

# Commercial Combined Insurance

Policy booklet



**Policyfast**

## **COMMERCIAL COMBINED INSURANCE**

**THIS IS TO CERTIFY** that in accordance with the authorisation granted under the Contract (the number of which is specified in the schedule) by certain Underwriters at Lloyd's and Certain Insurance Companies (hereafter called the Insurers), and in consideration of the premium paid, the said Insurers are bound, each for his own part and not for another, their Executors and Administrators, to insure in accordance with the terms and conditions contained or endorsed on this Insurance.

**THE INSURERS** agree to the extent and in the manner provided, to indemnify the Insured against loss or damage sustained or legal liability to accidents happening during the period stated in the Schedule, after such loss, damage or liability are proved.

### **PROVIDED always that :**

- 1) The liability of the Insurers shall not exceed the limits of liability expressed in the said Schedule or such other limits of liability as may be substituted by endorsement or attached hereto signed by or on behalf of the Insurers;
- 2) This Certificate insures in respect **ONLY** of such of the sections as specified in the Schedule.

**IN WITNESS** whereof this Certificate has been signed as follows:

100% with Contessa Limited on behalf of ERGO Versicherung AG, UK Branch in respect of all Sections other than Liabilities and Legal Expenses;  
100% with Amlin Underwriting Ltd in respect of the Liabilities section.

100% with ARAG plc in respect of Legal Expenses.  
ERGO Versicherung AG is a German insurance company with its headquarters at Victoriaplatz 2, 40477 Düsseldorf. Registration No. BR016401. Registered Office: Plantation Place, 30 Fenchurch Street, London, EC3M 3AJ. Registered No: HRB36466. UK Branch registered in England and Wales.

ERGO Versicherung AG, UK Branch is authorised

by Bundesanstalt für Finanzdienstleistungsaufsicht and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority. Details about the extent of their regulation by the Financial Conduct Authority and Prudential Regulation Authority are available on request.

ARAG plc is authorised and regulated by the Financial Conduct Authority.

The address of the Financial Conduct Authority and the Prudential Regulation Authority is 25 The North Colonnade, Canary Wharf, London, E14 5HS.

## **SANCTION LIMITATION AND EXCLUSION CLAUSE**

Insurers shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

## **SEVERAL LIABILITY CLAUSE**

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

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

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member

of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

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

## **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 CLARIFICATION CLAUSE**

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

## **E.U. DISCLOSURE CLAUSE (UK)**

Notice to the Proposer/Insured

The Parties are free to choose the law applicable to this Insurance Contract. Unless specifically agreed to the contrary this insurance shall be subject to English Law.

**The Insured is requested to read this Certificate and, if it is incorrect, return it immediately for alteration.**

**The Certificate is made and accepted subject to all the provisions, conditions, warranties and exclusions set forth herein, attached or endorsed, all of which are to be considered.**

When drawing up this certificate, we have relied on the information and statements that you have provided in the proposal form or declaration together with any additional information supplied. The insurance relates ONLY to those sections of the certificate that are shown in the schedule as being included.

This certificate should be kept in a safe place – you may need to refer to it if you have to make a claim. It is recommended that you retain details of your Employers Liability policy/certificates for at least 40 years.

The written authority (the number of which is shown in the schedule) allows the coverholder to issue this certificate on behalf of underwriters named in the authority.

This certificate of insurance, schedule, and all conditions, clauses, endorsements, warranties and exclusions all form part of your insurance certificate.

## **COMPLAINTS**

The Insurers take pride in the security and service they offer. They wish to meet claims covered by this Insurance honestly, fairly and promptly and it is therefore important that you comply with the claims conditions set out in this document.

Occasionally problems or difficulties may arise and if you have any concerns regarding your Insurance or the handling of a claim this may be addressed to either the intermediary who arranged this Insurance Contract for you, Policyfast Limited or the Insurers shown below who will do their best to resolve the problem in a professional and timely manner. Please have ready the details of your Certificate number to help Insurers deal with your enquiry speedily.

The addresses of the Insurers are as follows:

### **In respect of non-liability Sections;**

ERGO Versicherung AG, UK Branch, Plantation Place, 30 Fenchurch Street, London, EC3M 3AJ  
Telephone: 0203 003 7000

### **In respect of the Liability Section;**

Amlin Underwriting Limited, Amlin House, Parkway, Chelmsford, Essex, CM2 0UR

### **In respect of Legal Expenses Section;**

Arag, Plc, 9, Whiteladies Road, Clifton, Bristol, BS8 1NN

Tel 0117 917 1680

E-mail: [customerrelations@arag.co.uk](mailto:customerrelations@arag.co.uk)

The Insurers will handle your complaint as follows: They will acknowledge your complaint as soon as they receive it. They will deal with your complaint as quickly as possible and provide you with a formal response within two weeks of receipt of the complaint. If compensation or redress is appropriate they will provide details with their response. If they feel your complaint is not justified full reasons for their decision will be provided to you.

In the event you remain dissatisfied **in respect of the Liability and Legal Expenses Insurers** and wish to make a complaint, you can do so at any time by referring the matter to the Policyholder and Market Assistance team at Lloyd's. Their address is, Policyholder & Market Assistance, Market Services, Lloyd's, One Lime Street, London, EC3M 7HA  
Telephone: 0207 327 5693  
Facsimile: 0207 327 5225  
E-mail: [complaints@Lloyds.com](mailto:complaints@Lloyds.com)

Should you still remain dissatisfied after all Insurers have considered your complaint, you may have the right to refer your complaint to the Financial Ombudsman service.  
Address: Exchange Tower, Harbour Exchange Square, London, E14 9SR  
Telephone: 0800 023 4567  
E-mail: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

## **FINANCIAL SERVICES COMPENSATION SCHEME**

The Insurers are covered by The Financial Services Compensation Scheme  
You may be entitled to compensation from the Scheme if your insurers are unable to meet its obligations to you under this Contract. If you were entitled to compensation under the Scheme, the level and extent of the compensation available would depend on the nature of the Contract .Further information about the Scheme is available from the Financial Services Compensation Scheme, 10<sup>th</sup> Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU

## **DATA PROTECTION**

The defined terms used in this section shall have the meaning given to those terms in the Data Protection Act 1998 (as may be amended from time to time).

In the course of providing insurance services to the insured, the insurer may have access to Personal Data. The insured warrants that it shall have obtained all necessary authorisations and approvals from Data Subjects prior to disclosing any Personal Data to the insurer (whether such disclosure is made directly by the insured to the insurer or indirectly by the insured to any agent acting on behalf of the insured or the insurer).

The insurer shall be the Data Controller of any Personal Data provided to it.

The insurer undertakes that it shall only use any Personal Data provided to it for the purposes of performing its services in connection with its contract of insurance with the insured. This will include the processes of underwriting, administration and claims assessment as well as any necessary services ancillary thereto.

The insurer will hold all Personal Data provided to it securely and shall limit access to such Personal Data to those who have a need to see it. The insured hereby consents to the insurer sharing any Personal Data provided to it with its group companies, agents, reinsurers, claims handlers, loss adjusters, medical professionals and other professional advisors, healthcare management companies and any other necessary service providers with whom the insurer contracts in connection with the contract of insurance between the insured and the insurer The insured acknowledges that the insurer may be required as a matter of law or regulation to disclose Personal Data provided to it to a Court of law or regulatory body such as the Financial Conduct Authority or any other public body or authority of competent jurisdiction and the insured hereby consents to any such disclosure.

The insured acknowledges that the insurance industry maintains certain registers for the purposes of fraud prevention and hereby consents to the insurer sharing Personal Data provided to it with fraud prevention agencies and other insurance companies for the purposes of fraud prevention and to validate your claims history.

## Welcome to Policyfast

Welcome to Your new Commercial Combined policy exclusively arranged through Policyfast Limited and its associate company City Underwriters Limited.

This policy forms part of Your legal contract with Us and defines exactly what Your Commercial Combined policy covers You against. Please refer to Your Schedule of cover for confirmation of the level of cover You have chosen.

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## GENERAL DEFINITIONS - APPLICABLE TO ALL SECTIONS OTHER THAN SECTION I

### Business

means the business of the **Insured** specified in the Certificate Schedule conducted at or from premises in Great Britain, Northern Ireland, the Channel Islands and the Isle of Man and any additional geographical areas specified in the Certificate Schedule and shall include

1. the ownership repair and maintenance of the **Insured's** own property; and/or pensioners;
2. the provision and management of canteens, social, sports, medical, fire fighting and welfare organisations for the benefit of any **Person Employed**.

### Business Equipment

means **Computer Equipment** and peripherals and other electronic office equipment including laser printers, fax machines, photocopiers and telephone installations belonging to the **Insured** or for which the **Insured** is responsible.

### Computer Equipment

means any computer equipment, component, system or item that processes, stores, transmits or retrieves **Electronic Data** including, without limitation, firmware, hardware, interconnecting wiring and temperature and environmental control, power supply, voltage regulating and other protective equipment used exclusively in connection with the computer equipment, component, system or item.

### Computer Records

mean all current and back up computer records relating to the **Business** stored on **Computer Equipment** at the **Premises**.

### Computer Virus

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

### Damage

means loss of possession of, destruction of or damage to tangible property.

## Denial of Service Attack

means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. A **Denial of Service Attack** includes, but is 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.

## Digital & Cyber Risks

mean

1. **Damage** to any **Computer Equipment**; or
2. any expenditure incurred in replacing, repairing or hiring any **Computer Equipment** consequent on **Damage** to any **Computer Equipment**; or
3. lost revenue or income or market or business opportunities or the incurring of contractual penalties relating to delays or failures in or inadequate performance consequent on **Damage** to any **Computer Equipment**;

where such **Damage** is caused by **Computer Virus** or **Hacking** or a **Denial of Service Attack**.

## Documents

mean business books and records, deeds, documents (including stamps thereon), manuscripts, plans & writings of every description, books (written or printed) and computer disks, tapes and records.

Bonds, negotiable documents and/ or securities do not form part of **Documents** unless specified otherwise in the Certificate Schedule.

## Electronic Data

means facts, concepts and information converted to a form useable for communication, display, distribution, interpretation or processing by electronic and electromechanical processing or electronically controlled equipment, including programs, software and other coded instructions for such equipment.

## Hacking

means unauthorised access to any equipment, component or system or item which processes, stores or retrieves **Electronic Data**, whether the property of the **Insured** or not.

## Insured

means the person, company, partnership or other organisation named in the Certificate Schedule as the **Insured**, including any subsidiary companies of the **Insured** notified to and accepted in writing by the **Insurers**.

Where the **Insured** is a partnership, all reference to a "director" in the Certificate shall mean "partner".

## Money

means **Negotiable Money** and **Non-Negotiable Money**.

## Negotiable Money

means cash, bank notes, uncrossed cheques, uncrossed girocheques, uncrossed bankers' drafts, uncrossed money orders, uncrossed postal orders, bills of exchange, unused postage stamps and certificates, holidays with pay stamps, gift tokens, all the **Insured's** own or for which the **Insured** is responsible, and luncheon vouchers the property of the **Insured** but only while in the custody of the **Insured**.

## Non-Negotiable Money

means crossed cheques, crossed girocheques, crossed bankers' drafts, crossed money orders, crossed postal orders, used National Insurance stamps, National Savings Certificates, credit company sales vouchers, VAT purchase invoices and unused franking machine units.

## Period of Insurance

means the period between the dates specified in the Certificate Schedule commencing and ending at one minute past midnight (00.01 am) unless specified otherwise in the Certificate Schedule.

## Person Employed

means any

1. employee under a contract of service or apprenticeship with the **Insured**;
2. labour master or individual supplied by him;
3. labour only subcontractor;
4. self-employed individual working for and under the control of the **Insured**;
5. individual hired or borrowed by the **Insured**;
6. person undertaking study or work experience or youth training scheme with the **Insured**;
7. voluntary worker or volunteer while working on behalf of the **Insured** in connection with the **Business**;

## **Pollutant**

means any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste.

Waste is deemed to include materials to be recycled, reconditioned or reclaimed but Legionella bacteria are deemed not to be

**Pollutants** for the purpose of this Certificate.

## **Pollution**

means the actual, alleged or threatened discharge, seepage, migration, dispersal, release or escape of **Pollutants** at any time.

## **Pollution Clean-Up**

means any cost, expense, claim or suit arising out of any request, demand or order as a result of actual, alleged or threatened discharge, seepage, migration, dispersal, release or escape of **Pollutants** at any time that the **Insured** or any other party acting jointly and severally with the **Insured** test for, monitor, clean up, remove, contain, treat, detoxify, or neutralise or in any way respond to, or assess the effects of **Pollutants**.

## **Premises**

means the locations specified in the Certificate Schedule.

## **Territorial Limits**

means the **United Kingdom** and any additional geographical areas specified in the Certificate Schedule.

## **United Kingdom**

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

## **GENERAL AGREEMENT - APPLICABLE TO ALL SECTIONS OTHER THAN SECTION I**

### **1 Premium**

- 1.1 The insurance granted by this Certificate is conditional on the premium being paid to and accepted by the **Insurers** on or before the payment date shown in the Certificate Schedule.
- 1.2 Insurance Premium Tax or other levies and charges shown in the Certificate Schedule are payable in addition to and at the same time as the premium, unless specified otherwise in the Certificate Schedule.
- 1.3 Failure to pay premium on or before the payment date may result in the Certificate being void with effect from the commencement of the **Period Of Insurance** in accordance with General Conditions 4 – Cancellation.

### **2 Interpretation**

- 2.1 Words in Bold Type given specific meanings in the General Definitions will have the same specific meaning each time they appear in the Certificate.
- 2.2 Words in Bold Type given specific meanings as Additional Definitions applicable to an Insured Section will have the same specific meaning each time they appear in that Insured Section and any conditions in the Claims Conditions particular to that Insured Section.
- 2.3 This Certificate only includes those Insured Sections that are specified as included in the Certificate Schedule.
- 2.4 Reference to the Certificate includes reference to the Certificate Schedule, the General Agreement, the General Definitions, the General Conditions, the Claims Conditions, the General Exclusions, the Insured Sections specified as included in the Certificate Schedule and any endorsements attaching to the Certificate as a whole or individual Insured Sections which together form one document and the entire agreement.

2.5 Reference to a statute, statutory instrument, regulation or order shall include any amendment, re-enactment or replacement thereof.

2.6 Reference to a person includes any body corporate, unincorporated association, partnership or any other legal entity as the context permits.

2.7 Words importing the singular include the plural and vice versa and words importing any gender include any other gender.

2.8 The headings in this Certificate are for convenience only and shall not affect its interpretation.

### 3 **Discharge of liability**

The **Insurers** may at any time pay the applicable limit of liability or Sum Insured (after deduction of any sum already paid) in settlement of claims or pay a lesser amount if claims can be settled for less.

The **Insurers** shall then be under no further liability with respect to such claims except for the payment of such costs and expenses incurred prior to the date of payment for which the **Insurers** remain liable.

### 4 **Governing Law**

Unless the **Insured** and the **Insurers** have agreed otherwise, this Certificate will be governed by and construed in accordance with the law of England and Wales.

### 5 **Rights of Third Parties**

A person or organisation who is not a party to this Certificate has no right under the Contracts (Rights of Third Parties) Act 1999 or any subsequent legislation to enforce any term of this Certificate but this does not affect any right or remedy of a third party which exists or is available apart from such Act.

### 6 **Data Protection Act 1998**

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

### 7 **Document Management**

The **Insurers** may hold documents relating to this Certificate and any claims under it in electronic form and may destroy the originals. It is hereby agreed that an electronic copy of any such document will be admissible in evidence to the same extent as, and carry the same weight as, the original.

### 8 **Representation**

The first named **Insured** in the Certificate Schedule shall act on behalf of all other parties in respect of whom an indemnity is provided under this Certificate with respect to the giving and receiving of any notices from the **Insurers** or the **Insurers'** representatives including any notice of cancellation. The payment to the **Insured** of any return premium that may be payable under this Certificate shall satisfy any obligation the **Insurers** may have to return premium.

### 9 **Personal Representatives**

In the event of the death or incapacity as determined in accordance with the Mental Capacity Act 2005 of any person indemnified by this Certificate, the **Insurers** will pay such sums as would have been payable under this Certificate to such person to his personal representatives, provided that they comply with the provisions of this Certificate in so far as they apply.

### 10 **Dispute Resolution**

10.1 All matters of dispute between the **Insured** and the **Insurers** (the parties) arising out of or in connection with this Certificate will be referred to a mediator to be agreed by the parties within fourteen (14) working days of the dispute arising under this Certificate. If a mediator is not agreed then either party may apply to the Centre for Dispute Resolution (CEDR) for the appointment of a mediator. The parties agree to share equally the costs of CEDR and of the mediator and that the referral of the dispute to mediation will be conducted in confidence.



10.2 The respective obligations of the parties under this Certificate shall continue in force while the dispute is unresolved, except to the extent that the nature of the dispute prevents continued performance of any obligation.

10.3 If the parties are unable to agree on the appointment of a mediator or either party elects to discontinue the mediation process or does not agree to the mediation procedures to be adopted, the dispute will be referred by either party to be determined by a sole arbitrator to be appointed in default of agreement between the parties by the president of the Institute of Chartered Arbitrators in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment in force at the time.

10.4 The making of a final un-appealed arbitration award will be a condition precedent to any right of action against the insurers.

#### 11 **Financial Services Compensation Scheme (FSCS)**

The **Insurers** are covered by the Financial Services Compensation Scheme (FSCS). The **Insured** may be entitled to compensation from the scheme if the **Insurers** cannot meet their obligations. This depends on the type of business and circumstances of the claim. Most insurance contracts are covered for 100% of the first GBP 2,000 and 90% of the remainder of the claim. Further information is available from the Financial Conduct Authority or the FSCS. The FSCS can be visited on the internet at [www.fscs.org.uk](http://www.fscs.org.uk) or by telephone on 020 7892 7300.

## **GENERAL EXCLUSIONS- APPLICABLE TO ALL SECTIONS OTHER THAN SECTION I**

**The following General Exclusions will apply to each Insured Section of this Certificate other than where specifically varied or replaced.**

This Certificate excludes and does not cover

1. **Asbestos**  
**Damage**, injury or liability directly or indirectly caused by or arising from or in any way related to asbestos or asbestos fibres or any commodity article or thing containing asbestos or asbestos fibres or the cost of removing nullifying or cleaning up asbestos, asbestos fibres or any commodity article or thing containing asbestos or asbestos fibres;
2. **Biological or Chemical Materials**  
**Damage**, injury or liability arising from or any costs or expenses incurred in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto;
3. **Deliberate Acts**  
**Damage**, injury or liability either expected or intended by the **Insured** but this exclusion does not apply to physical or mental injury to an individual resulting from the use of reasonable force to protect persons or property;  
For the purposes of this exclusion, **Damage** or injury contributed to by a failure to take reasonable precautions to prevent **Damage** or injury will be deemed expected or intended by the **Insured**.
4. **Electronic Data**
  - a) any loss, damage, destruction, distortion, erasure, corruption or alteration of **Electronic Data** from any cause whatsoever or resulting from or consequent on or concurrent with any cause whatsoever;
  - b) any costs, expenses or liability arising out of or from loss, damage, destruction, distortion, erasure,

corruption or alteration of **Electronic Data** (including but not limited to loss of use, reduction in functionality or costs of reproducing **Electronic Data**);

This exclusion shall not apply to **Damage**, injury or liability arising out of fire or explosion directly caused by loss, damage, destruction, distortion, erasure, corruption or alteration of **Electronic Data**.

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the electronic data from back-up or from originals of a previous generation

These costs will not include research and engineering nor any costs of recreating, gathering or assembling such electronic data. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this Policy does not insure any amount pertaining to the value of such electronic data to the Assured or any other party, even if such electronic data cannot be recreated, gathered or assembled

**5. Invalid payments**

any claims in respect of loss of property of the **Insured** or of property for which the **Insured** is responsible if the cause of loss is non-payment or invalid payment for the property by a third party after hand-over or release of the property by or on behalf of the **Insured** to such third party or such third party's agent or representative.

**6. Micro-organism**

**Damage**, injury or liability arising from or any costs or expenses incurred in connection with mould, mildew, fungus, spores or other micro-organism of any type, nature or description, including

but not limited to any substance whose presence poses an actual or potential threat to human health.

**7. Northern Ireland Override**

**Damage** to any property in Northern Ireland or loss resulting therefrom caused by or happening through or in consequence of

- a) civil commotion or
- b) any unlawful, wanton or malicious act committed maliciously by a person or persons acting on behalf of, or in connection with, any "Unlawful Association";

For the purposes of this exclusion

- i) "Unlawful Association" means any organisation which is engaged in "Terrorism" and includes an organisation which at any relevant time is a proscribed organisation within the meaning of the Criminal Damage (Compensation) (Northern Ireland) Order 1977.
- ii) "Terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear.

In any action, suit or other proceedings where the **Insurers** allege that by reason of the provisions of this exclusion any **Damage** is not covered by this Certificate the burden of proving that such **Damage** is covered shall be upon the **Insured**.

This overriding exclusion applies to this Certificate and to any extension thereof, unless such extension expressly cancels this overriding exclusion.

**8. Pollution (not applicable to Insured Section – Employers', Public and Products Liability)**

a) **Damage to**

- i) any property owned by the **Insured** or for which the **Insured** is responsible; or
- ii) any land or premises (including land or water within or below the boundaries of such land or

premises) that are presently owned, leased, hired or tenanted by the **Insured**

caused by or arising out of **Pollution**;

- b) **Pollution Clean-Up** arising from **Damage** to

i) any property owned by the **Insured** or for which the **Insured** is responsible; or

ii) any land or premises (including land or water within or below the boundaries of such land or premises) that are presently or were at any time previously owned, leased, hired or tenanted by the **Insured** caused by or arising out of **Pollution**;

9. **Radioactive Contamination**

Damage, injury or liability arising from or any costs or expenses incurred in connection with

a) Ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel

b) radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof

c) any weapon or other device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter

d) any chemical, biological, bio-chemical, or electromagnetic weapon.

10. **Sonic bang**

**Damage** occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;

11. **Terrorism**

loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of "Terrorism" regardless of any other cause or event contributing concurrently or in any

other sequence to the loss;

For the purpose of this exclusion an act of "Terrorism" means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This exclusion also applies to loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of Terrorism.

Loss, damage, cost or expense of whatsoever nature in Northern Ireland directly or indirectly resulting from or in connection with riot, civil commotion and (except in respect of damage or consequential loss by fire or explosion) strikers, locked-out workers, or persons taking part in labour disturbances, or malicious persons.

If the **Insurers** allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the **Insured**.

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

12. **War & Confiscation**

**Damage**, injury or liability directly or indirectly occasioned by, happening through or in consequence of or any costs or expenses incurred in connection with war, invasion, acts of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or any public or local authority;

13. **Water table**  
**Damage** attributable solely to change in the water table level.

14. **CONTAMINATION AND POLLUTION EXCLUSION**

1. Loss or damage due to pollution or contamination including soot deposition, impairment with dust, chemical precipitation, adulteration, poisoning, impurity, epidemic and disease or due to any limitation or prevention of the use of objects because of hazards to health.
2. Expenses, fines, penalties, remediation costs or other costs incurred or sustained by You or imposed on You which result from the order of any government agency, Court or an other authority, in connection with any kind or description of pollution or contamination or other environmental impairment including seepage from any cause.
3. Section 1 of this clause shall not apply:
  - a) if such loss or damage arises as a direct consequence of, an Insured Peril specified in the Schedule; or
  - b) to Damage caused by an Insured Peril specified in the Schedule where that Insured Peril arises directly from pollution or contamination as defined in paragraph 1 of this exclusion.
  - c) to the Infectious Diseases/ Death extension in the Business Interruption section of this Agreement.

15. **BIOLOGICAL AND CHEMICAL CONTAMINATION EXCLUSION**

1. Loss or destruction of or damage to any property whatsoever, or any loss or expenses whatsoever resulting or arising therefrom or any consequential loss;
2. Any legal liability of whatsoever

nature;

3. Death or injury to any person; Directly or indirectly caused by or contributed to by or arising from Biological or Chemical contamination due to or arising from;
  - Terrorism; and/or
  - Steps taken to prevent, suppress, control or reduce the consequences of any actual attempted, threatened, suspected or perceived terrorism.

For the purposes of this exclusion "terrorism" means any act(s) of any person(s) or organisation(s) involving:

- The causing, occasioning or threatening of harm of whatever nature and by whatever means;
- Putting the public or any section of the public in fear;

In circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organisation(s) concerned are wholly or partly of a political, religious, ideological or similar nature.

16. **NUCLEAR ENERGY RISKS EXCLUSION**

This Certificate does not cover Nuclear Energy Risks whether such risks are written directly and/or via Pools and/or Associations.

For the purposes of this Certificate Nuclear Energy Risks shall be defined as all first party and/or third party insurances in respect of:

- i) nuclear reactors and nuclear power stations or plant.
- ii) any other premises or facilities whatsoever related to or concerned with:
  - (a) the production of nuclear energy or
  - (b) the production or storage or handling of nuclear fuel or nuclear waste
- iii) any other premises or facilities eligible for insurance by any local Nuclear Pool and/or Association.

## GENERAL CONDITIONS - APPLICABLE TO ALL SECTIONS OTHER THAN SECTION I

### 1. Adjustment of premium

1.1 If the premium has been calculated on estimates given by the **Insured** the **Insured** shall keep an accurate record containing all relevant particulars, which shall be available to the **Insurers** for inspection.

1.2 Within one month of the expiry of the **Period of Insurance** the **Insured** shall supply to the **Insurers** an accurate statement in the form required so that the balance of the premium for the **Period of Insurance** can be calculated and the difference paid by or allowed to the **Insured**, subject to any minimum premium that may be required.

1.3 If the **Insured** fails to supply such a statement within one (1) month of the expiry of the **Period of Insurance** the **Insurers** shall be entitled to charge for the balance of the premium for the **Period of Insurance** based on the particulars declared in the **Insured's** last Financial Statements before the expiry of the **Period of Insurance**.

### 2. Assignment

Assignment of interest under this Certificate shall not bind the **Insurers** unless and until the **Insurers'** written consent is endorsed hereon.

### 3. Basis for the Certificate

3.1 All information supplied by the **Insured** in connection with the application for insurance, including any Proposal Form or Application Form or other information supplied by or on behalf of the **Insured** will be incorporated into and form part of this Certificate.

3.2 Acceptance of this Certificate shall be deemed confirmation by the **Insured** that all information supplied in connection with the application for insurance is true, accurate and complete as far as the **Insured** is aware, having exercised reasonable diligence in making due enquiry.

3.3 The **Insurers** have the right to reject or reduce claims arising out of risks the

**Insurers** are unaware of as a result of the **Insured's** failure to supply true, accurate and complete information and in serious cases cancel the entire Certificate or individual Insured Sections of the Certificate.

### 4. Cancellation

4.1 The **Insurers** may cancel the entire Certificate or individual Insured Sections of the Certificate by giving notice in writing to the **Insured** at the **Insured's** last known address.

4.2 If the **Insurers** cancel on account of deliberate and reckless misrepresentation or non-disclosure by or on behalf of the **Insured**, the effective date of termination will be immediate and the **Insurers** will be entitled to retain all premium paid.

4.3 If the **Insurers** cancel for reasons other than deliberate and reckless misrepresentation or non-disclosure the notice of termination will state the effective date of termination, which will be not less than thirty (30) days from the mailing of the notice and the **Insured** will be entitled to a return of premium for the unexpired portion of the **Period of Insurance**, less any amounts to which the **Insurers** are entitled in accordance with General Conditions 1 (Adjustment of Premium).

4.4 The **Insured** may cancel the entire Certificate or individual Insured Sections of the Certificate at any time by giving notice in writing to the **Insurers** or the intermediary appointed by the **Insured** to place this insurance and stating the effective date of cancellation.

4.5 If the **Insured** gives notice of cancellation, the **Insurers** will be entitled to retain any minimum earned premium or the customary short-term premium, whichever is greater. Details of the customary short-term premium are available on request.

**Insurers** reserve the right not to allow a return of premium in respect of Section C – Employers', Public and Products Liability, or if there has been a claim or an incident that may give rise to a claim under this Certificate.

