

Residential Property Owner's Policy Wording



UNDERWRITTEN BY

Allianz 

Residential Property Owners Policy Wording

Arranged by

touchstone
underwriting 



Your Insurance Specialist

Thank you for choosing Touchstone Underwriting Ltd (Touchstone) to arrange your policy.

Touchstone are part of the Seventeen Group who are a multi disciplined insurance, risk management and financial services organisation.

Touchstone are a Financial Conduct Authority (FCA) regulated Managing General Agent (MGA), underwriting on behalf of many major insurance company partners.

We work in partnership with your insurer and insurance advisor to ensure that you receive the highest levels of product and service excellence.

Your Insurer

This policy is underwritten by Allianz Insurance plc (Allianz).

Allianz are one of the largest general insurers in the UK and part of the Allianz Group, one of the world's foremost financial services providers.

With Allianz, you can be confident that you're insured by a company which is relentless in its commitment in protecting and serving you. You can trust us to insure your business as we have been providing leading insurance solutions in the UK for over 100 years.

If you need to make a claim you will be in safe hands. Our professionally trained staff aim to treat you, as you would expect, both promptly and fairly. By listening to you, and understanding your needs we will provide you with the most appropriate solutions to get your business trading again as quickly as possible.

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Important

This document provides details of your policy and the terms and conditions that apply.

Please read it carefully and keep it in a safe place.

Introduction

Your Residential Property Owner Policy is made up of several parts which must be read together as they form your contract of insurance with the Insurer. Please take time to read all parts of the Policy to make sure they meet and continue to meet your needs and that you understand the terms, exclusions and conditions. If you wish to change anything or if there is anything you do not understand, please let your insurance adviser know.

The parts of the Policy are:

- the Statement of Fact
- this Policy Wording which contains
 - this Introduction; the Insuring Clause; the Policy Definitions, the Policy Exclusions and the Policy Conditions, all of which apply to all Sections of the Policy
 - the Sections of cover provided, including the Section Definitions, Extensions, Conditions and Exclusions
- the Schedule, which confirms the Sections of cover that are insured and includes any additional clauses applied to the Policy

Any Section stated to be 'Not Insured' in the Schedule shall be inoperative.

Any word or expression in the Policy which has a specific meaning has the same meaning wherever it appears in the Policy, unless stated otherwise.

Changes to your circumstances

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

Please refer to Policy Condition 16 (Change of Risk) on page 11 of this Policy.

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

Financial Services Compensation Scheme

Allianz Insurance plc contributes to the Financial Services Compensation Scheme (FSCS).

The Insured may be entitled to compensation from the FSCS if the Insurer is unable to meet their liabilities. Further information about compensation scheme arrangements is available at www.fscs.org.uk, by emailing enquiries@fscs.org.uk or by phoning the FSCS on 0800 678 1100 or 0207 741 4100.

How to Make a Claim

If You need to claim, please contact your insurance adviser in the first instance or alternatively you may contact Touchstone Underwriting as follows:

Post: Touchstone Underwriting Limited, Meridien House,
71 Clarendon Road, Watford WD17 1DS

Or You can notify Allianz Insurance plc of a claim by:

Telephone: **Property Claims - 0344 412 9988**
Liability Claims - 0344 893 9500

Post: Claims Division, Allianz Insurance plc, 500 Avebury Boulevard,
Milton Keynes MK9 2XX

Our claims helpline is available 24 hours a day, 7 days a week.

If you have a Commercial Legal Expenses claim you can notify Allianz Legal Protection by contacting the Lawphone Legal Advice Helpline on **0344 873 0246** quoting the Master Policy reference shown in the policy schedule.

Post: The Claims Department
Allianz Legal Protection
2530 The Quadrant
Aztec West
Almondsbury
Bristol
BS32 4AW

Lines are open 24 hours a day, 7 days a week.

Please try to notify us of a claim promptly after the incident, or immediately in the event of a serious accident, loss or damage.

Claims Details

Please have the following information available, where possible, when making a claim:

Property Claims

- Your contact information, including address and telephone numbers
- Policy type and Insurer Unique I.D.
- Date the loss occurred
- Location and description of the loss

Injury Claims

- Your contact information, including address and telephone numbers
- Policy type and Insurer Unique I.D.
- Date the loss occurred
- Name and address of injured party
- Description of the injury, where and how it occurred

Commercial Legal Expenses Claims

- Your contact information, including address and telephone numbers
- Master Policy reference shown in the policy schedule under Section 6 - Commercial Legal Expenses
- Brief summary of the problem

What to expect when making a claim

We aim to deal with your claim promptly and fairly. We will update you on the progress of your claim by email, mail or by phone – whichever you prefer.

Depending on the type of claim and value involved, we may:

- forward a claim form for you to complete and sign
- ask you for additional information
- appoint an independent loss adjuster to deal with your claim (loss adjusters are claims specialists who investigate large or complex claims, usually at the scene of an incident, to establish the cause of the loss and assist the insurer in dealing with your claim)
- arrange for a member of our claims team to visit you

Commercial Legal Expenses

In addition to the above, the following will apply to enable Allianz Legal Protection to deal with a claim under the Commercial Legal Expenses section:

- we will forward you a claim form for you to complete and sign
- we will require a copy of your policy schedule
- once we have received your claim form and determined whether your claim falls within the cover provided we will contact you to request the payment of any excess due. We will also contact you to request payment of the excess if we agree to your request to appoint an alternative legal representative. Please note we will not appoint a legal representative until the excess payment due in respect of a claim has been paid

- legal expenses are only covered from the time we have accepted the claim and appointed the legal representative in your name and on your behalf. You must not appoint a legal representative. If you have already seen a solicitor before we have accepted your claim, we will not pay any fees or other expenses that you have incurred
- other than where we incur legal expenses in order to validate a claim, if we decline a claim following receipt of the claim form, policy schedule and excess payment, we will refund the excess payment
- where we necessarily incur unrecoverable legal expenses during the claim validation process, or you are unable to recover legal expenses at the end of the claim, if the unrecovered legal expenses incurred are less than the excess payment received, we will refund you the difference between the two figures

Helpful advice when making a claim

Your insurance policy comes with a number of great features to help keep your business up and running. These additional features do not come with standard policies and have been designed especially for small businesses in mind.

Keeping your business up and running

- in the event of an emergency, we will send out a repairer to make your premises secure within 24 hours – even during the night
- you should carry out any emergency action to protect your property from further damage (e.g. turning off main services) or to make it waterproof or secure. If emergency work has been completed on your own authority please contact us before permanent repairs begin
- we will be pleased to provide advice and assistance to find the right person or organisation to help you. We have a nationwide network of quality trade people on call to get you up and running. For large incidents, we will usually assign a loss adjuster who will manage your repairs and has the authority to authorise repairs up to £50,000
- please do not dispose of damaged items before we have had the opportunity to inspect them
- you should report to the Police any loss or damage from theft, arson, malicious damage, or riot or civil commotion and obtain a crime reference number from them
- if you do incur any charges, please retain the bills as these may form part of your claim

You should comply with the requirements for claim notification contained in the policy conditions, which detail your obligations and our rights in the event of a claim. If you are in any doubt please contact us.

Employees

We understand how important your employees are to your business. This is why, in the unfortunate event of serious injury to your employees, we provide a medically trained rehabilitation team to work with your employees, getting them back to health and back to work as quickly as possible.

If an employee or someone else is holding you responsible for injury to them or for damage to their property then you should tell us promptly and send any letters, writs or summons to us unanswered.

Please ensure that your responsibility for injury to someone or damage to their property is not discussed with or admitted to anyone else.

Following a claim

After a claim, it may be helpful for you to review your insurance risks and how well your business is managing them. Risk Director allows you to identify and manage the risks that are most pertinent to your business. The range of tools and templates available online make risk management quick and easy. Risk Director can be accessed at www.riskdirector.co.uk

Complaints Procedure

Our aim is to get it right, first time every time. If you have a complaint we will try to resolve it straight away but if we are unable to we will confirm we have received your complaint within 5 working days and do our best to resolve the problem within 4 weeks. If we cannot we will let you know when an answer may be expected.

If we have not resolved the situation within 8 weeks we will issue you with information about the Financial Ombudsman Service (FOS) which offers a free, independent complaint resolution service.

If you have a complaint, please contact our Customer Satisfaction Manager at:

Customer Satisfaction Manager
Allianz Insurance plc
57 Ladymead
Guildford
Surrey
GU1 1DB

Telephone number: **01483 552438**

Fax Number: **01483 790538**

Email: accscm@allianz.co.uk

You have the right to refer your complaint to the Financial Ombudsman, free of charge – but you must do so within 6 months of the date of the final response letter.

If you do not refer your complaint in time, the Ombudsman will not have our permission to consider your complaint and so will only be able to do so in very limited circumstances. For example, if the Ombudsman believes that the delay was as a result of exceptional circumstances.

The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Website: www.financial-ombudsman.org.uk

Telephone: 0800 023 4567 or 0300 123 9123

Email: complaint.info@financial-ombudsman.org.uk

Using our complaints procedure or contacting the FOS does not affect your legal rights.

The European Commission has an online dispute resolution service for consumers who have a complaint about a product or service bought online. If you choose to submit your complaint this way it will be forwarded to the Financial Ombudsman Service.

Visit <https://ec.europa.eu/odr> to access the Online Dispute Resolution Service. Please quote our e-mail address: accscm@allianz.co.uk

Alternatively, you can contact the Financial Ombudsman Service directly.

Insuring Clause

In consideration of payment of the premium the Insurer will indemnify or otherwise compensate the Insured against loss, destruction, damage, injury, liability or dispute (as described in and subject to the terms, conditions, limits and exclusions of this Policy or any Section of it) occurring or arising in connection with the Business during the Period of Insurance or any subsequent period for which the Insurer agrees to accept a renewal premium.

For Allianz Insurance plc

A handwritten signature in black ink that reads "Jonathan Dye". The signature is written in a cursive style with a large initial 'J'.

Jonathan Dye
Chief Executive

Policy Definitions

The following definitions apply to this Policy (unless amended by Section Definitions) and are denoted by a capital first letter throughout this Policy.

All Other Contents

Any contents that are not Contents of Common Parts, including:

- deeds, documents, manuscripts and business books, but only for the cost of the materials and clerical labour incurred in reproducing such records
- computer systems records, but only for the cost of the materials and of clerical labour and computer time incurred in reproducing such records, for an amount not exceeding £10,000 in total and so far as they are not otherwise insured
- partners', directors' and employees' personal effects of every description (other than motor vehicles) whilst at the Premises, for an amount not exceeding £500 for any one person.

Building/Buildings

The buildings at the Premises being, unless more specifically described, built mainly of brick, stone, concrete or other non-combustible materials, including:

- landlord's fixtures and fittings (including communal television and radio receiving aerials, satellite dishes and related fittings on or in residential Premises), fixed glass, fixed sanitaryware and walls, gates and fences in, on or pertaining to the buildings
- telephone, gas, water and electric instruments, meters, piping, cabling and the like and their accessories in, on or pertaining to the buildings including such property in adjoining yards or roadways or underground at the Premises and extending to the public mains
- fuel tanks and their ancillary equipment, pipework and the like at the Premises
- small outside buildings, annexes, gangways, conveniences and other small structures at the Premises
- roads, car parks, yards, paved areas, hard-surfaced areas, pavements and footpaths at the Premises.

Business

The business description stated in the Schedule.

Contents

Contents of Common Parts and All Other Contents

Contents of Common Parts

Fitted carpets, furnishings and other contents in reception and storage areas and other communal parts of the Buildings including:

- the contents of fuel tanks at the Premises
- portable communal property in the open grounds of and used in connection with the Buildings.

Excess

The first part of each and every claim, for which the Insured is responsible

Flat / Flats

A self contained unit of residential accommodation forming part of the Building.

Insured

The insured named and shown in the Schedule

Insurer

Allianz Insurance plc

Period of Insurance

The period from the Effective Date to the Renewal Date as shown in the Schedule

Policy

The documents described in the Introduction

Premises

Address as stated in the Schedule

Property/Property Insured

Buildings, Contents of Common Parts, All Other Contents and other Property belonging to the Insured or for which the Insured is responsible, as shown and/or described in the Schedule.

The Insurer agrees to accept the heading under which any Property or other item has been entered in the books of the Insured.

Resident

The owner, lessee or tenant of any Flat and/or members of their household.

Schedule

The part of this Policy that details information forming part of this contract and that shows the Sections of this Policy selected

Section/Sections

The parts of this Policy that detail the insurance cover provided for each individual section of this Policy

Sum Insured

The maximum amount the Insurer will pay for each item insured under any Section

Total Sum Insured

The total amount the Insurer will pay under any Section

Unoccupied

Any Building or part of any Building or Flat which is unfurnished or untenanted or no longer in active use for a period exceeding 45 consecutive days

Policy Conditions

Applicable unless stated to the contrary under the conditions in the Sections

1 Fair Presentation of the Risk

- a** The Insured must make a fair presentation of the risk to the Insurer at inception, renewal and variation of the Policy.
- b** The Insurer may avoid the Policy and refuse to pay any claims where any failure to make a fair presentation is:
 - i** deliberate or reckless; or
 - ii** of such other nature that, if the Insured had made a fair presentation, the Insurer would not have issued the Policy.

The Insurer will return the premium paid by the Insured unless the failure to make a fair presentation is deliberate or reckless.

- c** If the Insurer would have issued the Policy on different terms had the Insured made a fair presentation, the Insurer will not avoid the Policy (except where the failure is deliberate or reckless) but the Insurer may instead:
 - i** reduce proportionately the amount paid or payable on any claim, the proportion for which the Insurer is liable being calculated by comparing the premium actually charged as a percentage of the premium which the Insurer would have charged had the Insured made a fair presentation; and/or
 - ii** treat the Policy as if it had included such additional terms (other than those requiring payment of premium) as the Insurer would have imposed had the Insured made a fair presentation.

For the purposes of this condition references to:

- a** avoiding a Policy means treating the Policy as if it had not existed from the inception date (where the failure to make a fair presentation of the risk occurs before or at the inception of the Policy), the renewal date (where the failure occurs at renewal of the Policy), or the variation date (where the failure occurs when the Policy is varied);
- b** refunds of premium should be treated as refunds of premium back to the inception date, renewal date or variation date as the context requires;
- c** issuing a Policy should be treated as references to issuing the Policy at inception, renewing or varying the Policy as the context requires.

2 Reasonable Precautions

The Insured shall take all reasonable care

- a** to prevent accident and any injury or damage
- b** to observe and comply with statutory or local authority laws, obligations and requirements
- c** in the selection and supervision of employees
- d** to maintain the Property Insured used in connection with the Business in efficient and safe working order
- e** to make good or remedy any defect or danger which becomes apparent and take such additional precautions as the circumstances may require.

3 Claims – Action by the Insured

The Insured shall in the event of any injury, loss, destruction, damage or consequential loss as a result of which a claim is or maybe made under this Policy or any Section of it, and again upon receipt by the Insured in writing of any notice of any claims or legal proceeding

- a** notify the Insurer within 30 days, or 7 days in the case of loss, destruction, damage or consequential loss by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons or theft, or such further time as the Insurer may allow
- b** notify the Insurer immediately upon being advised of any prosecution, inquest or enquiry connected with any injury, loss, destruction, damage or consequential loss which may form the subject of a claim under this Policy
- c** notify the police as soon as it becomes evident that any loss, destruction, damage has been caused by theft or malicious persons
- d** pass immediately, and unacknowledged, any letter of claim to the Insurer
- e** carry out and permit to be taken any action which may be reasonably practicable to prevent further loss, destruction, damage or consequential loss
- f** retain unaltered and unrepaired anything in any way connected with the injury, loss, destruction, damage or consequential loss for as long as the Insurer may reasonably require

Policy Conditions (continued)

- g** furnish with all reasonable despatch at the Insured's expense
 - i** such further particulars and information as the Insurer may reasonably require
 - ii** if required, a statutory declaration of the truth of the claim
 - iii** details of any other insurance covering the subject matter of the claim under this Policy and any matters connected with it
- h** make available at the Insured's expense any documents required by the Insurer with regard to any letter of claim
- i** not pay or offer or agree to pay any money or make any admission of liability without the previous consent of the Insurer
- j** allow the Insurer in the name of and on behalf of the Insured to take over and, during such periods as the Insurer thinks necessary to have control of all negotiations and proceedings which may arise in respect of any claims and the settlement thereof and co-operate fully with the Insurer for that purpose

No claim under this Policy shall be payable and any payment on account of a claim already made shall be repaid to the Insurer, if the terms of this Policy Condition are not complied with.

4 Claims – The Rights of the Insurer

In respect of loss, destruction or damage for which a claim is made, the Insurer and any person authorised by the Insurer may without incurring any liability or diminishing any of the Insured's rights in respect of the cover under this Policy, enter premises where such loss, destruction or damage has occurred, and take possession of or require to be delivered to the Insurer any Property insured, and to deal with such Property for all reasonable purpose and in any reasonable manner.

No Property may be abandoned to the Insurer, whether taken possession of by the Insurer or not.

The Insurer will not pay for any claim unless the terms of this condition have been complied with.

5 Cancellation

Insured's Cancellation Rights

The Insured has the right to immediately cancel the cover within 14 days' of the commencement of cover or the receipt of Policy documentation, whichever is the later (this period is referred to as the "cooling off period").

The Insured should exercise this right by contacting their insurance adviser or by writing to the Allianz office which issued the Policy documentation.

If the Insured does exercise their right to cancel during the "cooling off period", and provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current Period of Insurance, the Insured will be entitled to a return of premium calculated on a pro-rata basis, less an administration charge of £25 to cover operational costs. The amount of premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments outstanding at the date of cancellation.

If the "cooling off period" has expired, the Insured may cancel the Policy during the Period of Insurance by giving 14 days' notice in writing to their insurance adviser or the Allianz office which issued the Policy. Provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current Period of Insurance the Insured will be entitled to a refund of the premium paid calculated on a pro-rata basis, less an administration charge of £25 to cover operational costs. The amount of any premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

Insurer's Cancellation Rights

In addition to the Insurers' rights set out elsewhere in the Policy, including but not limited to Condition 1 (Fair Presentation of the Risk) and Condition 6 (Fraud), where there is a valid reason for doing so the Insurer may cancel this Policy at any time by giving the Insured at least 14 days' notice in writing sent to the Insured's last known address. The notice will set out the reason for cancellation.

Valid reasons for cancellation may include but are not limited to:

- a** Non payment of premium (including if the premium for this Policy is paid by instalments and in the event that the Insured fails to pay one or more instalments whether in full or in part). In the event that a premium payment is missed the Insurer will write to the Insured notifying them that a payment has been missed and requesting payment by a specific date. If payment is not received by the Insurer by the specific date the Insurer will send a final letter to the Insured requesting payment by a final date which will be set out in the final letter. If payment is not received by the final date the Insurer will cancel the policy with immediate effect. The Insured will be notified in writing if the policy is cancelled;
- b** Continued failure by the Insured to comply with the terms and conditions of this Policy;

- c** Failure by the Insured to allow the Insurer to complete a survey (where the Policy has been issued or renewed subject to a survey);
- d** Failure by the Insured to adhere to, or implement, any risk improvement requirements or conditions required by the Insurer, including any changes required by any survey or claims adjusters report, within a reasonable period of time as advised by the Insurer;
- e** Material change in the risk or the sums insured;
- f** Failure by the Insured to co-operate with the Insurer or provide the Insurer with information or documentation reasonably required by the Insurer and the lack of co-operation by the Insured affects the Insurers ability to process a claim or defend the Insurers interests or make risk based underwriting decisions. In this case the Insurer will write to the Insured giving notice of cancellation of this Policy in the event that the Insured does not cooperate to provide the information or documentation reasonably required within a period of 14 days' starting from the date provided in the letter; or
- g** The Insureds use of threatening, abusive or intimidating behaviour or inappropriate language or bullying of the Insurers staff or suppliers.

If the Insurer does cancel this Policy, provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current Period of Insurance the Insured will be entitled to a proportionate return of the premium in respect of the unexpired Period of Insurance. The amount of premium refund payable will be reduced by all unpaid premiums or unpaid premium instalments due.

6 Fraud

If the Insured or anyone acting on the Insured's behalf:

- a** makes any false or fraudulent claim;
- b** makes any exaggerated claim;
- c** supports a claim by false or fraudulent documents, devices or statements (whether or not the claim is itself genuine); or
- d** makes a claim for loss or damage which the Insured or anyone acting on the Insured's behalf deliberately caused;

the Insurer will:

- i** refuse to pay the whole of the claim; and
- ii** recover from the Insured any sums that it has already paid in respect of the claim.

The Insurer may also notify the Insured that it will be treating the Policy as having terminated with effect from the date of the earliest of any of the acts set out in sub-clauses **a – d** above. In that event, the Insured will:

- a** have no cover under the Policy from the date of the termination; and
- b** not be entitled to any refund of premium.

7 Subrogation

Any claimant under this Policy shall, at the Insurer's request and expense, take or permit to be taken all necessary steps for enforcing rights against any other party in the name of the Insured, before or after the Insurer makes any payment.

