out a contract.

F. Accidental Failure of Public Supply

Accidental total or partial failure of the public supply of:

- (a) electricity at the terminal point of the supply undertaking's service feed to **The Premises**
- (b) gas at the supply undertaking's meters at **The Premises**
- (c) water at the supply undertaking's main stop cock serving **The Premises**
- (d) telecommunications services at the incoming line terminals or receivers at **The Premises**

in Great Britain or Northern Ireland but excluding any failure:

- (i) resulting from **Your** wilful act or neglect
- (ii) due to a deliberate act of the supply undertaking unless for the sole purpose of safeguarding life or protecting any part of the supply undertaking system
- (iii) due to a scheme of rationing unless solely necessitated by **Damage** to the supply undertaking's generating or supply equipment
- (iv) due to any industrial action or drought or
- (v) which does not involve a cessation of supply for at least 30 consecutive minutes in respect of a b and c above and 8 consecutive hours in respect of d above.

Section 2: Business Interruption

continued

Commercial Care Line
0330 024 2266

G. Denial of Access

Damage by any of **The Perils** insured under Section 1 of this policy to property in the vicinity of **The Premises** preventing or hindering access to or use of **The Premises** whether **The Premises** or **Your** property therein shall be damaged or not but excluding the property of any supply undertaking from which **You** obtain electricity, gas, water or telecommunications services.

H. National Lottery

For the purpose of this Extension **Employee** shall mean:

Any person while working for **You** in connection with the **Business** who is under a contract of service or apprenticeship with **You**.

The insurance by this Section is extended to cover loss resulting from interruption of or interference with the **Business** at **The Premises** in consequence of an **Employee** or **Employees** terminating their employment with **You** as a direct result of a confirmed win on the National Lottery in the United Kingdom.

Provided that the maximum **Indemnity Period** under this extension shall not exceed 3 months from the date of the confirmed win on the National Lottery.

I. Notifiable Disease, Vermin Pests and Defective Sanitation, Murder or Suicide

Definitions for the purposes of this Extension:

Indemnity Period

In respect of **Vermin Pests and Defective Sanitation**:

The period during which the results of the **Business** shall be affected in consequence due to the discovery, occurrence or accident, beginning with the date from which restrictions on the use of **The Premises** are applied and ending not later than 3 months thereafter.

In respect of all other contingencies:

The period during which the results of the **Business** shall be affected in consequence due to the occurrence or discovery, beginning with the date of the occurrence or discovery ending not later than 3 months thereafter.

Notifiable Disease

The occurrence of any of the following human infectious or human contagious diseases sustained by any person:

Acute Encephalitis, Acute Poliomyelitis, Anthrax, Chickenpox, Cholera, Diphtheria, Dysentery, Legionellosis, Legionnaires Disease, Leprosy, Leptospirosis, Malaria, Measles, Meningococcal Infection, Mumps, Ophthalmia Neonatorum, Paratyphoid Fever, Plague, Rabies, Rubella, Scarlet Fever, Smallpox, Tetanus, Tuberculosis, Typhoid Fever, Viral Hepatitis, Whooping Cough, Yellow Fever.

Vermin Pests and Defective Sanitation

(a) the discovery of vermin or pests

or

(b) any accident causing defects in the drains or other sanitary arrangements at **The Premises**

which causes restrictions on the use of **The Premises** on the order or advice of the competent local authority.

We will indemnify **You** in respect of loss resulting from interruption of or interference with the **Business** during the **Indemnity Period** in consequence of the following contingencies:

(a) any occurrence of a **Notifiable Disease** at **The Premises**

(b) any discovery of a harmful organism likely to result in the occurrence of a **Notifiable Disease** at **The Premises**

(c) injury or illness sustained by any person caused by food or drink poisoning arising from food or drink supplied from **The Premises**

(d) any discovery of **Vermin Pests and Defective Sanitation**

(e) any occurrence of murder or suicide at **The Premises**

We will not indemnify **You** in respect of:

(a) costs incurred in cleaning repair replacement recall or checking of property

(b) loss arising from premises other than those directly subject to the occurrence

(c) any other Business Interruption Extensions

(d) any consequence of Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition.

Provided that after the application of all the terms conditions and provisions of the policy **Our** liability in respect of the Extensions A to I shall not exceed the limit stated in the **Schedule** against the specific Extension.

Conditions

The following conditions apply to this Section, in addition to the General Conditions and Claims Conditions at the front of this policy.

Fire Proof Storage

This condition shall apply to **Outstanding Debit Balances** only.

It is a condition precedent to **Our** liability that **Your** books of account or other **Business** books or records in which **Customers Accounts** are shown shall be kept in fire resistant cabinets or safes when not in use.

Section 2: Business Interruption

continued

Exclusions

The following exclusions apply to this Section, in addition to the General Exclusions at the front of this policy.

We shall not be liable under this Section for loss:

1. arising directly or indirectly from
 - (a) erasure loss distortion or corruption of information on computer systems or other records programmes or software caused deliberately by rioters strikers locked-out workers persons taking part in labour disturbances or civil commotion or malicious persons
 - (b) other erasure loss distortion or corruption of information on computer systems or other records programmes or software unless resulting from any of **The Perils** 1 to 12 of Section 1 of this policy insofar as it is not otherwise excluded.
2. if
 - (a) **The Business** is
 - (i) wound up or carried on by a liquidator or receiver
 - (ii) permanently discontinued
 - (b) **Your** interest ceases other than by **Your** death unless **We** agree otherwise in writing.

Section 3: Goods in Transit

Commercial Care Line

0330 024 2266

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Definitions

Enclosed Premises

A locked building or compound bounded on each side by a substantial wall fence or similar structure and having a locked gate.

High Risk Property

Tobacco, cigarettes and cigars, spirits, watches, jewellery, precious or semi precious stones, articles of gold or silver or other precious metals, computer and data processing equipment and accessories, drugs, audio, TV and video equipment, non-ferrous metals, photographic equipment, sports goods, oriental carpets, clothing, furs and leather goods, works of art and mobile phone vouchers.

In Transit

(a) in respect of Method of Conveyance A

whilst the **Property** is being loaded upon, carried by, temporarily housed upon or being unloaded from the vehicle including the use of recognised 'roll-on roll-off' vehicle ferries provided no unloading or reloading of the vehicle is involved and concluding when the **Property** has either been placed at **The Premises** or receipt acknowledged by the consignee. This shall include a period of temporary garaging not exceeding 30 days during the journey.

(b) in respect of Method of Conveyance B

whilst the **Property** is in the custody or control of the carrier until delivered to the consignee's premises and receipt acknowledged or in the case of return transit placed at **Your Premises**. This shall include a period of temporary garaging not exceeding 30 days during the journey.

Method of Conveyance

A Property carried on vehicles owned by or operated by **You**

B Property transported by a carrier other than **You** by means of road, rail or inland air freight.

Overnight

From 9.00pm or whenever the vehicle was last occupied whichever is the earlier until 6.00am or until the vehicle is first used whichever is the later.

Property

Merchandise and goods (including **Tools**) used in connection with the **Business** which belong to **You** or are **Your** responsibility.

Territorial Limits

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

Tools

Tools tool kits or test equipment which **You** own or are hired by **You** or used by **You** in connection with the **Business** for which **You** are responsible including employee tools.

Cover

In the event of accidental **Damage** to **Property In Transit** by the **Method of Conveyance** shown in the **Schedule** within the **Territorial Limits** during the **Period of Insurance** **We** will subject to the **Limit of Liability** pay the amount of the **Damage** or at **Our** option replace or repair such **Property**.

Our liability in respect of **Damage** arising out of one single event at any one location to any one load or combination of loads of **Property In Transit** shall not exceed the Sums Insured stated in the **Schedule**.

Our liability for **High Risk Property** in respect of **Damage** caused by theft or attempted theft shall not exceed the Inner Limit stated in the **Schedule**.

Clauses

The following clauses apply to this Section but only in respect of accidental **Damage** to **Property in Transit** by **Method of Conveyance A** for which **We** have admitted liability.

Ancillary Equipment

We will also pay for **Damage** to packing materials, protective sheeting ropes chains and toggles belonging to **You** whilst being carried on the vehicle.

Debris Removal

We will also pay for the additional costs necessarily incurred in removing debris consequent upon **Damage** to the **Property In Transit** subject to a limit of **£2,500** any one loss.

Employees Personal Effects

We will also pay for **Damage** to personal effects belonging to the driver and/or attendant whilst carried in any vehicle which is conveying **Property In Transit** up to an amount not exceeding **£500** per person.

Section 3: Goods in Transit

continued

Reloading

We will also pay for the additional costs necessarily incurred in reloading any **Property In Transit** which has fallen from the conveying vehicle subject to a limit of **£2,500** any one loss.

Reinstatement (Tools)

For the purposes of this Clause the following definition applies.

Reinstatement is defined as:

- (a) the replacement of **Property** lost or destroyed
- (b) the repair or restoration of **Property** damaged

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

In the event of **Tools** used by **You** in connection with the **Business** and insured by this Section being lost destroyed or damaged the basis upon which the amount payable in respect of such **Property** is to be calculated shall be the cost of **Reinstatement** subject to the Conditions set out below.

Special Conditions:

1. No payment beyond the amount which would have been payable had this Clause not been operative shall be made:
 - (a) unless the work of **Reinstatement** is commenced and carried out with reasonable despatch
 - (b) until the cost of **Reinstatement** has been incurred
 - (c) unless any other insurance covering **Your** interest in the **Property** at the time of **Damage** is upon the same basis of **Reinstatement** as this policyand if no such payment is made then both **Our** and **Your** rights and liabilities shall be those which would have applied had this Clause not been operative.
2. In the event of partial **Damage** to **Property** **Our** liability for any loss shall not exceed the cost which would have been incurred had such **Property** been totally destroyed.

Substitution of Vehicle

We will also pay for **Damage** to **Property In Transit** arising out of the use of any vehicle substituted by **You** whilst their own vehicle is undergoing service or repair up to an amount not exceeding the Sum Insured applicable to the vehicle undergoing service or repair.

Transfer

We will also pay for additional costs necessarily incurred in transferring **Property** to another vehicle and carrying to original destination, consequent upon fire or overturning or collision of the conveying vehicle subject to a limit of **£2,500** any one loss.

Conditions

The following conditions apply to this Section, in addition to the General Conditions and Claims Conditions at the front of this policy.

Motor Vehicles

It is a condition precedent to **Our** liability that:

- (a) all motor vehicles **You** own or in **Your** custody or control shall be maintained and kept in a good state of repair and in efficient roadworthy condition
- (b) **You** comply with **Our** requests for installation of any further protections to any vehicle if specified.

Security

It is a condition precedent to **Our** liability that in respect of **Method of Conveyance A** whenever the loaded vehicle is left unattended:

- (a) all security locks alarms and other security devices are maintained in an efficient working condition
- (b) all doors are locked ignition keys removed from the vehicle windows and other openings closed and securely fastened and all intruder alarm installations immobilisers and other security devices are made operative
- (c) if left **Overnight** the vehicles are contained in a locked building secured at all points of access or garaged within **Enclosed Premises** which are securely locked having a watchman in constant attendance.

Third Party Carrying

It is a condition precedent to **Our** liability that in respect of **Method of Conveyance B** **You** shall obtain a receipt from the third party carrier for all the **Property** sent and produce it if requested by **Us** in the event of any claim.

Exclusions

The following exclusions apply to this Section in addition to the General Exclusions at the front of this policy.

