

Caterers

Policy booklet



Underwritten by Argo Direct Limited on behalf of
ArgoGlobal SE, AIG Europe Limited and Covea Insurance plc

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Welcome to Policyfast

Welcome to **Your** new Caterer's **Policy** exclusively arranged via Policyfast Limited and its associate company City Underwriters Limited with certain Insurance Companies. **Your** insurance **Policy** comprises this booklet and **Your Schedule** and statement of fact. **You** should read these documents carefully and keep them in a safe place together with copies of any documentation **You** have provided to **Us**.

Telephone Recording

In order to maintain a quality service, telephone calls may be monitored and/or recorded.

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Caterers Combined Insurance Certificate

This is to certify that in accordance with the authorisation granted under the Contract, (the number of which is specified in the **Schedule**), to the undersigned by certain Insurance Companies (hereafter called the Underwriters), and in consideration of the premium specified herein, the said Underwriters are hereby bound, each for his own part and not for another, their Executors and Administrators, to insure in accordance with the terms and conditions contained herein or endorsed hereon.

The Underwriters hereby agree to the extent and in the manner herein after 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 Underwriters shall not exceed the limits of liability expressed in the said **Schedule** or such other limits of liability as may be substituted therefore by memorandum hereon or attached hereto signed by or on behalf of the Underwriters;
2. This **Certificate** insures in respect only of such of the sections hereof as are so specified in the **Schedule**.

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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 **Statement of Fact** 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.

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 contacts 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.

Definitions

The following words or expressions shall carry the meaning shown below whenever they appear in bold in the **Policy, Schedule, Proposal Form** or **Statement of Fact**.

Asbestos

Asbestos, Asbestos fibres, any derivatives of Asbestos and any Product containing Asbestos, Asbestos fibres or any derivatives of Asbestos.

Business

The Business conducted at or from premises in Great Britain, Northern Ireland, The Channel Islands, or the Isle of Man and shall include:

- a) The ownership, maintenance and repair of the Insureds own property.
- b) Provision and management of canteen, social, sports and welfare organisations for the benefit of any Person Employed and medical, fire fighting and security services.
- c) Private work undertaken by any Person Employed for any director or partner of the Insured with the prior consent of the Insured.

Business Hours

The period during which the premises are actually occupied for Business purposes and during which the Insured or any of the Insured's Employees entrusted with Money are on the premises.

Certificate

Your Policy Wording

Company

In relation to Sections A, B, C, D, E, F, G and H means the insurers whose identity is stated in the Endorsement entitled W7 Identity of Insurers and whose proportionate liability will be detailed on request. In relation to Section I means Brit Insurance Limited.

Damage

Loss of possession of or Damage to tangible property.

Defence Costs

Costs, fees, and expenses incurred by the Insured with the written consent of the Underwriters in the defence or settlement of any claim under this Policy.

Excess

The amount for which the Insured will be responsible and which will be deducted from each and every claim.

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Indemnity Period

The period beginning with the occurrence of the Damage and ending not later than 12 months thereafter, during which the results of the Business shall be affected in consequence of the Damage.

Injury

Death, bodily Injury, illness or disease of or to any person.

Insured

The person, persons or corporate body named in the Schedule, subsidiary companies of the Insured notified to and accepted in writing by the underwriters.

Loss of Net Takings

The shortage in the Net Takings during the Indemnity Period compared with the corresponding period in the twelve months immediately before the date of the loss, Damage or destruction (hereafter referred to as 'Damage') to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting it, either before or after the Damage or which would have affected it had the Damage not occurred so that the figure thus adjusted shall represent as nearly may be reasonably practicable, the results which, for the Damage, would have been obtained during the Indemnity Period after the Damage.

Increased Cost of Working

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the Loss of Net Takings which, but for such expenditure, would have taken place during the Indemnity Period but not exceeding the Loss of Net Takings thereby avoided.

Money

Cash, bank and currency notes, postal orders, cheques, bankers drafts, bills of exchange, unused units in postage stamp franking machines, postage stamps, revenue stamps, National Insurance Stamps, stamped or franked National Insurance Cards, Holiday with Pay stamps, Premium Savings bonds, luncheon vouchers, trading stamps, credit card sales vouchers, consumer redemption vouchers, National Health Prescriptions, Scratch Cards, phone cards, VAT purchase invoices and gift tokens belonging to the Insured or for which the Insured is responsible in connection with the Business.

Net Takings

The Money paid or payable to the Insured for goods sold and services rendered in the Business at the premises, less the cost or purchases relative thereto.

Non Negotiable Money

Money in the form of crossed cheques, crossed postal orders, crossed bankers drafts, Premium Savings Bonds, National Savings Certificates, unused units in postage stamp franking machines, credit card sales vouchers, stamped or franked National Insurance Cards and VAT Purchase invoices.

Overnight

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

Period of Insurance

The period stated in the Schedule or any other period for which the Company has agreed to accept and for which the Insured has paid or agreed to pay a premium.

Person Employed/Employee

Any:

- a) Employee being a person under a contract of service or apprenticeship with the Insured;
- b) labour master and persons supplied by him;
- c) Person Employed by labour only subcontractor;
- d) self employed person under the control of the Insured;
- e) person hired to or borrowed by the Insured;
- f) person undertaking study or work experience or youth training scheme with the Insured in connection with the Business.

Policy

The Documents consisting of this Policy, the current Schedule Statement of Fact and any endorsement issued by Us.

Pollution or Contamination

Pollution, Contamination, sooting, deposition, impairment with dust, chemical precipitation, poisoning, epidemic and disease (including but not limited to foot & mouth disease), adulteration, impurification or limitation or prevention of the use of objects because of hazards to health.

Product

Any tangible property after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured.

Savings

Charges and expenses of the Business (normally paid out of Net Takings) as may cease or be reduced during the Indemnity Period in consequence of the Damage.

Schedule

The document which specifies details of The Policyholder, the premises, property insured and any Excesses, endorsements and conditions applying to the Policy.

Territorial Limits

Great Britain, Northern Ireland, the Isle of Man or the Channel Islands and in transit between these territories.

Terrorism

An act, whether involving violence or the use of force or not, or the threat of the preparation 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), which is designed to or does:

- intimidate or influence a de jure or de facto government or the public or a section of the public, or
- disrupt any segment of the economy, and from its nature or context is done in connection with political, social, religious, ideological or similar causes or objectives.

We/Us/Our/ Insurers

The insurers whose identity is stated in the Endorsement entitled W7 Identity of Insurers and whose proportionate liability will be detailed on request in relation to Sections A, B, C, D, E, F, G, & H and Brit Insurance Limited in relation to Section I.

You/Your/The Policyholder

Persons, companies, partnerships or unincorporated associations named in the Schedule as The Policyholder.

Section A - Material Damage - Property Covered

Property belonging to the **Insured** or for which the **Insured** is responsible comprising:

- Buildings** and outbuildings including landlord's fixtures and fittings, walls, gates and fences;
- tenants improvements and internal decorations;
- stock and materials in trade and goods in trust;
- trade fixtures, fittings, machinery, plant and all other contents;

whilst at the premises specified in the **Schedule**. The property covered is insured against loss, **Damage** or destruction (hereafter referred to as "**Damage**") by the following causes:

1. Fire, lightning, explosion or earthquake.
2. Aircraft or other aerial devices or articles dropped from them.
3. Riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances or malicious persons.
4. Storm, tempest or flood, bursting or overflowing of fixed water tanks, apparatus or pipes.
5. Impact by any road vehicle or animal.
6. Breakage or collapse of radio or television aerials, satellite dishes, fittings or masts.
7. Oil escaping from a fixed heating installation or apparatus connected therewith.
8. Falling trees or parts thereof, other than as a result of any lopping or felling operation.
9. Theft or any attempt thereat:
 - a) involving entry to or exit from the premises by forcible or violent means;
 - b) following actual or threatened assault or violence to the **Insured**, the **Insured's Employees** or any person lawfully on the premises.
10. Accidental **Damage** of a sudden and unforeseen nature.

Special Exclusions

The following are not covered by this clause:
 - a) **Damage** covered under clauses 1. to 9. above;
 - b) **Damage** caused by, or arising from theft

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- or attempted theft unless covered under clause 9. above;
- c) error or omission or shortages revealed at stocktaking;
 - d) **Damage** caused by frost, landslip, subsidence, ground heave or settlement;
 - e) **Damage** caused by wear and tear, gradual deterioration, inherent defect, rot, mildew, rust, corrosion, insects, woodworm or vermin;
 - f) **Damage** caused by dyeing, cleaning, repair, renovation, marring or scratching;
 - g) **Damage** caused by faulty manipulation, design, plan, specification or materials;
 - h) market depreciation;
 - i) **Damage** caused by changes in temperature, dampness, dryness, shrinkage, evaporation, loss of weight, **Contamination**, change in colour, flavour, texture or finish;
 - j) **Damage** following dishonesty or fraudulent action by **Employees** or any person lawfully on the premises.

Exclusions

The Underwriters will not pay for:

1. The **Excess** as stated in the **Policy Schedule**
2. **Damage** to:
 - a) hedges, fences or gates caused by storm, tempest, flood or falling trees;
 - b) radio or television aerials, satellite dishes, fittings or masts due to erection, fitting, dismantling, repair or maintenance;
 - c) any fixed glass and sanitary ware.
3. **Damage** caused by water escaping from sprinkler systems.
4. **Damage** to empty buildings or property contained in empty buildings or buildings which have been unoccupied for more than twenty one days.
5. **Damage** by explosion (other than **Damage** by fire resulting from explosion) caused by the bursting of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel machine or apparatus in which the internal pressure is due to steam only and belonging to or under the control of the **Insured**.

6. **Damage** to property by or in collusion with any of the **Insured's Employees** or inmates of the **Insured's** premises.
7. **Damage** to property caused by collapse, cracking, frost, landslip, subsidence, ground heave or settlement unless otherwise agreed hereon.
8. **Damage** to stock and materials in trade and goods in trust or trade fixtures, fittings, machinery, plant and all other contents in the open or in any open sided building or structure.
9. **Damage** to:
 - a) motor vehicles or their accessories or contents;
 - b) electrical appliances or installations caused by electronic or electrical breakdown, self ignition, short circuiting, overrunning or excessive pressure;
 - c) machinery caused by mechanical breakdown or derangement;
 - d) **Money**, bonds, bills of exchange, deeds, promissory notes, cheques, securities, stamps, medals or coins;
 - e) stock in any basement or cellar caused by water unless such stock is raised at least 10 centimetres above floor level.