The Insurer agrees to waive any such rights to which the Insurer might become entitled by subrogation against any company standing in relation of parent to subsidiary (or subsidiary to parent) to the Insured or against any company which is a subsidiary of a parent company of which the Insured are themselves a subsidiary, in each case within the meaning of the Companies Act or Companies (Northern Ireland) Order current at the time of loss, destruction or damage.

8 Arbitration

If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted by the Insurer), such difference shall be referred to an arbitrator to be appointed by the Insured and the Insurer in accordance with statutory provisions.

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

9 Law Applicable and Jurisdiction

Unless agreed otherwise by the Insurer:

- a** the language of the Policy and all communications relating to it will be English; and,
- b** all aspects of the Policy including negotiation and performance are subject to English law and the decision of the English courts.

10 Rights of Third Parties

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

Policy Conditions (continued)

11 Non Invalidation

This Policy shall not be invalidated by

- a** any act or omission or by any alteration or neglect unknown to or beyond the control of the Insured by which the risk of loss, destruction or damage is increased, provided that the Insured shall give notice to the Insurer (and pay an additional premium if required) immediately they become aware of such act, omission, alteration or neglect
- b** workmen on the Premises carrying out repairs, general maintenance work or minor structural or other alterations of a contract value not exceeding £25,000. Alterations of a contract value above this amount should be referred to the Insurer for acceptance prior to such work commencing.

12 Discharge of Liability

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

- a** the Limit of Indemnity, or
- b** the Sum Insured, or
- c** a lesser amount for which such claim or claims can be settled after deduction of any sums already paid and less the amount of any Excess.

The Insurer will not make any further payment in respect of such claim or claims except for costs and expenses which the Insurer has already agreed to bear and which were incurred prior to such payment.

13 Unoccupied Buildings

When any Building or more than 35% of the Flats forming any Building at any Premises described in the Schedule as occupied become(s) Unoccupied for a period exceeding 45 consecutive days, or any such building described as Unoccupied for a period exceeding 45 consecutive days become(s) occupied, the Insured must give immediate notice of such change of occupancy to the Insurer, or cover under this Policy shall be avoided.

In respect only of Buildings that have been Unoccupied for a period exceeding 45 consecutive days or Buildings where more than 35% of the flats are Unoccupied for a period exceeding 45 consecutive days

- a** Events 7, 8, 10, 11 and 13 specified in Section 1 – Property Damage and Section 2 – Loss of Rent are not insured in respect of Unoccupied Flats
- b** the following action must be taken by the Insured in respect of Unoccupied Flats

- i** the main electricity, gas and water services are to be turned off and the water system is to be drained, except when
 - A** electricity is needed to maintain any automatic fire or intruder alarm system in operation, or
 - B** electricity and water are needed to maintain any automatic sprinkler system in operation
- ii** the Buildings or Flats are to be inspected thoroughly both internally and externally at least weekly (the Insured may appoint a responsible person for this purpose), a record is to be kept of such inspections, and internal or external accumulations of combustible materials are to be removed at the time of such inspections
- iii** the Buildings or Flats are to be secured against unlawful entry by closing all doors and windows and setting all security locking mechanisms, setting any alarm systems, and setting any other protective devices to be fully operative.
- c** the Insured must notify the Insurer immediately if the Buildings or flats within are to be occupied by contractors for renovation, alteration or conversion purposes.

14 Survey and Risk Improvement Condition

If this Policy has been issued or renewed subject to the Insurer completing a survey or surveys of the Premises or of any other location(s) as specified by the Insurer, then pending completion of such survey(s) cover is provided by the Insurer on the terms, conditions, provisions, exclusions and limits as specified in the Policy and in the Sections of the Policy.

In the event that a survey should show that a risk or any part of it is not satisfactory in the opinion of the Insurer, then the Insurer reserves the right to either alter the terms and conditions of the cover or to suspend or withdraw cover from the date cover was incepted or renewed or for any other period specified by the Insurer. It is a condition of the Insurer that the Insured must comply with all survey risk improvements required by the Insurer within completion time scales specified by the Insurer.

In the event that a risk improvement is not completed or risk improvement procedures are not introduced within the completion time scales specified by the Insurer, then the Insurer reserves the right to either continue cover subject to alteration of the terms and conditions of such cover, or to suspend or withdraw cover effective

- a** from the date cover was incepted or renewed or
- b** from the expiry of any time period specified by the Insurer for completion/introduction of the required survey risk improvements, or

- c** for any other period specified by the Insurer

If the terms or conditions of cover are amended by the Insurer, then the Insured will have 14 days to accept or reject the revised basis of cover.

If the Insured elect to reject the revised basis of cover, then provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current Period of Insurance the Insured will be entitled to a refund of the premium paid calculated on a pro-rata basis, less an administration charge of £25 to cover operational costs. The amount of any premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

If the Insurer exercises the right to suspend or cancel cover, then provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current Period of Insurance the Insured will be entitled to a proportionate return of the premium in respect of such period that cover is suspended or for any period beyond the effective date from which cover is cancelled. The amount of premium refund payable will be reduced by all unpaid premiums or unpaid premium instalments due.

Except in so far as they are expressly varied by this condition, all of the terms, conditions, provisions, exclusions and limits of the Policy and of the Sections of the Policy shall continue to apply until the Insurer advises otherwise. To the extent that this condition conflicts with any other cancellation condition, this condition shall prevail.

15 Other Insurances

If at the time of Damage, loss or injury, any other insurance has been effected by or on behalf of the Insured covering any of the Property damaged or other losses covered by this Policy, the Insurer's liability under this Policy shall be limited to the rateable proportion of such Damage, liabilities or loss as the Insurer would have had to pay if the other insurance policy did not contain:

- a** any provision applying average or any similar provision which would reduce the amount payable on the claim to reflect underinsurance; and
- b** any provision which excludes it from ranking concurrently with this Policy or any Section of it either in whole or in part or from contributing rateably.

16 Change of Risk

The Insured must notify the Insurer as soon as possible if during the Period of Insurance there is any alteration:

- a** in or to the Business;
- b** to or at the Premises;
- c** to the facts or matters set out in the Statement of Fact or otherwise comprising the risk presentation made by the Insured to the Insurer at inception, renewal or variation of the Policy; which materially increases the risk of injury, loss, Damage or liability.

Upon being notified of any such alteration, the Insurer may, at its absolute discretion:

- a** continue to provide cover under this Policy on the same terms;
- b** restrict the cover provided under this Policy;
- c** impose additional terms;
- d** alter the premium;
- e** cancel the policy.

If the Insured fails to notify the Insurer of any material alteration of the risk, the Insurer may:

- a** treat the Policy as if it had come to an end as at the date of the alteration of the risk, returning a proportionate amount of the premium for the unexpired Period of Insurance, if the Insurer would have cancelled the Policy had it known of the increase in risk;
- b** treat the Policy as if it had contained such terms (other than relating to premium) or other restrictions (if any) from the date of the alteration in risk as the Insurer would have applied had it known of the increase in risk;
- c** reduce proportionately the amount paid or payable on any claim, the proportion for which the Insurer is liable being calculated by comparing the premium actually charged as a percentage of the premium which the Insurer would have charged had it known of the increase in risk.

Policy Conditions (continued)

17 Conditions Precedent to Liability

If the Insured does not comply with any part of any condition which makes payment of a claim conditional upon compliance with it (a condition precedent), the Insurer will not pay for any claim, except that where the condition concerned:

- a** operates only in connection with particular premises or locations, the Insurer will pay for claims arising out of an event occurring at other premises or locations which are not specified in the condition;
- b** operates only at particular times, the Insurer will pay for any claim where the Insured shows on the balance of probabilities that its non-compliance with the condition did not cause or contribute to the injury, loss, damage or liability which occurred;
- c** would, if complied with, tend to reduce particular types of injury, loss, damage or, as the context may require liability, the Insurer will pay for any claim where the Insured shows on the balance of probabilities that its non-compliance with the condition did not cause or contribute to the injury, loss, damage or liability which occurred.

Policy Exclusions

Applicable unless stated to the contrary under Exclusions in the Sections

This Policy does not cover

1 Territorial Limits

Loss, destruction, damage, injury or liability arising out of any occurrence outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, except where stated to the contrary.

2 War (not applicable to the Employers' Liability Section)

Loss, destruction, damage, death, injury, disablement or liability or any consequential loss occasioned by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

3 Radioactive Contamination

Loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to or arising from

- a** ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- b** the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- c** any weapon or other device utilizing radioactive material and/or matter and/or ionising radiation and/or atomic or nuclear fission and/or fusion or other like reaction
- d** the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter

Exclusion **a** and **b** do not apply to
Section 4 – Employers' Liability other than in respect of

- i** the liability of any principal
- ii** liability assumed by the Insured under a contract or agreement which would not have attached in the absence of such contract or agreement.

Exclusions **c** and **d** do not apply to

Section 3 – Property Owners Liability
Section 4 – Employers' Liability and
Section 5 – Personal Accident.

4 Sonic Bangs

Loss, destruction or damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

5 Northern Ireland

Loss, destruction or damage or any consequential loss in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot, civil commotion and (except in respect of loss, destruction, damage or any consequential loss by fire or explosion) strikers, locked out workers, persons taking part in labour disturbances or malicious persons.

6 Changes in Water Table

Loss, destruction or damage attributable solely to changes in the water table level.

7 E-Risks

- a** loss or destruction of or damage to any Computer Equipment (as defined below) consisting of or caused directly or indirectly by:
 - i** programming or operator error whether by the Insured or any other person
 - ii** Virus or Similar Mechanism (as defined below)
 - iii** Hacking (as defined below)
 - iv** malicious persons
 - v** failure of external networks

unless, in respect of **i**, **ii** and **iii** above, such loss or destruction or damage results from a concurrent or subsequent cause not excluded by this or any other policy exclusion

- b** any financial loss or expense of whatsoever nature, including but not limited to business interruption, resulting directly or indirectly from the type of loss or destruction or damage described in paragraph **a** of this Exclusion unless, in respect of **a**, **i**, **ii** or **iii** above, the financial loss or expense results from a concurrent or subsequent cause not excluded by this or any other policy exclusion
- c** loss or destruction of or damage to any property other than Computer Equipment where it arises directly or indirectly out of loss or destruction of or damage to any Computer Equipment of the type described in paragraph **a** of this Exclusion unless, in respect of loss or damage to other property arising from **a**, **i**, **ii** or **iii** above, resulting from a concurrent or subsequent cause not excluded by this or any other policy exclusion

- d** loss or destruction of or damage either to Computer Equipment or any other property where it consists of or arises directly or indirectly out of:
- i** the erasure, loss, distortion, corruption or unauthorised access to or modification of information on computer systems or other records, programs or software by rioters, strikers, locked-out workers, persons taking part in labour disturbances or civil commotions, or malicious persons
 - ii** the erasure, loss, distortion, corruption or unauthorised access to or modification of information on computer systems or other records, programs or software due to any cause not included in **d i** above
 - iii** any misinterpretation, use or misuse of information on computer systems or other records, programs or software unless, in respect of **d ii** and **iii** above, such loss, destruction or damage results from a concurrent or subsequent cause not excluded by this or any other policy exclusion
- e** any financial loss or expense of whatsoever nature, including but not limited to business interruption, where it arises directly or indirectly from the type of loss or destruction or damage described in paragraphs **c** and **d** of this Exclusion unless, in respect of **c**, **d ii** and **iii** above, the financial loss or expense results from a concurrent or subsequent cause not excluded by this or any other policy exclusion.

For the purpose of this Exclusion:

Computer Equipment – means computer equipment, component, system or item which processes, stores, transmits or retrieves data, or any part thereof, whether the property of the Insured or not, whether tangible or intangible and including without limitation any information, programs or software.

Virus or Similar Mechanism – means any program code, programming instruction or other set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations (whether involving self replication or not), including but not limited to ‘Trojan Horses’, ‘Worms’ or ‘Logic Bombs’.

Hacking – means unauthorised access to any computer or computer equipment, component, system or item, whether the property of the Insured or not, which processes, stores, transmits or retrieves data.

8 Terrorism

- a** in respect of England, Wales and Scotland but not the territorial seas adjacent thereto as defined in the Territorial Sea Act 1987:

loss or destruction or damage or consequential loss of whatsoever nature, directly or indirectly caused by, resulting from or in connection with

- i** any Act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to such Act of Terrorism
- ii** any action taken in controlling, preventing or suppressing any Act of Terrorism, or in any other way related to such Act of Terrorism

In respect of **a** above an Act of Terrorism (Terrorism) means:

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

- b** in respect of territories other than those stated in **a** above:

loss or destruction or damage or any consequential loss of whatsoever nature, directly or indirectly caused by, resulting from or in connection with

- i** any act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to such act of Terrorism
- ii** any action taken in controlling, preventing or suppressing any act of Terrorism, or in any way related to such act of Terrorism

In respect of **b** above an act of Terrorism (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 put the public or any section of the public in fear.

In any action suit or other proceedings where the Insurer alleges that by reason of this exclusion any loss or destruction or damage or any consequential loss is not covered (or is covered only up to a specified limit of liability), the burden of proving to the contrary shall be upon the Insured.

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

Section 1 – Property Damage

Definitions

Damage

Loss or destruction of or damage to Property Insured.

Insured Person

Insured or any partner, director or employee of the Insured aged between 16 and 70 years.

Money

Negotiable Money and Non-negotiable Money belonging to the Insured or for which the Insured are responsible.

Negotiable Money

Cash, bank and currency notes, credit cards, telephone cards, uncrossed cheques, uncrossed postal orders, luncheon vouchers, current postage stamps, trading stamps, National Insurance stamps not affixed to cards, Holiday with Pay stamps, National Savings stamps, unexpired units in franking machines, gift tokens, consumer redemption vouchers, mobile telephone vouchers and telephone cards.

Non-negotiable Money

Crossed cheques, crossed postal orders, crossed bankers' drafts, National Insurance stamps fixed to cards, National Savings certificates, Premium Bonds, credit sales vouchers or receipts and V.A.T. purchase invoices.

Premises

The Buildings at the address or addresses stated in the Schedule, including their grounds, all within the boundaries for which the Insured are responsible.

Cover

The Insurer will pay the Insured for Damage to Property Insured at the Premises described in the Schedule by any of the Events operative under this Section and not otherwise excluded occurring during the period of insurance.

Events

1 Fire, excluding Damage caused

- a by explosion resulting from fire
- b by earthquake or subterranean fire
- c by its own spontaneous fermentation or heating, or its undergoing any heating process or any process involving the application of heat

Lightning

Explosion

- a of boilers
- b of gas

used for domestic purposes only, but excluding any Damage caused by earthquake or subterranean fire.

2 Explosion, excluding Damage

- a caused by or consisting of the bursting by steam pressure of a boiler (not being a boiler used for domestic purposes only), economiser or other vessel, machine or apparatus belonging to the Insured or under the control of the Insured, in which internal pressure is due to steam only
- b in respect of and originating in any vessel, machinery or apparatus or its contents, belonging to the Insured or under the control of the Insured, which requires to be examined to comply with any statutory regulations, unless there is in force a policy of insurance or other contract providing the required inspection service.

3 Aircraft or other aerial devices or articles dropped from them.

4 Riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons, excluding:

- a Damage arising from nationalisation, confiscation, requisition, seizure or destruction by the Government or any public authority
- b Damage arising from cessation of work
- c Damage
 - i by theft or attempted theft
 - ii in respect of any Building which is Unoccupied for a period exceeding 45 consecutive days directly caused by malicious persons not acting on behalf of or in connection with any political organisation, but the Insurer will pay for such Damage caused by fire or explosion.

5 Earthquake.

6 Subterranean fire.

7 Storm, tempest or flood, excluding

- a Damage by frost, subsidence, ground heave or landslip
- b Damage in respect of fences, gates or moveable Property in the open
- c Damage to open-fronted or open-sided Buildings or to Property contained therein.

Section 1 – Property Damage (continued)

8 Escape of water from any tank, apparatus or pipe, excluding Damage by water discharged or leaking from any automatic sprinkler installation.

9 Impact by any road vehicle or animal.

10 Sprinkler leakage

Accidental escape of water from any automatic sprinkler installation in the Buildings not caused by explosion, earthquake, subterranean fire or heat caused by fire.

11 Theft or attempted theft excluding Damage

- a** expedited or in any way brought about by the Insured or any partner, director or employee of the Insured
- b** caused by a Resident to the portion of the buildings in which they reside
- c** to garden landscaping and paving, garden furniture, trees and plants
- d** to Contents unless there has been forcible and violent entry to or exit from the Building.

12 Subsidence, ground heave or landslide of any part of the Premises on which the Property Insured stands excluding

- a** Damage caused by collapse, cracking, shrinkage, expansion or settlement of Buildings or any part thereof
- b** Damage caused by coastal or river erosion
- c** Damage caused by defective design or workmanship or the use of defective materials including inadequate construction of foundations
- d** Damage caused by settlement or movement of made up ground
- e** Damage caused by the normal settlement or bedding down of new structures
- f** Damage to solid floor slabs or resulting from their movement unless the foundations beneath the external walls of the buildings are Damaged at the same time and from the same cause
- g** Damage to yards, car parks, roads, pavements, landlords fixtures and fittings, security lighting and cameras, walls, gates fences, fixed fuel oil tanks and fixed diesel tanks, piping, ducting, cables, wires and associated control gears and accessories, paved areas or footpaths unless a building insured by this Section is damaged by the same cause at the same time

h Damage which originates prior to the inception of this cover

i Damage caused by demolition, construction, structural alteration or repair to any Buildings or groundworks or excavation at the same Premises

j Events 1, 2, 5, 6 or 8 of this Section.

Subsidence Condition

The Insured shall notify the Insurer immediately if they become aware of any demolition, groundworks, excavation or construction being carried out on the same or any adjoining site. The Insurer shall then have the right to vary the terms or cancel cover in respect of subsidence, ground heave or landslip.

13 Accidental damage, excluding

- a** Damage caused by or consisting of or arising from or attributable to
 - i** any of the Events
 - ii** any of the exclusions to the Events specified in Events 1 to 12 and 14, whether Events 1 to 12 and 14 are insured or not
- b** Damage caused by or consisting of inherent vice, latent defect, gradual deterioration, wear and tear, frost, its own faulty or defective design or materials but this shall not exclude Damage which itself results from a cause not otherwise excluded
- c** Damage caused by or consisting of faulty or defective workmanship, operational error or omission by the Insured or any employee of the Insured but this shall not exclude
 - i** such Damage not otherwise excluded which itself results from an Insured Event
 - ii** subsequent Damage which itself results from a cause not otherwise excluded
- d** acts of fraud or dishonesty by any partner, director or employee of the Insured but this shall not exclude such Damage not otherwise excluded which itself results from Events 1 to 12 and 14 of this Section
- e** Damage caused by or consisting of corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects, change in temperature, colour, flavour, texture or finish but this shall not exclude
 - i** such Damage not otherwise excluded which itself results from Events 1 to 13 and 14 of this Section
 - ii** subsequent Damage which itself results from a cause not otherwise excluded

- f** Damage consisting of joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, super-heaters, pressure vessels or any range of steam and feed piping connected to them, mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which such breakdown or derangement originates but this shall not exclude
 - i** such Damage not otherwise excluded which itself results from Events 1 to 13 and 14 of this Section
 - ii** subsequent Damage which itself results from a cause not otherwise excluded
- g** Damage caused by disappearance, unexplained or inventory shortage or the misfiling or misplacing of information
- h** Damage to any Building or structure caused by its own collapse or cracking, but this shall not exclude such destruction or damage resulting from other Damage in so far as it is not otherwise excluded
- i** Damage in respect of fences, gates and moveable Property in the open caused by wind, rain, hail, sleet, snow or dust
- j** Damage resulting from Property Insured undergoing any process of production, packing, treatment, testing, commissioning, service or repair
- k** Damage in respect of
 - i** jewellery, precious stones or precious metals, bullion, furs, curiosities, works of art or rare books
 - ii** Property in transit
 - iii** glass (other than fixed glass), sanitaryware (other than fixed sanitaryware), china, earthenware, marble or other fragile or brittle objects but this shall not exclude Damage which itself results from Events 1 to 12 and 14 in so far as it is not otherwise excluded
 - iv** Money, bonds or securities of any description
- l** Damage to
 - i** vehicles licensed for road use (including accessories on them), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
 - ii** Property or structures in course of construction or erection and materials or supplies in connection with all such Property or structures
 - iii** land, roads, pavements, piers, jetties, bridges, culverts or excavations
 - iv** livestock, growing crops or trees

14 Escape of Oil from any fixed heating installation excluding

- a** Damage in respect of any Building or Property Insured in any Building which is Unoccupied
- b** Damage unless caused by a sudden identifiable unintended and unexpected incident which has taken place in its entirety at a specific time and place during the Period of Insurance
- c** the value of the oil

Basis of Settlement

The Insurer will pay the Insured the value of the Property Insured at the time of its loss or destruction, or the amount of the Damage, or at the Insurer's option will reinstate or replace such Property or any part of such Property.

The most the Insurer will pay for any one claim is

- a** the Total Sum Insured, or for each item its individual Sum Insured, or any other limit of liability in this Section whichever is the less at the time of Damage
- b** the amount of the Sum Insured or Limit of Liability remaining after deduction for any other Damage occurring during the same Period of Insurance, unless the Insurer agrees to reinstate any such Sum Insured or Limit of Liability.