**5. Cessation of Interest**

This Certificate shall be avoided with respect to any Insured Section with regard to which the **Insured's** interest ceases after the commencement of the Period of **Insurance**, unless the **Insurers** have agreed, in writing, to maintain the Certificate in force after the **Insured's** interest has ceased.

**6. Changes in risk after the commencement of the Period of Insurance**

6.1 The **Insured** must ensure that the **Insurers** are notified as soon as practicable and in writing of any changes to the material facts (meaning any facts or information the **Insurers** would take into account in their assessment or acceptance of the risk to be insured) supplied in connection with the application for this insurance.

6.2 The **Insurers** have the right to apply additional terms, conditions and exclusions and/or to charge additional premium consistent with such changes to the material facts.

**7. Due Diligence**

7.1 The **Insured** shall at the **Insured's** own expense

- a) maintain the **Premises** and all machinery, plant, equipment and furnishings at the **Premises**, in a satisfactory state of repair;
- b) exercise care in the selection and supervision of **Persons Employed**;
- c) comply with all relevant statutory requirements, manufacturer recommendations and other regulations relating to the use, inspection and safety of property and safety of persons;
- d) make good any defect or danger which becomes apparent and take additional precautions as circumstances require;
- e) exercise care in the selection and supervision of **Persons Employed**;
- f) in the event of **Damage** or injury,
  - (i) take all reasonable steps to contain the extent of

**Damage** or injury as far as possible and ensure that such additional precautions as the circumstances require are taken;

- (ii) cease any activity that has given rise to the **Damage** or injury or can reasonably be expected to give rise to further **Damage** or injury.

**8. Excess**

8.1 The **Insured** is responsible for the full amount of any Excess specified in the Certificate Schedule.

8.2 The **Insured** is not permitted to effect insurance in respect of any Excess specified in the Certificate Schedule.

**9. Inspection and Audit**

The **Insurers**, or such representative(s) as the **Insurers** may designate, shall be permitted but not obligated to inspect the **Insured's** property and operations at any time. Neither the **Insurers'** right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the **Insured** or others, to determine or warrant that such property or operations are safe.

**10. Observance**

Observance of the terms of this Certificate relating to anything to be done or complied with by the **Insured** is a condition precedent to any liability of the **Insurers**.

**11 Warranty**

11.1 Any clause containing the words "it is warranted that" is a warranty.

11.2 Every warranty shall apply from the time it attaches and shall continue to be in force until the expiry of the **Period of Insurance**.

11.3 Non-compliance with any warranty insofar as the non-compliance increases the risk shall be a bar to any claim.

## CLAIMS CONDITIONS - APPLICABLE TO ALL SECTIONS OTHER THAN SECTION I

### 1. **Obligations of the Insured**

It is a condition precedent to the **Insurers'** liability that the **Insured**

- 1.1 gives prompt notice to the person or entity nominated in the Certificate Schedule for notification of claims (the **Insurers' Representative**) of any **Damage**, death, injury or circumstances that could give rise to a claim under this Certificate of which the **Insured** becomes aware of or can reasonably be expected to be aware of and in any event

- a) within seven (7) days of **Damage** caused by riot, civil commotion or malicious persons (if these are operative Insured Perils);
- b) within thirty (30) days of **Damage** caused other than by riot, civil commotion or malicious persons;
- c) within thirty (30) days of the date the **Insured** becomes aware of or can reasonably be expected to become aware of any injury or other circumstances that could give rise to a claim;

If it is not possible or practical to give notice to the **Insurers' Representative**, notice should be given to the claims manager at the address this Certificate is issued.

- 1.2 gives immediate notice to the Police of any **Damage** caused by theft or malicious persons and

- a) obtains a crime reference;
- b) takes all practical steps to identify the offender and recover any property that has been lost as a result;

- 1.3 completes and returns to the **Insurers' Representative** any claim report form supplied by the **Insurers' Representative**, together with any other relevant details or statements, as soon as practicable and in any event within thirty (30) days of receipt of the claim report form, or such longer period as the **Insurers' Representative** consents

to;

- 1.4 shall not admit liability for or negotiate the settlement of any claim or waive any rights of recourse or recovery against any other person without the prior written consent of the **Insurers**;

- 1.5 provides all particulars, information and assistance as the **Insurers** and/or the **Insurers' Representative** reasonably require, at the **Insured's** own expense;

- 1.6 gives the **Insurers** and/or the **Insurers' Representative** leave and licence to attend the **Premises**, if the **Damage** occurs at the **Premises**, and take and keep possession of any property destroyed or damaged and deal with the salvage in a reasonable manner;

- 1.7 does not destroy or allow to be destroyed any evidence or supporting information or documentation without the prior consent of the **Insurers**;

- 1.8 provides any assistance requested by the **Insurers** and/or the **Insurers' Representative** in exercising any rights of recourse or recovery;

If the **Insured** does not comply with the above requirements the **Insurers** shall be under no obligation to settle any claim for any amount in excess of the amount the **Insurers** could have settled the claim for if the above requirements had been complied with.

### 2. **Rights of the Insurers**

The **Insurers** shall have the right whether before or after settlement of any claim under this Certificate to conduct in the name of the **Insured** the defence or settlement of any claim or to take action to seek recovery or secure indemnity from any third party in respect of any claim covered by this Certificate and shall have full discretion in the conduct of any such proceedings.

### 3. **Terms of settlement**

If the **Insurers** decide to repair, reinstate or replace any property, the **Insurers** will only do so in a reasonably sufficient manner as circumstances permit and shall not be

bound to expend more than the applicable limit of liability or Sum Insured.

#### 4 **Subrogation**

In the event of any payment under this Certificate, the **Insurers** will act together with all other interested parties (including the **Insured**) concerned in the exercise of any rights of recovery.

The distribution of any amounts which may be so recovered shall follow the principle that any interested parties (including the **Insured**) that shall have paid an amount over and above any payment under this Certificate, shall first be reimbursed up to the amount paid by them. The **Insurers** are then to be reimbursed out of any balance remaining up to the amount paid under this Certificate. Lastly, the interested parties (including the **Insured**) to whom this coverage is in excess are entitled to claim the residue, if any. Expenses necessary to the recovery of any such amounts shall be borne by the interested parties concerned, in the ratio of their respective recoveries as finally settled.

#### **Additional claims conditions applicable to Insured Section – Material Damage**

The **Insured** must allow the **Insurers** to access any **Premises** where **Damage** has occurred and to take and keep possession of or to deal with property in any reasonable manner. No property may be abandoned to the **Insurers**.

If **Damage** as a result of theft or attempted theft or acts by malicious persons (including arson) or riot occurs or is suspected, the **Insured** must give immediate notice upon discovery to the Police and offer the Police all reasonable assistance in the apprehension of any person responsible and take all practical steps taken to recover any stolen property.

#### **Additional claims conditions applicable to Insured Section – Business Interruption**

The **Insured** must submit a detailed statement of claim within thirty (30) days of the expiry of the **Indemnity Period**, including all relevant particulars and details.

Any extension to the date by which the detailed statement of claim is required must be agreed by the **Insurers** in writing.

#### **Additional claims conditions applicable to Section 2 of Insured Section – Loss of money & personal assault**

In the event of disablement of an **Insured Person**, the **Insured Person** must immediately place himself or herself under the care of a qualified medical practitioner and as often as the **Insurers** require submit to medical examination at the expense of the **Insurers**.

#### **Additional claims conditions applicable to Insured Section –Employers’, Public and Products Liability**

##### **Notification**

The **Insured** must give immediate notice or within forty eight (48) hours of receipt of notice of any impending inquest, fatal accident enquiry, prosecution or other legal proceedings that includes alleged **Injury**.

The **Insured** must give notice as soon as practical and in any event within seventy two (72) hours of coming into possession of actual knowledge that notice of an Industrial or Employment Tribunal hearing includes alleged **Injury**.

The **Insured** must give immediate notice or not later than seventy two (72) hours from the **Insured’s** actual knowledge of any death or injury to any person involving a stay in hospital in excess of three (3) days which may be the subject of indemnity under this Certificate.

The **Insured** must give notice by email or fax or other agreed electronic medium to the **Insurers’ Representative** not later than forty eight (48) hours from the **Insured’s** notification to the authorities of any RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995) incident.



## Further assistance

The **Insured** must forward copies of any request, demand, order, notice, summons, legal paper and all documents relating thereto in connection with an incident which may be the subject of indemnity under this Insured Section as soon as they are received.

The **Insured** must authorise the **Insurers** to obtain medical records or other relevant information when requested by the **Insurers** but only when legally permitted to do so in the event of an incident involving injury which may be the subject of indemnity under this Insured Section.

## Insurers' rights

The **Insurers** will be under no obligation to investigate any potential claims or to undertake the conduct of any proceedings in connection with a potential claim.

If the **Insurers** agree to leave the conduct of proceedings to the **Insured**, the **Insurers** shall have absolute discretion to determine payment of claimants' costs or settlement by compromise.

## Disputed defence or appeal

If the **Insured** and the **Insurers** fail to agree as to whether a prosecution should be defended or an appeal made, the matter will be referred to a Queen's Counsel to be mutually agreed by the **Insured** and the **Insurers** (or to be nominated by the President of the Law Society if the **Insured** and the **Insurers** do not agree) whose decision will be final.

If there is a conflict between persons or entities that are indemnified separately under this Insured Section, separate representation will be arranged for each party.

## SECTION A – MATERIAL DAMAGE

### A Additional Definitions applicable to Insured Section – Material Damage

#### All Other Contents

means those items specifically listed in the Certificate Schedule under the Item "All Other Contents" and

1. **Money** for an amount not exceeding GBP 1,000;
2. **Documents**;
3. **Computer Records** for an amount not exceeding GBP 5,000 unless specified otherwise in the Certificate Schedule;
4. patterns, models, moulds, templates, plans and designs;
5. clothing and personal effects, tools, instruments and the like, of directors, executives, **Persons Employed**, visitors and guests of the Insured for an amount not exceeding GBP 500 in respect of any one person, and for pedal cycles GBP 500 per person;

#### Building

means any building at the **Premises** capable of being locked which, unless otherwise declared, shall be built mainly of brick, stone, concrete or other non-combustible materials, including: -

1. landlord's fixtures and fittings; and/or
2. fixed sanitary ware; and/or
3. canopies, fixed signs and street furniture; and/or
4. outbuildings, annexes, gangways, extensions, walls, gates, fences, roads, paved areas, pavements, lamp posts, and other structures within the curtilage of the **Premises**; and/or
5. telephone, gas, water and electricity instruments, meters, drains, piping, cables and the like, and accessories thereof including such property for which the **Insured** is responsible which is underground and partly or wholly serves to supply the described **Premises**;
6. security cameras and lights owned by or used by the **Insured** and located on or around the **Premises**; and/or
7. any open space, yard or garden but only if specified in the Certificate Schedule.

**Glass**

means

1. normal flat annealed glass, toughened and laminated glass, bent, tinted, stained or fired glass, decoration or protective film or alarm foil on glass, including lettering thereon, in windows, doors and fanlights;
2. glass in fixed showcases, shelves, tops or mirrors;
3. neon signs.

**Professional Fees**

means fees (but not any fees charged for the preparation of a claim or estimate of loss), not exceeding the amounts authorised under the scales of the various institutions regulating such charges prevailing at the time of the **Damage**, of architects, surveyors, lawyers, and consulting engineers and other professional persons necessarily incurred by or on behalf of the **Insured** in the **Reinstatement of Property** following **Damage to Property** indemnified by this Insured Section.

**Property**

means the property specified in the Certificate Schedule, which either belongs to the **Insured** or for which the **Insured** is responsible.

**Reinstatement**

means

1. the rebuilding of a **Building** to the same or similar specifications except as provided for in Memoranda 8 & 9 (Reinstatement and Public Authorities); or
2. the replacement of **Property** other than a **Building** that has been lost, destroyed or damaged beyond the reasonable cost of repair by property similar to that lost, destroyed or substantially damaged when new; or
3. the repair or restoration of damaged **Property** to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

**Removal of Debris**

means costs and expenses necessarily incurred by the **Insured** with the consent of the **Insurers** in

1. removing the debris of,
2. dismantling and/or demolishing,

3. shoring up or propping of

**Property** destroyed or damaged by an Insured Peril entered as operative in the Certificate Schedule.

**Stock**

means stock and material in trade belonging to the **Insured** or held in trust or on commission by the **Insured**, including

1. up to GBP 250 of wines, spirits, tobacco and cigarettes if no separate amount for wines, spirits, tobacco and cigarettes is entered in the Certificate Schedule; or
2. wines, spirits, tobacco and cigarettes up to the specific amount entered in the Certificate Schedule.

**Tenants Improvements**

internal decorations to ceilings and walls and improvements and additions of a similar nature belonging to the **Insured** or for which the **Insured** is responsible as tenant and not owner of the **Premises**

**B Insuring Clause**

Subject to the General Agreement, General Definitions, General Conditions, General Exclusions and Claims Conditions of this Certificate, and the additional definitions, exclusions, conditions, extensions, and memoranda contained in this Insured Section, the **Insurers** agree to indemnify the **Insured** in accordance with J "Basis of Settlement" against **Damage to the Property** provided that the **Damage**

1. is caused by or arises from one or more of the Insured Perils listed below and entered as operative in the Certificate Schedule and
2. occurs during the **Period of Insurance**.

The **Insurers** shall not be liable for more than the Sum Insured stated in the Certificate Schedule or in this Insured Section in respect of each loss or series of losses arising out of one event at each location.

**C Insured Perils**

1. a) FIRE (including subterranean fire) and/or LIGHTNING
- b) FIRE (including subterranean fire)

consequent upon explosion wherever the explosion occurs

2. STORM OR TEMPEST
3. FLOOD
4. BURSTING OR OVERFLOWING OF WATER TANKS, APPARATUS OR PIPES
5. IMPACT BY ANY VEHICLE OR TRAIN (or by goods falling therefrom) OR ANIMAL EXPLOSION
6. AIRCRAFT and other aerial devices or articles dropped therefrom
8. RIOT, CIVIL COMMOTION, STRIKERS, LOCKED-OUT WORKERS or PERSONS taking part in LABOUR DISTURBANCES
9. MALICIOUS PERSONS
10. EARTHQUAKE
11. WATER DISCHARGED OR LEAKING FROM THE AUTOMATIC SPRINKLER INSTALLATION(S) IN THE PREMISES
12. THEFT OR ATTEMPTED THEFT
13. ACCIDENTAL DAMAGE caused by or arising from any cause other than the Insured Perils listed above

**D Additional Exclusions applicable to Insured Perils 1-13 inclusive**

With respect to Insured Perils 1-13 inclusive this Insured Section excludes and does not cover **Damage**

1. resulting from
  - a) the escape of water from the normal confines of any natural or artificial water course or lake, reservoir, canal or dam; or
  - b) inundation from the sea; caused by
    - a) frost, subsidence, ground heave or landslide;
    - b) discharge or leakage from pipes, mains and tanks attributable to faulty repairs to such pipes, mains and tanks;
2. arising from building works, renovation or refurbishment unless the **Insurers** have agreed to cover such work prior to the **Damage**;

3. occasioned by the bursting of a boiler (not being a boiler used for domestic purposes only), economiser or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the **Insured** but this exclusion does not apply if the **Damage** is caused by fire resulting from an explosion of a boiler, economiser or other vessel, machine or apparatus in which internal pressure is due to steam only;
4. resulting from
  - a) the bursting or overflowing or leakage of water tanks apparatus or pipes;
  - b) the discharge of water or leakage from the automatic sprinkler installation(s) in the **Premises** occasioned by or happening through freezing; while the **Premises** are unoccupied or vacant, but this exclusion shall not apply while the **Premises** are normally closed for holidays or weekends;
5. caused by or resulting from THEFT OR ATTEMPTED THEFT unless the THEFT OR ATTEMPTED THEFT involves
  - a) forcible or violent means to gain entry; or
  - b) violence or threat of violence against the **Insured** or any director, officer of or **Person Employed** by the **Insured**;
6. to **Money, Documents**, bonds, securities or medals caused by or resulting from THEFT OR ATTEMPTED THEFT;
7. to movable property in the open caused by or resulting from STORM OR TEMPEST or THEFT OR ATTEMPTED THEFT;
8. to fences and gates caused by or resulting from STORM OR TEMPEST;
9. to motor vehicles and accessories in or upon the said vehicles, explosives, livestock, bonds, negotiable documents, or securities except as expressly itemised in the Certificate Schedule;
10. resulting from interruption or cessation of work;
11. **Digital & Cyber Risks.**

**E Additional Exclusions applicable to Insured Peril 13 – ACCIDENTAL DAMAGE**

With respect to Insured Peril 13 this Insured Section excludes and does not cover

1. **Damage** caused by
  - a) inherent vice, latent defect, gradual deterioration, wear and tear, faulty or defective design or materials or any other gradually operating cause;
  - b) faulty or defective workmanship, operational error or omission on the part of the **Insured** or any **Person Employed** by the **Insured**;
  - c) explosion occasioned by the bursting of a boiler, economiser vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the **Insured**;

but this exclusion shall not apply to **Damage** resulting from an ensuing cause which is not otherwise excluded;
2. **Damage** caused by
  - a) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects;
  - b) change in temperature, colour, flavour, texture or finish;
  - c) **THEFT OR ATTEMPTED THEFT** but this exclusion does not apply to the cost for which the **Insured** is responsible of making good damage to any **Building** at the **Premises** caused during the **THEFT OR ATTEMPTED THEFT** if no amount is entered in the Certificate Schedule for **Buildings** and no other insurance is in force for damage to such **Building** caused by **THEFT OR ATTEMPTED THEFT**;
  - d) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith;

- e) mechanical or electrical breakdown or derangement of machinery or equipment;
  - f) the self-ignition of electrical plant or apparatus but this exclusion shall only apply to that part of the electrical plant or apparatus in which self-ignition occurs;
3. **Damage** caused by acts of fraud or dishonesty or the misfiling or misplacing of information;
  4. **Damage** to any **Building** or foundations caused by or following subsidence, collapse, ground heave, landslip, settling, cracking, shrinkage or expansion;
  5. any disappearance or shortage revealed only at the time of stock taking or a stock check or the making of an inventory or not traceable to a specific incident;
  6. **Damage** to movable **Property** in the open, fences and gates by wind, rain, hail, sleet, snow, flood or dust;
  7. **Damage** resulting from **Property** undergoing any process of production, packing, treatment, testing, commission, servicing or repair;
  8. **Damage** to **Glass**, glassware, china, earthenware, marble or other fragile or brittle objects;
  9. **Damage** to **Business Equipment** and/or **Computer Records**;
  11. **Damage** to
    - a) **Property** in transit;
    - b) vehicles licensed for road use (including accessories thereon) caravans, trailers whilst being used outside the confines of the **Premises**, railway locomotives, rolling stock, watercraft or aircraft;
  12. **Damage** to
    - a) jewellery, precious stones, precious metals, bullion, furs, curiosities, works of art and rare books, bonds, negotiable documents, securities or medals;
    - b) property or structures in the course of construction or erection and materials

supplied in connection with all such property in course of construction or erection;

- c) roads, pavements, piers, jetties, bridges, culverts or excavations;
- d) livestock, growing crops or trees; unless expressly itemised in the Certificate Schedule.

**F Additional Conditions applicable to Insured Section – Material Damage**

**1. Protection Maintenance Clause**

It is a condition precedent to the **Insurers'** liability for **Damage to Property** caused by theft or attempted theft or by malicious persons that

- a) in respect of any Alarm System installed at the **Premises**
  - (i) a maintenance contract is maintained in force throughout the **Period of Insurance** with the company that installed the Alarm System or a company approved by the **Insurers**;
  - (ii) the **Premises** are not left unattended unless
    - 1) the Alarm System is tested and set in its entirety and, where the equipment permits, any central station to which the Alarm System is connected has acknowledged the setting signal;
    - 2) as far as the **Insured** or any person responsible for security is aware, the Alarm System is in full and efficient working order;
    - 3) the agreement of the **Insurers** is obtained in writing before replacing, extending or otherwise altering the Alarm System;
  - (iii) the **Insurers** are notified immediately and in writing if
    - 1) the **Insured** receives written notification from

a Police Authority that it may be withdrawing response to alarm calls; or

- 2) the **Insured** is required to abate a nuisance under the Code of Practice on Noise from Audible Intruder Alarms 1983;

b) whenever the **Premises** are left unattended

- (i) all locks and other protective devices are in full operation;
- (ii) all keys (including those relating to any part of the Alarm System) are
  - 1) removed from the **Premises**; or
  - 2) placed within a locked safe or strong room, all keys to which are removed from the **Premises**;
- (iii) any details of any combination code for a combination lock are put in a locked place and the keys to such locked place removed from the **Premises**;

Definition: Alarm System shall be deemed to include all lines and equipment used to transmit the signals to and from the Premises.

**2. Fire Appliance Maintenance Clause**

It is understood and agreed that

- a) the **Insured** will maintain all fire extinguishing appliances contained in the **Premises** in full working order throughout the **Period of Insurance** and
- b) notify the **Insurers** immediately of any disconnection or failure of the automatic fire alarm installation which is likely to leave any area without protection for twelve (12) hours or more.

This Certificate shall not be invalidated by any defect in any of the appliances due to circumstances unknown or beyond the control of the **Insured**.

3. **Fire certificate**

It is a condition precedent to the **Insurers'** liability that if the **Insured** is required to have a Fire Certificate under the terms of the current legislation of the **United Kingdom**

- a) a current Fire Certificate valid for the **Premises** is maintained in force during the whole **Period of Insurance**; or
- b) the **Insured** has applied to the Fire Authority for a Fire Certificate and the application has not been withdrawn or refused.

4. **Automatic sprinkler installation clause**

It is understood and agreed that

- a) the **Insured** shall take all reasonable steps to prevent frost and other damage to the automatic sprinkler installation(s) and, so far as their responsibility extends, to maintain the installation(s) including the automatic external alarm signal(s) in efficient condition;
- b) in the event of any discharge or leakage from the said installation(s) the **Insured** shall do and permit to be done all things practicable whether by removal or otherwise to save and protect the **Property**;
- c) when any changes, repairs or alterations to the automatic sprinkler installation(s) are proposed notice thereof is to be given to the **Insurers**.

5. **Excess**

The Excess specified in the Certificate Schedule shall apply to all **Damage** arising from the same event but shall not apply to any costs or expenses incurred by the **Insured** as a result of the **Damage**.

6. **Other insurance**

It is understood and agreed that

- a) this Insured Section does not apply to **Damage to Property** which is more specifically insured by other insurance except in respect of any excess beyond the amount which would have been payable under such other insurance had this Insured Section not been effected;

- b) where this Insured Section applies in excess of more specific insurance, the amount payable under this Insured Section and the more specific insurance combined shall not exceed the total cost of **Reinstatement** or where the basis of settlement under this Insured Section is other than **Reinstatement** the value of the **Property** at the time of **Damage**;
- c) if no amount has been entered in the Certificate Schedule for **Buildings** and other insurance is in force for **Damage to Buildings** at the **Premises**, such other insurance will be deemed more specific insurance in respect of **Property** included within the definition of **Building** applicable to this Insured Section.
- d) this Insured Section does not apply to **Damage to Property** more specifically covered by any other Insured Section included in this Certificate.

7. **Automatic reinstatement of the Sum Insured**

Except where a Sum Insured is applicable to all **Damage** during the **Period of Insurance**, the applicable Sum Insured shall be immediately and automatically reinstated following **Damage to Property** caused by an operative Insured Peril, provided that the **Damage** is not otherwise excluded and the **Insured** undertakes to pay an additional premium.

The additional premium will be calculated by applying the rate applicable to the **Property** lost, destroyed or damaged to the amount settled or to be settled in accordance with J Basis of Settlement, pro-rated from the date of the **Damage** to the expiry of the **Period of Insurance**.

**G Extensions Asbestos**

- 1. This Insured Section is extended to indemnify the **Insured** against physical damage to asbestos physically incorporated in a building or structure at the **Premises**

occurring in its entirety during the **Period of Insurance** and caused by one of the following Listed Perils:

Fire (including subterranean fire), Lightning, Explosion, Aircraft, Riot or Civil Commotion, Earthquake, Storm or Flood, Escape of Water, Impact, Sprinkler Leakage, Subsidence.

2. This Extension does not apply
  - a) if no Sum Insured is entered in the Certificate Schedule with respect to the building or structure in which the asbestos is incorporated;
  - b) if the Listed Peril causing physical damage to the asbestos is not entered in the Certificate Schedule as an operative Insured Peril with respect to the building or structure in which the asbestos is incorporated;
  - c) unless the Listed Peril is the immediate and sole cause of the physical damage to the asbestos;
  - d) to physical damage caused by or arising from wear and tear or inherent defect quality or vice in or of any asbestos;
  - e) to any asbestos which has not physically damaged by one of Listed Perils contained in this Extension;
  - f) to any physical damage to asbestos first reported to the **Insurers** more than twelve (12) months after the expiry of the **Period of Insurance** or, if this Insured Section is cancelled by the **Insurers** or the **Insured**, more than twelve (12) months after the effective date of cancellation.
3. The **Insured** must report the existence and cost of the physical damage to the asbestos to the **Insurers** as soon as practicable after the commencement of any physical damage to the asbestos caused by a Listed Peril.
4. Except as specifically varied above, this Extension is subject to General Exclusion 1. (Asbestos).

## H Optional Extensions

The following Extensions shall apply only if it is stated in the Certificate Schedule that they are included.

Where there is any conflict between the terms of an Extension and any condition, exclusion or Memorandum of this Insured Section then the terms of the Extension shall prevail.

### Day One Basis (Non-Adjustable)

1. The **Insured** having stated in writing a Declared Value in respect of the total cost of **Reinstatement** (being the cost of **Reinstatement** and in addition the costs of **Professional Fees, Removal of Debris** and the costs of complying with Building or other Regulations as detailed in Memorandum 8 Public Authorities) of each of the following
  - a) the **Building(s)**,
  - b) the **Insured's** fixtures and fittings (if the **Insured** is not the landlord),
  - c) **Tenants Improvements** (if no Sum Insured or Declared Value is shown in the Certificate Schedule against "Buildings"),
  - d) machinery and plant
 at the level of costs applying at the commencement of the **Period of Insurance** (ignoring inflationary factors which may operate subsequently), the premium has been calculated accordingly.
2. In respect of **Property** to which this Extension applies, the figure stated in brackets below the Sum Insured in the Certificate Schedule represents the Declared Value as defined in paragraph 1 above.
3. Clause d) of Memorandum 8 – Reinstatement is amended to read  
 If at the time the total cost of **Reinstatement** (being the cost of **Reinstatement** and in addition the costs of **Professional Fees, Removal of Debris** and the costs of complying with Building or other Regulations as detailed in Memorandum 8 Public Authorities) is actually incurred, such total cost of **Reinstatement** exceeds the Declared Value applicable to the reinstated

**Property**, the **Insurers'** liability for such total cost of **Reinstatement** shall not exceed that proportion which the Declared Value applicable to the reinstated **Property** shall bear to the total cost of **Reinstatement** of the reinstated **Property**;

**Day One Basis (Adjustable).**

1. The **Insured** having stated in writing a Declared Value in respect of the total cost of **Reinstatement** (being the cost of **Reinstatement** and in addition the costs of **Professional Fees, Removal of Debris** and the costs of complying with Building or other Regulations as detailed in Memorandum 8 Public Authorities) of each of the following
  - a) the **Building(s)**,
  - b) the **Insured's** fixtures and fittings (if the **Insured** is not the landlord),
  - c) **Tenants Improvements** (if no Sum Insured or Declared Value is shown in the Certificate Schedule against "Buildings"),
  - d) machinery and plant at the level of costs applying at the commencement of the **Period of Insurance**, the premium has been calculated accordingly.
2. In respect of **Property** to which this Extension applies the figure stated in brackets below the Sum Insured in the Certificate Schedule represent the Declared Value as defined in paragraph 1 above.
3. The Declared Value will be adjusted monthly with effect from the commencement of the **Period of Insurance** in accordance with the appropriate retail price index.
4. Clause d) of Memorandum 8 – Reinstatement is amended to read  
 If at the time the total cost of **Reinstatement** (being the cost of **Reinstatement** and in addition the costs of **Professional Fees, Removal of Debris** and the costs of complying with Building or other Regulations as detailed in Memorandum 8 Public Authorities) is actually incurred, such

total cost of **Reinstatement** exceeds the Declared Value applicable to the reinstated **Property** at the date the **Damage** took place, the **Insurers'** liability for such total cost of **Reinstatement** shall not exceed that proportion which the Declared Value (after adjustment in accordance with changes in the appropriate retail price index between the commencement of the **Period of Insurance** and the date the **Damage** occurs) applicable to the reinstated **Property** shall bear to the total cost of **Reinstatement** of the reinstated **Property**;

**Stock Declaration**

The premium paid hereon in respect of **Stock** is only provisional, being calculated on 75% of the estimated average amount and is subject to adjustment as follows:-

1. The value of the **Stock** on the last day of each calendar month shall be declared in writing by the **Insured** to the **Insurers** and if a declaration is not made the **Insured** shall be deemed to have declared the Sum Insured as the value.
2. On the expiry of the **Period of Insurance** the actual premium shall be calculated at the rate specified in the Certificate Schedule in respect of this Extension on the average amount declared which shall be arrived at by dividing the total of the sums declared by the number of declarations.  
 If the actual premium is greater than the provisional premium, the **Insured** shall pay the difference. If the actual premium is less the difference shall be repaid to the **Insured**, subject to the **Insurers** retaining any minimum premium stipulated in the Certificate Schedule in respect of **Stock**.  
 In consideration of the Sum Insured not being reduced in respect of subsequent **Damage to Stock**, the **Insured** shall pay additional premium on the amount of claim settlement, calculated by applying the rate specified in the Certificate Schedule in respect of this Extension to the amount of the claim settlement and then pro rata from the date the **Damage** occurred to the expiry of the **Period of Insurance**.