Limit of Liability

The sum insured by each item of the **Schedule** in respect of any one **Period of Insurance** or limit otherwise specified in any extension under this section.

Basis of Claims Settlement

Property as described in A and B of Property Covered

Where the buildings or tenants improvements and internal decorations are destroyed:

- the cost of rebuilding in a condition equal to but not better or more extensive than their condition when new.

Where the buildings or tenants improvements and internal decorations are damaged:

- the cost of repair or restoration of the damaged portion of the buildings or tenants improvements and internal decorations to a condition substantially the same as but not

better or more extensive than their condition when new.

No payment shall be made until the rebuilding, repair or restoration costs have actually been incurred.

Property as described in C of Property Covered
The cost price of the goods to the **Insured**.

Property as described in D of Property Covered
The cost of repair or replacement as new, no deduction being made for wear, tear or depreciation provided that the repair or replacement has been effected.

Underwriters will at their option repair, reinstate or replace such **Damage**.

Special Condition

Average – if at the time of **Damage** the cost of rebuilding the property insured, or the value of the property insured by each item, be collectively greater than the sum insured detailed in the **Schedule**, then the **Insured** shall be considered as being his own **Insurer** for the difference and shall bear a rateable proportion of the **Damage** accordingly.

Extensions

Cover under this section is extended to include within the limit of the sum insured specified in the **Schedule** or as stated below:

1. **Removal of Debris** – costs and expenses necessarily incurred with the consent of Underwriters in removing debris, dismantling or demolishing or shoring up or propping the portion or portions of the buildings, or in the removal of contents debris following **Damage** insured by this section.
2. **Fees** – architects, surveyors, consulting engineers, legal and other fees necessarily incurred with the consent of Underwriters in the reinstatement of the buildings. Fees incurred for the preparation of any claim are not included.
3. **Public Authorities** – additional costs of reinstatement of the property sustaining **Damage** hereby insured and undamaged portions thereof incurred solely to comply with European Community legislation, regulations under Acts of Parliament or local

authority bye laws, provided that:

- a) the notice to comply has been received after the **Damage** occurs;
 - b) the work of reinstatement is completed within twelve months of the date of the **Damage** or within such further time as may be allowed;
 - c) the total amount recoverable under any item of this section in respect of this extension shall not exceed:
 - i) in respect of property sustaining **Damage** 15% of its sum insured;
 - ii) in respect of undamaged portions of property (other than foundations) 15% of the total amount for which the Underwriters would have been liable had the property been wholly destroyed;
 - d) the total amount recoverable under any one item of this section shall not exceed its sum insured.
4. **Underground Services** – accidental physical **Damage** to underground pipes, services and cables at the premises for which the **Insured** is responsible.
 5. **Automatic Reinstatement** – in the absence of written notice by the **Insured** or by the Underwriters to the contrary, the reduction of the sum insured following **Damage** will automatically be reinstated as from the date of the occurrence, the **Insured** undertaking to pay the appropriate additional premium.
 6. **Damage by Theft** – **Damage** to the premises for which the **Insured** is responsible consequent upon **Theft** involving forcible and violent entry into or exit from the premises or any attempt thereat.
 7. **Keys and External Door Locks** – the cost of changing external door locks and locks to the intruder alarm system following loss of keys by:
 - a) any peril insured by this section;
 - b) **Theft** involving forcible and violent breaking in or breaking out of the private residence of the **Insured** or any **Employee** authorised by the **Insured** in the safekeeping of such keys;

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- c) hold up involving assault or violence or threat thereof whilst the keys are in the personal custody of the **Insured** or an authorised **Employee** of the **Insured**.

The indemnity under this extension is limited to £500 any one event.

- 8. **Contents Temporarily Removed** – contents (other than stock in trade or merchandise or deeds and other **Non Negotiable** documents) are insured whilst in transit or whilst temporarily removed from the premises insured anywhere in the United Kingdom, the Isle of Man or the Channel Islands up to 15% of the sum insured (after deducting therefrom the value of stock or merchandise or deeds and other **Non Negotiable** documents) in so far as they are not otherwise insured and excluding losses to property held by the **Insured** in trust other than machinery and plant.
- 9. **Seasonal Increase** – the sums insured in respect of stock in trade are increased in each **Period of Insurance** by:
 - a) 25% during the months of November and December and for the first 14 days of January;
 - b) 25% for a period of 14 days preceding and including any bank or public holiday other than occurring in the period in a) above and for a period of 14 days thereafter.
- 10. **Capital Additions** – the **Policy** shall subject to the terms and conditions extend to cover:
 - a) any newly acquired and/or newly erected buildings or buildings in the course of erection (excluding any property for which a building contractor is responsible) and trade fixtures, fitting, machinery, plant and all other contents insofar as they are not otherwise insured;
 - b) alterations, additions and improvements to buildings and trade fixtures, fittings, machinery, plant and all other contents, but not in respect of any appreciation in value, anywhere in the United Kingdom, the Isle of Man or the Channel Islands

provided that:

- i) at any one situation this cover shall not exceed 10% of the sum insured or £50,000 whichever is the greater;
 - ii) the **Insured** undertakes to give particulars of such extension of cover as soon as practicable and to effect specific insurance thereon retrospective to the date of the commencement of the underwriters liability;
 - iii) the provision of this extension shall be fully maintained notwithstanding any specific insurance effected under ii) above.
- 11. **Reinstatement Clause** – subject to the following special conditions the basis upon which the amount payable in respect of the property insured by this section (other than stock and materials in trade) is to be calculated shall be the reinstatement of the property sustaining **Damage**.
For this purpose “reinstatement” means:
 - a) the rebuilding or replacement of property lost or destroyed which provided the liability of the underwriters is not increased may be carried out:
 - i) in any manner suitable to the requirements of the **Insured**;
 - ii) upon another site
 - b) the repair or restoration of property damaged in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.
- Special Conditions**
- a) the liability of the Underwriters for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed;
 - b) if at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property covered by an item subject to this memorandum

exceeds its sum insured at the commencement of any destruction or **Damage** which the said sum insured shall bear to the sum representing the total cost of reinstating the whole of such property at that time;

- c) no payment beyond the amount which would have been payable in the absence of this memorandum shall be made:
 - i) unless reinstatement commences and proceeds without unreasonable delay;
 - ii) until the cost of reinstatement shall have been actually incurred;
 - iii) if the property insured at the time of its loss, destruction or **Damage** shall be insured by any other insurance effected by or on behalf of the **Insured** which is not upon the same basis of reinstatement.
 - d) All the terms and conditions of the **Policy** shall apply:
 - i) in respect of any claim payable under the provisions of this memorandum except insofar as they are varied hereby;
 - ii) where claims are payable as if this memorandum had not been incorporated.
12. **All Other Contents** – it is agreed that so far as they are not otherwise or more specifically insured by this or any other **Certificate** the “All Other Contents” is understood to include:
- a) documents, manuscripts and business books but only for the value of the materials as stationery together with the cost of clerical labour expended in writing up and not for the value to the **Insured** of the information contained therein;
 - b) computer systems records but only for the value of the materials together with the cost of clerical labour and computer time expended in reproducing such records, (excluding any expense in connection with the production of

information to be recorded therein) and not for the value to the **Insured** of the information contained therein for an amount not exceeding £2,500;

- c) patterns, models, moulds, templates, plans and designs for an amount not exceeding the cost of the labour and materials expended in reinstatement;
- d) clothing and personal effects, tools, instruments, pedal cycles and the like of the **Insured**, any partner, director or **Employee** of the **Insured**, visitors and guests for an amount not exceeding £500 in respect of any one person.

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Section B - Business Interruption The Cover

Loss of Net Takings in the event of the **Business** at the premises being interrupted as a result of **Damage** to the property insured for which liability has been admitted under Section A – Material Damage during the **Period of Insurance**.

Limit of Liability

The sum insured stated in the **Schedule**.

Basis of Claims Settlement

Loss of Net Takings and **Increased Cost of Working**, less any **Savings**.

Special Conditions

1. **Average** – If at the time of the loss the **Net Takings** as adjusted for the trend of the **Business** and the **Indemnity Period** shall be greater than the sum insured shown in the **Schedule**, then the **Insured** shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly.
2. **VAT** – To the extent that the **Insured** is accountable to the tax authorities for Value Added Tax, all such terms in this section shall be exclusive of such tax.
3. **Goods sold Elsewhere** – If during the **Indemnity Period** goods shall be sold or services rendered elsewhere than at the premises for the benefit of the **Business**, the **Money** paid or payable in respect of such sales or services shall be brought into account in determining the **Loss of Net Takings**.

Extensions

Cover under this section is extended to include **Loss of Net Takings** directly as a result of:

1. **Denial of Access** – interruption of or interference with the **Business** in consequence of **Damage** insured by a specified peril in Section A – Material Damage to property in the vicinity of the premises insured which shall prevent or hinder the use thereof or access thereto whether the premises insured or the property of the **Insured** therein shall be damaged or not shall be deemed a loss resulting from **Damage**.

The indemnity under this extension is limited to £25,000 any one event.

2. **Closure** – of the premises by a competent authority due to:

- a) an outbreak of any notifiable human infectious or contagious disease at the premises;
- b) murder, suicide or serious crime at the premises;
- c) food poisoning or drink poisoning at the premises;
- d) defective sanitary arrangements or vermin or pests at the premises other than the deliberate act of any supply authority to withhold the supply of water.

The indemnity under this extension is limited to £25,000 any one event.

3. **Loss of Utilities** – This Insured Section is extended to cover loss of **Net Takings** 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.

The indemnity under this extension is limited to £100,000 any one event.

4. **Suppliers – Damage** by a specified peril in Section A – Material Damage to the premises or property at the premises of any of **Your** suppliers in the United Kingdom, the Isle of Man or the Channel Islands (other than suppliers of electricity, gas, water or telecommunications services).

The indemnity under this extension is limited to £10,000 any one event.

5. **Outstanding Debit Balance – Damage** by a specified peril in Section A – Material Damage to the account books or other business books or records resulting in the inability to trace or establish the outstanding debit balances. Provided that all books of account or other business books are kept in a fire resistant cabinet or safe when not in use.

The indemnity under this extension is limited to £10,000 any one event.

Cover under this section shall also include:

Automatic Reinstatement – in the absence of written notice by the **Insured** or by Underwriters to the contrary, the reduction to the sum insured following a loss will automatically be reinstated as from the date of the occurrence, the **Insured** undertaking to pay the appropriate additional premium.

