

Keep me safe

Retail Insurance

Policy document



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Our claims service goes the extra mile. Committed to doing the right thing for policyholders we aim to settle claims quickly, even in the most difficult of circumstances.

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RETAIL INSURANCE POLICY

Liverpool Victoria Insurance Company Limited (the **Insurer**) will provide the insurance described in the Policy subject to its terms and conditions for the Period of Insurance stated in the Schedule and any subsequent period for which the **Insured** shall pay and the **Insurer** shall agree to accept the premium. Any information supplied by or on behalf of the **Insured** shall be incorporated in the contract

The Policy the Schedule the Statement of Fact and any endorsements shall be read together as one contract and this is the contract of Insurance between the **Insured** and the **Insurer**

It is therefore essential that the **Insured** provides a fair presentation of the risk, that the Statement of Fact and Schedule are accurate and true to the best of the **Insured's** knowledge and belief. If the **Insured** fails to provide a fair presentation of the risk, the Statement of Fact and/or Schedule are inaccurate, incomplete or untrue it may affect the **Insured's** rights under the Policy

Any word or expression to which a specific meaning has been given shall have that meaning wherever it appears

The **Insured** is not required to sign the Statement of Fact but should read it carefully and confirm that all the information contained within it and the Schedule is correct

If the presentation of the risk, the Statement of Fact and/or Schedule are incorrect or incomplete you should notify the Broker, Intermediary or Agent who arranged the Policy immediately and obtain a revised Statement of Fact and/or Schedule with the revisions required. You must ensure that all documentation in your possession is accurate and complete

DEFINITIONS

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

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

- a) outbuildings attached to or detached from the main Building
 - b) walls gates and fences areas roads the Buildings and belonging to them
 - c) solar panels
 - d) landlord's fixtures and fittings
 - e) car parks yards paved areas roads pavements and footpaths
- all belonging to the **Insured** or for which the **Insured** is legally responsible

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

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

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

Computer – All equipment including interconnected wiring fixed disks and telecommunications equipment used at the **Premises** for the storage and communication of electronically processed data but excluding

- a) mobile devices where the sole or primary function of the item is to make send and receive telephone calls and SMS messages
- b) any equipment controlling any manufacturing process

belonging to the **Insured** or leased hired or rented to the **Insured** and for which the **Insured** is legally responsible

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

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

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

- a) patterns models moulds plans and designs
- b) documents manuscripts and business books for their value as stationery and materials and the cost of labour expended in writing up and/or reinstatement thereof or restoration if more economical subject to a maximum of £5000 for any one loss
- c) directors' partners' or **Employees'** personal effects clothing pedal cycles and tools unless otherwise insured subject to a maximum of £500 per person for any one loss
- d) **Computers** unless insured as a specific item as shown in the Schedule

but excluding any other **Property** more specifically insured

Damage – Loss destruction of or damage to the **Property** insured

DEFINITIONS CONTINUED

Denial of Service Attack – Any actions or instructions constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems including but not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

Employee (not applicable to Section 7 – Legal Expenses) –

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

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

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

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

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

Hacking – Unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data whether the property of the **Insured** or not

Increased Cost of Working – The additional expenditure incurred with the prior written consent of the **Insurer** 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**

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

Injury – Bodily injury death illness or disease mental injury or nervous shock

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

Insured Perils – Those Insurable Perils which are operative as stated in the Schedule subject always to the terms conditions and exclusions applying to the Insurable Peril and of Section 1 and the Policy

Insurer – Liverpool Victoria Insurance Company Limited

Intruder Alarm System – All the component parts of the alarm and including devices used to transmit or receive signals

Keyholder – The **Insured** or any person or company authorised by the **Insured** who has been fully trained in the operation of the **Intruder Alarm System** including but not limited to the setting and unsetting of the system and is available at all times to accept notification of faults or alarm signals relating to the **Intruder Alarm System** and to attend and allow access to the **Premises**

Legal Costs – All costs and expenses incurred with the prior written consent of the **Insurer** in addition to claimant's costs and expenses for which the **Insured** is legally liable

DEFINITIONS CONTINUED

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

Loss of Limbs or Eyes – Physical Injury which solely and directly results in

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

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

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

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

Notifiable Human Disease – An illness sustained by any person caused by

- a) food or drink poisoning
- b) any human infectious or contagious disease

an outbreak of which the competent local authority has stipulated shall be notified to them

Offshore Installation –

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

Outstanding Debit Balances – The total amount of the Outstanding Debit Balances in customers' credit accounts including hire purchase and credit sales accounts at the date of the **Damage** adjusted for bad debts

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

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

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

Pollution or Contamination –

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

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

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

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

DEFINITIONS CONTINUED

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

Property –

- a) **Buildings Tenants' Improvements Shop Front Contents Computers Computer Records Stock** and in respect of Section 1 of the Policy such other items to which cover is expressly extended in Section 1 of the Policy or Schedule or
- b) in respect of Section 3 of the Policy **Covered Equipment Computer Equipment** and such other items to which cover is expressly extended in Section 3 of the Policy
- c) in respect of Section 7 of the Policy land and/or **Buildings** owned or occupied by the **Insured** or otherwise for which the **Insured** is legally responsible

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

Rate of Gross Profit – *For the purpose of a new business that has not yet been trading 12 months*

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

For all other businesses

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

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

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

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

Shop Front – The windows doors frames signs external blinds and walling including **Intruder Alarm Systems** security fittings fixed associated and electrical equipment all forming part of the front of the **Premises**

Solicitors' Fees – Solicitors' Fees for the representation of the **Insured** at any Coroner's Inquest or Fatal Accident Inquiry or at proceedings in any court of summary jurisdiction in respect of any occurrence which may be the subject of indemnity under Sections 4 and 5

Specified Working Expenses –

The total of

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

Standard Turnover – *For the purpose of a new business that has not yet been trading 12 months*

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

For all other businesses

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

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

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

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

DEFINITIONS CONTINUED

Territorial Limits – Great Britain Northern Ireland the Isle of Man or the Channel Islands

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

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

Unoccupied – Any **Building** or part of any **Building** which is empty or not in use by the **Insured** or any tenant of the **Insured** for more than 30 consecutive days

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

Virus or Similar Mechanism – Program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not including but not limited to trojan horses worms and logic bombs

GENERAL CONDITIONS

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

1) Misrepresentation and Fair Presentation

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

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

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

The **Insurer** may

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

2) Fraud

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

- makes a fraudulent payment by bank account and/or card
- provides the Broker Intermediary or Agent who arranged the policy or the **Insurer** with false documents or false statements to support a claim
- makes a claim or part of any claim that is fraudulent, false or exaggerated

GENERAL CONDITIONS CONTINUED

The **Insurer** may

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

3) Reasonable Care

The **Insured** shall

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

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

4) Alteration

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

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

unless the **Insurer** has agreed in writing to accept such alteration

5) Payment of Premium

It is a condition precedent to the **Insurer's** liability that

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

6) Cancellation

- a) Cancellation by the **Insured**
 - i. Cooling off cancellation rights

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

The **Insurer** shall return any premium paid in full within 30 days of the receipt of the notice of cancellation from the Broker Intermediary or Agent if the cover is cancelled either

- a) before the inception date or

GENERAL CONDITIONS CONTINUED

- b) within the 14 day cooling off period provided that no claim has been made or incident advised that could give rise to a claim in these circumstances no return of premium will be made

- ii. Cancelling the Policy after the cooling off period

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

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

- b) Cancellation by the **Insurer**

- i. Non-payment of Premium

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

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

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

- ii. Cancellation for any other reason

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

The **Insurer** does not have to give a reason for the cancellation although valid reasons for doing so may include but are not limited to the following

- the **Insured** has not provided to the Broker Intermediary or Agent the information or documents the **Insurer** has requested as part of the terms and conditions in providing the insurance
- the **Insured** has not met the terms and conditions contained in this document of insurance including those shown on their schedule
- where the **Insured** does not comply with any the different policy terms and conditions imposed by the **Insurer** as a result of the identification of misrepresentation as detailed in General Condition 1) Misrepresentation and Fair Presentation
- where an alteration is made to the **Business** the **Premises** or the **Property** or where the **Insured's** interest ceases unless agreed by the **Insurer** as detailed in General Condition 4) Alteration
- where the survey arranged by the **Insurer** has identified additional risks which were not evident to the **Insurer** prior to the survey or where the **Insured** have not complied with the **Insurer's** acceptance criteria nor with the timely completion of any risk improvements as detailed in General Condition 10) Subject to Survey
- The **Insured** has behaved in a manner that makes it inappropriate for the **Insurer** to continue the insurance, e.g. the **Insured** harassing or showing abusive or threatening behaviour towards the **Insurer's** staff or the Insurer's appointed representatives

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

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

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

- a) where the **Insurer** identifies fraud as detailed in General Condition 2) Fraud
- b) where a claim has been made or incident advised that could give rise to a claim

in these circumstances no premium shall be returned by the **Insurer**

GENERAL CONDITIONS CONTINUED

7) Choice of Law

Both parties to this contract have a choice as to which law should be applied. In the absence of written agreement to the contrary English law applies to this contract

8) Observance of Terms

It is a condition precedent to the **Insurer's** liability that the **Insured** shall observe the terms of the Policy so far as they relate to anything to be done or complied with

9) Legal Representatives

In the event of the death of the **Insured** the **Insurer** will indemnify the **Insured's** legal personal representatives in respect of liability at law previously incurred by the **Insured** provided they observe fulfil and be subject to the terms conditions and limitations of the Policy to the extent that they can apply

10) Subject to Survey

If any insurance by the Policy either at inception or subsequent renewal has been granted subject to the completion of a survey of the **Premises** or if during the Period of Insurance following notification of a claim or an alteration to the **Business** or the **Premises** or to any **Property** under the Policy the **Insurer** requires a survey

- a) then pending completion of such survey the terms conditions exclusions and limits as specified in the Policy and Schedule shall apply
- b) if following completion of the survey and in the opinion of the **Insurer** this has identified additional risks which were not evident to the **Insurer** prior to the survey then the **Insurer** reserves the right to alter or amend the terms and conditions of the Policy or to suspend or withdraw cover immediately
- c) the continuation of cover after the survey by the **Insurer** shall be subject to the **Insured** complying with the **Insurer's** acceptance criteria and the completion of any risk improvements required within the time frame agreed with the **Insurer** otherwise the **Insurer** may at its option invoke General Condition 6) Cancellation

11) Limit of Indemnity

All the Sums Insured Limits of Indemnity and any other restrictions on the amount of the **Insurer's** liability stated in the Policy shall apply as maximum limits to the **Insurer's** liability irrespective of the number of persons entitled to indemnity under the Policy

For the purposes of the Sums Insured Limits of Indemnity and any other restrictions on the amount of the **Insurer's** liability the **Insured** and all other persons entitled to be indemnified under the Policy shall be treated as one party or legal entity so that there shall be only a single contract of insurance between the **Insurer** as one party and the **Insured** and all other persons entitled to be indemnified as the other party

12) Third Party Rights

A person or company who is not a party to the Policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any clause or term of the Policy but this does not affect any right or remedy of a third party which exists or is available apart from that Act

The **Insured** shall not assign or transfer their rights under the Policy without the written agreement of the **Insurer**

13) Insured's Contribution

Where stated in the Schedule the **Insured** shall be responsible for paying an **Excess** in relation to each claim made by the **Insured** under this Policy

GENERAL EXCLUSIONS

This Policy does not cover

1) War Government Action Radioactive Contamination and Sonic Bangs

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

- a) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- b) nationalisation confiscation requisition seizure or destruction by the government or any public authority
- c) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- d) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- e) pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds

2) Terrorism and Civil Commotion

Damage to any **Property** whatsoever or any loss or expense whatsoever resulting or arising therefrom or any **Consequential Loss** directly or indirectly caused by or contributed to by or arising from

- a) **Terrorism**
- b) civil commotion in Northern Ireland

In any action suit or other proceedings where the **Insurer** alleges that by reason of this Exclusion as far as it relates to **Terrorism** any **Damage** or resulting loss or expense or **Consequential Loss** is not covered by the Policy the burden of proving that such **Damage** loss expense or **Consequential Loss** is covered shall be upon the **Insured**

3) Date Recognition

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

- a) computer data processing equipment microchip integrated circuit or any similar device or any computer software or computer firmware
- b) media or systems used in connection with any of the above

whether the property of the **Insured** or not

- i. to recognise correctly any date as its true calendar date
- ii. 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

but

- a) in respect of Section 1 and Section 2 this shall not exclude subsequent **Damage** not otherwise excluded which itself results from the **Insured Perils**
- b) this exclusion shall not apply to Section 4

4) 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

GENERAL EXCLUSIONS

5) Computer Virus

Alteration modification distortion corruption erasure of or damage to and **Consequential Loss** arising from any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or data or programs or software) whether the property of the **Insured** or not where such damage is directly or indirectly caused by or contributed to or by or arises from or occasioned by or results from a **Virus or Similar Mechanism** or **Hacking** or **Phishing** or **Denial of Service Attack**

6) Illegal Deliberate and Criminal Activities

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

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

SECTION 1 – MATERIAL DAMAGE

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

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

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

Insurable Perils

The following are the Insurable Perils operative as **Insured Perils** if stated in the Schedule

1) Fire

Excluding **Damage** caused by

- a) its own spontaneous fermentation or heating or its undergoing any heating process or any process involving the application of heat
- b) explosion resulting from fire

2) Lightning

3) Explosion

Excluding **Damage** caused by the bursting by steam pressure of a boiler economiser or other vessel machine or apparatus in which internal pressure is due to steam only belonging to or under the control of the **Insured**

However this exclusion does not apply to **Damage** caused by the explosion of any boiler or gas used only for domestic purposes

4) Aircraft or other aerial devices or articles dropped from them

5) Earthquake and subterranean fire

6) Riot civil commotion strikers locked out workers persons taking part in labour disturbances or malicious persons

Excluding **Damage**

- a) arising from cessation of work or due to confiscation nationalisation seizure requisition or destruction by order of the government or any public authority
- b) by theft or attempted theft
- c) whilst any **Building** is **Unoccupied**

7) Theft or attempted theft involving entry to or exit from the **Buildings** at the **Premises** by forcible and violent means or actual or threatened hold up assault or violence

Excluding

- a) loss from any structure which is incapable of being locked
- b) **Damage**
 - i. in respect of **Property** in the open
 - ii. whilst any **Building** is **Unoccupied**
 - iii. in respect of **Stock** at exhibitions that is not contained in an indoor exhibition hall which is locked and/or guarded outside business hours
- c) theft or attempted theft by **Employees**

SECTION 1 – MATERIAL DAMAGE CONTINUED

8) Storm

Excluding **Damage**

- a) caused by frost subsidence ground heave or landslip
- b) attributable solely to change in the water table level
- c) to fences gates and moveable **Property** in the open or in open fronted or open sided **Buildings**

9) Flood

Excluding **Damage**

- a) caused by frost subsidence ground heave or landslip
- b) attributable solely to change in the water table level
- c) to fences gates and moveable **Property** in the open or in open fronted or open sided **Buildings**

10) Impact by

- a) any road vehicles or animals
- b) falling trees or boughs
- c) breakage or collapse of aerials or satellite dishes

Excluding **Damage** by lopping pruning or felling of trees

11) Escape of water from any tank apparatus or pipe or escape of oil from any fixed oil-fired heating installation or leakage of beverages from storage containers or connected apparatus

Excluding **Damage**

- a) by water discharged or leaking from any automatic sprinkler installation
- b) whilst any **Building** is **Unoccupied**
- c) by leakage of bottled **Stock** or the cost of replacing the beverages
- d) caused by subsidence ground heave or landslip
- e) for subsidence ground heave or landslip caused by the escape water

12) Accidental escape of water from any automatic sprinkler installation

Excluding **Damage** occasioned by or attributable to

- a) heat caused by fire
- b) freezing whilst any **Building** is **Unoccupied**
- c) repairs alterations or extensions to the **Buildings** and/or sprinkler installations

13) Accidental damage

Excluding **Damage**

- a) caused by any other Insurable Peril
- b) to a **Building** or structure caused by its own collapse or cracking
- c) to **Property** insured caused by **Pollution or Contamination** other than **Damage** caused by
 - i. **Pollution or Contamination** which itself results from an **Insured Peril**
 - ii. an **Insured Peril** which itself results from **Pollution or Contamination**
- d) to **Property** resulting from its undergoing any process of production packing treatment testing commissioning servicing adjustment or repair
- e) to **Property** insured caused by or consisting of

SECTION 1 – MATERIAL DAMAGE CONTINUED

- i. inherent vice latent defect gradual deterioration wear and tear frost or change in water table level
- ii. its own faulty or defective design or materials
- iii. faulty or defective workmanship operational error or omission on the part of the **Insured** or any of their **Employees**

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

- f) caused by
 - i. corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching
 - ii. scratching tearing or fouling by pets or domesticated animals
 - iii. vermin or insects
 - iv. change in temperature colour flavour texture or finish
 - v. joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping connected to them
 - vi. mechanical or electrical breakdown or derangement in respect of the particular machines apparatus or equipment in which the breakdown or derangement originates overrunning or electrical surges or spikes in electricity

but this shall not exclude such **Damage** not otherwise excluded which itself results from any other accidental damage or subsequent **Damage** which itself results from a cause not otherwise excluded

- g) caused by disappearance unexplained or inventory shortage misfiling or misplacing of information
- h) caused by acts of fraud or dishonesty
- i) occasioned by delay embargo nationalisation confiscation requisition seizure or destruction by the government or any public authority
- j) caused by electrical or magnetic disturbance or erasure of electronic records

