

Retailer Policy Wording



UNDERWRITTEN BY

Allianz 

Retailer 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 Retailer 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
- the Schedule, which confirms the Sections of cover that are insured and includes any additional clauses applied to the Policy
- 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.

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 5 (Change of Risk) on page 9 of this Policy Wording.

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.

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 schedule under Section 9 - Commercial Legal Expenses
- Brief summary of the problem

If you have a Commercial Legal Expenses claim you can notify Allianz Legal Protection by contacting the Lawphone Legal Advice Helpline on **0344 873 8150** quoting the Master Policy reference shown in the 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.

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 the incident, to establish the cause of the loss and to 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 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 for 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, 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: accdsm@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: accdsm@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 conditions 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 checkmark-like flourish at the beginning.

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.

Building/Buildings

The buildings at the Premises 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 piping, ducting, cables, wires and associated control gears and accessories extending to the public mains
- 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.

Damage/Damaged

Loss or destruction of or damage.

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 document described in the Introduction.

Premises

Address as stated in the Schedule.

Property/Property Insured

Buildings, contents, stock and other items shown and/or described in the Schedule.

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 payable by the Insurer under any Section.

Unoccupied

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

Policy Conditions

Applicable unless stated to the contrary under the Conditions in the Sections.

1 Premium

The premium is to be paid on request.

2 Precautions

The Insured shall keep the Property Insured secure and in a good state of repair, take all reasonable precautions to prevent accidents, injury, or Damage, and take all reasonable steps to observe and comply with all statutory or Local Authority Laws, obligations and requirements.

3 Minimum Level of Security

This insurance has been granted subject to Security Level 1 or Security Level 2 as detailed in the Schedule.

It is a condition precedent to liability that these requirements are met within 30 days of the inception of the Policy. Any alternative methods of securing the Premises must be agreed in writing by the Insurer.

The Insured must ensure that these measures are in place, in operation and in full working order whenever the Premises are closed for business or left unattended.

Security Level 1

The cover provided is subject to the following minimum standards of security.

Doors

Depending on which of the following door types are present, the following requirements apply to all external doors or internal doors which lead to another part of the Building which the Insured do not occupy;

- a UPVC, or aluminium or plastic framed glazed doors** – a multi-point lock which, where installed after 30/06/2011, conforms to PAS 3621 (including amendments) or a cylinder operated mortise deadlock. For double doors, the first closing section must have integral or surface mounted bolts which shoot into the frame at the top and the floor at the bottom of the door. The final closing section must have a cylinder operated mortise deadlock.
- b Armoured plate glass doors** – door manufacturer’s integral locks.
- c Other single leaf doors** – provided the door thickness is a minimum of 44 mm a mortise deadlock to BS 3621 (including amendments) and a boxed steel striking plate at least 175 mm long should be fitted. If the door thickness is less than 44 mm secure with a deadlocking rim lock to BS 3621 (including amendments). The Insured must put either of these into the deadlock position when the Premises are closed for business or unattended.
- d Double-leaf doors** – secure the final closing section with a lock as explained in **c** above and secure the first closing section with bolts at least 175 mm long and having a minimum throw of 20 mm, which shoot into the frame at the top and the floor at the bottom of the door. Or, fit one section with bolts at the top and bottom (as explained above) and both parts of the door with a padlock and locking bar. If the locking bar is on the outside of the door, it must be used with a padlock conforming to BS EN 12320 Security Grade 5 (including amendments). If the locking bar is internal, it must be used with a padlock conforming to BS EN 12320 Security Grade 4 (including amendments). The padlock bar must be of similar strength to the padlock and designed to be used specifically with the padlock, in both cases the padlock bar must be secured to the door with coach bolts.
- e Fire exit doors** – the relevant enforcing authority must approve any locks on these doors. The Insurer must approve any locks or other method of security the Insured agrees following a discussion with the enforcing authority.
- f Folding doors** – secure alternate folding sections with bolts at top and bottom, as described in **d** above. Dependent upon its construction, the last section must be secured with a lock as explained in **c** above or with a coach bolted locking bar and padlock as explained in **d** above.
- g Sliding doors** – coach-bolted locking bar and padlock secured as described in **d** above, or a deadlock with a hook bolt which conforms to BS 3621 (including amendments).
- h Wicket Gates** – dependent upon its construction see (**a**, **b** or **c** above) a mortise deadlock or deadlocking cylinder rim-latch to BS 3621 (including amendments) or locking bar and padlock as in **d** above.