## Rent

In the event of **Damage** to a **Building** caused by an Insured Peril entered as operative in the Certificate Schedule as a result of which the **Building** is unfit for occupation for its usual purposes, the **Insurers** will pay, up to the Sum Insured for "Rent" entered in the Certificate Schedule,

1. to the **Insured** the actual reduction in rent receivable by the **Insured**; or
2. on behalf of the **Insured** the amount of rent that continues to be payable under contract.

The **Insurers** will not pay any rent after the expiry of the "Period of Rent Insured" specified in the Certificate Schedule, such "Period of Rent Insured" commencing on the date of the **Damage**.

## Glass

1. In the event of breakage of **Glass** the **Insurers** will indemnify the **Insured** for

- a) (i) the cost of replacing **Glass** in windows, internal or external doors of a building or fanlights with glass conforming with BS6206 where required by regulations or BS6262; and
- (ii) the cost of making good any damage to the frames or framework of the windows, doors or fanlights resulting from the breakage;
- (iii) the cost of removal and/or replacement of fixtures and fittings of windows, doors or fanlights necessarily incurred to effect the replacement of the **Glass**;

for which the **Insured** is responsible;

- b) the reasonable cost of boarding up windows, doors or fanlights pending replacement of broken **Glass**;

- c) the cost of replacing **Glass** inside any building at the **Premises**, including the cost of making good any damage to frames or framework and the cost of removal and/or replacement necessarily incurred to effect the replacement of the **Glass**;

2. With respect to alarm foil, lettering, painting, embossing, silvering or other ornamental work requiring replacement as a result of breakage during the **Period of Insurance**, the **Insurers** will not pay more than the amount shown in the Certificate Schedule or GBP 500 if no amount is shown in the Certificate Schedule in respect of all breakage during the **Period of Insurance**.
3. This Extension does not cover
  - a) the cost of making good any damage to frames or framework or the cost of removal and/or replacement of fixtures and fittings which are not an integral part of windows, internal or external doors or fanlights of a **Building** as part of the replacement of **Glass**;
  - b) breakage occurring during removal or installation of **Glass** or arising out of repairs or alterations being carried out at the **Premises**;
  - c) breakage due to dilapidation or deterioration of framework;
  - d) any costs of replacement of **Glass** that is broken, chipped, cracked, disfigured or otherwise flawed at the commencement of the **Period of Insurance**;
  - e) breakage of **Glass** if the breakage occurs while the **Premises** are unoccupied or vacant, other than for normal closure for holidays or weekends.
  - f) any costs of replacement of **Glass** that is only chipped or scratched.

## I Memoranda attaching to Insured Section – Material Damage

1. **Designation of Property**  
For the purpose of determining where necessary the heading under which any **Property** is insured, the **Insurers** agree to accept the designation under which such **Property** has been entered in the **Insured's** books.
2. **Inclusion of buildings**  
Where an amount has been entered in the

Certificate Schedule for **Buildings**, this Insured Section includes

- a) the cost of repairing accidental damage to fuel oil or the underground water supply or gas pipes or electricity or telephone cables supplying the **Premises** which are the responsibility of the occupier of the **Premises** and not the supplying utility;
  - b) the reasonable costs (but not more than GBP 25,000) incurred by the **Insured** in locating the source and subsequent making good of damage resulting from
    - (i) the escape of water from any tank, apparatus or pipe; or
    - (ii) accidental damage to cables, underground pipes or drains serving the **Premises**;
  - c) the cost of repair or replacement of radio and television aerials, their fittings and masts following accidental breakage or collapse;
  - d) the cost of repair or replacement of sanitary fixtures forming part of the **Building** following accidental breakage, excluding
    - (i) the first GBP 500 of each loss;
    - (ii) **Damage** while the **Building** is unoccupied or vacant, other than for normal closure for holidays or weekends;
    - (iii) breakage of sanitary fixtures which are not in a sound condition; provided that all such costs shall form part of and shall not be payable in addition to the Sum Insured for **Buildings**.
3. **Buildings not included**  
Where no amount has been entered in the Certificate Schedule for **Buildings**
- a) the Sum Insured in respect of fixtures, fittings, machinery and plant includes
    - (i) telephone, gas, water and electricity instruments, meters, drains, piping, cables and the

like, and accessories thereof including such property for which the **Insured** is responsible which is underground and/or partly or wholly serves to supply the described **Premises**;

- (ii) the **Insured's** own radio and television aerials, their fittings and masts at the **Premises**;
  - (iii) **Tenants Improvements** undertaken or paid for by the **Insured** at the **Premises**;
  - (iv) sanitary fixtures at the **Premises** if the **Insured** is responsible for the cost of repair or replacement;
- b) this Insured Section is extended to include
- (i) the cost for which the **Insured** is responsible of repairing accidental damage to fuel oil or the underground water supply or gas pipes or electricity or telephone cables supplying the **Premises** which are the responsibility of the occupier of the **Premises** and not the supplying utility;
  - (ii) the reasonable costs for which the **Insured** is responsible (but not more than GBP 25,000) incurred by the **Insured** in locating the source and subsequent making good of damage resulting from
    - 1) the escape of water from any tank, apparatus or pipe; or
    - 2) accidental damage to cables, underground pipes or drains serving the **Premises**;
  - (iii) the cost of repair or replacement of sanitary fixtures at the **Premises** following **Damage** or accidental breakage, excluding
    - 1) the first GBP 500 of each loss;

- 2) **Damage** or breakage while the **Premises** are unoccupied or vacant, other than for normal closure for holidays or weekends;
- 3) the cost of repair or replacement of sanitary fixtures which are not in a sound condition at the time of **Damage** or breakage;

subject to the provisions of clause F.6 (Other Insurance).

4. **Capital Additions**

This Insured Section is extended to include

- a) any newly acquired and/or newly erected **Building** within the **Territorial Limits** insofar as the same is not otherwise insured, or alterations, additions and improvements to any **Building** within the **Territorial Limits** if an amount has been entered in the Certificate Schedule for **Buildings**; and
- b) any newly acquired and/or newly erected machinery and plant installed within the **Territorial Limits**, insofar as the same is not otherwise insured, for an amount not exceeding 10% of the applicable Sum Insured for fixtures, fittings, machinery and plant entered in the Certificate Schedule, provided that
  - (i) the **Insured** undertakes to give particulars of such newly acquired and/or newly erected **Building**, machinery and plant or alterations, additions and improvements to any **Building** as soon as practicable;
  - (ii)
    - 1) the **Insurers** shall not be liable for more than 10% of the Sum Insured applicable to all **Buildings** in respect of any newly acquired and/or newly erected **Building** or alterations, additions and improvements to any **Building**;
    - 2) the **Insurers** shall not be liable

for more than 10% of the Sum Insured applicable to all fixtures, fittings, machinery and plant in respect of newly acquired and/or newly erected machinery and plant

until the **Insurers** have received the additional premium required by them.

5. **Temporary Removal of Property other than Stock and Documents**

- a) This Insured Section is extended to include **Damage** as a result of an Insured Peril entered as operative in the Certificate Schedule to **Property** other than **Stock** and **Documents** while the **Property** is temporarily removed for cleaning, renovation, repair or similar purpose elsewhere on the **Premises** or to any other location within the **Territorial Limits** or in transit (other than by air) to or from any location within the **Territorial Limits**.
- b) The amount recoverable under this Extension shall not exceed the amount which would have been recoverable had the **Damage** occurred in that part of the **Premises** from which the **Property** is temporarily removed nor, in respect of any **Damage** occurring elsewhere than at the said **Premises**, 10% of the overall Sum Insured applicable to the **Property**.
- c) This Extension does not apply to **Property** in so far as it is otherwise insured nor, as regards losses occurring elsewhere than at the **Premises** from which the **Property** is temporarily removed, to
  - (i) motor vehicles and motor chassis licensed for normal road use,
  - (ii) **Property** held by the **Insured** in trust, other than machinery and plant.

6. **Temporary Removal (Documents)**  
**Documents** (other than bonds, negotiable documents or securities which are not specified as forming part of documents in the Certificate Schedule) are covered (in so far as they are not otherwise insured) for an amount not exceeding 10% of their total value, while temporarily removed to any location within the **Territorial Limits** not occupied by the **Insured** or in transit (other than by air) to or from any location within the **Territorial Limits**.
7. **Professional Fees**  
**Professional Fees** are included within each Sum Insured entered in the Certificate in respect of **Buildings**, fixtures, fittings, machinery and plant.
8. **Reinstatement**  
 It is hereby agreed that if the basis of settlement is the cost of **Reinstatement**
- a) the **Reinstatement** may be carried out upon another site and in any manner suitable to the **Insured's** requirements, provided that the **Insurers' liability** is not increased as a result;
  - b) where **Property** is lost, damaged or destroyed in part only, the **Insurers' liability** shall be limited to the cost of **Reinstatement** that would have been payable if the **Property** had been wholly lost, damaged or destroyed;
  - c) if the **Insured** requires replacement by **Property** that costs more than the closest equivalent to that lost or destroyed or substantially damaged beyond the reasonable cost of repair, the **Insured** will be responsible for the difference between the cost of replacement by the closest equivalent property and the actual cost of replacement;
  - d) if at the time the total cost of **Reinstatement** (being the cost of **Reinstatement** and in addition the costs of **Professional Fees**, **Removal of Debris** and the costs of complying

with Building or other Regulations as detailed in Memorandum 9 Public Authorities) is actually incurred, 85% of such total cost of **Reinstatement** exceeds the Sum Insured applicable to the **Property** reinstated, the **Insurers' liability** for such total cost of **Reinstatement** shall not exceed that proportion which the Sum Insured applicable to the reinstated **Property** shall bear to the total cost of **Reinstatement** of the reinstated **Property**;

- e) the **Insurers' liability** (other than for costs, fees and expenses payable in addition to the cost of **Reinstatement**) shall be limited to the value of the **Property** at the time of **Damage**
  - (i) until the cost of **Reinstatement** has actually been incurred;
  - (ii) if the **Reinstatement** of **Property** is not commenced and carried out as quickly as is reasonably practicable;
  - (iii) if the **Reinstatement** of **Property** is not completed within twelve (12) months of the commencement of the **Damage** or such further period as the **Insurers** agree in writing within the period of twelve (12) months following the commencement of the **Damage**;

provided always that the **Insurers' liability** shall be limited to the proportion that the Sum Insured bears to the total value of all **Property** to which the Sum Insured applies, regardless of whether or not all or parts of such **Property** to which the Sum Insured applies are lost, damaged or destroyed.

9. **Public Authorities**  
 With respect to the **Reinstatement** of any **Building**, fixtures, fittings, machinery and plant lost, destroyed or damaged beyond the reasonable cost of repair as a result of an Insured Peril entered as operative in the Certificate Schedule, the **Insurers** will

pay such additional cost of **Reinstatement** as may be incurred solely by reason of the necessity to comply with Buildings or other Regulations under or framed in pursuance of any Act of Parliament or the Bye-Laws of any municipal or local authority provided that

- a) the amount recoverable under this Memorandum shall not include
  - (i) the cost incurred in complying with any of the aforesaid Regulations or Bye-Laws
    - 1) in respect of **Damage** occurring prior to the granting of this Memorandum;
    - 2) in respect of **Damage** excluded by this Insured Section;
    - 3) in respect of undamaged **Property** or undamaged portions of the **Property**;
  - (ii) the cost incurred in complying with any notice under any of the aforesaid Regulations or Bye-Laws served on the **Insured** before the **Damage** took place; any additional cost of **Reinstatement** that would have been required to reinstate the **Property** to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations or Bye-Laws not arisen;
  - (iv) the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the **Property** or by the owner thereof by reason of compliance with any of the aforesaid Regulations or Bye-Laws;
- b) if the **Reinstatement** is not commenced and carried out with reasonable dispatch and completed

within twelve (12) months after the date the **Damage** occurred or within such further time as the **Insurers** may allow in writing (during the said twelve (12) months), the **Insured** shall not be entitled to recover any additional cost of **Reinstatement** incurred by reason of the necessity to comply with any of the aforesaid Regulations or Bye-Laws;

- c) if the **Insurers'** liability is reduced in accordance with the application of clause d) of Memorandum 8 – Reinstatement then the **Insurers'** liability under this Memorandum in respect of the **Reinstatement of Property** shall be reduced in like proportion;
  - d) in no event shall the **Insurers'** liability as a result of the provisions of this Memorandum exceed the Sum Insured applicable to **Property** lost, damaged or destroyed.
10. **Removal of Debris**  
The costs and expenses of **Removal of Debris** necessarily incurred by the **Insured** with the consent of the **Insurers** are included within each Sum Insured entered in the Certificate Schedule.
11. **Subrogation Waiver**  
In the event of a claim arising under this Insured Section the **Insurers** agree to waive any rights, remedies or relief to which they might become entitled by subrogation against
- a) any company standing in relation to the **Insured** as parent company to subsidiary company (or subsidiary company to parent company) as defined in the Companies Act or Companies (N.I.) Order, as appropriate, current at the time the **Damage** occurs;
  - b) any company which is a subsidiary company of a parent company of which the **Insured** is itself a subsidiary company, in each case

within the meaning of the Companies Act or Companies (N.I.) Order, as appropriate, current at the time the **Damage** occurs.

12. **Other Interests**

The interest of other parties in the **Property** is noted, it being understood that in the event of **Damage** indemnified by this Insured Section, the nature and extent of such other interests will be disclosed by the **Insured**.

13. **Workmen's clause**

Workmen and/or tradesmen are allowed in or about the **Premises** to carry out maintenance and/or repairs without prejudice to this Insured Section.

14. **Property of customers**

The **Insured** having intimated to its customers that the **Insured** will accept responsibility for **Damage** caused by fire to property belonging to the customer or for which the customer may be legally liable while such property is at or on the **Premises** or in the custody of the **Insured**, all such property shall be included within the Sum Insured applicable to **Stock** in the event of **Damage** caused by fire, except insofar as such property is more specifically insured.

15. **Seasonal Increase**

This Insured Section shall provide for an automatic seasonal increase by the percentage (%) entered in the Certificate Schedule of the Sum(s) Insured in respect of **Stock** during the period(s) specified in the Certificate Schedule, provided that if the total value of **Stock** exceeds 120% of the applicable Sum Insured, the **Insured** shall report such increase to the **Insurers** and shall pay any additional premium that may be required.

16. **Contract Price**

In respect of **Stock** sold but not delivered for which the **Insured** remains responsible and with regards to which the contract of sale is cancelled, either in its entirety or in part, on account of **Damage** to the **Stock**, the value of the **Stock** at the time of **Damage** shall be the contract price after deduction of any

costs and charges for delivery allowed for in the contract of sale which the **Insured** ceases to be liable for.

**J Basis of settlement**

1. Any **Building**, fixtures, fittings, machinery and plant

The total cost of **Reinstatement** subject to the provisions of Memorandum 8 – Reinstatement.

2. **Stock**

Payment to the **Insured** of the value of the **Stock** at the time of **Damage** or, at the option of the **Insurers**, the reinstatement or replacement of the **Stock**, provided that if the Sum Insured at the time of **Damage** is less than the value of the **Stock** at the time of **Damage** or the full cost of reinstatement or replacement of the **Stock**, the **Insurers'** liability shall be limited to the proportion that the Sum Insured bears to the value of the **Stock** at the time of **Damage** or the full cost of reinstatement or replacement of the **Stock**, and the **Insured** shall be its own insurer for the remaining proportion and any further amount that exceeds the Sum Insured.

3. **Documents, Computer Records**, patterns, models, moulds, templates, plans and designs

- a) the value of materials as stationery; and
- b) the cost of clerical labour and computer time expended in reproducing **Computer Records** or writing up **Documents**, patterns, models, moulds, templates, plans and designs; and
- c) costs necessarily and reasonably incurred in connection with the reproduction of any information to be recorded;

but excluding any amount relating to the value to the **Insured** of the information.

4. **Business Equipment**

- a) the repair or restoration of damaged **Business Equipment** to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new or
- b) the replacement of **Business**

**Equipment** lost or destroyed or substantially damaged beyond the reasonable cost of repair by the closest equivalent model or equipment available, provided that any depreciation allowed for in the **Insured's** balance sheet shall be deducted from any reimbursement of cost of replacement by the **Insured** or the **Insured** will reimburse the **Insurers** for such amount if the **Insurers** pay for the cost of replacement.

5. **Glass**

The cost of replacement but the **Insured** shall be its own insurer for the cost of replacement of alarm foil, lettering, painting, embossing, silvering or other ornamental work on glass following breakage of **Glass** in excess of GBP 500, or any higher limit shown in the Certificate Schedule, for the **Period of Insurance**.

6. **All other Property**

The replacement of **Property** lost or destroyed by the closest equivalent property available or the cost of repair or restoration of **Property** damaged to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new, provided that if the Sum Insured at the time of **Damage** is less than the full cost of reinstatement, replacement, repair or restoration of all **Property** to which the Sum Insured applies, regardless of whether or not all or parts of such **Property** to which the Sum Insured applies are lost, damaged or destroyed, the **Insurers'** liability shall be limited to the proportion that the Sum Insured bears to the full cost of reinstatement, replacement, repair or restoration and the **Insured** shall be its own insurer for the remaining proportion and any further amount that exceeds the Sum Insured.

The **Insurers** shall in no event be liable to make any payment in respect of lost revenue or income or market or business opportunities or the incurring of contractual penalties relating to delays or failures in or inadequate performance consequent on **Damage**.

## SECTION B – BUSINESS INTERRUPTION

### A Additional Definitions applicable to Insured Section – Business Interruption

#### **Additional Increased Cost of Working**

means the additional expenditure in excess of the amount payable in respect of **Increased Cost of Working** necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Turnover** which but for the expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage** but only if an amount has been entered in the Certificate Schedule for "Additional Increased Cost of Working" and only up to such amount.

#### **Estimated Gross Profit**

means the amount declared by the **Insured** to the **Insurers** as representing not less than the **Gross Profit** which it is anticipated will be earned by the **Business** during the **Insured's** current uncompleted financial year which will be proportionately increased if the **Indemnity Period** exceeds twelve (12) months.

#### **Gross Profit**

means the amount by which

1. the sum of
  - a) the **Turnover** (less any discounts allowed) and
  - b) the amount of the Closing Stock and Closing Work in Progress
 shall exceed
2. the sum of the amounts of
  - a) the Opening Stock and Opening Work in Progress
  - b) the **Specified Working Expenses**.

The amounts of the Opening and Closing Stocks and Work in Progress shall be arrived at in accordance with the **Insured's** normal accountancy methods, due provision being made for depreciation.

#### **Increased Cost of Working**

means the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Turnover** which but for the expenditure would have taken place during the **Indemnity Period**

in consequence of the **Damage**.

### **Indemnity Period**

means the period beginning with the occurrence of the **Damage** and ending not later than the last day of the "Indemnity Period" specified in the Certificate Schedule, during which the results of the **Business** are affected in consequence of the **Damage**.

### **Rate of Gross Profit**

means the rate of **Gross Profit** earned on the **Turnover** for the **Insured's** last completed financial year preceding the date the **Damage** occurred, to which such 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 date the **Damage** occurred or which would have affected the **Business** had the **Damage** not occurred so that the rate of **Gross Profit** thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the **Indemnity Period**.

### **Specified Working Expenses**

mean

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

### **Standard Turnover**

means the **Turnover** for the twelve (12) month period ending at the date the **Damage** occurred or, if the **Indemnity Period** exceeds twelve (12) months, the period equating with the duration of the **Indemnity Period** ending at the date the **Damage** occurred, to which such 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 date the **Damage** occurred or which would have affected the **Business** had the **Damage** not occurred so that the **Turnover** thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the **Indemnity Period**.

### **Turnover**

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

## **B Insuring Clause**

Subject to the General Agreement, General Definitions, General Conditions, General Exclusions and Claims Conditions of this Certificate, and the additional definitions, conditions, memoranda and provisions of the Additional Coverage and Additional Extensions contained in this Insured Section, the **Insurers** will indemnify the **Insured** for

1. loss of **Gross Profit** due to a reduction in **Turnover** and/or
2. **Increased Cost of Working** during the **Indemnity Period** occasioned by **Damage** to property at the **Premises** caused by an Insured Peril entered as operative in the Certificate Schedule with respect to the Insured Section – Material Damage as a direct result of which the **Business** is interrupted or interfered with, provided that
  - a) the **Damage** commences during the **Period of Insurance**;
  - b) the **Damage** is not caused by theft or attempted theft;
  - c) the **Damage** is not excluded in accordance with the provisions of the Insured Section –Material Damage;
  - d) payment has been made or liability has been admitted under the Insured Section – Material Damage and an amount has been entered in the Certificate Schedule for **Buildings** in respect of the Insured Section – Material Damage; or
    - (i) separate insurance for **Buildings** is in force at the time the **Damage** occurs; and
    - (ii) payment has been made according to terms of credit agreed or liability admitted under such insurance or payment would have been made or liability would have been admitted under such insurance but for the operation of a proviso in such



insurance excluding liability for losses below a certain amount;

if no amount has been entered in the Certificate Schedule for **Buildings** in respect of the Insured Section – Material Damage;

- e) the **Insurers** will not indemnify the **Insured** for any **Increased Cost of Working** that exceeds the amount by which a reduction in **Turnover** is avoided as a result;
- f) the **Insurers'** liability in respect of loss of **Gross Profit** shall in no event exceed 133¼% of the **Estimated Gross Profit** entered in the Certificate Schedule or 100% of the Sum Insured if no amount in respect of **Estimated Gross Profit** is entered in the Certificate Schedule.

## C Additional coverage

### 1. Prevention of access

This Insured Section is extended to cover loss of **Gross Profit** and/or **Increased Cost of Working** during the **Indemnity Period** as a result of interference with or interruption to the **Business** caused by impaired or denied access to the **Premises**, provided that such impaired or denied access is attributable to

- a) suspicion or discovery of the presence of a harmful device in the vicinity of the **Premises** that is notified to the Police without any delay;
- b) the closing down or sealing off of the **Premises** or property in the vicinity of the **Premises** in accordance with instructions issued by the Police or other competent local authority for reasons other than the condition of the **Premises** or the carrying out of repair or maintenance work at the **Premises** or the **Insured's** non-compliance with a prior order of the Police or other competent local authority;
- c) **Damage** to property in the vicinity of the **Premises** caused by caused by an Insured Peril listed as operative with respect to the Insured Section – Material Damage.

### 2. Public utilities

This Insured Section is extended to cover loss of **Gross Profit** and/or **Increased Cost of Working** during the **Indemnity Period** as a result of interference with or interruption to the **Business** caused by

- a) accidental failure of the public supply of
  - (i) electricity at the terminal ends of the electricity supplier's service feeders at the **Premises**;
  - (ii) gas at the gas supplier's meters at the **Premises**;
  - (iii) water at the water authority's main stop cock serving the **Premises**;

lasting for more than two (2) consecutive hours, provided that the **Insurers** will not indemnify the **Insured** in respect of the failure of the public supply if the failure is occasioned by:-

- 1) a deliberate act of any electricity or gas supplier or water authority unless for the sole purpose of safeguarding life or protecting any part of their system;
- 2) a scheme of rationing unless solely necessitated by accidental damage to the electricity or gas supplier's or water authority's generating or supply equipment;
- 3) any industrial action;
- 4) drought;
- b) **Damage** to the **Premises** of the telecommunications undertaking from which the **Insured** obtains telecommunications services caused by an Insured Peril entered as operative in the Certificate Schedule with respect to the Insured Section – Material Damage.

**D Additional extensions (applicable only if stated as included in the Certificate Schedule)**

**1. Customers & Suppliers**

This Insured Section is extended to cover loss of **Gross Profit** and/or **Increased Cost of Working** during the **Indemnity Period** as a result of interference with or interruption to the **Business** caused by **Damage** resulting from an Insured Peril entered as operative in the Certificate Schedule with respect to the Insured Section – Material Damage at the premises of any customer or supplier of the **Insured** (other than suppliers of electricity, gas, water or telecommunication service) in the **United Kingdom** or the Republic of Ireland, provided that the **Insurers'** liability with respect to this Extension shall not exceed in respect of any one incident

- a) the amount or percentage (%) of the Sum Insured for all loss of **Gross Profit** and/or **Increased Cost of Working** entered in the Certificate Schedule against a named customer or supplier if the **Damage** occurs at the premises of such named customer or supplier; or
- b) the amount or the percentage (%) of the Sum Insured for all loss of **Gross Profit** and/or **Increased Cost of Working** entered in the Certificate Schedule against unspecified customers or suppliers if the **Damage** occurs at the premises of an unnamed customer or supplier;

**2. Disease, infestation and defective sanitation**

This Insured Section is extended to cover loss of **Gross Profit** and/or **Increased Cost of Working** during the **Indemnity Period** caused by restrictions on the use of the **Premises** on the order or advice of the local authority as a result of an occurrence at the **Premises** of

- a) murder or suicide;
- b) food or drink poisoning;
- c) a notifiable human infectious or

contagious disease excluding Acquired Immune Deficiency Syndrome (AIDS) or any AIDS related condition;

- d) vermin, pests or defective sanitation;
- e) an outbreak of Legionnaires Disease; provided that the **Insurers'** liability with respect to this Extension shall not exceed
  - (i) GBP 50,000 in the aggregate for the **Indemnity Period** in respect of all outbreaks of Legionnaires Disease during the **Period of Insurance**; or
  - (ii) 5% of the Sum Insured entered in the Certificate Schedule or GBP 25,000, whichever is the lesser amount, in respect of any one occurrence, other than any occurrence of an outbreak of Legionnaires Disease.

**3. Rent receivable**

a) This Insured Section is extended to indemnify the **Insured** for loss of rent receivable in respect of any building at the **Premises** that is let by the **Insured** under a tenancy agreement as a consequence of such building becoming unfit for occupation as a result of **Damage** caused by an Insured Peril entered as operative in the Certificate Schedule with respect to the Insured Section – Material Damage.

b) The amount payable in respect of loss of rent receivable shall be arrived at after taking into account

- (i) the amount by which the rent receivable by the **Insured** during the "Indemnity Period for Rent Receivable" specified in the Certificate Schedule shall, in consequence of the **Damage**, falls short of the rent which would have been received during the during the "Indemnity Period for Rent Receivable" had the **Damage** not occurred; and
- (ii) the additional expenditure necessarily and reasonably

incurred for the sole purpose of avoiding a shortfall in rent receivable, but not exceeding the amount of the loss of rent which would otherwise have been payable under paragraph (i) less any savings in respect of expenditure payable out of rent receivable which reduces or ceases in consequence of the **Damage**.