14) Subsidence ground heave or landslip

Excluding **Damage**

- a) to outbuildings yards pipes cables wires ducting car parks roads pavements walls gates fences swimming pools tennis courts and children's play areas unless the structure of the main building or buildings at the risk address stated in the Schedule is also affected at the same time by the same cause
- b) to solid floor slabs or **Damage** resulting from their movement unless the foundations beneath the outside walls of the main building or buildings at the risk address stated in the Schedule are also affected at the same time by the same cause
- c) arising from the settlement or movement of made-up ground or by coastal or river erosion
- d) occurring as a result of the construction demolition structural alteration or structural repair of any property at the **Premises**
- e) arising from normal settlement or bedding down of new structures
- f) which originated prior to the granting of this cover
- g) caused by faulty or defective workmanship materials or design
- h) caused by fire subterranean fire explosion earthquake
- i) recoverable under any warranty or guarantee including NHBC guarantee

SECTION 1 – MATERIAL DAMAGE CONTINUED

Additional Covers

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

Glass Shop Front Blinds and Signs

The **Insurer** will indemnify the **Insured** in respect of **Damage** to fixed glass and **Shop Front** for which the **Insured** is responsible at the **Premises** occurring during the Period of Insurance

Following **Damage** to fixed glass and **Shop Front** at the **Premises** the **Insurer** will also indemnify the **Insured** in respect of

- a) the cost of reinstating **Intruder Alarm Systems** damaged as a result of glass breakage
- b) any boarding up costs incurred
- c) **Damage** to goods on display in windows caused by the impact of falling glass

The **Insurer** will also indemnify the **Insured** for **Damage** at the **Premises** to

- d) neon and illuminated signs and electric light fittings
- e) external blinds
- f) sanitary ware (fixed baths wash basins pedestals bidets shower trays sinks lavatory pans and cisterns) where such **Damage** renders such article completely unserviceable
- g) lettering or other ornamental work and alarm foil on fixed glass

The liability of the **Insurer** under c) d) e) f) and g) shall be restricted to £2,500 for any one loss

Exclusions

The **Insurer** shall not be liable for **Damage**

- a) to glass and **Shop Front**
 - i. caused by repairs or alterations to the **Premises**
 - ii. caused by alteration installation or removal
 - iii. in any **Building** which is **Unoccupied**
- b) to neon and illuminated signs and electric light fittings
 - i. caused by or traceable to wear and tear or gradual deterioration mechanical or electrical breakdown or removal from the fixed position other than by theft or attempted theft
 - ii. of bulbs or tubes unless consequent upon **Damage** to signs or fittings
- c) caused by or arising from
 - i. superficial **Damage** or scratching or cracking which does not result in the complete breakage of the glass or **Shop Front**
 - ii. inherent or latent defect its own faulty or defective design or materials
 - iii. gradual deterioration or gradually operating cause wear and tear change in colour or finish
 - iv. changes in temperature or atmospheric or climatic conditions
 - v. defects in frames framework or any fitting

Money

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

- a) in the Premises during **Business Hours** or whilst in a bank night safe

SECTION 1 – MATERIAL DAMAGE CONTINUED

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

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

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

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

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

Exclusions

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

- a) shortage due to error or omission
- b) forgery deception or the use of counterfeit **Money or Non-Negotiable Money**
- c) the use of any form of payment which proves to be counterfeit false fraudulent invalid uncollectible or irrecoverable for any reason
- d) theft or attempted theft from the Premises as stated in the Schedule or any authorised person's private dwelling house unless involving entry to or exit from such Premises or private dwelling by forcible and violent means or actual or threatened hold up assault or violence
- e) theft or attempted theft by any **Employee**
- f) an unattended vehicle and any coin operated gaming devices or machines
- g) **Damage** not within the **Territorial Limits**
- h) any business or other activity not connected with the **Business** conducted from the **Premises** as stated in the Schedule

Conditions

- 1) It is a condition precedent to the **Insurer's** liability under this Additional Cover that the **Insured** shall maintain the following minimum standards of precaution for the safety of **Money** in transit (other than by specialist security carrier) at all times
 - a) the times of transits routes and conveyances used shall be varied as far as is possible
 - b) all persons engaged in the transit of **Money** shall be at least 18 years of age
 - c) transits of amounts of
 - i. up to £3,000 shall be accompanied by at least one person
 - ii. £3,001 to £6,000 shall be accompanied by at least two people
 - iii. £6,001 to £10,000 shall be accompanied by at least three people or two people travelling by motor car or using an approved security case
 - iv. amounts exceeding £10,000 shall be transported by specialist security carrier
- 2) It is a condition precedent to the **Insurer's** liability that when the Premises as stated in the Schedule or any authorised person's private dwelling house in which **Money** is kept is left unattended

SECTION 1 – MATERIAL DAMAGE CONTINUED

- a) all locks bolts and other protective devices are in full operation
- b) all keys must be held in the personal custody of an authorised person and removed from
 - i. the unattended Premises as stated in the Schedule or
 - ii. from the final exit door of any authorised person's unattended private dwelling house

Theft by Employees

This Additional Cover is only operative if shown in the Schedule

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

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

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

Provided that

- a) all losses insured by this Additional Cover and committed by any one employee or series of employees working in collusion with each other shall be regarded as one specific event
- b) the liability of the **Insurer** shall be restricted to £5,000 in respect of any one specific event

Exclusions

The **Insurer** shall not be liable under this Additional Cover for

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

Basis of Settlement

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

Personal Accident (Assault)

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

Schedule of Benefits

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

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

Exclusions

The **Insurer** shall not be liable for

- a) more than one of the Benefits 1 to 3 inclusive in respect of any one person arising out of the same **Physical Injury**

SECTION 1 – MATERIAL DAMAGE CONTINUED

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

Conditions

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

All Risks on Portable Property

This Additional Cover is operative only if stated in the Schedule

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

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

Exclusions

The **Insurer** shall not be liable for

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

Goods in Transit

This Additional Cover is operative only if shown in the Schedule

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

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

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

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

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

SECTION 1 – MATERIAL DAMAGE CONTINUED

- e) reloading onto the **Vehicle** any **Goods in Transit** which have fallen from the **Vehicle** subject to a maximum of £2,500 for any one loss
- f) resecuring the **Goods in Transit** where there is dangerous movement of the load subject to a maximum of £2,500 for any one loss

Exclusions

The **Insurer** shall not be liable under this Additional Cover for **Damage** to any **Goods in Transit** arising out of or attributable to

- a) theft or attempted theft from open-backed curtain sided soft sided or soft topped **Vehicle(s)**
- b) defective or inadequate packing or insufficient addressing
- c) breakdown of refrigeration or insufficient insulation
- d) spillage leakage evaporation loss of weight or shrinkage
- e) depreciation loss of market delay or inadequate documentation
- f) any erection dismantling or installation
- g) loss of sheets ropes chains toggles or packing materials as a result of disappearance or shortage unless such loss is the result of an incident recorded by the **Insured**

Conditions

- 1) It is a condition precedent to the **Insurer's** liability for theft or attempted theft from any unattended **Vehicle** that whenever a **Vehicle** operated by the **Insured** and carrying **Goods in Transit** is unattended it shall be protected
 - a) between the hours of 9.00 am and 6.00 pm by all doors and windows and other means of access being securely fastened and locked
 - b) between the hours of 6.00 pm and 9.00 am by all doors and windows and other means of access being securely fastened and locked and the alarm and/or immobiliser approved by the **Insurer** being switched on and made fully operational and either garaged in a securely locked building of substantial construction or placed in a compound which has secure walls and/or fences and securely locked gates or in a guarded security park
- 2) The valuation of **Stock** shall be at invoice cost. If an invoice has not been raised the basis of valuation shall be the value of the **Stock** at the time of the commencement of the transit

Extensions to Section 1

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

1) Underground Services

The **Insurer** will indemnify the **Insured** for **Damage** to underground water pipes gas pipes electricity and telephone cables extending from the **Premises** to the public mains from the **Insured Perils** but only to the extent of the **Insured's** responsibility

2) Theft of Keys and Lock Replacement

The **Insurer** will indemnify the **Insured** for the cost of replacing locks and keys (including digital access cards safe keys or safe combination access codes) to the **Buildings Safe/Strongroom** or tills within the **Buildings** subject to an aggregate maximum of £5,000 in any one Period of Insurance

Provided that the original keys cards or codes were stolen either

- a) from the **Buildings** or the private residence of the **Insured** or any authorised **Employee**
- b) following actual or threatened hold-up or assault or violence to the **Insured** or authorised **Employee** whilst the keys cards or codes are in their personal custody

Provided also that **Damage** by theft is not excluded in its entirety under this Section

This Extension shall not apply to replacement of locks keys or cards arising from the failure of guests to return any keys or cards belonging to the **Insured** upon final departure

SECTION 1 – MATERIAL DAMAGE CONTINUED

3) Theft Damage to Buildings

The **Insurer** will indemnify the **Insured** against the cost of repairing **Damage** to the **Buildings** for which the **Insured** is legally responsible and are not otherwise insured which directly results from **Insured Peril 7** provided that if the **Buildings** of the **Premises** are not insured by this Section the liability of the **Insurer** under this Extension shall not exceed an aggregate maximum of £25,000 in any one Period of Insurance

4) Temporary Removal

The **Insurer** will indemnify the **Insured** for **Damage** to **Contents** whilst temporarily removed for cleaning renovation repair or similar purposes and to documents whilst temporarily removed elsewhere and in transit within the **Territorial Limits** from the **Insured Perils** subject to a maximum for any one loss of 10% of the Sum Insured shown for **Contents** in the Schedule or £100,000 whichever is the lesser amount

This Extension shall not apply to

- a) motor vehicles and motor chassis licensed for normal road use
- b) **Property** more specifically insured

5) Exhibitions

The **Insurer** will indemnify the **Insured** for **Damage** to **Contents** and **Stock** from the **Insured Perils** whilst in any building (not being of a temporary nature) and being used for an exhibition anywhere within the **Territorial Limits** and whilst **in transit** to and from the exhibition premises subject to a maximum of £10,000 for any one loss

6) Other Locations

The **Insurer** will indemnify the **Insured** for **Damage** to **Contents** and **Stock** from the **Insured Perils**

- a) whilst within the main building of the private residential home of a director or **Employee** anywhere within the **Territorial Limits** and
 - b) whilst in transit to and from the main building of such private residential home and the **Premises**
- subject to a maximum of £2,500 for any one loss and an aggregate maximum of £10,000 in any one Period of Insurance

7) Third Party Storage Locations

The **Insurer** will indemnify the **Insured** for **Damage** to **Contents** or **Stock** from the **Insured Perils** whilst at third party storage locations within the **Territorial Limits** subject to aggregate maximums of £5,000 at any one location and £20,000 in any one Period of Insurance

8) Loss of Metered Supplies

The **Insurer** will indemnify the **Insured** for the cost of metered electricity gas oil and water consumed as a direct result of **Damage** from the **Insured Perils** to any tank apparatus pipe or cable not being automatic sprinkler installations at the **Premises** calculated at the rate applying at the time of the **Damage** subject to a maximum of £10,000 for any one loss

9) Trace and Access

The **Insurer** will indemnify the **Insured** for the costs incurred in locating the source of an escape of water or fuel from any tank apparatus or pipe on the **Premises** and subsequent making good of **Damage** caused as a consequence of locating such source subject to a maximum of £25,000 for any one loss

10) Clearing of Drains

The **Insurer** will indemnify the **Insured** for the costs and expenses incurred in cleaning clearing or repairing drains gutters or sewers at the **Premises** as a consequence of **Damage** from the **Insured Perils** but only to the extent of the **Insured's** responsibility subject to a maximum of £25,000 for any one loss

SECTION 1 – MATERIAL DAMAGE CONTINUED

11) Fire and Security Equipment

The **Insurer** will indemnify the **Insured** in respect of costs and expenses incurred with the consent of the **Insurer** in

- a) refilling recharging or replacing any
 - i. portable fire extinguishing appliances
 - ii. local fire suppression system
 - iii. fixed fire suppression system
 - iv. sprinkler installation
 - v. sprinkler heads
- b) re-setting fire and/or intruder alarms and/or closed circuit television equipment

following **Damage** to **Property** insured under Section 1 – Material Damage subject to a maximum of £10,000 for any one loss

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

The **Insured** must maintain all such equipment in accordance with the manufacturer's instructions

The **Insurer** will not indemnify the **Insured** in respect of any costs and expenses recoverable from the **Insured's** maintenance company or the Fire and Rescue Service

12) Computer Records

The **Insurer** will indemnify the **Insured** for the cost of the materials together with the cost of clerical labour and computer time expended in reproducing **Computer Records** and not for the value to the **Insured** for the information contained therein but excluding any expenses in connection with the production of information to be recorded in such **Computer Records** for a maximum of £10,000 for any one loss and in the aggregate in any one Period of Insurance

13) Theft of Building Fabric

The **Insurer** will indemnify the **Insured** for **Damage** to

- a) the external fabric of the **Buildings** as a result of theft or attempted theft
- b) **Property** as a result of rainwater entry following theft or attempted theft of the external fabric of the **Buildings** for which the **Insured** is legally responsible and is not otherwise insured

The liability of the **Insurer** under this extension shall be restricted to the Sums Insured shown in the Schedule

This Extension shall not apply

- a) to any **Buildings** which are **Unoccupied**
- b) when scaffolding is erected at the **Buildings**
- c) where **Insured Peril 7 - Theft** is not operative

14) Emergency Access

The **Insurer** will indemnify the **Insured** for the costs incurred following **Damage** to the **Buildings** caused by the emergency services or persons acting under their control in gaining access to the **Buildings** as a result of concern for the welfare of the Tenant(s) or to combat **Damage** caused by an **Insured Peril** to the **Premises** subject to an aggregate maximum of £10,000 in any one Period of Insurance

This Extension shall not include any costs incurred following **Damage** caused by the Police in the course of a criminal investigation or as a result of unlawful activities at the **Premises**

15) Undamaged Portions of the Buildings

The **Insurer** will indemnify the **Insured** for the cost replacing or modifying undamaged portions of the **Buildings** insured providing the alterations are needed so they are in keeping with the repairs restoration or replacement of the damaged portion of the **Buildings** insured

The **Insurer's** liability under this Extension shall not exceed 10% of the **Declared Value** of the **Buildings** insured

SECTION 1 – MATERIAL DAMAGE CONTINUED

16) Automated Teller Machines (“ATMs”) and Lottery Equipment

The **Insurer** will indemnify the **Insured** against the cost of repairing **Damage** from the **Insured Perils** to Automated Teller Machines (ATMs) and Lottery Equipment sited entirely within the **Buildings** for which the **Insured** is legally responsible provided such property has been included in the **Contents** sum insured shown on the Schedule and subject to a maximum of £10,000 for any one loss

Clauses

1) Non-invalidation

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

2) Reinstatement of Losses

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

3) Mortgagees

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

4) Property more specifically insured

The **Insurer** shall not be liable for **Damage** to any **Property** insured more specifically by or on behalf of the **Insured**

Basis of Settlement Clauses

1) Average

If the **Property** covered by this Policy shall at the time of the **Damage** be collectively of greater value than the sums insured then the **Insured** shall be considered as being their own insurer for the difference and shall bear a rateable share of their **Damage** accordingly

2) Property Insured other than Stock

In the event of **Damage** to **Property** insured other than **Stock** and **Computers** the basis of settlement shall be the cost of reinstatement meaning the rebuilding replacement repair or restoration of such **Property** to a condition substantially the same as but not better or more extensive than its condition when new

In the event of **Damage** to **Computers** the basis of settlement shall be the cost of reinstatement meaning

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

Special Provisions

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

SECTION 1 – MATERIAL DAMAGE CONTINUED

3) Stock

In respect of **Stock** the **Insurer** will pay the **Insured** the value of the **Stock** at the time of its **Damage** with adjustment for wear and tear

If at the time of any **Damage** the value of the **Stock** insured under any item is greater than its Sum Insured the **Insured** shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly

4) Index Linking

Where so indicated in the Schedule the Sums Insured shall be adjusted in accordance with fluctuations in suitable indices of cost to be decided upon by the **Insurer**. At each renewal of the Policy the premium shall be calculated on the revised Sums Insured

5) Seasonal Increases

The **Stock** Sums Insured will be deemed to have been increased by 30%

- a) during the months of July and August each year
- b) during the period 1st November each year until 5th January the following year and
- c) for a period of 31 days immediately before Easter Day each year

6) European Union and Public Authorities

The **Insurer** will indemnify the **Insured** for the additional cost of

- a) reinstating the damaged parts of the **Buildings**
- b) upgrading any undamaged parts of the **Buildings**

for an amount not exceeding 15% of the amount that would have been payable if the **Buildings** had been totally destroyed incurred solely by the necessity to comply with any building or other statutory regulations or Public Authority Bylaw or European Community Legislation excluding

- i. any cost resulting from any such requirement first imposed upon the **Insured** before the date of the **Damage**
- ii. the amount of any rate tax duty development or other charge arising out of capital appreciation as a result of complying with any such requirements which may be payable in respect of the **Buildings**

Conditions

- a) The work of reinstatement must be completed within 12 months of the date of the **Damage** or such further period as the **Insurer** may in writing allow
- b) The liability of the **Insurer** for **Damage** to such property including such costs and expenses shall not exceed the Sum Insured stated in the Schedule

7) Removal of Debris

This insurance includes the costs incurred in respect of removal of debris of **Property** insured resulting from **Damage** from an **Insured Peril** excluding

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

The liability of the **Insurer** for **Damage** to such **Property** including such costs and expenses shall not exceed the Sums Insured stated in the Schedule

8) Capital Additions

To the extent that they are not otherwise insured the insurance of **Buildings Tenants' Improvements** and **Contents** shall extend to cover

- a) alterations additions and improvements to **Buildings Tenants' Improvements** and **Contents** but not appreciation of the value of such property
- b) any newly erected or acquired **Buildings Tenants' Improvements** and **Contents** within the **Territorial Limits** from the commencement date of the responsibility of the **Insured**