Section C - Combined Liability

This Section of the **Policy** is subject to its own terms as well as to the General Definitions, General Exclusions and General Conditions applying to the other sections of this **Policy**.

Operative Clause

The Underwriters will indemnify the **Insured** against their legal liability to pay damages (including claimants' costs, fees and expenses) in accordance with the law of the United Kingdom.

This indemnity applies only to such legal liability as defined by each insured sub section of this **Policy** arising out of the **Business** specified in the **Schedule**, subject always to the terms, conditions and exclusions of such sub section and of section C of this **Policy** as a whole.

Indemnity to Others

The indemnity granted extends to:

1. managerial or supervisory **Employees** of the **Insured** in their business capacity for legal liabilities arising out of the performance of the **Business** and any director or partner of the **Insured** in respect of private work undertaken by any **Person Employed** for such director or partner with the prior consent of the **Insured**;
2. the officers, committees and members of the **Insured's** canteen, social, sports, medical, fire fighting, security services and welfare organisations for legal liabilities incurred in their respective capacity as such;
3. any person or firm for legal liabilities arising out of the performance of a contract with the **Insured** constituting the provision of labour only;
4. any principal for legal liabilities arising out of work carried out by the **Insured** under a contract or agreement in respect of which the **Insured** would have been entitled to indemnity under this **Policy** if the claim had been made against the **Insured**;
5. the personal representatives of any person or party indemnified by reason of this Clause 3 in respect of legal liability incurred by such person or party;

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provided always that all such persons or parties shall observe, fulfil and be subject to the terms, conditions and exclusions of this **Policy** as though they were the **Insured**.

Cross Liabilities

Each person or party granted indemnity by this **Policy** is separately indemnified in respect of claims made against any of them by any other subject to the Underwriters' total liability not exceeding the stated limits of indemnity.

Limits of Indemnity

1. **Sub Section 1** – The Underwriters' total liability to pay damages (including claimants' costs, fees and expenses) shall not exceed the sum stated in the **Schedule** in respect of any one claim against the **Insured** or series of claims against the **Insured** arising out of one occurrence.

2. **Sub Sections 2 and 3** – The Underwriters' total liability to pay damages (including claimants' costs, fees and expenses) shall not exceed the sum stated in the **Schedule** against each sub section in respect of any one occurrence or series of occurrences arising from one originating cause.

Provided always that the limit of indemnity:

- a) under sub section 2 in respect of liability arising out of **Pollution** applies to the total amount of damages (including claimants' costs, fees and expenses) payable in respect of all occurrences during the **Period of Insurance**
- b) under sub section 3 applies to the total amount of damages (including claimants' costs, fees and expenses) payable in respect of all occurrences during the **Period of Insurance**.

Defence Costs

The Underwriters will also pay all **Defence Costs**.

Defence Costs include legal expenses:

1. incurred by or awarded against the **Insured** arising out of any prosecution of the **Insured**;
 - a) for breach or alleged breach of Part 1

of the United Kingdom Health & Safety at Work Act 1974 (and/or legislation of similar effect);

- b) for any offence under Part II of the Consumer Protection Act 1987 and/or Part II of the Food Safety Act 1990 (and/or legislation of similar effect).

Provided that Underwriters' shall not be liable for any fines or penalties imposed as a consequence of such prosecution:

- a) arising out of representation at any Coroner's Inquest or Fatal Accident Inquiry;
- b) arising out of the defence of any proceedings in a Court of Summary Jurisdiction in respect of matters which may form the subject of indemnity by this **Policy**.

Defence Costs will be payable in addition to the limits of indemnity except in respect of sub section 1 when the limit of indemnity will be inclusive of **Defence Costs** unless this **Policy** is specifically endorsed to the contrary.

Compensation for Court Attendance

In the event of any director, partner or **Employee** of the **Insured** attending court as a witness at the request of the Underwriters in connection with a claim which is the subject of indemnity under this **Policy** the Underwriters will provide compensation to the **Insured** at the following rates for each day on which attendance is required:

1. any director or partner £250
2. any **Employee** £100

Corporate Manslaughter Legal Defence Costs Extension

Subject to the written consent and the control of the Underwriters and subject to all other conditions and exclusions applicable to this **Policy**, the indemnity provided under this **Policy** is extended to indemnify the **Insured**, and if the **Insured** so requests, any **Person Employed** or director or partner of the **Insured**, in respect of legal costs incurred in the defence of any criminal proceedings brought, or in an appeal against conviction arising from such proceedings,

in respect of manslaughter or culpable homicide or alleged manslaughter or culpable homicide, including a breach of the Corporate Manslaughter and Corporate Homicide Act 2007 and any amending and/or subsequent legislation provided that an offence is alleged to have been committed during the **Period of Insurance** and in the course of the **Business**.

The maximum amount payable under this extension shall not exceed £1,000,000 in all during any one **Period of Insurance**.

This extension shall not apply:

- a. to fines or penalties of any kind or the cost of implementing any remedial order or publicity order;
- b. where indemnity is provided by any other Insurance.

Sub Section 1 - Employers Liability

Sub Section 1 - Indemnity

The **Insured** is indemnified by this sub section in accordance with the operative clause in respect of **Injury** to any **Person Employed** arising out of and in the course of employment by the **Insured** and occurring during the **Period of Insurance**.

Sub Section 1 - Exclusions

This sub section does not apply to or include legal liability:

1. arising outside Great Britain, Northern Ireland, the Isle of Man and the Channel Islands except in respect of temporary non-manual visits by **Persons Employed**;
2. incurred in circumstances where any road traffic legislation requires compulsory insurance or security and an indemnity is afforded to the **Insured** by any such insurance or security;
3. arising out of work on and/or visits to any offshore rig and/or installation and/or platform from the time of embarkation onto a conveyance at the point of final departure to such offshore rig and/or installation and/or platform until disembarkation from the conveyance from such offshore rig and/or installation and/or platform onto land;
4. The Underwriters will not indemnify the **Insured** in respect of any liability arising

under this section arising out of **Terrorism** other than to the extent that an indemnity is deemed to be required in accordance with any law relating to compulsory insurance of **Employees**, in which case a sub-limit of £5,000,000 shall apply, inclusive of all damages, costs and expenses payable in respect of any one claim or series of claims against the **Insured**;

5. Underwriters will not indemnify the **Insured** in respect of any liability arising under this section 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**, other than to the extent that an indemnity is deemed to be required in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees**, in which case a sub-limit of £5,000,000 shall apply, inclusive of all damages, 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.

It is a condition precedent to the liability of Underwriters that the **Insured** do not manufacture mine process distribute test remediate remove store dispose sell or use **Asbestos** or materials or **Products** containing **Asbestos**.

Sub Section 1 - Compulsory Insurance Clause

The indemnity granted by this sub section is deemed to be in accordance with the provisions of any law enacted in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands relating to compulsory insurance of liability to **Employees**. If however, there has been non-observance of any **Policy** conditions by the **Insured**, and the Underwriters shall have paid any sum which would not have been paid but for the provisions of such law then the **Insured** shall forthwith repay such sum to the Underwriters.

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Sub Section 2 - Public Liability

Sub Section 2 - Indemnity

The **Insured** is indemnified by this sub section in accordance with the operative clause for and/or arising out of accidental **Injury** and/or **Damage** occurring during the **Period of Insurance**.

Sub Section 2 - Exclusions

This sub section does not apply to or include legal liability:

1. in respect of **Injury** to any **Person Employed** arising out of and in the course of employment by the **Insured**;
2. arising out of or in connection with any **Product**;
3. arising out of the ownership, possession or use by or on behalf of the **Insured**, or any person or party entitled to indemnity, of any motor vehicle or trailer for which compulsory insurance or security is required by legislation, other than legal liability:
 - a) caused by the use of any tool or plant forming part of or attached to or used in connection with any motor vehicle or trailer in circumstances where compulsory insurance or security is not required by any legislation;
 - b) arising beyond the limits of any carriageway or thoroughfare caused by the loading or unloading of any motor vehicle or trailer except where indemnity is provided by any motor insurance contract;
 - c) arising out of any motor vehicle or trailer temporarily in the **Insured's** custody or control for the purpose of parking except liability for which compulsory insurance or security is required by any legislation,
4. arising out of the ownership, possession or use by or on behalf of the **Insured** of any aircraft, hovercraft, offshore installation and/ or rig and/or platform or watercraft (other than watercraft not exceeding 10 metres in length whilst on inland waterways);
5. for **Damage** to property owned, leased to, hired by, under hire purchase, on loan to, held in trust by or otherwise in the **Insured's** care, custody or control other than:

- a) clothing and personal effects (including vehicles and their contents) of **Employees** and visitors;
 - b) premises (including contents therein) temporarily occupied by the **Insured** for work therein or thereon but no indemnity shall be granted for **Damage** to that part of the property on which the **Insured** is or has been working and which arises out of such work;
 - c) premises tenanted by the **Insured** provided always that liability for such **Damage** is not assumed by the **Insured** under agreement where liability would not have existed in the absence of the agreement,
6. arising out of breach of professional duty, or wrongful or inadequate advice given separately for a fee or in circumstances where a fee would normally be charged.

Sub Section 3 - Products Liability

Sub Section 3 - Indemnity

The **Insured** is indemnified by this sub section in accordance with the operative clause for and/or arising out of accidental **Injury** and/or **Damage** occurring during the **Period of Insurance** and arising out of or in connection with any **Product**.

Sub Section 3 - Exclusions

This sub section does not apply to or include legal liability:

1. in respect of **Injury** to any **Person Employed** arising out of and in the course of employment by the **Insured**;
2. for costs incurred in the repair, reconditioning or replacement of any **Product** or part thereof which is alleged to be defective;
3. arising out of the recall of any **Product** or part thereof;
4. arising out of any **Product** which with the **Insured's** knowledge is intended for incorporation into the structure, machinery or controls of any aircraft, other aerial device, hovercraft or waterborne craft;
5. arising by virtue of a contract or agreement but which would not have arisen in the absence of such contract or agreement;

6. arising from circumstances known to the **Insured** prior to the inception date of this insurance;
7. arising from the failure of any **Product** to perform its intended function.