Automatic Reinstatement

In the absence of written notice by the Insurer to the contrary, in consideration of Sums Insured or Limits of Liability not being reduced by the amount of any claim, the Insured will pay the appropriate additional premium on the amount of the claim from the date of Damage to expiry of the Period of Insurance, but this shall not apply in respect of theft or attempted theft.

Basis of Settlement Adjustments

In calculating the most the Insurer will pay for any one claim, adjustments shall be made in accordance with the following clauses.

1 Reinstatement (Day One Basis)

- a** Subject to the Special Conditions set out below, the basis on which the amount payable for Buildings and Contents is to be calculated will be the reinstatement of the Property lost, destroyed or damaged.

Section 1 – Property Damage (continued)

For this purpose "reinstatement" means

- i** the rebuilding or replacement of Property lost or destroyed which, provided the Insurer's liability is not increased, may be carried out
 - a** in any manner suitable to the requirements of the Insured
 - b** on another site
- ii** the repair or restoration of Property damaged

in either case to a condition equivalent to, or substantially the same as, but no better or more extensive than its condition when new.

- b** The Declared Value (shown in brackets below the Sum Insured in the Schedule), having been stated by the Insured, has been used to calculate the premium.

Declared Value

The assessment by the Insured of the cost of reinstatement of Property Insured arrived at in accordance with paragraph **1.a.i.** at the level of costs applying at inception of the Period of Insurance (ignoring inflationary factors which may subsequently operate), together with, to the extent that cover provides, due allowance for

- i** any additional cost of reinstatement to comply with public authorities regulations, bye-laws or stipulations
- ii** Professional Fees
- iii** Removal of Debris costs.

Special Conditions

- 1** At inception of each Period of Insurance, the Insured shall notify the Insurer of the Declared Value of Property Insured. In the absence of such declaration the last amount declared by the Insured will be taken as the Declared Value for the new Period of Insurance, appropriately adjusted by Index Linking.
- 2** The Insurer's liability for the repair or restoration of Property damaged in part only, shall not exceed the amount which would have been payable if such Property had been wholly destroyed.
- 3** No payment beyond the amount the Insurer would have paid 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 actually been incurred
 - c** where Property Insured at the time of Damage is covered by any other insurance effected by the Insured, or on behalf of the Insured, which is not on the same basis of reinstatement.

- 4** All the terms and conditions of this Section and of the Policy shall apply
 - a** to any claim payable under the provisions of this clause, other than where they are expressly varied by the terms of this clause
 - b** where claims are payable as if this clause had not been incorporated, except that Sums Insured will be limited to 115% of Declared Values.

2 Index Linking

Sums Insured and/or Declared Values will be adjusted to take into account movements in the appropriate index and renewal premiums will be based on the adjusted Sums Insured and/or Declared Values.

For Buildings, the General Building Cost Index issued by the Building Cost Information Service of the Royal Institute of Chartered Surveyors or for residential Premises the Household Rebuilding Cost Index issued by the Association of British Insurers (or some other suitable index the Insurer decides upon) will be used.

For Contents of Common Parts and All Other Contents shown and/or described in the Schedule, the Retail Price Index (or some other suitable index the Insurer decides upon) will be used.

The above percentage changes will continue to be applied between the date of any Damage and the date when replacement or repair has been completed.

3 This clause is left intentionally blank

4 This clause is left intentionally blank

5 Public Authorities (including undamaged Property)

Subject to the Special Conditions set out below, cover for Buildings and Contents includes an amount in respect of any additional cost of reinstatement which is incurred solely by reason of the necessity to comply with building or other regulations under or framed in pursuance of any Act of Parliament, with bye-laws of any public authority or to comply with the stipulations of European Union legislation, in respect of

- lost, destroyed or damaged Property
- undamaged portions of such Property

excluding

- a** the cost incurred in complying with such regulations, bye-laws or stipulations
 - i** in respect of Damage occurring prior to the granting of this cover
 - ii** in respect of Damage not covered by this Section
 - iii** under which notice has been served upon the Insured before the date of the Damage
 - iv** in respect of undamaged Property other than undamaged portions of Property lost, destroyed or damaged
- b** the additional cost that would have been required to make good the Property lost, destroyed or damaged to a condition equal to its condition when new, had the necessity to comply with such regulations, bye-laws or stipulations not arisen
- c** the amount of any charge or assessment arising out of capital appreciation, which may be payable in respect of the Property, by reason of compliance with any such regulations, bye-laws or stipulations.

Special Conditions

- 1** The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months after the Damage, or within such further time as the Insurer may allow, and may be carried out upon another site (if such regulations, bye-laws or stipulations so necessitate), subject to there being no resulting increase in the liability of the Insurer.
- 2** If the liability of the Insurer is reduced by the application of any of the terms and conditions of this Section or of the Policy (other than as a result of this clause) the liability of the Insurer under this clause will be reduced in proportion.
- 3** The most the Insurer will pay for any one claim in respect of undamaged portions of Property other than foundations is 15% of the total amount for which the Insurer would have been liable had the Property been wholly destroyed.
- 4** All the terms and conditions of this Section and of the Policy shall apply to any claim payable under the provisions of this clause, other than where they are expressly varied by the terms of this clause.

6 Sprinkler Installation Upgrading Costs

If, following Damage, the Insurer requires the upgrading of any automatic sprinkler installation in order that at the time of its reinstatement such installation will conform to Loss Prevention Council Rules current at the time of reinstatement, the Insurer will pay the costs incurred by the Insured provided that at the time of the Damage the installation conformed to the 29th Edition Rules for Automatic Sprinkler Installations issued by the Loss Prevention Council at the time of original installation but did not conform to subsequent amendments to such rules.

7 Alterations and Additions

To the extent that they are not otherwise insured, Buildings and Contents items include

- a** alterations, additions and improvements (but not appreciation in value in excess of Sums Insured) to Buildings and Contents
- b** any newly acquired or newly erected Buildings and Contents

within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, for no more than 20% of the Sum Insured for each item covered, or £1,000,000 in total, whichever is the less, at any one Premises or at any one newly acquired address elsewhere than at the Premises, provided that the Insured shall give details of such alterations and additions to the Insurer within ninety days of the commencement date of the Insured's responsibility, effect specific cover retrospective to such date and pay the appropriate additional premium.

8 Professional Fees

Sums Insured and/or Declared Values for Buildings include an amount in respect of Architects', Surveyors', Legal and Consulting Engineers' fees, other than where an item covering such fees is specifically shown in the Schedule.

Cover applies only to those fees necessarily and reasonably incurred in consequence of Damage, in the reinstatement or repair of Property Insured.

9 Removal of Debris Costs

Sums Insured and/or Declared Values for Buildings and Contents include an amount in respect of removal of debris costs, other than where an item covering such costs is specifically shown in the Schedule.

Cover applies only to those costs necessarily and reasonably incurred in consequence of Damage, in

Section 1 – Property Damage (continued)

- a removing debris
- b dismantling and demolishing
- c shoring up or propping
- d clearing, cleaning and/or repairing drains, gutters, sewers and the like for which the Insured are responsible.

The Insurer will not pay for any costs or expenses incurred in removing debris other than from the site of such Property lost, destroyed or damaged and the area immediately adjacent to such site arising from pollution or contamination of property not insured by this Section.

10 Removal of Debris Costs – Residents Contents

To the extent that they are not otherwise insured, cover includes unrecoverable costs necessarily incurred with the Insurers consent, in consequence of Damage, in removing debris in respect of Contents for which the Insured are not responsible, up to an amount of £10,000 any one claim.

The Insurer will not pay for any costs

- a incurred in removing debris other than from the site of such Property Damage and the area immediately adjacent to such site
- b arising from pollution or contamination of property not covered by this Section.

11 Temporary Removal

Property Insured is covered whilst temporarily removed for cleaning, renovation, repair or similar purposes to any address elsewhere than at the Premises, including whilst in transit, within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

The Insurer will not pay for

- a such Property more specifically insured
- b Damage to vehicles licensed for road use, in so far as they are insured by this Section, occurring elsewhere than at the Premises
- c more than 20% of the Sum Insured for each item covered or £250,000 whichever is the lesser, for Damage occurring elsewhere than at the Premises.

12 Temporary Removal – Documents

If deeds and other documents (including stamps on them), manuscripts, plans and writings of every description, books and other business records are included in the Property Insured, such items are covered whilst temporarily removed to any address elsewhere than at the Premises, including whilst in transit within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

The Insurer will not pay for

- a such items more specifically insured
- b more than 10% of the figure stated within the definition of All Other Contents for computer systems records
- c more than 10% of the All Other Contents Sum Insured stated on the Schedule.

13 Contracting Purchasers

The Insurer agrees that without prejudice to the rights and liabilities of the Insured or the Insurer, if at the time of Damage the Insured have contracted to sell their interest in any building covered, and the purchase has not been but shall afterwards be completed, the purchasers on completion of the purchase shall be entitled to benefit under this Section until completion, except in so far as such building is more specifically insured by or on behalf of the purchaser.

14 Fixed Glass

Following Damage to fixed glass the Insurer will pay the cost of

- a any necessary temporary boarding-up of broken glass pending full replacement
- b removing and re-fixing window fittings and other obstacles to replacing broken glass and replacing alarm foil on glass
- c Damage to framework and to Contents caused by broken glass.

The Insurer will not pay for Damage existing prior to inception of this Policy.

15 Freeholders, Lessors and Mortgagees

When the interest of any Freeholder, Lessor or Mortgagee has been noted in Property Insured covered by this Section, the Insurer agrees that this Section shall not be invalidated by any act, omission, alteration or neglect of or by the Leaseholder, Lessee or Mortgagee unknown to or beyond the control of the Freeholder, Lessor or Mortgagee, by which the risk of Damage is increased, provided that the Freeholder, Lessor or Mortgagee shall give notice to the Insurer (and pay an additional premium if required) immediately they become aware of such act, omission, alteration or neglect.

16 Locks and Keys

The Insurer will pay the cost of replacing keys, locks or lock mechanisms necessary to maintain the security of the Premises following theft of keys by force or violence from within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands from any director, partner or employee of the Insured authorised to hold such keys, up to an amount of £5,000 for any one claim.

17 Fire Extinguishers, Sprinklers and Security Equipment

The Insurer will pay the reasonable costs incurred by the Insured in

- a** re-filling, recharging or replacing any fire extinguishers, local or fixed fire suppression or gas flooding systems, sprinkler installations and sprinkler heads
- b** having any fire and/or intruder alarms and closed circuit television equipment re-set in consequence of Damage,

provided that

- i** the Insured maintain all such equipment under contract and in accordance with the manufacturer's instructions with a maintenance company acceptable to the Insurer
- ii** the Insurer shall not be liable in respect of any costs and expenses recoverable from the maintenance company from the fire service
- iii** the liability of the Insurer in respect of any one claim shall not exceed £25,000.

18 Landscaped Grounds and Emergency Vehicles

Costs incurred by the Insured in consequence of Damage to Property Insured at the Premises

- a** in restoring landscaped grounds to their original appearance when first laid out and planted, but excluding costs arising due to the failure of trees, shrubs, plants, turf and the like to germinate or become established
- b** reinstating or repairing landscaped gardens and grounds following Damage caused by the emergency services vehicles, equipment or personnel in the course of carrying out their duties.

up to an amount of £25,000 any one Period of Insurance

19 Metered Supplies

Cover includes additional water, gas, electricity or other metered supply charges incurred by the Insured in consequence of Damage, and for which the Insured are legally responsible, up to an amount of £10,000 any one claim.

The Insurer will not pay for such charges incurred in respect of any Building which is Unoccupied for a period exceeding 45 consecutive days.

The basis on which the amount payable is to be calculated will be the amount of the suppliers' charges for the period following the Damage, less the charge paid by the Insured for the corresponding period in the preceding year, adjusted for changes in the suppliers' charges and for variations affecting supply consumption by the Insured.

20 Unauthorised Use of Supplies

Cover includes the cost of water, gas, electricity or other metered supply charges incurred by the Insured and for which the Insured are legally responsible, up to an amount of £25,000 any one claim, due to unauthorised use by persons taking possession of, keeping possession of or occupying any Building without the written consent of the Insured, provided that

- a** the Insured shall take all practicable steps to terminate such unauthorised use as soon as it is discovered
- b** Policy Condition 13 has been complied with by the Insured
- c** immediate notification of such possession is given to the Insurer upon the Insured becoming aware of it.

21 Trace and Access

In the event of Damage in consequence of escape of water or fuel oil from any tank, apparatus or pipe, the Insurer will pay the costs necessarily and reasonably incurred by the Insured in locating the source of such Damage, and in the subsequent making good of Damage caused as a consequence of locating such source, up to an amount of £50,000 any one Period of Insurance.

22 Alternative Residential Accommodation

If as a result of insured Damage residential Buildings or parts of residential Buildings are rendered unfit to live in, or access to them is denied, to the extent that they are not otherwise insured the Insurer will pay the costs of reasonable alternative accommodation and temporary storage of residents furniture and the costs of reasonable accommodation in kennels and/or catteries for residents dogs and/or cats, if dogs and/or cats are not permitted in such residents alternative accommodation.

The Insurer will not pay for such costs in excess of 35% of the Buildings Sum Insured applying to the Buildings or to the parts of the Building Damaged.

Section 1 – Property Damage (continued)

23 Contractors Interest

When the Insured is required by the terms or conditions of any contract to cover Buildings in the joint names of the Insured and of any contractor or sub-contractor named in such contract, the Insurer agrees to note such joint interests provided that the Insured shall notify the Insurer of details of any single contract valued at £250,000 or more in advance of commencement of the work, and pay any additional premium the Insurer may require.

24 Contract Works

Cover for Buildings and Contents includes any permanent or temporary works undertaken in performance of any contract, including all unfixed materials and goods delivered to or placed on or adjacent to the Premises and intended for incorporation in such Contract Works, all for which the Insured are responsible under the terms of the contract up to an amount of £250,000 any one contract.

25 Seventy Two Hours Clause

Damage occurring within 72 consecutive hours of and arising from Event 7 (Storm, Tempest or Flood) is deemed to be one claim. The Insured have the right to select the moment from which the 72 hour period shall be deemed to have commenced within the terms of this Section, provided that such Damage occurred prior to expiry of the Period of Insurance.

26 Interested Parties

The Insurer agrees

- a** that without prejudice to rights and liabilities of the Insured or the Insurer, if at the time of Damage the Insured have contracted to sell their interest in any Building(s) covered, and the purchase has not been but shall afterwards be completed, the purchasers on completion of the purchase shall be entitled to benefit under this Section until completion, except in so far as such Building(s) is more specifically insured by or on behalf of the purchaser
- b** to note the interest of any party notifying their interest in any of the Property Insured in writing, the nature and extent of such interest to be disclosed in the event of Damage

27 Description of Property

In determining the Item under which property is insured, the Insurer will accept the description given in the Insured's business records.

28 Lamps Signs and Nameplates

Damage to

- a** lamps
- b** signs
- c** nameplates

at the Premises.

The Insurer will not indemnify the Insured in respect of Damage arising from

- i** mechanical or electrical breakdown
- ii** wear and tear
- iii** corrosion or rot.

29 Money and Assault

Money - Cover

The Insurer will pay for loss of Money up to the following amounts

	Limit any One loss
a any single loss of business Money	
i in transit	£2,000
ii in bank night safes and afterwards within bank premises until at the bank's risk	£2,000
iii in Insured's home or the home of any employee, partner or director	£500
b any single loss in respect of crossed cheques, crossed postal or money orders, crossed bankers drafts, stamped national insurance cards	£250,000

Assault - Cover

The Insurer will pay

- a** the compensation stated below to the Insured for Bodily Injury to an Insured Person caused by the theft or attempted theft of Money, which happens in the course of the Business and resulting in the following contingencies
 - i** death £10,000
 - ii** total and permanent loss of sight in one or both eyes £10,000
 - iii** loss of one or both limbs £10,000
 - iv** total disablement which prevents the Insured Person from pursuing their normal occupation £100 per wk
 - v** reimbursement of incurred medical expenses up to £250

- b** up to £250 in respect of such Insured Person for Damage to their personal effects following an attempted theft to steal Money covered by this clause

The Insurer will not pay for

- 1** losses due from the dishonesty of the Insured, Insured's Employees, partners or directors
 - a** not discovered within 7 working days of the loss
 - b** where a more specific insurance is in force, except for any amount in excess of that insurance
- 2** shortages due to clerical or accounting errors
- 3** loss due to theft of or from any unattended vehicle
- 4** loss or damage outside Great Britain, Northern Ireland, the Channel Islands and the Isle of Man

30 Gardening Equipment

Damage to gardening equipment owned by the Insured and used in connection with the Business at the Premises.

The Insurer will not pay for

- a** any damage caused by Event 7 Storm, tempest or flood
- b** any damage caused by Event 11 Theft or attempted theft unless stored in a securely locked building

The maximum the Insurer will pay is the amount of £5,000 any one claim or £10,000 any one Period of Insurance

31 Removal of Vermin or Vermin Nests

Cover includes costs incurred by the Insured, up to an amount of £1,000 any one claim, in removing Vermin or Vermin nests from Buildings at the Premises on the request of the local authority.

For the sake of this extension, Vermin shall mean; Rats, mice, grey squirrels, owls, pigeons, foxes, bees, wasps or hornets.

32 Illegal Cultivation of Drugs

The Insurer will indemnify the Insured for clean up costs and remedial works as a result of the Premises being used for the manufacture, cultivation, harvesting or processing of drugs classed as a controlled substance under the Misuse of Drugs Act (1971) to a limit of £10,000 any one claim.

Provided that the Insured

- 1** carry out internal and external inspections of the buildings at least every 3 months or as frequently as permitted by the tenancy agreement and
 - a** maintain a log of those inspections and retain the log for at least 24 months

- b** carry out a 6 monthly check of the inspection log

- 2** obtain and record a written formal identification of any prospective tenant
- 3** obtain a written employers reference for any new residential tenant
- 4** obtain and record details of your tenants bank account and verify those details by receiving at least one payment from that account
- 5** ensure that when sub-letting is permitted by the tenancy agreement that obligations 2, 3 and 4 are complied with by the sub-tenant

33 Fly Tipping

The insurance by each item on Buildings extends to include costs necessarily and reasonably incurred in clearing and removing any property illegally deposited in on or around the Premises provided that

- a** the liability of the Insurer shall not exceed £5,000 any one claim
- b** the Insurer shall not be liable for the amount of the excess shown in the Schedule or £500 whichever is the greater.

34 General Interests & Hire Agreements

The Insurer agrees to automatically note the interest of any other party if requested by the Insured in any of the Property Insured and which attached before the happening of any Damage but only to the extent that such interest is not otherwise insured and subject to their identity being disclosed in writing to the Insurer by the Insured in the event of Damage.

35 Eviction of Squatters

The Insurer will pay legal costs and expenses payable to a lawyer or other suitably qualified person who has been appointed to act for the Insured with the Insurer's written agreement in any civil action to evict anyone in the Property Insured who does not have the Insured's permission to be there up to a limit of £10,000 any one period of insurance.

36 Archaeological Discoveries

The Insurer will pay reasonable costs necessarily incurred in consequence of Damage as insured hereby as a direct result of the Insured complying with their statutory obligations following the discovery of archaeological finds during site excavation, provided that

- a** the Insurers' liability will not exceed £5,000 for any one claim
- b** the Insured does not have any pre-existing knowledge of the presence of archaeological remains prior to commencement of works.

Section 1 – Property Damage (continued)

Section Exclusions

The Policy Exclusions apply to this Section and in addition the Insurer will not pay for:

1 Pollution or Contamination

Loss, destruction or damage caused by pollution or contamination, but the Insurer will pay for Damage not otherwise excluded caused by

- a pollution or contamination which itself results from an insured Event
- b any insured Event which itself results from pollution or contamination.

2 Marine Policies

Property which at the time of the happening of Damage is insured by or would but for the existence of this Section be insured by any marine policy or policies, but the Insurer will pay any excess beyond the amount which would have been payable under such marine policy or policies had this Section not been effected.

3 Computer Date Exclusion

Damage or liability directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether the property of the Insured or not, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure

- a correctly to recognise any date as its true calendar date
- b to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date

- c to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information as a result of the operation of any command which has been programmed into any computer software or firmware, being a command which causes the loss of data or the inability to recognise, capture, save, retain, restore or correctly to manipulate, interpret, calculate or process any data on or after any date

but in respect of Section 1 Property Damage only the insurance will pay for any subsequent Damage which is not otherwise excluded and which itself results from Events 1 to 8 of Section 1 Property Damage.

4 Specific Insurances

Any Property more specifically insured by or on behalf of the Insured.

5 Works of Art

Damage to painting, prints and works of art with a value in excess of £10,000 any one item.

6 Consequential Loss

Consequential loss of any kind or description.

7 Mobile Phone Masts

Damage caused by and caused to mobile phone masts erected on the Premises.

8 Electrical Apparatus or Fittings

Damage to any particular piece of electrical apparatus or fitting which has caused a fire due to self ignition, over running, excessive pressure, short circuiting, self heating or leakage of electricity

9 Excess

The amount of Excess specified in the Schedule.