SECTION 1 – MATERIAL DAMAGE CONTINUED

subject to

- i. the **Insured** advising the **Insurer** of the amendments as soon as practicable on becoming aware of the increase in the extent of cover required and paying the appropriate additional premium
- ii. the Sums Insured for **Buildings Tenants' Improvements** and **Contents** at each location only being increased by the value of the additional property up to no more than 10% of the existing Sums Insured or £250,000 whichever is the lesser at any one location

9) Professional Fees

The insurance by each item on **Buildings Tenants' Improvements** and **Contents** includes an amount for architects' surveyors' consulting engineers' and legal fees incurred in the reinstatement or repair of such property consequent upon its **Damage** but not for preparing any claim. The total liability of the **Insurer** for **Damage** to such property including such fees shall not exceed the Sums Insured stated in the Schedule

10) Contracting Purchaser

Where the **Insured** at the time of **Damage** has contracted to sell their interest in any insured **Building** and the purchase is subsequently completed the contracting purchaser shall be entitled to benefit under the Policy provided that the **Building** is not otherwise insured in respect of such **Damage**

11) Contract Price

In respect only of **Stock** sold but not delivered for which the **Insured** is responsible under the terms of a sale contract which following **Damage** is cancelled due to the contract conditions wholly or to the extent of the **Damage** the liability of the **Insurer** shall be based on the contract price

12) Subrogation Waiver

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

- a) any company standing in the relation of parent or subsidiary to the **Insured** or
- b) any company which is a subsidiary of or a parent company of which the **Insured** themselves are subsidiary in each case within the meaning of the Companies Act or Companies (Northern Ireland) Order current at the time of the **Damage**

13) Other Interests

Interests of third parties which the **Insured** is required to include herein under the terms of any mortgage property lease or hiring leasing or hire purchase agreement are automatically deemed to be held covered subject to notification by the **Insured** to the **Insurer** at the time of the **Damage**

14) Business Books

The basis of settlement of any claim for business books shall be their value as stationery together with the cost of clerical labour expended in their reproduction

Exclusions applying to Section 1 – Material Damage

The **Insurer** shall not be liable for **Damage** to

- a) vehicles licensed for road use (including accessories on them) caravans trailers railway locomotives rolling stock watercraft or aircraft (including drones and other unmanned aerial vehicles)
- b) property or structures in the course of construction or erection and materials or supplies in connection with all such property or structures in the course of construction
- c) land piers jetties bridges culverts or excavations
- d) livestock growing crops or trees
- e) jewellery precious stones precious metals bullion or furs

SECTION 1 – MATERIAL DAMAGE CONTINUED

Conditions

1) Stillage

It is a condition precedent to the **Insurer's** liability for **Damage** by **Insured Perils** 8 9 and 11 that **Property** in the basement or sub basement of the **Premises** be kept at least 10cm above floor level

2) Intruder Alarm System

This condition only applies where an Intruder Alarm Requirement is stated in the Schedule as being applicable under Section 1 - Material Damage

It is a condition precedent to the **Insurer's** liability for **Damage** by **Insured Peril** 7 that in respect of the **Intruder Alarm System** installed at the **Premises**

- a) the **Intruder Alarm System** is maintained in full and effective working order under a contract to provide corrective and preventive maintenance with the installer or such other contractor agreed by the **Insurer** in writing
- b) the **Premises** are not left unattended
 - i. unless the **Intruder Alarm System** is tested and set in its entirety and is together with the means of communication used to transmit or receive signals in full and effective operation
 - ii. where the police have withdrawn their response to alarm activation
- c) the **Intruder Alarm System**
 - i. is installed in accordance with a specification agreed in writing by the **Insurer**
 - ii. must not be altered or amended in any way unless such amendment or alteration has been approved by the **Insurer** and no alteration or substitution of the structure of the **Premises** or changes to the layout of the **Premises** which would affect the effectiveness of the **Intruder Alarm System** shall be made without the written consent of the **Insurer**
 - iii. maintenance contract must not be altered or substituted without the written consent of the **Insurer**
 - iv. procedures agreed by the **Insured** for the police or any other response to any activation of or other warning signal pertaining to the **Intruder Alarm System** must not be altered or substituted without the written consent of the **Insurer**
- d) the **Insured** must
 - i. maintain secrecy of the codes for the operation of the **Intruder Alarm System** and no details of such codes shall be left on the **Premises** when the **Premises** are left unattended
 - ii. immediately notify the **Insurer** upon receipt of any communication giving notice that the level response to the **Intruder Alarm System** has been or will be reduced
 - iii. appoint at least 2 **Keyholders** and lodge written details with the alarm company
- e) in the event of notification of
 - i. any alarm fault
 - ii. activation of the **Intruder Alarm System**
 - iii. interruption of the means to transmit or receive signals to or from the **Intruder Alarm System** during the period that the **Intruder Alarm System** is set

a **Keyholder** must attend the **Premises** as soon as possible in order to confirm the security of the **Premises** and reset the **Intruder Alarm System** in its entirety

If the **Intruder Alarm System** cannot be reset in its entirety or all means of communication used to transmit signals are not in full operation a **Keyholder** must remain at the **Premises** unless otherwise agreed in writing by the **Insurer**

3) Fire Extinguishing Appliances

It is a condition precedent to the **Insurer's** liability under Section 1 - Material Damage that the fire extinguishing appliances at the **Premises** whether installed at the commencement of this insurance or subsequently at the request of or with the knowledge of the **Insurer** shall be maintained in good working order

SECTION 1 – MATERIAL DAMAGE CONTINUED

The **Insured** undertakes to maintain the said appliances in efficient working order during the Period of Insurance Subject to observance of this undertaking Section 1 – Material Damage of this Policy shall not be invalidated by any defect in any of the said appliances due to any circumstances unknown or beyond the control of the **Insured**

4) Roof Maintenance

It is a condition precedent to the **Insurer's** liability under Section 1 – Material Damage that

- a) any section of flat felted roof over 7 years old is inspected at least once every two years by a competent builder or qualified property surveyor and any defect identified by that inspection is repaired immediately
- b) any roof valley guttering is checked annually for blockages or defects and any remedial action required is immediately implemented

5) Removal of Waste

It is a condition precedent to the **Insurer's** liability under Section 1 – Material Damage that all waste and refuse is swept up daily and removed completely from the **Premises** at least once a week and a record of removal is kept

6) Minimum Level of Security

It is a condition precedent to the **Insurer's** liability for loss or **Damage** by **Insured Peril 7** under the Policy that the **Insured** shall have in place in full working order and in operation whenever the **Premises** are closed for business or left unattended the following minimum level of security or such level as is specified in the Schedule

- a) the final exit door of the **Insured's** portion of the **Buildings** is to be fitted with either
 - i. for timber or steel framed doors a mortice deadlock that has 5 or more levers and matching box striking plate which conform to BS 3621 or
 - ii. for timber or steel framed doors a rim latch deadlock that conforms to BS 3621
- b) all other external doors and internal doors giving access to any part of the buildings not occupied by the **Insured** are to be fitted with either
 - i. as described in a) i. and ii. above or
 - ii. 2 key-operated security bolts for doors fitted approximately 30cms from the top and bottom of the doors respectively
- c) aluminium or UPVC framed doors are to be fitted with integral cylinder key operated mortice deadlocks
- d) all ground floor and basement opening windows/skylights and other opening windows/skylights accessible from roofs decks balconies fire escapes canopies down pipes are to be fitted with key operated window locks. This requirement does not apply to windows/skylights which are protected by solid steel bars grilles gates expanded metal or weld-mesh securely fixed to the brickwork surrounding the window
- e) all manually operated roller shutters are to be secured by either
 - i. two key operated security shutter locks with the locking mechanisms positioned as close as possible to the bottom of the shutter to prevent it from being prised up to allow entry or
 - ii. with a close shackle padlock conforming to Security Grade 4 of BS EN 12320 or
 - iii. as e) i. above together with the roller shutter manufacturer's corresponding locking bar
- f) all electrically operated doors must be secured by either
 - i. an internal opening switch locked in the off position by means of an integral lock and/or padlock or
 - ii. such doors are to have the power supply to the operating switch isolated at a suitable electrical power distribution board which is secured against unauthorised use and/or
 - iii. the security level as detailed in e) above

Any door or window officially designated a fire exit by the fire authority is excluded from these requirements. These are to be secured internally by panic bolts or fire exit bolts. Any additional devices are to be approved by the local Fire Prevention Officer

7) Portable Heaters

It is a condition precedent to the **Insurer's** liability under Section 1 – Material Damage that portable naked flame gas or paraffin heaters are not used on the **Premises**

SECTION 2 – BUSINESS INTERRUPTION

In the event of **Damage** to the **Property** used by the **Insured** for the purposes of the **Business** carried on by the **Insured** at the **Premises** during the Period of Insurance from the **Insured Perils** under Section 1

- a) resulting in interruption or interference with the **Business** or
- b) which prevents the **Insured** from tracing or establishing customers' **Outstanding Debit Balances** in whole or in part as a result of the **Insured's** books of account at the **Premises** being damaged

the **Insurer** will indemnify the **Insured**

- i. in respect of a) the amount of loss resulting from such interruption or interference provided that at the time of the **Damage** there shall be in force an insurance covering the interest of the **Insured** in the **Property** at the **Premises** and that liability shall be admitted or payment made therefore or payment would have been made or liability admitted but for the operation of a proviso in the insurance excluding liability for losses below a specified amount
- ii. in respect of b) the amount of loss resulting from the **Damage**

The liability of the **Insurer** under this Section shall not exceed in respect of any item its Sum Insured or Limit stated in this Policy or the Schedule at the time of the event

Clause

Reinstatement Following a Loss

The liability of the **Insurer** under this Section shall not exceed the Sum Insured or Limit remaining after deduction for any other interruption or interference resulting from **Damage** occurring during the same Period of Insurance unless the **Insurer** has agreed to reinstate any such Sum Insured or Limit

Basis of Settlement Clauses

1) Gross Profit

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

- a) the amount payable in respect of a reduction in **Turnover** shall be the sum produced by applying the **Rate of Gross Profit** to the amount by which the **Turnover** shall fall short of the **Standard Turnover** during the **Indemnity Period** as a result of the **Damage**
- b) the amount payable in respect of the **Increased Cost of Working** as a result of the **Damage** not exceeding the sum produced by applying the **Rate of Gross Profit** to the amount of the reduction in **Turnover** thereby avoided

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

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

2) Average

If the Sum Insured is less than the **Gross Profit** for the 24 months immediately prior to the occurrence of **Damage** the amount payable shall be proportionately reduced after due provision has been made for the trend or variation in or other circumstances affecting or which would have affected the **Business** either before or after the **Damage**

3) Specified Working Expenses

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

SECTION 2 – BUSINESS INTERRUPTION CONTINUED

4) Alternative Trading

If during the **Indemnity Period** work is done or services rendered elsewhere than at the **Premises** for the benefit of the **Business** either by the **Insured** or by others on behalf of the **Insured** the amount paid or payable in respect of such work or services shall be accounted for in arriving at the **Turnover** during the **Indemnity Period**

5) Departmental

If the **Business** is conducted in departments the independent trading results of which are ascertainable the basis of **Gross Profit** shall apply separately for each department

6) Accountants' and Auditors' Charges

The **Insurer** will pay to the **Insured** the charges payable by the **Insured** to their professional accountants and auditors for producing and certifying any particulars or details or any other proofs information or evidence as may be required by the **Insurer** under the terms of this Section and reporting that such particulars or details are in accordance with the **Insured's** books or documents

7) Current Cost Accounting

For the purpose of this Section any adjustment implemented in current cost accounting shall be disregarded

8) Outstanding Debit Balances

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

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

9) Value Added Tax

To the extent that the **Insured** is accountable to the tax authorities for Value Added Tax all terms in this Section shall be exclusive of such tax

10) Payments on Account

Payments on account will be made to the **Insured** during the **Indemnity Period** if so requested subject to appropriate adjustment at the end of the **Indemnity Period**

Extensions to Section 2

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

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

1) Premises Closure or Restrictions

- a) closure or restrictions placed on the **Premises** on the advice of or with the approval of the Medical Officer of Health for the Public Authority as a result of a **Notifiable Human Disease** occurring at the **Premises**
- b) injury or illness sustained by any person caused by or traceable to foreign or injurious matter in food or drink sold from the **Premises** by the **Insured**
- c) vermin and pests at the **Premises**
- d) closure of the whole or part of the **Premises** by order of the Public Authority consequent upon defects in the drains and other sanitation at the **Premises**
- e) murder or suicide occurring at the **Premises**

subject to a maximum of £50,000 for any one loss

The **Insurer** shall not be liable under this extension for costs incurred in cleaning repair replacement recall or checking of property

SECTION 2 – BUSINESS INTERRUPTION CONTINUED

2) Suppliers

Damage from the **Insured Perils** at the premises of any of the **Insured's** suppliers manufacturers or processors within Great Britain Northern Ireland the Channel Islands or the Isle of Man but excluding the premises of any supply undertaking from which the **Insured** obtains electricity gas water or telecommunications services subject to a maximum of £100,000 for any one loss

3) Denial of Access

Damage from the **Insured Perils** to property within a one mile radius of the **Premises** which shall prevent or hinder the use of or access to the **Insured's Premises** whether or not there has been **Damage** to the **Premises** or **Property** of the **Insured** but excluding the property of any supply undertaking from which the **Insured** obtains electricity gas water or telecommunications services subject to a maximum of £100,000 for any one loss

4) Accidental Failure of Public Supply

Accidental failure at the terminal ends of the public supply undertakings' feed to the **Premises** of electricity gas water or telecommunications services as a direct result of damage subject to a maximum of £100,000 for any one loss and providing the cessation of supply is of at least 30 minutes in respect of electricity gas or water and for a minimum of 8 consecutive hours in respect of telecommunications excluding

- a) atmospheric solar or lunar conditions causing temporary interference with transmission to or from any satellite
- b) total or partial failure of the public supply occasioned by strike or lock-out total or partial withdrawal of labour or total or partial cessation of work

5) Goods in Transit

Damage to Goods in Transit if insured by Section 1 and for which the **Insurer** has admitted liability subject to a maximum of £25,000 for any one loss

6) Documents

Damage from the **Insured Perils** to documents belonging to or held in trust by the **Insured** whilst temporarily at premises not in the occupation of the **Insured** or whilst in transit by road rail or inland waterway in Great Britain Northern Ireland the Channel Islands or the Isle of Man subject to a maximum of £25,000 for any one loss

7) Storage Sites

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

8) Contract Sites

Damage from the **Insured Perils** at any situation in Great Britain Northern Ireland the Channel Islands or the Isle of Man where the **Insured** is carrying out a contract subject to a maximum of £25,000 for any one loss

9) National Lottery Winners

An **Employee** or **Employees** terminating their employment with the **Insured** as a direct result of a confirmed win during the Period of Insurance on the National Lottery in the United Kingdom or Euro Millions Lottery

Provided that

- a) the **Insurer's** liability under this extension in total for all claims or series of claims, arising out of any one original cause, shall not exceed £25,000
- b) the **Indemnity Period** under this Extension shall not exceed 1 month
- c) The amount won by any **Employee** or **Employees** is not less than £100,000

Definition applying to this Extension

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

Indemnity Period

The period beginning with the date of the confirmed win on the National Lottery in the United Kingdom or Euro Millions Lottery and ending when the **Business** shall cease to be affected by such win

SECTION 2 – BUSINESS INTERRUPTION CONTINUED

Exclusions

- 1) The **Insurer** shall not be liable for **Increased Cost of Working** due to
 - a) failure of any satellite prior to its obtaining its full operating function or while in or beyond the final year of its design life
 - b) atmospheric solar or lunar conditions causing temporary interference with transmission to or from any satellite
- 2) The **Insurer** shall not be liable under this Section for loss arising directly or indirectly from
 - a) erasure loss distortion or corruption of information on computer systems or other records programs 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 programs or software unless resulting from the **Insured Perils** insofar as it is not otherwise excluded

Condition

Debit Recording and Storage

On a monthly basis the **Insured** shall record the total amount of **Outstanding Debit Balances** as set out in business books of account and such record shall be kept elsewhere than the **Insured's Premises**

Additional Cover

All terms exclusions and conditions of Sections 1 and 2 apply to this Additional Cover in addition to those shown below

Loss of Licence

This Additional Cover is operative only if stated in the Schedule

The **Insurer** will indemnify the **Insured** for loss of a granted **Licence** being revoked or for the refusal to renew the **Licence** after due and proper application for renewal due to a cause beyond control of the **Insured**

The amount payable shall be

- a) the depreciation in value of the interest of the **Insured** in the **Premises** or the **Business**
- b) the costs and expenses incurred by the **Insured** with the prior written consent of the **Insurer** in connection with any appeal in respect of the revoking of or refusal to renew such **Licence**
- c) the loss of **Gross Profit** due to reduction in **Turnover** and **Increased Cost of Working**
 - i. the amount payable in respect of a reduction in **Turnover** shall be the sum produced by applying the **Rate of Gross Profit** to the amount by which the **Turnover** shall fall short of the **Standard Turnover** during the **Indemnity Period** as a result of the loss of **Licence**
 - ii. the amount payable in respect of the **Increased Cost of Working** as a result of the loss of **Licence** not exceeding the sum produced by applying the **Rate of Gross Profit** to the amount of any reduction in the **Turnover** thereby avoided

less any sum saved during the **Indemnity Period** in respect of such charges and expenses of the **Business** payable out of **Gross Profit** as may cease or be reduced as a result of the loss of **Licence**

The liability of the **Insurer** under this Additional Cover shall be restricted to the Limit stated in the Schedule

Definition applying to this Additional Cover

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

Indemnity Period

The period beginning with the loss of **Licence** and ending not later than twelve months thereafter during which the results of the **Business** shall be affected in consequence of the loss of **Licence** provided that if the **Premises** are disposed of within the 12 months after the loss of **Licence** the **Indemnity Period** shall terminate either

- a) upon disposal

SECTION 2 – BUSINESS INTERRUPTION CONTINUED

or

b) 12 months from the loss of **Licence**

whichever is the earlier

Exclusions

The **Insurer** shall not be liable for

- a) any loss to the **Insured** by virtue of any legislation relating to the **Licence**
- b) any loss arising from the revoking of any extension to the normal opening hours
- c) any loss arising from the revoking of or refusal to renew the **Licence**
 - i. arising from any town or country planning improvement or redevelopment or compulsory purchase or the surrender reduction or redistribution of **Licences**
 - ii. by the misconduct neglect or connivance of the **Insured** or failure by them to take steps necessary for keeping the **Licence** in force
- d) any loss relating directly or indirectly to a personal **Licence** issued to the **Insured** or **Employee** of the **Insured**
- e) any loss arising from the forfeiture of the **Licence** on the suspicion of illegal drug dealing at the **Premises**
- f) any loss arising from forfeiture of the **Licence** caused by alteration of the **Premises** without the consent of the appropriate authority
- g) any loss arising from the **Premises**
 - i. being closed for any period which is not required by law
 - ii. not being maintained in a sanitary condition or satisfactory state of repair
- h) payment of whatever nature due to the licensing authority by the **Insured**

Conditions

It is a condition precedent to the **Insurer's** liability for any loss or payment under this additional cover that

- a) immediate notice must be given in writing to the **Insurer** by the **Insured** in the event of any
 - i. change in tenancy use or management of the **Premises**
 - ii. transfer or proposed transfer of the **Licence**
 - iii. complaint against the **Premises** or the control of the **Premises**
 - iv. proceedings against or conviction of the **Insured** manager tenant or occupier of 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 their honesty moral standing or sobriety
 - v. objection to renewal or other circumstances which might endanger the renewal of the **Licence**
- b) in the event of the revoking or refusal of renewal of the **Licence** the **Insured** must notify the **Insurer** in writing within 24 hours after the order by the authorities of the event which has resulted in forfeiture or refusal of renewal of the **Licence** and also state as far as the **Insured** is able the grounds upon which such order has been made or particulars of such event

SECTION 3 – EQUIPMENT BREAKDOWN

In the event of an **Accident** at the **Premises** the **Insurer** will indemnify the **Insured** in respect of direct physical loss or damage and any specified consequential loss to **Covered Equipment** owned by the **Insured** or for which the **Insured** is responsible.