Exclusions applicable to Section C - Combined Liability

Sub sections 2 and 3 do not apply to or include legal liability:

1. arising out of the deliberate, conscious or intentional disregard by the **Insured's** technical or administrative management of the need to take all reasonable steps to prevent **Injury** or **Damage**;
2. arising out of liquidated damages clauses, penalty clauses or performance warranties unless proven that liability would have attached in the absence of such clauses or warranties;
3. arising out of **Pollution** of the atmosphere or of any water, land, buildings or other tangible property except to the extent that the **Insured** demonstrates that such **Pollution**:
 - a) was the direct result of a sudden, identifiable, unintended and unexpected incident occurring in its entirety at a specific time and place during the **Period of Insurance**;
 - b) was not the direct result of the **Insured** failing to take reasonable precautions to prevent such **Pollution**.Provided always that all such **Pollution** which arises out of one incident shall be considered for the purposes of this **Policy** to have occurred at the time such incident takes place and that Underwriters total liability to pay damages (including claimants' costs, fees and expenses) under this clause shall not exceed the limit of indemnity stated in the **Schedule** in the aggregate in respect of the **Period of Insurance**,
4. 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;

5. The Underwriters will not indemnify the **Insured** under these Sections in respect of **Injury**, loss, **Damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of **Terrorism**. These Sections also exclude legal liability directly or indirectly occasioned by, happening through, in consequence of, arising out of, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of **Terrorism**;
6. The Underwriters shall not indemnify the **Insured** under this Section against:
 - a. damages, direct or consequential, on account of "bodily **Injury**", "property **Damage**", "personal or advertising **Injury**", or "medical payments" arising out of, resulting from, caused by, contributed to, or in any way related to any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens;
 - b. any costs or expenses associated, in any way, with the abatement, mitigation, remediation, containment, detoxification, neutralization, monitoring, removal, disposal, or any obligation to investigate or assess the presence or effects of any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens;
 - c. any obligation or duty to defend any actions on account of "bodily **Injury**", "property **Damage**", "personal or advertising **Injury**", or "medical payments" arising out of, resulting from, or in any way related to any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens.Irrespective of the cause of such fungus, mildew, mould, spore(s) or allergens, and whenever or wherever occurring. For the purpose of this exclusion, "bodily **Injury**" shall include mental anguish, mental **Injury** and/or emotional distress,

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7. directly or indirectly caused by, resulting from or in connection with any component building material that must be removed, encapsulated, or otherwise abated because its presence or release is a hazard to human health;
8. arising from 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 of a loss;
9. directly or indirectly resulting from, or in consequence of any travel package arrangement.

Exclusions applicable to All Sub Sections of Section C

This **Policy** does not apply to or include legal liability:

1. directly or indirectly caused by or contributed to by or arising from:
 - a) ionising radiations or **Contamination** by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- Provided that in respect of claims arising out of **Injury** which form the subject of indemnity under sub section A this exclusion shall only apply to liability:
- of any party to whom indemnity is granted under Clause 3.4. (or their personal representatives) assumed by the **Insured** by agreement which would not have attached in the absence of such agreement,
 2. for any award of punitive or exemplary damages whether as fines, penalties, multiplication of compensatory awards or damages, or in any other form whatsoever;
 3. for the **Excess** stated in the **Schedule** in respect of the first amount of each claim arising out of **Damage**;
 4. which forms the subject of insurance by any other **Policy** and this **Policy** shall not be drawn into contribution with such other insurance.

General Conditions applicable to Section C

(Conditions 1. to 5. are precedent to Underwriters' liability to provide indemnity under this **Policy**).

1. The **Insured** shall give immediate notice in writing to the Underwriters of any occurrence that may give rise to a claim under this **Policy** and shall give all such additional information as the Underwriters may require. Every claim, writ, summons, notice of adjudication, referral notice or process and all documents relating thereto shall be forwarded to the Underwriters immediately they are received.
2. No admission, offer, promise or payment shall be made or given by or on behalf of the **Insured** without the written consent of the Underwriters who shall be entitled to take over and conduct in the name of the **Insured** the defence or settlement of any claim or to prosecute in the name of the **Insured** for their 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 the **Insured** shall give all such information and assistance as the Underwriters may reasonably require.
3. The Underwriters may at any time pay to the **Insured** in connection with any claim or series of claims under this **Policy** to which a limit of indemnity applies the amount of such limit (after deduction of any sums already paid) or any lesser amount for which such claims can be settled and upon such payment being made the Underwriters 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**).

Provided that if the Underwriters 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 the Underwriters will also contribute their proportion of subsequent **Defence Costs** incurred with their consent as the limit of indemnity bears to the amount paid to dispose of a claim.
4. The **Insured** shall give notice to the Underwriters of any alteration or circumstance which materially affects the risks insured under this **Policy** and until the Underwriters be advised of such alteration or circumstance and shall have expressly agreed in writing to accept liability for such altered risk and the **Insured** has paid or agreed to pay the additional premium (if any) the Underwriters shall not be liable in respect of any claim or claims due wholly or partially to any such alteration or circumstance.
 5. Where the premium is provisionally based on the **Insured's** estimates, the **Insured** shall keep accurate records and within 90 days of expiry of the **Period of Insurance** declare such particulars as the Underwriters require. The premium shall then be adjusted and any difference paid or allowed to the **Insured** 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 **Persons Employed** by this **Policy**.
Failure to declare such particulars to the Underwriters shall entitle the Underwriters to estimate if they so wish such particulars and to assess the further premium payment due calculated on such estimated particulars.
 6. Any written proposal and/or declaration and/or statement of fact made by the **Insured** shall form the basis of this contract of insurance and is deemed to be incorporated herein.
 7. Any phrase or word in this **Policy** and the **Schedule** will be interpreted in accordance with the law 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 the **Schedule** shall bear such specific meaning wherever it may appear.

8. All disputes concerning the interpretation of this **Policy** are understood and agreed by both the **Insured** and the Underwriters to be subject to English Law. Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within England and to comply with all requirements necessary to give such court jurisdiction. All matters arising hereunder shall be determined in accordance with the law and practice of such court.

Section D - Loss of Money The Cover

Loss of **Money** up to the limits of liability stated for any one loss, occurring within the United Kingdom, the Isle of Man or the Channel Islands during the **Period of Insurance**.

Exclusions

The Underwriters will not pay for loss:

1. the **Excess** as stated in the **Policy Schedule**;
2. due to depreciation in value or dishonoured cheques or accounting or clerical errors;
3. of **Money** from unattended vehicles;
4. arising from dishonesty of any of the **Insured's** partners, directors or **Employees**, unless such loss is discovered and reported to Underwriters within 14 working days of such loss;
5. more specifically insured;
6. of **Money** outside Great Britain.

Limits of Liability

1. **Non-Negotiable Money** £250,000
2. in the premises during **Business Hours** or in transit in the personal custody of the **Insured** or his authorised **Employees** between the premises and any bank, building society or post office or at a bank night safe £5,000

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3. in the premises outside **Business Hours** contained in a securely locked safe £2,500
4. in the premises outside **Business Hours** not contained in a locked safe £250
5. in the premises contained in gaming machines and pay telephones £500
6. in the custody or private dwelling of the **Insured** or any authorised partner, director or **Employee** of the **Insured** out of **Business Hours** £500.
Unless stated or specified otherwise in the **Schedule**.

Special Conditions

It is a condition precedent to any liability under this section that:

1. The **Insured** shall keep a record of all **Money** insured under this section and such record be kept in a secure place, other than in safes or strong rooms on the premises.
2. Keys or specification of combination lock numbers of any safe or strong rooms containing **Money** must be removed from the premises outside **Business Hours**.
3. The **Insured** shall at all times exercise reasonable care in the selection and employment of **Employees** involved with the handling and or transit of **Money** and has obtained and will continue to obtain satisfactory written references and confirmation of such references from previous employers.
4. Safes shall be locked and keys removed whenever the room containing the safe is left unattended.
5. It is warranted that **Money** in transit shall be accompanied by at least:
 - a) 2 able bodied adults for amounts between £3,001 and £5,000;
 - b) 3 able bodied adults for amounts between £5,001 and £7,500;
 - c) 4 able bodied adults for amounts between £7,501 and £10,000.

Any transit of **Money** over £10,000 must be agreed by the Underwriters prior to such transit.

This warranty does not provide any

extension of the agreed **Money** limits stated or specified herein or otherwise in the **Schedule**.

6. Phone cards must be kept in a securely locked safe outside **Business Hours**.
7. Loss or **Damage** as a result of theft or any attempted theft to cash tills or registers outside **Business Hours** is excluded unless the drawers thereof are at the time of the incident either left open or removed.

Extensions

Cover under this section is extended to include:

1. **Damage to Safes** – indemnity in respect of **Damage** to any cash box, till, franking machine, safe or security bag arising from theft or attempted theft provided the Underwriters' liability does not exceed the cost of repair or where damaged beyond economic repair the cost of replacement.
The indemnity under this extension is limited to £1,000 any one event.
2. **Assault** – personal assault benefits in accordance with the table of benefits hereunder in the event of a robbery or attempted robbery of the **Insured** or any partner, director or **Employee** in the course of their employment by the **Insured** which directly results in death or disablement.
 - a) death £25,000
 - b) total and irrecoverable loss of sight in one or both eyes £25,000
 - c) total loss of use of an entire hand, arm, foot or leg £25,000
 - d) permanent total disablement from usual occupation £25,000
 - e) temporary total disablement from usual occupation £200 per week
 - f) loss or **Damage** to clothing or personal effects £500 per person.

Provided that:

- i) benefits shall only be payable under one of the table of benefits a) to d) in respect of any one **Injury** and such payment shall be the maximum payable per person in any one **Period of Insurance**
- ii) no benefit shall be payable under benefits a) to d) unless death or

disablement occurs within twelve months of the **Injury**

- iii) benefit e) shall cease immediately the **Insured** are entitled to claim benefits a) to d)
- iv) the maximum period payable for benefit e) shall be 104 weeks from the date on which the **Insured**, partner, director or **Employee** first attends a qualified medical practitioner.

Section E - Plate Glass The Cover

1. Breakage of:
 - a) interior and exterior fixed glass, fixed wall mirrors, glass fixed in show cases, shelves and counters including lettering thereon;
 - b) sanitary ware;
 - c) neon and illuminated signs.
2. **Damage** to window frames, framework and fittings of the frontage and **Damage** to trade contents on display caused by breakage of glass in the shop front happening at the premises during the **Period of Insurance**.