We shall not be liable under this Section:

1. for **Damage** to any **Property In Transit** arising out of or attributable to:
 - (a) wear and tear, deterioration, contamination mildew damp rust corrosion insect or vermin
 - (b) inherent vice latent defect action of light or atmospheric or climatic conditions
 - (c) spillage leakage evaporation loss of weight or shrinkage
 - (d) mechanical and/or electrical derangement or breakdown

Section 3: Goods in Transit

continued

Commercial Care Line
0330 024 2266

- (e) electrical or magnetic injury disturbance or erasure of electronic records
 - (f) breakdown of refrigeration and/or insufficient insulation unless caused by or directly traceable to fire lightning or collision or overturning of the conveying vehicle
 - (g) defective or inadequate packing or insufficient addressing
 - (h) delay confiscation requisition embargo or nationalisation by order of the government or any public authority
2. in respect of:
- (a) explosives or other dangerous goods (the term 'dangerous goods' means goods specified in the special classification of dangerous goods issued by the railway authorities or otherwise not accepted for rail transport on the grounds of their dangerous or hazardous nature)
 - (b) money and other negotiable instruments of every description securities deeds bonds bills of exchange promissory notes bullion furs and livestock
 - (c) property carried by **You** for hire or reward
 - (d) depreciation loss of market or any other **Indirect Loss**
 - (e) disappearance or unexplained or inventory shortage
 - (f) loss or **Damage** by or with the collusion of **You** or any partner director or **Employee** of **Yours**
 - (g) loss of or **Damage** to:
 - (i) jewellery or watches
 - (ii) precious metals, precious stones or articles composed of such materials
 - (iii) wines spirits perfumes tobacco products
 - (iv) deeds documents manuscripts business books plans and designs
 - (v) computer equipment
- unless specifically mentioned as insured by this Section.
- (h) loss of or **Damage** to:
 - (i) property temporarily housed in the course of the transit for the purpose of storage making up or processing
 - (ii) property in or on soft-topped open-topped open-sided or curtain sided vehicles or trailers owned or operated by **You** or in **Your** care custody or control if caused by:
 - storm tempest or flood
 - theft or attempted theft unless the vehicle or trailer is stolen at the same time
- malicious persons in respect of an unattended vehicle or trailer.
 - (i) loss of or **Damage** to the contents of any package not involving outward and noticeable **Damage** to the package
 - (j) the amount of the **Excess** as stated in the **Schedule**.

Section 4: Loss of Business Money

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Definitions

Money

Cash, bank and treasury notes, cheques and girocheques (other than blank or partly completed cheques and girocheques) travellers cheques, bills of exchange, bankers drafts, giro drafts, postal orders, money orders, premium bonds, current postage and revenue stamps, trading stamps, national insurance stamps (whether affixed to cards or otherwise) national savings and holiday with pay stamps, gift tokens, luncheon vouchers, phone cards, consumer redemption vouchers and travel tickets all belonging to **You** or for which responsibility has been accepted by **You**.

Non-Negotiable Currency

Crossed cheques, crossed girocheques, crossed bankers drafts, crossed giro drafts, crossed postal and crossed money orders, national savings certificates, premium bonds, unexpired units in franking machines, stamped national insurance cards, credit card sales vouchers, debit card sales vouchers, VAT purchase invoices all belonging to **You** or for which responsibility has been accepted by **You** subject to a limit of **£250,000** for any one loss.

Situations

- (a) In transit in **Your** custody or any authorised person acting on behalf of **You** or by registered post or at any of **Your** contract sites while **Your Employees** are working at such sites.
- (b) In a bank night safe.
- (c) In **The Premises** during **Business Hours**.
- (d) In a locked safe (details of which are lodged with **Us**) in an enclosed building at **The Premises** outside **Business Hours**.
- (e) At **The Premises** outside **Business Hours** not in a locked safe or locked till.
- (f) In **Your** private dwelling or the private dwelling of any authorised **Employee**.

Cover

We will indemnify **You** for **Damage** by any cause not excluded to **Money** and **Non-Negotiable Currency** as defined below in any of the **Situations** during the **Period of Insurance** provided that **Our** liability shall in no case exceed the maximum amounts stated in the **Schedule**.

Clauses

The following clauses apply to this Section.

Credit Cards

We will indemnify **You** for any amount for which **You** become liable under the terms of issue of any bank charge credit debit or cash card used only in connection with the **Business** following fraudulent use by any unauthorised person. **Our** liability shall not exceed **£500** during any one **Period of Insurance**. Provided that **You** report the loss to the issuing company immediately and to the police within 24 hours of discovering the loss and have complied with the conditions of issue of the card.

Damage to Safes

Damage to:

- (a) any safe strongroom or franking machine
- (b) any container whilst being used for carrying **Money**

resulting from theft or attempted theft of **Money** up to an amount not exceeding the cost of repair or Replacement .

Damage to Clothing

Damage to clothing and personal effects belonging to **You** or any partner director or **Employee of Yours** resulting from theft or attempted theft of **Money** up to an amount not exceeding **£500** any one person.

Theft by Employees

For the purposes of this Clause the following definitions apply.

Acting in Collusion shall mean:

All circumstances where two or more **Employees** are concerned or implicated together or assist each other materially in committing the acts of theft **We** shall not be liable for the first **£500** of each and every claim under this Clause.

Employee shall mean:

- (a) any person (including any of **Your** directors whose shareholding does not at any time exceed 5% of **Your** issued share capital) working for **You** in connection with the **Business** under a contract of service or apprenticeship with **You** and who is remunerated for such service wholly or mainly by salary or wages
- (b) any person undergoing training under any government approved training scheme under **Your** control who is normally resident within the United Kingdom

Section 4: Loss of Business Money

continued

Commercial Care Line
0330 024 2266

One Claim shall mean:

All acts of theft throughout the continuance of this insurance committed by one **Employee** or by two or more **Employees Acting in Collusion**.

We will indemnify **You** for direct loss of **Money** belonging to **You** or for which **You** are legally responsible caused by any act of theft committed during the **Period of Insurance** by any **Employee** and which is discovered within 28 days of the loss. **Our** liability under this Clause in respect of any **One Claim** shall not exceed **£5,000**.

Conditions

The following conditions apply to this Section, in addition to the General Conditions and Claims Conditions at the front of this policy.

Money Records

It is a condition precedent to **Our** liability that a complete record of all **Money** and **Non-Negotiable Currency** on **The Premises** must be kept in a secure place other than in any safe or other receptacle containing the **Money** and **Non-Negotiable Currency**

Safe keys

It is a condition precedent to **Our** liability that safe keys are removed from **The Premises** outside **Business Hours**

Safes

It is a condition precedent to **Our** liability that details of the safes used for containing **Money** are lodged with **Us**

Transit Limits

It is a condition precedent to **Our** liability that **You** must ensure that **Money** (other than **Non-Negotiable Currency**) in transit is accompanied by the following numbers of persons between the ages of 18 and 65:

Money in transit at any one time up to **£3,000**

Accompaniment Requirement 1 person

Amount of **Money** in transit at any one time over **£3,000** up to **£6,000**

Accompaniment Requirement 2 persons

Amount of **Money** in transit at any one time over **£6,000** up to **£12,000**

Accompaniment Requirement 3 persons

Amount of **Money** in transit at any one time over **£12,000**

Accompaniment Requirement Approved security company

Minimum Security

It is a condition precedent to **Our** liability that if **Damage** occurs more than 30 days after the inception of the policy the following security measures or any alternatives that **We** agree to in writing are installed and activated.

Your Responsibility

It is **Your** responsibility to ensure that the following security measures are in place on all outside doors and inside doors at **The Premises**.

Doors

Up and over doors

Sectional up and over doors must be secured by a padlock conforming to CEN Grade 4 inserted through a hole drilled into each guide channel approximately 25mm above the guide roller.

Steel roller shutters

Each shutter must be secured by two security shutter locks, locking mechanisms should be positioned as close as possible to the bottom of the door to prevent the shutter being prised up at the bottom to gain entry, alternatively a closed shackle padlock conforming to CEN Grade 4 with matching locking bar may be utilised.

Aluminium doors

Single leaf doors should be fitted with a cylinder mortice deadlock. Double leaf doors should have the standing leaf secured with flush bolts and the opening leaf secured with a cylinder mortice deadlock with a hookbolt mechanism.

Outward opening doors

The hinge side of the door must be protected by hinge covers such as dog bolts or equivalent fitted approximately 400mm from the top and bottom of the door.

Fire exit doors

Must be protected on the outside by a sheet of steel minimum thickness 1.6mm fixed to the top, bottom and side rails of the door by either non-return screws or coach bolts at 150mm centres. Bolt heads must be on the outside of the door(s). If the door(s) is/are outward opening the steel must overlap the frame on the locking side to prevent the door being prised open between the door and the frame. In addition two hinge bolts must be fitted to the hinge side of the door approximately 400mm from the top and bottom of the door.

Section 4: Loss of Business Money

continued

Double doors

Standing leaf must be secured with two flush bolts or two mortice rack bolts. Opening leaf of timber doors must be secured with a deadlock conforming to BS3621 with a manufacturers matching striking plate. Opening leaf of aluminium doors must be fitted with a cylinder mortice deadlock with hook bolt mechanism.

Doors not otherwise specified

Must be secured with a deadlock conforming to BS3621 with manufacturers matching striking plate.

Windows

All accessible opening windows must be fitted with key operated locks or protected internally or externally by solid steel bar grille(s) secured within a hardened or galvanised steel frame unless officially designated as a fire escape by the fire and rescue authority.

Each side of the frame must be secured to the brickwork surrounding the window by either Rawlbolts at 300mm intervals or non return screws at 150mm intervals.

If **You** do not have key operated window locks and are required by **Us** to protect **Your** windows with solid steel bar grille(s) **You** must ensure that:

- (a) the bars are of a minimum diameter of 19mm and no further apart than 125mm
- (b) the bars are welded to or pass through tie bars of steel of at least 6mm dimension thick x 40mm wide and the distance between the tie bars must not exceed 600mm
- (c) the tie bars are secured to the wall surrounding the window at a minimum of four points by expansion bolts of at least M8 size which penetrate the masonry or brickwork by at least 60mm and bolt holes must be set back at least 60mm from the edge of the window opening
- (d) if the bars are fixed externally the heads of the bolts must be welded to the tie bars to prevent them being undone.

any alternative specification or fixing methods must be agreed by **Us** in writing prior to fitting.

Exclusions

The following exclusions apply to this Section, in addition to the General Exclusions at the front of this policy.

We shall not be liable under this Section for loss:

1. arising from fraud or dishonesty of any **Your Employees** other than as insured under the Theft by Employees Clause of this Section
2. from unattended vehicles
3. arising from the use of any form of payment which proves to be counterfeit false fraudulent invalid uncollectible or irrecoverable for any reason
4. occurring outside the United Kingdom or the Republic of Ireland
5. due to errors omissions depreciation in value loss of market loss of interest or **Indirect Loss** of any kind
6. from:
 - (a) gaming and amusement machines
 - (b) any automated teller machine or cash dispensing machine

unless specifically insured by endorsement to this Section.

Section 5: Personal Accident (assault)

Commercial Care Line
0330 024 2266

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Definitions

Injury

Injury (including multiple injuries sustained in one incident) to **You** caused solely and directly by violent, external and visible means. Injury shall not include sickness, disease or mental illness or shock.

Insured Person

You or any partner director or **Employee** of **Yours** aged not less than 16 years nor more than 65 years.