Policy Conditions (continued)

- i Roller Shutters** – for electrically operated roller shutters, the Insurer requires the fitting of a key operated isolation switch to the electricity supply to the controls. If this is not fitted then one of the measures for manually operated roller shutters shown below must be installed.

Where the operating controls for electrically operated roller shutters are external to the Premises, these are to be secured within a welded steel housing of at least 3 mm thickness with a door or coverplate secured with a padlock conforming to BS EN 12320 CEN Security Grade 4 (including amendments). The housing is to be so secured when the Premises are closed for business or unattended.

The Insurer requires one of the following for manually operated roller shutters:

- key operated “pinson” or “bullet” locks into each guide rail fitted as close to the bottom of the door as possible
- secure the chain of the door to the wall bracket by an open shackle padlock conforming to BS EN 12320 Security Grade 4 (including amendments)
- A bolt fitted to the shutter door internally with the bolt engaging into the door runner and padlocked into position using a padlock conforming to BS EN 12320 Security Grade 4 (including amendments).

Windows

All opening windows in external walls at ground floor and basement levels and any windows, fanlights and skylights in accessible positions i.e. from a flat roof or fire escape on upper levels to have key operated window locks.

Louvred windows to be replaced with either fixed glass, or a normal opening window which can be secured with a window lock used with a key.

Keys

All keys must be removed from locks and kept in a secure place or removed from the Premises. Keys to safes must be removed from the Premises, or if the Insured lives on the Premises, they must be removed to a secure place in the residential part of the Premises.

Computer equipment

Unless agreed otherwise in writing the Insurer will require the Insured to fit encasement or entrapment equipment to computers with an individual value of £5,000 and above.

Security Level 2

As Security Level 1 except:

Windows

All windows in external walls at ground floor and basement levels and any windows, fanlights and skylights in accessible positions i.e. from a flat roof or fire escape on upper levels to have:

Either:

Security bar frames made from solid steel bars (not tubes). The bars must be at least 19 mm in diameter and not more than 125 mm apart between centres. The bars must pass through (or be welded to) tie bars of flat steel every 600 mm. The tie bars must be at least 6 mm thick and 40 mm wide.

The tie bars must be secured to the wall or roof surrounding the window fanlight or skylight at a minimum of 4 points by expansion bolts (such as ‘Rawlbolts’) of at least M8 size which penetrate the masonry or brickwork by at least 60 mm and set back at least 50 mm from the internal or external face of the wall. If the bars are fixed externally the heads of the bolts must be welded to the tie bars to prevent them being undone.

Or:

Fixed or collapsible security grilles approved to LPS 1175 Specification for testing and classifying the burglary resistance of building components, strong points and security enclosures (including amendments).

Or:

Roller shutters conforming to LPS 1175 (including amendments).

and in addition:

Roller shutters for shopfront doors and windows

Unless agreed otherwise in writing the Insurer will require the Insured to fit roller shutters conforming to LPS 1175 (including amendments).

Additional protection for timber doors (except shopfronts)

The Insured must fit sheet metal protection to the following specification to all outside single and double doors (except shop front doors):

Sheet steel, not less than 16 gauge (1.6 mm thick), must be fitted to the outside of the door. If the door opens outwards the steel sheet must overlap the gap between the lock side of the door and the door frame. The sheet steel must be secured to the door with ‘clutch head’ or ‘non return’ screws of a minimum length of 25 mm and not more than 100 mm apart.

Alternatively, fix the steel sheet to the door with coach bolts not more than 100 mm apart. The heads of the bolts must be on the outside of the door.

If the door opens outwards, two hinge bolts to the hinged side of the door approximately 375 mm from the top and bottom must be fitted.

In view of the increased weight, it may be necessary to fit an additional hinge to the centre of the door.

4 Intruder alarm

It is a condition precedent to liability that where the Premises or part of the Premises are protected by an Intruder Alarm Installation as specified by the Security Level detailed in the Schedule:

- a** such Intruder Alarm Installation:
 - i** must not be altered or amended in any way unless such amendment or alteration has been approved in writing by the Insurer
 - ii** must be maintained under contract with the installers or as otherwise approved in writing by the Insurer
- b** all keys to the Intruder Alarm Installation must be removed from the Premises when the Premises are unattended
- c** the Insured must:
 - i** maintain the secrecy of codes for the operation of the Intruder Alarm Installation and no details of such codes shall be left on the Premises when the Premises are unattended
 - ii** where a remote signalling alarm is required, immediately notify the Insurer upon receipt of any communication giving notice that the level of response to the Intruder Alarm Installation has been or will be reduced
 - iii** appoint at least 2 keyholders and where a remote signalling alarm is required, lodge written details (which must be kept up to date) with the alarm company and the alarm receiving centre
- d** in the event of notification of:
 - i** any alarm fault
 - ii** activation of the Intruder Alarm Installation
 - iii** interruption of the means to transmit or receive signals to or from the Intruder Alarm Installation during any period that the Intruder Alarm Installation is set

a keyholder must attend the Premises as soon as possible

- e** the Premises must not be left without at least one Responsible Person in attendance without the agreement of the Insurer:
 - i** unless the Intruder Alarm Installation is set in its entirety and with the means to transmit or receive signals (including the signalling path or paths) in full and effective operation
 - ii** where the police have withdrawn their response to
 - 1** an alarm activation (where the Intruder Alarm Installation does not include confirmed alarm activation technology) and
 - 2** a confirmed alarm activation where the Intruder Alarm Installation includes confirmed alarm activation technology.

For the purposes of this condition the following definitions apply:

'Intruder Alarm Installation' shall include all the component parts detailed in the alarm specification, and include the devices used to transmit or receive signals.

'Keyholder' shall mean the Insured or any person or keyholding company authorised by the Insured who:

- 1** is available at all times to:
 - i** accept notification of faults or alarm signals relating to the Intruder Alarm Installation
 - ii** attend and allow access to the Premises
- 2** has been fully trained in the operation of the Intruder Alarm Installation including but not limited to the setting/unsetting of the installation.

'Responsible Person' shall mean a person authorised by the Insured to be responsible for the security of the Premises

5 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.

Policy Conditions (continued)

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.

6 Claims – Action by the Insured

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

- a** notify the Insurer within 30 days, or within 7 days in the case of 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, 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 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 Damage or consequential loss
- f** retain unaltered and unrepaired anything in any way connected with the injury, Damage or consequential loss for as long as the Insurer may reasonably require
- 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 insurances 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 proper, to have the absolute conduct and control of all negotiations and proceedings which may arise in respect of any claim and the settlement thereof and co-operate fully with the Insurer for that purpose.

No claim under this Policy shall be payable unless the terms of this Policy Condition have been complied with and any payment on account of a claim already made shall be repaid to the Insurer.

7 Claims – The Rights of the Insurer

In respect of 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 Insurer's rights in respect of the cover under this Policy, enter premises where such Damage has occurred, and take possession of or require to be delivered to the Insurer any Property Insured, and deal with such Property for all reasonable purposes and in any reasonable manner.

If the Insurer reinstates or replaces any Property the Insurer shall not be bound to do so exactly but only as circumstances permit and in a reasonably sufficient manner and will not expend more than the Sum Insured on that Property.

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 Policy Condition have been complied with.

8 Other Insurances

If at the time of Damage or loss, 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 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.

9 Cancellation

The 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 intermediary 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 intermediary 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.

The Insurer's Cancellation Rights

In addition to the Insurers' rights set out elsewhere in the Policy, including but not limited to Condition 15 (Fair Presentation of the Risk) and Condition 10 (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;

Policy Conditions (continued)

- 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.

10 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.

11 Arbitration

If the Insurer accepts that there is a claim under this Policy but there is disagreement in respect of the amount to be paid, the disagreement will be referred to an arbitrator appointed in accordance with current statutory provisions. In these circumstances an arbitrator's award must be made before there is any right of action against the Insurer.

12 The Statement of Fact or Proposal Form

The Statement of Fact or Proposal Form for this insurance Policy, made by the Insured, is incorporated herein.

13 Automatic Reinstatement

The Sums Insured by Sections 1, 3 and 7 of this Policy will not be automatically reduced as a result of a claim provided that:

- a** the total of the amounts so reinstated during any one Period of Insurance shall not exceed the amount of the Sum Insured
- b** the Insured shall
 - i** take immediate steps to effect such additions to or variations in protections as the Insurer may require
 - ii** pay the appropriate additional premium.

14 This Condition is left intentionally blank

15 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 clause 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.

16 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 decisions of English courts.

17 Smoking Condition

It is a condition precedent to liability that the Insured will:

- a enforce a no smoking policy at the Premises which complies with current legislation
- b only allow smoking in clearly marked, specifically designated smoking areas, which comply with current legislation
- c in all designated smoking areas provide metal receptacles with metal lids for the safe disposal of waste smoking materials
- d ensure that waste smoking materials, when being removed from the designated smoking areas, are kept separate from other combustible waste material and are stored in metal receptacles with metal lids whilst awaiting final removal from the Premises.