The liability of the **Insurer** under this Section shall not exceed £1,000,000 for any one **Accident**

Within this amount the liability of the **Insurer** shall not exceed

- a) £500,000 for any one **Accident** to **Computer Equipment**
- b) £5,000 for any one **Accident** to **Portable Computer Equipment**

Definitions

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

Accident(s)

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

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

Anchor location

A well-known third party business which is responsible, and which the **Insured's Business** depends upon, for attracting customers to the **Premises** specified in the Schedule

Biomass and Biogas Installation(s)

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

Breakdown

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

Collapse

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

SECTION 3 – EQUIPMENT BREAKDOWN CONTINUED

Computer Equipment

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

Computer Media

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

Covered Equipment

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

- a) which is built to operate under vacuum or pressure (other than the weight of its contents); or
- b) that generates transmits stores or converts energy; or
- c) which is **Computer Equipment**

Excluding

- a) any supporting structure foundation masonry brickwork or cabinet
- b) any insulating or refractory material
- c) any vehicle aircraft floating vessels or any equipment mounted thereon (other than vehicle recovery crane or equipment which is included but not the actual vehicle)
- d) self-propelled plant and equipment (other than fork lift trucks and pallet trucks used by the **Insured** at their **Premises**) dragline excavation or construction equipment
- e) equipment manufactured by the **Insured** for sale
- f) safety or protective devices due to their functioning
- g) tools dies cutting edges crushing surfaces trailing cables non-metallic linings driving belts or bands or any part requiring periodic renewal
- h) any electronic equipment (other than **Computer Equipment**) used for research diagnostic treatment experimental or other medical or scientific purposes with a new replacement value in excess of £30,000
- i) any **Manufacturing Production** or **Process Equipment** including linked **Computer Equipment**
- j) any electricity generating equipment other than emergency back-up power equipment or wind turbines less than 10kw or photovoltaic equipment less than 50kw
- k) any kitchen and food preparation equipment laundry and cleaning equipment audio-visual equipment and **Computer Equipment** whilst in a private dwelling or private dwelling quarters (unless such equipment is the **Property** of the **Insured** or for which they are responsible)
- l) any **Biomass or Biogas Installation**
- m) any **Hydroelectric Installation**

Electronic Derangement

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

Electronic Derangement does not include

- a) the rebooting, reloading or updating of software or firmware
- b) the incompatibility of **Covered Equipment** with any software or equipment installed, introduced or networked within the previous 30 days
- c) the **Covered Equipment** being of insufficient size, specification or capacity

SECTION 3 – EQUIPMENT BREAKDOWN CONTINUED

Explosion

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

Hazardous Substance(s)

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

Hydroelectric Installation(s)

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

Manufacturing Production or Process Equipment

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

Portable Computer Equipment

- a) laptops palmtops and notebooks
- b) personal digital assistants (PDAs)
- c) projectors printers scanners and other peripheral devices which are designed to be carried and used in conjunction with other Portable Computer Equipment
- d) removable satellite navigation systems
- e) digital cameras
- f) smartphones

Service Provider(s)

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

Transit

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

Extensions and Sub Limits to Section 3

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

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

1. Away from Premises

The **Insurer** shall provide insurance for direct physical loss or damage and any specified consequential loss from an **Accident** to **Covered Equipment**

- a) during **Transit** anywhere in the United Kingdom, the Channel Islands, the Isle of Man
- b) whilst temporarily removed from the **Premises** specified in the Schedule to anywhere within the United Kingdom, the Channel Islands, the Isle of Man
 - i. as long as the **Covered Equipment** remains under the **Insured's** control, or
 - ii. if it is removed for the purpose of repair, replacement, restoration, service or modification
- c) for **Portable Computer Equipment** at any location or in **Transit** anywhere in the world.

SECTION 3 – EQUIPMENT BREAKDOWN CONTINUED

2. Hazardous Substances

The **Insurer** shall be liable for the additional cost to repair or replace **Covered Equipment** because of contamination by a **Hazardous Substance** including any additional expenses incurred to clean up or dispose of such property

The liability of the **Insurer** shall not exceed £10,000 any one Accident in respect of such additional costs

3. Reinstatement of Data and Computer Increased Costs of Working

The **Insurer** shall be liable for the following costs incurred in consequence of an **Accident** to or **Electronic Derangement** of **Computer Equipment**, including such loss or damage which occurs at the **Insured's Service Provider(s)** premises

a) Reinstating data lost or damaged

The liability of the **Insurer** shall not exceed £50,000 any one **Accident**

Provided that

- i. liability is limited solely to the cost of reinstating data onto **Computer Media**
- ii. the **Insurer** shall not be liable for loss of or damage to software

b) Reasonable costs necessarily incurred in minimising or preventing the resulting interruption or interference to the computer operations of the **Insured**

The liability of the **Insurer** shall not exceed £50,000 any one **Accident** in respect of such additional costs

4. Business Interruption

Provided that the Business Interruption section of this Policy is operative the **Insurer** shall be liable for financial loss caused by or resulting from an **Accident** to **Covered Equipment**, including such loss or damage which occurs at the **Insured's Service Provider(s)** premises

The liability of the **Insurer** in any one Period of Insurance shall not exceed £100,000 under this Extension

The **Insurer** shall not be liable under this Extension for any loss resulting from Extension 11 – Damage to Own Surrounding Property of this Section

5. Anchor Location

Provided that the Business Interruption section of this Policy is operative the **Insurer** shall be liable for financial loss caused by or resulting from an **Accident** to property at an **Anchor Location**

Provided that

- a) the property at the **Anchor Location** is of a similar type and function to the **Covered Equipment** that is the subject of this Section
- b) the **Anchor Location** has been open for business for at least six months prior to the **Accident** and is located within one mile of the **Premises** specified in the Schedule

The liability of the **Insurer** in any one Period of Insurance shall not exceed £50,000 under this Extension

6. Public Authorities/Law or Ordinance

If an **Accident** to **Covered Equipment** damages a **Building** that is covered under this Policy and the loss is increased by enforcement of any public authority ordinance or law in force at the time of the **Accident** that regulates the construction or repair of buildings or establishes zoning or land use requirements the **Insurer** shall be liable for the following additional costs to comply with such ordinance or law:

- a) the **Insured's** actual expenditures for the cost to demolish and clear the site of undamaged parts
- b) the **Insured's** actual expenditures for increased costs to repair rebuild or construct the **Building**. If the **Building** is repaired or rebuilt it must be intended for similar use or occupancy as the current **Building** unless otherwise required by zoning or land use ordinance or law

SECTION 3 – EQUIPMENT BREAKDOWN CONTINUED

The **Insurer** shall not be liable for:

- a) any fine
- b) any liability to a third party
- c) any increase in loss due to a **Hazardous Substance** (other than as specifically insured under Extension 2 of this Section)
- d) increased construction costs until the **Building** is actually repaired or replaced

This Extension is within and does not increase the limit of liability shown in the Schedule

7. Public Relations Costs

In the event of financial loss and with their prior written agreement the **Insurer** will pay the cost for the services of a professional public relations firm to assist the **Insured** in creating and disseminating communications to:

- a) the media
- b) the public
- c) the **Insured's** customers and clients

8. Expediting Expenses

With respect to damaged **Covered Equipment** the **Insurer** shall be liable for the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement

The liability of the **Insurer** shall not exceed £20,000 any one **Accident** under this Extension

9. Hire of Substitute Item

If **Covered Equipment** is damaged as a result of an **Accident** the **Insurer** shall be liable for the cost of hire charges actually incurred by the **Insured** during the Period of Insurance for the necessary hire of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item lost or damaged

The liability of the **Insurer** shall not exceed £10,000 any one **Accident** under this Extension

10. Storage Tanks and Loss of Contents

The insurance under this Section extends to include damage caused by an **Accident** to oil storage tanks or water tanks including connected pipework belonging to the **Insured** or for which the **Insured** is responsible at the **Premises**

In addition this Extension covers loss of the contents of oil storage tanks caused by

- a) escape of contents – leakage discharge or overflow from the oil storage tanks caused by or resulting from an **Accident**
- b) contamination – contamination of the contents of oil storage tanks caused by or resulting from an **Accident** including cleaning costs incurred as a result of such loss

The liability of the **Insurer** shall not exceed £10,000 any one **Accident** under this Extension

11. Damage to Own Surrounding Property

The **Insurer** will pay for damage to **Property** at the **Premises** belonging to the **Insured** or in their custody and control and for which they are responsible directly resulting from the **Explosion** or **Collapse** of any **Covered Equipment** operating under steam pressure

The liability of the **Insurer** shall not exceed £1,000,000 any one **Accident** under this Extension

12. Additional Access Costs

Provided that the Business Interruption section of this Policy is operative the **Insurer** shall be liable under this Extension for any necessary additional costs incurred in order to gain access to repair or replace the **Covered Equipment** following an **Accident**

The liability of the **Insurer** shall not exceed £20,000 any one **Accident** under this Extension

SECTION 3 – EQUIPMENT BREAKDOWN CONTINUED

13. Debris Removal

The **Insurer** shall be liable under this Extension for costs incurred in the removal of debris and protection of **Covered Equipment** following an **Accident**

The liability of the **Insurer** shall not exceed £25,000 any one **Accident**

14. Repair Costs Investigation

With their prior written agreement the **Insurer** will pay costs relating to repair investigations and tests by consulting engineers for damage to **Covered Equipment** following an **Accident** for an amount not exceeding £25,000 any one **Accident**

The **Insurer** shall not be liable under this Extension for fees incurred in preparing a claim under this Section

15. Energy Efficiency Improvements

With their prior written agreement the **Insurer** will pay the additional cost to replace the damaged **Covered Equipment** following an **Accident** with similar equipment that is better for the environment, safer and more efficient than the **Covered Equipment** being replaced

The liability of the **Insurer** shall not exceed 25% of the new replacement cost of the damaged **Covered Equipment** or £25,000 whichever is less

16. Refrigerator Contents

The **Insurer** shall be liable for loss destruction or damage to frozen or chilled foodstuffs drugs or medicines owned by the **Insured** or for which the **Insured** is responsible in any frozen food cabinet deep freezer cold room cold store or refrigerator which is owned by the **Insured** or for which the **Insured** is responsible by or due to a change in temperature caused by an **Accident** or failure of the electricity supply

The **Insurer** shall not be liable for loss destruction or damage caused by

- a) the deliberate act of any electricity undertaking in terminating disconnecting restricting or withholding the public supply of electricity
- b) neglect or misuse
- c) wear tear deterioration of the cabinet or other gradually operating cause
- d) arising as a result of incorrect setting of thermostats or automatic controlling devices

This Extension is provided subject to an aggregate maximum of £15,000 at any one **Premises** in any one Period of Insurance however the **Insurer** shall not be liable for the amount of the **Excess** or 20% of any loss whichever is the greater amount where the frozen food cabinet deep freezer cold room cold store or refrigerator is over 10 years old

Basis of Settlement Clauses

1. Covered Equipment Reinstatement

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

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

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

SECTION 3 – EQUIPMENT BREAKDOWN CONTINUED

Special Provisions

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

Exclusions

1. The **Insurer** will not be liable for loss or damage caused by or resulting from a hydrostatic pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment
2. The **Insurer** will not be liable for loss or damage to data or **Computer Media** of any kind caused by:
 - a) programming error or programming limitation
 - b) computer virus
 - c) introduction of malicious code
 - d) loss of data (other than as specifically provided for under Extension of 3. a) Reinstatement of Data of this Section)
 - e) loss of access
 - f) loss of use
 - g) loss of functionality
3. The **Insurer** will not be liable for loss or damage caused by:
 - a) depletion deterioration corrosion erosion wear and tear or other gradually developing conditions
 - b) any condition which can be corrected by resetting calibrating realigning tightening adjusting or cleaning or by the performance of maintenance

But if loss or damage from an **Accident** results the **Insurer** will be liable for that resulting loss or damage

4. The **Insurer** will not be liable for loss or damage recoverable under any maintenance agreement or any warranty or guarantee
5. The **Insurer** will not be liable to pay for any claim, cost or loss caused by or resulting from the **Insured's** commercial decision to stop trading or the decision of a **Service Provider** to stop or reduce trade with the **Insured** or restrict services.
6. The **Excess** as stated in the Schedule

Conditions

1. Precautions

The **Insured** shall exercise due diligence in:

- a) complying with any statute or order
- b) ensuring that insured items are properly maintained and used in accordance with manufacturers recommendations and in taking reasonable precautions to prevent loss or damage

2. Back-Up Records

The **Insured** must back up original data at least every 7 days.

If a **Service Provider** processes or stores data for the **Insured**, the **Insured** must make sure that the terms of the contract with the **Service Provider** allows for data to be backed up in line with this condition.

The **Insured** must take precautions to make sure that all data is stored safely.

If the **Insured** fails to keep to this condition, the **Insurer** may still pay a claim if the **Insured** can show that formal procedures are in place to keep to this condition and that the failure was an accidental oversight or as a result of circumstances beyond the **Insured's** control.