Loss of Limbs

Physical separation of one or more arms or legs or permanent and total loss of use of one or more arms or leg.

Loss of Sight

Total and irrecoverable loss of sight in one or both eyes.

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 and ambulance charges.

Money

Cash, bank and treasury notes, cheques and girocheques (other than blank or partly completed cheques and girocheques) travellers cheques, bills of exchange, bankers drafts, giro drafts, postal orders, money orders, premium bonds, current postage and revenue stamps, trading stamps, national insurance stamps (whether affixed to cards or otherwise) national savings and holiday with pay stamps, gift tokens, luncheon vouchers, phone cards, consumer redemption vouchers and travel tickets all belonging to **You** or for which responsibility has been accepted by **You**.

Permanent Total Disablement

Permanent disablement rendering the **Insured Person** unable to attend to their usual occupation not being disablement following **Loss of Limbs** or **Loss of Sight**.

The Results

1. Death which shall not be presumed by the disappearance of the **Insured Person**
2. **Loss of Limbs** and/or **Loss of Sight**
3. **Permanent Total Disablement**

4. Temporary Total Disablement

5. Temporary Partial Disablement

6. Incurred Medical Expenses

The following benefit limitations apply:

- (a) no further benefit shall be payable to the same **Insured Person** after payment of any benefit under results 2 or 3
- (b) benefit under result 3 is not payable before 104 weeks from the date of **Injury** nor following a payment of benefit under result 2
- (c) any benefit paid under result 4 shall be deducted from any benefit thereafter becoming payable under results 1, 2 or 3
- (d) benefit under results 4 or 5 or any combination thereof is payable for a maximum of 104 weeks from the date of commencement of the first of these results to occur
- (e) benefit under result 5 is payable at a rate of 25% of the amount payable as benefit under result 4
- (f) benefit under result 6 shall be reimbursement up to a sum of **£500**.

Temporary Partial Disablement

Temporary disablement rendering the **Insured Person** unable to attend to a substantial and essential part of their usual occupation.

Temporary Total Disablement

Temporary disablement rendering the **Insured Person** unable to attend to their usual occupation.

Cover

In the event of **Injury** to any **Insured Person** whilst engaged on their occupation in the **Business** and arising from malicious attack or assault by any person stealing or attempting to steal **Money** which within twenty-four months is the sole cause of any of **The Results** detailed below **We** will pay the Benefits stated in the **Schedule** to **You** or **Your** legal representative.

Claims Conditions

The following Claims Conditions apply to this Section, in addition to the Claims Conditions at the front of this policy.

Benefit Payment

Benefit under results 4 and 5 shall be payable when the total amount has been agreed or at **Your** request at intervals of not less than four weeks (but not in advance) commencing four weeks after receipt of written notice of any **Injury** by **Us**

Section 5: Personal Accident (assault)

continued

Charges

We will not be bound to accept or be affected by notice of any trust charge or consignment relating to this Section and **Your** receipt shall be a valid discharge of **Our** liability.

Death

In the event of death **We** shall be entitled to have a post-mortem examination at **Our** own expense

Disablement

In the event of disablement the **Insured person** must immediately place himself under the care of a qualified medical practitioner and as often as may be required submit to medical examination at **Our** expense

Evidence

All certificates information and evidence required by **Us** shall be furnished at the expense of the claimant under this Section and shall be in such form and of such nature as **We** shall prescribe

Exclusions

The following exclusions apply to this Section, in addition to the General Exclusions at the front of this policy.

We shall not be liable under this Section in respect of any death or disablement attributable to or accelerated by pregnancy or pre-existing physical or mental condition.

Section 6, 7 and 8: Employers', Public and Products Liability

Commercial Care Line
0330 024 2266

The following definitions apply to Sections 6, 7 and 8 in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply. In so far as there is any difference in the definitions applicable to Sections 6, 7 and 8 and the General Definitions, the definitions applicable to Sections 6, 7 and 8 shall prevail.

Definitions

Bodily Injury

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

The Business

The **Business** as described in the **Schedule** shall include:

- (a) the ownership, repair, maintenance and decoration of **The Premises**
- (b) private work undertaken by any **Employee** with **Your** prior consent for any director partner or other **Employee** of **Yours**
- (c) the provision and management of canteen, sports, social and welfare organisations for the benefit of **Employees**
- (d) **Your** fire, security, first aid, medical and ambulance services
- (e) **Your** participation in exhibitions.

Compensation

All sums which **The Insured** shall be legally liable to pay as damages including interest thereon other than punitive, exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages.

Costs and Expenses

- (a) Claimants' legal costs for which **The Insured** are legally liable
- (b) All costs and expenses incurred with **Our** written consent in defending any claim
- (c) The solicitor's fees incurred with **Our** written consent for representation at proceedings in any court of summary jurisdiction in respect of any alleged act causing or relating to any occurrence which may be the subject of indemnity under these sections or at any coroner's inquest or fatal accident inquiry.

Craft

Any craft or thing made or intended to float on or in or travel through water air or space.

The Insured

- (a) **You**
- (b) **Your** personal representatives in respect of liability incurred by **You**
- (c) At **Your** request:
 - (i) any director, partner or **Employee** while acting in connection with **The Business**
 - (ii) any officer or member of **Your** canteen, sports, social or welfare organisations and fire, security, first aid, medical and ambulance services in their respective capacities as such

provided that **You** would have been entitled to indemnity under the respective Section if the claim had been made against **You**

Provided that such persons shall observe fulfil and be subject to the terms conditions exclusions and limits of each Section and the policy insofar as they can apply.

Pollution or Contamination

- (a) All pollution or contamination of buildings or other structures or of water or land or the atmosphere
and
- (b) all **Damage** or **Bodily Injury** directly or indirectly caused by such pollution or contamination.

Principal

Any person, employer, firm, company, ministry or authority for whom **The Insured** has entered into a contract or agreement for the performance of work in connection with **The Business**.

Products Supplied

Any goods (including their containers packaging labelling and instructions for use) manufactured sold supplied hired out repaired renovated serviced altered erected installed or treated by **You** or on **Your** behalf in connection with **The Business** and no longer in the charge or control of **The Insured**.

Property

Material property.

Territorial Limits

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

Section 6: Employers' Liability

Cover

We will indemnify **The Insured** against

1. legal liability to pay **Compensation**
- and
2. **Costs and Expenses**

in respect of **Bodily Injury** caused during the **Period of Insurance** to any **Employee** arising out of and in the course of employment or engagement of such person by **The Insured** in **The Business** within the **Territorial Limits**.

Our liability inclusive of all **Costs and Expenses** under this Section in respect of any one claim or series of claims arising out of any one original cause shall not exceed the Limit of Liability stated in the **Schedule**.

Clauses

The following clauses apply to this Section.

Certificate

If this policy or Section is cancelled any certificate of Employers' Liability insurance provided by **Us** is similarly cancelled from the same date.

Contractual Liability

Liability assumed by **You** under contract or agreement which would not have attached in the absence of such contract or agreement shall be the subject of indemnity under this Section only if the sole conduct and control of any claim is vested in **Us** and subject to the terms, conditions and exclusions of this Section and the policy as a whole.

We will not indemnify any person or entity falling within the definition of **The Insured** other than **You** for any contractual liability unless such liability would have attached in the absence of any contract or agreement.

Corporate Manslaughter and Corporate Homicide Act 2007

We will indemnify **You** in respect of:

- (a) legal fees and expenses incurred with **Our** prior written consent for defending prosecutions, including appeals against convictions
- (b) costs of prosecution awarded against **You**

which arise from criminal proceedings for any offence as defined in Section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007

The total amount payable under this Clause in respect of all claims occurring during any one **Period of Insurance** is limited to **£500,000**.

We will not indemnify **You** under this Clause in respect of:

1. any prosecutions unless they relate to death caused to any **Employee** within the **Territorial Limits** during the **Period of Insurance** and arising out of and in the course of employment or engagement of the **Employee** by **You** in **The Business**.
2. (a) the payment of fines or penalties
(b) any remedial or publicity orders or any steps required to be taken by such orders
3. defence costs and expenses and costs of prosecution awarded against **You** for which **You** are entitled to indemnity under any other policy or Section or would have been entitled to an indemnity but for the existence of this policy.
4. any proceedings resulting from any deliberate act or omission by **You**.

Court Attendance Costs

We will compensate **You** if at **Our** request **You** or any director, partner or **Employee** is attending court as a witness in connection with a claim for which **The Insured** is entitled to indemnity.

The maximum We will pay for:

- (a) **You**, each director or partner is **£250** per day
- (b) each **Employee** is **£150** per day.

Cross Liabilities

Where **The Insured** comprises more than one party We will treat each party as if a separate policy had been issued to each provided that nothing in this Clause will increase **Our** liability beyond the amount for which We would have been liable had this Clause not applied.

Our Right of Recovery

The indemnity provided by this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to employees in the **Territorial Limits** but **You** shall repay to **Us** all sums We would not have been liable to pay but for the provisions of such law.

Health and Safety at Work etc. Act 1974

We will indemnify **The Insured** against legal costs and expenses incurred with **Our** written consent for defending prosecutions for a breach of the Health and Safety at Work etc. Act 1974 or similar legislation in Northern Ireland, the Channel Islands or the Isle of Man committed or alleged to have been committed in the course of **The Business** during the **Period of Insurance**.

Section 6: Employers' Liability

continued

Commercial Care Line
0330 024 2266

We will also pay prosecution costs awarded and the costs incurred with **Our** written consent in appealing against any judgement given.

Provided that this indemnity shall not apply to the payment of fines or penalties.

Indemnity to Principals

We will at **Your** request indemnify any **Principal** to the extent required by the contract between **The Insured** and the **Principal** in respect of liability arising from the performance of work by **The Insured** for such **Principal**.

Provided that:

- (a) **We** shall retain sole conduct and control of any claim
- (b) the **Principal** shall observe fulfil and be subject to the terms conditions exclusions and limits of this Section insofar as they can apply.

Unsatisfied Court Judgements

In the event of a judgment for damages being obtained by any **Employee** or their personal representatives in respect of **Bodily Injury** caused to the **Employee** during any **Period of Insurance** and occurring in connection with **The Business** against any person or company operating from premises within the **Territorial Limits** in any court situate in these territories and remaining unsatisfied in whole or in part six months after the date of such judgment **We** will at **Your** request pay to the **Employee** or their personal representatives the amount of such damages and any awarded costs to the extent that they remain unsatisfied.

Provided that:

- (a) there is no appeal outstanding
- (b) if any payment is made under the terms of this Clause the **Employee** or their personal representatives shall assign the judgement to **Us**.

Work Overseas

The indemnity provided shall extend to apply in respect of liability for **Bodily Injury** caused to an **Employee** whilst temporarily engaged in non-manual work outside the **Territorial Limits**.

Provided that such **Employee** is ordinarily resident within the **Territorial Limits**.

Exclusions

The following exclusions apply to this Section, in addition to the General Exclusions at the front of this policy.

We shall not be liable under this Section in respect of **Bodily Injury**

1. caused to any **Employee** (other than the driver) being carried in or upon a vehicle or entering or getting on to or alighting from a vehicle where such **Bodily Injury** is caused by or arises out of the use by **You** of a vehicle on a road.