18 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 to:

- a alter the premium or terms and conditions of the cover,
- b suspend or cancel cover:
 - i from the date cover was incepted or renewed, or
 - ii any other period specified by the Insurer

It is a condition precedent to the liability 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:

- 1 continue cover subject to alteration of the terms and conditions of such cover, or
- 2 suspend or cancel 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.

Policy Conditions (continued)

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.

19 Unoccupied Buildings

It is a condition precedent to liability that when any Building or portion thereof becomes Unoccupied:

- a** the Insured must give immediate notice of such unoccupancy to the Insurer and also when such Unoccupied Buildings or portion thereof are again occupied
- b** the following action must be implemented by the Insured:
 - i** the main services are turned off and the water system is drained whenever the Buildings involved or said portion thereof are vacated, except:
 - 1** electricity when needed to maintain any fire or intruder alarm system in operation, or,
 - 2** water supply and heating system where a sprinkler system is in operation
 - ii** the Buildings or portion thereof are inspected thoroughly internally and externally at least weekly by the Insured or a responsible person appointed by the Insured and a record is maintained of such inspections
 - iii** any internal or external accumulations of waste, unfixed combustible materials and gas bottles be removed during such inspections
 - iv** the Buildings or portion thereof are secured against unlawful entry by closing all doors and windows and setting all security locking mechanisms, setting any alarm system and setting any other protective device in operation.
- c** the Insured must notify the Insurer immediately if the Buildings or portion thereof are to be occupied by contractors for renovation, alteration or conversion purposes.

20 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.

21 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.

22 Conditions Precedent

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.

23 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 the Damage.

24 Non Invalidation

This Policy shall not be invalidated by:

- a** any act or omission or by any alteration unknown to or beyond the control of the Insured by which the risk of 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 or alteration
- b** workmen on the Premises carrying out repairs, general maintenance work or minor structural or other alterations.

Policy Exclusions

Applicable unless stated to the contrary under Exclusions in the Sections.

This Policy does not cover:

1 Geographical Limits

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

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 by 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.

Exclusions a and b do not apply to Section 6 – Liabilities, Event 1 – 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 6 – Liabilities, Event 1 – Employers' Liability and Section 6 – Liabilities, Event 2 – Public and Products Liability.

4 Sonic Bangs

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

5 Northern Ireland

Damage and 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 Damage or any consequential loss by fire or explosion) strikers, locked-out workers, persons taking part in labour disturbances or malicious persons.

6 Pollution or Contamination

Loss, destruction or damage caused by or resulting from pollution or contamination except such loss or destruction of or damage to the property insured or, if applicable, loss resulting from loss or destruction of or damage to property used by the Insured at the Premises stated in the Schedule for the purpose of the Business caused by:

- a** pollution or contamination which itself results from fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, bursting, overflowing, discharging or leaking of water tanks, apparatus or pipes, sprinkler leakage or impact by any road vehicle or animal, always provided that such peril is insured by this Policy
- b** any of the perils listed in **a** above which itself results from pollution or contamination.

7 Changes in Water Table Level

Damage attributable solely to changes in the water table level.

8 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 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 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

Policy Exclusions (continued)

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, 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.

9 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 Trade Contents and Section 7 Buildings only the insurance shall not exclude any subsequent Damage which is not otherwise excluded and which itself results from Events 1 to 8 of Section 1 Trade Contents or Events 1 to 8 of Section 7 Buildings.

10 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, 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, 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, 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 – Trade Contents

Definitions

All Risks Cover

All the Events and Extensions insured by this Section.

Glass

Plain plate, plain sheet, laminated glass and polycarbonate sheeting fixed in windows, doors, fanlights and rooflights, neon/illuminated signs and glass fixed in wall mirrors, shelves, showcases and counter-cases, including lettering fixed to such glass.

Premises

The Building and any detached outbuildings situated at the address or addresses of the Insured stated in the Schedule, but excluding any garden, yard or open space and occupied solely by the Insured in connection with the Business and otherwise as offices and private dwelling rooms.

Property Insured

All trade contents belonging to the Insured or for which they are responsible in the Premises including landlord's fixtures and fittings and interior decorations for which they are responsible.

Sanitaryware

Baths, sinks, lavatory bowls and cisterns, washbasins and pedestals, shower trays and bidets forming permanent fixtures.