- c) In arriving at the amount of loss of rent receivable such adjustments shall be made as may be necessary to provide for trend, variations or other relevant circumstances either before or after the **Damage**, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the rent which, but for the **Damage**, would have been received during the "Indemnity Period for Rent Receivable" after the **Damage**.
  - d) If following the **Damage** the amount of rent receivable is maintained by the provision of alternative accommodation by the **Insured** such rent shall be taken into account in calculating the amount payable.
  - e) If other insurance is in force for loss of rent receivable, the amount payable under such other insurance shall constitute an avoidance of shortfall in rent receivable in calculating the amount payable.
4. **Subsidence, ground heave and/or landslip**  
 This Insured Section is extended to cover loss of **Gross Profit** and/or **Increased Cost of Working** during the **Indemnity Period** as a result of interference with or interruption to the **Business** consequent on **Damage** caused by subsidence, ground heave or landslip at the **Premises**, provided that
- a) the Insured Section – Material Damage is extended to include **Damage** caused by subsidence, ground heave

- or landslip and such extension is in force at the time the **Damage** occurs;
- b) the **Damage** does not result from
  - (i) the normal settling or bedding down of new structures;
  - (ii) the settlement or movement of made up ground;
  - (iii) defective design or workmanship or the use of defective materials;
  - (iv) demolition, construction, structural alteration or repair of any property at the **Premises** or ground works or excavation at the **Premises**.

**E Additional Conditions applicable to Insured Section – Business Interruption**

1. This Insured Section shall be avoided if the **Business** is wound up or carried on by a liquidator or receiver or permanently discontinued at any time after the commencement of the **Period of Insurance**, unless the **Insurers** give their written agreement to the contrary.
2. In the absence of written notice by the **Insured** or the **Insurers** to the contrary the **Insurers'** liability shall not stand reduced by the amount of any loss, the **Insured** undertaking to pay the appropriate additional premium for such automatic reinstatement of cover.
3. For the purpose of calculating **Gross Profit**, any adjustments implemented in current cost accounting shall be disregarded.
4. To the extent that the **Insured** is accountable to the tax authorities for Value Added Tax, all terms in this Insured Section shall be exclusive of such tax.
5. If other insurance is in force covering loss of **Gross Profit** or **Increased Cost of Working** as a result of interference with or interruption of the **Business**, any amount payable under such other insurance shall constitute avoided loss of **Gross Profit** in calculating the actual loss of **Gross Profit** as a result of **Damage**.

**F Memoranda attaching to Insured Section – Business Interruption**

**1. Premium adjustment**

If the premium in respect of loss of **Gross Profit** and/or **Increased Cost of Working** is specified in the Certificate Schedule as being adjustable, the premium is provisional and is based on the **Estimated Gross Profit**.

The **Insured** shall furnish to the **Insurers** not later than six (6) months after the expiry of the **Period of Insurance** a declaration certified by the **Insured's** auditors of the **Gross Profit** earned during the **Insured's** last completed financial year preceding the date the **Period of Insurance** expires.

If any **Damage** shall have occurred giving rise to a claim under this Insured Section for loss of **Gross Profit**, the above mentioned declaration shall be increased by the **Insurers** for the purpose of premium adjustment by the amount by which the **Gross Profit** was reduced during the **Insured's** last completed financial year preceding the date the **Period of Insurance** expires in consequence of the **Damage**.

If the declaration (adjusted as provided above and proportionately increased where the **Indemnity Period** exceeds twelve (12) months)

- a) is less than the **Estimated Gross Profit** the **Insurers** will allow a prorata return of the premium paid on the **Estimated Gross Profit** but not exceeding 50% of such premium;
- b) is greater than the **Estimated Gross Profit** the **Insured** shall pay a pro-rata addition to the premium paid on the **Estimated Gross Profit**.

**2. Departmental operations**

If the **Business** is conducted in divisions or departments, the independent trading result of which are ascertainable, the **Gross Profit** shall be calculated and declared separately with respect to each division or department.

**3. Payments on Account**

It is agreed that payments on account of

a claim may be paid, if required by the **Insured**, during the **Indemnity Period**, provided that the **Insurers'** consent to such payments is obtained (such consent shall not be unreasonably withheld). However if the total of the amounts so paid exceeds the final adjusted loss sustained, the **Insured** undertakes to pay the difference to the **Insurers**.

**4. Alternative Basis**

It is agreed and declared that, at the option of the **Insured**, the term Output may be substituted for the term **Turnover** and for the purposes of this Insured Section Output shall mean the sale value of goods manufactured by the **Insured** in the course of the **Business** at the **Premises**, provided that

- a) only one such meaning shall be operative in connection with any one incident involving **Damage**;
- b) if Output is substituted for **Turnover**, the Alternative Trading Memorandum shall be altered to read as follows:  
If during the **Indemnity Period** goods shall be manufactured other than at the **Premises** for the benefit of the **Business** either by the **Insured** or by others on the **Insured's** behalf the sale value of the goods so manufactured shall be brought into account in arriving at the Output during the **Indemnity Period**.

**5. Accumulated Stocks**

In adjusting any loss, account shall be taken and an equitable allowance made if any shortage in **Turnover** due to the **Damage** is postponed by reason of the **Turnover** being temporarily maintained from accumulated stocks of finished goods.

**6. Auditors' charges**

The **Insurers** will pay reasonable fees charged by the **Insured's** auditors and/or accountants for producing or certifying any particulars or details required by the **Insurers**. Such fees shall not reduce the Sum Insured.

## 7. **Alternative Trading Memorandum**

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

## 8. **First financial year**

In the event that **Damage** occurs before the end of the first financial year of the **Business**, the results of the **Business** up to the date of the **Damage** shall be used as a basis upon which to assess what the **Gross Profit** of the **Business** for the first financial year would have been had the **Damage** not occurred.

## **G Basis of settlement**

1. The reduction in **Turnover** during the **Indemnity Period** shall be calculated by applying the **Rate of Gross Profit** to the amount by which the **Turnover** during the **Indemnity Period** falls short of the **Standard Turnover** as a result of the **Damage**.
2. Any amounts saved during the **Indemnity Period** in respect of charges and expenses of the **Business** payable out of **Gross Profit** shall be taken into account in calculating the loss of **Gross Profit** due to the reduction in **Turnover**.
3. The Sum Insured is a single limit for loss of **Gross Profit** and **Increased Cost of Working**, but auditors' and/or accountants' charges payable in accordance with Memorandum 6 do not form part of the Sum Insured.
4. If the amount paid by the **Insured** in respect of **Increased Cost of Working** exceeds the reduction in **Turnover** during the **Indemnity Period**, the **Insured** shall be its own insurer for the amount by which the **Increased Cost of Working** exceeds the reduction in **Turnover** unless an amount is entered

in the Certificate Schedule for "Additional Increased Cost of Working"

5. If an amount has been entered in the Certificate Schedule for "Additional Increased Cost of Working", this Insurance Section will indemnify the **Insured** for the amount by which the **Increased Cost of Working** exceeds the reduction in **Turnover** during the **Indemnity Period** up to the amount entered in the Certificate Schedule for "Additional Increased Cost of Working"

## **SECTION C – EMPLOYERS', PUBLIC & PRODUCTS LIABILITY**

### **GENERAL DEFINITIONS- APPLICABLE TO SECTION C ONLY**

*The following words will have the same meaning wherever they appear in this **Section** unless otherwise stated. To help identify these words they will appear in **bold** in the **policy** wording.*

#### **1. Policy**

- a) All terms, provisions, exclusions, conditions and limits of indemnity set out in this document;
- b) the schedule, notices and other documents attaching from time to time; and
- c) all endorsements incorporated and issued for incorporation in this document all of which shall be read together and constitute the contract of insurance.

#### **2. We/us/our**

The underwriters for Amlin UK Limited (registered in England No 2739220) being a service company 100% owned by Amlin Underwriting Limited (registered in England No 2323018) and empowered to act on behalf of Lloyd's Syndicate 2001 managed by Amlin Underwriting Limited.

The registered office of Amlin UK Limited and Amlin Underwriting Limited is St Helen's, 1 Undershaft, London, EC3A 8ND.

#### **3. You/your**

- a) The insured named in the schedule.
- b) Any associated or subsidiary company of the insured provided it has been notified to **us**.
- c) At **your** request
  - i. any director or **employee** while acting on behalf of or in course of their employment or engagement with **you** in respect of liability for which **you** would have been entitled to indemnity under this **policy** if the claim against any such person had been made against **you**.
  - ii. any officer, member or **employee** of **your** social, sports or welfare organisation or fire, first aid or ambulance service in their respective capacity as such.

- iii. any of **your** directors, partners or senior officials in respect of private work carried out by any **employee** for them with **your** consent.
- iv. any principal for legal liability in respect of which **you** would have been entitled to indemnity under this **policy** if the claim had been made against **you** arising out of work carried out by **you** under a contract or agreement.
- v. **your** personal representatives (in the event of **your** death) in respect of liability incurred by **you** provided that if indemnity is extended to any party described in paragraphs a) to c) above that party shall be subject to the terms of this **policy** so far as they can apply and in any event **our** liability shall not exceed the limit of indemnity.

#### **4. Business**

The business carried on in the **United Kingdom** including the following activities.

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

#### **5. Costs and expenses**

- i. Claimants costs and expenses arising in respect of any claim against **you** which may be the subject of indemnity under this **policy**.
- ii. All cost and expenses incurred by **you** with **our** written consent in respect of any claim against **you** which may be the subject of indemnity under this **policy**.

## 6. **Employee**

Any person who is

- i. employed under a contract of service or apprenticeship with **you**;
- ii. a labour master or person supplied by him;
- iii. employed by labour only sub-contractors;
- iv. self-employed and working for **you** and under **your** control;
- v. hired to or borrowed by **you**;
- vi. supplied to **you** for the purpose of study work or training experience;
- vii. a prospective employee who is undergoing practical work experience whilst being assessed by **you** as to his or her suitability for employment;
- viii. a voluntary helper while working under **your** supervision and control and in connection with the **business**; or
- ix. an outworker or homeworker employed under a contract to personally carry out any work in connection with the **business** while they are engaged in that work.

## 7. **Products**

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

## 8. **Bodily injury**

Death, injury, illness, disease or nervous shock.

## 9. **Property**

Property which is both material and tangible.

## 10. **Period of insurance**

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

## 11. **Pollution**

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

## 12. **Offshore**

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

## 13. **United Kingdom**

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

## 14. **Contract work executed**

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

## SECTION C SUB-SECTION A - EMPLOYERS' LIABILITY

### Operative clause

Subject to the exclusions, conditions and definitions of this **policy**, **we** will indemnify **you** under this section against

- a) all sums which **you** shall become legally liable to pay as damages; and
- b) **costs and expenses** in the event of **bodily injury** sustained by any **employee** which arises out of and in the course of their employment by **you** in the **business** and which is caused

- i. within the **United Kingdom**; or
- ii. elsewhere in the world in respect of temporary non-manual visits by any **employee** provided that such **employee** is normally resident in the **United Kingdom**.

### Limit of indemnity

1. The amount specified in the schedule. **Our** liability for all compensation payable to any claimant or any number of claimants in respect of or arising out of any one event or all events of the series consequent on or attributable to one source or original cause shall not exceed the limit of indemnity. The limit of indemnity shall be the maximum amount payable including **costs and expenses**.

2. Notwithstanding anything contained in paragraph 1 above, **our** liability under this section for damages and **costs and expenses** payable in respect of any one claim arising out of any one event or all events of a series consequent on or attributable to one source or original cause and arising out of terrorism shall not exceed GBP5,000,000.
3. Notwithstanding anything contained in paragraph 1 above, **our** liability under this section for damages and **costs and expenses** payable in respect of any one claim arising out of any one event or all events of a series consequent on or attributable to one source or original cause and arising out of or related to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use or exposure to asbestos or materials or products containing asbestos shall not exceed GBP5,000,000.

#### **Employers' liability compulsory insurance**

The indemnity granted by this section is deemed to be in accordance with the provisions of any law enacted in the **United Kingdom** relating to compulsory insurance of liability to **employees**. If however **we** pay any sum which would not have been paid but for the provisions of such law then **you** shall repay such sum to **us**.

#### **Extension 1**

##### **Unsatisfied court judgements**

In the event that

- a) a judgement for damages is obtained against any company or individual operating from premises within the **United Kingdom** by any **employee** in respect of **bodily injury** caused during any **period of insurance** arising out of and in the course of their employment by **you** in the **business**; and
- b) it remains unsatisfied in whole or in part six months after the date of such judgement

**we** will indemnify the **employee** or their personal representative up to the limit of indemnity for the amount of damages and awarded costs which remain unsatisfied as long as

- i) there is no appeal outstanding;

- ii) any payment made by **us** shall only be in respect of **bodily injury** which would otherwise be within the scope of cover of this section of the **policy**;
- iii) any payment made by **us** shall only be in respect of liability for which **you** would have been entitled to indemnity under this section of the **policy** if the judgement had been made against **you**; and
- iv) **we** shall be entitled to take over and prosecute for **our** own benefit any claim against any other party and **you**, the **employee** or their personal representatives shall give all information and assistance required.

#### **Exclusions**

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

#### **Condition**

It is a condition precedent to **our** liability that **you** do not manufacture, mine, process, distribute, test, remediate, remove, store, dispose of, sell or use asbestos or materials or **products** containing asbestos.

## **SECTION C SUB-SECTION B - PUBLIC LIABILITY**

### **Operative clause**

Subject to the exclusions, conditions and definitions of this policy, **we** will indemnify **you** under this section against

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

in the event of

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



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

- a. in the **United Kingdom**; or
- b. elsewhere in the world other than the United States of America or Canada arising out of business visits by directors or nonmanual **employees** ordinarily resident in the **United Kingdom**.

### Limit of indemnity

**Our** liability in respect of all claims arising out of one original cause shall not exceed the limit of indemnity detailed in the schedule irrespective of the number of claims or claimants.

**Costs and expenses** are payable in addition to the limit of indemnity under this section apart from any claim brought in the United States of America or Canada or any territory within their jurisdiction where the limit of indemnity shall be the maximum amount payable including **costs and expenses**.

### Extensions

These extensions are subject to all other terms of this **policy** so far as they can apply unless otherwise stated.

#### 1. Defective premises

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

#### 2. Leased premises

**We** will indemnify **you** against liability for loss of or damage to premises or fixtures or fittings thereof which are leased to **you**. This indemnity does not apply in respect of liability for

- i. loss or damage if the liability is assumed under any tenancy or other agreement and would not have attached in the absence of such an agreement; or
- ii. the first GBP250 of such loss or damage.

#### 3. Contingent liability (non-owned vehicles)

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

This indemnity does not apply in respect of

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

For the purposes of this extension "**you**" is restricted to 3a) and 3b) of General definitions only.

#### 4. Overseas personal liability

Where **you** or any of **your** directors or **employees** are temporarily visiting a country outside the **United Kingdom**, **we** will provide indemnity to **you** and to

- i. any of **your** directors or **employees**;
- or
- ii. any spouse or child of **your** director or **employee** accompanying them

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

#### 5. Data Protection legislation

**We** will provide an indemnity to **you** and, at **your** request, any of **your** directors, partners or **employees** against legal liability to pay damages and **costs and expenses** for damage or distress as described in Section 13 of the Data Protection Act 1998. However this extension shall not apply in respect of

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

**6. Car park and cloakroom liability**

**We** will provide indemnity against legal liability in respect of accidental loss of or damage to vehicles or personal effects of other persons which **you** hold in trust or in **your** custody or control as long as

- i. they are not being stored by **you** for a fee or other consideration; and
- ii. they are not held in trust by **you** or in **your** custody or control for the purpose of work being carried out on such **property**.

**7. Consumer Protection Act and Food Safety Act**

**We** will provide indemnity to **you** and any of **your** directors, partners or **employees** up to the limit of indemnity in respect of

- i. costs of prosecution awarded against **you** and any of **your** directors, partners or **employees**; and
- ii. legal fees and expenses incurred with **our** consent

in the defence of and arising from criminal proceedings brought or in an appeal against conviction in respect of breach of Part II of the Consumer Protection Act 1987 or of Part II of the Food Safety Act 1990 as long as the proceedings relate to an offence committed or alleged to have been

committed during the **period of insurance** and in the course of the **business**.

The indemnity will not apply

- i. to fines or penalties of any kind;
- ii. where indemnity is provided by any other insurance; or
- iii. in respect or proceedings consequent upon any deliberate act or omission.

**Exclusions**

**We** will not indemnify **you** under this section against liability

1. for loss of or damage to **property** belonging to **you** or in the custody or control of **you** or any **employee** other than
  - i. **property** including motor vehicles belonging to an **employee** or visitor; or
  - ii. any premises including contents (not being premises leased to **you**) which are temporarily occupied by **you** for the purpose of carrying out work in or to such premises.
2. arising from the ownership, possession or use under the control of **you** or any **employee** of any mechanically propelled vehicle in circumstances where compulsory insurance or security is required under any Road Traffic Act legislation.
3. arising out of the ownership, possession or use by **you** or on **your** behalf of any aircraft or other aerial devices, hovercraft, **offshore** installation or watercraft (other than hand- propelled or wind- powered watercraft whilst on inland waterways).
4. arising from any **products** after they have ceased to be in **your** custody or control other than food or drink for consumption on **your** premises.
5. caused by or arising out of
  - i. advice, design or specification given by **you** for a fee; or
  - ii. professional services rendered by **you** or on **your** behalf.
6. for the first amount of each claim stated as the excess in the schedule arising out of damage to **property**.
7. for damage to **contract work executed**.

8. for the costs incurred by anyone in
  - i. recalling or making refunds in respect of any **products** or **contract work executed**; or
  - ii. remedying any defects or alleged defects in land or buildings or structures or other premises disposed of by **you**.

## SECTION C SUB-SECTION C - PRODUCTS LIABILITY

### Operative clause

Subject to the exclusions, conditions and definitions of this **policy**, **we** will indemnify **you** under this section against

- i. all sums which **you** shall become legally liable to pay as damages; and
- ii. **costs and expenses** in the event of
  - a) accidental **bodily injury** to any person; or
  - b) accidental loss of or damage to **property** occurring anywhere in the world during the **period of insurance** and caused by any **products** after they have ceased to be in **your** custody or control.

### Limit of indemnity

**Our** liability for all sums payable in respect of any one **period of insurance** shall not exceed the limit of indemnity detailed in the schedule.

**Costs and expenses** are payable in addition to the limit of indemnity under this section.

### Exclusions

**We** shall not indemnify **you** against liability

1. caused by or arising out of any **products** which
  - i. to **your** knowledge are for delivery or use in the United States of America or Canada; or
  - ii. are sold, supplied, erected, repaired, altered, treated, installed in or for use in any aircraft, aerospace device, hovercraft or waterborne craft or for marine or aviation purposes.
2. for the costs incurred in the repair, reconditioning, replacement, removal or breaking out of any **products** or part thereof.

3. arising out of loss of or damage to **products**.
4. for the costs incurred by anyone in recalling or making refunds in respect of any **products**.

## GENERAL EXTENSIONS - APPLICABLE TO SECTION C ONLY

These extensions are subject to all other terms of this **policy** so far as they can apply unless otherwise stated.

### 1. Contractual liability

Notwithstanding General exclusion 9, **we** will indemnify **you** under any section of this **policy** against liability in respect of **bodily injury** or loss of or damage to **property** as follows.

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

- i. the conduct and control of claims is vested in **us**;
- ii. the indemnity granted by Section C Sub- Section A – Employers liability shall apply only in respect of liability to any **employee**; and
- iii. nothing in this extension shall increase **our** liability to pay any amount in excess of the limit of indemnity under any section of this **policy**.

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

### 2. Cross liabilities

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

However, nothing in this extension shall increase **our** liability to pay any amount in excess of the limit of indemnity under any section of this **policy**.

3. **Compensation for court attendance**

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

- i. Any director or partner GBP200 per day
- ii. Any **employee** GBP100 per day subject to a maximum aggregate limit in the **period of insurance** of GBP5,000.

4. **Legal expenses including corporate manslaughter**

In the event of

- i. any act, omission or incident or alleged act, omission or incident leading to criminal proceedings brought in respect of a breach of the Health and Safety at Work Act 1974, Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation in the **United Kingdom**; or
- ii. an incident which results in an enquiry ordered under the Health and Safety Inquiries (Procedure) Regulations 1975

**we** will provide indemnity against **costs and expenses** incurred in representing **you** in such proceedings, including appealing the results of such proceedings, as long as the proceedings relate to an act, omission or incident or alleged act, omission or incident which has been committed during the **period of insurance** within the **United Kingdom** and in the course of the **business**.

The following conditions apply.

- 1. **Our** total liability in respect of all **costs and expenses** shall not

exceed GBP1,000,000 in the aggregate during any one **period of insurance**.

- 2. **We** will only indemnify **you** where such **costs and expenses** arise as a result of any matter which is the subject of indemnity under this **policy**.
- 3. **We** will only be liable for **costs and expenses** incurred in respect of legal representation appointed by **us**.
- 4. If there is any other insurance or indemnity in force covering the same costs and expenses, **our** liability shall be limited to a proportionate amount of the total costs and expenses but subject always to the limit of indemnity of GBP1,000,000.
- 5. This indemnity will not apply
  - i. in respect of fines or penalties of any kind;
  - ii. to proceedings consequent upon any **bodily injury** deliberately caused by **you**; or to persons other than **you** or any of **your** directors, partners, proprietors or **employees**.
  - iii.

**GENERAL EXCLUSIONS - APPLICABLE TO SECTION C ONLY**

Applicable to all sections of the **policy** unless stated otherwise.

**We** will not indemnify **you** against liability

- 1. in respect of any judgement award or settlement made within countries which operate under the laws of the United States of America or Canada or to any order made anywhere in the world to enforce such judgement award or settlement either in whole or in part.
- 2. *(Not applicable to Section C Sub- Section A – Employers' liability)* caused by or arising out of the deliberate, conscious or intentional disregard of **your** obligation to take all reasonable steps to prevent **bodily injury** or loss of or damage to **property**.

3. *(Not applicable to Section C Sub- Section A – Employers’ liability)*  
caused by or arising out of liquidated damages clauses, penalty clauses or performance warranties unless such liability would have attached in the absence of such clauses or warranties.
4. *(Not applicable to Section C Sub- Section A – Employers’ liability)*  
directly or indirectly caused by or arising out of terrorism. This exclusion also excludes loss, damage, costs or expenses of whatsoever nature directly or indirectly caused by or arising out of any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism. If **we** allege that by reason of this exclusion any loss, damage or expense is not indemnified by this insurance the burden of proving to the contrary shall be upon **you**.
5. directly or indirectly caused by or contributed by or arising from
  - i. ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
  - ii. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
 provided that in respect of claims arising out of injury which form the subject of indemnity under Section C Sub- Section A – Employers’ liability this exclusion shall only apply to liability
  - a) of any party to whom indemnity is granted by way of Extension 1 or their personal representative; or
  - b) assumed by **you** by agreement which would not have attached in the absence of such agreement.
6. for any award of punitive, aggravated or exemplary damages whether as fines, penalties, multiplication of compensatory awards or damages or in any other form whatsoever.
7. for the first amount of each claim arising out of damage stated as the excess in the schedule.
8. which forms the subject of insurance by any other policy and this **policy** shall not be drawn into contribution with such other insurance.
9. which is assumed by **you** under agreement unless such liability would have attached in the absence of such agreement.
10. *(Not applicable to Section C Sub- Section A – Employers’ liability)*  
caused by or arising out of **pollution**.  
But **we** will indemnify **you** under Section C Sub-Section B- Public liability or Section C Sub-Section C- Products liability of this **policy** against liability in respect of accidental **bodily injury** or accidental loss of or damage to **property** caused solely by **pollution** which results from a sudden, identifiable, unintended and unexpected incident and such incident takes place in its entirety at a specific and identified time and place during the **period of insurance** provided that
  - i. all **pollution** which arises out of any one incident shall be deemed to have occurred at the time such incident takes place;
  - ii. **we** shall not indemnify **you** against liability in respect of **pollution** happening anywhere in the United States of America or Canada; and
  - iii. nothing in these provisos shall increase **our** liability to pay damages costs fees and expenses in excess of the limit of indemnity in the schedule in the aggregate in respect of any one **period of insurance**.
11. directly or indirectly occasioned by happening through or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.
12. arising out of failure of any computer system, whether or not **your property**, to be date or time compliant including

failure of any correction attempted correction conversion renovation rewriting or replacement of any computer system relating to date or time compliance.

13. *(Not applicable to Section C Sub- Section A – Employers' liability)*  
in respect of any loss, cost or expense directly or indirectly arising out of, resulting as a consequence of or related to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in consequence to a loss.

**GENERAL CONDITIONS -  
APPLICABLE TO SECTION C ONLY**

Applicable to all sections of the **policy** unless stated otherwise.

1. The due observance and fulfilment of the terms conditions and endorsements of this **policy** insofar they relate to anything to be done or complied with by **you** shall be a condition precedent to **our** liability to make any payment under this **policy**.
2. Any written proposal and/or declaration made by **you** shall form the basis of this contract of insurance and is deemed to be incorporated herein.
3. Any phrase or word in this **policy** and the schedule will be interpreted in accordance with the laws of England. The **policy** and the schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this **policy** or schedule shall bear such specific meaning wherever it may appear.
4. If any claim under this **policy** is in any respect fraudulent this **policy** shall become void and all benefit hereunder shall be forfeited.
5. The truth of statements, answers and information supplied in connection with

this **policy** shall be a condition precedent to **our** liability to make any payment under this **policy**.

6. **You** shall give notice to **us** of any alteration or circumstance which materially affects the risks insured under this **policy** and until **we** are advised of such alteration or circumstance and shall have expressly agreed in writing to accept liability for such altered risk and **you** have paid or agreed to pay the additional premium (if any) **we** shall not be liable in respect of any claim or claims due wholly or partially to such alteration or circumstance.
7. **You** shall give immediate notice in writing to **us** of any occurrence that may give rise to a claim under this **policy** and shall give all such additional information as **we** may require. Every impending prosecution, inquest or fatal accident enquiry claim, writ, summons or process and all documents relating thereto shall be forwarded to **us** immediately they are received.
8. **You** shall make no admission, offer, promise or payment without **our** written consent and **we** shall be entitled to take over and conduct in **your** name the defence or settlement of any claim or to prosecute in **your** name for **your** own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and **you** shall give all such information and assistance as **we** may reasonably require.
9. **We** may at any time pay to **you** in connection with any claim or series of claims under this **policy** to which an indemnity applies the limit of indemnity (after deduction of any sums already paid) or any lesser amount for which such claims can be settled and upon such payment being made, **we** shall relinquish the conduct and control of and be under no further liability in connection with such claims except for the payment of defence costs incurred prior to the date of such payment (unless the limit of indemnity is stated to be inclusive of defence costs).

However if **we** exercise the above option and the amount required to dispose of any claim or series of claims exceeds the limit of indemnity and such excess amount is insured either in whole or in part with defence costs payable in addition to the limit of indemnity under this **policy** then **we** will also contribute **our** proportion of subsequent defence costs incurred with **our** consent.

10. If in respect of any claim under this **policy** there is any other insurance or indemnity in **your** favour in force relative to such claim, or there would be but for the existence of this **policy** **our** liability shall be limited to the amount in excess of that which is or would have been payable (but for the existence of this **policy**) in respect of such claim but subject always to the limit of indemnity.
11. Where the premium is provisionally based on **your** estimates **you** shall keep accurate records and within 90 days of the expiry of the **period of insurance** declare such particulars as **we** require. The premium shall then be adjusted and any difference paid or allowed to **you** as the case may be subject to any minimum premium that may apply. Where such estimates include remuneration to **employees** the required declaration shall also include remuneration to all persons defined as **employees** by this **policy**. Failure to declare such particulars to **us** shall entitle **us** to estimate if **we** so wish such particulars and to assess further premium payment due calculated on such estimated particulars.
12. **We** may cancel this **policy** by giving **you** 30 days' notice in writing of such cancellation to **your** last known address.
13. There is a choice of law which can apply to this **policy** but the pre-contractual offer by **us**, subsequent acceptance by **you** and the contract itself have been made on the basis of English law and this can only be amended with the express written agreement of both parties to the contract.
14. The terms of this **policy** are only enforceable by the named insured. A person who is not a named insured has no rights under the Contract (Rights of Third Parties) Act 1999 to enforce any term of this **policy** but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

## **SECTION D – LOSS OF MONEY & PERSONAL ASSAULT**

### **SECTION 1 – Loss of money**

#### **A Additional Definitions applicable to Section 1 of Insured Section – Loss of money & personal assault**

##### **Business Hours**

means the period during which the reception or security desk at the **Premises** is manned or, if not applicable, the period during which the **Premises** are attended by a director of the **Insured** or a **Person Employed** by the **Insured** who is responsible for treasury matters for purposes of the **Business**.