For the purpose of this exclusion the expression "vehicle", "use" and "road" shall have the same meanings as in Part VI of the Road Traffic Act 1988

2. arising in connection with any visits to or work on any offshore rig or platform. A visit to or work on any offshore rig or platform shall be deemed to commence at the time of embarkation onto a conveyance at the point of final departure to such rig or platform and continue until the time of disembarkation from a conveyance onto land on return from an offshore rig or platform.
3. caused by or in connection with any work on or in:
 - (a) docks harbours or railways
 - (b) watercraft or offshore gas or oil installations
 - (c) chemical or petrochemical works oil or gas refineries or storage facilities
 - (d) aircraft airports or airfields
 - (e) power stations
 - (f) nuclear power stations
 - (g) any installation where nuclear processing is undertaken
 - (h) towers steeples chimney shafts blast furnaces viaducts bridges flyovers dams motorways quarries mines or collieries.

Section 7: Public Liability

Cover

We will indemnify **The Insured** against

1. legal liability to pay **Compensation**

and

2. **Costs and Expenses**

in respect of:

- (a) accidental **Bodily Injury** to any person
- (b) accidental **Damage to Property**
- (c) accidental obstruction trespass nuisance or interference with any easement of air light water or way
- (d) wrongful arrest detention imprisonment or eviction of any person malicious prosecution or invasion of the right of privacy

which arises in connection with **The Business** and which happens during the **Period of Insurance** and within the **Territorial Limits**.

Our liability under this Section for all **Compensation** payable in respect of any one occurrence or series of occurrences arising out of any one original cause shall not exceed the Limit of Liability stated in the **Schedule**.

Where indemnity is provided for liability in respect of claims brought in the United States of America or Canada or their dependencies or trust territories the Limit of Liability stated in the **Schedule** shall be the maximum amount payable by **Us** inclusive of all **Costs and Expenses**.

Clauses

The following clauses apply to this Section.

Contractual Liability

Liability assumed by **You** under contract or agreement which would not have attached in the absence of such contract or agreement shall be the subject of indemnity under this Section only if the sole conduct and control of any claim is vested in **Us** and subject to the terms, conditions and exclusions of this Section and the policy as a whole.

We will not indemnify any person or entity falling within the definition of **The Insured** other than **You** for any contractual liability unless such liability would have attached in the absence of any contract or agreement.

Corporate Manslaughter and Corporate Homicide Act 2007

For the purposes of this Clause the cover also extends to include Section 8 – Products Liability but only where Section 8: Products Liability is insured by this policy.

We will indemnify **You** in respect of:

- (a) legal fees and expenses incurred with **Our** prior written consent for defending prosecutions, including appeals against convictions
- (b) costs of prosecution awarded against **You**

which arise from criminal proceedings for any offence as defined in Section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007

The total amount payable under this Clause in respect of all claims occurring during any one **Period of Insurance** is limited to **£500,000**.

We will not indemnify **You** under this Clause in respect of:

1. any prosecutions unless they relate to death to any person other than an **Employee** occurring within the **Territorial Limits** during the **Period of Insurance** happening in connection with **The Business**.
2. (a) the payment of fines or penalties
(b) any remedial or publicity orders or any steps required to be taken by such orders
3. defence costs and expenses and costs of prosecution awarded against **You** for which **You** are entitled to indemnity under any other policy or Section or would have been entitled to an indemnity but for the existence of this policy.
4. any proceedings resulting from any deliberate act or omission by **You**.

Court Attendance Costs

We will compensate **You** if at **Our** request **You** or any director, partner or **Employee** is attending court as a witness in connection with a claim for which **The Insured** is entitled to indemnity.

The maximum **We** will pay for:

- (a) **You**, each director or partner is **£250** per day
- (b) each **Employee** is **£150** per day

Cross Liabilities

Where **The Insured** comprises more than one party **We** will treat each party as if a separate policy had been issued to each provided that nothing in this Clause will increase **Our** liability beyond the amount for which **We** would have been liable had this Clause not applied.

Section 7: Public Liability

continued

Commercial Care Line
0330 024 2266

Data Protection Act 1998

We will indemnify **The Insured** in respect of legal liability for **Compensation** arising from proceedings brought against **The Insured** under section 13 of the Data Protection Act 1998 for damage or distress caused in connection with **The Business** during the **Period of Insurance** provided that **The Insured** is:

- (a) a registered user in accordance with the terms of the Act
- (b) not in business as a computer bureau.

The total amount payable including all legal fees and defence costs under this Clause in respect of all claims occurring during any one **Period of Insurance** is limited to **£250,000**.

The indemnity provided by this Clause shall not apply to:

1. any damage or distress caused by any deliberate act or omission by **The Insured** the result of which could reasonably have been expected by **The Insured** having regard to the nature and circumstances of such act or omission
2. any damage or distress caused by any act of fraud or dishonesty
3. the costs and expenses of rectifying, rewriting or erasing data
4. liability arising from the recording, processing or provision of data for reward or to determine the financial status of any person
5. the payment of fines or penalties.

Defective Premises Act 1972

We will indemnify **The Insured** in respect of liability incurred by **The Insured** under section 3 of the Defective Premises Act 1972 or section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with any premises or land disposed of by **The Insured** and which prior to disposal were occupied by **The Insured** for the purposes of **The Business**.

Provided that this indemnity shall not apply to:

- (a) the cost of rectifying any **Damage** or defect in **The Premises** or land disposed of
- (b) liability for which **The Insured** is entitled to indemnity under any other policy.

Health and Safety at Work etc. Act 1974

We will indemnify **The Insured** against legal costs and expenses incurred with **Our** written consent for defending prosecutions for a breach of the Health and Safety at Work etc. Act 1974 or similar legislation in Northern Ireland, the Channel Islands or the Isle of Man committed or alleged to have been committed in the course of **The Business** during the **Period of Insurance**.

We will also pay prosecution costs awarded and the costs incurred with **Our** written consent in appealing against any judgment given.

Provided that this indemnity shall not apply to the payment of fines or penalties.

Indemnity to Principals

We will at **Your** request indemnify any **Principal** to the extent required by the contract between **The Insured** and the **Principal** in respect of liability arising from the performance of work by **The Insured** for such **Principal**.

Provided that:

- (a) **We** shall retain sole conduct and control of any claim
- (b) the **Principal** shall observe, fulfil and be subject to the terms, conditions, exclusions and limits of this Section insofar as they can apply.

Leased or Rented Premises

Exclusion 4 shall not apply to liability for accidental **Damage** to any premises (including their fixtures and fittings) leased rented or hired to **The Insured**.

Provided that **We** shall not be liable for **Damage** by any cause against which the lease or tenancy agreement stipulates that insurance shall be effected by the lessee or tenant.

Member to Member Liability

We will indemnify any member of **The Insured's** sports or social organisations in respect of liability for accidental **Bodily Injury** or **Damage to Property** sustained by fellow members of such organisations while engaged in the activities of such organisations.

Motor Contingent Liability

Despite Exclusion 5 of this Section **We** will indemnify **You** in respect of liability arising out of the use of any motor vehicle not belonging to or provided by **You** and being used in the course of **The Business** anywhere in the **Territorial Limits**.

Provided that this indemnity shall not apply:

- (a) in respect of **Damage** to the vehicle
- (b) whilst the vehicle is being driven:
 - (i) by **You**
 - (ii) with **Your** general consent by any person who to **Your** knowledge or that of **Your** representatives does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
- (c) to liability which is insured or would but for the existence of this Section be insured under any other insurance.

Section 7: Public Liability

continued

Overseas Personal Liability

We will indemnify **You** and at **Your** request any director partner or **Employee** of **Yours** or any family member accompanying them while temporarily outside the **Territorial Limits** in connection with the **Business** against legal liability as defined in this Section incurred in a personal capacity.

Provided that this indemnity shall not apply:

- (a) to liability arising out of the ownership or tenure of any land or building
- (b) where indemnity is provided by any other insurance.

Work Overseas

The indemnity provided shall extend to apply:

- (a) within any member country of the European Union outside the **Territorial Limits** where any person is temporarily engaged on **The Business** of **The Insured**
- (b) elsewhere in the world where any person is temporarily engaged in non-manual work in connection with **The Business** of **The Insured**.

Conditions

The following conditions apply to this Section, in addition to the General Conditions and Claims Conditions at the front of this policy.

Bona Fide Subcontractors

It is a condition precedent to **Our** liability that all subcontractors have Employers' Liability and Public Liability Insurance in respect of their liability at law for **Bodily Injury** and **Damage to Property** arising in connection with **The Business** described in this policy and that:

- (a) the Limit of Liability of the Public Liability insurance be no less than the limit given under this policy and shown on the policy **Schedule** (or amended by subsequent endorsement) in respect of any one claim or number of claims arising out of one cause
- (b) such insurances have been extended to indemnify **You** as **Principal** against all liability for such **Bodily Injury** or **Damage to Property**.

Use of Heat and Fire Precautions

It is a condition precedent to **Our** liability that the following precautions will be complied with by **You, Your Employees**, agents, contractors or sub contractors whenever work is undertaken away from **The Insured's** premises involving the use of electric oxy-acetylene or other welding or flame cutting equipment blow lamps blow torches hot air guns tar bitumen or asphalt heaters or any other work involving the use or application of heat or the use of angle grinders.

- (a) A thorough examination of the immediate vicinity of the work including the area on the other side of any wall, door, partition, roof or other horizontal structure shall be made to ensure that no combustible materials (including materials to be worked upon or which have been worked upon and, to the greatest extent practical, any materials in the course of being worked upon) are in danger of ignition by direct or conducted heat.
- (b) Any combustible material (including materials to be worked upon or which have been worked upon and, to the greatest extent practical, any materials in the course of being worked upon) shall be removed to a distance of not less than 10 metres from the point of work and any combustible materials (including materials to be worked upon or which have been worked upon and, to the greatest extent practical, any materials in the course of being worked upon) which cannot be moved to be covered and fully protected by overlapping sheets of non-combustible material or equivalent protection.
- (c) There is to be kept available for immediate use at the site of the work either one portable multi purpose dry powder or Carbon Dioxide fire extinguisher with a minimum capacity of 4.00 Kilograms or a water fire extinguisher of not less than 8 litres capacity made to current European Standards and serviced in accordance with current European Standards.
- (d) The ignition and operation of all equipment shall be strictly in accordance with the manufacturers instructions.
- (e) No lighted or switched on equipment is to be left unattended and hot tools and hot tips not in use are to be placed in incombustible containers.
- (f) Any gas cylinders for the equipment used are to be removed from the point of application of heat as far as practicable during use and outside the premises or at least 15 metres from the point of application of heat when not in use.
- (g) All heating of tar bitumen asphalt or pitch shall be carried out in a suitable vessel and the vessel is to be located at ground level and in the open air.
- (h) For one hour after completion of each period of work involving the application of heat and after the completion of work involving the application of heat in any area in such circumstances that the area previously worked upon ceases to be sufficiently visible to ensure that any outbreak of fire or signs of the possible outbreak of fire will be noticed in any area or areas in which work has been carried out shall not be left unattended and a thorough inspection of the area surrounding the work including that described in paragraph (a) above shall be made at frequent intervals up to the end of the period of one hour to ensure that nothing is smouldering and there is no risk of fire including the area on the other side of any wall, door, partition, roof or other horizontal structure.

Section 7: Public Liability

continued

Commercial Care Line
0330 024 2266

Exclusions

The following exclusions apply to this Section, in addition to the General Exclusions at the front of this policy.