SECTION 4 – EMPLOYERS’ LIABILITY

In the event of **Injury** sustained by any **Employee** of the **Insured** caused during the Period of Insurance and arising out of and in the course of their employment by the **Insured** for the purposes of the **Business** within the **Territorial Limits** the **Insurer** will indemnify the **Insured** in respect of all sums for which the **Insured** become legally liable to pay as compensation and claimant’s costs and expenses in respect of such **Injury**

The **Insurer** will also pay **Legal Costs** and **Solicitors’ Fees**

Limit of Indemnity

The liability of the **Insurer** under this Section for compensation and claimant’s costs and expenses (and **Legal Costs** and **Solicitors’ Fees**) in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause shall not exceed the Limit of Indemnity stated in the Schedule

Section Definition

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

Territorial Limits

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

Extensions to Section 4

- 1) Court Attendance Compensation

The **Insurer** will indemnify the **Insured** for the costs of attendance at court to help defend or act as a witness in connection with any claim for which the **Insured** is entitled to indemnity under this Section and with the **Insurer’s** agreement up to a maximum of £250 per day per person

- 2) Health and Safety at Work – Legal Defence Costs

The **Insurer** will indemnify the **Insured** and at the **Insured’s** request any director or partner of the **Insured** or any **Employee** against **Legal Costs** incurred in defending prosecutions for a breach of the Health and Safety at Work Act 1974 or similar legislation in Northern Ireland the Channel Islands or the Isle of Man committed or alleged to have been committed in the course of the **Business** during the Period of Insurance. The **Insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given

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

- 3) Indemnity to Other Parties

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

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

Provided that

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

SECTION 4 – EMPLOYERS’ LIABILITY CONTINUED

4) Unsatisfied Court Judgments

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

Provided that

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

5) Corporate Manslaughter and Corporate Homicide – Legal Defence Costs

The **Insurer** will indemnify the **Insured** against **Legal Costs** incurred with the **Insurer’s** written consent in defending prosecutions under the Corporate Manslaughter and Corporate Homicide Act 2007 committed or alleged to have been committed in the course of the **Business** during the Period of Insurance. The **Insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given provided that this indemnity shall not apply to the payment of fines or penalties or the costs of remedial orders or publicity orders

Exclusions

The **Insurer** shall not be liable for

- 1) liability in respect of **Injury** to any **Employee** arising out of the ownership possession or use by or on behalf of the **Insured** of any mechanically propelled vehicle or trailer attached thereto if such liability is required by any road traffic legislation to be the subject of compulsory insurance or other security
- 2) liability in respect of **Injury** to any **Employee** who is working in or on any **Offshore Installation** or any support vessel for any **Offshore Installation** or whilst in transit to or from any **Offshore Installation** or support vessel

Conditions

1) Certificate of Employers’ Liability Insurance

If this Policy or Section is cancelled any Certificate of Employers’ Liability Insurance is similarly cancelled from the same date

2) Compulsory Insurance Legislation

The indemnity granted by this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** in the **Territorial Limits** but the **Insured** shall repay to the **Insurer** all sums paid by the **Insurer** which the **Insurer** would not have been liable to pay but for the provisions of such law

3) Discharge of Liability

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

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

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

4) Other Insurances

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

SECTION 5 – PUBLIC AND PRODUCTS LIABILITY

In the event of accidental

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

occurring during the Period of Insurance and arising out of ownership of the **Premises** or in the course of the **Business** within the **Territorial Limits** the **Insurer** will indemnify the **Insured** in respect of all sums which the **Insured** become legally liable to pay as compensation and claimant's costs and expenses

The **Insurer** will also pay **Legal Costs** and **Solicitors' Fees**

Limit of Indemnity

The liability of the **Insurer** under this Section for compensation in respect of

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

shall not exceed the Limit of Indemnity stated in the Schedule

Costs inclusive in USA and Canada

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

Section Definition

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

Territorial Limits

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

Extensions to Section 5

- 1) Consumer Protection and Food Safety Acts – Legal Defence Costs

The **Insurer** will indemnify the **Insured** and at the **Insured's** request any director partner or **Employee** of the **Insured** against **Legal Costs** incurred with the **Insurer's** written consent in connection with the defence of any proceedings or an 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 the **Insured**
- iii. costs or expenses insured by any other policy

SECTION 5 – PUBLIC AND PRODUCTS LIABILITY CONTINUED

2) Court Attendance Compensation

The **Insurer** will indemnify the **Insured** for the costs of attendance at court to help defend or act as a witness in connection with any claim for which the **Insured** is entitled to indemnity under this Section and with the **Insurer's** agreement up to a maximum of £250 per day per person

3) Cross Liabilities

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

4) Data Protection Act

The **Insurer** will indemnify the **Insured** against liability at law incurred by the **Insured** under Section 13 of the Data Protection Act 1998 in connection with personal data (as defined in such Act) held by the **Insured** provided always that the **Insurer** shall not be liable for

- a) the payment of fines and penalties
- b) the cost of replacing reinstating rectifying or erasing any personal data

5) Defective Premises Act

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

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

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

6) Health and Safety at Work – Legal Defence Costs

The **Insurer** will indemnify the **Insured** and at the **Insured's** request any director or partner of the **Insured** or any **Employee** against **Legal Costs** incurred in defending prosecutions for a breach of the Health and Safety at Work Act 1974 or similar legislation in Northern Ireland the Channel Islands or the Isle of Man committed or alleged to have been committed in the course of the **Business** during the Period of Insurance. The **Insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given

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

7) Indemnity to Other Parties

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

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

Provided that

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

SECTION 5 – PUBLIC AND PRODUCTS LIABILITY CONTINUED

8) Motor Contingent Liability

The **Insurer** will indemnify the **Insured** against legal liability arising out of the use of any motor vehicle in the course of the **Business** anywhere in Great Britain Northern Ireland the Channel Islands or the Isle of Man

Provided that the **Insurer** shall not be liable for

- a) any vehicle owned or provided by the **Insured** or any **Principal** for whom the **Insured** is working or any sub-contractor acting for or on behalf of the **Insured**
- b) damage to such vehicle or to goods conveyed in or on it
- c) any vehicle being driven by the **Insured**
- d) any vehicle being driven by any person who to the knowledge of the **Insured** or of the **Insured's** representative does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
- e) in respect of which the **Insured** is entitled to indemnity under any other insurance

9) Overseas Personal Liability

The **Insurer** will indemnify the **Insured** and if the **Insured** so request any director or partner of the **Insured** or any **Employee** or spouse of such person against legal liability incurred in a personal capacity whilst temporarily outside Great Britain Northern Ireland the Channel Islands or the Isle of Man in connection with the **Business**

The indemnity shall not apply to legal liability

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

10) Corporate Manslaughter and Corporate Homicide – Legal Defence Costs

The **Insurer** will indemnify the **Insured** against **Legal Costs** incurred with the **Insurer's** written consent in defending prosecutions under the Corporate Manslaughter and Corporate Homicide Act 2007 committed or alleged to have been committed in the course of the **Business** during the Period of Insurance. The **Insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given provided that this indemnity shall not apply to the payment of fines or penalties or the costs of remedial orders or publicity orders

Exclusions

The indemnity granted under this Section shall not apply to

1) Advice and Design

Liability arising from advice design formula specification inspection certification or testing provided by or on behalf of the **Insured** for a fee or in circumstances where a fee would normally be charged

2) Damage to Goods Supplied

Liability in respect of

- a) damage to any goods or other property sold supplied delivered installed or erected by or on behalf of the **Insured**
- b) all costs of or arising from the need for making good removal repair rectification replacement or recall of any such goods or property or any defective work carried out by or on behalf of the **Insured**

3) Safety Critical Products and Exports to USA and Canada

Liability in respect of

- a) any **Products Supplied** which to the knowledge of the **Insured** are to be used as a safety critical part in connection with aircraft hovercraft aerial or aero spatial devices watercraft drilling platforms or rigs motor vehicles railways railway locomotives or carriages operational areas of gas chemical nuclear petrochemical or power generation plants or mines
- b) any **Products Supplied** knowingly exported directly or indirectly to the United States of America or Canada or their dependencies or trust territories

SECTION 5 – PUBLIC AND PRODUCTS LIABILITY CONTINUED

4) Fines

Liability in respect of liquidated damages fines penalties exemplary punitive aggravated or multiplied damages

5) Injury to Employees

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

6) Mechanically Propelled Vehicles

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

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

7) Pollution or Contamination

Liability arising

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

8) Property in the Charge or Control of the Insured

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

- a) personal effects or vehicles of any partner director or **Employee** of or visitor to the **Insured**
- b) premises (and their contents) not belonging leased rented or hired to the **Insured** but temporarily in the charge of the **Insured** for the purpose of carrying out work
- c) premises (including their fixtures and fittings) leased rented or hired to the **Insured** but this Section does not cover liability attaching to the **Insured** solely under the terms of any tenancy or other agreement

9) Vessels or Craft

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

10) Work on Offshore Installations

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

11) Asbestos

Any liability of whatsoever nature arising out of the manufacture mining processing distribution testing remediation removal storage disposal sale use of or exposure to asbestos or materials or products containing asbestos

This Exclusion shall not apply in respect of such removal storage or disposal provided that

- a) the **Insurer's** liability in respect of **Injury** loss or damage occurring during any one Period of Insurance shall not exceed £2,000,000 in the aggregate or the amount of the Limit of Indemnity for this Section as stated in the Schedule whichever is the lower
- b) such activity does not form part of the **Insured's** usual trade or **Business** or contract
- c) the discovery of asbestos by the **Insured** is unintentional and accidental

SECTION 5 – PUBLIC AND PRODUCTS LIABILITY CONTINUED

- d) upon discovery of asbestos or products made entirely or mainly of asbestos all work immediately stops
 - e) an HSE licensed asbestos removal contractor who has Employers' Liability and Public and Products Liability insurances in force that
 - i. provide Limits of Indemnity no less than those stated in the Schedule and
 - ii. do not exclude the work to be carried out
- is contracted if legally required to make safe the area in which the discovery is made as soon as is practicable

12) Contractual Liability

Liability which attaches because of a contract or agreement but which would not have attached in the absence of such contract or agreement

13) Manual Work Away

Liability arising from manual work undertaken away from the **Insured's Premises** other than collection or delivery

14) Overseas Representation

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

Conditions

1) Discharge of Liability

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

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

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

2) Other Insurances

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

3) Bona Fide Subcontractors

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

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

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

SECTION 6 – TERRORISM

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

In consideration of the payment of the premium in respect of the **Period of Insurance** the insurance provided under Section 1 - Material Damage and Section 2 - Business Interruption is extended to include **Damage** in England Scotland and Wales (but this shall not include the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987) occasioned by or happening through or in consequence of **Terrorism** and loss consequent on interruption to or interference with the **Business** (but only where such loss is insured under these Sections) resulting from such **Damage**

The **Insurer's** liability in respect of all losses arising out of any one occurrence and in the aggregate in any one **Period of Insurance** shall not exceed the Limits as otherwise specified under these Sections as stated in the Schedule

Section Definitions

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

Nuclear Installation

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

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

Nuclear Reactor

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

Period of Insurance

Means the period commencing from

- a) the Effective Date of the cover provided by this Section as shown in the Schedule or
- b) any subsequent renewal of the Policy and of this Section

Provided that any such Period of Insurance does not exceed twelve calendar months

Private Individual

Means any person other than a

- a) company association or partnership
- b) trustee or body of trustees where insurance is arranged under the terms of a trust
- c) person who owns **Residential Property** for the purpose of a business as a sole trader
- d) person who owns **Residential Property** of which in excess of 20% is commercially occupied

Where

- a) i. the **Residential Property** is occupied by a trustee or a sole trader as a private residence
and
- ii. the property is not a block of flats

each will be deemed to be a Private Individual in respect of that same property

SECTION 6 – TERRORISM CONTINUED

- b) two or more persons have arranged insurance on **Residential Property** in
- i. their several names
- and/or
- ii. the name of the Insured includes the name of a bank building society or other financial institution for the purpose of noting their interest in the property insured
- such persons will be deemed to be a Private Individual in respect of that property

Residential Property

Means

- a) private dwelling houses and flats
- b) household goods and personal effects

Exclusions

This Section does not cover

- 1) loss or destruction of or damage caused to **Residential Property** insured in the name of a **Private Individual**
- 2) loss or destruction of or damage caused to any property at a **Nuclear Installation** or **Nuclear Reactor**
- 3) loss or destruction of or damage caused by riot or civil commotion
- 4) any losses whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from
 - a. the alteration modification distortion corruption of or damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) or
 - b. any alteration modification distortion erasure corruption of data processed by any such computer or other equipment or component or system or item whether the property of the **Insured** or not where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **Virus or Similar Mechanism** or **Hacking** or **Phishing** or **Denial of Service Attack**

Provided also that this Section is not subject to any of the General Exclusions of the Policy other than General Exclusion 1a)

Conditions

- 1) The **Insurer** will not indemnify the **Insured** unless and until
 - a) the **Treasury** issues a certificate certifying that any loss was caused by **Terrorism** or
 - b) in the event of the Treasury refusing to issue such a certificate a tribunal formed by agreement between the **Insurer** and Pool Reinsurance Company Limited decides that the cause of such loss was **Terrorism**
- 2) If in relation to any claim under this Section the **Insured** have failed to fulfil any of the following conditions the **Insured** will lose their right to indemnity or payment for that claim
 - a) the **Insured** must declare to the **Insurer** all property and/or premises owned by them or for which they are responsible including all such property and/or premises of subsidiary companies unless it is the practice of any subsidiary company to effect its own insurance
 - b) the **Insured** must purchase Terrorism insurance from a Pool Reinsurance Company Limited member company in respect of all such property and/or premises
- 3) In any action suit or proceedings where the **Insurer** alleges that any **Damage** or loss resulting from **Damage** is not covered by this Section the burden of proving that such **Damage** or loss is covered will be upon the **Insured**

SECTION 7 – LEGAL EXPENSES

In the event of an **Insured Event** occurring, notified to the **Legal Expenses Helpline** within the time frames specified within this Section, the **Insurer** will indemnify the **Insured** in respect of **Legal Costs and Expenses** up to the **Maximum Amount Payable** providing that the **Insured Event** and any **Proceedings** take place within the **Territorial Limits**

This is a Claims made insurance section meaning only claims notified during the Period of Insurance and

- a) Within 45 days of any circumstances which may give rise to a claims relating to **Identity Fraud** or
 - b) Within 180 days of any other circumstance which may give rise to a claim
- will be considered

Failure to notify a claim within the specified time frame will result in the **Insurer's Representative** declining a claim for indemnity under this Section

Upon notifying a claim for an **Insured Event** the **Insurer's Representative** will appoint the **Insurer's Representative** panel solicitors, or their agents, to handle the **Insured's** case.

The cover and services provided by this Section are subject to the Definitions, terms, Exclusions and Conditions listed within this Section, in addition to the Exclusions and Conditions listed within each Sub-Section.

Definitions

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

ACAS – The Advisory, Conciliation and Arbitration Service which provides free and impartial information and advice to employers and **Employees** on all aspects of workplace relations and employment law.

Adviser – the **Insurer's Representative's** panel solicitors, or their agents, an accountant or other appropriately qualified person, firm or company appointed to act for the **Insured** and/or, and subject to the **Insurer's Representative's** agreement, where **Proceedings** have been issued, another legal Adviser nominated by the **Insured**.

Aggregate Amount Payable – The maximum the **Insurer's Representative** will pay for all claims arising under this insurance in one Period of Insurance. The **Aggregate Amount Payable** is £1,000,000.

Attendance Expenses – Means the actual loss of earnings of any **Employee**, or other officer of the **Insured** for the period they are absent from work to attend at any court or tribunal hearing either:-

- c) as a witness on the **Insured's** behalf and at the request of the **Adviser** in respect of a matter involving a valid claim under this insurance;
- d) as a party to the **Proceedings** and at the request of the **Adviser** in respect of a matter involving a valid claim under this insurance;
- e) while attending Jury Service

For each half or full day of such attendance and shall be calculated on the basis that the period of absence from work shall be calculated to the nearest half day, taking an eight hour day to be a whole day for this purpose and the maximum period for which a claim can be made in respect of any one day

The maximum payable in respect of one eight hour period shall be £100 per person.

Awards of Compensation – Basic and compensatory **Awards of Compensation** which the **Insured** must pay as a result of judgment in a dispute under legislation following a claim under

- a) part a) of Sub-Section E – Employment Disputes and Compensation Award Cover or
- b) an out-of-court settlement of a claim under Part a) of Sub-Section E – Employment Disputes and Compensation Award Cover to which the **Insurer's Representative** have given prior written consent.

Conditional Fee Agreement – An agreement between the **Insured** and the **Adviser** or between the **Insurer's Representative's** and the **Adviser** which sets out the terms under which the **Adviser** will charge the **Insured** or the **Insurer's Representative** for their own fees.

Conflict of Interest – Situations where the **Insurer's Representative's** administer and/or arrange legal expenses insurance on behalf of any other party in the dispute which is the subject of a claim under this Policy.

SECTION 7 – LEGAL EXPENSES CONTINUED

Contract of Employment – A contract of service, whether express or implied, and (if expressed) whether oral or in writing.

Disclosure Breach – Disclosing false information or failing to disclose relevant information in the process of entering into this insurance contract.

Dismissal – The termination of an **Employee's Contract of Employment** by:

- a) the **Insured** giving notice to the **Employee**;
- b) the **Insured** because of an **Employee's** gross misconduct;
- c) the expiry of a limited-term without renewal;
- d) an **Employee** by reason of the **Insured's** conduct.

Any **Dismissals** must be handled in accordance with the advice provided by the **Legal Expenses Helpline** or the formal **ACAS** procedure.

Director – the **Insured's Director(s)** including executive officers.

Employee/Employee(s) – Any person who has entered into or works under (or, where the employment has ceased, worked under) a **Contract of Employment** with the **Insured** in connection with the **Business**.

HMRC – H.M. Revenue and Customs in the United Kingdom.

Identity Fraud – A person or group of persons knowingly using a means of identification belonging to the **Insured** without the **Insured's** knowledge or permission with intent to commit or assist another to commit an illegal act.

Insured –

- a) for Sub-Section D – Motor Prosecution for Directors and Partners Cover: The **Directors** or **Partners**.
- b) for Sub-Section G – Tax Disputes Tax Disputes Cover: The **Insured** (or **Directors** and/or **Partners** thereof)
- c) for Sub-Section N – Jury Service Cover: The person(s) declared to and accepted by the **Insurer's Representative's** or the **Employees** or **Directors**.
- d) for Sub-Section P – Personal Identity Fraud for Directors and Partners Cover: The **Directors** or **Partners**.
- e) for all other Sub-Sections: The **Insured**.

Insured Event – The incident or the start of a transaction or series of incidents which may lead to a claim or claims being made under the terms of this insurance.

- a) Employment: In employment disputes the **Insured Event** will be the receipt of an ET1 Employment Tribunal Claim Form.
- b) Identity Fraud: In a claim arising from **Identity Fraud** the **Insured Event** is a single act or the start of a series of single acts against the **Insured** by one person or group of people.
- c) Tax: In accountancy matters the **Insured Event** arises on the date that the **Insured** or the **Adviser** are contacted either verbally or in writing, by the relevant department of **HMRC** advising the **Insured** of either dissatisfaction with the **Insured's** returns, amounts paid, or notice of intention to investigate.
- d) Criminal Proceedings: In criminal cases the **Insured Event** will be the date that the **Insured** commenced or are alleged to have commenced to violate the criminal law in question.
- e) Jury Service: In a claim arising from jury service the **Insured Event** arises at the end of the period of jury service, at which point the **Insured** can submit a claim.

For the purposes of the **Maximum Amount Payable**, only one **Insured Event** will be regarded as having arisen from all causes or by actions, incidents or events which are related by cause or time.

SECTION 7 – LEGAL EXPENSES CONTINUED

Insurer's Representative's – Arc Legal Assistance Limited acting on behalf of **Insurer**.