Exclusions

Underwriters will not pay for:

1. the **Excess** as stated in the **Policy Schedule**;
2. breakage or **Damage** arising from repairs, alterations or refurbishment of the insured premises;
3. glass or sanitary ware which at the inception of this insurance is broken or damaged;
4. glass or sanitary ware forming part of the **Insured's** stock and materials in trade and goods in trust;
5. breakage or **Damage** caused by chipping or scratching;
6. breakage or **Damage** at empty premises or premises which have been unoccupied for more than twenty one days.

Limit of Liability

The sum insured stated in the **Schedule**.

Basis of Claims Settlement

In respect of 1 a)

Underwriters will replace the broken glass with glass of similar quality or at their option pay to the **Insured** the value of the glass broken at the current price at the date of breakage, less any salvage. Underwriters will also pay the reasonable cost of any necessary boarding up pending replacement of the broken glass.

In respect of 1 b), 1 c) and 2.

Indemnity by payment, or at the Underwriters option, replacement, reinstatement or repair of the broken or damaged items.

Section F - Goods in Transit Property Covered

Stock pertaining to the **Business** belonging to the **Insured** or for which they have accepted responsibility.

The Cover

The property covered is insured against loss, **Damage** or destruction (hereafter referred to as "**Damage**") whilst in transit by any vehicle owned or used by the **Insured** anywhere in the United Kingdom, the Isle of Man or the Channel Islands, including loading and unloading of such vehicles.

Exclusions

The Underwriters will not pay for:

1. the **Excess** as stated in the **Policy Schedule**.
2. **Damage** caused by:
 - a) wear, tear, gradual deterioration, depreciation, scratching, marring, latent defect, inherent vice, moth, insects or vermin;
 - b) faulty packing or loading, wrongful delivery or consequential loss of any kind.
3. **Damage** to:
 - a) jewellery, watches, precious metals or stones or articles composed of them, furs, livestock, works of art and antiques;
 - b) **Money** and securities;
 - c) property in open topped or sided vehicles or vehicles with fabric roofs or canvas tilts.

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4. **Damage** by theft or attempted theft:
- a) from any vehicles being used by the **Insured** or any **Employee** of the **Insured** when such vehicle is left unattended, unless the vehicle is locked at all points of access and any security devices set to operate.
- The security devices referred to above are such locks, alarms and immobilisers advised to and approved by Underwriters at inception of this insurance, together with the standard makers locks supplied with the vehicle and such devices shall not be withdrawn or varied to the detriment of Underwriters without their prior consent;
- b) from any vehicle **Overnight**, unless such vehicle is contained in a securely locked building or securely locked and completely enclosed yard or manned and patrolled vehicle car park.
5. **Damage** arising out of riot, violent disorder, strike, labour disturbance or civil commotion.

Limit of Liability

The limit any one vehicle as stated in the **Schedule**.

Basis of Claims Settlement

Indemnity by payment or at Underwriters option, replacement, reinstatement or repair.

Special Conditions

1. **Average** – If the value of the property **Insured** hereby on one vehicle shall at the time of **Damage** be collectively greater than the limit any one vehicle stated on the **Schedule**, then the **Insured** shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the **Damage** accordingly.
2. **Reasonable Care** – The **Insured** shall take reasonable measures to ensure:
 - a) that vehicles are maintained in a roadworthy condition;
 - b) security locks and other security devices are maintained in efficient working condition;
 - c) that goods are correctly packaged and vehicles are correctly loaded.

Extensions

Cover under this section is extended to include: **Additional Expenses** – reasonably incurred in connection with the transfer of property to any other vehicle or delivering it to its original destination or returning it to its place of dispatch, consequent upon collision or overturning of the conveying vehicle or reloading the vehicle following accidental discharge.

Section G - Deterioration of Stock The Cover

Damage to frozen or refrigerated foodstuffs contained in any freezer or refrigeration units at the premises due to or arising from:

1. a rise or fall in temperature due to a failure of the freezer or refrigeration unit;
2. accidental escape of refrigerant or refrigerant fumes;
3. accidental failure of the public or private supply of electricity.

Exclusions

The Underwriters will not pay for:

1. the **Excess** as stated in the **Policy Schedule**;
2. **Damage** arising from:
 - a) the wilful act or neglect of the **Insured**, any partner, director or **Employee** or their families, including accidental switching off;
 - b) the failure of the public or private electricity supply occasioned by the deliberate act of any electricity authority to withhold or restrict the supply;
 - c) consequential loss of any kind;
 - d) The failure of freezer or refrigeration units which are:
 - i) over 10 years old;
 - ii) not the subject of a maintenance service agreement unless the unit has a hermetically sealed motor and compress.

Limit of Liability

The sum insured stated in the **Schedule**.

Basis of Claims Settlement

The cost price of the goods to the **Insured**
Special Condition

The **Insured** must provide a Certificate of Condemnation issued by the local authority to substantiate any loss.

Section H - Loss of Licence The Cover

In the event of the Premises Licence or Club Premises Certificate ("the licence/Certificate") or any part thereof which has been granted under the Licensing Act 2003 ("the Act") or any subsequent legislation in respect of the Premises described in the **Schedule** being totally and permanently forfeited or revoked or refused renewal by the Licensing Authority during the **Period of Insurance**, **Insurers** will pay or make good to the **Insured** all loss that the **Insured** may sustain in respect of:

1. the depreciation in value of the interest of the **Insured** in the Premises by the forfeiture of or revocation of the licence/certificate(s);
2. the cost and expenses being incurred by the **Insured** with the prior written consent of **Insurers** in connection with any appeal against the forfeiture of or revocation of the licence/certificate(s).

Provided that the liability of **Insurers** under this extension shall not exceed the limit of liability stated in the **Schedule**.

It is a condition precedent to the liability of **Insurers** that in the event of the receipt by the **Insured**, his tenant, **Employee** or agent of any notice or other communication which could lead to an application to forfeit, revoke, suspend, restrict or withdraw the licence/certificate(s) or impose conditions thereon that the **Insured** will notify the **Insurer** forthwith and will allow the **Insurer's** solicitors full discretion in the conduct of proceedings, including any decision to appeal or otherwise.

Exclusions

This extension does not cover:

1. Any claim arising directly or indirectly from any scheme of town or country planning improvement, redevelopment or compulsory

purchase.

2. Any claim arising from any alteration in the law or statutory guidance or statement of **Policy** affecting the grant, lapse, withdrawal, surrender, forfeiture, suspension, extent, renewal or duration of any licence/certificate or the imposition of conditions thereon.
3. Any claim occasioned wholly or partly by or through the misconduct, procurement, connivance, action, neglect or omission of the **Insured** (his tenant(s) **Employee(s)** or agent(s)) to take any step necessary for keeping the licence/certificate(s) in force (including but not limited to the payment of any fee due) unless the **Insured** or any other claimant hereunder shall prove to the reasonable satisfaction of **Insurers** that such matter was beyond the power or control of the **Insured**, his tenant(s), **Employee(s)** or agent(s).
4. Any claim arising from the suspension, lapse, withdrawal, forfeiture of or revocation of or refusal to renew the licence/certificate(s) or the imposition of conditions thereon occasioned wholly or partly by a Criminal Act of the owner manager or the **Insured**, his tenant(s) **Employee(s)** or agent(s).
5. Any claim arising from the suspension, lapse, withdrawal, forfeiture of or revocation of the licence/certificate(s) or the imposition of conditions thereon on the grounds that there is or may be a problem relating to the supply or use of illegal or controlled drugs at the Premises.
6. Any claim arising from the lapse of the licence/certificate(s) on the grounds that the holder of the licence/certificate has died, been dissolved, become mentally incapable or insolvent which includes but not exclusively the approval of a voluntary arrangement, an adjudication of bankruptcy or order of sequestration, or the entering into of a deed of arrangement or a trust deed made for the benefit of his creditors, or in the case of a company, the approval of a voluntary arrangement proposed by its directors, the appointment of an administrator or an administrative receiver in respect of the company, or entering into

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- liquidation.
7. Any claim arising from the surrender of the licence/certificate(s) by the holder of the licence/certificate or other person.
 8. Any claim where the **Insured** is entitled to obtain the payment of compensation under the provisions of any Act of Parliament in respect of the suspension, lapse, withdrawal, forfeiture, revocation or refusal to renew the licence/certificate(s) or the imposition of conditions thereon.
 9. Any claim arising from the withdrawal of a Club Premises Certificate following a review or a club ceasing to be a qualifying club as defined by the Act or and subsequent legislation.

Warranties

1. It is warranted that in the event of the death, incapacity, insolvency, or dissolution of the Premises Licence/Certificate holder, or the desertion of the Premises, or the conviction for any offence (where such conviction affects the character or reputation of the convicted person with respect of his honesty, moral standing or sobriety) of the Tenant Manager Occupier or Personal Licence holder, the **Insured** shall forthwith (and in any event within 7 days from the date of the foregoing event) procure a suitable person to replace him with a person to whom the Licensing Authority has granted a Personal Licence and serve all necessary notices within that period.
 2. It is warranted that on the **Insured** becoming aware of any:
 - a) complaint (formal or otherwise) against the premises, Premises licence/certificate or its control;
 - b) proceedings against or conviction of the holder of the Premises licence/certificate, Tenant, Manager, Occupier of the Premises, the Designated Premises Supervisor, or the holder of any Personal Licence/certificate or other **Person Employed** at the premises for any breach of licensing law or any matter whatsoever whereby the character or reputation of the person concerned is affected or called into question with respect of his honesty moral standing or sobriety;
 - c) transfer or proposed transfer of the licence(s);
 - d) alteration in the purpose for which them Premises are used or any other intended variation of the Premises licence/certificate (save that applications may be made without notice to the **Insurer** to vary the licence/certificate under section 37(1) of the Licensing Act 2003 to specify an individual as the designated premises supervisor);
 - e) application for revocation or suspension of the licence/certificate(s) or the imposition of conditions thereon;
 - f) other circumstances which may endanger the licence/certificate(s) or give rise to a claim under this insurance, the **Insured** shall immediately give notice in writing to the **Insurers** and supply such additional information and give such assistance as the **Insurers** or their nominated solicitors may reasonably require.
3. It is warranted that the **Insured** shall not use any reference to the **Insurers** hereon to promote his **Business** or advertise or inform any other party of the existence of the insurance under this extension.
 4. It is warranted that the **Insured** will make all necessary arrangements for fulfilment of the **Business** in a prudent and timely manner.
 5. It is warranted that the **Insured** will ensure all necessary licence/certificates visas and permits are obtained and are current for the **Period of Insurance** and that all contractual arrangements have been confirmed in writing by the **Insured**.
 6. It is warranted that the **Insured** shall undertake to do everything in his ability to avoid or diminish a loss under this extension and shall (without limiting the foregoing) comply with any reasonable request or direction given by the licensing authority or magistrates on appeal or official employed by any responsible authority (as defined by the Act).