Sum Insured

- a The Insurer's liability under this Section is limited to the Sums Insured shown against each respective item on the Schedule.
- b During the months of November and December and for a period of 31 days before Easter Day each year the Stock Sums Insured are increased by 35%.
- c Index Linking
 - i The Sums Insured will be adjusted each month by the percentage change in the Consumer Price Index (or some other suitable Index decided by the Insurer)
 - ii Additional premium will not be charged on such adjustments during the Period of Insurance. The renewal premium will be calculated on the adjusted sum insured applying on the last day of the month 3 months before renewal month
 - iii In the event of insured Damage the monthly Index Linking adjustments will continue during the period between the date of Damage and the completion of repair or replacement, provided that the Insured takes all reasonable steps to have the repair or replacement carried out without delay. The period of Index Linking adjustments after Damage is limited to one year.

Cover

The Insurer will indemnify the Insured in respect of:

- a **Damage to the Property Insured caused by any of the Events shown occurring during the Period of Insurance.**

Provided Damaged Property is repaired or replaced, the amount payable, other than in respect of stock and materials in trade and goods in trust, shall be the cost of repair or replacement, no deduction being made for wear and tear or depreciation except in respect of articles of wearing apparel, towels, linen and similar items which are regularly laundered, subject to the terms of this Section and the Policy Exclusions and Policy Conditions.

- b **Breakage or Damage occurring during the Period of Insurance of or to Glass or Sanitaryware in the Buildings and outbuildings situated at the Premises.**

Provided Property Insured is repaired or replaced, the amount payable in the event of breakage or Damage shall be the cost of repair or replacement of the property without deduction for wear or tear but excluding the first £250 of each claim, subject to the terms of this Section and the Policy Exclusions and Policy Conditions,

The most the Insurer will pay for any one claim is 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

Events

- 1 **Fire, Lightning, Explosion, Earthquake, Subterranean Fire**

excluding Damage:

- a caused by or consisting of the bursting of 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
- c caused by its own spontaneous fermentation or heating, or its undergoing any heating process or any process involving the application of heat

2 Aircraft and other aerial devices or articles dropped from them.

3 Impact by:

- a** any vehicle or animal excluding the first £250 of each claim in respect of each separate Premises when the vehicle or animal is under the Insured's control or the control of their employees
- b** falling trees or branches other than if caused by felling or lopping by the Insured or on their behalf.

4 Riot, Civil Commotion, Strikers, Locked Out Workers or Persons taking part in Labour Disturbances or Malicious Persons excluding:

- a** Damage occasioned by nationalisation, confiscation, requisition, seizure or destruction by the Government or any public authority
- b** the first £250 of each claim in respect of Damage at each separate Premises (other than by fire or explosion) directly caused by malicious persons not acting on behalf of nor in connection with any political organisation
- c** Damage in respect of any Building which is Unoccupied
- d** Damage by theft or attempted theft.

5 Storm, Tempest or Flood excluding:

- a** the first £250 of each claim in respect of each separate Premises
- b** Damage by frost, subsidence, ground heave or landslip
- c** Damage to fences and gates and moveable property in the open
- d** Damage in respect of any Building which is Unoccupied.

6 Bursting or Overflowing of Water Tanks, Apparatus or Pipes excluding:

- a** the first £250 of each claim in respect of each separate Premises
- b** Damage in respect of any Building which is Unoccupied.

7 Bursting, Leaking, Discharging or Overflowing of Fixed Oil Tanks, Apparatus or Pipes excluding:

- a** defective vaporization, smoke and smudge
- b** Damage in respect of any Building which is Unoccupied.

8 Breakage or Collapse of Television and Radio Receiving Aerials, Aerial Fittings and Masts.

9 Theft or Attempted Theft following upon or followed by forcible and violent entry to or exit from the Premises excluding

- a** the first £250 of each claim in respect of each separate Premises
- b** Damage in respect of any Building which is Unoccupied.

10 Hold-Up by Violence and/or Threats of Violence to the Insured or their employees.

11 Any Cause (other than those included, excluded or provided for elsewhere in this Section or by the Policy Exclusions or Conditions) excluding in respect of this Event only:

- a** the first £250 of each claim in respect of each separate Premises
- b** property not within the Premises
- c** Damage whilst the Premises are lent, let or sub-let in whole or in part
- d** Damage caused by or arising from:
 - i** theft or attempted theft unless following upon or followed by forcible and violent entry to or exit from the Premises
 - ii** error or omission or shortages revealed at stocktaking
 - iii** frost, landslip, subsidence, ground heave or settlement
 - iv** wear and tear, inherent defect
 - v** rot, mildew, rust, corrosion
 - vi** insects, woodworm, vermin
 - vii** dyeing, cleaning, repair, renovation, marring or scratching
 - viii** electronic, electrical or mechanical breakdown, failure or derangement
 - ix** faulty manipulation, design, plan, specification or materials
 - x** gradual deterioration, market depreciation
 - xi** overwinding and internal damage to clocks
 - xii** changes in temperature, dampness, dryness, shrinkage, evaporation, loss of weight, contamination, change in colour, flavour, texture or finish.
- e** Damage in respect of any Building which is Unoccupied.