We shall not be liable under this Section in respect of:

1. the cost of replacing or making good faulty defective or incorrect:
 - (a) workmanship
 - (b) materials goods or other property supplied installed or erected by or on behalf of **The Insured**
2. liability arising from advice design formula or specification provided by or on behalf of **The Insured** for a fee or in circumstances where a fee would normally be charged
3. liability for **Bodily Injury** caused to any **Employee** arising out of and in the course of such person's employment or engagement by **You** in **The Business**
4. liability for **Damage to Property** belonging to **You** or in the charge or under the control of **The Insured** but this exclusion shall not apply to directors' partners' **Employees** or visitors' **Property** or any premises (including contents) which are temporarily occupied by **The Insured** for the purpose of work in connection with **The Business** (not being buildings which are owned by or leased rented or hired to **The Insured**)
5. liability caused by or arising from the ownership possession or use by or on behalf of **The Insured** of any:
 - (a) Craft other than hand propelled watercraft
 - (b) mechanically propelled vehicle (or trailer attached thereto) licensed for road use other than liability caused by or arising from:
 - (i) the use of plant as a tool of trade on site or at **The Premises**
 - (ii) the loading or unloading of such vehicle
 - (iii) the movement of any such vehicle not the property of **The Insured** which is interfering with the performance of **The Business** but this indemnity shall not apply if in respect of such liability compulsory insurance or security is required under any legislation governing the use of the vehicle and provided that movements are limited to vehicles parked on or obstructing **The Insured's** premises or any site at which **The Insured** is working and the vehicle causing obstruction is driven by a person competent to do so and by the use of the owner's ignition key.
6. liability arising out of **Products Supplied** other than:
 - (a) food or drink sold or supplied for consumption by **The Insured's** directors partners **Employees** or visitors
 - (b) the disposal of furniture and office equipment originally intended solely for use by **The Insured** in connection with **The Business** and which is no longer required for that purpose
7. liquidated damages fines or penalties
8. punitive exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages
9. all liability in respect of **Pollution or Contamination** other than that caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during any one **Period of Insurance** provided that:
 - (a) all **Pollution or Contamination** which arises out of any one incident shall be deemed to have occurred at the time such incident takes place
 - (b) **Our** liability for all **Compensation** payable in respect of all **Pollution or Contamination** which is deemed to have occurred during any one **Period of Insurance** shall not exceed in the aggregate the Limit of Liability stated in Section 7 of the **Schedule**
 - (c) this exclusion does not apply to the United States of America and/or Canada and/or their dependencies or trust territories.
10. all liability in respect of **Pollution or Contamination** occurring in the United States of America and/or Canada and/or their dependencies or trust territories
11. liability arising in connection with any visits to or work on any offshore rig or platform. A visit to or work on any offshore rig or platform shall be deemed to commence at the time of embarkation onto a conveyance at the point of final departure to such rig or platform and continue until the time of disembarkation from a conveyance onto land on return from an offshore rig or platform.
12. **Bodily Injury or Damage to Property** caused by or in connection with any work on or in:
 - (a) docks harbours or railways
 - (b) watercraft or offshore gas or oil installations
 - (c) chemical or petrochemical works oil or gas refineries or storage facilities

Section 7: Public Liability

continued

- (d) aircraft airports or airfields
 - (e) power stations
 - (f) nuclear power stations
 - (g) any installation where nuclear processing is undertaken
 - (h) towers steeples chimney shafts blast furnaces viaducts
bridges flyovers dams motorways quarries mines or
collieries.
13. the first amount of each and every claim under this Section in respect of the following **Damage** occurring elsewhere than at **The Premises**:
- (a) **Damage to Property** other than as described in paragraphs (b) and (c) below
 - (b) **Damage to Property** arising out of the application of heat or the heating of bitumen or similar bituminous compounds
 - (c) **Damage** to underground pipes and cables
- shown in **Excesses A, B and C** respectively in Section 7 of the **Schedule**.

Section 8: Products Liability

Commercial Care Line

0330 024 2266

Cover

We will indemnify **The Insured** against

1. legal liability to pay **Compensation**

and

2. **Costs and Expenses**

in respect of:

- (a) accidental **Bodily Injury** to any person
- (b) accidental **Damage to Property**

occurring anywhere in the world during the **Period of Insurance** and caused by any **Products Supplied** in or from the **Territorial Limits**.

Our liability under this Section for all **Compensation** payable in respect of all occurrences during any one **Period of Insurance** shall not exceed the Limit of Liability stated in the **Schedule**.

Where indemnity is provided for liability in respect of claims brought in the United States of America or Canada or their dependencies or trust territories the Limit of Liability stated in the **Schedule** shall be the maximum amount payable by **Us** inclusive of all **Costs and Expenses**.

Clauses

The following clauses apply to this Section.

Consumer Protection and Food Safety Act

We will indemnify **The Insured** against legal costs and expenses incurred with **Our** written consent in connection with the defence of any proceedings or any appeal against conviction arising from such proceedings brought for a breach of:

- (a) Part 2 of the Consumer Protection Act 1987

or

- (b) Section(s) 7, 8, 14 and/or 15 of the Food Safety Act 1990

committed or alleged to have been committed in the course of **The Business** during the **Period of Insurance**.

Provided that this indemnity shall not apply to:

- (i) the payment of fines or penalties
- (ii) proceedings or appeals in respect of any deliberate act or omission by **You**
- (iii) costs or expenses insured by any other policy.

Court Attendance Costs

We will compensate **You** if at **Our** request **You** or any director partner or **Employee** is attending court as a witness in connection with a claim for which **The Insured** is entitled to indemnity.

The maximum **We** will pay for:

- (a) **You**, each director or partner is **£250** per day
- (b) each **Employee** is **£150** per day.

Cross Liabilities

Where **The Insured** comprises more than one party **We** will treat each party as if a separate policy had been issued to each provided that nothing in this Clause will increase **Our** liability beyond the amount for which **We** would have been liable had this Clause not applied.

Data Protection Act 1998

We will indemnify **The Insured** in respect of legal liability for **Compensation** arising from proceedings brought against **The Insured** under section 13 of the Data Protection Act 1998 for damage or distress caused in connection with **The Business** during the **Period of Insurance** provided that **The Insured** is:

- (a) a registered user in accordance with the terms of the Act
- (b) not in business as a computer bureau.

The total amount payable including all legal fees and defence costs under this Clause in respect of all claims occurring during any one **Period of Insurance** is limited to **£250,000**.

The indemnity provided by this Clause shall not apply to:

1. any damage or distress caused by any deliberate act or omission by **The Insured** the result of which could reasonably have been expected by **The Insured** having regard to the nature and circumstances of such act or omission
2. any damage or distress caused by any act of fraud or dishonesty
3. the costs and expenses of rectifying rewriting or erasing data
4. liability arising from the recording processing or provision of data for reward or to determine the financial status of any person
5. the payment of fines or penalties.

Health and Safety at Work etc. Act 1974

We will indemnify **The Insured** against legal costs and expenses incurred with **Our** written consent for defending prosecutions for a breach of the Health and Safety at Work etc. Act 1974 or similar legislation in Northern Ireland, the Channel Islands or the Isle of Man committed or alleged to have been committed in the course of **The Business** during the **Period of Insurance**.

We will also pay prosecution costs awarded and the costs incurred with **Our** written consent in appealing against any judgment given.

Provided that this indemnity shall not apply to the payment of fines or penalties.

Section 8: Products Liability

continued

Exclusions

The following exclusions apply to this Section, in addition to the General Exclusions at the front of this policy.

We shall not be liable under this Section in respect of:

1. **Damage** to or the cost of repair alteration replacement removal or recall of any **Products Supplied** or any refund for such **Products Supplied**
2. liability arising from advice design formula or specification provided by or on behalf of **The Insured** for a fee or in circumstances where a fee would normally be charged
3. liability for **Bodily Injury** caused to any **Employee** arising out of and in the course of such person's employment or engagement by **The Insured** in **The Business**
4. liability caused by or arising from **Property** in **The Insured's** charge or control
5. **Products Supplied** which to the knowledge of **The Insured** are to be used as a critical part in connection with the flying or navigation of any aircraft marinecraft spacecraft rocket missile or satellite of any kind
6. liquidated damages fines or penalties
7. punitive exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages
8. all liability in respect of **Pollution or Contamination** other than that caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during any one **Period of Insurance** provided that:
 - (a) all **Pollution or Contamination** which arises out of any one incident shall be deemed to have occurred at the time such incident takes place
 - (b) **Our** liability for all **Compensation** payable in respect of all **Pollution or Contamination** which is deemed to have occurred during any one **Period of Insurance** shall not exceed in the aggregate the Limit of Liability stated in Section 8 of the **Schedule**
 - (c) this exclusion does not apply to the United States of America and/or Canada and/or their dependencies or trust territories.
9. all liability in respect of **Pollution or Contamination** occurring in the United States of America and/or Canada and/or their dependencies or trust territories
10. **Products Supplied** which to the knowledge of **The Insured** are exported to the United States of America and/or Canada and/or their dependencies or trust territories unless otherwise agreed by **Us**.
11. liability caused by or arising from any action brought against **The Insured** in any country not being a member of the European Union where **The Insured** has a branch or a parent or subsidiary company or is represented by a person or company holding **The Insured's** power of attorney.
12. liability assumed by **The Insured** under agreement other than under any condition or warranty of goods implied by law unless such liability would have attached in the absence of such agreement.

Section 9: Specified All Risks

Commercial Care Line
0330 024 2266

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Definitions

Alarmed Premises

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

Geographical Limits

- A The Premises.
- B Anywhere in the United Kingdom (which means Great Britain and Northern Ireland) the Channel Islands and the Isle of Man.
- C European Union which means anywhere in the United Kingdom the Channel Islands the Isle of Man and any other countries of the European Union.
- D Worldwide which means anywhere in the world including the United Kingdom and European Union.

Intruder Alarm System

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

Keyholder

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

Reinstatement

- (a) replacement of the property to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new
- (b) where property is damaged the repair of the Damage and the restoration of the damaged portion of the property to a condition substantially the same but not better or more extensive than its condition when new.

Responsible Person

You or any person authorised by You to be responsible for the security of The Premises.

Cover

In the event of Damage by any cause (not hereinafter excluded) happening within the Geographical Limits shown in the Schedule to any Items described in the Schedule which are Your property or

for which You are responsible We will pay to You the value of such Item(s) or the amount of the Damage at the time of such Damage or at Our own option reinstate such property.

Provided that Our liability in any one Period of Insurance shall in no case exceed the total Sum Insured or in respect of any Item its Sum Insured or any other stated Limit of Liability.

Clauses

The following clauses apply to this Section.

Average

Each item of property insured under this Section is similarly but separately subject to Average.

Reinstatement

In the event of property other than stock insured by this Section being destroyed or damaged the basis upon which the amount payable under such Items is to be calculated shall be the cost of Reinstatement subject to the provisions set out below.

Provided that:

1. No payment beyond the amount which would have been payable had this Clause not been operative shall be made:
 - (a) unless the work of Reinstatement is commenced and carried out with reasonable despatch
 - (b) until the costs of Reinstatement has been incurred
 - (c) unless any other insurance covering Your interest in the property at the time of Damage is upon the same basis of Reinstatement as this policyand if no such payment is made then Yours & Our rights and liabilities shall be those which would have applied had this Clause not been operative.
2. Reinstatement may be carried out at another site and in any manner suitable to You subject to Our liability not being increased as a result
3. In the event of partial Damage to any property insured under this Clause Our liability for any loss shall not exceed the cost which would have been incurred had such property been totally destroyed

Reinstatement of Sum Insured

Unless written notice to the contrary be given by either Us or You the insurance by this Section shall not be reduced by the amount of any loss and You shall pay the appropriate extra premium on the amount of the loss from the date thereof to the date of expiry of the Period of Insurance.