Section I - Essential Business Legal

This Section of the **Policy** is subject to its own terms and not to the **General Definitions, General Exclusions and General Conditions** applying to Sections A, B, C, D, E, F, G and H.

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 (optional cover).
- crisis communication
- contract & debt recovery. (optional cover).

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.

We understand the varied and many legal systems that exist and are expert in advancing the concept of legal insurance by offering innovative products and services.

Our mission from the very beginning has always been to enable every citizen to be able to assert their legal rights. Our pioneering spirit has made us successful in an international market environment.

Our ethos is to work in partnership with our clients, listening to your expectations. With ARAG, there is no need to put your business on hold.

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
3. We will issue you with a written acknowledgement within one working day of

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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) IR35following 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.

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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 prosecutewhere 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.

OPTIONAL COVER

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

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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.
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.

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)
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 WHICH APPLY TO THE WHOLE OF 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
- c) take reasonable steps to claim back **legal costs & expenses** and, where recovered, pay them to the **insurer**
- d) keep **legal costs & expenses** as low as possible
- e) 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 interestthe **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

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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 1

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.

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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**.

General Conditions – not applicable to Section I

These conditions are to be read in conjunction with those in Section C

1. Observance

The observance and fulfilment of the terms and conditions of this **Certificate** by the **Insured** insofar as they relate to anything to be done or complied with by the **Insured** shall be a condition precedent to any liability of the Underwriters to make any payment under this **Certificate**.

2. Misrepresentation Misdescription or Non-disclosure

You must make a fair presentation of the risk in a manner which would be reasonably clear and accessible before entering into this Policy including If You knew You did not provide a fair presentation of the risk or if You did not care whether You made a fair presentation of the risk We may avoid this Policy and retain all premiums and You shall reimburse Us in respect of all payments already made by Us

In all other cases if You did not provide a fair presentation of the risk Our rights are set out below

- 1) if We would not have entered into this Policy if You had made a fair presentation of the risk We may avoid this Policy and return all premiums to You and You shall reimburse us in respect of all payments already made by Us
- 2) if We would have entered into this Policy but on different terms other than as to premium this Policy will be treated as if it had been entered into on those different terms
- 3) in addition if We would have entered into this Policy but would have charged a higher premium We may reduce proportionately the amount to be paid on any claim by reference to the calculation below in which "X" represents the percentage of the full value of the claim that We shall be required to pay
$$X = \text{premium charged} \div \text{the premium that would have been charged if You made a fair presentation of the risk all multiplied by } 100$$

3. Material Alteration

This **Certificate** will become voidable if:

- a) there is any alteration in the risk whereby the risk of **Injury**, liability or **Damage** is increased;
- b) the **Business** is wound up or carried on by a liquidator or receiver or permanently discontinued;
- c) the interest of the **Insured** ceases other than by will or operation of the law unless the underwriters agree in writing to continue the insurance.

4. Fraud

If any claim under this Policy is in any respect fraudulent or if any fraudulent means be used by You or anyone acting on Your behalf to obtain any benefit under this Policy or if any Damage be occasioned by the wilful act or with Your connivance We may terminate this Policy with effect from date of the fraudulent or wilful act and We shall not be liable to provide an indemnity in respect of the claim and will be entitled to recover any amounts already paid in respect of the claim and We shall not be liable to provide an indemnity in respect of any act event claim or incident after such date and We shall be entitled to retain all premiums paid in respect of the Policy

5. Notification and Claims Procedure

In the event of any occurrence that may give rise to a claim under this **Certificate** the **Insured** must:

- a) notify the broker that the policy was taken out with so that the broker can advise Underwriters immediately;
- b) take all practical steps to recover property lost, minimise **Damage**, avoid interruption of the **Business** and prevent further **Injury** or **Damage**;
- c) advise the police immediately in respect of malicious **Damage**, theft or loss of **Money** or other property;
- d) at the **Insured's** own expense deliver to Underwriters:
 - i) within 30 days (7 days in the case of riot, civil commotion or malicious **Damage**) or such further time as Underwriters may in writing allow, a claim in writing, giving full particulars of the accident, **Injury** or property

- ii) every document or information as to any verbal notice of claim and all proceedings;
 - iii) any evidence and information that may be required together with (if demanded) a statutory declaration of the truth of the claim or any matters connected with it,
- e) give to Underwriters any required assistance and forward all documents to enable Underwriters to settle, investigate or resist any claim as underwriters may think fit;
 - f) not incur any expense or make any admission of liability without the written authority of Underwriters.

In respect of any claim made under this **Certificate**, Underwriters will be entitled to use the name of the **Insured** in legal proceedings but will not be under any obligation to undertake the conduct of any proceedings in connection with claims of the **Insured**. Underwriters will also be at liberty to leave the conduct of proceedings entirely to the **Insured** subject to the conditions regarding payment of costs.

No claim under this **Certificate** will be paid unless the terms of this condition have been complied with and in the event of non-compliance any payment on account of the claim which has already been paid will be repaid to underwriters.

6. Reinstatement of Property (not applicable to section H)

If Underwriters elect or become bound to reinstate or replace any property the **Insured** must at his expense produce and give **Insurers** any plans, documents, books and information that Underwriters may require. Underwriters will not be bound to reinstate exactly or completely, but only as circumstances permit and in a reasonably sufficient manner and will not in any case be liable in respect of any one of the items **Insured** for more than the sum **Insured** or limit of indemnity of that item.

7. Underwriters' Rights (not applicable to section H).

As a result of any **Damage** for which a claim is or may be made under this **Certificate** the

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Underwriters and every person authorised by the Underwriters may without incurring any liability and without diminishing the right of Underwriters to rely upon any conditions of the **Certificate**:

- a) enter, take or keep possession of the buildings or premises where the **Damage** has occurred;
- b) take possession of or require to be delivered to Underwriters any of the items **Insured**;
- c) keep possession of and deal with the property for all reasonable purposes and in any reasonable manner.

This condition will be evidence of the **Insured's** permission and licence for Underwriters to do so. If the **Insured** or anyone acting on his behalf does not comply with Underwriters requirements, hinders or obstructs Underwriters in carrying out any of these acts then all benefits under this **Certificate** will be forfeited.

The **Insured** will not in any case be entitled to abandon any property to Underwriters whether taken possession of by Underwriters or not.

8. Contribution

If at the time of any claim under this **Certificate** there is any other insurance covering the same risk or any part of the risk Underwriters will not be liable for more than their rateable portion.

If the other insurance is subject to any condition of average this **Certificate** if not already subject to any condition of average will be subject to average in the same manner.

9. Subrogation

Any claimant under this **Certificate** must permit any action that may be required by Underwriters in order to enforce any rights and remedies or obtain relief or indemnity from other parties which Underwriters become entitled to, upon Underwriters paying for or making good any **Damage** under this **Certificate**, whether the action is or becomes necessary before or after their indemnification by Underwriters.

10. Arbitration

If any difference arises concerning the amount to be paid under this **Certificate** (liability being otherwise admitted) the difference will be referred to an arbiter, to be appointed by the parties in accordance with the statutory provisions in force at that period of time.

Where any difference in accordance with this condition is referred to arbitration, the making of any award will be a condition precedent to any right of action against Underwriters.

11. Conditions Precedent & Warranties

It is a condition precedent to Our liability that You comply with all terms, conditions and exclusions of this Policy, insofar as they relate to anything to be done or complied with by You.

Where:

- (i) there has been a failure to comply with a term (express or implied) of this Policy, other than a term which defines the risk as a whole;

and

- (ii) compliance with such term would tend to reduce the risk of loss of a particular kind and/or loss at a particular location and/or loss at a particular time, the Insurer cannot rely on the breach of such term to exclude, limit or discharge its liability if the Insured shows that the failure to comply with such term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred."

If You breach any warranty in this Policy, Our liability under the Policy shall be suspended from the time of the breach until the time when the breach is remedied (if it is capable of being remedied). We will have no liability to the Insured for any loss which occurs, or which is attributable to something happening, during the period when the Insurer's liability is suspended.

12. Cancellation

Underwriters may at any time during the **Period of Insurance** cancel this **Policy** by giving 14 days written notice to the **Insured** at the address shown on the **Schedule** but without prejudice to obligations incurred prior to the expiry of such notice.

Underwriters will return to the **Insured** a proportionate part of the premium paid minus an administration fee.

13. Reasonable Precautions

The **Insured** must take all reasonable precautions to prevent accidents or **Damage**. Further, the **Insured** must ensure that all locking and or

fastening devices including alarm (if any) fitted for the protection of the items insured are brought into operation whenever the premises are closed for **Business** or vehicles containing items insured are left unattended.

14. Additional Interests

The interest of other parties in this insurance is noted if stated in the **Schedule** or in any endorsement attaching to this **Policy**.

15. Change In Circumstances

The **Insured** must advise Underwriters immediately of any change in the **Business** or address of the **Insured**.

General Exclusions – not applicable to Section I

These conditions are to be read in conjunction with those in Section C.

Underwriters shall not indemnify the **Insured** for:

1. a) loss or destruction of or **Damage** to any property whatsoever or any loss or expense whatsoever resulting or arising there from or any consequential loss;
- b) any legal liability of whatsoever nature directly or indirectly caused by or contributed to by:
 - i) ionising radiations or **Contamination** by radioactivity from any radioactive 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.
2. any 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;
3. loss or destruction of or **Damage** to any property directly occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or super sonic speeds;
4. loss, **Damage** or destruction caused by **Pollution or Contamination** except (unless otherwise excluded) destruction of or

Damage to the property insured caused by:

- a) **Pollution or Contamination** which itself results from a peril hereby insured against;
 - b) any peril hereby insured against which itself results from **Pollution or Contamination**,
5. loss, **Damage** or destruction attributable solely to a change in the water table level;
 6. **Cyber Exclusion Clause.**

Electronic Data Exclusion

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

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

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

Computer Virus 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'.

- b) However, in the event that a peril listed below results from any of the matters described in paragraph a) above, this **Certificate**, subject to all its terms, conditions and exclusions, will cover physical **Damage** occurring during

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the **Certificate** period to property insured by this **Certificate** directly caused by such listed peril.