- a) Arc Legal Assistance is one of the leading providers of Legal Expenses Insurance in the United Kingdom.
- b) Details of who they are and what they do can be found here: <http://www.arclegal.co.uk/>
- c) Arc Legal Assistance Ltd is authorised and regulated by the Financial Conduct Authority. Arc Legal's Firm Reference Number is 305958. These details can be checked by visiting the Financial Services Register, www.fca.org.uk/register or by contacting the Financial Conduct Authority on 0800 111 6768.

Legal Costs and Expenses – Reasonable unrecovered fees and disbursements properly and necessarily incurred by the **Adviser** with the **Insurer's Representative** prior written authority and any costs incurred by a third party on the standard basis of any **Proceedings**, for which the **Insured** may be made liable by order of a court or by agreement.

Legal Expenses Helpline – The service provided by the **Insurer's Representative's** panel solicitors which allows the **Insured** to obtain advice on any matter which may give rise to a claim under this Section.

- a) the **Legal Expenses Helpline** service may be used by the **Insured** to discuss any problem described within this Section occurring within the United Kingdom, the Channel Islands and the Isle of Man.
- b) the service is provided to assist the **Insured** and the **Insured** should to make full use of it.
- c) the **Insured** must use the **Legal Expenses Helpline** before the **Insured** takes any action, particularly where the **Insured** is proposing to do may result in a claim under this Section.
- d) when contacting the **Legal Expenses Helpline** to provide details of a claim or potential claim, the **Adviser** will take details of the **Insured's** claim over the phone. A paper claim form is not required.
- e) if the **Insured** writes to the **Insurer's Representative's** to provide notification of a claim or potential claim, this must be received within the time periods specified within this Section. Immediate notice in writing must be provided in respect of
 - i. any **Proceedings** or suit made or brought against the **Insured** or believed to be under consideration
 - ii. any summons or other process served or threatened to be served
 - iii. any event which may give rise to **Proceedings** against the **Insured**.

Telephone: 0800 0321 145. Full service contact details are shown in the Schedule

Maximum Amount Payable – The maximum sum payable by the **Insurer's Representative** in respect of an **Insured Event**, subject to the **Aggregate Amount Payable**.

The limits for each Sub-Section of cover are as stated below:

- | | |
|---------------------------------------|----------|
| a) Sub-Section N – Jury Service Cover | £1,000 |
| b) All other Cover Sub-Sections: | £100,000 |

Partner – A member of the **Insured's** partnership

Proceedings – Civil, criminal, tribunal or arbitration proceedings or appeals arising from them brought in the **Territorial Limits**.

Standard Legal Costs and Expenses – The level of **Legal Costs and Expenses** that would normally be incurred by the **Insurer's Representative** in using an **Adviser** of the **Insurer's Representative's** choice, including the **Insurer's Representative's Conditional Fee Agreement**.

Statutory Licence – A licence issued under statute or statutory instrument or by government or local authority to the **Insured** where the licence is necessary to engage in the **Insured's Business**.

Territorial Limits – Great Britain, Northern Ireland, Channel Islands and the Isle of Man

SECTION 7 – LEGAL EXPENSES CONTINUED

Legal Expenses Cover & Services

The following Sub-Sections describe the cover (Sub-Sections A to P) and service (Sub-Section Q) provided by this Section

All terms exclusions and conditions of Section 7 apply to these Sub-Sections in addition to those shown below as applying to each Sub-Section

Sub-Section A – Contract Cover

The **Insurer** will indemnify the **Insured** for **Legal Costs and Expenses** arising from any dispute between the **Insured** and a customer or supplier about a contract for the supply of goods or services where the total amount in dispute, (or the amount due to be paid at the time of the dispute), is at least £500.

Exclusions

The **Insurer** shall not be liable for claims

- a) for the recovery of a debt from a customer where the customer does not dispute that the money is owed to the **Insured**;
- b) for any dispute the **Insured** may have as a landlord or a tenant in connection with a lease or licence or tenancy agreement;
- c) for the defence of any matter which should be covered under a professional indemnity insurance;
- d) arising from a dispute over a financial services product, including payments which may be due under an insurance policy;
- e) arising from a dispute with an **Employee** or former **Employee** related to a **Contract of Employment**;
- f) arising from any licence or franchise agreements;
- g) resulting from an event where the **Insured** have not notified the **Legal Expenses Helpline** within 180 days of the event and within the Period of Insurance
- h) where the **Insured** has not followed the advice of the **Legal Expenses Helpline**
- i) **Legal Costs and Expenses** incurred prior to the **Insurer's Representative** accepting the **Insured's** claim

Conditions

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** has notified details of the claim to the **Legal Expenses Helpline**:
 - i. as soon as possible upon becoming, or should reasonably have been, aware of any event which has resulted in, or could result in an **Insured Event**
 - ii. before instructing an **Adviser**
 - iii. within 180 days of the event and within the Period of Insurance
- b) the **Insured** follows the advice of the **Legal Expenses Helpline**.

SECTION 7 – LEGAL EXPENSES CONTINUED

Sub-Section B- Debt Recovery Cover

The **Insurer** will indemnify the **Insured** for **Legal Costs and Expenses** incurred in order to recover money and interest due arising from a contract for the sale or supply of goods or services entered into after the start of the first Period of Insurance and where the total amount in dispute, or the amount due to be paid at the time of the dispute, is at least £500.

Exclusions

The **Insurer** shall not be liable for claims

- a) relating to a lease or licence or tenancy agreement;
- b) relating to a financial services product, including payments which may be due under an insurance policy;
- c) for the recovery of any amount due which the other party disputes on the basis of a defence.
- d) resulting from an event where the **Insured** have not notified the **Legal Expenses Helpline** within 180 days of the event and within the Period of Insurance
- e) where the **Insured** has not followed the advice of the **Legal Expenses Helpline**
- f) **Legal Costs and Expenses** incurred prior to the **Insurer's Representative** accepting the **Insured's** claim

Conditions

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** has notified details of the claim to the **Legal Expenses Helpline**:
 - i. as soon as possible upon becoming, or should reasonably have been, aware of any event which has resulted in, or could result in an **Insured Event**
 - ii. before instructing an **Adviser**
 - iii. within 180 days of the event and within the Period of Insurance
- b) the **Insured** follows the advice of the **Legal Expenses Helpline**.

Sub-Section C – Prosecution Defence for Employers and Employees Cover

The **Insurer** will indemnify the **Insured** for **Legal Costs and Expenses** incurred by:

- a) the **Insured** arising from any act or omission – or alleged act or omission – which leads to the **Insured's** prosecution in a court of criminal jurisdiction
- b) the **Insured** arising from appeals by the **Insured** against the service of improvement and prohibition notices under The Health and Safety at Work Act 1974 or the Food Safety Act 1990.
- c) the **Insured's Employees** or **Directors**, concerning any matter arising out of his or her duties as the **Insured's Employee** arising from any act or omission, or alleged act or omission, which leads to the prosecution of the **Insured's Employee** in a court of criminal jurisdiction.

Exclusions

The **Insurer** shall not be liable for claims

- a) arising from deliberate discrimination by the **Insured**, or an **Employee** or a **Director** amounting to an act of unlawful discrimination;
- b) for incidents dealt by the Health and Safety Executive under the Fee for Intervention (FFI) cost recovery schemes under the Health and Safety (Fees) Regulations 2012;
- c) arising from a motor prosecution;
- d) arising from the **Insured's** prosecution alleging:
 - i. intentional obstruction of a person in the execution of a warrant issued under the Data Protection Act 1998 by the **Insured** or by an **Employee**;
 - ii. arising from the **Insured's**, or an **Employee's**, failure to give a person executing such a warrant the assistance they reasonably require for its execution;
 - iii. arising from prosecutions of **Employees** for personal matters which do not relate to their duties as the **Insured's Employees**.

SECTION 7 – LEGAL EXPENSES CONTINUED

- e) resulting from an event where the **Insured** have not notified the **Insurer's Representative** within 180 days of the event and within the Period of Insurance
- f) where the **Insured** do not obtain specific authorisation from the **Legal Expenses Helpline**
- g) where the **Insured** do not seek or follow the advice provided by the **Legal Expenses Helpline**
- h) where the **Insured** has not followed the advice of the **Legal Expenses Helpline**.
- i) **Legal Costs and Expenses** incurred prior to the **Insurer's Representative** accepting the **Insured's** claim

Conditions

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** has notified details of the claim to the **Legal Expenses Helpline**:
 - i. as soon as possible upon becoming, or should reasonably have been, aware of any event which has resulted in, or could result in an **Insured Event**
 - ii. before instructing an **Adviser**
 - iii. within 180 days of the event and within the Period of Insurance
- b) the **Insured** obtain specific authorisation from the **Legal Expenses Helpline** and seek and follow the advice provided by the **Legal Expenses Helpline** on:
 - i. becoming aware of an event which could lead to a prosecution being brought under health and safety legislation; or
 - ii. being contacted by the Police or any enforcing authority informing the **Insured** of an intention to prosecute or to question or interview the **Insured** about an alleged offence, or event which could result in an offence being committed.

Sub-Section D – Motor Prosecution for Directors and Partners of the Business Cover

The **Insurer** will indemnify the **Insured** for **Legal Costs and Expenses** to defend **Proceedings** in respect of a motoring offence, arising from the **Insured's** use of a vehicle which does not relate to the business covered under this insurance. Pleas in mitigation are covered where there is a more than 50% prospect of such a plea materially affecting the likely outcome.

Exclusions

The **Insurer** shall not be liable for claims

- a) for alleged road traffic offences where the **Insured** did not hold or were disqualified from holding a licence to drive or are being prosecuted for driving whilst under the influence of alcohol or non-prescribed drugs, or prescription medication where the **Insured** have been advised by a medical professional not to drive.
- b) for **Standard Legal Costs and Expenses** where the **Insured** are entitled to a grant of legal aid from the body responsible for its administration, or where funding is available from another public body, a trade union, employer or any other insurance policy
- c) for parking offences which cannot lead to penalty points on the **Insured's** licence
- d) for **Standard Legal Costs and Expenses** incurred in excess of any costs the **Insured** are able to recover under a Defendants Costs Order
- e) resulting from an event where the **Insured** have not notified the **Legal Expenses Helpline** within 180 days of the event and within the Period of Insurance
- f) where the **Insured** has not followed the advice of the **Legal Expenses Helpline**.
- g) **Legal Costs and Expenses** incurred prior to the **Insurer's Representative** accepting the **Insured's** claim

SECTION 7 – LEGAL EXPENSES CONTINUED

Conditions

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** has notified details of the claim to the **Legal Expenses Helpline**:
 - i. as soon as possible upon becoming, or should reasonably have been, aware of any event which has resulted in, or could result in an **Insured Event**
 - ii. before instructing an **Adviser**
 - iii. within 180 days of the event and within the Period of Insurance
- b) the **Insured** follows the advice of the **Legal Expenses Helpline**.

Sub-Section E – Employment Disputes and Compensation Awards Cover

The **Insurer** will indemnify the **Insured** for **Legal Costs and Expenses** incurred by the **Insured**

- a) in defence of **Proceedings** brought in an employment tribunal, arising from a dispute with an **Employee** or ex-**Employee** relating to:
 - i. the **Contract of Employment** with the **Insured**;
 - ii. actual or alleged breaches of their statutory rights under employment legislation
- b) **Awards of Compensation** made against the **Insured** arising from claims under section a) above

Exclusions

The **Insurer** shall not be liable for claims

- a) for redundancy payments or an award or settlement in relation to **Employees** dismissed because of redundancy where the **Insured** have failed to comply with the legal requirements relating to redundancy;
- b) arising from the **Dismissal** of any **Employee** or change to an **Employees** terms of employment unless the **Dismissal** or change to an **Employees** terms of employment is handled in accordance with either the advice provided and procedures laid down by the **Legal Expenses Helpline**, as described in the Conditions of this Sub-Section or the formal **ACAS** procedure;
- c) arising where the **Insured Event** was
 - i. less than 90 days after the start of the first Period of Insurance
 - ii. less than 180 days after the start of the first Period of Insurance if the **Employee** was at that time subject to disciplinary **Proceedings** or any verbal or written warning
 - iii. otherwise resulting from an event where the **Insured** have not notified the **Insurer's Representative** within 180 days of the event and within the Period of Insurance
- d) for any **Awards of Compensation** made against the **Insured** relating to trade union activities including membership or non-membership;
- e) for any **Awards of Compensation** made because of the **Insured's** failure to provide written reasons for **Dismissal**;
- f) for any compensatory award specified in a reinstatement or re-engagement order or made because of the **Insured's** failure to provide written reasons for a **Dismissal**;
- g) relating to pension rights;
- h) where the **Insured** has not obtained specific authorisation from the **Legal Expenses Helpline**
- i) where the **Insured** has not sought or followed the advice or procedure provided by the **Legal Expenses Helpline**.
- j) has not immediately notified the **Legal Expenses Helpline** where a form ET1 (claim form) has been received from an employment tribunal

SECTION 7 – LEGAL EXPENSES CONTINUED

Conditions

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** must give the **Insurer's Representative** immediate notice in writing of any **Proceedings** or suit made or brought against the **Insured** or believed by the **Insured** to be considered and any summons or other process served or threatened to be served and any event which may give rise to **Proceedings** against the **Insured**.
- b) the **Insured** have either:
 - i. followed the formal **ACAS** procedure
 - ii. obtained specific authorisation from the **Legal Expenses Helpline** and sought and followed the advice and procedure provided by the **Legal Expenses Helpline**
 - prior to carrying out any disciplinary procedure or action or suspension of an **Employee**;
 - prior to **Dismissal** of an **Employee**;
 - prior to notifying an **Employee** of their intended retirement date or retiring an **Employee**;
 - prior to instituting a redundancy programme and prior to making an **Employee** redundant;
 - upon notification formally or informally of a grievance from an **Employee** or ex-**Employee**;
 - upon notification formally or informally of a complaint relating to discrimination victimisation or harassment because of age, disability, gender reassignment, marriage/civil partnership, pregnancy/maternity, race, religion or belief, sex or sexual orientation;
 - prior to any adverse variation or proposed adverse variation of the terms and conditions of employment (including altering the hours or time or place worked or demotion or deduction from or reduction in an **Employee's** remuneration);
 - immediately an **Employee** walks out with or without written notice;
 - upon receipt of an appeal from an **Employee** or ex-**Employee** against a decision taken as a result of a disciplinary or grievance procedure or retirement procedure or a decision to dismiss
 - arising out of or in connection with any business transfer or purported business transfer falling within the scope of the Transfer of Undertakings (Protection of Employment) Regulations 2006 or the Acquired Rights Directive.
- c) the **Insured** immediately notify the **Legal Expenses Helpline** if the **Insured** receive a form ET1 (claim form) from an employment tribunal
 - i. immediate notification must be provided as there is a statutory 28 days' time limit for returning a response form (ET3) or responding on-line
 - ii. the response form should be left blank for completion by the **Insured's Adviser**.
- d) where a former **Employee** requests a written statement of reasons for **Dismissal**, the **Insured** must contact the **Legal Expenses Helpline** no later than 7 days from the request and prior to the statement being given.
- e) where the **Insured** intend to make a significant alteration to an **Employee's** terms of employment the **Insured** must telephone the **Legal Expenses Helpline** first and follow their advice.
- f) the **Insured** notifies the claim to the **Legal Expenses Helpline** within 180 days of the event and within the Period of Insurance

SECTION 7 – LEGAL EXPENSES CONTINUED

Sub-Section F – Service Occupancy Cover

The **Insurer** will indemnify the **Insured** for **Legal Costs and Expenses** to pursue an **Employee** or ex-**Employee** to recover possession of **Business Premises** owned by the **Insured**, or for which the **Insured** are responsible provided that the **Insured** have correctly issued and served all appropriate statutory and/or contractual notices to the **Employee** or ex-**Employee** to obtain physical possession of the **Business Premises**.

Exclusions

The **Insurer** shall not be liable for claims

- a) to defend the **Insured's** legal rights other than to defend a counter-claim.
- b) resulting from an event where the **Insured** have not notified the **Legal Expenses Helpline** within 180 days of the event and within the Period of Insurance
- c) where the **Insured** has not followed the advice of the **Legal Expenses Helpline**.
- d) **Legal Costs and Expenses** incurred prior to the **Insurer's Representative** accepting the **Insured's** claim

Conditions

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** has notified details of the claim to the **Legal Expenses Helpline**:
 - i. as soon as possible upon becoming, or should reasonably have been, aware of any event which has resulted in, or could result in an **Insured Event**
 - ii. before instructing an **Adviser**
 - iii. within 180 days of the event and within the Period of Insurance
- b) the **Insured** follows the advice of the **Legal Expenses Helpline**.

Sub-Section G – Tax Disputes Cover

The **Insurer** will indemnify the **Insured** for **Legal Costs and Expenses** incurred by the **Insured** and arising directly from:

- a) HMRC Enquiries and Disputes
 - i. a full or aspect enquiry by **HMRC** into the **Insured's** corporation tax return following the issue of formal notification by **HMRC**;
 - ii. any challenge in writing by **HMRC** of the accuracy or completeness of returns submitted in accordance with the PAYE regulations following a compliance check or routine inspection undertaken by **HMRC** into the operation of PAYE;
 - iii. an enquiry conducted into the employment status of the **Insured's Employees** under the PAYE and/or NIC Regulations
 - iv. an enquiry into the personal tax affairs of the **Insured's Directors** or **Partners** arising from an alleged discovery by **HMRC**
- b) VAT Disputes
 - i. a dispute following a compliance check or routine inspection undertaken by **HMRC** of the **Insured's** VAT record-keeping;
 - ii. an enquiry held under Section 60 or 61 of the VAT Act 1994 or any matters handled by the National Investigations Service of **HMRC** providing that at the culmination of such investigation it is proved that the **Insured** were not found guilty of dishonesty, fraud or fraudulent intent.