Section Conditions

The Policy Conditions apply to this Section and in addition the following:

1 Alteration

Unless the Insurer agrees in writing, cover under this Section shall automatically cease in respect of any of the Property Insured

- a** which is disposed of or removed
- b** in which the interest of the Insured ceases other than by will or operation of law
- c** in respect of subsidence, ground heave or landslip by any demolition, construction, ground works or excavation work being carried out on any adjoining site

during the Period of Insurance.

2 Reinstatement

If any property is to be reinstated or replaced by the Insurer, the Insured shall at their own expense provide all plans, documents, books and information as may reasonably be required. The Insurer shall not be bound to reinstate exactly, but only as circumstances permit, and in a reasonably sufficient manner, and shall not in any case be bound to expend for any one item of this Section more than its Sum Insured.

3 Felt Roof Condition

If any Building has a felt roof where the mineral felt surface has not been replaced for 7 years, then this roof must be inspected annually by a competent roofing contractor prior to the month of October each year and evidence of such inspection and any remedial work following such inspection should be kept and produced if requested by the Insurer.

4 Transit

In respect of Negotiable Money In Transit in the personal custody of the Insured or of any authorised partner, director or employee of the Insured, it is a condition precedent to any liability under this Section that such Money will be accompanied by

- a** 2 adults when in excess of £3,000
- b** 3 adults when in excess of £6,000
- c** a professional security company when in excess of £15,000

unless otherwise agreed by the Insurer in writing or amended by a clause applicable to this Section as specified in the Schedule.

Section 2 – Loss of Rent

Definitions

Calculated Rent

- a** For occupied Premises or occupied parts of Premises

The amount of the actual annual Rent at commencement of the Period of Insurance plus increases as a result of rent reviews known to be due during such Period of Insurance, proportionately increased when the Maximum Indemnity Period exceeds 12 months.

- b** For Premises or parts of Premises that are Unoccupied for a period exceeding 45 consecutive days

A professional valuation, based upon leases expected to be signed or in course of negotiations and upon rent of similar premises in the same locality, estimating at commencement of the Period of Insurance the amount of Rent to be payable during such Period of Insurance and during related subsequent Periods of Insurance when the Maximum Indemnity Period exceeds 12 months.

Damage

Loss or destruction of or damage to Property Insured at Premises used by the Insured for the purpose of the Business.

Indemnity Period

- a** For occupied Premises or occupied parts of Premises

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

- b** For Premises or parts of Premises that are Unoccupied for a period exceeding 45 consecutive days

The period beginning with the date upon which but for the Damage Rent would have commenced to be payable and ending not later than the Maximum Indemnity Period thereafter during which the results of the Business shall be affected in consequence of the Damage.

Maximum Indemnity Period

The period shown in the Schedule.

Premises

The Buildings at the address or addresses stated in the Schedule, including their grounds, all within the boundaries for which the Insured are responsible.

Rent

The money paid or payable to the Insured by Residents for accommodation provided and services rendered at the Premises.

Cover

The Insurer will pay the Insured for Loss of Rent in consequence of Damage

Provided that, other than in respect of Extensions 1-6 of this Section,

- a** such Damage is covered under Section 1 – Property Damage of this Policy
- b i** payment shall have been made or liability admitted under Section 1 – Property Damage
- or
- ii** payment would have been made or liability admitted under Section 1 – Property Damage but for the operation of an Excess.
- c** the most the Insurer will pay for any one claim is in the whole the Total Sum Insured, or any other limit of liability stated in this Section, whichever is the less.

Basis of Settlement

The Insurer will pay the Insured, in respect of each Item covered, the amount of their claim for Loss of Rent.

Automatic Reinstatement

In the absence of written notice by the Insurer to the contrary, in consideration of Sums Insured or limits of liability not being reduced by the amount of any claim, the Insured will pay the appropriate additional premium on the amount of the claim from the date of the Damage to expiry of the Period of Insurance, but this shall not apply in respect of theft or attempted theft.

The Insurer will pay the Insured as indemnity in consequence of Damage for

a Loss of Rent

including

b Increase in Cost of Working

and

c Re-letting Costs.

Loss of Rent means the amount by which the Rent during the Indemnity Period falls short of the Rent which but for the Damage would have been received.

Increase in Cost of Working means the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the Loss of Rent which but for that expenditure would have taken place during the Indemnity Period.

Re-letting Costs means the expenditure necessarily and reasonably incurred in consequence of Damage in re-letting Premises, including legal fees or other charges incurred solely in consequence of such re-letting.

Basis of Settlement Adjustments

The Insurer will not pay the Insured for

- a** Increase in Cost of Working exceeding the amount of Loss of Rent thereby avoided
- b** legal fees or other charges payable by any new tenant acquired in re-letting Premises in consequence of Damage
- c** any amounts saved during the Indemnity Period in respect of any of the charges and expenses of the Business payable out of Rent that may cease or be reduced.

In calculating the amounts the Insurer will pay the Insured as indemnity, adjustments shall be made in accordance with the following clauses.

1 This clause is left intentionally blank

2 Accountants' Charges

If the professional accountants of the Insured produce any particulars or details required by the Insurer from the Insured's books of account or other business books or documents, or any other proofs, information or evidence under the terms of Condition 2 of this Section, the Insurer will pay the Insured the reasonable charges payable by the Insured to their professional accountants, provided that the maximum amount payable under this adjustment shall not exceed 5% of the Rent Sum Insured in respect of each Premises.

3 Rent Review

Where Rent is subject to a rent review during the Period of Insurance, the rent amount payable may be automatically increased, subject to a maximum rent review increase of 20%. This does not include any increases in Rent resulting from alterations, additions, extensions or improvements to the Buildings insured or in respect of newly erected buildings.

Section 2 – Loss of Rent (continued)

4 Alterations and Additions

Cover includes Rent in respect of

- a alterations, additions and improvements to Premises
- b newly acquired or newly erected Premises

within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, for no more than 20% of the Total Sum Insured or £100,000 whichever is the less, at any one Premises, provided that the Insured shall

- i give details to the Insurer within ninety days of the commencement date of the Insured's interest in such Rent
- ii effect specific cover retrospective to such date, and
- iii pay the appropriate additional premium.

5 Seventy Two Hours Clause

Damage occurring within 72 consecutive hours of and arising from Event 7 (Storm, Tempest or Flood) is deemed to be one claim. The Insured have the right to select the moment from which the 72 hour period shall be deemed to have commenced within the terms of this Section, provided that such Damage occurred prior to expiry of the Period of Insurance.

6 Value Added Tax

All terms in this Section shall be exclusive of value added tax to the extent that the Insured are accountable to the tax authorities for such tax.

7 Payments on Account

The Insurer will make payments on account during the Indemnity Period, if the Insured so request, subject to any necessary adjustment at the end of the Indemnity Period.

Extensions (Subject to the terms, limits, conditions and exclusions of this Section and the Policy)

Any claim resulting from interruption of or interference with the Business in consequence of:

- a in respect of Extensions 1 – 4, loss or destruction of or damage to any Property shown below resulting from an Event operative under Section 1 – Property Damage of this Policy, or
- b In respect of Extension 5, any Contingency shown

within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, shall be understood to be Damage as covered by this Section, provided that after the application of all other terms, conditions and provisions of this Section the liability of the Insurer shall not exceed in the whole the Total Sum Insured, or the amount shown as the maximum limit of liability in respect of any of the Extensions, whichever is the less.

1 Managing Agents' Premises

Property of the Insured's managing agents at the premises of such managing agents, up to 20% of the Rent Sum Insured or £20,000 whichever is the less.

2 Denial of Access

Property in the immediate vicinity of the Premises which prevents or hinders the use of or access to the Premises for a period greater than 24 hours, whether the Premises or property in them is Damaged or not.

3 Full Failure of Utilities

The Insurer will indemnify the Insured in respect of loss resulting from interruption or interference with the Business as a result of accidental failure of;

- 1 Water at the service provider's main stop cock serving the Premises
- 2 Electricity at the terminal ends of the service provider's feeders at the Premises
- 3 Gas at the service provider's meters at the Premises
- 4 Land based telecommunication services (excluding intranet or extranet services) at the line terminals or receivers at the Premises

The maximum amount payable in respect of any one loss occurring in the Period of Insurance under this Extension is 15% of the Loss of Rent Sum Insured or £100,000 whichever is the less.

The Insurer will not indemnify the Insured in respect of accidental failure

- a** caused by the deliberate act of any supply authority
- b** caused by the exercise of any supply authority's power to withdraw or restrict supply or services
- c** caused by industrial action
- d** other than in England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man
- e** caused by drought or other weather conditions unless equipment has been damaged
- f** caused by failure of any satellite
- g** lasting less than 24 consecutive hours in respect of telecommunications services, otherwise lasting less than four hours.

4 Documents

Documents belonging to the Insured or held by the Insured in trust, whilst at premises not being the Insured's Premises, or in transit by road, rail or inland waterway.

5 Specified Illnesses

Contingencies

- a** any occurrence of a Specified Illness at the Premises, except where the Premises is a Private Dwelling
- b** any discovery of an organism at the Premises likely to result in the occurrence of a Specified Illness, except where the Premises is a Private Dwelling
- c** any occurrence of Legionellosis at the Premises
- d** the discovery of vermin or pests at the Premises
- e** any accident causing defects in the drains or other sanitary arrangements at the Premises

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

Special Provisions

- 1** 'Specified Illness' shall mean illness sustained by any person resulting from
 - a** food or drink poisoning, or

- b** Acute Encephalitis, Acute Poliomyelitis, Anthrax, Chickenpox, Cholera, Diphtheria, Dysentery, Leprosy, Leptospirosis, Malaria, Measles, Meningococcal Infection, Mumps, Ophthalmia Neonatorum, Paratyphoid Fever, Plague, Rabies, Rubella, Scarlet Fever, Smallpox, Tetanus, Tuberculosis, Typhoid Fever, Viral Hepatitis, Whooping Cough or Yellow Fever an outbreak of which the competent local authority has stipulated shall be notified to them.

- 2** 'Legionellosis' shall mean illness sustained by any person resulting from any discharge release or escape of legionella from water tanks, water systems, air-conditioning plants, cooling towers and the like at the Premises.
- 3** For the purpose of this Extension 'Indemnity Period' shall mean the period during which the results of the Business shall be affected in consequence of the Damage beginning with the date from which the restrictions on the Premises are applied and ending not later than 3 months thereafter.
- 4** The Insurer shall not be liable under this clause for any costs incurred in cleaning, repair, replacement, recall or checking of Property.
- 5** The Insurer shall only be liable for loss arising at the Premises which are directly subject to the incident.
- 6** The Insured in so far as it is reasonably practical shall ensure compliance with the Health and Safety Commissions Approved Code of Practice, "The Prevention and Control of Legionellosis (including Legionnaires Disease)" or any supplementary replacement or amending Code of Practice.
- 7** Notwithstanding Special Provision 4 the insurance by this Extension extends to include costs and expenses necessarily incurred with the consent of the Insurer in
 - a** cleaning and decontamination of Property used by the Insured for the purpose of the Business (other than stock in trade)
 - b** removal and disposal of contaminated stock in trade

at or from the Premises, the use of which has been restricted on the order or advice of the competent local authority solely in consequence of the incident as defined above, provided that the liability of the Insurer shall not exceed £100,000 in any one Period of Insurance, after the application of all other terms and conditions of this Section and of the Policy.

Section 2 – Loss of Rent (continued)

6 Loss of Attraction

Property in the immediate vicinity of the Premises causing a fall in the number of tenants attracted to the Premises, provided that for the purpose of this Extension Damage shall exclude obstruction of roads, streets and the like by weather or climatic conditions

- a The Maximum Indemnity Period shall not exceed 3 months
- b Limit 5% or £100,000 whichever is the less

7 Action by the Police Authority

The Insurer will indemnify the Insured in respect of loss resulting from interruption or interference with the Business as a result of prevention of access to the Premises by the Police Authority due to a danger or disturbance in the vicinity of the Premises.

However the Insurer will not indemnify the Insured for any interruption or interference lasting less than 4 hours.

The maximum the Insurer will pay under this Extension is £100,000 or 10% of the Gross Profit Sum Insured or 10% of the Revenue Sum Insured, whichever is the lower, in respect of the total of all losses occurring during the Period of Insurance, unless otherwise stated in the Schedule.

The provisions of any Automatic Reinstatement Clause do not apply in respect of this Extension.

Section Exclusions

The Policy Exclusions apply to this Section and in addition the Insurer will not pay for:

1 Pollution or Contamination

Loss resulting from pollution or contamination, but the Insurer will pay for such loss resulting from destruction of or Damage to property used by the Insured at the Premises for the purpose of the Business not otherwise excluded caused by

- a pollution or contamination at the Premises which itself results from an insured Event
- b any insured Event which itself results from pollution or contamination.

2 Computer Date Recognition

Damage or liability directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether the property of the Insured or not, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure

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

but in respect of Section 1 Property Damage only the insurance will pay for any subsequent Damage which is not otherwise excluded and which itself results from Events 1 to 8 of Section 1 Property Damage.

Section Conditions

The Policy Conditions apply to this Section and in addition the following:

1 Alteration

Unless the Insurer agrees in writing, cover under this Section shall automatically cease if

- a** the Business is wound up or carried on by a liquidator or receiver or permanently discontinued
- b** the interest of the Insured ceases other than by death
- c** there is any alteration in respect of subsidence, ground heave or landslip by any demolition, construction, ground works or excavation work being carried out on any adjoining site

during the Period of Insurance.

2 Additional Claims Conditions during the Period of Insurance

In the event of Damage, in consequence of which the Insured make or may make a claim under this Section, the Insured shall at their own expense deliver to the Insurer not later than 30 days after expiry of the Indemnity Period, or such further time that the Insurer may allow, full information in writing of the particulars of the claim, together with details of all other policies covering the Premises for the purpose of the Business or any part of the Business, and the amount of any resulting Damage.

Particulars or details contained in the Insured's books of account or other business books or documents, which may be required by the Insurer for the purpose of investigating or verifying any claim under this Section, may be produced by professional accountants if at the time they are regularly acting for the Insured. Their report shall be prima facie evidence of the particulars and details to which such report relates.

The Insurer will not pay for any claim unless the terms of this condition have been complied with, and any payment on account already made shall be repaid to the Insurer.

Section 3 – Property Owners Liability

Definitions

Asbestos

Asbestos or fibres or particles of asbestos or any material containing asbestos.

Business

The Business specified in the Schedule conducted solely from Great Britain, Northern Ireland, the Isle of Man or the Channel Islands and including

- a** the ownership, maintenance and repair of premises used in connection therewith
- b** the provision and management of canteen, social, sports or welfare organisations for the benefit of Employees and the ambulance, first aid, fire, medical and security services of the Insured
- c** the execution of private duties by Employees for any partner, director or senior official of the Insured

Employee

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

Injury

- a** bodily injury, death, disease, illness, mental injury or nervous shock
- b** invasion of the right of privacy, false arrest, false imprisonment, false eviction or malicious prosecution of any person.

Offshore Installations

- a** Any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- b** any installation in the sea or tidal waters which is intended for the storage or recovery of gas

- c** any pipe or system of pipes in the sea or tidal waters
- d** any installation which is intended to provide accommodation for persons who work on or from the locations specified in Definition Offshore Installations **a**, **b** and **c** above.

Pollution or Contamination

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

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

Products

Any goods or other property (including their containers, packaging, labelling and instructions for use) sold, supplied, delivered, installed, erected, repaired, altered, treated or tested by the Insured in connection with the Business and not in the charge or control of the Insured.

Territorial Limits

- a** Great Britain, Northern Ireland, the Isle of Man and the Channel Islands
- b** any other member country of the European Union
- c** elsewhere in the world in respect of Injury or Damage caused by or arising from
 - i** non-manual activities of any partner, director or Employee of the Insured normally resident within the territories specified in Definition Territorial Limits **a** above and occurring during any journey or temporary visit
 - ii** Products.

Cover

The Insurer will indemnify the Insured against legal liability to pay compensation and claimants' costs and expenses in respect of accidental

- a Injury to any person**
- b Damage to material property**
- c nuisance, trespass, obstruction or interference with any right of way, light, air or water**

occurring within the Territorial Limits during the Period of Insurance in connection with the Business.

Costs and Expenses

The Insurer will also pay costs and expenses incurred by the Insurer or with the written consent of the Insurer

- a** in connection with the defence of any claim
- b** for representation of the Insured
 - i** at any coroner's inquest or fatal accident inquiry in respect of death
 - ii** at proceedings in any court of summary jurisdiction or on indictment in any higher court in respect of any alleged breach of statutory duty resulting in Injury or loss or damage

which may be the subject of indemnity under this Section.

Limit of Indemnity

- a** The Insurer's liability for all compensation payable in respect of
 - i** any one occurrence or all occurrences of a series consequent on or attributable to one source or original cause
 - ii** all Injury, loss or damage sustained by all claimants occurring during any one Period of Insurance and caused by and arising from Products
 - iii** all Pollution or Contamination which is deemed to have occurred during any one Period of Insurance

shall not exceed the Limit of Indemnity.

- b** In respect of all claims against the Insured made within the legal jurisdiction of the United States of America or Canada or any dependency or trust territory the Limit of Indemnity shall be inclusive of the amount of all
 - i** claimants' costs and expenses
 - ii** costs and expenses incurred by the Insurer or with the written consent of the Insurer in connection with the defence of such claims.

Provided that

- a** in respect of an Act of Terrorism the Limit of Indemnity shall not exceed the Limit of Indemnity stated in the Schedule or £5,000,000 (whichever is the lesser). If the Insurer alleges that by reason of this limitation any loss damage cost or expense is not covered the burden of proving the contrary shall be upon the Insured
- b** in respect of the indemnity provided under this Section for Extension 12 – Corporate Manslaughter and Corporate Homicide Act 2007– Legal Defence Costs
 - i** the liability of the Insurer shall not exceed £5,000,000 or the Limit of Indemnity (whichever is lesser) in any one Period of Insurance
 - ii** all amounts payable will form part of and not be in addition to the Limit of Indemnity
 - iii** where the Insurer has already indemnified the Insured in respect of legal costs or expenses incurred in connection with the defence of criminal proceedings (including appeals against conviction arising from such proceedings) arising out of the same cause or occurrence which gave rise to said proceedings under another Section of the Policy the amount paid under that Section shall contribute to the maximum amount payable under this Section.

Section 3 – Property Owners Liability (continued)

Extensions (Subject to the terms, limits, conditions and exclusions of this Section and the Policy)

1 Indemnity to Other Parties

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

- a** any officer or committee member or other member of the Insured's canteen, social, sports or welfare organisations or ambulance, first aid, fire, medical or security services against liability incurred in such capacity
- b** any partner, director or Employee of the Insured against liability incurred in such capacity and in respect of which the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured

as though each party were individually named as the Insured in this Section

- c** any principal for whom the Insured have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the Insured and in respect of which the Insured are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the Insured.

Provided that

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

2 Joint Insured – Cross Liabilities

If more than one party is named as the Insured this Section shall apply as though each were insured separately provided that the Insurer's liability to all parties indemnified shall not exceed in total the Limit of Indemnity shown in the Schedule.

3 Overseas Personal Liability

The Business is extended to include personal activities (not connected with any gainful occupation or profession nor with the ownership or tenure of any land or building) of any partner, director or Employee of the Insured or family member of such partner, director or Employee normally resident within the territories specified in Definition Territorial Limits **a** in the course of any journey or temporary visit to any other country made in connection with the Business.

4 Motor Contingent Liability

The Insurer will indemnify the Insured in the terms of this Section against liability arising out of the use in connection with the Business of any vehicle not owned, provided or being driven by the Insured but this Section does not cover liability

- a** in respect of damage to such vehicle
- b** arising out of any such use in any country outside the European Union
- c** incurred by any party other than the Insured
- d** incurred by any party identified in Extension 1 – Indemnity to Other Parties other than an Employee.

For the purpose of this cover Exclusion 1 – Injury to Employees does not apply.

5 Health and Safety at Work – Legal Defence Costs

The Insurer will indemnify the Insured and if the Insured so request any partner, director or Employee of the Insured in the terms of this Section in respect of

- a** costs and expenses incurred with the Insurer's written consent
- b** costs and expenses of the prosecution awarded against any such party

in connection with criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 committed or alleged to have been committed during the Period of Insurance in connection with the Business.

Provided that

- i** the proceedings relate to the health, safety or welfare of any person other than an Employee
- ii** the Insurer shall have the conduct and control of all the said proceedings and appeals.

The Insurer will not pay for

- a** fines or penalties of any kind
- b** proceedings or appeals in respect of any deliberate or intentional criminal act or omission
- c** costs or expenses insured by any other insurance.

6 Data Protection

The Insurer will indemnify the Insured and at the Insured's request any partner, director or Employee of the Insured against the sums which the Insured or any director, partner or Employee of the Insured become(s) legally liable to pay as compensation, under Section(s) 22 and/or 23 of the Data Protection Act 1984 as amended by the Data Protection Act 1998, for damage or distress caused in connection with the Business during the Period of Insurance provided that the Insured is

- i** a registered user in accordance with the terms of the Act
- ii** not in business as a computer bureau.

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

The Insurer will not pay for

- a** any Damage or distress caused by any deliberate act or omission by the Insured the result of which could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omission
- b** any Damage or distress caused by any act of fraud or dishonesty
- c** the costs and expenses of rectifying, rewriting or erasing data
- d** liability arising from the recording, processing or provision of data for reward or to determine the financial status of any person
- e** the payment of fines or penalties.