##### **Loss**

means loss of physical possession of or invalidation on account of damage.

##### **Lost**

means physical possession has been lost or invalidated on account of damage.

#### **B Insuring Clause**

Subject to the General Agreement, General Definitions, General Conditions, General Exclusions and Claims Conditions of this Certificate, and the warranties, the Sum Insured and the additional definitions, exclusions and conditions contained in Section 1 of this Insured Section, the **Insurers** will indemnify the **Insured** against

1. **Loss of Money** belonging to the **Insured** or for which the **Insured** is responsible without limitation as to cause;
2. **Damage** to any safe, strong room, franking or coin or vending machine caused in connection with theft or attempted theft of **Money**;
3. **Damage** caused in connection with theft or attempted theft of **Money** to any container, bag or waistcoat belonging to the **Insured** or for which the **Insured** is responsible;

occurring within the **Territorial Limits** during the **Period of Insurance**.

#### **C Sum Insured**

The **Insurers'** liability under Section 1 of this Insured Section shall not exceed the following

Sums Insured with respect to **Loss of Money** arising out of any one incident.

If an asterisk is shown against a Sum Insured, any higher Sum Insured entered in the Certificate Schedule shall apply.

##### **Sum Insured**

1. **Loss of Non – Negotiable Money**  
Sum Insured GBP 250,000\*
2. **Loss of Negotiable Money**  
**Place and time of the loss and Sum Insured**
  - a) A lockable building at the **Premises** during **Business Hours** if the **Negotiable Money** is in a safe or strong room immediately prior to the **Loss**  
See the Certificate Schedule
  - b) A lockable building at the **Premises** during **Business Hours** if the **Negotiable Money** is not in a safe or strong room at the time of the **Loss** See the Certificate Schedule
  - c) A lockable building at the **Premises** outside **Business Hours** in respect of **Negotiable Money** in a safe or strong room specified in the Certificate Schedule at the time of the **Loss**  
See the Certificate Schedule
  - d) A lockable building at the **Premises** outside **Business Hours** in respect of **Negotiable Money** placed in an safe or strong room not specified in the Certificate Schedule at the time of the **Loss**  
GBP 1,000\*
  - e) A lockable building at the **Premises** outside **Business Hours** in respect of **Negotiable Money** not in a safe or strong room at the time of the **Loss**  
GBP 200\*
  - f) The dwelling of the **Insured** or any person to whom the **Negotiable Money** is entrusted  
GBP 350\*
  - g) **Negotiable Money** in transit or at the **Premises** other than in a lockable building or in a bank night safe at the time of the **Loss**  
See the Certificate Schedule
  - h) **Negotiable Money** in a coin or vending machine at the time of the **Loss**  
GBP 200\*



In the event of **Damage** to any safe, strong room, franking coin or vending machine or any container, bag or waistcoat resulting from theft or attempted theft the **Insurers** will pay for

- (i) the cost of repair, restoration or replacement with respect to a strong room up to the Sum Insured applicable to **Non-Negotiable Money**;
- (ii) the cost of repair, restoration or replacement by the closest equivalent model with respect to any safe, franking or coin or vending machine;
- (iii) the cost of repair or restoration of any container, bag or waistcoat or replacement by a similar item.

#### **D Additional exclusions applicable to applicable to Section 1 of Insured Section – Loss of money & personal assault**

Section 1 of this Insured Section excludes and does not cover

1. the amount of the Excess entered in the Certificate Schedule which shall apply to all **Loss of Money** and/ or **Damage** arising out of the same incident;
2. **Loss of Money** arising from a dishonest act or omission on the part of any director or officer of or **Person Employed** by the **Insured** unless discovered within seven (7) working days of the date of the dishonest act or omission;
3. **Damage** caused by any director or officer of or **Person Employed** by the **Insured** unless discovered within seven (7) working days of the date the **Damage** was caused;
4. **Loss of counterfeit Money**;
5. **Loss of Money** while in transit by post;
6. **Loss of Money** as a result of theft or attempted theft from an unattended vehicle;

#### **E Warranties applicable to Section 1 of Insured Section – Loss of money & personal assault**

It is warranted that whenever **Negotiable Money** is not in a lockable building at the **Premises** or in the dwelling of the **Insured** or any person to whom the **Money** is entrusted or in a bank or in

a bank night safe, it is

1. accompanied by one able-bodied adult if the value of the **Negotiable Money** does not exceed GBP 2,500;
2. accompanied by two able-bodied adults if the value of the **Negotiable Money** is between GBP 2,500 and GBP 4,000;
3. accompanied by three able-bodied adults if the value of the **Negotiable Money** is between GBP 4,000 and GBP 10,000;
4. entrusted to a professional security company if the value of the **Negotiable Money** exceeds GBP 10,000.

#### **F Additional conditions applicable to Section 1 of Insured Section – Loss of money & personal assault**

1. The **Insurers'** liability shall not exceed the Sum Insured applicable to **Loss of Money** not in a safe or strong room if the safe or strong room at the **Premises** is opened by the use of a key left at the **Premises** outside **Business Hours** or by the use of a combination code, details of which have been left in an unlocked place at the **Premises** outside **Business Hours**.
2. It is a condition precedent to any liability under Section 1 of this Insured Section that the **Insured**
  - a) maintains a complete record of all **Money** at the **Premises** or in transit or in a bank safe or within bank premises and keeps such record other than in a safe or strong room containing **Money**;
  - b) shall at all times exercise reasonable care in the selection and employment of **Persons Employed** involved with the handling and/ or accompaniment of **Money** and has obtained and will continue to obtain satisfactory written references and confirmation of such references from previous employers.
3. If this Certificate includes an Insured Section – Material Damage, Section 1 of this Insured Section is more specific insurance with respect to **Loss of Money** and **Damage** to any safe, strong room, franking

or coin or vending machine container, bag or waistcoat caused in connection with theft or attempted theft.

4. Any other insurance in force in respect of **Money** belonging to the **Insured** or for which the **Insured** is responsible while in transit or away from the **Premises** or dishonest acts on the part of **Persons Employed** shall constitute more specific insurance and Section 1 of this Insured Section shall only apply to any excess beyond the amount which would have been payable under such other insurance had Section 1 of this Insured Section not been effected.

## **SECTION 2 – Personal Assault**

### **A Additional Definitions applicable to Section 2 of Insured Section – Loss of money & personal assault**

#### **Insured Person**

means the **Insured** or any director or officer of or **Person Employed** by the **Insured** whose age is between sixteen (16) and seventy (70) years at the commencement of the **Period of Insurance**.

#### **Loss of Eye**

means permanent and total loss of sight which will be considered as having occurred

- a) in both eyes if the **Insured Person's** name is added to the Register of Blind Persons on the authority of a fully qualified ophthalmic specialist;
- b) in one eye if the degree of sight remaining after corrections is 3/60 or less on the Snellen scale (meaning seeing at 3 feet what should be seen at 60 feet).

#### **Loss of Use of one or more Limbs**

means

- a) in the case of a lower limb, loss by physical severance of each and every toe through or above the metatarsal phalange joints or permanent total loss of use of an entire leg or foot;
- b) in the case of an upper limb, loss by physical severance of the entire four fingers through or above the metacarpal phalange joints or permanent total loss of

use of an entire arm or hand.

#### **Permanent**

means lasting not less than one year and then being beyond hope of improvement, or lasting less than one year and deemed by the **Insurers** at their discretion as being beyond hope of improvement.

#### **Temporary Partial Disablement**

disablement that is not **Permanent** but prevents the **Insured Person** from attending to a substantial part of his or her occupation in the **Business**.

#### **Temporary Total Disablement**

disablement that is not **Permanent** but prevents the **Insured Person** from attending to his or her usual occupation in the **Business**.

#### **Total Disablement**

disablement, other than **Loss of Eye** or **Loss of Use of one or more Limbs**, that entirely prevents the **Insured Person** from attending to his or her usual occupation in the **Business**.

### **B Insuring Clause**

Subject to the General Agreement and General Definitions of this Certificate and the additional definitions, Limits of Compensation and additional conditions contained in Section 2 of this Insured Section, the **Insurers** will pay compensation as set out in C 1, subject to the limitations set out in C 2, in the event of an **Insured Person** sustaining bodily injury solely and directly as a result of robbery, hold up or any attempt thereat in the course of the **Business** and within the **Territorial Limits**.

### **C Compensation**

If an asterisk is shown against any Limit of Compensation, any higher amount entered in the Certificate Schedule shall apply.

1. Results of injury **Limits of Compensation**
  - a) Death  
GBP 10,000\*
  - b) **Loss of Eye**  
GBP 10,000\*
  - c) **Loss of use of one or more Limbs**  
GBP 10,000\*
  - d) **Permanent Total Disablement**  
GBP 10,000\*

- e) **Temporary Total Disablement**  
GBP 100 per week\*
  - f) **Temporary Partial Disablement**  
GBP 100 per week\*
2. a) The **Insurers** will not pay compensation with respect to death, **Loss of Eye, Loss of Use of one or more Limbs** or **Permanent Total Disablement** occurring after one year from the date of the robbery, hold up or attempt thereof.
- b) Not more than one of the Limits of Compensation a) - d) in 1. above shall be payable to or on behalf of any one **Insured Person**.
- c) On payment of compensation in accordance with one of the Limits of Compensation a) -d) in 1.above, the **Insurers** will make no further payments in respect of the **Insured Person** to whom or on whose behalf payment is made.
- d) Weekly benefits shall not be payable to or on behalf of any one **Insured Person** for more than one hundred and four (104) weeks from the date the first weekly benefit is paid to or on behalf of such **Insured Person**.
3. The **Insurers** will in addition reimburse any **Insured Person**
- a) for personal money stolen or handed over; and/or
  - b) the cost of replacing clothes or personal effects lost, damaged or destroyed;
- during an assault or due to threat of assault on such **Insured Person** in the course of the **Business** provided that such reimbursement shall be limited to GBP 100 any one item and GBP 100 in respect of money any one **Insured Person** and GBP 500 in all for any one **Insured Person**.
- D Additional conditions applicable to Section 2 of Insured Section – Loss of money & personal assault**
- 1. In the event of disablement of an **Insured Person**, the **Insured Person** must immediately place himself or herself under the care of a qualified medical practitioner and as often as the **Insurers** require submit to medical examination at the expense of the **Insurers**.
  - 2. Compensation payable under Section 2 of this Insured Section shall not be affected by any other insurance in force for bodily injury to an **Insured Person**.

## SECTION E – GOODS IN TRANSIT

### A Additional definitions applicable to Insured Section – Goods in transit

#### Excluded Property means

- a) jewellery, watches, precious stones, precious metals, bullion, non-ferrous metal in scrap and/or ingot form, statuary, furs, curiosities, works of art and rare books;
- b) **Money, Documents**, bonds, negotiable documents or securities;
- c) patterns, models, moulds, templates, plans and designs;
- d) **Business Equipment**, cameras, radios, television sets and other consumer and commercial electrical appliances and instruments;
- e) explosives, livestock, perfumery, tobacco, cigars, cigarettes, wines, spirits and other alcoholic beverages;

unless specifically declared to and agreed by the **Insurers as Property in Transit** .

#### Loading & Unloading

means movement of **Property in Transit**, other than **Excluded Property**, into or onto a vehicle or railway conveyance from the place where it is accepted by on or behalf of the courier, vehicle operator, haulier or railway operator, as applicable (loading) or movement of property from a vehicle or railway conveyance to the place where it is finally delivered to the consignee (unloading).

#### Property in Transit

means property, other than **Excluded Property**, described in the Certificate Schedule in respect of “Insured Section – Goods in transit”.

### B Insuring Clause

Subject to the General Agreement, General Definitions, General Conditions, General Exclusions and Claims Conditions of this Certificate, and the additional definitions, exclusions, conditions and memoranda contained in this Insured Section, the **Insurers** will indemnify the **Insured** in respect of **Damage to Property in Transit** in the course of **Loading & Unloading** or while the **Property in Transit** is temporarily warehoused, other than at the **Premises**, or in transit by the means of conveyance specified

in the Certificate Schedule, provided that the **Damage** takes place within the **Territorial Limits** and during the **Period of Insurance**.

### C Additional exclusions applicable to Insured Section – Goods in transit

This Insured Section excludes and does not cover

1. theft of **Property in Transit** from a vehicle owned or operated by the **Insured** while such vehicle is unattended unless
  - a) all the openings of the vehicle are closed and securely locked and the keys removed at the time of theft;
  - b) between 21.00 hours and 06.00 hours the vehicle is garaged in a building or parked in a fully enclosed yard which is securely closed and locked, or the vehicle is under constant surveillance, or on a guarded lot;
2. theft of **Property in Transit** other than from a vehicle owned or operated by the **Insured** unless the theft
  - a) is evidenced by forcible or violent means to gain access to the **Property in Transit**;
  - b) involves violence or a threat of violence against a person having custody of the **Property in Transit** at the time of the theft;
3. **Damage** arising from
  - a) wear and tear, any natural deterioration or other gradually operating cause, inherent defect, mildew or vermin;
  - b) defective workmanship;
  - c) electrical or mechanical derangement unless caused by external means;
  - d) contamination;
4. the deterioration of goods conveyed in frozen, chilled or insulated conditions due to faulty stowage or incorrect setting or operation of the temperature control equipment unless directly due to
  - a) fire, explosion, overturn of the conveying vehicle, collision of the conveying vehicle with another vehicle or object or
  - b) theft or attempted theft not excluded

by clause C 2.

5. disappearance or shortage of **Property in Transit** revealed only at the time of stock taking or a stock check or the making of an inventory or not traceable to a specific incident;
6. lost revenue or income or market or business opportunities or the incurring of contractual penalties relating to delays or failures in or inadequate performance consequent on **Damage to Property in Transit**;
7. theft of or malicious or criminal **Damage to Property in Transit** on the part of the **Insured** or any director, officer or agent of or **Person Employed** by the **Insured**.

#### D Additional conditions applicable to Insured Section – Goods in transit

It is a condition precedent to the **Insurers'** liability under this Insured Section that

1. the **Insured** shall take maintain all vehicles used by the **Insured** for the carriage of **Property in Transit** in good condition;
2. **Property in Transit** dispatched from the **Premises** is properly packed and includes any appropriate instructions or warnings concerning handling;
3. if carriage is contracted out, the **Insured** retains all rights of recourse or redress against the person engaged under contract to convey the **Property in Transit**.

#### E Memoranda applicable to Insured Section – Goods in transit

##### 1. Clearance of debris, transshipment and recovery charges

In addition to any amount payable in respect of **Damage to Property in Transit** the **Insurers** will indemnify the **Insured** for the reasonable costs incurred in clearing debris (other than **Pollutants** on the **Premises**), transshipment and recovery of **Property in Transit** arising out of the carriage of **Property in Transit** in or on vehicles owned or operated by the **Insured**, provided that

- a) the **Insurers** will not indemnify the

**Insured** for any costs incurred in connection with the **Loading & Unloading** or carriage of **Excluded Property**;

- b) the **Insurers'** liability for the costs of clearing debris, transshipment or recovery of **Property in Transit** shall not exceed GBP 1,000 any one incident.

##### 2. Sheets, ropes, chains, toggles and dunnage

In addition to any amount payable in respect of **Damage to Property in Transit** the **Insurers** will indemnify the **Insured** for **Damage** to sheets, ropes, chains, toggles and dunnage as a result of fire, explosion, overturn of vehicle, impact or collision in the course of carriage of **Property in Transit** in or on vehicles owned or operated by the **Insured**, provided that

- a) the **Insurers** will not indemnify the **Insured** for **Damage** to sheets, ropes, chains, toggles and dunnage if the **Damage** is caused by or contributed to by wear and tear or gradual deterioration;
- b) the **Insurers'** liability for **Damage** to sheets, ropes, chains, toggles and dunnage arising out of any one incident shall not exceed GBP 1,000 in respect of any one vehicle;
- c) the **Insured** will be liable for the first GBP 100 of all **Damage** to sheets, ropes, chains, toggles and dunnage arising out of any one incident.

##### 3. Excess

The Excess entered in the Certificate Schedule shall apply to all **Damage to Property in Transit** arising out of any one incident, inclusive of costs of clearing debris, transshipment or recovery of **Property in Transit** incurred as a result.

##### 4. Other insurance

If the carriage of **Property in Transit** is not undertaken in vehicles owned or operated by the **Insured**, any insurance or indemnity provided by the carrier shall constitute more specific insurance and this Insured Section

shall only apply to any excess beyond the amount which would have been payable under such other insurance or recoverable under the indemnity had this Insured Section not been effected.

## **F Basis of settlement**

1. If the **Property in Transit** is under invoice at the time of **Damage**
  - a) the actual invoice value to the **Insured** together with such costs and charges (including the **Insured's** commission as selling agent) as may have accrued and become legally due thereon with respect to property dispatched to the **Insured** or for the account of the **Insured**; or
  - b) the amount of the **Insured's** invoice, including prepaid or advanced freight, with respect to property that has been sold by the **Insured** and is being dispatched to or for the account of the purchaser by the **Insured**;
2. If the **Property in Transit** is not under invoice at the time of **Damage**, the replacement of **Property in Transit** lost or destroyed by the closest equivalent property available or the repair or restoration of damaged **Property in Transit** to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new, provided that with respect to any manuscripts or documents in respect of which indemnity is granted under this Insured Section the **Insurers** will not pay more than
  - a) the value of materials as stationery; and
  - b) the cost of clerical labour in reproducing or writing up such documents; and
  - c) the costs necessarily and reasonably incurred in connection with the reproduction of any information to be recorded;
3. If the invoice value or cost of replacement, repair or restoration of **Property in Transit** in respect of any load or consignment

exceeds the Sum Insured, the **Insurers'** liability in the event of **Damage** to which this Insured Section applies shall not exceed the proportion that the Sum Insured bears to the full cost of reinstatement, replacement, repair or restoration and the **Insured** shall be its own insurer for the remaining proportion and any further amount that exceeds the Sum Insured.

## SECTION F – ALL RISKS TO BUSINESS EQUIPMENT

### A Insuring Clause

Subject to the General Agreement, General Definitions, General Conditions, General Exclusions and Claims Conditions of this Certificate, and the additional exclusions and conditions contained in this Insured Section, the **Insurers** will indemnify the **Insured** up to the Sum Insured entered in the Certificate Schedule against **Damage to Business Equipment** of the **Insured** from any cause which is not excluded, provided that the **Damage** occurs within the **Territorial Limits** and during the **Period of Insurance**.

### B Additional exclusions applicable to Insured Section – All risks to business equipment

This Insured Section excludes and does not cover

1. **Damage** caused by moth, vermin, inherent vice, climatic conditions, wear and tear, mechanical derangement, gradual deterioration or faulty manipulation;
2. **Damage** to any part of any item of **Business Equipment** caused by its own ignition, electrical breakdown or burn out;
3. **Damage** caused by the actual process of repair, renovation or servicing;
4. **Damage to Business Equipment** while contained in an unattended vehicle unless in a locked container or compartment inaccessible from the driver's seat or any passenger seat with the keys to such locked container or compartment removed from the vehicle;
5. lost revenue or income or market or business opportunities or the incurring of contractual penalties relating to delays or failures in or inadequate performance consequent on **Damage**;
6. **Digital & Cyber Risks**.

### C Additional conditions applicable to Insured Section – All risks to business equipment

1. Any insurance or recovery provided for under a manufacturer's warranty or Extended Warranty or leasing agreement shall constitute more specific insurance and this Insured Section shall only apply to any excess beyond the amount which would have been payable under such warranty or leasing agreement had this Insured Section not been effected.
2. If this Certificate includes an Insured Section – Material Damage, this Insured Section is more specific insurance with respect to **Damage to Business Equipment**.
3. The Excess entered in the Certificate Schedule shall apply to all **Damage** arising out of the same incident.
4. The Sum Insured shall be immediately and automatically reinstated following **Damage to Business Equipment** provided that the **Insured** pays an additional premium calculated on the proportion that the amount settled bears to the total of all Sums Insured, pro rata from the date the **Damage** occurs to the expiry of the **Period of Insurance**.

### D Basis of settlement

1. The repair or restoration of damaged **Business Equipment** to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.
2. The replacement of **Business Equipment** lost or destroyed or substantially damaged beyond the reasonable cost of repair by the closest equivalent model or equipment available, provided that any depreciation allowed for in the **Insured's** balance sheet shall be deducted from any reimbursement of cost of replacement by the **Insured** or the **Insured** will reimburse the **Insurers** for such amount if the **Insurers** pay for the cost of replacement.
3. If the **Insured** requires replacement by an item of **Business Equipment** that

costs more than the closest equivalent to that lost or destroyed or substantially damaged beyond the reasonable cost of repair, the **Insured** will be responsible for the difference between the cost of replacement by the closest equivalent model or equipment and the actual cost of replacement;

4. If the cost of repair, restoration or replacement of all **Business Equipment** under an item in the Certificate Schedule exceeds the Sum Insured for that item, the **Insurers'** liability in the event of **Damage** shall be limited to the proportion that the Sum Insured for that item bears to the cost of repair, restoration or replacement of all **Business Equipment** under that item, provided always that the **Insurers'** liability shall not exceed the Sum Insured.

## **SECTION G – BOOK DEBTS**

### **A Additional definitions applicable to Insured Section – Book debts**

#### **Customer Accounts**

means the accounts of all customers and/or agents of the **Insured** who purchase goods from, or to whom services are rendered, by the **Insured**.

#### **Operative Peril**

means an Insured Peril, other than theft or attempted theft, entered as operative in the Certificate Schedule in respect of the Insured Section- Material Damage.

#### **Outstanding Debt Balances**

means the total shown in the Financial Statements for the **Insured's** last completed financial year adjusted for

1. bad debts;
2. amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the **Damage**) to **Customer Accounts** in the period between the date to which the last statement relates and the date of the **Damage**; and
3. any abnormal conditions of trade which had or could have had a material effect on the **Business** so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date the **Damage** occurred if the **Damage** had not occurred.

### **B Insuring Clause**

1. Subject to the General Agreement, General Definitions, General Conditions, General Exclusions and Claims Conditions of this Certificate, and the warranties and additional definitions, exclusions and conditions contained in this Insured Section, the **Insurers** will pay to the **Insured** the monetary loss sustained by the **Insured** in respect of those **Outstanding Debt Balances** owing to the **Insured** that the **Insured** is unable to trace or establish as a result of destruction of or damage to the **Insured's** books of accounts, other business books or records consequent on



**Damage** occurring at the **Premises** during the **Period of Insurance** provided that

- a) the **Damage** is caused by an **Operative Peril**;
  - b) the **Damage** is not excluded in accordance with the provisions of the Insured Section – Material Damage.
2. The amount payable by the **Insurers** in respect of **Outstanding Debt Balances** shall in no event exceed
- a) the difference between
    - (i) the **Outstanding Debt Balances** and
    - (ii) the total of the amounts received or traced in respect thereof;
  - b) the additional expenditure incurred with the previous consent of the **Insurers** in tracing and establishing **Outstanding Debt Balances** after the **Damage** occurs.
3. If the Sum Insured is less than the amount of the **Outstanding Debt Balances** at the date of the **Damage**, the **Insurers'** liability shall be limited to the proportion that the Sum Insured bears to the amount of the **Outstanding Debt Balances** at the date of the **Damage**.
4. The Sum Insured under this Insured Section includes all reasonable charges payable to the **Insured's** auditors and/or accountants for producing identifying and certifying any particulars or details required by the **Insurers**.
5. The liability of the **Insurers** shall not exceed the Sum Insured in respect of all amounts claimed in connection with the same incident.

### **C Additional exclusions applicable to Insured Section – Book debts**

The **Insurers** will not pay monetary loss sustained by the **Insured** in respect of **Outstanding Debt Balances** or contribute to additional expenditure incurred in tracing and establishing **Outstanding Debt Balances** if the debt arises out of or from

1. defects in the **Insured's** records;
2. erasure or distortion of information in

**Computer Records** due to the presence of a magnetic flux;

3. deliberate falsification of any records;
4. dishonest or fraudulent acts by any director or officer of or **Person Employed** by the **Insured**;
5. mislaying or misfiling of tapes, disks or records.

### **D Warranties applicable to Insured Section – Book debts**

It is warranted that the **Insured** will

1. keep all paper records of **Outstanding Debt Balances** in fire-resistant safes or cabinets when not in use;
2. retain paper copies at the **Premises** of any original paper records of **Outstanding Debt Balances** that leave the **Premises**;
3. maintain back-up records of all records of **Outstanding Debt Balances** held on **Computer Equipment** in a secure offsite location and update such back-up records at least weekly.

### **E Additional conditions applicable to Insured Section – Book debts**

1. This Insured Section shall be avoided if the **Business** is wound up or carried on by a liquidator or receiver or permanently discontinued at any time after the commencement of the **Period of Insurance**, unless the **Insurers** give their written agreement to the contrary.
2. If other insurance is in force covering monetary loss sustained by the **Insured** in respect of **Outstanding Debt Balances**, any amount payable under such other insurance shall constitute a received or traced debt balance in determining the extent of the **Insurers'** liability under this Insured Section.

## **SECTION H – Stock deterioration following refrigeration breakdown**

### **A Additional Definitions applicable to Insured Section – Stock deterioration following refrigeration breakdown**

#### **Chilled Stock**

means frozen or chilled stock belonging to the **Insured** or held in trust or on commission for which the **Insured** is responsible.

### **B Insuring Clause**

Subject to the General Agreement, General Definitions, General Conditions, General Exclusions and Claims Conditions of this Certificate, and the additional definitions, exclusions, and conditions contained in this Insured Section, the **Insurers** will indemnify the **Insured** against deterioration or putrefaction of **Chilled Stock** in any freezer cabinet, deep freezer, cold room, cold store or chilled cabinet at the **Premises** due to a change in the temperature caused by

1. mechanical failure of or breakdown of the automatic temperature control unit; or
2. failure of the public electricity or gas supply;
3. the action of refrigerant fumes escaping from refrigeration equipment;

provided that the deterioration or putrefaction of the **Chilled Stock** occurs during the **Period of Insurance**.

### **C Additional exclusions applicable to Insured Section – Stock deterioration following refrigeration breakdown**

This Insured Section excludes and does not cover

1. deterioration or putrefaction of **Chilled Stock** resulting from the deliberate act of any public electricity or gas supplier or the exercise by any such supplier of its power to withhold or restrict supply;
2. deterioration or putrefaction of **Chilled Stock** resulting from the failure of the public electricity or gas supply due to strikes or any other withdrawal of labour by employees of any public electricity or gas supplier;
3. the amount of the Excess entered in the Certificate Schedule in respect of **Chilled**

**Stock**, which shall apply to all deterioration or putrefaction of **Chilled Stock** as a result of the same incident at the same **Premises**.

### **D Additional conditions applicable to Insured Section – Stock deterioration following refrigeration breakdown**

- 1 It is a condition precedent to the **Insurers'** liability under this Insured Section that any refrigerant unit at the **Premises** is maintained by the manufacturer or the person who installed the unit or a competent engineer under an annual maintenance contract.
- 2 If this Certificate includes an Insured Section – Material Damage, this Insured Section is more specific insurance with respect to loss of **Chilled Stock**.
- 3 Any insurance or recovery provided for under a manufacturer's warranty or Extended Warranty or maintenance contract shall constitute more specific insurance and this Insured Section shall only apply to any excess beyond the amount which would have been payable under such manufacturer's warranty or Extended Warranty or maintenance contract had this Insured Section not been effected.

### **E Basis of settlement**

- 1 The basis of settlement of any claim under this Insured Section shall be the cost of replacing the **Chilled Stock**.
- 2 The Sum Insured shall apply to all deterioration or putrefaction of **Chilled Stock** as a result of the same incident at the same **Premises**.
- 3 If the cost of replacement of the **Chilled Stock** exceeds the Sum Insured the **Insurers'** liability shall not exceed the proportion that the Sum Insured bears to the total cost of replacement of the **Chilled Stock** and the **Insured** shall be its own insurer for the remaining proportion and any further amount that exceeds the Sum Insured.