Section 9: Specified All Risks

continued

Vending Machines

In respect of any vending machine described in the **Schedule** the insurance provided by this Section extends to include the contents (other than cash) of such machine provided that:

- (a) **Damage** thereto occurs at one and the same time as **Damage** to the machine itself
- (b) **Our** liability hereunder in respect of such contents shall not exceed **£100** in respect of any one incident.

Conditions

The following conditions apply to this Section, in addition to the General Conditions and Claim Conditions at the front of this policy.

Minimum Security

It is a condition precedent to **Our** liability that if **Damage** occurs more than 30 days after the inception of the policy the following security measures or any alternatives that **We** agree to in writing are installed and activated:

Your Responsibility

It is **Your** responsibility to ensure that the following security measures are in place at **The Premises**.

Doors

Up and over doors

Sectional up and over doors must be secured by a padlock conforming to CEN Grade 4 inserted through a hole drilled into each guide channel approximately 25mm above the guide roller.

Steel roller shutters

Each shutter must be secured by two security shutter locks, locking mechanisms should be positioned as close as possible to the bottom of the door to prevent the shutter being prised up at the bottom to gain entry, alternatively a closed shackle padlock conforming to CEN Grade 4 with matching locking bar may be utilised.

Aluminium doors

Single leaf doors should be fitted with a cylinder mortice deadlock. Double leaf doors should have the standing leaf secured with flush bolts and the opening leaf secured with a cylinder mortice deadlock with a hookbolt mechanism.

Outward opening doors

The hinge side of the door must be protected by hinge covers such as dog bolts or equivalent fitted approximately 400mm from the top and bottom of the door.

Fire exit doors

Must be protected on the outside by a sheet of steel minimum thickness 1.6mm fixed to the top, bottom and side rails of the door by either non-return screws or coach bolts at 150mm centres. Bolt heads must be on the outside of the door(s). If the door(s) is/are outward opening the steel must overlap the frame on the locking side to prevent the door being prised open between the door and the frame. In addition two hinge bolts must be fitted to the hinge side of the door approximately 400mm from the top and bottom of the door.

Double doors

Standing leaf must be secured with two flush bolts or two mortice rack bolts. Opening leaf of timber doors must be secured with a deadlock conforming to BS3621 with a manufacturers matching striking plate. Opening leaf of aluminium doors must be fitted with a cylinder mortice deadlock with hook bolt mechanism.

Doors not otherwise specified

Must be secured with a deadlock conforming to BS3621 with manufacturers matching striking plate.

Windows

All accessible opening windows must be fitted with key operated locks or protected internally or externally by solid steel bar grille(s) secured within a hardened or galvanised steel frame unless officially designated as a fire escape by the fire and rescue authority.

Each side of the frame must be secured to the brickwork surrounding the window by either Rawlbolts at 300mm intervals or non return screws at 150mm intervals.

If **You** do not have key operated window locks and are required by **Us** to protect **Your** windows with solid steel bar grille(s) **You** must ensure that:

- (a) the bars are of a minimum diameter of 19mm and no further apart than 125mm
- (b) the bars are welded to or pass through tie bars of steel of at least 6mm dimension thick x 40mm wide and the distance between the tie bars must not exceed 600mm
- (c) the tie bars are secured to the wall surrounding the window at a minimum of four points by expansion bolts of at least M8 size which penetrate the masonry or brickwork by at least 60mm and Bolt holes must be set back at least 60mm from the edge of the window opening
- (d) if the bars are fixed externally the heads of the bolts must be welded to the tie bars to prevent them being undone.

any alternative specification or fixing methods must be agreed by **Us** in writing prior to fitting.

Section 9: Specified All Risks

continued

Commercial Care Line
0330 024 2266

Exclusions

The following exclusions apply to this Section, in addition to the General Exclusions at the front of this policy.

We shall not be liable under this Section in respect of:

1. **Damage** to the property insured caused by or consisting of:
 - (a) inherent vice latent defect gradual deterioration wear and tear frost change in water table level its own faulty or defective design or materials
 - (b) faulty or defective workmanship operational error or omission on **Your** part or any of **Your Employees**
 - (c) the bursting by steam pressure of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel machine or apparatus in which internal pressure is due to steam only and belonging to or under **Your** controlbut this shall not exclude subsequent **Damage** which results from a cause not otherwise excluded.
2. **Damage** caused by or consisting of:
 - (a) corrosion rust wet or dry rot shrinkage evaporation leakage loss of weight dampness contamination fermentation dryness marring scratching vermin or insects
 - (b) change in temperature colour flavour texture or finish action of light
 - (c) theft or attempted theft:
 - (i) from an unattended vehicle between the hours of 6 am and 9 pm unless:
 - all doors windows and other openings are left closed securely locked and properly fastened and
 - entry or access to the vehicle has been effected by forcible and violent means
 - (ii) other than from **The Premises** between the hours of 9 pm and 6 am unless the property insured is in **Your** personal custody or any partner, director or **Employee** of **Yours** or in a securely locked or occupied building
3. **Damage** caused by or consisting of:
 - (a) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith
 - (b) mechanical or electrical breakdown or derangement in respect of the particular machines, apparatus or equipment in which such breakdown or derangement originates but this shall not exclude:
 - (i) such **Damage** not otherwise excluded which itself results from any of **The Perils** number 1-12 within Section 1 of this policy or from any other accidental **Damage**
 - (ii) subsequent **Damage** which itself results from a cause not otherwise excluded
4. **Damage** caused by or consisting of:
 - (a) subsidence, ground heave or landslip unless resulting from fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe
 - (b) normal settlement or bedding down of new structures
 - (c) acts of fraud or dishonesty
 - (d) disappearance, unexplained or inventory shortage, misfiling or misplacing of information
 - (e) electrical or magnetic injury, disturbance or erasure of electrical records other than by lightning
5. **Damage** in respect of moveable property in the open or in open-sided buildings, caused by wind rain hail sleet snow flood or dust
6. **Damage** to the property insured:
 - (a) caused by fire resulting from its undergoing any heating process or any process involving the application of heat
 - (b) (other than by fire or explosion) resulting from its undergoing any process of production packing treatment testing commissioning servicing adjustment or repair.
7. **Damage** caused by:
 - (a) freezing
 - (b) escape of water from any tank apparatus or pipe
 - (c) malicious persons
 - (d) theft or attempted theft in respect of any building which is left **Vacant** or **Unoccupied**.
8. **Damage** occasioned by delay embargo nationalisation confiscation requisition seizure or destruction by any government or any public authority.
9. loss of market loss of use monetary devaluation or any other **Indirect Loss**
10. **Damage** to any part of any electrical plant or apparatus directly caused by breakdown, leakage of electricity or excessive pressure therein or by its own short circuiting or overrunning but **Damage** to any other part of such plant or apparatus or to other property insured by the spread of fire therefrom is not excluded.
11. the amount of the **Excess** as stated in the **Schedule**.

Section 10: Refrigerated Stock

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Definitions

Appliance

Any frozen food cabinet deep freezer cold room cold store refrigerator or chilled unit on **The Premises**.

Stock

Stock on **The Premises** owned by **You** or for which **You** are responsible.

Cover

Refrigerated **Stock** is covered against **Damage** at **The Premises** as a result of deterioration or putrefaction caused by:

1. a rise or fall in temperature as a result of:
 - (a) breakdown of or **Damage** to the **Appliance**
 - (b) non-operation of any thermostatic or automatic controlling devices pertaining to the **Appliance**
 - (c) accidental failure of the public supply of electricity not occasioned by the deliberate act of the supply authority
2. action of refrigerant fumes escaping from the **Appliance**.

Our liability during any one **Period of Insurance** in respect of each Item specified shall not exceed the Sum Insured stated in the **Schedule**.

Clauses

The following Clauses apply to this Section.

Automatic Reinstatement of Loss

In the event of a loss the Sums Insured in the policy **Schedule** will be automatically reinstated by the amount of the loss provided that **You** pay the appropriate additional premium for such reinstatement of Sums Insured.

Average

Each item of property insured under this Section is similarly but separately subject to **Average** as defined in the General Definitions.

Index Linking

The Sum Insured in respect of **Stock** is subject to **Index Linking**.

Conditions

The following conditions apply to this Section, in addition to the General Conditions and Claims Conditions at the front of this policy.

Age of Appliance

It is a condition precedent to **Our** liability that if an **Appliance** is more than 5 years old at the start of the **Period of Insurance** and there is no service or maintenance agreement in place by the supplier or manufacturer it must be maintained regularly by a suitably qualified electrical engineer.

Exclusions

The following exclusions apply to this Section, in addition to the General Exclusions at the front of this policy.

We will not be liable under this Section in respect of:

1. **Damage** caused by any wilful act or wilful neglect by **You** or any director partner or **Employee** of **Yours**.
2. the amount of the **Excess** as stated in the **Schedule**.

Section 11: Loss of Licence

Commercial Care Line
0330 024 2266

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Definitions

Licence

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

The Insured

Includes for the purposes of this Section the **Licence** holder.

Cover

If during the **Period of Insurance** the **Licence** is forfeited under the provisions of the appropriate legislation covering the issue of the **Licence** or after proper application the renewal of the **Licence** is refused by the appropriate authority **We** will pay for:

1. the depreciation in value of **The Premises**
2. costs and expenses incurred by **The Insured** with **Our** written consent in connection with any appeal in respect of forfeiture of or refusal to renew the **Licence**.

Our liability during any one **Period of Insurance** in respect of each Item specified in the policy **Schedule** shall not exceed the Sum Insured set against it.

Clauses

The following Clauses apply to this Section.

Cross Liabilities

Should **The Insured** comprise of more than one party **We** will indemnify each in the terms of this Section as if the other was not included as **The Insured** provided that the total amount of indemnity shall not exceed the Sum Insured stated in the **Schedule**.

Conditions

The following conditions apply to this Section, in addition to the General Conditions and Claims Conditions at the front of this policy.

It is a condition precedent to **Our** liability that **You** shall immediately notify **Us** in writing of any:

- (a) complaint about **The Premises** or about the conduct or control of the **Business**
- (b) transfer or proposed transfer of the **Licence**
- (c) changes in tenancy or management of **The Premises**

- (d) objection to renewal of the **Licence** or any circumstances which may endanger the renewal of the **Licence**
- (e) proceedings against or conviction of **The Insured** at **The Premises** for any breach of licensing laws or any other matter whereby the character or reputation of the person concerned is affected with respect to his honesty moral standing or sobriety.

Exclusions

The following exclusions apply to this Section, in addition to the General Exclusions at the front of this policy.

We will not be liable under this Section for forfeiture or refusal to renew the **Licence** arising from:

1. any cause within or under the control of **The Insured**
2. any Town and Country planning improvement or redevelopment or compulsory purchase or the surrender reduction or redistribution of **Licences** in connection with them
3. any alteration in the law affecting the grant surrender or forfeiture of or refusal to renew the **Licence**.

Section 12: Essential Business Legal

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

For the purposes of this Section 12, reference to 'The Company' shall mean reference to Cigna Insurance Services (Europe) Limited.

Legal Services provided under this section

BusinessCare

As a benefit of buying Essential Business Legal **You** now have access to BusinessCare, a service that provides a revolutionary legal services website resource. BusinessCare has been designed to meet business needs, allowing unlimited free access to interactive documents such as employment contracts and health & safety documentation.