12 Subsidence, Ground Heave or Landslip of any part of the site on which the property stands excluding:

- a** Damage in respect of any Buildings, paths, drives and other surfaced areas, walls, gates and fences
- b** Damage resulting from:
 - i** the normal settlement or bedding down of new structures
 - ii** the settlement or movement of made up ground
 - iii** coastal or river erosion
 - iv** defective design or workmanship or the use of defective materials

Section 1 – Trade Contents (continued)

- v fire, subterranean fire, explosion, earthquake or escape of water from any tank apparatus or pipe
- c Damage which commenced prior to the inception of this cover
- d Damage occurring as a result of demolition, construction, structural alteration or repair of any property or groundworks or excavation, at the same premises
- e the first £1,000 of each and every loss at each separate Premises.

Special Condition

Insofar as this insurance relates to Subsidence, Ground Heave or Landslip this Policy shall be avoided if the risk is increased by reason of demolition groundworks excavation or construction being carried out on the same or adjoining site.

Notes

- 1 If any claim in respect of any one occurrence involves Damage by Event 4 and/or Event 9 and/or Event 11, the monetary exclusions shall not exceed £250 in total in respect of each separate Premises.
- 2 Damage occurring within 72 consecutive hours of and arising from Event 5 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.

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

Cover under this Section includes

1 Property Temporarily Removed

Property other than stock and materials in trade and goods in trust, provided the same are not otherwise insured, whilst temporarily removed from the Premises for the purpose of cleaning, renovation or repair to any premises within the United Kingdom and in transit thereto and therefrom for an amount up to 20% of the Sum Insured excluding Damage by Events 5 and 9 to property in transit or by Event 11.

2 Damage by Theft or Hold-Up

The cost of making good Damage to the Premises as a result of Events 9 and 10 falling to be borne by the Insured, up to £25,000.

3 Removal of Debris

The cost of removal of debris of the Property Insured Damaged by an insured Event up to £25,000.

4 Underground Services

The cost for which the Insured are responsible for repairing accidental Damage to underground water, gas, sewer and drain pipes and underground electricity and telephone cables extending from the Premises to the public supply.

5 Locks and Keys

The cost of replacement 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 £5,000 any one claim.

6 External Blinds, Awnings, Canopies and Signs

External blinds, awnings, canopies and signs for which the Insured is responsible up to £2,500.

7 Boarding Up

The cost of boarding up pending replacement of broken or Damaged Glass.

8 Stock

Damage to stock on display consequent upon breakage of or Damage to Glass.

9 Shop Front

Damage to the shop front and fascia.

10 Alterations and Additions

To the extent that they are not otherwise insured:

- a alterations, additions and improvements (but not appreciation in value in excess of the Sum Insured) to Contents (as shown on the Schedule)
- b any newly acquired Contents (as shown on the Schedule)

within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands for no more than 15% of the total Contents Sum Insured, or £500,000, 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 30 days of the commencement date of the Insured's responsibility, effect specific cover retrospective to such date and pay the appropriate additional premium.

11 Trace and Access

The costs necessarily and reasonably incurred by the Insured in locating the source of Damage in consequence of escape of water or fuel oil from any tank, apparatus or pipe, 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.

12 Landscaped Gardens and Emergency Vehicles

Costs and expenses necessarily incurred in 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 £10,000 any one Period of Insurance.

13 Loss of Oil and Metered Water, Gas or Electric

Cover includes loss of oil and additional metered water, gas or electric charges incurred by the Insured up to an amount of £15,000 any one Period of Insurance, in consequence of Damage, but the Insurer will not pay for such charges incurred in respect of any Building which is Unoccupied.

In respect of loss of metered water, gas or electric the basis on which the amount payable is to be calculated will be the amount of the water, gas or electric charges for the period during which Damage occurs, less the charge paid by the Insured for the corresponding period in the preceding year, adjusted for changes in the water, gas or electric suppliers' charges and for variations affecting the water, gas or electric consumption of the Insured during the intervening period.