SECTION 7 – LEGAL EXPENSES CONTINUED

Exclusions

- a) The **Insurer** shall not be liable for claims
- i. involving criminal proceedings or alleged fraudulent evasion of tax, and any case dealt with by Special Civil Investigations Office, Boards Investigation Unit of any other special office of **HMRC**;
 - ii. where deliberate miss-statements have been made in respect of accounts, returns or any other submissions made to the relevant authorities;
 - iii. which originate from any enquiry, investigation or dispute which existed before the first Period of Insurance;
 - iv. involving tax or National Insurance contributions avoidance schemes;
 - v. where the **Insured** have failed to maintain or submit accurate, truthful and up to date records, or where returns have not been submitted within statutory time limits or requirements;
 - vi. arising from a dispute as to whether an **Employee's** remuneration should fall under either PAYE or sub-contract rules;
 - vii. in respect of any dispute arising under the National Minimum Wage Act 1998 or the Tax Credits Act 2002;
 - viii. in respect of the preparation or rectification of self-assessment tax returns, accounts, P11Ds, P35s, VAT returns or any other statutory returns or for any professional fees incurred for the routine presentation of the **Insured's** affairs, including the reconciliation of annual accounts with VAT returns
 - ix. resulting from an event where the **Insured** have not notified the **Legal Expenses Helpline** within 180 days of the event and within the Period of Insurance
 - x. where the **Insured** has not obtained specific authorisation from the **Legal Expenses Helpline**
 - xi. where the **Insured** has not sought or followed the advice or procedure provided by the **Legal Expenses Helpline**.
- b) The **Insurer** shall not be liable for **Legal Costs and Expenses**
- i. incurred in dealing with technical or routine matters not connected with or arising out of an expression of dissatisfaction with the **Insured's** affairs;
 - ii. incurred in dealing with any deficiencies in books, records, accounts or returns including the costs of repairing a return;
 - iii. arising after the **Insured** receive a notice telling the **Insured** that the enquiry has been completed; or
 - iv. arising from or relating to a Tax Tribunal.
 - v. incurred prior to the **Insurer's Representative** accepting the **Insured's** claim

Conditions

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** must have maintained and must continue to maintain accurate, truthful and up to date records and make returns in accordance with statute and account conventions acceptable to **HMRC** and other agencies and have made all returns and payments except those which are disputed and provided information to these bodies where applicable;
- b) the **Insured** contacts the **Legal Expenses Helpline** as soon as possible after the **Insured Event** and comply with the advice given; and
- c) the **Insured** or the **Insured's Adviser** notify the **Legal Expenses Helpline** as soon as possible if the **Insured** receive any invitation by **HMRC** to make an offer in settlement
- d) in respect of **HMRC** enquiries the **Insured's Adviser** provides a copy of the **HMRC** notice of enquiry and a copy of the return giving rise to the enquiry

SECTION 7 – LEGAL EXPENSES CONTINUED

- e) the **Insured** obtain specific authorisation from the **Legal Expenses Helpline** and subsequently seek and follow the advice as to the procedure to be adopted, where they have received:
 - i. a written decision, notification of dissatisfaction or assessment issued by HM Revenue & Customs following an examination of the **Insured's** books, records or accounts;
 - ii. a notification in writing by the relevant authority of an HM Revenue & Customs enquiry, investigation or dispute;
 - iii. an enquiry following a control visit by HM Revenue & Customs into the operation of PAYE and NIC resulting in a letter of dissatisfaction with the **Insured's** affairs;
 - iv. an enquiry conducted into the status of the **Insured** under the Social Security Contributions (Intermediaries) Regulations 2000 and/or the Welfare Reform and Pensions Act 1999 and/or the Finance Act 2000;
 - v. an enquiry by HM Revenue & Customs into the **Insured's** self-assessment return following the issue of a notice under Section 9A or Section 12AC of the Taxes Management Act 1970 or Schedule 18, paragraph 24 of the Finance Act 1998 together with a request to examine the **Insured's** books and records; or
 - vi. an enquiry by HM Revenue & Customs which is limited to one or more specific aspects of the Customer's self-assessment Return following the issue of a notice under Section 9A or Section 12AC of the Taxes Management Act 1970 or Schedule 18, paragraph 24 of the Finance Act 1998 which does not include a request to examine all the **Insured's** books and records.
- f) the **Insured** follows the advice of the **Legal Expenses Helpline**
- g) the **Insured** notifies the claim to the **Legal Expenses Helpline** within 180 days of the event and within the Period of Insurance

Sub-Section H – Property Damage Cover

The **Insurer** will indemnify the **Insured** for **Legal Costs and Expenses** incurred in pursuit of **Proceedings** against a third party, other than an **Employee** or former **Employee**, following an act or omission relating to material property owned by the **Insured** which results in, physical damage to that property.

Exclusions

The **Insurer** shall not be liable for claims

- a) arising from a contract made between the **Insured** and a third party;
- b) arising from a lease or tenancy agreement applying to the **Insured's Business Premises** and disputes relating to the occupation of land or property owned by the **Insured**, by a party or parties whose licence to occupy such property has been determined or revoked or which was never granted by or on the **Insured's** behalf;
- c) involving:
 - i. goods in transit
 - ii. goods hired or lent to third parties
 - iii. goods at premises other than those occupied by the **Insured**, unless they are at the premises for the purpose of installation or use in work carried out by the **Insured**
- d) involving a motor vehicle belonging to the **Insured** or in the **Insured's** possession, except whilst on the **Insured's Business Premises**
- e) resulting from an event where the **Insured** have not notified the claim to the **Legal Expenses Helpline** within 180 days of the event and within the Period of Insurance
- f) where the **Insured** has not followed the advice of the **Legal Expenses Helpline**.
- g) **Legal Costs and Expenses** incurred prior to the **Insurer's Representative** accepting the **Insured's** claim

SECTION 7 – LEGAL EXPENSES CONTINUED

Conditions

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** has notified details of the claim to the **Legal Expenses Helpline**:
 - i. as soon as possible upon becoming, or should reasonably have been, aware of any event which has resulted in, or could result in an **Insured Event**
 - ii. before instructing an **Adviser**
 - iii. within 180 days of the event and within the Period of Insurance
- b) the **Insured** follows the advice of the **Legal Expenses Helpline**.

Sub-Section I – Property Infringement Cover

The **Insurer** will indemnify the **Insured** for **Legal Costs and Expenses** incurred by the **Insured** in **Proceedings** for nuisance or trespass against the person or organisation infringing the **Insured's** legal rights in relation to the **Business Premises**.

Exclusions

The **Insurer** shall not be liable for

- a) disputes relating to a tenancy agreement or any other lease or licence to occupy property or land.
- b) claims
 - i. resulting from an event where the **Insured** have not notified the **Legal Expenses Helpline** within 180 days of the event and within the Period of Insurance
 - ii. where the **Insured** has not followed the advice of the **Legal Expenses Helpline**.
 - iii. **Legal Costs and Expenses** incurred prior to the **Insurer's Representative** accepting the **Insured's** claim

Conditions

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** has notified details of the claim to the **Legal Expenses Helpline**:
 - i. as soon as possible upon becoming, or should reasonably have been, aware of any event which has resulted in, or could result in an **Insured Event**
 - ii. before instructing an **Adviser**
 - iii. within 180 days of the event and within the Period of Insurance
- b) the **Insured** follows the advice of the **Legal Expenses Helpline**.

Sub-Section J – Data Protection and Information Commissioner Registration Cover

The **Insurer** will indemnify the **Insured** for

- a) **Legal Costs and Expenses** and **Attendance Expenses** incurred by the **Insured** in **Proceedings** arising from appeals against any enforcement or other notices served on the **Insured** under Part 5 of the Data Protection Act 1998;
- b) **Legal Costs and Expenses** if **Proceedings** are issued against the **Insured** for compensation under Section 13 of the Data Protection Act 1998;
- c) **Legal Costs and Expenses** for any Award of Compensation made against the **Insured** under Section 13 of the Data Protection Act 1998;
- d) **Legal Costs and Expenses** incurred in an appeal against the refusal of the Information Commissioner to register the **Insured's** application for registration.

SECTION 7 – LEGAL EXPENSES CONTINUED

Exclusions

The **Insurer** shall not be liable for claims

- a) resulting from an event where the **Insured** have not notified the **Legal Expenses Helpline** within 180 days of the event and within the Period of Insurance
- b) where the **Insured** has not followed the advice of the **Legal Expenses Helpline**.
- c) **Legal Costs and Expenses** incurred prior to the **Insurer's Representative** accepting the **Insured's** claim

Conditions

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** has notified details of the claim to the **Legal Expenses Helpline**:
 - i. as soon as possible upon becoming, or should reasonably have been, aware of any event which has resulted in, or could result in an **Insured Event**
 - ii. before instructing an **Adviser**
 - iii. within 180 days of the event and within the Period of Insurance
- b) the **Insured** follows the advice of the **Legal Expenses Helpline**.

Sub-Section K – Statutory Licence Protection Cover

The **Insurer** will indemnify the **Insured** for **Legal Costs and Expenses** and **Attendance Expenses** incurred by the **Insured** in an appeal to the relevant statutory body, or in **Proceedings** where the relevant authority suspends, revokes, alters the terms of or refuses to renew the **Insured's Statutory Licences**.

Exclusions

The **Insurer** shall not be liable for claims

- a) arising from an original application or standard renewal of a licence;
- b) arising from a criminal prosecution;
- c) where the **Insured** are engaged in the following trades:
 - i. Gentlemen's clubs and other venues providing entertainment in the form of lap dancing, table dancing, pole dancing and/or where striptease and/or erotic dance is regularly performed
 - ii. Fairgrounds and amusement arcades
- d) resulting from an event where the **Insured** have not notified the **Insurer's Representative** within 180 days of the event and within the Period of Insurance
- e) where the **Insured** has not followed the advice of the **Legal Expenses Helpline**.
- f) **Legal Costs and Expenses** incurred prior to the **Insurer's Representative** accepting the **Insured's** claim

Conditions

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** has notified details of the claim to the **Legal Expenses Helpline**:
 - i. as soon as possible upon becoming, or should reasonably have been, aware of any event which has resulted in, or could result in an **Insured Event**
 - ii. before instructing an **Adviser**
 - ii. within 180 days of the event and within the Period of Insurance.
- b) the **Insured** follows the advice of the **Legal Expenses Helpline**.

SECTION 7 – LEGAL EXPENSES CONTINUED

Sub-Section L – False Imprisonment Cover

The **Insurer** will indemnify the **Insured** for **Legal Costs and Expenses** incurred by the **Insured** to defend **Proceedings** brought against the **Insured** arising from allegations of false imprisonment.

Exclusions

The **Insurer** shall not be liable for claims

- a) by or against or on behalf of an **Employee** or ex-**Employee** or any other person working or contracting for the **Insured**.
- b) resulting from an event where the **Insured** have not notified the **Legal Expenses Helpline** within 180 days of the event and within the Period of Insurance
- c) where the **Insured** has not followed the advice of the **Legal Expenses Helpline**.
- d) **Legal Costs and Expenses** incurred prior to the **Insurer's Representative** accepting the **Insured's** claim

Conditions

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** has notified details of the claim to the **Legal Expenses Helpline**:
 - i. as soon as possible upon becoming, or should reasonably have been, aware of any event which has resulted in, or could result in an **Insured Event**
 - ii. before instructing an **Adviser**
 - iii. within 180 days of the event and within the Period of Insurance.
- b) the **Insured** follows the advice of the **Legal Expenses Helpline**.

Sub-Section M – Employee Civil Legal Defence Cover

The **Insurer** will indemnify the **Insured** for **Legal Costs and Expenses** to defend the **Insured's Employees** legal rights if an **Insured Event** arising from their work as an **Employee** leads to **Proceedings** being issued against them:

- a) under legislation for unlawful discrimination;
- b) as trustee of a pension fund set up for the benefit of the **Insured's Employees**

Exclusions

The **Insurer** shall not be liable for claims

- a) resulting from an event where the **Insured** have not notified the **Legal Expenses Helpline** within 180 days of the event and within the Period of Insurance
- b) where the **Insured** has not followed the advice of the **Legal Expenses Helpline**.
- c) **Legal Costs and Expenses** incurred prior to the **Insurer's Representative** accepting the **Insured's** claim

Conditions

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** has notified details of the claim to the **Legal Expenses Helpline**:
 - i. as soon as possible upon becoming, or should reasonably have been, aware of any event which has resulted in, or could result in an **Insured Event**
 - ii. before instructing an **Adviser**
 - iii. within 180 days of the event and within the Period of Insurance.
- b) the **Insured** follows the advice of the **Legal Expenses Helpline**.

SECTION 7 – LEGAL EXPENSES CONTINUED

Sub-Section N – Jury Service Cover

The **Insurer** will indemnify the **Insured** for the **Insured's Attendance Expenses** for Jury Service.

Exclusions

The **Insurer** shall not be liable for claims

- a) resulting from an event where the **Insured** have not notified the **Legal Expenses Helpline** within 180 days of the event and within the Period of Insurance
- b) where the **Insured** has not followed the advice of the **Legal Expenses Helpline**.
- c) **Legal Costs and Expenses** incurred prior to the **Insurer's Representative** accepting the **Insured's** claim

Conditions

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** has notified details of the claim to the **Legal Expenses Helpline**:
 - i. as soon as possible upon becoming, or should reasonably have been, aware of any event which has resulted in, or could result in an **Insured Event**
 - ii. before instructing an **Adviser**
 - iii. within 180 days of the event and within the Period of Insurance.
- b) the **Insured** follows the advice of the **Legal Expenses Helpline**.

Sub-Section O – Bodily Injury Cover

The **Insurer** will indemnify the **Insured** for **Legal Costs and Expenses** and **Attendance Expenses** incurred by the **Insured's Employee(s)** in the pursuit of **Proceedings** for damages, specific performance or injunction arising from or out of their death or bodily injury.

This cover extends to include members of an **Employee's** family who suffer bodily injury following an event that also causes bodily injury to the **Insured's Employee**.

If the **Proceedings** are going to be decided by a court in England or Wales and the damages the **Insured** are claiming are above the small claims track limit, the **Adviser** must enter into a **Conditional Fee Agreement** which waives their own fees if the **Insured** fail to recover the damages that the **Insured** are claiming in the **Proceedings** in full or in part. If the damages the **Insured** are claiming are below the small claims track limit **Legal Costs and Expenses** will not be covered but the **Insured** can access the **Legal Expenses Helpline** for advice on how to take the **Insured's** case further.

Exclusions

The **Insurer** shall not be liable for claims

- a) made against the **Insured** by an **Employee**;
- b) for any sickness or disease or any gradually occurring condition or degenerative process;
- c) for the defence of any claim for bodily injury;
- d) for medical negligence;
- e) any claim under the small claims track.
- d) resulting from an event where the **Insured** have not notified the **Insurer's Representative** within 180 days of the event and within the Period of Insurance
- e) where the **Insured** has not followed the advice of the **Legal Expenses Helpline**.
- f) **Legal Costs and Expenses** incurred prior to the **Insurer's Representative** accepting the **Insured's** claim

SECTION 7 – LEGAL EXPENSES CONTINUED

Conditions

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** has notified details of the claim to the **Legal Expenses Helpline**:
 - i. as soon as possible upon becoming, or should reasonably have been, aware of any event which has resulted in, or could result in an **Insured Event**
 - ii. before instructing an **Adviser**
 - iii. within 180 days of the event and within the Period of Insurance.
- b) the **Insured** follows the advice of the **Legal Expenses Helpline**.

Sub-Section P – Personal Identity Fraud for Directors and Partners of the Business Cover

The **Insurer** will indemnify the **Insured** for **Legal Costs and Expenses** arising from **Identity Fraud**:-

- a) to defend the **Insured's** legal rights and/or take steps to remove County Court Judgments against the **Insured** that have been obtained by an organisation from which the **Insured** are alleged to have purchased, hired or leased goods or services. Cover is only available if the **Insured** deny having entered in to the contract and allege that the **Insured** have been the victim of **Identity Fraud**;
- b) to deal with all organisations that have been fraudulently applied to for credit, goods or services in the **Insured's** name or which are seeking monies or have sought monies from the **Insured** as a result of **Identity Fraud**; or
- c) in order to liaise with credit referencing agencies and all other relevant organisations on the **Insured's** behalf to advise that the **Insured** have been the victim of **Identity Fraud**.

Exclusions

The **Insurer** shall not be liable for claims

- a) where the **Insured** have not been the victim of **Identity Fraud**;
- b) where the **Insured** did not take action to prevent further instances of **Identity Fraud** following an **Insured Event**;
- c) for **Legal Costs and Expenses** arising from loss of cash from a bank, building society, credit union or other similar financial institution where that institution has refused to cover the loss; or
- d) where the **Identity Fraud** has been carried out by an **Employee**, a **Director** or a **Partner** or by somebody living with an **Employee, Director or Partner**.
- e) resulting from an event where the **Insured** have not notified the **Insurer's Representative** within 45 days of the event and within the Period of Insurance
- f) where the **Insured** has not followed the advice of the **Legal Expenses Helpline**.
- g) **Legal Costs and Expenses** incurred prior to the **Insurer's Representative** accepting the **Insured's** claim

Conditions

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** has notified details of the claim to the **Legal Expenses Helpline**:
 - i. as soon as possible upon becoming, or should reasonably have been, aware of any event which has resulted in, or could result in an **Insured Event**
 - ii. before instructing an **Adviser**
 - iii. within 180 days of the event and within the Period of Insurance.
- b) the **Insured** follows the advice of the **Legal Expenses Helpline**.

The **Insured** must agree to be added to the CIFAS Protection Register if the **Insurer's Representative** recommend it.