7 Defective Premises Act 1972

The Insurer will indemnify the Insured in the terms of this Section against liability incurred by the Insured under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with premises or land disposed of by the Insured.

Provided that this Extension does not cover

- a** the costs of rectifying any Damage or defect in the premises or land disposed of
- b** liability for which the Insured is entitled to indemnity under any other insurance.
- c** liability arising out of the presence of Asbestos

8 Consumer Protection and Food Safety Acts – Legal Defence Costs

The Insurer will indemnify the Insured and if the Insured so request any partner, director or Employee of the Insured in the terms of this Section in respect of legal costs and expenses incurred with the written consent of the Insurer in connection with the defence of any criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under

- a** Part 2 of the Consumer Protection Act 1987

or

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

committed or alleged to have been committed during the Period of Insurance in connection with the Business

Provided that the Insurer shall have the conduct and control of all the said proceedings and appeals.

The Insurer will not pay for

- a** fines or penalties of any kind
- b** proceedings or appeals in respect of any deliberate act or omission
- c** costs or expenses insured by any other policy.

9 Court Attendance Compensation

If during the Period of Insurance any partner, director or Employee of the Insured is required to attend court as a witness at the request of the Insurer in connection with a claim which is the subject of indemnity under this Section the Insurer will pay compensation to the Insured on the following scale for each day that attendance is required:

- i** any director or partner **£750**
- ii** any Employee **£250**

10 Contractual Liability

In respect of liability assumed by the Insured by a contract or agreement entered into by the Insured and which would not have attached in the absence of such contract or agreement, the indemnity provided by this Section shall only apply if the sole conduct and control of any claim is vested in the Insurer.

Section 3 – Property Owners Liability (continued)

Provided that the Insurer shall not in any event provide indemnity

- a** under Policy Exclusion **9.a.** (Products) except as stated therein
- b** in respect of liquidated damages or fines or damages imposed by or payable under any penalty clause.

11 Legionellosis Liability

Policy Exclusion **4.b.** (Pollution or Contamination) shall not apply to any discharge, release, or escape of Legionella or other air-borne pathogens from water tanks, water systems, air conditioning plants, cooling towers and the like.

Provided that

- a** the Insurer will only indemnify the Insured
 - i** in respect of claims arising from Pollution or Contamination which arise out of or as a consequence of any discharge, release or escape of Legionella or other air-borne pathogens from water tanks, water systems, air-conditioning plants, cooling towers and the like first made in writing to the Insured during the Period of Insurance
 - or
 - ii** if the first notification of a circumstance which has caused or is alleged to have caused Injury or Damage and can be reasonably expected to give rise to a claim arising from Pollution or Contamination which arises out of or as a consequence of any discharge, release or escape of Legionella or other air-borne pathogens from water tanks, water systems, air-conditioning plants, cooling towers and the like is notified to the Insurer during the Period of Insurance or within 30 days after expiry of the same Period of Insurance
- b** the liability of the Insurer under this Extension for all compensation (including interest thereon) and claimants costs' and expenses payable shall not exceed £500,000 and for all claims arising from Pollution or Contamination shall not exceed the Limit of Indemnity as stated in the Schedule
- c** this Extension shall not apply to any claim arising from Pollution or Contamination which arises out of or as a consequence of any discharge, release or escape of Legionella or other air-borne pathogens from water tanks, water systems, air-conditioning plants, cooling towers and the like if before the Period of Insurance the Insured had become aware of circumstances which have given or may give rise to such Pollution or Contamination.

12 Corporate Manslaughter and Corporate Homicide Act 2007 – Legal Defence Costs

The Insurer will indemnify the Insured in respect of

- a** legal costs and expenses incurred with the prior written consent of the Insurer and
- b** costs of the prosecution awarded against the Insured

in connection with the defence of any criminal proceedings (including any appeal against conviction arising from such proceedings) brought under The Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Channel Islands or the Isle of Man in respect of any fatal injury sustained and caused during the Period of Insurance in the course of the Business and which may be subject to indemnity under this Section

Provided that the Insurer agrees details of the specific solicitor or counsel who are to act on behalf of the Insured prior to their appointment.

The Insurer will not pay for

- i** any fines or penalties imposed on the Insured or the cost of implementing any remedial order or publicity order
- ii** legal costs and expenses in connection with an appeal unless a solicitor or counsel advise that there are strong prospects of succeeding in the appeal or recovering costs awarded against the Insured at all times throughout the appeals process. Any change to such prospect of success during the appeals process may result in cover being removed
- iii** costs and expenses provided by another source or any other insurance or where but for the existence of this Extension would have been provided by such source or insurance
- iv** costs and expenses in connection with the defence of any criminal proceedings brought in any country other than Great Britain, Northern Ireland, the Channel Islands and the Isle of Man
- v** costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by the Insured or any partner or director of the Insured or any Employee.

Section Exclusions

The Policy Exclusions 2 (War) and 3 (Radioactive Contamination) apply to this Section and in addition the Insurer will not pay for:

1 Injury to Employees

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

2 Work on Offshore Installations

Liability in respect of Injury or loss or damage arising in connection with visiting, working on or travel to or from Offshore Installations.

3 Fines, penalties, liquidated, punitive, exemplary or aggravated damages

Liability in respect of

- a fines, penalties or liquidated damages
- b punitive, exemplary or aggravated damages or any damages resulting from the multiplication of compensatory damages.

4 Pollution or Contamination

Liability in respect of

- a Pollution or Contamination occurring in the United States of America or Canada or any dependency or trust territory
- b Pollution or Contamination occurring elsewhere unless caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.

5 Mechanically Propelled Vehicles

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

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

except where more specifically insured by any other policy.

6 Vessels or Craft

Liability arising out of the ownership, possession or use by or on behalf of the Insured of any

- a aircraft or other aerial device made or intended to travel through air or space
- b any water-borne vessel or craft other than
 - i those used for business entertainment purposes within inland waters
 - ii hand propelled or sailing watercraft whilst within inland waters and not exceeding 75 feet in length.

7 Property in the charge or control of the Insured

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

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

8 Damage to Goods Supplied

Liability in respect of

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

except that **8.a.** and **8.b.i** above shall not apply to liability in respect of loss or damage to the said goods or property if such loss or damage is caused by or arises from

- 1 any alteration, repair or servicing work executed
- 2 any other goods or property sold, supplied, delivered, installed or erected

by the Insured under a separate contract.

Section 3 – Property Owners Liability (continued)

9 Products

In respect of Injury, loss or damage caused by or arising from Products

- a** any liability which attaches to the Insured solely under the terms of an agreement other than
 - i** under any warranty of goods implied by law
 - ii** under any indemnity clause in any agreement between the Insured and any independent carrier in respect of Injury, loss or damage caused by Products entrusted to such carrier for transit by road, rail or waterway
- b** any Product installed or incorporated in any craft designed to travel in or through air or space and which to the Insured's knowledge was intended to be installed or incorporated in any such craft
- c** any claim made against the Insured in any country outside the European Union in which the Insured occupy premises or are represented by any resident Employee or holder of the Insured's power of attorney.

10 Advice and Design

Liability for Injury, loss or damage arising out of or in connection with advice, design, formula, specification, inspection, certification or testing provided or performed for a fee by or on behalf of the Insured other than where provided or performed in connection with any Product.

11 Contract Works and J.C.T. Clause 6.5.1

Liability in respect of loss or damage to any property

- a** comprising or to be incorporated in the contract works in respect of any contract undertaken by the Insured
- b** against which the Insured are required to effect insurance under the terms of Clause 6.5.1. of the J.C.T. (R.I.B.A.) Conditions of Contract or of any other contract condition requiring insurance of a like kind.

12 Manual Work

Liability arising from or as a consequence of any manual work carried out away from any premises belonging, leased, rented or hired to the Insured other than delivery or collection.

13 Slings and Cradles

Liability for Injury, loss or damage arising out of the operation of a sling and/or cradle.

14 Computer Date Exclusion

Damage or liability directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether the property of the Insured or not, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure

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

15 Occupiers Liability

Liability in respect of Injury, loss or damage caused by any Resident incurred solely as occupier of their Flat.

16 Excess

The amount any third party property damage excess specified in the Schedule.

17 Asbestos

- a** Liability in any way caused by, arising from or contributed to by
 - i** exposure to or inhalation of Asbestos
 - ii** fear of the consequences of exposure to or inhalation of Asbestos
- b** Liability for the costs of management (including those of any persons under any statutory duty to manage), removal, repair, alteration, recall, replacement or reinstatement of any property arising out of the presence of Asbestos

Section Conditions

The Policy Conditions 1–12, 14–17 inclusive apply to this Section and in addition the following:

1 Bona fide Subcontractors

In respect of work commencing within the Period of Insurance, it is a condition precedent to any liability of the Insurer in respect of Injury, loss, destruction or damage arising out of or caused by work undertaken on behalf of the Insured by bona fide subcontractors, that the Insured obtain and retain a written record that such subcontractors have in force throughout the duration of any work undertaken by them for the Insured insurance as follows:

- a** Employers' Liability insurance in accordance with any law relating to compulsory insurance of liability to employees
- b** Public Liability insurance covering legal liability for injury to any person other than liability described in **a** above and loss, destruction or damage to property with a Limit of Indemnity not less than £2,000,000.

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

2 Other Insurances

The Insurer will not indemnify the Insured in respect of liability which is insured by or would but for the existence of this Section be insured by any other policy or section except in respect of any excess beyond the amount payable under such other policy or section or which would have been payable under such other policy or section had this Section not been effected.

Section 4 – Employers' Liability

Definitions

Business

The Business specified in the Schedule conducted solely from Great Britain, Northern Ireland, the Isle of Man or the Channel Islands and including

- a** the ownership, maintenance and repair of premises used in connection therewith
- b** the provision and management of canteen, social, sports or welfare organisations for the benefit of Employees and the ambulance, first aid, fire, medical and security services of the Insured
- c** the execution of private duties by Employees for any partner, director or senior official of the Insured.

Employee

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

Injury

Bodily injury, death, disease, illness, mental injury or nervous shock.

Offshore Installations

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

Territorial Limits

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

Cover

The Insurer will indemnify the Insured against legal liability to pay compensation and claimants' costs and expenses in respect of Injury sustained by any Employee arising out of and in the course of the employment or engagement of such person by the Insured in connection with the Business and caused within the Territorial Limits during the Period of Insurance.

Cost and Expenses

The Insurer will also pay costs and expenses incurred by the Insurer or with the written consent of the Insurer

- a** in connection with the defence of any claim
- b** for representation of the Insured
 - i** at any coroner's inquest or fatal accident inquiry in respect of death
 - ii** at proceedings in any court of summary jurisdiction or on indictment in any higher court in respect of any alleged breach of statutory duty resulting in Injury

which may be the subject of indemnity under this Section.

Limit of Indemnity

The Insurer's Limit of Indemnity for all compensation, costs and expenses payable in respect of any one claim or series of claims arising out of one occurrence shall not exceed the Limit of Indemnity.

Provided that

- a** in respect of an Act of Terrorism the Limit of Indemnity shall not exceed £5,000,000. If the Insurer alleges that by reason of this limitation any loss damage cost or expense is not covered the burden of proving the contrary shall be upon the Insured.
- b** in respect of the indemnity provided under this Section for Extension 5 - Corporate Manslaughter and Corporate Homicide Act 2007- Legal Defence Costs

- i** the liability of the Insurer shall not exceed £5,000,000 in any one Period of Insurance
- ii** all amounts payable will form part of and not be in addition to the Limit of Indemnity
- iii** where the Insurer has already indemnified the Insured in respect of legal costs or expenses

incurred in connection with the defence of any criminal proceedings (including appeals against conviction arising from such proceedings) arising out of the same occurrence which gave rise to said proceedings under another Section of the Policy the amount paid under that Section shall contribute to the maximum amount payable under this Section.

Extensions (Subject to the terms, limits, conditions and exclusions of this Section and the Policy)

1 Indemnity to Other Parties

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

- a** any officer or committee member or other member of the Insured's canteen, social, sports or welfare organisations or ambulance, first aid, fire, medical or security services against liability incurred in such capacity
- b** any partner, director or Employee of the Insured against liability incurred in such capacity and in respect of which the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured

as though each party was individually named as the Insured in this Section

- c** any principal for whom the Insured have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the Insured and in respect of which the Insured are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the Insured.

Provided that

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

2 Health and Safety at Work – Legal Defence Costs

The Insurer will indemnify the Insured and if the Insured so request any partner, director or Employee of the Insured in the terms of this Section in respect of

- a** costs and expenses incurred with the Insurer's written consent
- b** costs and expenses of the prosecution awarded against any such party

in connection with criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 committed or alleged to have been committed during the Period of Insurance in connection with the Business.

Provided that

- i** the proceedings relate to the health, safety or welfare of any Employee
- ii** the Insurer shall have the conduct and control of all the said proceedings and appeals

the Insurer will not pay for

- a** fines or penalties of any kind
- b** proceedings or appeals in respect of any deliberate act or omission
- c** costs or expenses insured by any other insurance.

3 Unsatisfied Court Judgements

If a judgement for compensation or costs in respect of Injury sustained by any Employee arising out of and in the course of employment or engagement by the Insured in connection with the Business and caused within the Territorial Limits during the Period of Insurance

- a** is obtained by such Employee in any court situate within the territories specified in Definition Territorial Limits **a** against any person or corporate body domiciled or operating from premises within such territories and
- b** remains wholly or partly unsatisfied 6 months after the date of such judgement

the Insurer will if the Insured so request pay to the said Employee the amount of any such compensation and costs to the extent that they remain unsatisfied

Section 4 – Employers' Liability (continued)

Provided that

- i there is no appeal outstanding
- ii the Employee shall have assigned the judgement to the Insurer
- iii this Section was shown as insured in the Schedule at the time of the Injury.

4 Court Attendance Compensation

If during the Period of Insurance any partner, director or Employee of the Insured is required to attend court as a witness at the request of the Insurer in connection with a claim which is the subject of indemnity under this Section the Insurer will pay compensation to the Insured on the following scale for each day that attendance is required:

- i any director or partner **£750**
- ii any Employee **£250**

5 Corporate Manslaughter and Corporate Homicide Act 2007 – Legal Defence Costs

The Insurer will indemnify the Insured in respect of

- a legal costs and expenses incurred with the prior written consent of the Insurer and
- b costs of the prosecution awarded against the Insured

in connection with the defence of any criminal proceedings (including any appeal against conviction arising from such proceedings) brought under The Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Channel Islands or the Isle of Man in respect of any fatal injury sustained and caused during the Period of Insurance in the course of the Business and which may be subject to indemnity under this Section

Provided that the Insurer agrees details of the specific solicitor or counsel who are to act on behalf of the Insured prior to their appointment.

The Insurer will not pay for

- i any fines or penalties imposed on the Insured or the cost of implementing any remedial order or publicity order
- ii legal costs and expenses in connection with an appeal unless a solicitor or counsel advise that there are strong prospects of succeeding in the appeal or recovering costs awarded against the Insured at all times throughout the appeals process. Any change to such prospect of success during the appeals process may result in cover being removed

- iii costs and expenses provided by another source or any other insurance or where but for the existence of this Extension would have been provided by such source or insurance
- iv costs and expenses in connection with the defence of any criminal proceedings brought in any country other than the Great Britain, Northern Ireland, the Channel Islands and the Isle of Man
- v costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by the Insured or any partner or director of the Insured or any Employee

from any deliberate or intentional criminal act or omission by the Insured or any partner or director of the Insured or any Employee.

Exclusions

Policy Exclusion 3 (Radioactive Contamination) applies to this Section and in addition the Insurer will not pay for:

1 Mechanically Propelled Vehicles

Liability in respect of Injury to any Employee arising out of the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle or trailer attached thereto if such liability is required by any road traffic legislation to be the subject of compulsory insurance or other security.

2 Work on Offshore Installations

Liability in respect of Injury to any Employee who is working on, visiting or travelling to or from Offshore Installations.

3 Slings and Cradles

Liability in respect of Injury to any Employee operating a sling and/or cradle.

Section Conditions

The Policy Conditions 2, 3, 4, 6, 7, 10, 11, 12, 14, 15, 16 and 17 apply to this Section and in addition the following:

1 Compulsory Insurance Legislation

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

2 Certificate of Employers' Liability

If this Policy or Section is cancelled any certificate of Employers' Liability insurance issued hereunder is similarly cancelled from the same date.

3 Other Insurances

The Insurer will not indemnify the Insured in respect of liability which is insured by or would but for the existence of this Section be insured by any other policy or section except in respect of any excess beyond the amount payable under such other policy or section or which would have been payable under such other policy or section had this Section not been effected.

Section 5 – Personal Accident

Definitions

Accidental Bodily Injury/Injuries

Bodily injury caused by

- 1 accidental violent external and visible means or
- 2 exposure to the elements following a mishap to any vehicle, vessel or aircraft in which the Member is travelling.

Death

Death caused by Accidental Bodily Injury/Injuries

Loss of Hearing

Total and permanent loss of hearing which has lasted 3 consecutive months of the Member's lifetime and is at the end of that period in the opinion of an independently qualified medical referee beyond hope of improvement.

Loss of Limb

Total and permanent loss by physical separation or total and permanent loss of use of a hand at or above the wrist or a foot at or above the ankle.

Loss of Sight

Total and permanent loss of sight will be considered as having occurred:

- 1 in both eyes if the Member's name has been added to the Register of Blind persons on the authority of a fully qualified ophthalmic specialist

or

- 2 in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen Scale

which has lasted 3 consecutive months of the Member's lifetime and is at the end of that period in the opinion of an independent optician (acceptable to the Insurer) beyond hope of improvement.

Member

Any partner, proprietor or working director of the Insured between the ages of 16 and 65 years.

Operative Time of Cover

24 hours.

Permanent Total Disablement

Disablement other than Loss of Sight, Loss of Hearing or Loss of Limb which permanently, completely and continuously prevents the Member from performing each and every function of his/her Usual Occupation, and which having lasted 104 weeks of the Member's lifetime is at the end of that period beyond hope of improvement.

Usual Occupation

The tasks, duties and other functions which the Insured normally pays the Member to perform in connection with the Business of the Insured.

Cover

The Insurer will pay the Insured compensation in accordance with the Sum Insured if any Member shall sustain an Accidental Bodily Injury during the Period of Insurance and Operative Time of Cover which within 12 months thereof directly and independently of any other cause results in:

- a Death
- b Permanent Total Disablement

Basis of Settlement

Compensation will be paid in accordance with the following percentages subject to a maximum total of 100% of the Sum Insured in the aggregate.

Percentage payment

1	Permanent Total Disablement	100%
2	Loss of Limb	100%
3 a	Loss of Sight	100%
b	Loss of Hearing	50%
c	Loss of Hearing in one ear	10%
4	Permanent loss by physical separation of	
a	one thumb	
i	both phalanges	20%
ii	one phalange	7%
b	one index finger	
i	three phalanges	9%
ii	two phalanges	6%
iii	one phalange	3%
c	one other finger	
i	three phalanges	7%
ii	two phalanges	5%
iii	one phalange	2%
d	one great toe	
i	two phalanges	6%
ii	one phalange	3%
e	one other toe	
i	three phalanges	3%
ii	two phalanges	2%
iii	one phalange	1%

which the Member has survived for at least one month.

Limitations

In respect of each Member:

- 1 this Section shall cease to be in force immediately after the occurrence of any Accidental Bodily Injury qualifying for payment under percentage payment 1, 2 or 3a.

Exclusions

Policy Exclusion 1 (Territorial Limits) applies to this Section.

In addition the Insurer will not be liable to make any payment in respect of injury or disablement of any Member

- 1 sustained whilst or consequent upon or contributed to directly or indirectly by the Member engaging in
 - a motorcycling (other than in respect of mopeds or scooters up to 50cc), hunting, winter sports (other than curling or skating), mountaineering or rock climbing (necessitating the use of ropes or guides), pot-holing, caving, any underwater activities involving the use of external breathing apparatus, armed or unarmed combat sports, riding or driving in any kind of race or endurance test (or practice thereof)
 - b aviation other than as a passenger (not as a member of the crew nor for the purpose of undertaking any trade or technical operation) in a fully licensed passenger-carrying aircraft
 - c any gainful occupation outside the Business.
- 2 arising as a consequence of the suicide, intentional self-injury or insanity of or the influence of alcohol or drugs (other than drugs taken in accordance with the treatment prescribed and directed by a qualified medical practitioner but not for the treatment of drug addiction)
- 3 caused or contributed to directly or indirectly by
 - a pregnancy or childbirth
 - b sexually transmitted diseases
 - c HIV (Human Immunodeficiency Virus) and/or any HIV related illness including AIDS (Acquired Immune Deficiency Syndrome) and/or any mutant derivative or variations thereof however caused
- 4 arising from travel to or from or work on Offshore Installations
- 5 arising out of or consequent upon service in the Armed Forces of any Nation or International Authority or other such organisation
- 6 arising out of or consequent upon or contributed directly or indirectly by any Member(s) committing a criminal act or taking part or whilst engaged in civil commotions or riots of any kind
- 7 arising out of Accidental Bodily Injury, death or disablement as a result of or contributed to by
 - a sickness or disease
 - b any naturally occurring condition or gradually operating cause.