To access this site go to:
www.mybusinesscare.com

You will need to Register **Your** account:

1. Click on Register
2. Input the verification number specified on **Your Schedule** in the Scheme/Policy Number box
3. Click Submit Scheme/Policy Number box
4. Complete the Registration details and keep a note of **Your** user name and password details.

You will only need to complete this process once. Once registered **You** will be able to access the site by entering **Your** User Login and Password details in the boxes provided.

Counselling

In the event of an individual needing confidential help and advice, **Our** counsellors are available 24 hours a day, 365 days of the year. They are available to provide support on any matter that is causing **Your Employee** upset or anxiety, from gambling to bereavement.

Assistance is available by telephoning the number shown on the policy **Schedule**.

What is Insured under this Section

For all Insured Events under this Section **The Insurer** will pay **Legal Costs & Expenses** (and Compensation Awards under Insured Event 2 up to the **Indemnity Limit**, including the cost of appeals provided that:

1. The Insured Event arises in connection with the **Business** and occurs within the **Territorial Limit**

2. The claim
 - (a) always has **Reasonable Prospects of Success**
 - (b) is reported to **The Company**
 - (i) during the **Period of Insurance**
 - (ii) immediately after **The Insured** or an **Employee** first becomes aware of circumstances which could give rise to a claim under this Section
3. **The Insured** or an **Employee** always agrees to use the **Appointed Advisor** in accordance with Conditions 2 nominated by **The Company** in any claim
 - (a) where **The Company** may be liable to pay an award of compensation, or in the **Small Claims Court**, and/or
 - (b) prior to the issue or receipt of court papers
4. Any proceedings or hearing are dealt with by a Court, or other body that **The Insurer** agrees to, in the **Territorial Limit**

Definitions

(applicable to this section)

Appointed Advisor

A solicitor, consultant, or any other appropriately qualified person approved by **The Company** and who is appointed to act in a professional capacity for **The Insured** in accordance with the terms and conditions of this Section. Where **The Insured** has chosen their own representative **The Company** will only pay **Standard Legal Expenses** (see Conditions 2).

The Company

Cigna Insurance Services (Europe) Limited which arranges and administers this insurance on **The Insurer's** behalf. Any notification of a claim must be addressed to:

Legal Expenses Claims Department
Cigna Insurance Services (Europe) Limited
Chancery House
St Nicholas Way
Sutton, Surrey SM1 1JB
Tel: 0330 024 2290
Fax: 0330 100 9514
Email: personal.legal.claims@cignainurance.co.uk

Cigna Insurance Services (Europe) Limited is registered in England and Wales No. 04617110. Registered office at Chancery House, St Nicholas Way, Sutton, Surrey SM1 1JB. Cigna Insurance Services (Europe) Limited is authorised and regulated by the Financial Conduct Authority. Its Firm Reference Number is 310671.

Section 12: Essential Business Legal

continued

Essential Business Legal Helpline
0330 024 2290

Employee

Any person, under a contract of service or training, with **The Insured**, in connection with the **Business**. This includes any trainee, under **The Insured's** control in connection with a government-approved training scheme.

The Insurer

Cigna Europe Insurance Company S.A.-N.V. UK Branch, Chancery House, St Nicholas Way, Sutton, Surrey SM1 1JB. Registered in Belgium with limited liability (Brussels trade register no. 0474624562), Avenue de Cortenbergh 52, 1000 Brussels, Belgium. Subject to the prudential supervision of the National Bank of Belgium, Boulevard de Berlaimont 14, 1000 Brussels (Belgium) and to the supervision of the Financial Services and Markets Authority (FSMA), rue du Congrès 12-14, 1000 Brussels (Belgium), in the field of consumer protection and subject to limited regulation by the Financial Conduct Authority. Details of the extent of our regulation by the Financial Conduct Authority are available on request. Cigna Europe Insurance Company S.A.-N.V. is represented through their UK branch and is registered in England and Wales, No. FC032098 with the registered office address of Chancery House, St Nicholas Way, Sutton, Surrey SM1 1JB.

Legal Costs & Expenses

1. In respect of all **Insured Events** other than as provided for in **2 and 3**.
 - (a) reasonable legal costs, fees and disbursements reasonably and proportionately incurred by the **Appointed Advisor** on the **Standard Legal Expenses** basis and agreed in advance by **The Company**
 - (b) reasonable accountancy fees, disbursements and other costs reasonably incurred by the **Appointed Advisor** and agreed in advance by **The Company**
 - (c) other side's costs incurred in civil claims where **The Insured** or an **Employee** has been ordered to pay them or pays them with **The Insurer's** agreement
2. In respect of Insured Event 7 where the claim is brought within England and Wales and falls outside the jurisdiction of the **Small Claims Court** reasonable legal costs reasonably and proportionately incurred by the **Appointed Advisor** on the Standard Basis and agreed in advance by **The Company**
3. **The Insured's** loss of earnings incurred under Insured Event 5 h)

Standard Legal Expenses

The usual fees that would be incurred by **The Company** in nominating an **Appointed Advisor** of **The Company's** choice.

Legal Proceedings

The pursuit or defence of legal or taxation disputes

Indemnity Limit

The maximum **Legal Costs & Expenses** and Compensation Awards payable by **The Insurer** in respect of all claims related by time or original cause, as shown in the **Schedule**. In respect of Compensation Awards the maximum amount payable by **The Insurer** in respect of all claims aggregated in any one **Period of Insurance** as shown in the **Schedule**.

Reasonable Prospects of Success

In civil proceedings and criminal prosecution claims (except where **The Insured** or an **Employee** pleads guilty), where they have a greater than 50% chance of successfully pursuing or defending their claim. If **The Insured** or an **Employee** is seeking damages or compensation, there must also be a greater than 50% chance of enforcing any Judgment that might be obtained.

In criminal prosecution claims where **The Insured** or an **Employee** pleads guilty, there is a greater than 50% chance of successfully mitigating the sentence or fine.

In tax claims, any dispute or appeal where **The Insured** or an **Employee** has a greater than 50% chance of being successful.

In all claims involving an appeal, where **The Insured** or an **Employee** has a greater than 50% chance of being successful.

Small Claims Court

A court in England & Wales that hears a claim falling under the small claims track in the County Court as defined by Section 26.6 (1) of the Civil Procedure Rules 1999.

Territorial Limit

For Insured Event 5 and 7, the United Kingdom, Channel Islands, Isle of Man and countries in the European Union. For all other Insured Events the United Kingdom, Channel Islands and the Isle of Man.

Insured Events Covered

1. Employment

Defending **The Insured** in an employment dispute with an **Employee**, ex-**Employee**, prospective **Employee** or trade union acting on their behalf, arising from a breach or an alleged breach of their:

- (a) contract of service with **The Insured** and/or
- (b) statutory rights under employment legislation.

Section 12: Essential Business Legal

continued

An employment dispute is deemed to have occurred once all internal dismissal, disciplinary and grievance procedures as set out under the Employment Act 2002 (Dispute Resolution) Regulations 2004 have been or ought to have been concluded.

What is not insured under Insured Event 1

Any claim:

- (i) For redundancy or alleged redundancy or unfair selection for redundancy, occurring during the first 180 days of this section, except where **The Insured** has had equivalent cover in force up until the start of this Section
- (ii) Arising from or relating to any transfer of Business which falls under the scope of the Transfer of Undertakings (Protection of Employment) Regulations 2006
- (iii) For **Legal Costs & Expenses** relating to an internal disciplinary hearing or grievance.

Provided that:

- (i) **The Insured** has sought and followed advice from the Business Legal Advice Helpline before materially changing or attempting to change the particulars of an **Employee's** contract of employment or dismissing an **Employee** (whether or not by reason of redundancy).

2. Employment compensation awards

Following a claim **The Company** have accepted under Insured Event 1 any:

- (a) basic and compensatory award made against **The Insured** by a tribunal
- (b) amount agreed by **The Company** in settlement of a dispute.

Provided that:

- (i) **Reasonable Prospects of Success** exist for a wholly successful defence throughout
- (ii) the compensation is awarded by a tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument other than by consent or default, or is payable under a settlement approved in writing by **The Company**.

What is not insured under Insured Event 2

Any Compensation Awards relating to

- (i) Trade union activities, membership or non membership, industrial or labour arbitration, collective bargaining agreements, trade union recognition or matters concerning European Works Council
- (ii) Money due to an **Employee** under a contract of employment or a statutory provision relating thereto

- (iii) **The Insured's** failure to comply with a reinstatement or re-engagement order
- (iv) A breach of an **Employee's** statutory rights under the National Minimum Wage Act 1998
- (v) Civil claims or statutory rights relating to trustees of occupational pension schemes.

3. Tax protection

- (a) a formal aspect or full enquiry into **The Insured's** business tax affairs
- (b) any appeal proceeding following an assessment by HM Revenue & Customs relating to Value Added Tax
- (c) a dispute about **The Insured's** compliance with regulations relating to:
 - (i) pay as you earn, or
 - (ii) social security, or
 - (iii) national insurance contributions following a review by HM Revenue and Customs
- (d) a formal aspect or full enquiry into the personal tax affairs of **The Insured's** directors and/or partners.

Provided that:

- (i) all returns are completed and have been submitted within the statutory timescales permitted
- (ii) in respect of aspect enquiries **The Insured** is responsible for the first £250 of each and every claim.

What is not insured under Insured Event 3

Any claim arising from or relating to:

- (i) an investigation by the Special Civil Investigation Office or the Special Compliance office of HM Revenue and Customs
- (ii) an investigation under the Civil Investigation of Fraud procedure
- (iii) a tax avoidance scheme
- (iv) the submission of returns or accounts where the HM Revenue & Customs levy a penalty or claim for interest or which contain negligent misstatements or where **The Insured** falls below the standard of a reasonably prudent businessman in keeping books and records
- (v) **The Insured's** failure to register for VAT.

4. Property

A dispute relating to material property which **The Insured** owns or is their responsibility:

Section 12: Essential Business Legal

continued

Essential Business Legal Helpline
0330 024 2290

- (a) Following an event which causes or could cause physical **Damage to The Insured's** material property
- (b) Following a public or private nuisance or trespass
- (c) And which **The Insured** wishes to recover or repossess from an **Employee** or ex-**Employee**.

What is not insured under Insured Event 4

Any claim arising from or relating to:

- (i) a contract between **The Insured** and the third party except for claim under 4 c)
- (ii) defending any claim brought against **The Insured** unless defending a counter-claim
- (iii) any claim relating to a motor vehicle whilst at **The Insured's** premises
- (iv) Goods in transit or goods lent or hired out
- (v) the compulsory purchase of, or restrictions or controls placed on **The Insured's** material property by any government, local or public authority.

5. Compliance & regulation

- (a) defending **The Insured** or an **Employee** when dealing with the police or Health & Safety Executive prior to them being charged
- (b) defending **The Insured** or an **Employee** following an event leading to them being prosecuted in a court of criminal jurisdiction except a parking offence
- (c) representing **The Insured** following a notice by the relevant authority to alter, suspend, revoke or refuse to renew **The Insured's** statutory licence
- (d) appealing against the terms of a Statutory Notice served against **The Insured**
- (e) representing **The Insured** or an **Employee** at a formal investigation or disciplinary hearing by any trade association, professional or regulatory body
- (f) defending **The Insured** in a civil action alleging wrongful arrest arising from an allegation of theft
- (g) defending **The Insured** or an **Employee** in a civil action for compensation under section 13 of the Data Protection Act 1998 including compensation awarded against them provided that **The Insured** is registered with the Information Commissioner
- (h) the **Employee's** loss of earnings incurred when they are absent from work to attend any court, tribunal, arbitration, disciplinary hearing or regulatory proceedings at the request of the **Appointed Advisor** or whilst on Jury Service. The amount **The**

Insurer will pay shall not exceed £100 per day or part thereof less whatever is recoverable from the court or tribunal subject to a maximum limit of £1000.