Listed Perils

Fire

Explosion

7. Electronic Data Processing Media Valuation

Notwithstanding any provision to the contrary within the **Certificate** 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 **Certificate**, 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 **Certificate** does not insure any amount pertaining to the value of such Electronic Data to the **Insured** or any other party, even if such Electronic Data cannot be recreated, gathered or assembled.

8. Terrorism Exclusion Clause For Contamination And Contingent Business Interruption

- a) It is agreed that, regardless of any contributory causes, this **Certificate** does not cover any loss, **Damage**, cost or expense directly or indirectly arising out of biological or chemical **Contamination** due to any act of **Terrorism**. For the purpose of this exclusion "**Contamination**" means the **Contamination**, poisoning, or prevention and/or limitation on the use of objects due to the effects of chemical and/or biological substances.
- b) It is further agreed that, regardless of any contributory causes, this **Certificate** does not cover any loss, **Damage**, cost or expense directly or indirectly arising out of:
 - i) any **Business** interruption, losses, resulting from customers and suppliers

- ii) extension, or denial of access;
- ii) loss, **Damage**, cost or expenses directly or indirectly arising out of any service interruption (e.g. power, gas, water, communications) due to any act of **Terrorism**.

For the purpose of this endorsement 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 or in connection with any organisation(s) or government(s), committed for political, religious, ideological, or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public in fear.

9. Biological And Chemical Contamination Exclusion

Underwriters will not pay for:

- a) loss or destruction of or **Damage** to any property whatsoever, or any loss or expenses whatsoever resulting or arising therefrom or any consequential loss;
- b) any legal liability of whatsoever nature;
- c) 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:
 - i) **Terrorism** and/or
 - ii) 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:

- i) the causing, occasioning or threatening of harm of whatever nature and by whatever means;
- ii) 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.

10. Terrorism Exclusion Endorsement

Notwithstanding any provision to the contrary within this **Certificate** or any endorsement thereto it is agreed that this insurance excludes 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 endorsement 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 endorsement also excludes 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**.

If the Underwriters 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 endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

11. Northern Ireland Overriding Exclusion Applicable To Insurances Relating To Property In Northern Ireland Other Than Private Dwellings

Notwithstanding anything in this **Certificate** or in any extensions thereof, it is hereby declared and agreed that as an exclusion overriding all other terms (including the nature and terms of perils insured against) this **Certificate** does not cover loss or destruction of or **Damage** to any property in Northern Ireland or loss resulting therefrom caused by or happening through or in consequence of:

- i) civil commotion;
- ii) any unlawful, wanton or malicious act

committed maliciously by a person or persons acting on behalf of or in connection with any unlawful association.

“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.

“**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 Underwriters allege that by reason of the provisions of this exclusion any loss, destruction or **Damage** is not covered by this **Certificate** the burden of proving that such loss, destruction or **Damage** is covered shall be upon the **Insured**.

This overriding exclusion applies to this **Certificate** and to extensions thereof, whether such extensions be issued before or after this overriding exclusion except only if an extension be issued hereafter which expressly cancels this overriding exclusion.

12. Asbestos Endorsement

a) This insurance only insures **Asbestos** physically incorporated in an insured building or structure, and then only provides indemnity in respect of that part of the **Asbestos** which has been physically damaged during the period by one of these insured perils: Fire, Lightning, Explosion, Aircraft, Riot or Civil Commotion, Earthquake, Subterranean Fire, Storm, Tempest or Flood, Escape of Water, Impact.

This coverage is subject to all limitations in the **Policy** to which this endorsement is attached and in addition to each of the following specific limitations:

1. the said building or structure must be insured under this insurance for **Damage** by a Listed Peril;
2. the Listed Peril must be the immediate sole cause of the **Damage** to the **Asbestos**;

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3. the **Insured** must report to the Underwriters the existence and cost of the **Damage** as soon as practicable after the Listed Peril first damaged the **Asbestos**. However this insurance does not insure any such **Damage** first reported to the Underwriters more than 12 (twelve) months after the expiration, or termination, of the **Period of Insurance**;
 4. this insurance shall provide no cover (whether for physical **Damage**, **Business** interruption, delay of repair or other consequential loss) in respect of:
 - i) wear and tear or inherent defect, quality or vice in or of any **Asbestos**;
 - ii) any compliance with or breach of any legal or other duty or obligation (including without limitation any duty arising from any contract or statute, or any instruction, request or order of any court or governmental or regulatory authority) of any person in conjunction with the design, manufacture, installation, use, retention, treatment, management, repair, replacement or removal of any **Asbestos** (damaged or otherwise); or
 - iii) any **Asbestos** which the Listed Peril has not physically damaged,
 - b) except as set forth in the foregoing Part a) of this endorsement, this insurance does not insure **Asbestos** or any interest relating thereto.
- 13. 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 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;
 - 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 but in no event shall it include accidental **Damage** or the equivalent coverage provided by 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 **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 property of the **Insured** or not.

Special Conditions and Warranties applying to this Certificate – but not applicable to Section C other than No. 8 or Section I

It is a condition precedent to liability under this **Policy** that:

1. a) all water tanks must be protected as recommended by the manufacturer and all water pipes must be suitably lagged and these protections and the whole of the protections provided for the safety of the insured property including roller shutters, grilles and any alarm system so installed shall be maintained in good order throughout the currency of this insurance and they shall be in full and effective operation at all times when the premises are closed for **Business** and at all other appropriate times, including when the premises are left unattended, and that such protections shall not be withdrawn or varied to the detriment of the interest of the **Insurers** without their consent;
- b) all keys and duplicate keys relative to the above protections are removed from the premises when the premises are closed for **Business**, and at all other appropriate times, including when the premises are left unattended;
- c) any alarm system is maintained under a maintenance agreement with the alarm company;
- d) The **Insured** must have any flat roofed areas of the buildings constructed of timber/felt inspected at intervals not

exceeding 24 months by a qualified builder and any defects found must be immediately repaired.

All defects occurring in any protections must be promptly remedied

2. a fire blanket and at least one of the following units of fire extinguishing appliances or such alternative appliances as agreed by us must be kept near the cooking facilities and be maintained in effective working order throughout the **Period of Insurance**:
 - 1 x 6 kg wet chemical
 - 1 x 4.5 kg dry powder
 - 2 x 2 kg CO₂
 - 1 x 9 litre foam
3. a) All extraction hoods, canopies, filters, and fat/grease traps must be inspected and cleaned at least once every 7 days.
- b) All ducting reasonably accessible to the **Insured** for visible inspection must be inspected internally at least once every 7 days and any accumulation, whether internal or external, of grease, fats or oil cleaned away;
4. at intervals not exceeding 12 months, the **Insured** must use specialist cleaning contractors to clean all parts of the ducting, including those parts not reasonably accessible to visible inspection by the **Insured**, the extraction motor and housing;
5. suitable receptacles with lids:
 - a) shall be used to store waste and batter scraps prior to disposal;
 - b) containing waste and batter scraps shall be removed from the premises at the end of each frying session and shall be placed in the garden or yard of the buildings,
6. the extractor fan shall be serviced annually by a specialist contractor;
7. whenever a wok is being used for the heating of oil or during cooking it shall never be left unattended by the operator;
8. in respect of Deep Fat Frying Ranges the following additional warranties are further conditions precedent to liability under the **Policy**:
 - a) the frying apparatus within the premises

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shall be securely fixed and free from contact with any combustible materials;

- b) the equipment must be fitted with thermostatic automatic cutouts which prevent the temperature of fat oil exceeding 205 degrees Centigrade (401 degrees Fahrenheit);
- c) the pans shall be fitted with metal lids which can be shut down in the event of fire unless specifically accepted in writing by **Us**;
- d) oil or fat sumps shall be emptied and cleaned at least once every 7 days;
- e) the Deep Fat Frying Range must be serviced and cleaned at least once every 12 months by an Independent Qualified Contractor. The service must include the full inspection and cleaning of the Deep Fat Frying Range, of all ducting, both externally and internally from the Deep Fat Frying Range to sumps/drip trays, including manifolds, of the ducting from the sump/drip trays through to the extractor motor, of the extractor motor impeller and its housing and of the ducting beyond. Further, the **Insured** must maintain a written record of all such inspections and cleaning and secure **Certificates** from any such contractor;
- f) all cleaning/service **Certificates** and records must be kept in a safe location away from the premises for inspection at any time by **Us**;
- g) pans must contain an adequate amount of frying medium at all times to ensure that cut-out thermostats are effective.

9. Minimum Protections Warranty

It is warranted that all exit doors have a minimum protection of a 5 lever mortice deadlock fitted with box steel striking plates at least 10 centimetres conforming to BS3621. Alternatively an automatic deadlocking rim lock or substantial padlock bar and staple secured by an approved five lever close shackle padlock can be fitted. Barrel bolts top and bottom must be fitted unless the door is the final exit.

For aluminium doors a mortice hook bolt such as Adams Rite is acceptable.

All accessible windows are to be barred or fitted with key operated window locks or fixed permanently shut;

10. it is a condition that all items of stock insured stored on the premises are stored on suitable racks, shelves or stillages not less than 10 centimetres above floor level;
11. it is warranted that no portable LPG heating be used on the **Insured's** premises.

Where the obligations above reduce the risk of a loss of a particular kind, at a particular location and/or at a particular time do not define the risk as a whole, we shall not rely on any non-compliance to prevent our liability under the terms of this Policy if the non-compliance could not have increased the risk of the loss which actually occurred whilst You are not in compliance with the obligations above. We shall not be liable to provide an indemnity in respect of any act event claim or incident occurring whilst You are not in full compliance with the obligations above

Extensions to the Certificate applicable only if shown in the Schedule

E1 Householders Contents

The definition of household contents under Section A – Material Damage is as follows:

Household goods and all other personal property, tenants fixtures and fittings including fixed radio and television aerials, satellite dishes, their fittings and masts, all of which are owned by or are the legal responsibility of the **Insured** or of any permanent member of the **Insured's** household. Excluding:

- a) motor vehicles (other than domestic gardening implements), caravans, trailers or water craft, and accessories attached thereto;
- b) livestock;
- c) any part of the buildings;
- d) any property specifically insured against the perils covered hereby under any other insurance.