Section 5 – Personal Accident (continued)

- 8** for any claim or series of claims arising out of or consequent upon (or contributed to directly or indirectly by) any one originating event in excess of £750,000
- 9** as a result of any event directly or indirectly arising out of any nuclear, chemical or biological Contamination due to any act of Terrorism regardless of any other cause or any other event contributing at the same time or in any other sequence to such event.

For the purpose of this Exclusion:

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

Contamination means contamination or poisoning of people by nuclear and/or biological substances which cause illness and/or disablement and/or death.

If the Insurer alleges that by reason of this Exclusion any loss, damage, cost or expense is not covered, the burden of proving the contrary shall be upon the Insured.

Conditions

The Policy Conditions 1, 2, 5, 6, 8–12, 14 and 16 apply to this Section and in addition

1 Claims

- a** If anything occurs which is likely to give rise to a claim under this Section the Insured or the Member concerned or their legal personal representative must give notice to the Insurer as soon as possible and in any event within 30 days after the happening of any loss damage or occurrence which may result in any claim under this policy and shall when required by the Insurer and with all reasonable speed and at their own expense give the Insurer such further particulars as the Insurer may require.
- b** As soon as reasonably possible after the occurrence of an accident the Member concerned must place themselves under the care of a duly qualified medical practitioner whose advice they shall follow. The said Member shall submit to any medical examination made on the Insurer's behalf and in the event of death of the Member, the Insurer shall be entitled to make a post-mortem examination at the Insurer's own expense.

2 Misrepresentation of Facts Relevant to an Insured Person

If the Insured fails to comply with Policy Condition 1 (Fair Presentation of the Risk), the Insurer will not invoke any of the remedies available to it under that Condition as against the Insured, if the failure concerns only facts or information which relate to a particular Insured Person or Insured Persons. In that case, provided that the Insured Person concerned or the Insured on their behalf made a careless misrepresentation of facts, the Insurer may invoke the remedies available to it under Policy Condition 1 as against that Insured Person only, as if a separate insurance contract had been issued to such person, leaving the remainder of the Policy unaffected.

- 3** If a claim or series of claims under this Section arising out of or consequent upon (or contributed to directly or indirectly by) any one originating event exceeds £750,000 the amount of benefit paid will be proportionately reduced to an amount that does not exceed £750,000.

4 Fraudulent Claims

If any fraud to which Policy Condition 6 relates is perpetrated by or on behalf of an Insured Person (and not on behalf of the Insured), Policy Condition 6 should be read as if it applies only to that Insured Person's claim and references to the Policy should be read as if they were references to the cover effected for that person alone and not to the Policy as a whole.

Section 6 – Commercial Legal Expenses

The cover provided under this Section is a “claims made” indemnity and only covers Claims that the Insured first notifies to the Insurer during the Period of Insurance.

Definitions

In addition to the Policy Definitions the following also apply to this Section:

Acts of Parliament

All Acts of Parliament referred to in this Section will include a reference to all Orders and Regulations made under them and to any subsequent amendments, re-enactments, equivalent legislation, Regulations or Codes of Practice, enforceable within the Geographical Limits.

Adjudication

Adjudication whether arising under the Housing Grant Construction and Regeneration Act 1996 or the Scheme or an adjudication arising out of any term in a Contract.

Any One Claim

All Claims including any appeal against a judgment or decision arising out of the same original cause, event or circumstance without the intervention of any other cause starting from a new and independent source will be regarded as one Claim.

Awards of Compensation

Basic Awards and Compensatory Awards made against the Insured by an Employment Tribunal, Employment Appeal Tribunal or Superior Court, or settlements agreed as a result of negotiation, conciliation or arbitration proceedings and to which the Insurer’s previous Consent has been given, other than:

- a** any awards of compensation against the Insured for a redundancy payment or monies due under a contract of employment or
- b** any award arising from a failure by the Insured to provide written reasons for dismissal or
- c** any award or pay specified in a reinstatement or re-engagement order or
- d** any financial benefit or compensation payable under any share option scheme or pension scheme.

Basic Awards

Basic Awards are as determined in accordance with section 119 of the Employment Rights Act 1996. For the avoidance of doubt Basic Awards do not include Additional Awards, Protective Awards, Aggravated Damages or Interim Relief.

Claim

Cover Event 1a Employment Disputes and 1b Awards of Compensation

An application to an Employment Tribunal brought by or on behalf of any Employee against the Insured for monetary damages or other relief, including a request for reinstatement or re-engagement. The circumstances that give rise to a Claim will begin immediately the Insured first receives an Employee’s Claim Form (ETI) from an Employment Tribunal.

Cover Event 1c Employment Service Occupancy

A civil proceeding brought by the Insured for the pursuit of vacant possession of Premises belonging to the Insured and occupied by a previous Employee of the Insured. The circumstances that give rise to a Claim will begin immediately the Insured is first aware, or should reasonably have been aware, that a previous Employee has failed, or will fail, to vacate the Premises at the termination date of that Employee’s contract of employment, resulting in provable financial loss to the Insured.

Cover Event 1d Breach of Restrictive Covenant

A civil proceeding brought by the Insured following an actual breach by a previous Employee of an express restrictive covenant in that previous Employee’s contract of employment in respect of Employees or customers of the Insured. The circumstances that give rise to a Claim will begin immediately the Insured is first aware, or should reasonably have been aware, that a previous Employee has breached such an express restrictive covenant, resulting in provable financial loss to the Insured.

Cover Event 2 Taxation Proceedings

An HMRC Investigation. The circumstances that give rise to a Claim will begin immediately the Insured or the Insured’s accountant is first aware, or should reasonably have been aware, that an HMRC Investigation will occur.

Cover Event 3 Criminal Prosecution Defence

A criminal prosecution brought against the Insured Person. The circumstances that give rise to a Claim will begin immediately the Insured Person is first aware, or should reasonably have been aware, that criminal proceedings have been, or are to be, issued against that Insured Person.

Cover Event 4 Damage to Premises

A civil proceeding brought by the Insured. The circumstances that give rise to a Claim will begin immediately the Insured is first aware, or should reasonably have been aware, of actual physical damage caused to the Premises by an identifiable party resulting in provable financial loss to the Insured.

Section 6 – Commercial Legal Expenses (continued)

Cover Event 5 Data Protection

A civil proceeding brought against the Insured Person under Data Protection legislation. The circumstances that give rise to a Claim will begin immediately the Insured Person first receives:

- a** a writ, summons or similar pleading for injunctive or non-pecuniary relief, third party proceeding, or counterclaim or
- b** written notification from the Information Commissioner of a refusal of the Insured Person's application for registration or an alteration to the Insured Person's registration particulars or
- c** an Enforcement, De-registration or Transfer Prohibition Notice from the Information Commissioner.

Cover Event 6 Statutory Licence Appeal

An appeal by the Insured Person against a decision by a licensing or regulatory authority to suspend, revoke, alter or refuse to renew the Insured Person's Statutory Licence. The circumstances that give rise to a Claim will begin immediately the Insured Person first receives notification from the relevant licensing or regulatory authority of their intention to suspend, revoke, alter or refuse renewal of the Insured Person's Statutory Licence. The Insurer will only begin providing indemnity from the time that a Claim has been accepted following the receipt by the Insured Person of written confirmation from the relevant licensing or regulatory authority of the decision to suspend, revoke, alter or refuse renewal of the Insured Person's Statutory Licence.

Cover Event 7 Pension Trustee Defence

A civil proceeding brought against the Insured Person. The circumstances that give rise to a Claim will begin immediately the Insured Person is first aware, or should reasonably have been aware, of the intention of an Employee to hold the Insured Person responsible for any actual or alleged failure to fulfil their obligations as a trustee of a pension fund set up for the benefit of the Insured's Employees.

Cover Event 8 Employee's Civil Defence

A civil proceeding brought against an Employee. The circumstances that give rise to a Claim will begin immediately the Insured Person is first aware, or should reasonably have been aware, of an event arising from his or her work as an Employee that could lead to civil action being taken against him or her under legislation for unlawful discrimination on the grounds of sex, sexual orientation, race, disability, age, religious belief, political opinion or any other discrimination identified by Acts of Parliament.

Cover Event 9 Personal Injury

A civil proceeding brought by the Insured Person for monetary damages. The circumstances that give rise to a Claim will begin immediately the Insured Person suffers death or bodily injury.

Cover Event 10 Jury Service Allowance

The circumstances that give rise to a Claim for Jury Service Allowance will begin immediately the Insured first knows, or should have known, that they have suffered proven financial loss as a result of a proprietor, partner, director or Employee of the Insured having been absent from work as a result of attendance for jury service.

Cover Event 11 Contract Disputes – Below Small Claims Limit

A civil proceeding brought by or against the Insured for monetary damages or other relief. The circumstances that give rise to a Claim will begin immediately the Insured:

- a** is first aware, or should reasonably have been aware, of an actual or alleged breach of a Contract by another party to that Contract or
- b** is first aware, or should reasonably have been aware, of the intention of another party to a Contract to hold the Insured responsible for any actual or alleged breach of that Contract.

Compensatory Awards

Compensatory Awards are the amounts awarded at the discretion of an Employment Tribunal, Employment Appeal Tribunal or Superior Court intended to compensate for loss of earnings and benefits. For the avoidance of doubt Compensatory Awards do not include Additional Awards, Protective Awards, Aggravated Damages or Interim Relief.

Contract

An actual or alleged contract, whether verbal or in writing and to which the Insured is a party, for the sale, purchase, hire, service, supply or repair of goods or for the supply or purchase of a service. A Contract does not include any actual or alleged contract with an Employee or any contract of service entered into between the Insured and any sub-contractor or with anyone who is self-employed.

Data Protection Compensation Awards

Compensation awarded under the terms of section 13 of the Data Protection Act 1998 against the Insured for the holding, loss or unauthorised disclosure of data.

Debt Recovery Service

The debt collection service nominated by the Insurer which is provided as an Additional Service to the Insured for the recovery of Undisputed Debts.

Employee

Any person under a permanent full or permanent part time contract of service or apprenticeship with the Insured.

Excess

The amount specified in the Exclusions that the Insured Person must first pay in respect of Any One Claim under this Section before the Insurer then becomes liable to make payment under that Claim.

Geographical Limits – (Events 1, 2, 3, 4, 5, 6, 7, 8, 9, 11 & 12)

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

Geographical Limits – (Event 10 only)

Any member country of the European Union and Croatia, Iceland, Norway and Switzerland.

HMRC

HM Revenue & Customs.

HMRC Investigation

a Business Self Assessment Aspect Enquiry

An enquiry following the issue of a formal written notice by HMRC under Paragraph 24(1) Schedule 18 Finance Act 1998 or S9A or S12AC of the Taxes Management Act 1970 in order to make an enquiry into one or more specific aspects of the Insured's business self assessment return or

b Business Self Assessment Full Enquiry

An enquiry following the issue of a formal written notice by HMRC under Paragraph 24(1) Schedule 18 Finance Act 1998 or under S9A or S12AC of the Taxes Management Act 1970 to examine the whole of the Insured's business self assessment return or

c Employer Compliance Dispute

A dispute which takes place following a formal written expression of dissatisfaction with the Insured's PAYE, National Insurance Contributions or Construction Industry Scheme affairs following an employer compliance check by HMRC or following a formal written expression of dissatisfaction with the Insured's P11Ds or P9Ds or

d VAT Dispute

A dispute which takes place following:

- i** a VAT compliance check where a written decision, assessment or statement of alleged arrears is received from HMRC in respect of the Insured's Value Added Tax Return or
- ii** the receipt by the Insured of a formal written notice of VAT default surcharge.

Insured Person

The Insured and, at the request of the Insured with the agreement of the Insurer, the Insured's proprietors, partners and directors and also all Employees acting in the normal course of their employment.

Insurer

Allianz Legal Protection a trading name of Allianz Insurance plc.

Jury Service Allowance

The payment of up to £100 per day to the Insured in respect of an Insured Person who is absent from work as a result of their attendance for jury service within the Geographical Limits, but only in so far as this is not otherwise recoverable from the relevant court and payment of such sum has been made by the Insured to the Insured Person under any contract of employment. The amount that the Insurer will pay is based on:

- a** the time the Insured Person is off work including the time it takes to travel to and from the court. This will be calculated to the nearest half day assuming that a whole day is 8 hours
- b** if the Insured Person works full time, the salary or wages for each day equals 1/250th of the Insured Person's annual salary or wages
- c** if the Insured Person works part time, the salary or wages will be a proportion of the Insured Person's weekly salary or wages.

Lawphone Legal Helpline

A telephone advisory service provided by the Insurer:

- a** to advise the Insured on Business related legal matters and
- b** for the Insured to report all Claims under this Section to the Insurer.

Legal Expenses

Fees and Expenses

- a** any unrecovered professional fees, expenses or other disbursements reasonably and properly incurred by the Legal Representative on the Standard Basis and up to the Guideline Hourly Rates issued by the Senior Courts Costs Office, as may be agreed and confirmed by the written consent of the Insurer in respect of any Claim, including costs and expenses of expert witnesses and those incurred by the Insurer in connection with such Claim
- b** any costs incurred by other parties, insofar as the Insured Person is held liable in a civil court or tribunal to pay such costs or under a settlement made with another party with the Insurer's consent, but excluding any costs which the Insured Person may be ordered to pay by a court of criminal jurisdiction
- c** any unrecovered professional fees, expenses or other disbursements reasonably and properly incurred by the Legal Representative on the Standard Basis and up to the Guideline Hourly Rates issued by the Senior Courts Costs Office, as may be agreed and confirmed by the written consent of the Insurer in an appeal, or in resisting an appeal, against the judgment of a relevant court or tribunal

Section 6 – Commercial Legal Expenses (continued)

- d** any unrecovered professional fees, expenses or other disbursements reasonably and properly incurred by the Legal Representative on the Standard Basis and up to the Guideline Hourly Rates issued by the Senior Courts Costs Office, or in such amounts, as may be agreed and confirmed by the written consent of the Insurer where it is necessary for an accountant to represent the Insured in connection with any Claim relating to an HMRC Investigation or subsequent appeal, but excluding any tax or interest and penalties demanded, assessed or requested by HMRC.

Legal Representative

A solicitor, barrister, accountant or any other appropriately qualified person appointed in the name of and on behalf of the Insured Person with the agreement of the Insurer to act for the Insured Person in accordance with the terms of this Section.

Reasonable Prospects of a Satisfactory Outcome

- a** In civil proceedings Reasonable Prospects of a Satisfactory Outcome only exist if the Legal Representative advises that the Insured Person is more likely than not to succeed, assuming the case was determined at trial or other final hearing at first instance and the likely damages claimed and recovered by or against the Insured Person will exceed the Insured Person's own likely Legal Expenses
- b** In criminal proceedings Reasonable Prospects of a Satisfactory Outcome only exist if:
 - i** the Insured Person is more likely than not to succeed in defending the prosecution assuming the case was determined at trial or other final hearing at first instance or
 - ii** the Insured Person is more likely than not to succeed in a significant mitigation of their sentence or fine where the Insured Person intends to plead guilty to the offence, or is advised to do so by the Legal Representative
- c** In an Employer Compliance Dispute or VAT Dispute and in all appeals following an HMRC Investigation Reasonable Prospects of a Satisfactory Outcome only exist if the Insured is more likely than not to succeed in reversing the decision made or reducing the liabilities alleged by HMRC.

Small Claims Court

- a** 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 or
- b** A Sheriff Court in Scotland that hears a small claim or
- c** A Small Claims Court in Northern Ireland or
- d** Any equivalent Court that hears a small claim under Event 11 elsewhere within the Geographical Limits.

Small Claims Limit

The maximum value of a Claim that can be heard in the Small Claims Court.

Standard Basis

The assessment of Legal Expenses which are proportionate to the Insured Person's Claim.

Statutory Licence

A licence or certificate of registration issued under statute, statutory instrument or by a Government or local authority to the Insured Person and which is required to enable the Insured Person to carry on the normal activities of the Business.

Tax Avoidance Scheme

Any matter which is notifiable to HMRC under the regulations for Disclosure of Tax Avoidance Schemes (DOTAS).

Undisputed Debt

Money and interest that has not been paid to the Insured under the terms of a Contract, in respect of which the other party to that Contract would not, in the opinion of the Debt Recovery Service or the Insurer, have a realistic chance of succeeding in the defence of any legal action taken in respect of the amount due.

Witness Attendance Allowance

The payment of up to £100 per day to the Insured in respect of the Insured Person who is absent from work as a result of their attending as a witness for the Insured at a hearing, court, tribunal or arbitration within the Geographical Limits at the request of the Legal Representative with the Insurer's written consent of, but only in so far as this is not otherwise recoverable from the relevant hearing, court, tribunal or arbitration. The amount that the Insurer will pay is based on:

- a** the time the Insured Person is off work including the time it takes to travel to and from the hearing, court, tribunal or arbitration. This will be calculated to the nearest half day assuming that a whole day is 8 hours
- b** if the Insured Person works full time, the salary or wages for each day equals 1/250th of the Insured Person's annual salary or wages
- c** if the Insured Person works part time, the salary or wages will be a proportion of the Insured Person's weekly salary or wages.

Limit of Indemnity

The maximum amount the Insurer is liable to pay under this Section is:

- 1 £100,000 Any One Claim other than a Claim relating to a Business Self Assessment Aspect Enquiry under Event 2 Taxation Proceedings, Event 10 Jury Service Allowance, Event 11 Contract Disputes - Below Small Claims Limit and Witness Attendance Allowance
- 2 £2,000 Any One Claim relating to a Business Self Assessment Aspect Enquiry under Event 2 Taxation Proceedings
- 3 £5,000 Any One Claim relating to Event 10 Jury Service Allowance
- 4 £50,000 Any One Claim relating to Event 11 Contract Disputes - Below Small Claims Limit
- 5 £5,000 Any One Claim relating to Witness Attendance Allowance
- 6 £1,000,000 for all Claims first notified to the Insurer during the Period of Insurance

(collectively “the Limit of Indemnity”)

The above amounts are all inclusive of Legal Expenses.

Cover

The Insurer agrees to pay up to the Limit of Indemnity and on behalf of the Insured Person, Legal Expenses, Awards of Compensation, Data Protection Compensation Awards, Jury Service Allowance and Witness Attendance Allowance incurred by the Insured Person in the pursuit or defence of any Claim brought within the Geographical Limits, which is first notified to the Insurer during the Period of Insurance and which falls within the cover provided by Events 1 to 11 described below.

Events (as shown in the Policy Schedule)

1 Employment Disputes and Awards of Compensation

The Insured has cover for:

a Employment Disputes

the defence of the legal rights of the Insured in a dispute in an Employment Tribunal with a previous, present or prospective Employee and which arises out of or relates to a contract of employment or a breach of employment or discrimination legislation

b Awards of Compensation

c Employment Service Occupancy

the pursuit of a previous Employee to recover possession of Premises belonging to the Insured and occupied for residential purposes by that previous Employee provided that:

- i the occupation of the Property by the previous Employee was conditional on their employment by the Insured and was specifically included as part of the remuneration within that previous Employee’s contract of employment and
- ii the previous Employee’s contract of employment has terminated and any notice period has been completed (whether notice of resignation or notice of dismissal and including where the Employee was placed on leave by the Insured for the whole, or part, of that notice period) and
- iii the date of termination of the previous Employee’s contract of employment was not before the date this Section started

d Breach of Restrictive Covenant

the pursuit of an injunction against a previous Employee following a breach of an express restrictive covenant in that Employee’s contract of employment with the Insured, where the previous Employee has:

- i solicited other Employees of the Insured or
- ii solicited customers of the Insured, resulting in proven financial loss to the Insured

Provided that for all Claims made under Event 1:

- a the Insured has issued all necessary documentation to an Employee as required by legislation
- b the Insured has consulted with and then followed with due diligence the advice and procedures provided by the Lawphone Legal Helpline before making any significant variation to an Employee’s contract or taking any action which might lead to the giving of a formal warning to, or the dismissal of, an Employee
- c the Insured has consulted with the Lawphone Legal Helpline immediately the Insured knew, or ought reasonably to have known, of any cause, event or circumstance which has given or may give rise to a Claim involving the Insured

Section 6 – Commercial Legal Expenses (continued)

In respect of all parts of Event 1 – Employment Disputes and Awards of Compensation there is no cover for:

- a** any Claim arising as a result of the Insured's failure to consult with and then follow with due diligence the advice and procedures provided by the Lawphone Legal Helpline before making any significant variation to an Employee's contract or taking any action which leads to the giving of a formal warning to, or the dismissal of, an Employee
- b** any dispute with an Employee who was subject to either a written or verbal warning (formal or informal) in the 6 months immediately preceding the first Period of Insurance
- c** any dispute which necessitates the establishment of a transfer of employment under the Transfer of Undertakings (Protection of Employment) Regulations 2006 or the Acquired Rights Directive or a breach, or alleged breach, of either
- d** any dispute arising out of any contract of service entered into between the Insured and any sub-contractor or with anyone who is self-employed
- e** any dispute based upon, arising from or in consequence of any industrial dispute, industrial or labour arbitration or collective bargaining agreements
- f** any costs or expenses incurred by the Insured arising out of an internal disciplinary hearing or grievance relating to an Employee

In respect of Event 1c – Employment Service Occupancy there is no cover for the defence of the Insured's legal rights, other than to defend a counter-claim.