14 All Other Contents

Cover by this item extends to include

- a** documents, manuscripts and business records
- b** computer systems records
- c** patterns, models, moulds, plans and designs

but only for

- i** the value of the materials
- ii** the cost of labour and computer time spent in producing them.

The maximum the Insurer will pay in respect of the computer system records is £10,000

The Insurer will not pay for

- a** expenses in connection with producing Information to be recorded

- b** the value to the Insured of any information lost

- c** Employees' pedal cycles and other personal belongings but only if they are not otherwise insured.

The maximum the Insurer will pay for any one person's property is £1,000

- d** visitors' personal belongings

The maximum the Insurer will pay for any one Person's property is £1,000

- e** paintings, curios or other works of art

The maximum the Insurer will pay is £5,000 in respect of any one item

- f** wines, spirits, cigarettes and tobacco held for the Insured's own private entertainment purposes

The maximum the Insurer will pay is £1,000

- g** trade samples and goods held in trust at the Premises.

The maximum the Insurer will pay is £10,000

15 Clearing of Drains

Expenses necessarily and reasonably incurred in cleaning, clearing and/or repairing drains, gutters, sewers and the like at the Premises for which the Insured are responsible in consequence of Damage insured by this Section.

The maximum the Insurer will pay is £2,500 in any one Period of Insurance.

16 Business Cover away from the Premises

In respect of landlords fixtures and fittings and All Other Contents belonging to the Insured or held by the Insured in trust for which the Insured is responsible the Insurer will indemnify the Insured in respect of Damage to the property insured whilst anywhere in the European Union including whilst in transit thereto and therefrom.

The maximum the Insurer will pay in respect of this Extension is

- a** 15% of the landlords Fixture and Fittings and All Other Contents Sum Insured

Or

- b** £25,000

whichever is the lower

The maximum the Insurer will pay in respect of any one Item is £2,500

Section 1 – Trade Contents (continued)

The Insurer will not indemnify the Insured in respect of

- 1** Damage caused by
 - a** faulty design of the Property Insured or faulty materials used in its construction
 - b** faulty workmanship
 - c** change in temperature
 - d**
 - i** rot
 - ii** vermin or insects
 - iii** scratching
 - e** acts of fraud or dishonesty
 - f** mechanical or electrical breakdown
 - g**
 - i** unexplained or inventory shortage
 - ii** misfiling or misplacing of information
 - iii** clerical error
 - h** depreciation, gradual deterioration or wear and tear
- 2** Damage caused by theft or attempted theft
 - a** where You or Your partners or any employee or any member of Your household is involved
 - b** from any unattended vehicle where
 - i** all doors and windows have not been locked
 - ii** the vehicles are not garaged in a locked building or locked and secured in a fully enclosed compound when left overnight
- 3** Damage to the Property Insured caused by
 - a** its undergoing any process including
 - i** testing
 - ii** repairing
 - iii** adjusting
 - iv** servicing or maintenance
 - b** escape of water from any tank, apparatus or pipe while contained in a building which is unoccupied.

17 Uninhabitable Premises

The Insurer will indemnify the Insured in the event of the Premises being rendered uninhabitable as a result of Damage insured under this Section, for 2 years rent payable up to a maximum of 25% of the Contents sum insured.

18 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.

19 Reinstatement to Match – Computer Equipment

Replacement, repair or restoration of computer equipment with equivalent property which employs current technology where such computer equipment has suffered Damage to the extent that repair is impractical and replacement by similar property in a condition equal to but not better or more extensive than when new is impossible.

For the purposes of this Section, replacement, repair or restoration with such property shall not be regarded as being better or more extensive than when new.

Cover also extends to include:

- a** the cost of replacement or modification of undamaged computer equipment insofar as it is necessary to adapt it to operate in conjunction with Damaged Property which has been replaced, repaired or restored
- b** the cost of replacement, repair or modification of undamaged parts of computer equipment that form part of a matching set of articles, or suite of common design or function where the Damage is restricted to a clearly identifiable area or to a specific part.

Provided that:

- a** the total liability of the Insurer is not increased beyond the amount:
 - i** that would otherwise have been payable for the replacement, repair or restoration of the Property Damaged in its original form
 - ii** that would have been payable for replacement, repair or modification of the whole Property forming a set of articles, or suite of common design or function if such Property had been wholly destroyed
- b** the Insurer shall be liable only for the amount sufficient to enable the Insured to resume operations in substantially the same manner as before the Damage
- c** where Property is damaged in part only, the Insurer will not pay more than the amount representing the cost which the Insurer would have paid for repair, restoration or replacement if such property had been wholly destroyed

- d** if Damage to computer equipment results in undamaged computer records being incompatible with replacement computer equipment the Insurer will pay the costs of:
 - i** modifying the computer equipment
 or
 - ii** replacing computer records with reinstatement of programmes and/or information (but not for the value of the information to the Insured)
 whichever is the less.