Underwriters' liability in respect of each private dwelling and elsewhere as herein after defined shall not exceed during the period of this insurance:

- i) £300 in respect of property in the open but situated within the premises;
- ii) £100 in respect of cash, currency, bank notes, credit cards or negotiable documents;
- iii) £500 in respect of deeds, registered bonds and other personal documents;
- iv) £500 in respect of stamps or coins forming part of a collection;
- v) £3,000 in respect of gold, silver, gold and silver plated articles, jewellery and furs;
- vi) £500 in respect of domestic fuel, oil in fixed tanks;
- vii) £1,000 in respect of any one item of gold, silver, gold and silver plated articles, jewellery and furs.

E2 Subsidence, Ground Heave or Landslip

Section A – Material Damage is extended to cover **Damage** arising from subsidence, ground heave or landslip of any part of the site on which the property stands excluding:

- a) **Damage** to any paths, drives and other surfaced areas, walls, gates and fences unless the building itself is damaged at the same time by the same peril;
- b) **Damage** resulting from:
 - i) the normal settling or bedding down of new structures;
 - ii) the settlement or movement of made up ground;
 - iii) coastal or river erosion;
 - iv) defective design or workmanship or the use of defective materials;
 - v) fire, subterranean fire, explosion, earthquake or escape of water from any tank, pipe or apparatus,
- c) **Damage** which commenced prior to the inception of this cover;
- 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 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 or landslip is increased by reason of demolition, groundworks, excavation or construction being carried out on the same or adjoining sites.

E3 Day One Extension

Any payment under this clause is subject to the Special Conditions below. The amount payable under this clause in respect of buildings will be the cost of reinstatement of the property sustaining **Damage**.

For the purposes of this clause:

Reinstatement will mean:

- a) The rebuilding or replacement of property sustaining **Damage** which, provided **Insurers** liability is not increased, may be carried out:
 - i) in any manner suitable to **Your** requirements;
 - ii) upon another site,
- b) the repair or restoration of property sustaining **Damage**

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

Declared Value will mean:

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

- a) the additional cost of reinstatement to comply with Public Authority requirements;
- b) professional fees;
- c) debris removal costs.

Special Conditions

1. At the inception of each **Period of Insurance** **You** will notify **Us** of the declared value of the property **Insured** by each of the stated items. In the absence of such declaration the last amount declared (adjusted to reflect index-linking where applicable) will be taken as the declared value for the ensuing **Period of Insurance**;

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2. if at the time of **Damage** the declared value of the property covered by an item is less than the cost of reinstatement at the inception of the **Period of Insurance** then **Insurers** liability for the **Damage** will not exceed that proportion thereof which the declared value bears to such cost of reinstatement;
3. where the property sustains **Damage** in part only **Insurers** liability for repair or restoration will not exceed the amount which would have been payable had the property been totally destroyed;
4. no payment beyond the amount which would have been payable in the absence of this clause will be made:
 - a) unless reinstatement commences and proceeds without unreasonable delay;
 - b) until the cost of reinstatement has been actually incurred;
 - c) if the property **Insured** at the time of its **Damage** is insured by any other insurance effected by **You** or on **Your** behalf which is not upon the same basis of reinstatement,
5. all the terms and conditions of the **Policy** will apply:
 - a) in respect of any claim payable under the provisions of this clause except as otherwise stated;
 - b) where claims are payable as if this clause had not been incorporated except that the sums **Insured** will be limited to that percentage of the declared values which the premium paid bears to that which would have been paid had this clause not been incorporated,
6. **Insurers** liability in respect of each item shall not exceed 120% of its Sum **Insured**.

Warranties & Conditions applicable only if shown in the Schedule

W1 Play Equipment Condition

Underwriters shall have no liability under this **Policy** to provide any indemnity or benefit for any legal liability under Section C arising from:

- the use of play equipment owned or operated by the Insured by those over the age of 13;
- use of inflatable play equipment

It is a condition precedent to liability under this

Policy that all children's play equipment is maintained to a safe standard and that signs are in place notifying parents/guardians that the equipment is not supervised by the **Insured** and that children remain the responsibility of their parent/guardian.

W2 Unoccupied Property

It is hereby noted and agreed that until such time as the **Insured** is operating the business this insurance policy is restricted to Section A, Fixtures and Fittings and Section C to Property Owners liability only.

Cover under Section A will also exclude loss or damage resulting from Theft, Malicious Damage and Accidental Damage.

Cover would also exclude any loss or damage caused by workmen refurbishing the property.

All other policy terms and conditions remain unaltered.

W3 Seasonal Closure

It is hereby noted and agreed that whilst the shop premises are closed during the off season the following conditions/warranties will apply to the shop area of the premises:

- notwithstanding anything contained herewith it is hereby understood and agreed that coverage herein will exclude loss or damage resulting from malicious persons, theft or accidental damage;
- warranted premises secured against illegal entry;
- warranted that the premises are kept heated to a minimum of 4 degrees celsius;
- Warranted premises shall be kept clear of all loose combustible materials;
- warranted assured and/or his agent to visit premises once per week and carry out any work necessary to maintain security. A record of these visits are to be kept for Underwriters inspection if so required.

W4 Partial Unoccupancy Warranty

The following warranties and conditions will apply to the unoccupied proportion of the premises :-

- Notwithstanding anything contained herewith it is hereby understood and agreed that coverage herein is limited to fire, lightning, explosion, aircraft only.
- Warranted premises secured against illegal entry.

- Warranted all letter boxes shall be sealed to prevent insertion of material.
- Warranted premises shall be kept clear of all loose combustible materials.
- Warranted assured and/or his agent to visit premises once per week and carry out any work necessary to maintain security. A record of these visits are to be kept for Underwriters inspection if so required.
- Warranted excluding loss or damage arising out of building operations, refurbishment or renovation.
- An excess of £500 each and every loss applies.

W5 Unoccupancy Warranty Wider Perils

The Unoccupancy Conditions/Warranties contained within the Policy Conditions are replaced by the following:-

It is a condition precedent to liability that when any building (or part thereof) are untenanted or **Unoccupied**;

- a) all gas, water and electricity mains supplies will be kept disconnected (except those supplies required to maintain automatic sprinkler installations, lighting or alarm systems which are to remain in operation for security or fire protection purposes)
- b) all water tanks, apparatus, pipes and heating other than those connected to automatic sprinkler systems must be drained down
- c) all reasonable precautions are taken to ensure that the buildings are secure against entry by intruders including:
 - i) securely locking and fastening all doors and windows
 - ii) any letter boxes being sealed
 - iii) setting all security and alarm protections in full operation and ensuring that the protections are in proper working order
- d) all waste refuse and other disused combustible materials will be cleared from the building and removed from the **Premises** at least once a week
- e) tanks containing fuel or other flammable liquids must be drained and purged within 7 days of the **Buildings** becoming **Unoccupied**
- f) the **Buildings** must be inspected at least once every 7 days by the **Insured** or the **Insureds** nominee in order to inspect the

Premises both internally and externally and to carry out any work necessary to maintain the above security arrangements. A record will be kept of such inspections

- g) notice is to be given to **Underwriters** when any untenanted or **Unoccupied** building (or part thereof) is again occupied

Underwriters shall not be liable for any **Damage** or **Injury** arising out of or in connection with any works of alteration demolition refurbishment or renovation.

Policy Exclusion 10 is hereby deleted.

Defined Perils are hereby restricted to fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood or impact by any road vehicle or animal, falling trees, branches and falling aerials.

W6 Live Entertainment and Disco Exclusion

Underwriters shall have no liability under this Policy to provide any indemnity or benefit for any legal liability, directly or indirectly resulting from or in consequence or the provision of discos and/ or live entertainment of any nature.

W7 Identity of Insurers

Argo Direct Limited

Argo Direct Limited on behalf of ArgoGlobal SE. Argo Direct Limited is registered in England and Wales. No. 4019569. Registered Address: Exchequer Court, 33 St Mary Axe, London, EC3A

AIG Europe Limited

AIG Europe Limited is registered in England: company number 1486260. Registered address: The AIG Building, 58 Fenchurch Street, London EC3M 4AB.

Cov ea Insurance plc

Covea Insurance plc, Registered in England and Wales No.613259. Registered office, Norman Place, Reading, RG1 8DA

Argo Direct Limited is authorised and regulated by the Financial Conduct Authority.

ArgoGlobal SE is authorised by the Malta Financial Services Authority to carry on General Insurance Business under the Insurance Business Act, 1998. AIG Europe Limited and Covea Insurance plc are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

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Complaints

Policyfast Limited and its associate company City Underwriters Limited take pride in providing a first class service to all **Our Policyholders**, however occasionally an enquiry or a complaint may arise, often as a result of misunderstanding, which will usually be resolved quickly and efficiently to **Our Policyholders** satisfaction.

If **You** have a Complaint which relates to either **Your Policy** or to a claim which **You** have submitted under **Your Policy** then please raise this in the first instance with **Your** broker who will aim to resolve **Your** concerns by close of the next business day.

If **Your** broker is unable to deal with **Your** concerns the matter will be forwarded onto **Your Insurer** via **Your** Insurance provider, who is:-
City Underwriters Limited,
24 Lime Street,
London,
EC3M 7HS.

Whilst reviewing **Your** complaint **Your Insurer** will:

- Acknowledge **Your** complaint promptly
- Investigate **Your** complaint quickly and thoroughly
- Keep **You** informed of the progress of your complaint
- Do everything possible to resolve **Your** complaint

Your Insurer is obliged to provide **You** with a written offer of resolution within 8 weeks of the date **Your** complaint was received. If **You** are unhappy with the final decision made by **Your Insurer**, **You** may be eligible to refer **Your** case to the Financial Ombudsman Service (FOS). The FOS is an independent body that arbitrates on complaints.

The FOS can be contacted at the following address:

Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London
E14 9SR.

Telephone: 0800 0234567 (for landline users)
Telephone:0300 1239123 (for mobile users)

Email: complaint.info@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk
You have six months from the date of the final response from **Your Insurer** to refer **Your** complaint(s) to the FOS. This does not affect **Your** right to take legal action, however, the FOS will not adjudicate on any case where litigation has commenced

Financial Services Compensation Scheme

Policyfast Limited, City Underwriters Limited and all of the **Insurers** are members of the Financial Services Compensation scheme. **You** may be entitled to compensation from this scheme if we cannot meet our obligations, depending on the type of insurance and the circumstance of **Your** claim. Further information about the scheme is available from the FSCS website www.fscs.org.uk or write to:

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

You can check the details on the Financial Conduct Authority Register by visiting the FCA website:

www.fca.gov.uk/register or by contacting the FCA on 0845 606 1234.

Version Date 01.08.2017



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