## SECTION I - LEGAL EXPENSES

Please read this policy carefully to familiarise yourself with the terms and conditions, as well as the

- legal and tax helpline and
- the claim reporting procedures

If you are unsure about anything in this document please contact whoever you purchased your policy from.

### Telephone Helplines

24/7 legal advice on business matters within EU law **0344 571 7978**

UK tax advice 9am to 5pm weekdays (except bank holidays) **0344 571 7978**

Crisis communication **0344 571 7964**

Confidential counselling **0333 000 2082**

### Make a claim 0117 917 1698

Report a claim between 9am and 5pm weekdays (except bank holidays) or go online

[www.arag.co.uk/newclaims](http://www.arag.co.uk/newclaims)

Redundancy approval 9am to 5pm weekdays (except bank holidays) **0117 917 1698**.

### Main benefits of Essential Business Legal

Cover empowers you to protect your legal rights in the future. With support from ARAG you and your business could be protected from legal costs arising from:

- employment disputes (including TUPE) & compensation awards
- employment restrictive covenants
- tax investigations & VAT disputes
- legal nuisance, trespass or damage to property
- legal defence
- compliance & regulation
- statutory licence appeals
- loss of earnings
- employees' extra protection & identity theft
- crisis communication
- contract & debt recovery.

### Who is ARAG?

ARAG plc is a legal expenses and assistance insurance provider, operating nationwide from our headquarters in Bristol. ARAG plc is part of ARAG SE recognised as a global leader, generating an annual premium income of over €1.5 billion.

It has always been our vision to enable everyone, not just those that can afford it, to assert their legal rights. With this aim in mind we provide innovative and affordable products to both companies and individuals.

We are committed to providing our customers with guidance, advice and security, both now and in the future. We recognize that we will only grow by ensuring that we provide excellent products and an outstanding service to our customers.

**Helplines** (Calls are charged at the national rate).

### Legal and tax advice 0344 571 7978

If you have a legal or tax problem relating to your business, we recommend you call our confidential legal and tax advice helpline. Legal advice is available 24/7, and tax advice is available between 9am and 5pm on weekdays (except bank holidays).

The advice covers business-related legal matters within EU law and tax matters within the UK. Your query will be dealt with by a qualified specialist experienced in handling legal and tax-related matters. Use of this service does not constitute reporting of a claim.

### Redundancy approval 0117 917 1698

We can arrange for specialist advice if you are planning redundancies. This will assist you to implement a fair selection process and ensure that the redundancy notices are correctly served. This unfunded service is available 9am and 5pm on weekdays (except bank holidays).

### Crisis communication 0344 571 7964

Where you need help to respond to negative publicity or media attention. You can access professional public relations support and crisis communication services. You are insured against the cost of crisis communication services under INSURED EVENT 11 when you use this helpline.

## Counselling assistance 0333 000 2082

For an employee (including family members permanently living with them) needing confidential help and advice, our qualified counsellors are available to provide telephone support on any matter that is causing your employee upset or anxiety, from personal problems to bereavement.

## Claims procedure

If you need to make a claim you must notify us as soon as possible.

1. Under no circumstances should you instruct your own lawyer or accountant as the insurer will not pay any costs incurred without our agreement.
2. You can request a claim form between 9am and 5pm Monday to Friday (except bank holidays) by telephoning 0117 917 1698 or by downloading one at [www.arag.co.uk/newclaims](http://www.arag.co.uk/newclaims)
3. We will issue you with a written acknowledgement within one working day of receiving your claim form.
4. Within five working days of receiving all the information needed to assess the availability of cover under the policy, we will write to you either:
  - confirming the appointment of a qualified representative who will promptly progress the claim for you; or
  - if the claim is not covered, explaining in full why and whether we can assist in another way.
5. When a lawyer is appointed they will try to resolve your dispute without delay, arranging mediation whenever appropriate. Matters cannot always be resolved quickly particularly if the other side is slow to cooperate or a legal timetable is decided by the courts.

## What happens if the insurer cannot meet its liabilities?

Brit Syndicate 2987 at Lloyd's is covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation of up to 90% of the cost of your claim, in the unlikely event that the insurer cannot meet its obligations. Further information about compensation scheme arrangements is available from the FSCS.

## Essential Business Legal

This policy is evidence of the contract between **you** and the **insurer**. The policy and schedule shall be read together as one document.

## YOUR POLICY COVER UNDER SECTION I

Following an INSURED EVENT the **insurer** will pay **legal costs & expenses** (and compensation awards under INSURED EVENT 2 EMPLOYMENT COMPENSATION AWARDS) up to the limit of indemnity and aggregate limit specified in **your** policy schedule for all claims related by time or originating cause including the cost of appeals provided that:

1. **you** have paid the insurance premium
2. the **insured** keeps to the terms of this policy and cooperates fully with **us**
3. the INSURED EVENT arises in connection with the business shown in the schedule and occurs within the **territorial limit**
4. the claim
  - always has **reasonable prospects of success**
  - is reported to **us**
    - during the **period of insurance**
    - as soon as the **insured** first becomes aware of circumstances which could give rise to a claim
5. unless there is a conflict of interest, the **insured** always agrees to use the **appointed advisor** chosen by **us** in any claim
  - to be heard by the **small claims court** or an Employment Tribunal and/or
  - before proceedings have been or need to be issued
6. any dispute will be dealt with by a court, tribunal, Advisory Conciliation and Arbitration Service or a relevant regulatory or licensing body.

A claim is considered to be reported to **us** when **we** have received the **insured's** fully completed claim form.

## INSURED EVENTS COVERED

### 1 EMPLOYMENT

A dispute between **you** and **your employee**, **ex-employee**, or a prospective employee, arising from a breach or an alleged breach of their

- a) contract of service with **you** and/or
- b) related legal rights.

A claim can be made under the policy provided that all internal procedures as set out in the

- ACAS Code of Practice for Disciplinary and Grievance Procedures, or
- Labour Relations Agency Code of Practice on Disciplinary and Grievance Procedures in Northern Ireland

have been or ought to have been concluded.

#### What is not covered under INSURED EVENT 1

Any claim relating to:

1. the pursuit of an action by **you** other than an appeal
2. redundancy, alleged redundancy or unfair selection for redundancy, occurring during the first 180 days of this policy, except where **you** have had equivalent cover in force up until the start of this policy
3. **legal costs & expenses** for preparation and representation at an internal disciplinary hearing, grievance or appeal.

### 2 EMPLOYMENT COMPENSATION AWARDS

Following a claim **we** have accepted under INSURED EVENT 1 EMPLOYMENT, the **insurer** will pay any

- a) basic and compensatory award
- b) Employment Tribunal fees under Schedule 3 of the Employment Tribunals and the Employment Tribunal Fees Order 2013

awarded against **you** by a tribunal or

- c) an amount agreed by **us** in settlement of a dispute.

Provided that:

- i) **reasonable prospects of success** exist for a wholly successful defence

- throughout and
- ii) compensation is
  - agreed through mediation or conciliation or under a settlement approved by **us** or
  - awarded by a tribunal judgment after full argument unless given by default.

#### What is not covered under INSURED EVENT 2

Compensation awards and settlements relating to:

1. trade union membership or non-membership, industrial or labour arbitration, collective bargaining agreements, trade union recognition or matters concerning a European Works Council
2. money due to an **employee** under a contract or a statutory provision relating thereto
3. civil claims or statutory rights relating to trustees of occupational pension schemes.

### 3 EMPLOYMENT RESTRICTIVE COVENANTS

- a) A dispute with **your employee** or **ex-employee** which arises from their breach of a restrictive covenant where **you** are seeking financial remedy or damages. Provided that the restrictive covenant
  - i) is designed to protect **your** legitimate business interests and
  - ii) is evidenced in writing and signed by **your employee** or **ex-employee** and
  - iii) extends no further than is reasonably necessary to protect the business interests and
  - iv) does not contain restrictions in excess of 12 months.
- b) A dispute with another party who alleges that **you** have breached their legal rights protected by a restrictive covenant.

#### 4 TAX PROTECTION

- a) A formally notified aspect or full enquiry into **your** tax affairs, or into the personal tax affairs of **your** directors and/or partners.
- b) A dispute about **your** compliance with regulations relating to:
  - i) Value Added Tax, or
  - ii) Pay As You Earn, or
  - iii) Social Security, or
  - iv) National Insurance Contributions, or
  - v) the Construction Industry Scheme, or
  - vi) IR35

following a compliance check by HM Revenue & Customs.

- c) An enquiry into **your** tax affairs, or into the personal tax affairs of **your** directors and/or partners, arising from an alleged discovery by HM Revenue & Customs.

Provided that:

- all returns are completed and have been submitted within the statutory timescales permitted
- **you** keep proper records in accordance with statutory requirements
- in respect of any appealable matter **you** have requested an Internal Review from HM Revenue & Customs where available.

#### **What is not covered under INSURED EVENT 4**

Any claim relating to:

1. tax returns which result in HM Revenue & Customs imposing a penalty or claiming interest or which contain negligent misstatements
2. an investigation by the Specialist Investigations Branch of HM Revenue & Customs
3. where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to the **insured's** financial arrangements
4. any enquiry that concerns assets, monies or wealth outside of Great Britain and Northern Ireland
5. **your** failure to register for VAT.

#### 5 PROPERTY

A dispute relating to material property which **you** own or is **your** responsibility:

- a) following an event which causes physical damage to **your** material property
- b) following a public or private nuisance or trespass
- c) which **you** wish to recover or repossess from an **employee** or ex-**employee**.
- d) with **your** business tenant that arises from a written lease agreement granted under the Landlord & Tenant Act 1954.

#### **What is not covered under INSURED EVENT 5**

Any claim relating to:

1. a contract between **you** and a third party except for a claim under 5 c) and 5 d) above provided that in respect of 5 d) **you** will not be insured for
  - a) negotiating a rent review or any dispute that arises from a disagreement with **your** tenant over the revision of rent and service charges that shall be payable
  - b) renewal of **your** lease agreement or the granting of a new tenancy other than where
    - i) **you** have a reasonable prospect of successfully opposing **your** tenant's right to a new or renewal tenancy under Section 30(1) of the Landlord and Tenant Act ; and
    - ii) **you** can demonstrate that **you** have served the correct legal notice to terminate on the tenant in the prescribed form before **your** tenant has served **you** with a request for a new tenancy.
2. goods in transit or goods lent or hired out
3. the compulsory purchase of, or demolition restrictions, controls or permissions placed on land or property by any government, local or public authority
4. a dispute with any party other than the party who caused the damage, nuisance or trespass.

## 6 LEGAL DEFENCE

- a) A criminal investigation and/or enquiry by:
  - i) the police
  - ii) a health & safety authority or
  - iii) other body with the power to prosecute

where it is suspected that an offence may have been committed that could lead to the **insured** being prosecuted.

- b) An offence or alleged offence which leads to the **insured** being prosecuted in a court of criminal jurisdiction.
- c) A motor prosecution brought against **your** directors and/or partners which does not relate to the business.

### What is not covered under INSURED EVENT 6

Any claim relating to a parking offence.

## 7 COMPLIANCE & REGULATION

- a) Receipt of a Statutory Notice served against **you**.
- b) Notice of a formal investigation or disciplinary hearing by any professional or regulatory body.
- c) A civil action alleging wrongful arrest arising from an allegation of theft.
- d) A claim against **you** for compensation under Section 13 of the Data Protection Act 1998 including compensation awarded against **you** provided that **you** are registered with the Information Commissioner.

### What is not covered under INSURED EVENT 7

Any claim relating to:

1. the pursuit of an action by **you** other than an appeal
2. a routine inspection by a regulatory authority
3. a Health and Safety Executive Fee For Intervention.

## 8 STATUTORY LICENCE APPEALS

An appeal against a decision by the relevant authority to alter, suspend, revoke or refuse to renew **your** statutory licence or compulsory registration.

## 9 LOSS OF EARNINGS

The **insured's** absence from work to attend court, tribunal, arbitration, disciplinary hearing or regulatory proceedings at the request of the **appointed advisor** or whilst on Jury Service which results in loss of earnings.

### What is not covered under INSURED EVENT 9

Any sum which can be recovered from the court or tribunal.

## 10 EMPLOYEES' EXTRA PROTECTION

At **your** request

- a) where civil proceedings are issued against **your employee**:
  - i) for unlawful discrimination; or
  - ii) in their capacity as a trustee of a pension fund set up for the benefit of **your employees**;
- b) where **your employee** or a member of their family suffers physical bodily injury or death as a result of a sudden event provided that the **employee** is under a contract of service with **you**
- c) a claim arising from personal identity theft targeted at **your** directors and/or partners.

### What is not insured under INSURED EVENT 10 a) & b)

Any claim relating to:

1. defending **you**
2. a condition, illness or disease which develops gradually over time.

## 11 CRISIS COMMUNICATION

Following an event which causes **your** business significant adverse publicity or reputational damage which is likely to have a widespread financial impact on **your** business, **we** will

- a) liaise with **you** and **your** solicitor (whether the solicitor is an **appointed advisor** under this policy, or acts on **your** behalf under any other policy), to draft a media statement or press release and/or
- b) arrange, support and represent an **insured** at a press conference and/ or

c) prepare communication for **your** customers and/or a telephone or website script

provided that **you** have sought and followed advice from **our** Crisis Communication helpline.

**What is not covered under INSURED EVENT 11**

Any claim relating to:

1. **Legal costs & expenses** in excess of £10,000.
2. Matters that should be dealt with through **your** normal complaints procedures.

**12 CONTRACT & DEBT RECOVERY**

A breach or alleged breach of an agreement or alleged agreement which has been entered into by **you** or on **your** behalf relating to the purchase, hire, hire purchase, lease, servicing, maintenance, testing, sale or provision of goods or services, provided that if **you** are claiming for an undisputed debt **you** have exhausted **your** normal credit control procedures.

**What is not covered under INSURED EVENT 12**

Any claim relating to:

1. an amount which is less than £200
2. the letting, leasing or licensing of land or buildings where **you** act as the landlord
3. the sale or purchase of land or buildings
4. loans, mortgages, endowments, pensions or any other financial product
5. computer hardware, software, internet services or systems which
  - a) have been supplied by **you** or
  - b) have been tailored to **your** requirements
6. a breach or alleged breach of a professional duty by an **insured**
7. the settlement payable under an insurance policy
8. a dispute relating to an **employee** or ex-**employee**
9. adjudication or arbitration.

**WHAT IS NOT COVERED BY SECTION I**

The **insured** is not covered for any claim arising from or relating to:

1. **legal costs & expenses** or compensation awards incurred without **our** consent
2. any actual or alleged act, omission or dispute happening before, or existing at the start of the policy, and which the **insured** knew or ought reasonably to have known could lead to a claim
3. an allegation against the **insured** involving:
  - a) assault, violence, indecent or obscene materials, dishonesty, malicious falsehood or defamation (except in relation to INSURED EVENT 11 CRISIS COMMUNICATION
  - b) the manufacture, dealing in or use of alcohol, illegal drugs, illegal immigration;
  - c) offences under Part 7 of the Proceeds of Crime Act 2002 (money laundering offences)
4. defending a claim in respect of damages for personal injury (other than injury to feelings in relation to INSURED EVENT 1 EMPLOYMENT), or loss or damage to property owned by the **insured**
5. patents, copyright, passing-off, trade or service marks, registered designs and confidential information (except in relation to INSURED EVENT 3 EMPLOYMENT RESTRICTIVE COVENANTS)
6. a dispute with any subsidiary, parent, associated or sister company or between shareholders or partners
7. franchise or agency agreements
8. a judicial review
9. a dispute with **us**, the **insurer** or the party who arranged this cover not dealt with under Condition 6
10.
  - a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
  - b) radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component



- thereof
- c) war, invasion, act of foreign enemy hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power
  - d) pressure waves from aircrafts or other aerial devices travelling at sonic or supersonic speed
  - e) any terrorist action (regardless of any other cause or event contributing concurrently or in any other sequence to the liability) or any action taken in controlling, preventing or suppressing terrorist action. If the **insurer** alleges that by reason of this exclusion any liability or loss is not covered by this policy, the burden of proving the contrary shall be upon the **insured**.
11. the payment of fines, penalties or compensation awarded against the **insured** (except as covered under INSURED EVENT 2 EMPLOYMENT COMPENSATION AWARDS or 7d) or costs awarded against the **insured** by a court of criminal jurisdiction.

## **POLICY CONDITIONS APPLICABLE TO SECTION I**

Where the **insurer's** risk is affected by the **insured's** failure to keep to these conditions the **insurer** can cancel **your** policy, refuse a claim or withdraw from an ongoing claim. The **insurer** also reserves the right to claim back **legal costs & expenses** from the **insured** if this happens

### **1. The Insured's responsibilities**

An **insured** must:

- a) tell **us** immediately of anything that may make it more costly or difficult for the **appointed advisor** to resolve the claim in **your** favour
- b) cooperate fully with **us**, give the **appointed advisor** any instructions **we** require, and keep them updated with progress of the claim and not hinder them take reasonable steps to claim back **legal costs & expenses** and, where recovered, pay them to the **insurer**
- c) keep **legal costs & expenses** as low as possible
- d) allow the **insurer** at any time to take over and conduct in the **insured's** name, any claim.

### **2. Freedom to choose an appointed advisor**

- a) In certain circumstances as set out in 2.b) below the **insured** may choose an **appointed advisor**. In all other cases no such right exists and **we** shall choose the **appointed advisor**.
- b) If:
  - i) **we** agree to start proceedings or proceedings are issued against an **insured**, or
  - ii) there is a conflict of interest the **insured** may choose a qualified **appointed advisor** except where the **insured's** claim is to be dealt with by the Employment Tribunal or **small claims court** where **we** shall always choose the **appointed advisor**.
- c) Where the **insured** wishes to exercise the right to choose, the **insured**

must write to **us** with their preferred representative's contact details. Where the **insured** chooses to use their preferred representative, the **insurer** will not pay more than **we** agree to pay a solicitor from **our** panel.

- d) If the **insured** dismisses the **appointed advisor** without good reason, or withdraws from the claim without **our** written agreement, or if the **appointed advisor** refuses with good reason to continue acting for an **insured**, cover will end immediately.
- e) In respect of a claim under INSURED EVENT 12 CONTRACT & DEBT RECOVERY **you** must enter into a **conditional fee agreement** (unless the **appointed advisor** has entered into a **collective conditional fee agreement**) where legally permitted.

### 3. Consent

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

### 4. Settlement

- a) The **insurer** can settle the claim by paying the reasonable value of the **insured's** claim.
- b) The **insured** must not negotiate, settle the claim or agree to pay **legal costs & expenses** without **our** written agreement.
- c) If the **insured** refuses to settle the claim following advice to do so from the **appointed advisor** the **insurer** reserves the right to refuse to pay further **legal costs & expenses**.

### 5. Barrister's opinion

**We** may require the **insured** to obtain and pay for an opinion from a barrister if a dispute arises regarding the merits or value of the claim. If the opinion supports the

**insured**, then the **insurer** will reimburse the reasonable costs of that opinion. If that opinion conflicts with advice obtained by **us**, then the **insurer** will pay for a final opinion which shall be binding on the **insured** and **us**. This does not affect **your** right under Condition 6 below.

### 6. Arbitration

If any dispute between the **insured** and **us** arises from this policy, the **insured** can make a complaint to **us** as described on the back page of this policy and **we** will try to resolve the matter. If **we** are unable to satisfy the **insured's** concerns and the matter can be dealt with by the Financial Ombudsman Service the **insured** can ask them to arbitrate over the complaint.

If the dispute cannot be dealt with by the Financial Ombudsman Service, it can be referred for independent arbitration to a qualified person agreed upon by both parties. The loser of the dispute shall be liable to pay the costs incurred.

If **we** fail to agree on a suitable person to arbitrate the matter **we** will ask the President of the relevant Law Society to nominate. The arbitration shall be subject to the Arbitration Acts and the arbitrator's decision shall be binding on the parties.

### 7. Other insurance

The **insurer** will not pay more than their fair share (rateable proportion) for any claim covered by another policy, or any claim that would have been covered by any other policy if this policy did not exist.

### 8. Fraudulent claims

If the **insured** makes any claim which is fraudulent or false, the policy shall become void and all benefit under it will be lost.

### 9. Cancellation

- a) **You** may cancel the policy:
  - i) within 14 days of the date of its purchase with a full refund of premium

paid provided a claim has not been accepted; or

- ii) at any other time by giving **us** at least 21 days written notice and the **insurer** will refund part of the premium for the unexpired period unless a claim has been or is later accepted by **us** in which case no return of premium shall be allowed.
  
- b) Where there is a valid reason for doing so, the **insurer** has the right to cancel the policy at any time by giving at least 21 days written notice to the **insured**. The **insurer** will refund part of the premium for the unexpired term. **We** will set out the reason for cancellation in writing. Valid reasons may include but are not limited to:
  - i) where the party claiming under this policy fails to co-operate with or provide information to **us** or the **appointed advisor** in a way that materially affects **our** ability to process a claim, or **our** ability to defend the **insurer's** interests,
  - ii) where the **insured** uses threatening or abusive behaviour or language, or intimidation or bullying of **our** staff or suppliers,
  - iii) where **we** reasonably suspect fraud.
  
- c) The **insurer** may also cancel the policy and refund part of the premium for the unexpired period if at any time **you**
  - i) enter into a voluntary arrangement or a deed of arrangement
  - ii) become bankrupt, are placed into administration, receivership or liquidation
  - iii) have **your** affairs or property in the care or control of a receiver or administrator.

The **insurer** also reserves the right to withdraw from any claim.

## 10. Acts of Parliament, Statutory Instruments, Civil Procedure Rules & Jurisdiction

All legal instruments and rules referred to within the policy shall include equivalent legislation in Scotland, Northern Ireland, the Isle of Man and the Channel Islands and any subsequent amendment or replacement legislation. This policy will be governed by English law.

## 11. Data Protection Act 1998

It is agreed by the **insured** that any information provided to **us** and/or the **insurer** regarding the **insured** will be processed by **us** and/or the **insurer**, in compliance with the provisions of the Data Protection Act 1998, for the purpose of providing insurance and handling claims, if any, which may involve passing information to other parties. For our mutual protection and **our** training purposes, calls may be recorded.

## 12. Contracts (Rights of Third Parties) Act 1999

A person who is not an **insured** under this contract has no right to enforce the terms and conditions of this policy under the Contracts (Rights of Third Parties) Act 1999.

## MEANING OF WORDS & TERMS APPLICABLE TO SECTION I

Certain words and terms contained in this policy have been defined as they have the same meaning wherever they appear.

### Appointed Advisor

The solicitor, accountant, mediator or other advisor appointed by **us** to act on behalf of the **insured**.

### Collective Conditional Fee Agreement

A legally enforceable agreement entered into on a common basis between the **appointed advisor** and **us** to pay their professional fees on the basis of 100% "no-win no-fee".

### Conditional Fee Agreement

A legally enforceable agreement between the **insured** and the **appointed advisor** for paying their professional fees on the basis of 100% "no-win no-fee".

### Employee

A worker who has or alleges they have entered into a contract of service with **you**, provided they have been declared to **us**.

### Insured

1. **You, your** directors, partners, managers, officers and employees of **your** business.
2. The estate, heirs, legal representatives or assigns of any persons mentioned in 1. in the event of such person dying.
3. A person declared to **us**, who is contracted to perform work for **you**, who in all other respects **you** have arranged to insure on the same basis as **your** other **employees** and who performs work under **your** supervision.

### Insurer

Brit Syndicate 2987 at Lloyd's (written under unique market reference B0356KA233D12A000 or replacement thereof).

### Legal Costs & Expenses

1. Reasonable legal costs and disbursements reasonably and proportionately incurred by the **appointed advisor** on the standard basis and agreed in advance by **us**. The term "standard basis" can be found within the Courts' Civil Procedure Rules Part 44.
2. In civil claims, other side's costs, fees and

disbursements where the **insured** has been ordered to pay them or pays them with **our** agreement.

3. Reasonable accountancy fees reasonably incurred under INSURED EVENT 4 TAX by the **appointed advisor** and agreed by **us** in advance.
4. **Your employee's** basic wages or salary under INSURED EVENT 9 LOSS OF EARNINGS in the course of their employment with **you** while attending court or tribunal at the request of the **appointed advisor** or whilst on jury service where **you** do not pay for time lost and lost wages or salary cannot be claimed back from the court or tribunal.
5. The professional fees and expenses of an **appointed advisor** selected by **us** to reduce the actual or anticipated adverse or negative publicity or media attention directed towards **you** under INSURED EVENT 11 CRISIS COMMUNICATION.

### Period of Insurance

The period shown in the schedule to which this policy attaches.

### Reasonable Prospects of Success

1. Other than as set out in 2. and 3. below, a greater than 50% chance of the **insured** successfully pursuing or defending the claim and, if the **insured** is seeking damages or compensation, a greater than 50% chance of enforcing any judgment that might be obtained.
2. In criminal prosecution claims where the **insured**
  - a) pleads guilty, a greater than 50% chance of successfully reducing any sentence or fine or
  - b) pleads not guilty, a greater than 50% chance of that plea being accepted by the court.
3. In all claims involving an appeal, a greater than 50% chance of the **insured** being successful.

### Small Claims Court

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

uses the small claims procedure as set out by the Act of Sederunt (Small Claims) Rules 2002, a court in Northern Ireland where the sum in dispute is less than £3,000 or the equivalent jurisdiction in the United Kingdom where the policy applies.

#### **Territorial Limit**

For INSURED EVENTS 6 LEGAL DEFENCE, 7 COMPLIANCE & REGULATION and 12 CONTRACT & DEBT RECOVERY the United Kingdom, Channel Islands, Isle of Man, Norway, Switzerland and countries in the European Union. For all other INSURED EVENTS the United Kingdom, Channel Islands and the Isle of Man.

#### **We/Us/Our**

ARAG plc who is authorised under a binding authority agreement to administer this insurance on behalf of the **insurer**, Brit Syndicate 2987 at Lloyd's.

#### **You/Your**

The business named in the schedule, including any subsidiary and/or associated companies declared to **us**.

## **ADDITIONAL CLAUSES/WARRANTIES - APPLICABLE TO ALL SECTIONS OTHER THAN C & I**

**THESE ARE OPERATIVE ONLY IF SHOWN IN THE CERTIFICATE SCHEDULE**

#### **CL1 - Daily Waste Warranty**

It is warranted that trade waste and other refuse be swept up daily and placed in bags or bins outside the **Building**.

#### **CL2 - Pipe and Tank Lagging Warranty**

**Insurers** will not be liable for Damage to **Property** as a result of burst or leaking water pipes and/or tanks which are inadequately lagged at the time of the **Damage**.

#### **CL3 - Deep Fat Frying Warranty:**

It is warranted that :-

- all frying and other cooking ranges, equipment, flues and exhaust ducting are securely fixed and free from contact with combustible material
- all extraction hoods, canopies, filters and grease traps are cleaned every two weeks
- all extraction ducts are cleaned at least every six (6) months by a qualified third party contractor
- frying equipment is fitted with a thermostat designed to prevent the temperature of cooking oils and fat from rising above 205 C
- multi purpose fire extinguishers or other materials suitable for extinguishing oil and fat fires are maintained and close to the installation ready for immediate use
- the pans are fitted with metal lids which can be shut down in the event of fire (with larger installations closing to be automatic and the system to be linked to the ventilationsystem so that this is also shut down in the event of a fire).

#### **CL4 - Kitchen Duct Warranty**

It is warranted that cooking fume extraction canopies and ductwork be cleaned at least every six (6) months by independent contractors and that filters, traps or other grease removal devices therein be cleaned at least fortnightly.

#### **CL5 - Roof Maintenance Warranty**

In respect of Damage by STORM and TEMPEST it is warranted that any built-up mineral felt or asphalt roof portion of the within described

**Premises** shall be inspected at least once every two (2) years by a qualified builder or property surveyor and any defects brought to light by that inspection shall be repaired immediately.

**CL6 - Electrical Clause**

It is understood and agreed that the **Insurers** shall not be liable for any **Damage** to electrical apparatus or appliances caused by self-ignition. However, this exclusion shall apply solely to the part of the said apparatus or appliance in which self-ignition occurs.