SECTION 7 – LEGAL EXPENSES CONTINUED

Sub-Section Q – Arc Legal Document Service

The Arc Legal Document Service provides access to the **Insured** to the **Insurer's Representative** Legal Document Service. This provides:

- a) Access to a range of legal document templates
- b) A step by step walkthrough to assist the **Insured** in completing the documents

The service contact details are shown in the Schedule

Exclusions to Section 7

The following exclusions apply to Section 7 and are in addition to those shown in each of the Sub-Sections above.

1. Excluded Trades

The **Insurer** shall not be liable under this Section for any claim where the **Insured** is engaged in the following trades or Business

- a) Aircraft / aerospace
- b) Gaming gambling and night clubs
- c) Fairgrounds and amusement arcades
- d) Waste / refuse disposal
- e) Solicitors
- f) Professional sporting clubs
- g) Builders and allied trades
- h) Care/nursing homes
- i) Educational establishments
- j) Recruitment agencies and umbrella companies
- k) Financial Services

2. The **Insurer** shall not be liable under this Section for **Proceedings** alleging seepage, pollution or contamination or the breach of any statute, regulation or ordinance prohibiting or controlling emissions or effluent of any kind or arising from any enforcement action or **Proceedings** brought under or pursuant to any such statutes, regulations or ordinances

3. The **Insurer** shall not be liable under this Section for any claim where

- a) the **Insured** should have known when buying or renewing this insurance that the circumstances leading to a claim under this insurance already existed
- b) something the **Insured** do or fail to do prejudices the **Insured's** position or the position of the **Insurer** in connection with the **Proceedings**
- c) an estimate of **Legal Costs and Expenses** of acting for the **Insured** is more than the amount in dispute
- d) **Legal Costs and Expenses** or any other costs and expenses incurred which have not been agreed in advance or are above those for which the **Insurer's Representative** have given the **Insurer's Representative** prior written approval
- e) the **Insured** fail to instruct or give proper instructions to the **Insurer's Representative** or to the **Adviser**
- f) the **Insured** are responsible for anything which in the **Insurer's Representative** reasonable opinion prejudices the **Insurer's Representative** position in respect of the **Proceedings** or the success in the prosecution, defence or settlement of the **Proceedings**
- g) the **Insured** fail to provide evidence or information reasonably required by the **Insurer's Representative** to establish whether support can be provided under this cover

SECTION 7 – LEGAL EXPENSES CONTINUED

- h) in respect of the amount in excess of the **Insurer's Representative** Standard Legal Costs and Expenses, the **Insured** have elected to use an **Adviser** of the **Insured's** own choice
 - i) the **Insured Event** occurs outside of the **Territorial Limits**
4. The **Insurer** shall not be liable under this Section for
- a) claims over loss or damage where that loss or damage is insured under any other insurance
 - b) claims made by or against the **Insured's** insurance adviser, the **Insurer**, the **Adviser** or the **Insurer's Representatives**
 - c) any claim the **Insured** makes which is false or fraudulent or exaggerated
 - d) defending legal actions arising from anything the **Insured** did deliberately or recklessly
 - e) **Legal Costs and Expenses** if the **Insured's** claim is part of a class action or will be affected by or will affect the outcome of other claims
 - f) **Legal Costs and Expenses:**
 - i. Incurred in avoidable correspondence
 - ii. Which are recoverable from a court, tribunal or elsewhere
 - g) damages, interest, fines or other penalties which the **Insured** are ordered to pay unless provided for in this cover.
 - h) the costs of an appeal unless the **Insurer's Representative** have given the **Insurer's Representative** prior written consent to such costs being incurred.
 - i) the fees of an expert witness without the **Insurer's Representative** approval being obtained for the appointment of the expert witness and to the amount of their fees.
 - j) prior to the issue of court **Proceedings**, the legal costs and disbursements of a firm of solicitors instructed by the **Insured** other than those of the **Insurer's Representatives'** panel solicitors or their agents.
5. The **Insurer** shall not be liable under this Section for any claim directly or indirectly arising from
- a) a dispute between the **Insured** and someone the **Insured** live with or have lived with
 - b) the **Insured's** business trade or profession other than as an **Employee**
 - c) an application for a judicial review
 - d) defending or pursuing new areas of law or test cases
6. The **Insurer** shall not be liable under this Section for any claim
- a) where the **Insured** fails to comply with the conditions of this Section
 - b) arising from any deliberate criminal act or omission by the **Insured**
 - c) involving prosecutions which allege dishonesty or intentional violence
 - d) notified to the **Insurer's Representative** outside of the Period of Insurance
 - e) notified to the **Insurer's Representative** more than 180 days, or 45 days for claims relating to **Identity Fraud**, after the **Insured Event**
 - f) for an application for a judicial review
 - g) made by or against the **Insured** against or by the **Insurer** or the **Insurers Representatives**
 - h) directly or indirectly caused by, contributed to or arising from:
 - i. subsidence or mining or quarrying activities
 - ii. patents, copyrights, trademarks, merchandise marks, service marks, registered designs, intellectual or artistic property
 - iii. secrecy or confidentiality agreements (other than claims under Employment cover) and passing off

SECTION 7 – LEGAL EXPENSES CONTINUED

- iv. computer software except operating systems and packaged software that have not been tailored by the supplier to the customer's own requirements
 - v. actual, planned or proposed works by or under the order of any government or public or local authority
 - vi. planning law including town and country planning legislation
 - vii. the construction of or structural alteration to buildings or parts of buildings
 - viii. libel or slander or malicious falsehood
 - i) where the **Insured** acts without the **Insurer's Representative** consent or contrary to or in a manner different from the **Insurer's Representative** advice or that of the **Insured's Adviser**
 - j) which does not arise from or relate to the **Insured's** normal **Business** as shown in the Schedule
 - k) relating to prosecutions arising out of deliberate discrimination amounting to an act of unlawful discrimination
 - l) which are false or fraudulent
 - m) to defend or pursue new areas of law or test cases
7. Value Added Tax

If the **Insured** is registered for VAT, the **Insurer** shall not be liable to indemnify the **Insured** for the VAT element of any legal expenses invoices.

Conditions to Section 7

The following conditions apply to Section 7 and are in addition to those shown in each of the Sub-Sections above.

It is a condition precedent to the **Insurer's** liability that:-

1. Claims

- a) As soon as the **Insured** become aware of any cause event or circumstance which gives rise to or may give rise to a claim, the **Insured** must call the **Legal Expenses Helpline** to notify a claim.
- b) Any circumstance which may give rise to any claim must be notified to the **Insurer's Representative** as soon as reasonably possible and
 - i. during the Period of Insurance and within 45 days for claims relating to **Identity Fraud**
 - ii. during the Period of Insurance and within 180 days for all other claims
- c) Where such notification has been given the **Insurer** agrees to treat any subsequent claim in respect of the cause event or circumstance notified as though the claim had been notified during the Period of Insurance.
- d) The **Insurer** or their representatives shall be entitled to investigate the claim and take over and conduct the legal proceedings in the **Insured's** name. Subject to **Insured's** consent, which shall not be unreasonably withheld, the **Insurer's Representative** may reach a settlement of the legal proceedings. The **Insured** must supply at the **Insured's** own expense all of the information which the **Insurer's Representative** reasonably require to decide whether a claim may be accepted. Where it is necessary to start court **Proceedings** or a **Conflict of Interest** arises, and the **Insured** wish to nominate a legal representative to act on their behalf, the **Insured** may do so. Where the **Insured** have elected to use a legal representative of the **Insured's** own choice the **Insured** will be responsible for any **Legal Costs and Expenses** in excess of the **Insurer's Representative Standard Legal Costs and Expenses**. The **Adviser** must represent the **Insured** in accordance with the **Insurer's Representative** standard conditions of appointment, available on request.
- e) The **Adviser** will:-
 - i. provide a detailed view of the **Insured's** Prospects of Success (if applicable) including the prospects of enforcing any judgment obtained.
 - ii. keep the **Insurer's Representative** fully advised of all developments and provide such information as the **Insurer's Representative** may require.
 - iii. keep the **Insurer's Representative** advised of **Legal Costs and Expenses** incurred.

SECTION 7 – LEGAL EXPENSES CONTINUED

- iv. advise the **Insurer's Representative** of any offers to settle and payments in to court. If against the **Insurer's Representative** advice such offers or payments are accepted or rejected cover under this Section shall be withdrawn unless the **Insurer's Representative** agree, at their absolute discretion, to allow the case to proceed.
 - v. submit bills for assessment or certification by the appropriate body if requested by the **Insurer's Representative**.
 - vi. attempt recovery of costs from third parties.
 - f) In the event of a dispute arising as to **Legal Costs and Expenses** the **Insurer's Representative** may require the **Insured** to change **Adviser**.
 - g) The **Insurer** shall only be liable for **Legal Costs and Expenses** for work expressly authorised by the **Insurer's Representative** in writing and undertaken (if applicable) while there are Prospects of Success.
 - h) The **Insured** shall supply all information requested by the **Adviser** and **Insurer's Representative**.
 - i) The **Insured** are responsible for all legal costs and expenses including adverse costs if the **Insured** withdraw from the legal proceedings without the **Insurer's Representative's** prior consent. Any legal costs and expenses already paid under this insurance must be reimbursed by the **Insured**.
 - j) The **Insured** must instruct the **Adviser** to provide the **Insurer's Representative** with all information that the **Insurer's Representative** ask for and report to the **Insurer's Representative** as the **Insurer's Representative** direct at the **Insured's** own cost.
 - k) Where the **Insured** are awarded any kind of monies, such monies are to be paid to the **Insurer's Representative** first.
2. Prospects of Success
- a) For all other Sub-Sections of cover other than Sub-Section E – Employment Disputes and Compensation Awards Cover part a)
 - i. There must be more than a 50% chance of winning the case and achieving a positive outcome.
 - ii. A positive outcome includes, but is not limited to,
 - recovering the amount of money at stake,
 - enforcing a judgment or achieving an outcome which best serves the **Insured's** interests.
 - iii. The assessment of the **Insured's** claim and the prospects of its success will be carried out by an independent **Adviser**.
 - iv. If the **Adviser** determines that there is not more than a 50% chance of success then the **Insurer's Representative** may decline or discontinue support for the **Insured's** case.
 - b) Sub-Section E – Employment Disputes and Compensation Awards Cover part a):
 - i. At the informal stage of any dispute there does not need to be Prospects of Success in order for the **Insurer's Representative** to provide the **Insured** with assistance.
 - ii. The **Insurer's Representative** may provide assistance through advice on the options the **Insured** have in a particular scenario and the **Insured's** options for negotiation.
 - iii. If the dispute escalates to a tribunal, a claim will be dealt with in accordance with the details listed in a) above.
3. Proportional Costs
- a) An estimate of the **Legal Costs and Expenses** to deal with the **Insured's** claim must not be more than the amount of money in dispute.
 - b) The estimate of the **Legal Costs and Expenses** will be provided with the assessment of the **Insured's** case and will be carried out by the independent **Adviser**.
 - c) If the estimate exceeds the amount in dispute then the **Insurer's Representative** may decline or discontinue support for the **Insured's** case.

SECTION 7 – LEGAL EXPENSES CONTINUED

4. Employment Matters

There will be no cover under this Section unless the **Insured** have sought and/or followed:

- a) the formal **ACAS** procedure; or
- b) the advice of the **Legal Expenses Helpline** as to the procedure to be adopted and have received specific authorisation from the **Legal Expenses Helpline** in relation to employment matters.

5. Advice and Authorisation Procedures

No cover or services shall be provided under this Section unless the **Insured** follow the advice and authorisation procedures described within this Section.

6. Suspension of Cover

If the **Insured** breaches a condition of this Section which is essential to its performance, the insurance provided by this Section will be suspended from the time of the breach until the time the breach is remedied. The Insurer will have no liability to the **Insured** for any **Insured Event** or claim which occurs, or which is attributable to something happening, during the period when this Section is suspended.

7. Other insurances

If any claim covered under this Section is also covered by another legal expenses policy or primary insurance policy, or would have been covered if this Section did not exist, the **Insurer's Representative** will only pay in excess of any other cover.

8. Arbitration

Any dispute between the **Insured** and the **Insurer's Representative**, where both parties agree, may be referred to an arbitrator who will be either a solicitor or a barrister. If the parties cannot agree on their choice of arbitrator the Law Society may be asked to make a nomination. The arbitration will be binding and carried out under the Arbitration Act. The costs of the arbitration will be at the discretion of the arbitrator.

9. Law and Language

This Section is governed by English Law and the language for contractual terms and communication will be English.

GENERAL CLAIMS CONDITIONS

1) Action by the **Insured** (not applicable to Section 7 – Legal Expenses)

On the happening of any event or circumstance which could give rise to a claim by the **Insured** under the Policy or on receiving verbal or written notice of any claim the **Insured** shall

- a) as soon as reasonably possible give notice to the **Insurer**
- b) immediately notify the Police in respect of any **Damage** caused by thieves or malicious persons or in respect of theft by employees where covered and obtain a Crime Reference Number which must be advised to the **Insurer** as soon as reasonably possible
- c) immediately forward to the **Insurer** any writ or summons issued against the **Insured** by a third party
- d) take action to minimise the loss destruction or damage and to avoid interruption or interference with the **Business** and to prevent further loss destruction damage or injury
- e) at their own expense supply full details of the claim in writing to the **Insurer** together with any evidence and information that may be reasonably required by the **Insurer** for the purpose of investigating or verifying the claim and if demanded a statutory declaration of the truth of the claim and any matter connected with it within
 - i. 7 days of **Damage** caused by riot civil commotion strikers locked out workers or persons taking part in labour disturbances or malicious persons
 - ii. 30 days of expiry of the **Indemnity Period** in respect of business Interruption claims
 - iii. 30 days of the event or circumstance in the case of any other claim or of a request from the **Insurer**

No theft or attempted theft claim under this Policy shall be considered unless notified to the Police in accordance with 1b) above and a Crime Reference Number obtained

No settlement admission of liability payment or promise of payment shall be made to a third party without the prior written consent of the **Insurer**

No claim under the Policy shall be payable unless the terms of this Condition have been complied with

2) Rights of the Insurer

The **Insurer** shall

- a) be entitled at any stage to take over the defence or settlement of any claim made upon the **Insured** by any other party and to prosecute for its own benefit any claim for indemnity or compensation against any other persons in respect of any event insured by the Policy and at no cost to the **Insurer** the **Insured** shall give all assistance as may be reasonably required by the **Insurer**
- b) have the right to enter the **Premises** where the **Damage** has occurred and to keep possession of any **Property** insured without thereby incurring any liability or diminishing any of the **Insurer's** rights under the Policy and to deal with the salvage in a reasonable manner but the **Insured** shall not be entitled to abandon any **Property** to the **Insurer**
- c) at its option indemnify the **Insured** by payment reinstatement replacement or repair in respect of any **Property** lost or damaged or part thereof. If the **Insurer** elects to reinstate or replace any **Property** they shall not be bound to reinstate or replace exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than the Sum Insured thereon

3) Conditions

Every Condition to which the Policy or any part thereof is or may be subject shall from the time the Condition attaches apply and continue to be in force during the whole currency of the Policy and non-compliance with any such Condition insofar as it increases the risk of loss destruction or damage shall be a bar to any claim in respect of such loss destruction or damage provided that whenever the Policy is renewed a claim in respect of loss destruction or damage occurring during the renewal period shall not be barred by reason of a Condition not having been complied with any time before the commencement of such period

GENERAL CLAIMS CONDITIONS CONTINUED

4) Contribution in respect of Sections 1, 2 and 3 (not applicable to Personal Accident (Assault))

If in the event of **Damage** or liability under the Policy there shall be in force any other insurance effected by or on behalf of the **Insured** providing cover against such a claim

- a) the liability of the **Insurer** shall be limited to its rateable proportion of such a claim
- b) but which is subject to any provision excluding it from ranking concurrently with the Policy either in whole or in part or from contributing rateably to the claim then the liability of the **Insurer** shall be limited to such proportion of the claim as the Sum Insured bears to the value of the **Property**

5) Arbitration (not applicable to Section 7 – Legal Expenses)

If any difference shall arise as to the amounts to be paid under the Policy such difference may at the **Insurer's** option be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the **Insurer**

Any other difference shall be subject to the exclusive jurisdiction of the courts of England and Wales

6) Claims Co-operation

The **Insured** will provide all help and assistance and co-operation required by the **Insurer** and/or their appointed representatives in connection with any claim

USEFUL INFORMATION

How to make a claim

Please contact in the first instance the Broker Intermediary or Agent who arranged the Policy. Alternatively telephone the Claims Helpline on **0800 032 1170**. Please quote your Policy Number

If you need to notify a possible Claim under Section 7 – Legal Expenses please immediately contact the **Legal Expenses Helpline**

Telephone **0800 0321145**

How to complain

If you have a complaint about your policy or the service you have received please contact the Broker Intermediary or Agent that arranged it

If they are unable to resolve your complaint you may refer your complaint to the Financial Ombudsman Service within six months of receiving their final response letter

Should you be unhappy with the service provided by LV= please contact us by phone on **0800 678 3161** or write to us at LV=, County Gates, Bournemouth, BH1 2NF E-mail: feedback@LV.com

Please quote the Policy Number in all correspondence

A copy of our complaint handling procedure is available on request

If we cannot resolve your complaint you may refer your complaint to the Financial Ombudsman Service within six months of receiving our final response letter

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

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

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

Website: www.financial-ombudsman.org.uk

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

Details about our Regulator

Liverpool Victoria Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

Compensation

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

Compulsory Insurance Non-compulsory Insurance

100% of the claim 90% of the claim

Further information can be obtained from:

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

Telephone **0800 678 1100** or **020 7741 4100**

enquiries@fscs.org.uk

www.fscs.org.uk



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