In respect of Event 1d – Breach of Restrictive Covenant there is no cover for any dispute with any individual who before the inception of this Section either ceased to be an Employee, or was working during their notice period (whether notice of resignation or notice of dismissal and including where the Employee was placed on leave by the Insured for the whole, or part, of that notice period).

2 Taxation Proceedings

The Insured has cover for representation of the Insured in an HMRC Investigation, and in any appeal proceedings arising from that HMRC Investigation.

Provided that:

- a** the HMRC Investigation arises out of the Business and
- b** the Insured has kept accurate business records in accordance with any relevant tax requirements and
- c** all relevant tax returns have been filed on time and

- d** Reasonable Prospects of a Satisfactory Outcome exist in respect of an Employer Compliance Dispute, VAT Dispute and in all appeals following an HMRC investigation

In respect of Event 2 – Taxation Proceedings there is no cover for:

- a** an Excess of £200 in respect of a Business Self Assessment Aspect Enquiry
- b** the preparation of accounts or self assessment returns
- c** an HMRC Investigation which arises out of:
 - i** deliberate or reckless or careless misstatements by the Insured in returns or submissions made to the relevant authorities
 - ii** failure by the Insured to make accurate, truthful and up to date submissions or returns or
 - iii** failure by the Insured to observe statutory time limits or requirements
- d** an HMRC Investigation which arises solely from an investigation of earlier accounts or records
- e** an enquiry under Public Notice 160 or Section 60 of the VAT Act 1994
- f** any matter conducted by HMRC Specialist Investigations or conducted under the HMRC Civil Investigation of Fraud or Criminal Investigations procedures
- g** the defence of any criminal prosecution
- h** any matter arising from the failure of the Insured to register for PAYE, VAT, or the Construction Industry Scheme or to notify chargeability in relation to any tax within the relevant time limits
- i** any matter relating to a Tax Avoidance Scheme
- j** any matter relating to IR35 legislation
- k** an HMRC Investigation arising from the payment of the National Minimum Wage.

3 Criminal Prosecution Defence

The Insured Person has cover for the defence of a criminal prosecution.

Provided that the criminal prosecution arises out of the Business.

In respect of Event 3 – Criminal Prosecution Defence there is no cover for:

- a** criminal proceedings being brought against the Insured Person for:
 - i** fraud, theft, money laundering or other dishonesty
 - ii** offences against another person, including offences of a sexual nature
 - iii** the manufacture, distribution or use of alcohol, drugs, indecent or obscene materials
 - iv** owning, possessing, hiring or using aircraft, watercraft, motor vehicles, trailers or caravans
 - v** any investigation by HMRC
 - vi** pollution
- b** any costs awarded against the Insured Person by a court of criminal jurisdiction.

4 Damage to Premises

The Insured has cover for the pursuit of the legal rights of the Insured in a dispute relating to physical damage to the Insured's Premises caused by another person or organisation resulting in proven financial loss to the Insured.

Provided that the Premises are used solely for the Insured's Business.

In respect of Event 4 – Damage to Premises there is no cover for:

- a** any dispute arising from the actual or alleged performance of, or failure to perform, in whole or in part, an actual or alleged Contract between the Insured and a third party
- b** any dispute relating to mining or other subsidence or heave
- c** any dispute relating to planning or building regulations or decisions
- d** any dispute relating to the renewal of a lease or Commercial Tenancy Agreement
- e** any dispute over the freehold or leasehold or commonhold or title of the Premises
- f** Adjudication
- g** any dispute with Government or local authority departments concerning the imposition of rates or other local taxes

- h** any dispute relating to the ownership, possession, hiring or use of aircraft, watercraft, motor vehicles, trailers or caravans
- i** the defence of the Insured's legal rights other than in defending a counter-claim by the other party to the dispute.

5 Data Protection

The Insured has cover for:

- a** the defence of the legal rights of the Insured in a civil dispute arising out of the Data Protection Act 1998
- b** an appeal by the Insured against a refusal of an application for registration or alteration of registered particulars
- c** an appeal by the Insured against any Enforcement, Deregistration or Transfer Prohibition Notice
- d** Data Protection Compensation Awards.

In respect of Event 5 – Data Protection there is no cover for any dispute or legal proceeding:

- a** which relates to the prosecution of the Insured
- b** which arises from a failure to register as a Data Controller
- c** which arises from a failure to comply with any legislative requirement concerning the processing of Sensitive Personal Data.

6 Statutory Licence Appeal

The Insured Person has cover to appeal to the relevant authority, court or tribunal following a decision made by such licensing or regulatory authority to suspend, revoke, alter or refuse to renew a Statutory Licence.

In respect of Event 6 – Statutory Licence Appeal there is no cover for:

- a** any appeal arising out of a hearing that took place because of a commercial decision made by the Insured Person in relation to the Business
- b** any appeal following a hearing that the Insured Person knew about, or should reasonably have known about, before this Section commences
- c** any appeal involving a Statutory Licence for which the Insured Person has made an appeal in the 12 months before this Section commences
- d** any disciplinary or internal procedures conducted by authorities charged with the regulation of the Insured Person in the performance of their normal Business activities, or for any appeal following such procedures

Section 6 – Commercial Legal Expenses (continued)

- e** the first application for, or application for the renewal of, the Insured Person's Statutory Licence
- f** any suspension, revocation, alteration or refusal to renew a Statutory Licence which is imposed by Acts of Parliament or national or local government regulation or order
- g** any appeal arising out of hearings relating in whole or in part to:
 - i** owning, driving or using a motor vehicle
 - ii** drug offences
 - iii** under age drinking or under age admission to Premises or
 - iv** allegations of sexual or indecent activities.

7 Pension Trustee Defence

The Insured Person has cover for the defence of their legal rights in civil proceedings arising from the Insured Person's capacity as a trustee of a pension fund set up for the benefit of Employees.

8 Employee's Civil Defence

The Insured Person has cover for the defence of their legal rights in civil proceedings arising from the Insured Person's work as an Employee under legislation for unlawful discrimination on the grounds of sex, sexual orientation, race, disability, age, religious belief, political opinion or any other discrimination identified by Acts of Parliament.

9 Personal Injury

The Insured Person has cover for the pursuit of their legal rights following an event which causes the Insured Person's death or bodily injury.

Provided that the death or bodily injury arises out of the Business

In respect of Event 9 – Personal Injury there is no cover for disputes between the Insured and the Insured Person.

10 Jury Service Allowance

The Insured has cover for Jury Service Allowance.

11 Contract Disputes – Below Small Claims Limit

The Insured has cover for the pursuit or defence of a dispute with a manufacturer or supplier or customer in respect of a Contract.

Provided that:

- a** the goods or services in question are supplied in connection with the normal Business activities of the Insured and

- b** the amount in dispute is more than £250 but equal to or less than the Small Claims Limit and
- c** the Claim is heard within a Small Claims Court and
- d** if the Insured is pursuing another party to the Contract for an amount of money and interest, that amount is not an Undisputed Debt.

In respect of Event 11 – Contract Disputes – Below Small Claims Limit there is no cover for:

- a** the recovery of any Undisputed Debt other than where the other party to the Contract has indicated an intention to defend the Claim and that party has a realistic chance of defending the Claim
- b** the pursuit or defence of any Claim brought by or against the Insured Person caused by or arising from or in relation to professional services, advice or specification given by the Insured or on behalf of the Insured Person
- c** any dispute arising from or as a consequence of any breach or alleged breach of professional duty or any error or omission in any advice given by the Insured Person or on behalf of the Insured Person
- d** any dispute where a Claim is brought against the Insured caused by or arising from the provision of goods or services by the Insured relating to the construction, alteration or repair of any building, or part of that building, or structure
- e** any dispute relating to computer hardware, software, systems or services
- f** any arbitration unless wholly in accordance with the Arbitration Act 1996
- g** Adjudication
- h** any dispute in respect of assignment, bailment, bills of exchange, credit, insurance, securities or guarantee
- i** any dispute relating to a lease, licence or tenancy of land or buildings other than a dispute with a professional adviser in connection with the drafting of a lease, licence or Commercial Tenancy Agreement
- j** any dispute relating to the legal right of the Insured to own, occupy or use any land or building or any benefit or alleged benefit attaching to the land
- k** any dispute relating to the ownership, possession, hiring or use of motor vehicles
- l** any dispute arising out of the amount payable under an insurance policy.

Exclusions

In addition to the Policy Exclusions and the exclusions listed under each Event, the following apply to all Events of this Section.

- 1** In addition to any Excess specified within Events 1 and 3 to 11 a further Excess of £500 applies in respect of Any One Claim where the Insurer agrees to the Insured Person's request to appoint an alternative Legal Representative to the one chosen by the Insurer.
- 2** Legal Expenses, Awards of Compensation, Data Protection Compensation Awards, Jury Service Allowance or Witness Attendance Allowance incurred without the Insurer's written Consent.
- 3** Any Claim which does not arise from or relate to the Business, other than a Claim in respect of Jury Service Allowance.
- 4** Any Claim in respect of which the Insured Person is, or but for the existence of this Section would be, entitled to an indemnity or contribution under any other policy or certificate of insurance, service contract or membership, except for any excess beyond the amount which would have been covered under such other policy, certificate, service contract or membership.
- 5** Any Claim in respect of which the Insured Person is entitled to an indemnity or contribution under any other Section of this Policy.
- 6** Any Claim in respect of which the Insured Person is entitled to Legal Aid.
- 7** Any cause, event or circumstance occurring prior to or existing at the inception or on or after the renewal of this Section and which the Insured Person knew, or ought reasonably to have known, may give rise to a Claim by or against the Insured Person.
- 8** Any Claim arising out of a deliberate, conscious, intentional or reckless act by the Insured Person or where the Insured Person has shown wilful disregard for the need to take all reasonable steps to avoid, prevent and limit any such Claim.
- 9** Any Claim made, brought, commenced, continued or transferred outside of the Geographical Limits.
- 10** Any Claim where in the Insurer's opinion there are no Reasonable Prospects of a Satisfactory Outcome.
- 11** Fines or other penalties imposed by a court, tribunal or regulator, including any costs awarded against the Insured Person following criminal proceedings.
- 12** Any dispute between the Insured Person and the Insurer.
- 13** Any dispute between the Insured Person and the Legal Representative in respect of a Claim under this Section, or between the Insured and the provider of any Additional Service or telephone helpline available under this Section.
- 14** Any Claim relating to damage to goods in transit or goods lent or hired to third parties or goods at premises other than the Premises.
- 15** Any Claim arising from or relating to the operation of a franchise or distribution agreement.
- 16** Any dispute between individuals comprising the Insured or with any subsidiary, parent, associated or sister company or arising from a shareholding agreement, a partnership agreement or a trust.
- 17** Any Claim arising as a result of an allegation of libel or slander.
- 18** Any Claim relating to patents, copyrights, trademarks, merchandise marks, registered designs or other intellectual property, breach of secrecy or confidentiality, passing off action or restrictive covenants, other than as specified in Event 1d Breach of Restrictive Covenant.
- 19** Any Claim arising from or relating to an application for judicial review or other challenge to any legislation or proposed legislation.
- 20** Any Claim relating to any non-contracting party's right to enforce all or any part of this Section. The Contracts (Rights of Third Parties) Act 1999 does not apply to this Section.
- 21** Defending the Insured Person in any legal proceedings arising from:
 - a** bodily injury, death, illness or disease (including psychiatric injury and stress) or
 - b** loss, destruction or damage to property or
 - c** alleged or actual breach of any duty owed as a director or officer of the Insured, other than as specified in Event 7 Pension Trustee Defence.
- 22** Any VAT attaching to Legal Expenses incurred with the Insurer's Consent which is recoverable by the Insured Person from elsewhere.

Section 6 – Commercial Legal Expenses (continued)

Conditions

In addition to the Policy Conditions the following also apply to this Section:

A General Conditions

1 Change of Risk

It is a condition precedent to the liability of the Insurer to provide cover under this Section that the Insured must notify the Insurer in writing of any alteration during the Period of Insurance which would materially affect the Insurers assessment of the risk and that part of this insurance affected shall cease to be in force unless such alteration is agreed in writing by the Insurer. The Insurer shall have the right to amend the premium and the Insured will pay an additional premium to, or receive a refund of premium from, the Insurer as the case may be.

2 Arbitration

Any dispute between the Insured Person and the Insurer concerning this Section shall be referred to a single arbitrator who will be either a solicitor or barrister agreed upon by the parties or failing agreement one who is nominated by the President of the appropriate Law Society or by the Chairman of the Bar Council or appropriate professional body within the Geographical Limits.

All the costs of the arbitration shall be met in full by the party against whom the decision is made. If the decision is not clearly made against one party the arbitrator will have the power to apportion costs. If the decision is made in the Insurer's favour, the Insured Person's costs will not be recoverable under this Section.

The decision will be final and binding upon both the Insured Person and the Insurer and cannot be the subject of an appeal.

3 Maintenance of Records

It is a condition precedent to the Insurer's liability to provide cover under this Section that the Insured has kept and maintained reasonable books and records. Where the Insured is a corporate organisation such books and records must have been kept in accordance with the Companies Acts.

4 Disclosure of the Existence of this Section

The Insured Person or the Legal Representative must not reveal the existence of this Section unless the Insurer has given written consent or is ordered to do so by a court.

5 Assignment

This Section may not be assigned by the Insured Person or by the Insured Person's executors or administrators.

B Claims Process Conditions

1 Notification of Claims

It is a condition precedent to the Insurer's liability to provide cover under this Section that the Insurer is notified in writing by the Insured Person by the completion of a claim form, or in another way confirmed by the Insurer to the Insured Person, immediately the Insured Person is, or should have been, aware of any cause, event or circumstance which has given or may give rise to a Claim involving the Insured Person.

If the Insured Person fails to notify the Insurer of such cause, event or circumstance during the Period of Insurance any Claim arising from that cause, event or circumstance will not be accepted.

When such a notification has been given, the Insurer agrees to treat any subsequent Claim in respect of the cause, event or circumstance notified as though the claim had been made, brought or commenced during the Period of Insurance.

Important procedure for Employment Disputes

If a **Claim Form (ET1)** is received from an Employment Tribunal the Insured must **immediately** complete a claim form and forward it to the Insurer, to arrive no later than 7 days after receipt of the **Claim Form (ET1). Response Form (ET3)**, which should be left blank, must also be sent.

2 Consent

It is a condition precedent to the liability of the Insurer to provide cover under this Section that consent to accept a claim and:

- a incur Legal Expenses; and
- b pay Awards of Compensation, Data Protection Compensation Awards, Jury Service Allowance or Witness Attendance Allowance

must first be obtained in writing from the Insurer ("Consent"). Consent will be given if the Insured Person can satisfy the Insurer that:

- a there are Reasonable Prospects of a Satisfactory Outcome and
- b in a particular case, it is reasonable for Legal Expenses to be incurred and/or a Claim in respect of Awards of Compensation, Data Protection Compensation Awards, Jury Service Allowance or Witness Attendance Allowance be accepted under this Section.

In reaching a decision on whether or not to give Consent the Insurer will seek the opinion of the Legal Representative.

If the Insurer and the Legal Representative are unable to agree on whether Reasonable Prospects of a Satisfactory Outcome exist, the Insurer will seek the opinion of any other legally qualified advisor or other expert appropriate to the Claim they feel it is necessary to consult in order to make their decision.

In all cases the Insured Person will be advised in writing of the granting or refusal of Consent.

3 Dealing with the Claim

If the Insurer grants Consent a Legal Representative will be instructed and will then act in accordance with Claims Process Condition 8.

The Insurer may withdraw Consent previously given at any time if facts become known which would mean that a particular Claim would not have been accepted under the terms of this Section or if there are no longer Reasonable Prospects of a Satisfactory Outcome. Provided there has been full compliance with the Section terms the Insurer agrees to indemnify the Insured Person in respect of Legal Expenses incurred up to the date when the Insurer notified the Insured Person that Consent had been withdrawn.

If the Insured Person decides to proceed with the pursuit or defence of a Claim to which the Insurer has refused to give Consent and is subsequently successful the Insurer will pay Legal Expenses as if the Insurer had given Consent at the outset.

4 Duty of the Insured Person to Minimise Claims

In respect of any Claim for which Consent has been granted under the Section the Insured Person must use best endeavours and take all reasonable measures to minimise the cost and effect of any Claim under this Section.

If the Insured Person fails to comply with this requirement then the Insurer will have the right to adjust the Insurer's liability under this Section to the extent that a Claim would have cost the Insurer had the Insured Person complied.

5 The Insurer's Right to Settle Claims

The Insurer shall have the right to take over and conduct in the name of the Insured Person any Claim at any time and can settle any Claim on behalf of the Insured Person on such terms as the Insurer deems appropriate. At its absolute discretion, the Insurer may decide to settle the Claim by paying the Insured Person the amount of damages claimed by, or against, the Insured Person instead of indemnifying the Insured Person for Legal Expenses or Awards of Compensation, Data Protection Compensation Awards

or Witness Attendance Allowance. Where the Insurer exercises this discretion the Insurer will cease to be liable for any further Legal Expenses, Awards of Compensation, Data Protection Compensation Awards or Witness Attendance Allowance in respect of that Claim.

6 Insolvency of the Insured Person

During the course of any Claim to which the Insurer has given support, the Insurer has the right to withdraw that support immediately if the Insured Person

- a becomes insolvent (or commits an act of insolvency or bankruptcy) or
- b enters into liquidation or
- c makes an arrangement with creditors or
- d enters into a deed of arrangement or
- e has part or all of their affairs assets or property placed in the care or control of a receiver or a liquidator or
- f has an administration order over their affairs assets or property.

7 Appeal Procedure

If, following legal proceedings to which the Insurer has given Consent, the Insured Person wishes to appeal against the judgment or decision of a court or tribunal, it is a condition precedent to the Insurer's liability to continue to provide cover under this Section that the grounds of such appeal must be submitted to the Insurer in good time and by secure means so that the Insurer may consider whether there are Reasonable Prospects of a Satisfactory Outcome in respect of the appeal and if so whether to Consent to such further action. The Insurer will inform the Insured Person and the Legal Representative of their decision.

If the Insurer requires it, the Insured Person will co-operate fully in an appeal against the judgment or decision of a court or tribunal.

8 Legal Proceedings

a Freedom to choose a Legal Representative

For any Claim where the Insurer may be liable to pay Awards of Compensation under Event 1 Employment Disputes and Awards of Compensation, or Data Protection Compensation Awards under Event 5 Data Protection, the Insurer will choose the Legal Representative.

For any other Claim the Insurer will choose the Legal Representative at any time before the Insurer agrees that legal proceedings need to be issued or defended. The Insured Person can only choose a Legal Representative if the Insurer

Section 6 – Commercial Legal Expenses (continued)

agrees that legal proceedings need to be issued or defended or if a conflict of interest arises which means that the Legal Representative originally chosen by the Insurer cannot act for the Insured Person. The Insured Person must send the name and address of the Insured Person's chosen Legal Representative to the Insurer. Other than where such a conflict of interest has arisen, if the Insurer agrees to appoint a Legal Representative that the Insured Person chooses, the Insured Person must pay a £500 Excess. The Insured Person must pay the Excess at the start of the Claim. If the Insurer agrees to appoint a Legal Representative that the Insured Person chooses, that Legal Representative will be appointed on the same terms as the Insurer would have appointed its' chosen Legal Representative.

In respect of any Claim for which the Insurer has granted Consent, the Legal Representative will be appointed in the name of and on behalf of the Insured Person to act for the Insured Person in accordance with the terms of this Section.

In agreeing to the selection of a Legal Representative the Insured Person will comply with Claims Process Condition 4.

The Insurer's liability to provide cover under this Section will cease immediately with no liability to indemnify the Insured Person in any respect unless in its absolute discretion the Insurer agrees to another Legal Representative being appointed to continue acting for the Insured Person under the terms of this Section, if:

- i due to any conduct or failure to act by the Insured Person, the Legal Representative reasonably refuses to continue acting for the Insured Person, or
- ii the Insured Person unreasonably dismisses the Legal Representative against the advice of the Legal Representative and without the Insurer's agreement.

b Disclosures to the Legal Representative

It is a condition precedent to the Insurer's liability to provide cover under this Section that the Insured Person must give the Legal Representative all possible help and information including a complete and truthful account of the facts of the case and all relevant documentary or other evidence in the Insured Person's possession. The Insured Person must provide, obtain or execute all documents as necessary and attend meetings or conferences as requested.

c Access to Information

The Insurer is entitled to receive from the Legal Representative any information, document or advice in

connection with any Claim, even if privileged. On request the Insured Person will give to the Legal Representative any instructions necessary to secure the required access.

d Obligations of the Insured Person and Legal Representative in relation to any Claim.