**CL7 - Portable heating Warranty**

It is warranted that there is no use of or storage on the **Premises** of any form of portable heating unless specifically agreed by **Insurers**.

**CL8 - Frost Stat Warranty**

It is warranted that the heating system incorporates Frost Stat controls to ensure that a minimum temperature of at least 4 degrees centigrade is automatically maintained between the months of October and May inclusive.

**CL9 - Combustible Materials Warranty**

It is warranted that combustible storage or waste in the open is at least 7 metres from any **Building** when the **Premises** are closed for business.

**CL10 - Flammables Warranty**

It is warranted that all flammables are kept in metal lidded containers when not in use.

**CL11 - Bulk Flammables Warranty**

It is warranted that bulk supplies of flammables are kept within a separate locked store and only one days supply permitted out on the **Premises**.

**CL12 - Gutter Warranty**

It is warranted that the valley gutters are cleared and downpipes rodded at least twice per annum.

**CL13 - Alarm Protected Area Warranty**

It is warranted that all **Stock**, machinery and plant, all Other Contents, **Documents**, **Computer Records**, patterns, models, moulds, templates, plans and designs are kept within an area protected by an alarm system.

**CL14 - Cooking In Rooms Warranty**

It is warranted that no cooking takes place in rooms other than on fixed cooking appliances in purpose designed kitchen areas.

**CL15 - Stillage Warranty**

It is warranted that all **Property** stored in the **Premises** is stored on racks, shelves and stillages

not less than 15cm above floor level.

**CL16 - Paint Spraying Warranty**

It is warranted that

- a) all paint spraying is conducted in booths of non-combustible material and positioned against an external wall
- b) all doors of booths are self-closing and kept closed during spraying.
- c) any glazing in booths is wired glass.
- d) all electrical fittings in booths are flame proofed and earthed.
- e) all wiring conforms to BS7671.
- f) a certificate of conformity to BS7671 is held and renewed every three (3) years.
- g) all paint residue is cleaned off at least weekly.
- h) each booth has a separate ventilation fan and duct discharging directly to the open air.
- i) motors are not located in ducts.

**CL17 - Auditorium Warranty**

It is warranted that

- a) the **Insured** carry out a thorough examination of the **Premises** insured hereunder for smouldering matches, tobacco or other material at the close of business each day and
- b) signed reports are made thereon daily by any **Person Employed** detailed to make the examination and
- c) such reports are checked at least weekly by management.

It is further warranted that the contents of all ashtrays and the like are emptied into a metal lidded bin and the bin is removed from the **Building** at the close of business each day.

**CL18 - Unoccupancy Conditions**

Notwithstanding anything contained herewith it is hereby understood and agreed

- a) that coverage is limited to Fire, Lightning, Explosion and Aircraft only
- b) It is warranted that
  - (i) all mains services are disconnected and all water pipes/tanks drained down
  - (ii) the **Premises** are secured against illegal entry
  - (iii) all windows and doors are boarded or bricked up at ground level so as to prevent unauthorised entry and firmly

- (iv) secured at other levels
- (iv) all letterboxes are sealed to prevent insertion of material
- (v) the **Premises** are kept clear of all loose combustible materials
- (vi) the **Insured** and/or his agent to visit the **Premises** at least once per week and carry out any work necessary to maintain security. A record of these visits is to be kept and advised quarterly to **Insurers**
- (vii) a caretaker or security guard is on duty full-time at the **Premises**
- c) any **Damage** arising out of building operations, refurbishment or renovation is excluded.

#### CL19 - Minimum Protections Warranty

It is warranted that all

- a) final exit doors have a minimum 5 lever mortice deadlocks fitted with box steel striking plates of at least 7" or alternatively a 5 lever close shackle padlock with substantial locking bar.

accessible windows are barred or fitted with key operated window locks or fixed permanently shut. Where door-locks are replaced or fitted these must conform to BS3621.

#### CL20 - Electrical Circuit Warranty

It is warranted that the electrical installation be inspected and tested at least once in every three years by a contractor approved by the National Inspection Council for Electrical Installation contracting (N.I.C.E.I.C) and that any remedial work recommended by such contractor to comply with BS7671 is carried out promptly.

#### CL21 - Sprinkler and Fire Extinguishing Appliances Maintenance Clause

In consideration of the reduced premium charged for this Insurance it is warranted that the **Insured** will

- a) maintain the sprinkler installation(s) and other fire extinguishing appliances in full working order during the currency of this Insurance and
- b) make a test every week for the purpose of ascertaining that the alarm gong is in full working order and that the stop valves

- c) controlling the water supplies are fully open ensure that a test is made every twelve (12) months to confirm that the water supplies are in order, record the particulars of such test(s) , and remedy promptly any defect revealed by such test(s).

Nevertheless this insurance shall not be invalidated by any defect in the sprinkler installation(s) or other Fire Extinguishing Appliances due to circumstances unknown to or beyond the control of the **Insured**.

#### CL22 - Restricted Perils Clause

Notwithstanding anything contained herein to the contrary the operative Insured Perils are Fire, Lightning, Full Explosion and Aircraft only.

#### CL 23 - Co Insurance Clause

Notwithstanding anything contained herein to the contrary it is noted and agreed that in respect of the Insured Peril(s) of \_\_\_\_\_

\_\_\_\_\_ the **Insured** shall bear at its own risk and uninsured \_\_\_\_\_ % of each and every loss subject to a minimum of £ \_\_\_\_\_ each and every loss

#### CL 24 - Subsidence Ground Heave and/or Landslip Extension

If so indicated in the Schedule, this Insured Section also covers **Damage** arising from subsidence, ground heave or landslip of any part of the site on which the **Premises** stands excluding

- a) **Damage** to any paths, drives and other surfaced areas, walls, gates and fences unless the **Building** itself is lost, destroyed or damaged at the same time as a result of subsidence, ground heave or landslip
- b) **Damage** resulting from
  - i) the normal settling or bedding down of new structures or
  - ii) coastal or river erosion or
  - iii) defective design or workmanship or the use of defective materials or
  - iv) fire, subterranean fire, explosion, earthquake or escape of water from any tank, pipe or apparatus
- c) **Damage** which commenced prior to the inception of the Period of Insurance
- d) **Damage** occurring as a result of demolition, construction, structural alteration or repair of

- any property or ground works or excavation at the same **Premises**
- e) the first £1,000 (or as shown in the Specification whichever the greater) of each and every loss at each separate **Premises** as ascertained after the application of any condition of Average.

**Special Condition**

This Extension shall be avoided if the risk of subsidence, ground heave and/or landslip is increased by reason of demolition, ground works, excavation or construction being carried out on the same and/or adjoining sites.

**CL 25 - Business Interruption – Theft cover**

It is hereby agreed that B b) (ii) (the **Damage** is not caused by Theft or attempted Theft) of the Insured Section – Business Interruption is deleted.

**CL 26 - Millennium Clause (Named Perils)**

**UK      MILLENNIUM      ENDORSEMENT**  
**COMMERCIAL NAMED PERILS**

This insurance does not cover any physical loss or damage or any consequential loss directly or indirectly caused by or consisting of or arising from the failure of any computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer or non-computer equipment, whether the property of the Insured or not, and whether occurring before, during or after the year 2000,

- i) correctly to recognise 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
- iii) to capture, save, retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly to process such data on or after any date

but this shall not exclude:

- (a) any ensuing physical loss or damage to Property Insured;

- (i) resulting from an Operative peril insured under this insurance and
- (ii) which is not otherwise excluded;

or

- (b) any consequential loss, as covered under this insurance, which may arise from such ensuing physical loss or damage.

Provided that nothing in this endorsement or any other provision or extension of this insurance shall be construed to extend the liability of **Insurers** to cover any costs and expenses, whether preventative, remedial or otherwise arising out of or relating to change, alteration or modification of any computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer or non-computer equipment, whether the property of the Insured or not.

**UKME(CNP) NMA 2803 (6/5/98)**

Form approved by Lloyd's Underwriters' Non-Marine Association Limited

**CL 27 - Millennium Clause (All Risks)**

**UK      MILLENNIUM      ENDORSEMENT**  
**COMMERCIAL ALL RISKS**

This insurance does not cover any physical loss or damage or any consequential loss directly or indirectly caused by or consisting of or arising from the failure of any computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer or non-computer equipment, whether the property of the **Insured** or not, and whether occurring before, during or after the year 2000,

- i) correctly to recognise 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
- iii) to capture, save, retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly to process such data on or after



any date

but this shall not exclude:

- (a) any ensuing physical loss or damage to Property insured;
  - (i) resulting from a listed peril, set out below, as covered under this insurance but no other for the purposes of this endorsement, and
  - (ii) which is not otherwise excluded;
- or
- (b) any consequential loss, as covered under this insurance, which may arise from such ensuing physical loss or damage.

### Listed Perils

1. Fire and/or Lightning
2. Explosion
3. Aircraft or other aerial devices or articles dropped therefrom
4. Impact by road vehicles or animals
5. Riot or civil commotion
6. Strikers, locked-out workers, or persons taking part in labour disturbances
7. Malicious persons
8. Earthquake
9. Storm
10. Flood
11. Escape of water from any tank apparatus or pipe
12. Theft

If specific perils are defined in this insurance the listed perils shall be deemed to be amended to follow this insurance. If any of the above listed perils are specifically excluded by this insurance they shall be deemed to be deleted from this list. Provided that nothing in this endorsement or any other provision or extension of this insurance shall be construed to extend the liability of the Underwriters to cover any costs and expenses, whether preventative, remedial or otherwise arising out of or relating to change, alteration or modification of any computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer or non-computer equipment, whether the property of the Insured or not

### CL 28 - Oiled Waste Clause

It is warranted that all oily and / or greasy

waste (clothes, rags and the like) will be kept in lidded metal receptacles and removed from the **Premises** at least once per week.

### CL 29 - Survey Clause

Cover hereon is strictly subject to receipt by **Insurers** of a satisfactory survey carried out by an authorised surveyor during currency of this insurance or by a date to be agreed by **Insurers** and advised to the **Insured**.

**Insurers** reserve the right to cancel this insurance or impose special terms and conditions and/ or revise the premium rate upon receipt of the survey.

The **Insured** shall implement the survey requirement(s) or as otherwise agreed by **Insurers** within a period to be agreed by Insurers and advised to the **Insured**.

If the **Insured** fails to implement the requirement(s) within the period agreed by **Insurers** then all coverage shall terminate at the end of said period.

### CL 30 - Composite Panel Warranty

The following warranty applies in respect of any **Building** constructed of and or containing composite panels.

It is warranted that

- a) Suitable fire extinguishing appliances be supplied in all cooking areas
- b) Ducting, conduit wiring and hot flues to be adequately protected within fire resistant sleeves where passing through composite panels
- c) At least weekly inspections to be undertaken by The Insured to check for **Damage** to composite panels or panel joints. Any defects found to be rectified without delay or replaced by a panel with a non combustible core within 7 days.
- d) No repairs to be made to composite panels that involve welding, grinding, cutting or other obvious ignition sources
- e) All heat sources to be kept at least 2 metres away from any composite panelling or such panelling to be of a non combustible core.
- f) No external storage of combustible stock, packaging, pallets, waste or waste skips or bins within 10 metres of **Building**
- g) Any work involving the application of heat

must only be carried out by a qualified contractor and the **Insured** is to ensure the contractor has adequate Public Liability insurance in force and shall confirm the same through sight of the certificate of insurance. Subrogation rights against such contractor shall not be waived by the **Insured**. The following warranties shall also apply:

- The area in which work is to be carried out shall be adequately cleared and combustible materials shall be removed to a distance not less than 6 metres from the area of proposed work
- If work is to be carried out overhead then the area beneath shall be similarly cleared and all combustible materials removed.
- Suitable fire extinguishers with a capacity of not less than 9 litres shall be kept available for immediate use
- Blow lamps and blow torches shall be lit in as short a time as possible before use and extinguished immediately after use
- Lighted blow lamps and torches shall not be left unattended
- Half an hour after each period of work a thorough examination shall be made of the area in which the works have been undertaken
- If work is to be carried out in the vicinity of the composite / sandwich panels then such panels must be protected by non combustible blankets, drapes or screens

**CL 31 - Welding Warranty**

It is warranted that at all times during welding or cutting operations, the following precautions will be taken:

- 1) Before and after all welding or cutting operations the immediate area will be hosed down where practical. Where such measures are not practical or might be the cause of water damage or other property damage, the area under which welding or

cutting operations are performed will be covered by fire protective tarpaulins in a minimum radius of 25 feet from where such welding or cutting operations are performed.

- 2) At all times during welding or cutting operations a fire extinguisher, in good functioning order and of an approved classification for the area and surrounding materials, will be kept readily available.
- 3) A Guard or Watchman, having no other duties, will, at all times while welding or cutting operations are performed, watch for and extinguish any sparks and will be posted for 12 hours after the welding or cutting operation has ceased or until the next shift commences whichever shall first occur.

**CL 32 - Yard Security Warranty**

It is a condition precedent to liability that all entry and/or exit points to the Insured's yard or compound be securely locked outside of business hours.

All other terms and conditions remain unaltered

**CL 33 - Waste (Cleaning and Housekeeping) Warranty**

It is warranted that:

- a) at the close of daily operations all conveyors and machines (including motors, superstructures and the areas beneath) are to be cleared of waste and fly;
- b) at the close of daily operations all loose combustible waste and oily, greasy, solvent impregnated waste is to be swept up and placed in metabins with metal lids. These bins are to be removed from Insured's Premise and situated no less than 6 metres from the Buildings;
- c) light fittings are to be cleaned weekly to remove dust and fly.

Formal records of the above are to be kept by the Insured.

It is further warranted that:

- i) waste stored internally is separated by concrete walls no less than 1.5m high; and
- ii) clear distance of 2.5m is maintained around such storage areas; and
- iii) all pathways around and between such storage areas are swept clear of waste at

the close of daily operations.

All other terms and conditions remain unaltered

**CL 34 – Combustible Waste and Stock in the Open Warranty**

It is warranted that all externally stored combustible waste and stock in the open is to be stored away from the buildings and a clear space of at least six metres is to be maintained at all times.

All other terms and conditions remain unaltered.

**CL35 – Electrical Circuits Warranty**

It is warranted that all electrical circuits be tested at least once every three years by qualified electrical engineers and that any defects found be remedied forthwith in accordance with the Regulations of the Institute of Electrical Engineers and an appropriate Certificate be forwarded to the Insurer.

All other terms and conditions remain unaltered.

**CL 36 – Intruder Alarm Warranty**

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

- (a) Whenever the Premises are closed for business or left unattended they shall be protected by an Intruder Alarm
  - (i) the specification of which as been agreed by the Insurer
  - (ii) which shall be set in its entirety
- (b) The Insured shall
  - (i) keep in force during the currency of the Section a contract with a Insurer that is a member of the National Approval Council for Security Systems (NACOSS) to maintain the Intruder Alarm in proper working order
  - (ii) lodge a copy of the maintenance contract with the Insurer and any subsequent alteration thereto.
  - (iii) obtain written permission from the Insurer before agreeing to any alteration to
    - (a) the maintenance Insurer's emergency service facility
    - (b) any part of the Intruder Alarm
- (c) If the Police give warning of withdrawal of their services the Insured shall immediately notify the Insurer
- (d) If any defect in the Intruder Alarm is

discovered or the Police have withdrawn their services the Insured shall

- (i) immediately notify the Insurer
- (ii) not leave the Premises unattended without prior consent of the Insurer
- (iii) put into effect such additional temporary precautions and safeguards as the Insurer may require
- (iv) notify the Maintenance Insurer immediately and give immediate instruction for the necessary repairs to be carried out

For the purpose of this endorsement "Intruder Alarm" shall mean the component parts detailed in the alarm specification which has been agreed by the Insurer and the lines of communication used to transmit signals

All other terms and conditions remain unaltered.

**CL 37 – Machinery Maintenance Warranty**

It is warranted that all Machinery is maintained in efficient working order in accordance with the manufacturer's specifications and guidelines. It is further warranted that formal records are kept by the Insured and that they are available for inspection by the Insurer.

All other terms and conditions remain unaltered.

**CL 38 – Portable Heater Limited Exclusion Warranty**

It is warranted that no form of portable heating appliance be used in the Premises other than in the office and restroom.

All other terms and conditions remain unaltered.

**CL 39 – Portable Heater Total Exclusion Warranty**

It is warranted that no form of portable heating appliance nor any propane gas cylinders be kept, used or stored in the Insured's premises.

All other terms and conditions remain unaltered.

**CL40 – Smoking Prohibited Warranty**

It is warranted that the smoking of cigarettes or tobacco in the Premises is strictly prohibited and notices to this effect are to be prominently displayed at the Premises

All other terms and conditions remain unaltered.

**CL41 – Waste Warranty – General**

It is warranted that all waste and refuse be swept up daily and be completely removed at least once

a week.

All other terms and conditions remain unaltered.

**CL42 – Unoccupancy Conditions – extended perils**

Notwithstanding anything contained herewith it is hereby understood and agreed

- a) that coverage is limited to Fire, Lightning, Explosion, Aircraft, Impact, Riot, Strikers, locked-out workers, or persons taking part in labour disturbances, Earthquake, Storm and Flood only.
- b) It is warranted that
  - (i) all mains services are disconnected and all water pipes/tanks drained down
  - (ii) the Premises are secured against illegal entry
  - (iii) all letterboxes are sealed to prevent insertion of material
  - (iv) the Premises are kept clear of all waste, refuse, and any loose or moveable combustible items and materials, other than fixtures and fittings
  - (v) the Insured and/or his agent to visit the Premises at least once per week and carry out any work necessary to maintain security. A record of these visits is to be kept and advised quarterly to Insurers
  - (vi) the Insured and/or his agent to notify Insurers immediately if there are signs of access to the buildings by intruders.

**CL43 – Unoccupancy Conditions – Restricted Perils**

Notwithstanding anything contained herewith it is hereby understood and agreed

- a) that coverage is limited to Fire, Lightning, Earthquake, Explosion and Aircraft only
- b) It is warranted that
  - (i) all mains services are disconnected and all water pipes/tanks drained down
  - (ii) the Premises are secured against illegal entry
  - (iii) all letterboxes are sealed to prevent insertion of material

- (iv) the Premises are kept clear of all waste, refuse, and any loose or moveable combustible items and materials, other than fixtures and fittings
  - (v) the Insured and/or his agent to visit the Premises at least once per week and carry out anywork necessary to maintain security. A record of these visits is to be kept and advised quarterly to Insurers
  - (vi) the Insured and/or his agent to notify Insurers immediately if there are signs of access to the buildings by intruders.
- c) any Damage arising out of building operations, refurbishment or renovation is excluded.

**CL44 – Boarding Warranty.**

It is hereby warranted that all windows and doors are boarded or bricked up at ground level so as to prevent unauthorised entry and firmly secured at other levels

**CL 45 – 24hr security warranty**

It is hereby warranted that a caretaker or security guard is on duty full-time at the Premises

**CL46 – Flood exclusion**

It is hereby noted that the peril of flood is excluded

**CL47 – Storm exclusion**

It is hereby noted that the peril of storm is excluded

## **ADDITIONAL CLAUSES/WARRANTIES- APPLICABLE TO SECTION C ONLY** *THESE ARE OPERATIVE ONLY IF SHOWN IN THE CERTIFICATE SCHEDULE*

### **1 WORK AWAY EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this Insurance against liability arising from any work undertaken away from the INSURED'S premises, other than that of collection and delivery or sales trips and exhibitions

### **2 USE OF HEAT AWAY EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this Insurance against liability arising from any work undertaken away from the INSURED'S premises involving the use application or intentional generation of any heat, naked flame or spark

#### **2a USE OF HEAT AWAY EXCLUSION (EXCEPT FOR THE PURPOSES OF COOKING)**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this Insurance against liability arising from any work undertaken away from the INSURED'S premises involving the use application or intentional generation of any heat, naked flame or spark except when used in the process of cooking

### **3 USE OF HEAT AWAY EXCLUSION (OTHER THAN SOLDERING IRONS)**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this Insurance against liability arising from any work undertaken away from the INSURED'S premises involving the use application or intentional generation of any heat naked flame or spark (other than by means of a soldering iron)

### **4 USE OF HEAT AWAY EXCLUSION (OTHER THAN BLOW LAMPS)**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this Insurance against liability arising from any work undertaken away from the INSURED'S premises involving the use application or intentional generation of any heat naked flame or spark (other than by means of a blow lamp blow torch flame gun hot air gun or soldering iron)

### **5 BURNING AND WELDING WARRANTY**

The INSURED hereby warrants that the following special precautions will be complied with on all occasions in relation to any of the following work and that in relation to the following work no work shall be undertaken unless specifically authorized by the occupier of the premises at which the work is to be undertaken and that the occupier shall specifically approve the following safety arrangements:

- a) Work involving any blow lamp, blow torch, flame gun or hot air gun or work involving electric gas or other welding cutting or portable grinding equipment:
  - i) The area in which work is to be undertaken (including adjoining shafts or openings and the area the other side of any wall or partition) is to be inspected to establish whether any combustible material (other than the property to be worked upon) is in danger of ignition either directly or by conduction of heat
  - ii) Wherever practicable all combustible material is to be removed to a distance of not less than 10 metres from the point of work and such material which cannot be removed is to be covered by overlapping sheets of non-combustible material or afforded equivalent protection
  - iii) Suitable fire extinguishing appliances are to be kept available for immediate use
  - iv) All burning equipment is to be lit and used in strict accordance with the manufacturer's instructions not left unattended when lit and extinguished immediately after use
  - v) Hot air guns are to be switched off when unattended and immediately after use
  - vi) All portable grinders are to be switched on and used in strict accordance with the manufacturer's instructions and switched off when unattended and immediately after use
  - vii) A person who is competent in the use

of fire extinguishing appliances is to be appointed to act as a firewatcher in conjunction with the operative using the equipment and to remain in attendance until use of all such equipment has ceased and all torches have been extinguished and all portable grinders switched off

- viii) Wherever practicable gas cylinders not in use are to be kept outside the building in which the work is taking place or otherwise kept at least 15 metres from the point of work
- ix) A continuous check that there is no fire or risk of fire is to be made in the vicinity of the point of work and immediately following completion of each period of work a thorough check that there is no fire or risk of fire is to be made of the whole area in which the work is to be undertaken (including adjoining shafts or openings and the area on the other side of any wall or partition) and a further check is to be made not less than 30 minutes immediately following the completion of each period of the work. A suitable employee is to be made responsible for fire safety for each period of work
- b) Work involving asphalt or bitumen tar boilers:
  - i) Regulation spill trays are to be used
  - ii) All tar boilers are to be kept wholly at ground level
  - iii) The equipment and work is not to be left unattended at any time whilst in use
  - iv) Suitable fire extinguisher appliances are to be kept available for immediate use at the point of work
  - v) Immediately following the completion of each period of work, a thorough check that there is no fire or risk of fire is to be made of the whole area in which the work is to be undertaken (including adjoining shafts or openings and the area on the other side of the wall)

## **5A BURNING AND WELDING WARRANTY (FOR SOLE TRADERS)**

The INSURED hereby warrants that the following special precautions will be complied with on each occasion in relation to any of the following work and that such work shall not be undertaken unless specifically authorized by the occupier of the premises at which the work is to be carried out and that the occupier shall specifically approve the following safety measures to be performed by the INSURED:

- a) Work involving any blow lamp, blow torch, flame gun, or hot air gun or work involving electric gas or other welding cutting or portable grinding equipment:
  - i) The area in which work is to be undertaken (including adjoining shafts or openings and the area the other side of any wall or partition) is to be inspected to establish whether any combustible material (other than the property to be worked upon) is in danger of ignition either directly or by conduction of heat
  - ii) Wherever practicable all combustible material is to be removed to a distance of not less than 10 metres from the point of work and such material which cannot be removed is to be covered by overlapping sheets of non-combustible material or afforded equivalent protection
  - iii) Suitable fire extinguishing appliances are to be kept available for immediate use at the point of work
  - iv) All burning equipment is to be lit and used in strict accordance with the manufacturer's instructions not left unattended when lit and extinguished immediately after use
  - v) Hot air guns are to be switched off when unattended and immediately after use
  - vi) All portable grinders are to be switched on and used in strict accordance with the manufacturer's instructions and switched off when unattended and immediately after use

- vii) Wherever practicable gas cylinders not in use are to be kept outside the building in which the work is taking place or otherwise kept at least 15 metres from the point of work
  - viii) A continuous check that there is no fire or risk of fire is to be made in the vicinity of the point of work and immediately following completion of each period of work a thorough check that there is no fire or risk of fire is to be made of the whole area in which the work is being undertaken (including adjoining shafts or openings and the area on the other side of any wall or partition) and a further check is to be made not less than 30 minutes immediately following the completion of each period of work
- b) Work involving asphalt or bitumen tar boilers:
- i) Regulation spill trays are to be used
  - ii) All tar boilers are to be kept wholly at ground level
  - iii) The equipment and work is not to be left unattended at any time whilst in use
  - iv) Suitable fire extinguishing appliances are to be kept available for immediate use at the point of work
  - v) Immediately following completion of each period of work a thorough check is to be made that there is no fire or risk of fire in the whole of the area in which the work has been carried out (including adjoining shafts or openings and the area on the other side of any wall or partition)

#### **6 WELDING AWAY RESTRICTION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this Insurance against liability arising from any work involving the use, application or intentional generation of any heat naked flame or spark and undertaken away from the INSURED'S premises unless such work is carried out in the open air

#### **7 BURNING OF DEBRIS WARRANTY**

The INSURED hereby warrants that the following special precautions shall be complied with on each occasion of the burning of waste material of any description

- a) No fire shall be lit within 20 metres of any building or structure or of any material which is combustible or susceptible to damage by heat or smoke
- b) Suitable fire extinguishing appliances shall be kept available for immediate use at the point of work
- c) Every fire will be attended and properly supervised when lit and for the period of not less than one hour after burning has been completed
- d) No fire shall be lit unless permitted by local or national law or regulation

#### **8 BURNING OF DEBRIS EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this Insurance against liability arising from the burning of waste materials of any description away from the INSURED'S premises

#### **9 PERMIT TO WORK WARRANTY**

The INSURED hereby warrants that prior to the commencement of work they shall obtain their principal's written instructions for the work to be undertaken and following completion the principal's written confirmation of acceptance is obtained

#### **10 UNDERGROUND SERVICES SEARCH WARRANTY**

The INSURED hereby warrants that prior to the commencement of any excavation digging or earth moving operation the INSURED shall have inquired with the owner and or relevant authority responsible for existing underground cable pipes or other underground facilities as to the location of such cables pipes or other underground facilities at the contract site. The INSURED shall retain a written record of and response to the said inquiry and produce this to the COMPANY if requested

#### **11 DEPTH LIMIT EXCLUSION (2 METRES)**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A

and B of this Insurance against liability arising from excavation work undertaken at depths exceeding 2 metres

**12 DEPTH LIMIT EXCLUSION (3 METRES)**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A and B of this Insurance against liability arising from excavation work undertaken at depths exceeding 3 metres

**12a DEPTH LIMIT EXCLUSION (5 METRES)**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A and B of this Insurance against liability arising from excavation work undertaken at depths exceeding 5 metres

**13 EXCAVATION WORK EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A and B of this Insurance against liability arising from excavation work of any kind

**14 WORK ABOVE GROUND LEVEL EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub- Sections A and b of this Insurance against liability arising from any work undertaken on the outside of any building or structure other than when working wholly at normal ground level

**15 WORK AT HEIGHT LIMIT EXCLUSION (10 METRES)**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A and B of this Insurance against liability arising from any work undertaken at heights exceeding 10 metres from ground level

**16 WORK AT HEIGHT LIMIT EXCLUSION (20 METRES)**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A and B of this Insurance against liability arising from any work undertaken at heights exceeding 20 metres from ground level

**17 ABSEILING AND CRADLE WORK EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A & B of this Insurance against liability arising from any work carried out when abseiling or when suspended in

any cradle or sling

**18 TREE FELLING EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this Insurance against liability arising from the act of tree felling and or lopping

**19 SPRAY PAINTING EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this Insurance against liability arising from spray painting of any kind

**20 POWER CLEANING EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this Insurance against liability arising from any work involving sand blasting and or power cleaning of any kind

**21 PLANT HIRE WARRANTY**

The INSURED hereby warrants that all plant and or equipment hired out will be subject to the following conditions:

- a) All plant and or equipment hired out will be subject to the current Contractors' Plant Association or Scottish Plant Operators Association Conditions of hire unless otherwise agreed in writing by the COMPANY
- b) All plant and or equipment is maintained in a safe and sound condition and is examined by the INSURED prior to and at the end of each hiring and any defects rectified
- c) All plant and or equipment hired out without an operator will be accompanied with the necessary operating and or safety instructions

**22 SPECTATOR STANDS EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A, B and C of this Insurance against liability arising from any erection and or dismantling of any spectator stand or seating of temporary or portable design or construction

**23 DEMOLITION SITES EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub- Sections A, B and C of this Insurance against liability arising from work undertaken on demolition sites



## **24 SKIP HIRE WARRANTY**

The INSURED hereby warrants that they shall as a specific condition of the hiring out of any skip require the hirer to be responsible for:

- a) obtaining such local authority or other consent
- b) effecting and maintaining such lighting as may be required in respect of such skip when used or left on a road

## **25 SKIP HIRE EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A, B and C of this Insurance against liability arising from skip hire and or supply

## **26 CIVIC AMENITY AND OR WASTE TRANSFER SITES EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A, B and C of this Insurance against liability arising from the ownership and or operation of civic amenity and or waste transfer sites other than sites for the INSURED'S own use only and which are secured against unauthorized access

## **27 WASTE DISPOSAL WARRANTY**

The INSURED hereby warrants that all waste material of any kind shall be disposed of at a licensed disposal site and in accordance with the terms of such license

## **28 LANDFILL SITES EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A and B of this Insurance against liability arising from the ownership and or operation of landfill sites

## **29 HAZARDOUS MATERIALS EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A, B and C of this Insurance against liability arising from the use handling storage or carriage of any material or substance recognised as toxic or otherwise hazardous

## **30 VEHICLE DISMANTLING EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this Insurance against liability arising from the dismantling of any motor vehicle by a third party

## **31 VEHICLE STACKING WARRANTY**

The INSURED hereby warrants that not more than 2 vehicles shall be stacked together

vertically in any one place

## **32 VEHICLE STACKING EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A and B of this Insurance against liability arising from the vertical stacking of vehicles

## **33 MANUAL WORK EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A and B of this Insurance against liability arising from manual work of any kind undertaken by or on behalf of the Insured

## **34 WOOD WORKING MACHINERY EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this Insurance against liability arising from the use of any fixed wood working or plastic fabrication machinery by the Insured or employees of the Insured

## **35 HAZARDOUS WORK EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section A and B of this Insurance against liability arising from or in connection with:

- a) Any work of demolition except demolition solely undertaken with hand held tools and of structures not exceeding 5 metres in height when such work forms an ancillary part of a contract for construction alteration or repair
- b) The construction alteration maintenance or repair of bridges viaducts towers steeples spires pylons or chimney shafts
- c) Underpinning pile driving quarrying tunnelling mines ships or blast furnaces
- d) The use of explosives
- e) Any work undertaken airside or on or in the immediate vicinity of aircraft
- f) Any work on or in:
  - i) docks harbours or railways
  - ii) chemical or petrochemical works oil or gas refineries or storage facilities
  - iii) power stations or nuclear power stations

## **36 HAZARDOUS PREMISES EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A and B of this Insurance against liability arising from

or in connection with:

- a) towers steeples chimney shafts blast furnaces dams canals viaducts, bridges and tunnels
- b) aircraft airports ships docks piers wharves breakwaters or sea walls
- c) collieries mines chemical works gas works oil refineries or power stations
- d) bulk oil petrol gas or chemical storage tanks or chambers

**37 BONA FIDE SUB CONTRACTORS CONDITION**

The COMPANY will not indemnify the INSURED under this Insurance in respect of any claim arising out of or in connection with work undertaken on behalf of the INSURED by bona fide independent contractors (not defined as an EMPLOYEE under this Insurance) unless at the time of engaging such contractors the INSURED obtains and retains a copy of the relevant insurance policy schedule or other proof thereof that such contractors have in force:

- a) an approved Employers Liability insurance in accordance with any law relating to compulsory insurance of liability to employees and
- b) Public and Products Liability insurance suitable for the nature of the work undertaken on behalf of the INSURED and with a limit of indemnity not less than that applying to this Policy and containing an Indemnity to Principals Clause

**38 RIP AND TEAR EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B and C of this Insurance:

- a) for the cost of digging out removing replacing any cement or concrete supplied by the INSURED
- b) for any claim for rebuilding costs including any loss or expense arising from rebuilding which is due to the failure of cement or concrete to fulfil the purpose for which it was intended and supplied

**39 ASBESTOS – ACCIDENTAL DISCOVERY**  
Condition 1 under Section C Sub-Section A and Exclusion 13 under General Exclusions

(applicable to Section C Sub- Sections B and C) shall not apply to the accidental discovery of asbestos or materials containing asbestos fibre provided that immediately upon discovery all handling removal transportation or disposal of asbestos or materials containing asbestos fibre ceases and any subsequent handling removal transportation or disposal is carried out by qualified licensed subcontractors on terms which will indemnify the INSURED for all liability arising out of such work

**40 AIRSIDE LIABILITY EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B and C of this Insurance against liability arising from any work in or on aircraft airport premises or aerodrome runways manoeuvring areas or aprons or those parts of the airport or aerodrome to which aircraft have access

**41 USE OF DOGS WARRANTY**

The INSURED hereby warrants that at all times during which any dog is used in connection with the BUSINESS it shall be kept under physical restraint and (if not adequately tethered or confined) under the control of a competent handler

**42 USE OF DOGS EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this Insurance against liability arising from the use of any dog in connection with the BUSINESS

**43 WRONGFUL ARREST EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section B of this Insurance against liability arising from the wrongful arrest or unlawful detention of any person

**44 PUBLIC HOUSE AND NIGHT CLUB SECURITY EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this Insurance against liability arising from the provision of security for public houses and night clubs

**45 PRINTERS EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A, B and C of this Insurance against liability arising

from:

- a) INJURY arising out of the slow sporadic rotation or intermittent movement of a machine intended to place it more advantageously for cleaning or repairing while machine guards are removed
- b) the use of toluene di-isocyanate or other volatile isocyanates

**46 LIBEL AND SLANDER EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections B and C of this Insurance against liability arising from:

- a) libel slander defamation or malicious falsehood
- b) slander of title of goods or other injurious falsehood
- c) wrongful misrepresentation

**47 MOTORCYCLE COURIER EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section A of this Insurance against liability arising from any work undertaken by EMPLOYEES when performing their duties as a motorcycle courier

**48 MEMBER TO MEMBER EXTENSION**

This Insurance is extended to include liability where requested by the INSURED as if individual Insurance had been issued to each member of the INSURED

Provided that:

- a) this Insurance will not apply where a more specific insurance is in force
- b) nothing contained herein shall be deemed to increase the COMPANY liability under the Policy

**49 PARTICIPANT TO PARTICIPANT EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A and B of this Insurance against liability arising from INJURY caused by the actions and or omissions of any participant towards another participant

**50 INJURY OF SPORTING PARTICIPANTS EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A and B of this Insurance against liability arising from INJURY to any person playing training or practicing contact sports

**51 LOSS OF DATA EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections B and C of this Insurance against liability arising from the loss or corruption of any data held on or created or processed by any electronic data processing equipment or system

**52 STAFF PLACEMENT WARRANTY**

The INSURED hereby warrants that all staff placements made by or on behalf of the INSURED will be subject to the INSURED'S standard contract conditions as lodged with the COMPANY

**53 STAFF PLACEMENT EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A and B of this Insurance against liability arising from the provision of any staff by or on behalf of the INSURED

**54 GYMNASIUM WARRANTY**

The INSURED hereby warrants that they shall:

- a) inspect all equipment at least once a week and should defects be found use of said equipment is to be ceased until the appropriate repair has been made
- b) obtain a health questionnaire from all members and participants
- c) where the member does not have sufficient experience or fitness provide an adequate induction course and guidance for said member and or participant

**55 DISCO AND LIVE ENTERTAINMENT EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this Insurance against liability arising from the provision of discos and or live entertainment of any kind

**56 VENUE LIABILITY EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section B of this Insurance arising from the ownership and or operation of nightclubs or live entertainment venues of any kind. It is a condition of this Insurance that all owners and operators of venues which the Insured may use shall have in force Public Liability insurance for the durations of the Insured's use thereof and

during periods required before and after such use for setting up or breaking down rehearsals sound checks and any other preparation

**57 AMUSEMENT ARCADE EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections B and C of this Insurance against liability arising from the following amusements and or activities:

- a) mechanically or electrically powered rides of any kind (other than static coin operated rides)
- b) children's playground and or soft play equipment of any kind
- c) any equipment and or amusement which involves kicking or punching of objects
- d) any equipment and or amusement which involves the throwing and or firing of projectiles of any kind
- e) any equipment and or amusement for use outside the INSURED'S premises

**58 SUNBED AND SOLARIUM WARRANTY**

This Insurance is extended to include liability arising out of the use of sun beds and or solariums but subject to the following conditions:

- a) notwithstanding the Limits of Indemnity under Section C Sub-Sections 2 and 3 the COMPANY'S liability under this extension shall not exceed £100,000 any one loss and in the aggregate in any one Period of Insurance
- b) notwithstanding the excess contained in the schedule the INSURED will be responsible for the first £2000 of each and every claim for INJURY
- c) all persons using sun beds shall be provided with and required to wear safety goggles
- d) instructions and appropriate warnings shall be provided to all persons using the equipment
- e) all equipment shall be used in accordance with the manufacturer's instructions
- f) all equipment used shall contain an automatic cut-out device to avoid over exposure

**59 SUNBED AND SOLARIUM EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections B and

C of this Insurance against liability arising from the use of sun beds and or solariums

**60 TREATMENT WARRANTY**

This Insurance is extended to include liability arising out of of the provision and or administration of treatment by the INSURED but subject to the following conditions:

- a) notwithstanding the Limits of Indemnity under Section C Sub-Sections B and C the COMPANY'S liability under this extension shall not exceed £100,000 any one loss and in the aggregate in any one Period of Insurance
- b) notwithstanding the excess contained in the schedule the INSURED will be responsible for the first £1000 of each and every claim for INJURY
- c) all treatment shall be undertaken by or under the supervision of a suitably qualified person
- d) the COMPANY shall not indemnify the INSURED under Section C Sub-Sections B and C of this Insurance against liability in respect of abuse of surgical procedures of any nature. The term surgical procedures is deemed to include body piercing tattooing electrolysis thread vein removal the use of lasers or any treatment involving piercing of the skin (other than ear piercing)
- e) ear piercing needles shall not be used more than once

**61 BODILY TREATMENT EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections B and C of this Insurance against liability arising from the provision of any medical or other bodily treatment (other than first aid and ambulance services)

**61a MEDICAL MALPRACTICE EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections B and C of this Insurance in respect of liability arising from:

- a) design, formula, advice or specification provided by the INSURED or on the INSURED'S behalf
- b) breach of professional duty or malpractice

- of any nature by the INSURED or on the INSURED'S behalf
- c) the sale, supply or administration of drugs, medicines, chemicals or medical supplies or equipment of any kind by the INSURED or on the INSURED'S behalf
  - d) any treatment used, practised or performed by the INSURED or on the INSURED'S behalf other than when performing first aid
  - e) any surgical operation or medical procedure given by the INSURED or on the INSURED'S behalf

**62 PHARMACEUTICAL DRUGS EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections B and C of this Insurance against liability arising from the provision and or administration of drugs and or pharmaceuticals of any kind

**63 PROPRIETARY BRANDS WARRANTY**

The INSURED hereby warrants that proprietary brand products only will be used and that these will be stored and used in accordance with the manufacturer's instructions

**64 ABUSE EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this Insurance against liability arising from abuse of any kind whether directly or indirectly

**65 LEGIONNAIRES DISEASE EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections B and C of this Insurance against liability arising from legionnaires disease

**66 PRODUCT ORIGIN WARRANTY**

The INSURED hereby warrants that all GOODS are sourced from within the European Union United States of America or Canada only

**67 PRODUCT MANUFACTURE AND ALTERATION EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections A, B and C of this Insurance against liability arising from the manufacture alteration blending packaging or labelling of any GOODS

**68 EFFICACY EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections B and

C of this Insurance against any liability arising from the failure of any GOODS or services to perform the function for which they were intended

**68a EFFICACY EXCLUSION (For Solar Panel Installers)**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B and C of this Insurance against any liability arising from the failure of GOODS or Services to perform the function for which they were intended in respect of alarm work (fire or intruder), closed circuit television and sprinkler system maintenance or installation

**69 NOT IN USE**

**70 NORTH AMERICAN PRODUCTS EXTENSION**

Notwithstanding exclusion 1 i under Section C Sub-Section C of this Insurance the COMPANY will indemnify the INSURED against liability caused by GOODS for use in the United States of America or Canada or their respective territories or possessions but subject to the following conditions and exclusions:

- a) any action for damages is brought against the INSURED within the jurisdiction of a court within Great Britain Northern Ireland the Isle of Man or the Channel Islands
- b) costs and expenses are inclusive within the Limit of Indemnity
- c) the COMPANY shall not indemnify the INSURED under this Insurance against liability directly or indirectly caused by or arising out of pollution or contamination of buildings or other structures or of water or land or the atmosphere

**71 OWN GOODS PRODUCTS LIABILITY EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section C of this Insurance against liability arising from products sold or supplied by or on behalf of the INSURED

**72 ANIMAL FEED EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section C of this Insurance against liability arising out of the provision of waste or any other product for use as animal feed

**73 PRODUCTS LIABILITY EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section C of this Insurance

**73a PRODUCTS LIABILITY EXCLUSION (EXCEPT FOR SUPPLY AND RETAIL OF FOOD AND DRINK AT INSURED EVENTS)**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section C of this Insurance except for the supply and retail of food and drink at insured events

**74 RIGHTS OF RECOURSE CONDITION**

It is deemed a condition precedent to liability under Section C Sub-Section C of this Insurance that Goods are not obtained by the Insured on terms which would prevent the INSURED exercising their rights of recovery under the ordinary process of law against the manufacturers or suppliers of said Goods

**75 TOUR OPERATORS LIABILITY EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this insurance against liability arising from the provision of any package travel arrangement

**76 TERRITORIAL LIMITS EXTENSION (EUROPE)**

Notwithstanding the Geographical Limits under Section C Sub-Sections A and B of this Insurance the COMPANY will indemnify the INSURED in respect of work carried within other European Union countries in connection with the INSURED'S business

**77 THIRD PARTY VEHICLE SERVICING AND REPAIR EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this insurance against liability arising from the repair and or service of vehicles other than the INSURED'S own vehicles

**78 LIVESTOCK AND ANIMAL WASTE EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B and C of this Insurance against liability arising from any work involving livestock and animal waste

**79 CARRIAGE AND STORAGE OF HAZARDOUS GOODS EXCLUSION**

The COMPANY shall not indemnify the INSURED under this Insurance against liability arising from:

- a) the carriage and storage of explosives and radioactive materials as defined under The United Nations Model regulations on the Transport of Dangerous Goods 14th revised edition (2005) Classifications 1 and 7 and any subsequent acts and regulations that apply
- b) the carriage and storage of flammable and toxic liquids and gases

**80 FIREARMS EXCLUSION**

The COMPANY shall not indemnify the INSURED under this Insurance against liability arising from the any work involving the use of firearms

**81 PERSONAL PROTECTIVE EQUIPMENT CONDITION**

It is a condition precedent to liability under this Insurance that:

- a) all EMPLOYEES are provided with adequate and appropriate personal protective equipment for the duties they carry out in the course of their employment in the business
- b) all EMPLOYEES receive adequate and appropriate training in the use of personal protective equipment issued to them and that such equipment and training as provided is recorded in a register by the INSURED
- c) all EMPLOYEES are made aware of the hazards of not using personal protective equipment in the way indicated in the manufacturer's instructions

**82 DEBONING EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section A, B and C of this Insurance against liability arising from the deboning of poultry and or other livestock in the course of butchery work

**83 RESHOOTING OF FILM AND OR PHOTOGRAPHIC SHOOTS EXCLUSION**

The COMPANY shall not indemnify the

INSURED under Section C Sub-Section C of this Insurance for the costs of reshooting film and or photographic shoots

#### **84 HIRE OF INSURED'S BUILDINGS AND OR LAND BY THIRD PARTIES WARRANTY**

The INSURED hereby warrants that in all cases where they hire out premises and or land owned or under their control to third parties, the INSURED will check prior to hire that said third parties have Public Liability insurance in place to the same level of coverage and indemnity as the INSURED'S own insurance

#### **85 PETROL FILLING STATION EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections B and C of this Insurance against liability arising from:

- a) the sale loan hire servicing testing or repair of any motor vehicle
- b) the filling and or discharging of fuels or oils and any pollution or contamination arising there from
- c) the ownership or operation of a car wash

#### **86 PYROTECHNICS EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section B of this Insurance against liability arising from the use of pyrotechnics or dry ice machines

#### **87 LOSS OF KEYS EXCLUSION**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections B and C of this Insurance against liability arising from loss of keys and consequential loss there from

#### **88 NOT IN USE**

#### **89 ADMINISTRATION OF DRUGS EXTENSION**

This Insurance is extended to include liability arising out of the administration of or the failure to administer prescribed drugs by the INSURED or qualified nurses occurring in connection with the BUSINESS

The COMPANY shall not be liable for any liability arising from:

- a) prescription errors
- b) surgical operations
- c) the liability of doctors and anaesthetists

#### **90 FINANCIAL LOSS EXTENSION**

The Insurance as stated in Section C Sub-Section B and C of this Policy is extended to indemnify the INSURED subject to the terms Exceptions Extensions and Conditions of this Policy and endorsements attached thereto in respect of all sums which the INSURED shall become legally liable to pay for accidental FINANCIAL LOSS in connection with the BUSINESS

#### **FINANCIAL LOSS**

For the purposes of this endorsement FINANCIAL LOSS shall mean a pecuniary loss cost or expense not occasioned by INJURY, loss of or damage to PROPERTY, or pollution and contamination

#### **LIMIT OF INDEMNITY**

The maximum liability of the COMPANY for all claims for FINANCIAL LOSS as defined in this endorsement is £—— any one loss and in the aggregate any one period of Insurance

#### **EXCLUSIONS**

In addition to the General Exclusions of this Policy the Exclusions to Section C Sub-Sections 2 and 3 of this Policy and the Exclusions to any Extensions applied to this Policy, the following Exclusions shall also apply:

The COMPANY shall not be liable for

- a) the first 15% of any loss or £1500 whichever is the greater which shall be retained by the INSURED as their own liability and uninsured
- b) liability which arises from fraud dishonesty insolvency financial default conspiracy conversion deceit intimidation inducement or breach of contract injurious falsehood or passing off or infringement of trademark trade name merchandise mark registered design copyright or patent right or negligent misstatements
- c) any act of libel or slander or defamation
- d) the abandonment or postponement of any exhibition meeting function or other event organized by the INSURED
- e) liability arising out of the Data Protection Act 1998
- f) liability suffered as a consequence of prototype goods which are supplied on an

- g) experimental or trial basis
- h) liability suffered as a consequence of nondelivery or late delivery of any GOODS or non-completion or late completion of works or operations by or on behalf of the INSURED
- i) liability arising solely from the failure or unsuitability of any GOODS where such failure or unsuitability is directly or indirectly traceable to any defect in the design formula specification or quality assurance system of such GOODS
- i) loss of money refunds securities and electronic data

**91 THIRD PARTY PROPERTY DAMAGE EXCESS**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections B and C of this Insurance in respect of the first £500 of each and every third party property damage claim

**92 USE OF HEAT AWAY EXCESS**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections B and C of this Insurance in respect of the first £1000 of each and every claim where that claim is resultant directly or indirectly from the use of heat at third party premises by the INSURED or by any person or persons working on behalf of or at the guidance of the INSURED

**93 WORKING AT DEPTH EXCESS**

The COMPANY shall not indemnify the INSURED under Section C Sub-Sections B and C of this Insurance in respect of the first £1500 of each and every claim resultant from the INSURED working howsoever below the surface of the ground

**94 DAMAGE TO GOODS WORKED UPON EXTENSION**

Section C Sub-Section B Exclusion 1 is restated as follows and not as previously shown in the Policy:

We will not indemnify you under this section against liability for loss of or damage to property belonging to you or in the custody or control of you are any employee other than:

- i) Property including motor vehicles

- ii) belonging to an employee or visitor
- iii) Any premises including contents (not being premises leased to you) which are temporarily occupied by you for the purpose of carrying out work in or to such premises
- iii) Property in your custody or control in the course of your business on which you are undertaking work, subject to a maximum limit any one loss and in the aggregate of £20,000 and subject to a Policy excess of £500 each and every loss

**95 MEDICAL AND REPATRIATION EXCLUSION CLAUSE**

The COMPANY shall not indemnify the INSURED under Section C Sub-Section A of this Insurance for the INSURED's legal liability or otherwise in respect of:

- Medical Expenses
- Repatriation Expenses
- Workman's Compensation Act Benefits
- Hospitalisation Expenses
- Incurred outside Great Britain, the Channel Islands, or the Isle of Man

**96 OPERATION OF BOATS EXCLUSION**

The COMPANY shall not indemnify the INSURED under this Insurance for liability arising out of the operation or control of any water going vessels

**97 Fidelity/Dishonesty of Employees Extension**

The COMPANY will indemnify the INSURED under this Extension in respect of any loss which arises from any act of fraud, dishonesty or embezzlement committed by any EMPLOYEE of the INSURED in the course of the BUSINESS, including theft and misuse of telephones and computers.

Provided that:

- i) the INSURED is a paid up member of either SSAIB/NSI or other Inspectorate organisation promoting Third Party Accreditation.
- ii) the INSURED receives written notice from their client within 45 days of an occurrence likely to give rise to a claim under this extension



- iii) the EMPLOYEE is prosecuted to conviction in connection with the alleged dishonesty
- iv) the INSURED operates a system of check including references for all EMPLOYEES
- v) the COMPANY shall not be liable for the first £500 or 15% of each and every claim, whichever the greater
- vi) the maximum liability of the COMPANY under this extension inclusive of all costs and expenses shall not exceed £100,000 in the aggregate in any one period of insurance but limited to £25,000 any one employee and £5,000 any one claim in respect of misuse of telephones or computers

Subject otherwise to the terms, exceptions and conditions of the policy

## 98 Loss of Keys Extension

The **COMPANY** will indemnify the **INSURED** in respect of amounts which become payable to indemnify any customer of the Insured resulting from loss of customer's keys whilst in the custody of the Insured, provided that:-

- (1) The amounts payable shall be restricted to:-
  - a. The reasonable cost of replacement of keys and/or locks operated by said keys.
  - b. The consequential loss suffered by the customer following the loss of keys arising from either:-
    - (i) their inability to gain access to their premises, or,
    - (ii) the misuse of keys by any person other than an Employee of the Insured.
- (2) In respect of each and every claim under this Extension the Insurers shall not be liable for the first 10 per cent of the cost of the claim or £250 whichever is greater.
- (3) The Insurers' liability in respect of any one claim or series of claims arising from any one original cause shall not exceed £50,000 in the aggregate during any one Period of Insurance

**Provided that:** the keys are coded and kept in a locked safe place, with the code details kept locked away separately from the storage area

## 99 Defective Workmanship Extension

- a) Paragraph i) of exclusion 7 of Section C Sub-Section B - Public Liability is deleted.
- b) The following extension of cover is added:

**8. Defective workmanship**  
**We** will indemnify **you** in respect of **your** legal liability for the costs of rectifying defective work or defective **products** where such work or **products** have caused **bodily injury** to any person other than an **employee** or damage to property other than the **products** which are the subject of the same contract.

**We** will not pay more than £100,000 in the aggregate in any one **period of insurance**. The **COMPANY** shall not be liable for the first £500 or 15% of each and every claim, whichever the greater

## 100 Professional Indemnity Extension

Exclusion 5 of Section C Sub-Section B - Public Liability is deleted.

The following is added to General Definitions of the Policy:

### 15 Professional Indemnity Claim

Damages, judgements and all reasonable defence costs incurred to defend you arising from any negligent act, negligent error or negligent omission.

The cover provided under Section C Sub-Section B – Public Liability is extended as follows:

We will indemnify you under Section C Sub- Section B – Public Liability against any Professional Indemnity claim which is first made against you or any employee and notified to us during the Period of Insurance arising out of professional advice given or services performed by you or on your behalf in the course of the conduct of your business during the Period of Insurance

### Limit of Indemnity

Our Liability in respect of any one Professional Indemnity claim shall not exceed £——— irrespective of the number of claimants.

**Retroactive Date:** (no more than 12 months from inception date of the Policy)

We will not be liable for the first £1000 each and every Professional Indemnity claim

## 101 Employers' Liability Tracing Office

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

1. Certain information relating to **your** insurance policy including, without limitation,
  - a) the policy number(s);
  - b) employers' names and addresses (including subsidiaries and any relevant changes of name);
  - c) dates of cover;
  - d) employer's reference numbers provided by Her Majesty's Revenue and Customs; and
  - e) Companies House reference numbers (if relevant) will be provided to the Employers' Liability Tracing Office (**ELTO**) and added to an electronic database (**database**).
2. This information will be made available by **us** to **ELTO** in a specified and readily accessible form as required by the Employers' Liability Insurance: Disclosure by Insurers Instrument 2011. This information will be subject to regular periodic updating and certification and will be audited on an annual basis.
3. The **database** will assist individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK for employers carrying on or who carried on business in the UK and who are covered by the employers' liability insurance of their employers (**claimants**)
  - a) to identify which insurer (or insurers) provided employers' liability cover during the relevant periods of employment; and
  - b) to identify the relevant employers' liability insurance policies.
4. The **database** will be managed by **ELTO**.
5. The **database** and the data stored on it may be accessed and used by **claimants**, their appointed representatives, insurers with potential liability for UK commercial

lines employers' liability insurance cover and any other persons or entities permitted by law.

## 102 MOTOR TRADERS EXTENSION WORDING

### Products/Service/Sales Indemnity

We will indemnify the Insured against liability for damages and reasonable costs and expenses in respect of accidental death or bodily injury to any person or for accidental loss of or damage to property occurring during the period of insurance within the territorial limits where such liability arises from:

- a) the repair, servicing or maintenance of any vehicle
- b) the examination of any vehicle in accordance with the Motor Vehicles Test Regulations
- c) the sale or supply of new or manufacturers reconditioned spare parts components units accessories or other goods for vehicles
- d) any work carried out on new or used vehicles prior to sale or supply including pre-delivery check of new vehicles as required by the manufacturer and the fitting of additional accessories to such new or used vehicles

Our liability shall apply only to damages awarded against the Insured in a court of Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

We shall not be liable for:

- 1) Property belonging to or held in trust by or in the custody or control of the Insured or any employee or member of the Insured's family or household.
- 2) Loss or damage to any motor vehicle whilst in the custody or control of the Insured or his employees or subcontractors resulting from fire, explosion, theft or attempted theft, malicious or accidental damage.
- 3) Compensation which arises solely by virtue of any express guarantee, warranty, condition or indemnity given or accepted by the Insured unless liability would have attached notwithstanding such guarantee, warranty, condition or indemnity.

- 4) The supply of tyres other than new tyres or remoulds processed by a recognized manufacturer.
- 5) Any process of cleaning or use of chemicals used other than in accordance with the manufacturer's recommendations as to use.
- 6) Loss or damage occasioned by any malicious act caused by or in any way brought about by the Insured or any employee, partner or member of the Insured's family or household.
- 7) The first £250 of each and every claim.
- 8) Damage to or the repair or reinstatement of any vehicle sold or supplied by the Insured unless caused directly by any work carried out by the Insured on such vehicle.
- 9) Damage to or the repair or reinstatement of any spare parts, components, units, accessories or other goods sold or supplied by the Insured or which were the subject of the repair, servicing or maintenance giving rise to the liability of the Insured.
- 10) Any claim in connection with the sale or supply of any goods to any purchaser carrying on the business of selling or supplying such goods
- 11) Death or bodily injury, loss or damage caused directly by the driving of any motor vehicle.
- 12) Liability arising from wrongful advice given by the Insured for a fee.



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