6. Employees' extra protection

At **The Insured's** request:

- (a) defending an **Employee** in civil proceedings under legislation for unlawful discrimination on the grounds of sex, race, disability, sexual orientation, age, religious belief or political opinion
- (b) defending an **Employee** as a trustee of a pension fund set up for the benefit of **The Insured's Employees**
- (c) pursuing a claim following an event causing an **Employee** bodily injury

provided that the **Employee** is under a contract of service with **The Insured**.

7. Contract and Debt Recovery (only operative if shown in the schedule)

A breach or alleged breach of an agreement or alleged agreement which has been entered into by **The Insured** or on **The Insured's** behalf relating to the purchase, hire, hire purchase, lease, servicing, maintenance, testing, sale or provision of goods or services.

Provided that:

- (a) The amount in dispute exceeds £200, or if the amount in dispute is payable in instalments then the instalment due and payable at the time of making the claim must exceed £200
- (b) If the amount in dispute exceeds £5,000 **The Insured** is responsible for the first £500 of each and every claim
- (c) In respect of a claim for an undisputed debt
 - (i) **The Insured** notifies **Us** within 90 days of the money becoming due and payable
 - (ii) **The Insured** has exhausted its normal credit control procedures.

What is not insured under Insured Event 7

Any claim relating to:

1. Computer software or systems which have been tailored to **The Insured's** requirements
2. The sale or provision of computer hardware, software, systems or services by **The Insured**
3. The letting, leasing or licencing of land or buildings where **You** act as the landlord
4. The sale or purchase of any land or buildings

Section 12: Essential Business Legal

continued

5. Loans, mortgages, endowments, pensions or any other financial product
6. The settlement payable under an insurance section
7. Any claim that would be covered under Insured Event 1.

Conditions

(applicable to this Section)

Failure to keep to any of these conditions may lead **The Company** to cancel this section, refuse a claim or withdraw from an ongoing claim. **The Company** also reserves the right to recover **Legal Costs & Expenses** from **The Insured** or an **Employee** should this occur.

1. The Insured's and Employee's responsibilities

The Insured or an **Employee** must:

- (a) observe and keep to the terms of the Section
- (b) not do anything that hinders **The Company** or the **Appointed Advisor**
- (c) tell **The Company** immediately after first becoming aware of any cause, event or circumstances which could give rise to a claim under this Section
- (d) tell **The Company** immediately of anything that may materially alter **The Company's** assessment of the claim
- (e) cooperate fully with the **Appointed Advisor** and **The Company**, give the **Appointed Advisor** any instructions **The Company** require, and keep them updated with progress of the claim
- (f) provide **The Company** with everything **The Company** need to help **The Company** handle the claim
- (g) take reasonable steps to recover **Legal Costs & Expenses** that **The Insurer** pays and pay to **The Insurer** all costs that are recovered should these be paid to them
- (h) tell the **Appointed Advisor** to have the **Legal Costs & Expenses** assessed or audited if **The Company** require
- (i) minimise any **Legal Costs & Expenses** and try to prevent anything happening that may cause a claim
- (j) allow **The Company** at any time to take over and conduct in their name any claim, proceeding or investigation.

2. The Appointed Advisor

In circumstances where **The Company** have chosen a representative to act on the **The Insured's** behalf **The Company** will pay **Legal Costs & Expenses** incurred for providing the initial assessment of the claim irrespective of the prospects of success or whether the claim is covered under this Section.

Where **The Insured** has chosen their own representative any **Legal Costs & Expenses** incurred in providing initial assessment shall only be covered once **The Company** are satisfied that there are **Reasonable Prospects of Success** and it is reasonable in all the specific circumstances of the case for **Legal Costs & Expenses** to be provided and the claim is covered under all other terms and conditions of the Policy.

The decision to grant consent will take into account the advice of **The Insured's Appointed Advisor** as well as that of **The Company's** own advisers. **The Company** may require, at **The Insured's** expense, an opinion of Counsel on the merits of the **Legal Proceedings**. If the claim is subsequently admitted **The Insured's** costs in obtaining such an opinion and providing such advice will be covered under this insurance.

During the course of **Legal Proceedings** if **The Insured** no longer satisfies the Conditions then **The Insurer** may discontinue indemnity.

If **The Insured** decides to commence or continue **Legal Proceedings** for which **The Company** have denied support under the Conditions on the basis of **Reasonable Prospects of Success** and is successful, **The Company** will pay **Legal Costs & Expenses** as if **The Company** had given **The Company's** consent in the first instance.

3. Conduct of Legal Proceedings

- (i) In respect of any and all claims where **The Company** may be liable to pay an award of compensation, **The Company** have the right to choose the **Appointed Advisor**
- (ii) In respect of all other claims covered by the Section:

At the point where Court papers need to be issued (or have been received), or where there is a conflict of interest, **The Insured** is free to choose a suitably qualified **Appointed Advisor**.

Where **The Insured** has selected an **Appointed Advisor** of **The Insured's** own choice then, **The Company** will only pay **Standard Legal Expenses**. Any amount in excess of the **Standard Legal Expenses** will be the responsibility of **The Insured**.

In selecting the **Appointed Advisor** **The Insured** shall have a duty to minimise the cost of **Legal Proceedings**.

The Company may choose not to accept a representative chosen by **The Insured**. If this occurs **The Company** will explain why. If there is a disagreement over the choice of representative in these circumstances, **The Insured** may choose another suitably qualified person and submit the name

Section 12: Essential Business Legal

continued

Essential Business Legal Helpline
0330 024 2290

of that person to **The Company** for consideration. If **The Company** cannot agree on a representative or whether **Legal Proceedings** are necessary **The Insured** can take the matter to an independent arbitrator. The arbitration process is set out in Claims Settlement Condition 7.

In all circumstances except those described in (ii) above, **The Company** shall choose a representative to act on **The Insured's** behalf.

If **The Insured's** choice of representative has to undertake work to familiarise themselves with the work already undertaken on the case, **The Company** will not pay for this work to be done.

(iii) In the period before **The Company** agree that **Legal Proceedings** are necessary **The Company** reserve the right to seek to obtain a settlement on **The Insured's** behalf. The settlement will be subject to **The Insured's** agreement, which **The Insured** will not unreasonably refuse.

Any representative is appointed in **The Insured's** name to act for **The Insured**.

4. The Company's consent

The Company must give **The Company's** written consent to **The Insured** or an **Employee** to incur any **Legal Costs & Expenses** or Compensation Awards. **The Company** does not accept any liability for **Legal Costs & Expenses** or Compensation Awards incurred without **The Company's** written consent.

5. Settlement

- (a) **The Company** has the right to settle the claim by paying the value of claim
- (b) **The Insured** or an **Employee** must not negotiate, settle the claim or agree to pay any **Legal Costs & Expenses** incurred without **The Company's** written agreement
- (c) If **The Insured** or an **Employee** refuse to settle the claim following:
 - (i) a reasonable offer, or
 - (ii) advice to do so from the **Appointed Advisor**

The Company may refuse to pay further **Legal Costs & Expenses**.

6. Counsel's Opinion

The Company may require **The Insured** or an **Employee** to obtain and pay for an opinion from counsel regarding the merits or value of the claim. If the opinion supports them then **The Company** will pay for the opinion.

7. Arbitration

If there is a dispute between **The Insured** or an **Employee**, **The Company** or **The Insurer** about the handling of a claim or the choice of an **Appointed Advisor**, the matter will be referred to a suitably qualified person agreed upon by both parties. The loser of the dispute shall be liable to pay the costs incurred. If **The Company** fails to agree on a suitable person **The Company** will ask the president of the relevant Law Society to nominate.

8. Acts of Parliament & Jurisdiction

All Acts of Parliament referred to within the Section shall include equivalent legislation in Scotland, Northern Ireland, the Isle of Man and the Channel Islands and any subsequent amendment or replacement legislation.

9. Data Protection Act 1998

It is agreed by **The Insured** that any information provided to **Us** and/or **The Company** regarding **The Insured** will be processed by **Us** and/or **The Company**, in compliance with the provisions of the Data Protection Act 1998, for the purpose of providing insurance and handling claims, if any, which may necessitate providing such information to third parties.

Exclusions

(applicable to this Section)

The Insurer shall not be liable under this Section in respect of:

1. **Legal Costs & Expenses** or Compensation Awards incurred before **The Company** accept a claim.
2. Any actual or alleged act, omission or dispute occurring prior to, or existing at the inception of the section, and which **The Insured** or an **Employee** knew or ought reasonably to have known could give rise to a claim under this Section.
3. Any **Legal Costs & Expenses** that are in excess of the **Standard Legal Expenses** where **The Insured** has nominated their own representative to act as the **Appointed Advisor**.
4. An allegation against **The Insured** or an **Employee** involving:
 - (a) assault, violence or dishonesty
 - (b) malicious falsehood
 - (c) the manufacture, dealing in or use of alcohol, illegal drugs, indecent or obscene materials
 - (d) illegal immigration
 - (e) offences under Part 7 of the Proceeds of Crime Act 2002 (money laundering offences).

Section 12: Essential Business Legal

continued

5. The defence of **Legal Proceedings** relating to:
 - (a) damages for personal injury (other than injury to feelings), or loss or **Damage** to property owned by **The Insured**
 - (b) a breach or alleged breach of professional duty
 - (c) any tortious liability except where covered under Insured Event 4 Property.
6. Fines, penalties or compensation awarded against **The Insured** or an **Employee** except as covered under Insured Events 2 or 5 (g).
7. Costs awarded against **The Insured** or an **Employee** by a court of criminal jurisdiction following a conviction.
8. Patents, copyright, trade marks, passing-off, trade or service marks, registered designs, secrecy and confidential information.
9. A dispute with any subsidiary, parent, associated or sister company or between shareholders or partners.
10. Franchise rights, or agency rights where **The Insured** has the legal capacity to alter the legal relations of another.
11. A judicial review.
12. A dispute with **Us** or **The Company** not dealt with under Condition 6.
13. Defamation.
14.
 - (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - (b) radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
 - (c) war, invasion, act of foreign enemy hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power
 - (d) pressure waves from aircrafts or other aerial devices travelling at sonic or supersonic speed
 - (e) any terrorist action (regardless of any other cause or event contributing concurrently or in any other sequence to the liability) or any action taken in controlling, preventing or suppressing terrorist action. If **The Company** alleges that by reason of this exclusion any liability or loss is not covered by this Section, the burden of proving the contrary shall be upon **The Insured**.

Notes

Covéa Insurance

Norman Place

Reading

RG1 8DA

Telephone: 0330 221 0444

Fax: 0118 955 2211

www.coveainsurance.co.uk

Covea Insurance plc

Registered Office: Norman Place, Reading, Berkshire RG1 8DA

Registered in England and Wales No. 613259

Authorised by the Prudential Regulation Authority and regulated by the

Financial Conduct Authority and the Prudential Regulation Authority No. 202277