It is a condition precedent to the Insurer's liability to provide cover under this Section that:

- i The Insured Person and on their behalf the Legal Representative immediately notify the Insurer in writing of any information as soon as it is received which may affect the Insurer's opinion on the Reasonable Prospects of a Satisfactory Outcome of the Claim
- ii The Insured Person and on their behalf the Legal Representative will inform the Insurer in writing as soon as any offer to settle a Claim is received or made or an offer of payment into Court is received. The Insured Person or the Legal Representative will under no circumstances enter into any agreement to settle without the Insurer's prior written consent. If, in the Insurer's opinion, the Insured Person unreasonably withholds agreement to settle, cover under this Section will cease immediately. The Insurer agrees to indemnify the Insured Person in respect of Legal Expenses incurred up to the date when Cover ceased
- iii The Insured Person and on their behalf the Legal Representative will report in writing the result of the Claim to the Insurer when it is finished.

e Payment of Legal Representative's Bills

The Insurer shall have the right to settle Legal Expenses at the conclusion of a Claim.

The Insured Person should forward all bills which are received from the Legal Representative relating to the Claim to the Insurer without delay following conclusion of the Claim. If the Insurer requires, the Insured Person must ask the Legal Representative to submit the bill of costs for audit or assessment by the appropriate court or, at the discretion of the Insurer, a law costs draughtsman or other competent party. The Insurer will only pay Legal Expenses that are determined as reasonable by the audit or assessment.

The Insured Person is responsible for the payment of all Legal Expenses. The Insurer may settle these direct if requested by the Insured Person to do so. The payment of some Legal Expenses does not imply that all Legal Expenses will be paid.

The Insured Person must not, without the Insurer's written consent, enter into any agreement with the Legal Representative as to the basis of calculation of Legal Expenses.

f Instruction of Counsel

If, during the course of any Claim (other than where Claims Process Condition 2 applies), the Insured Person or the Legal Representative considers it necessary and wishes to instruct counsel, counsel's name must first be submitted to the Insurer for Consent to the proposed instruction.

g Conduct of the Claim

It is a condition precedent to the Insurer's continuing liability to provide cover under this Section that the Insured Person

- i** does not withdraw from a Claim or dismiss the Legal Representative without the written agreement of the Insurer and the Legal Representative
- ii** co-operates fully with the Legal Representative or the Insurer in the conduct of the Claim
- iii** follows the advice of the Legal Representative.

If the Insured Person fails to comply with either i, ii or iii then the Insurer's liability to provide cover under this Section will cease immediately and the Insurer will not be responsible for the payment of Legal Expenses, Compensatory Awards or Data Protection Compensation Awards and will be entitled to reimbursement of all Legal Expenses already incurred in respect of the Claim unless the Insurer agrees to appoint another Legal Representative to continue the Claim.

h Award of Costs

Where the Insured Person is awarded costs, it is a condition precedent to the Insurer's liability to provide cover under this Section that the Insured Person and the Legal Representative must take every reasonable step to recover Legal Expenses which would be or have been subject to payment under this Section. All such recoveries will be taken into account when calculating the Insurer's liability under this Section.

i Alternative Dispute Resolution

When, in the Insurer's opinion, alternative dispute resolution would appear to provide a more effective method of resolving any Claim, the Insurer may request that the Insured Person agrees to submit such Claim to a professional dispute resolution service, to be selected by the Insurer.

In considering alternative dispute resolution the Insured Person will comply with Claims Process Condition 4 and will not therefore unreasonably withhold Consent.

Communications

All notices and communications from the Insurer or the Insurer's representatives to the Insured Person will be deemed to have been duly sent if sent to the Insured Person's last known address or, in relation to any matters arising out of any Claim, if sent to the Legal Representative.

All notices and communication from the Insured Person to the Insurer should be sent to:

Allianz Legal Protection
2530 The Quadrant
Aztec West
Almondsbury
Bristol
BS32 4AW
United Kingdom

Telephone: **0370 243 4340**

Email: alpenquiries@allianz.co.uk

Section 6 – Commercial Legal Expenses (continued)

Additional Services

In addition to the indemnity provided by the Insurer in respect of Events 1 to 11, two further services are available to the Insured under this Section. The Insured may access these services at any time during the Period of Insurance, although the Insurer will not be liable to provide any indemnity in respect of legal costs or other expenses incurred by the Insured as a result of using either service.

1 Commercial Litigator Service - Contract Disputes above the Small Claims Limit in Great Britain

If the Insured is involved in a dispute arising out of a Contract (including a dispute over professional negligence in the delivery of services to the Insured) and wishes to pursue a legal action against another party to that Contract, the Insured has access to free legal advice to determine the merits of taking that action.

This service does not apply to disputes arising out of, or relating to:

- Libel or slander
- Debt recovery
- Employment contracts, partnerships or shareholdings
- Property (including intellectual property)
- Taxation, inheritance or trusts
- Insurance contracts

To make use of this service, the Insured should download a Litigation Assessment Form from:

www.allianzlegalprotection.co.uk/home/intermediaries/commercial-litigator.html

This form should be completed by the Insured and sent to the Insurer at:

The Underwriting Department
Allianz Legal Protection
2530 The Quadrant
Aztec West
Almondsbury
Bristol
BS32 4AW

Telephone: **0370 243 4340**

Fax: 01454 201 505

Email: commercial-litigator@allianz.co.uk

If the Insured is unable to download a Litigation Assessment Form, the Insured should contact the Insurer using the details above.

The Litigation Assessment Form will provide the Insured with a choice of Legal Representative to advise on the merits of taking legal action where the dispute will be pursued in England or

Wales. If no choice is made by the Insured, or for all disputes that will be pursued in Scotland, the Insurer will choose the Legal Representative.

The Legal Representative will provide the Insured with a written assessment on the merits of pursuing the legal action. There will be no cost to the Insured for this written assessment provided that:

- a the legal action falls outside of the jurisdiction of the Small Claims Court and will be decided by a court within Great Britain and
- b the assessment requires no more than 7 hours of work from the Legal Representative and
- c the Legal Representative does not need to incur any expenses or other disbursements in order to produce the assessment and
- d the Insured has not previously received a legal opinion or taken any legal action in respect of the dispute.

If the Legal Representative needs to carry out more than 7 hours of work or needs to incur expenses or other disbursements in order to provide the Insured with the assessment, these costs will be payable by the Insured to the Legal Representative. The costs will be confirmed to, and agreed with, the Insured before the Legal Representative continues with the production of the assessment.

If the Legal Representative and the Insurer agree that the Insured has reasonable prospects of successfully pursuing the dispute, the Insured will be given an option to enter into a legal action against the other party to the Contract. This legal action will be conducted under a separate agreement between the Insured and the Legal Representative.

In conjunction with that separate agreement, the Insured will be offered a Commercial Litigator After the Event Insurance Policy to cover:

- a disbursements that the Insured incurs in pursuing the dispute and
- b legal costs and expenses incurred by the Insured's opponent if they are awarded against the Insured in the event that the Insured is unsuccessful in the legal action. A copy of the Commercial Litigator After the Event policy wording and a policy summary are available from the Insurer on request, and will also be provided to the Insured if the Insured takes out the cover

2 Undisputed Debt Recovery Service

The Insured has access to the Debt Recovery Service if the Insured has an Undisputed Debt of at least £250 and the legal action to recover that Undisputed Debt can be brought within Great Britain. The Undisputed Debt should be referred to the Debt Recovery Service as soon as possible after the amount becomes due and payable.

The Debt Recovery Service is provided by an organisation that specialises in the recovery of debts. The organisation providing the Debt Recovery Service is not part of the Insurer and does not act on the Insurer's behalf. For Undisputed Debts that are pursued in England or Wales, that organisation will be DWF LLP, of 5 St Paul's Square, Old Hall Street, Liverpool L3 9AE. For Undisputed Debts that are pursued in Scotland, the service will be provided by HBJ Claim Solutions solicitors, of 247 West George Street, Glasgow, Lanarkshire G2 4QE.

When the Insured needs to contact the Debt Recovery Service the Insured should call the number below, which relates to the country in which the Undisputed Debt will be pursued. The Insured should quote 'Allianz Undisputed Debt Recovery Service' and the Master Policy reference contained within the Policy Schedule.

Debts pursued in England or Wales: **0151 907 3141**
 Debts pursued in Scotland: **0141 249 6095**

The telephone lines are open between the hours of 9.00am and 5.00pm, Monday to Friday (excluding Public Holidays).

Use of the Debt Recovery Service by the Insured may be subject to a fee being payable by the Insured to the Debt Recovery Service. The fee will be a percentage of the Undisputed Debt. The level of the fee, and the time at which it will be payable by the Insured, will be confirmed to the Insured by the Debt Recovery Service when the Debt Recovery Service is initially contacted. There may be additional expenses that are necessarily incurred by the Debt Recovery Service to recover the Undisputed Debt. These will also be payable by the Insured and will be confirmed by the Debt Recovery Service to the Insured at the appropriate time.

This Section does not cover the fee charged by the Debt Recovery Service or any expenses incurred in recovering the Undisputed Debt.

If, in the view of the Debt Recovery Service and the Insurer, the other party to the Contract submits a viable defence in respect of the Undisputed Debt:

- a the Insured must report the matter as a Claim under Event 11 Contract Disputes – Below Small Claims Limit if the amount in dispute is less than or equal to the Small Claims Limit. The pursuit of the debt will then be handled in accordance with the terms and conditions of this Section or
- b if the amount in dispute is above the Small Claims Limit, the Insured will have the option of using the Additional Service 1 described above to obtain an assessment on whether Reasonable Prospects of a Satisfactory Outcome exist to pursue a legal action against the other party to the Contract.

Section 7 – Terrorism

Definitions

Act of Terrorism

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

Event

All individual losses arising in respect of a continuous period of 72 hours of which the proximate cause is the same Act of Terrorism. The date and time that any such period of 72 hours shall commence shall be set by the Insurer.

Territorial Limits

England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Seas Act 1987.

Note 1. This shall include the Channel Tunnel up to the frontier with the Republic of France, as set out by the Treaty of Canterbury.

Note 2. For the avoidance of doubt, this excludes Northern Ireland, the Isle of Man and the Channel Islands.

General Cover Policy

a This Policy
or

b where the Cover by this Policy is limited to the Terrorism Insurance Section only, the policy or policies specified in the Terrorism Section of the Schedule to this Policy.

Property Insured

Property as detailed in the Schedule to any General Cover Policy but excluding

- 1** property insured under a
 - a** Marine, Aviation or Transit policy
 - b** Motor Insurance policy (other than Motor Trade policy)
 - c** Road Risks Section of a Motor Trade policy
 - d** reinsurance policy or agreement
 - e** Bankers Blanket Bond
whether such policy or agreement includes cover for an Act of Terrorism or not
- 2** any land or building which is insured in the name of an individual and is occupied by that individual for residential purposes, unless
 - a** insured under the same policy as the remainder of the land or building which is not a private residence

- b** the property is block of flats and/or private dwelling house and the Insured is a trustee or body of trustees or a sole trader

Note 1. Trustees and sole traders are not deemed to be individuals.

Note 2. For the avoidance of doubt, such blocks of flats, self-contained units insured as part of such blocks of flats or such private dwelling houses occupied as a private residence by any of the trustee(s) or sole trader(s) will be deemed to be insured in the name of an individual.

- 3** any Nuclear Installation or Nuclear Reactor
- 4** any loss whatsoever or any expenditure resulting or arising therefrom or any business interruption directly or indirectly relating to a private residence property when insured in the name of a private individual caused by or contributed to by or arising from:
 - a** the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
 - b** ionising radiation or contamination by radioactivity or from the combustion of any radioactive material;
 - c** chemical and/or biological and/or radiological irritants contaminants or pollutants.

Damage

Loss or destruction of or damage to Property Insured.

Business Interruption

Loss resulting from interruption of or interference with the Business carried on by the Insured at the Premises in consequence of loss or destruction of or damage to property used by the Insured at the Premises for the purpose of the Business.

Nuclear Installation

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

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

Nuclear Reactor

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

Virus or Similar Mechanism

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

Hacking

Unauthorized access to any computer or other equipment or component or system or item which processes, stores, transmits or retrieves data, whether the property of the Insured or not.

Phishing

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

Denial of Service Attack

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

Cover**The Insurer will pay the Insured for**

- a Damage, or**
 - b Business Interruption**
- occasioned by or happening through or in consequence of an Act of Terrorism within the Territorial Limits**

Provided always that the insurance by this Section

- a is not subject to the General Exclusions of the General Cover Policy**
- b is subject otherwise to all the terms and conditions of the General Cover Policy except where expressly varied within this Section**
- c is subject to a maximum Period of Insurance of 12 months from the Effective Date or any subsequent Renewal Date of this Policy**

Any subsequent period of cover of 12 months, or part thereof, provided by this Section is deemed to constitute a separate Period of Insurance, provided that

- i no subsequent Period of Insurance by this Section shall extend beyond the next Renewal Date of this Policy**
- ii the renewal premium due in respect of this Section has been received by the Insurer**
- d is not subject to any Long Term Undertaking applying to the General Cover Policy**
- e is not subject to any terms in the General Cover Policy which provide for adjustments of premium.**

Basis of Settlement

As described in and subject to the terms, definitions, provisions, exclusions and conditions of any General Cover Policy in respect of Damage or Business Interruption.

The most the Insurer will pay for any one Event is

- a the Total Sum Insured, or**
- b for each item its individual Sum Insured, or**
- c any other limit of liability**

in the General Cover Policy, whichever is the less, except where the liability of the Insurer exceeds the Total Sum Insured, or for each item its individual Sum Insured, or any other limit of liability in the General Cover Policy, where such excess is solely in respect of any Cover Extension as provided for in the General Cover Policy.

Section 7 – Terrorism (continued)

Section Exclusions

The Insurer will not pay for

1 Digital and Cyber Risk Exclusion

any losses whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from

- the alteration, modification, distortion, corruption of or damage to any computer or other equipment or component or system or item which processes, stores, transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) or
- any alteration modification distortion erasure, corruption of data processed by any such computer or other equipment or component or system or item

whether the property of the Insured or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Virus or Similar Mechanism or Hacking or Phishing or Denial of Service Attack.

2 Riot, Civil Commotion and War

any losses whatsoever occasioned by riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

3 Territorial Limits

any losses whatsoever arising directly or indirectly from any cover or extension of Premises provided by the General Cover Policy to locations outside the Territorial Limits.

Section Conditions

1 Burden of Proof

In any action suit or other proceedings where the Insurer alleges that any damage or loss resulting from damage is not covered by the General Cover Policy, the burden of proving that such damage or loss is covered shall be upon the Insured.

Additional Benefits

24 Hour Lawphone Legal Advice Helpline

Lawphone provides advice on any commercial legal matter 24 hours a day, 365 days a year. The advice the Insured receives from Lawphone will be in accordance with the laws of England and Wales, Scotland and Northern Ireland. Lawphone does not provide advice on the laws of any other country or jurisdiction. The Insurer may record the calls for the Insured and Insurer's mutual protection and the Insurer's training purposes.

Lawphone: **0344 873 0246**

The Insured should quote the Master Policy reference contained within the Policy Schedule under Section 6 - Commercial Legal Expenses and provide a brief summary of the problem. The details will be passed to an advisor who will return the Insured's call.

All areas of law relevant to the Business of the Insured are covered. This advice is available to the Insured during the period of insurance of the Policy, although no liability can be accepted for inability to provide advice due to breakdown or failure of the telephone network.

This telephone helpline is provided by Allianz Legal Protection, part of Allianz Insurance plc.

Tax Advice Helpline

This helpline provides advice on any business tax matter affecting the Insured and is available between the hours of 9.00am and 5.00pm, Monday to Friday (excluding Public Holidays). Advice provided by the helpline will be in accordance with the taxation laws of England and Wales, Scotland and Northern Ireland. The Tax Advice Helpline cannot provide advice on the laws of any other country or jurisdiction.

Please note that this is a telephone service, which is intended for general enquiries. It does not provide advice on any matter relating to tax planning and does not engage in documentation review or enter into any written correspondence with the Insured, except where the adviser considers it appropriate to forward details of written procedures to the Insured by email. Advice and guidance will be in accordance with the advisor's understanding of the circumstances as described by the Insured.

This service should not be used as a substitute for a formal consultation with the Insured's accountant or other tax advisor, who can review the Insured's particular circumstances in more depth than is intended by this service.

When contacting the Tax Advice Helpline, the Insured should quote the Master Policy reference contained within the Policy Schedule.

Tax Helpline: **0344 873 0244**

The Insured can contact the helpline as often as required during the term of the Policy, although in the event that the telephone line is not available for technical reasons no liability can be accepted for inability to provide advice.

This helpline is provided by Abbey Tax Protection a trading division of Abbey Tax and Consultancy Services Ltd of One Mitchell Court, Castle Mound Way, Rugby CV23 0UY.

Allianz Legal Online

As part of the Commercial Legal Expenses facility the Insured has access to extensive online Business support via Allianz Legal Online. This facility provides tools and services that will help the Insured to produce legal paperwork in connection with the Insured's Business, for example, bespoke contracts of employment. In addition it provides the Insured with up to date guidance and advice on many legal issues, such as, employment legal procedures, managing the Insured's Business and debt recovery. The legal paperwork and guidance will always be in accordance with the laws of England and Wales, Scotland and Northern Ireland.

The Insured can access Allianz Legal Online at:
www.allianzlegal.co.uk

A registration number is required to enter the web site and this is shown within the Commercial Legal Expenses details on the Policy Schedule. If the Insured has any problems relating to Allianz Legal Online please contact the Allianz Legal Online customer services team on **0345 644 8966** or e-mail them at support@allianzlegal.co.uk

Allianz Legal Online is provided by Epoq Legal Ltd of Middlesex House, 29-45 High Street, Edgware, Middlesex HA8 7UU.

Additional Benefits (continued)

Glass Replacement

Broken glass is dangerous for both yourself and your customers and in some circumstances, can be a major security risk. Allianz have negotiated a special arrangement for you, with one of Britain's leading glass replacement specialists, Glassolutions.

Glassolutions will bill us direct – you pay nothing except the policy excess and the VAT.

The services is available 24 hours a day, all year round, and can be telephoned FREE on **0800 474747**.

Help On Starting and Running a Business

Running a business means facing a constant stream of challenges and opportunities often with limited resources. Whether you're looking for help with management techniques, finance, export skills, design, technology, marketing or information technology, one phone call will put you in touch with a highly experienced team of experts with hands-on experience.

To contact your regional Business Support Helpline, telephone:

England:

Business Support Helpline

Telephone: **0300 456 3565**

Textphone: **0208 742 8620**

Monday to Friday, 9am to 6pm

Wales:

Business Wales Helpline

Telephone: **0300 060 3000**

Monday to Friday, 8am to 6pm

Scotland:

Business Gateway (Scotland)

Telephone: **0845 609 6611**

Textphone: **0141 952 7053**

Monday to Friday, 8am to 6pm

Support and advice can also be obtained through the GOV.UK website at <https://www.gov.uk/business-support-helpline>

Risk Director

Risk Director is Allianz's award winning online risk management service that is FREE for Allianz policyholders. At the click of a button you can access effective risk management guidance and information and also access trusted and impartial risk management product and service resources.

Try it now via www.riskdirector.co.uk

Data Protection

Allianz Insurance plc together with other companies within the Allianz SE group of companies ("Allianz Group") may use the personal and business details you have provided or which are supplied by third parties including any details of directors, officers, partners and employees (whose consent you must obtain) to:

- provide you with a quotation, deal with the associated administration of your policy and to handle claims;
- search credit reference, credit scoring and fraud agencies who may keep a record of the search;
- share with other insurance organisations to help offset risks, administer your policy, for statistical analysis, and to handle claims and prevent fraud;
- support the development of our business by including your details in customer surveys, for market research and business reviews which may be carried out by third parties acting on our behalf.

Allianz Group may need to collect and process data relating to individuals who may benefit from the policy ("Insured Persons"), which under the Data Protection Act is defined as sensitive (such as medical history of Insured Persons) for the purpose of evaluating the risk and/or administering claims which may occur. You must ensure that you have explicit verbal or written consent from the Insured Persons to such information being processed by Allianz Group and that this fact is made known to the Insured Persons.

If your policy provides Employers' Liability cover information relating to your insurance policy will be provided to the Employers' Liability Tracing Office (the "ELTO") and added to an electronic database, (the "Database") in a format set out by the Employer's Liability Insurance: Disclosure by Insurers Instrument 2010.

The Database assists individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK whilst working for employers carrying on, or who carried on, business in the UK and as a result are covered by the employers' liability insurance of their employers, (the "Claimants"):

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

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

The Database will be managed by the ELTO and further information can be found on the ELTO website www.elto.org.uk

Telephone calls may be recorded for our mutual protection, training and monitoring purposes.

Under the Data Protection Act 1998 individuals are entitled to request a copy of all the personal information Allianz Insurance plc holds about them. Please contact the Customer Satisfaction Manager, Allianz Insurance plc, 57 Ladymead, Guildford, Surrey, GU1 1DB.

Personal details may be transferred to countries outside the EEA. They will at all times be held securely and handled with the utmost care in accordance with all principles of English law.

By applying for and/or entering into this insurance policy you will be deemed to specifically consent to the use of your data and your insurance policy data in this way and for these purposes and that your directors, officers, partners, and employees have consented to our using their details in this way.

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This policy is arranged and administered by Touchstone Underwriting Limited. Touchstone Underwriting Limited.
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www.allianz.co.uk

Allianz Insurance plc. Registered in England number 84638. Registered office: 57 Ladymead, Guildford, Surrey, GU1 1DB, United Kingdom.
Allianz Insurance plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential
Regulation Authority. Financial Services Register number 121849.



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