20 Fire Extinguishers, Sprinklers and Security Equipment

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 or from the fire service
- iii** the liability of the Insurer in respect of any one claim shall not exceed £10,000.

21 Unauthorised Use of Supplies

Water, gas, electricity, oil or other metered supply charges incurred by the Insured and for which the Insured are legally responsible, due to unauthorised use by persons taking possession of, keeping possession of or occupying any Premises 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** the Insured has advised the Insurer of such unauthorised use immediately on becoming aware of it
- c** Policy Condition 17 Unoccupied Buildings has been complied with by the Insured
- d** the liability of the Insurer shall not exceed £10,000 in respect of any one Period of Insurance.

22 Exhibitions

Property Insured whilst at any exhibition within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, including whilst in transit to and from such exhibition for a period not exceeding 15 days.

The most the Insurer will pay in respect of any one exhibition is £10,000.

23 Property in the Open

Damage to Property Insured whilst in any garden, yard or open space occupied by the Insured in connection with the Business.

The most the Insurer will pay in respect of any one Period of Insurance is £5,000.

24 Theft Damage to Buildings

The cost of making good Damage to Buildings falling to be borne by the Insured caused by theft or attempted theft (not involving entry into or exit from the Buildings by forcible and violent means) excluding:

- a** Damage
 - i** to any Unoccupied Building
 - ii** expedited or in any way brought about by the Insured or any partner, director or employee of the Insured or any other person who has a legal right to be on the Premises, unless such theft or attempted theft involves the threat of or assault or violence to the Insured or any partner, director or employee of the Insured or any person who has a legal right to be on the Premises
 - iii** to Property which is more specifically or otherwise insured
- b** the first £1,000 of each claim
- c** any amount exceeding £25,000

25 Fixed Glass and Illuminated Signs

Fixed glass and illuminated signs for which the Insured is responsible up to £5,000.

Section 1 – Trade Contents (continued)

Exclusions

The Policy Exclusions apply to this Section and in addition it does not insure:

- 1** Damage to any Property:
 - a** resulting from its undergoing any heating process or process involving the application of heat
 - b** resulting from its undergoing any process of production, packing, treatment, testing, commissioning, service or repair, but the Insurer will pay for such Damage caused by fire or explosion
- 2** consequential loss of any kind or description
- 3** Damage to electrical equipment by short circuiting or overrunning not resulting in fire
- 4** deeds, bonds, bills of exchange, promissory notes, securities for money, coins, stamps or other property defined as Money in Section 2
- 5** the value of information contained in computer systems records, documents, manuscripts and business books other than the first £1,000
- 6** the cost of research involved in tracing the information recorded in:
 - a** computer systems records other than the first £25,000 of such costs
 - b** documents, manuscripts and business books other than the first £12,500 of such costs
- 7** Damage due to theft or attempted theft by or in collusion with any member of the Insured's family, business staff or domestic servants
- 8** loss due to any person obtaining any property by deception
- 9** Damage by theft or attempted theft to tills or cash registers unless they have been left unlocked when the Premises are closed for Business
- 10** Damage of or to stock caused by bacteria, disease or infection or condemnation by the competent authority
- 11 a** Glass or Sanitaryware broken or Damaged before the commencement of the Period of Insurance until replaced by the Insured
 - b** in respect of neon and illuminated signs, breakage or Damage
 - i** arising from adjustment, dismantling or erection of any part of the sign or whilst such sign is removed from its normal working position
 - ii** of or to any part of the sign by its own ignition, electrical breakdown or burn out
 - iii** of or to tubes unless the glass is fractured
- 12** any superficial scratching, chipping or cracking
- 13** window frames or other framework except as provided in Extension 10.
- 14** Damage caused by or consisting of acts of fraud or dishonesty by any partner director or employee of the Insured but the Insurer will pay for such Damage not otherwise excluded which itself results from an Event
- 15** Damage to
 - a** vehicles licensed for road use (including accessories on them), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
 - b** Property or structures in course of construction or erection and materials or supplies in connection with all such Property or structures
 - c** land, pier, jetties, bridges, culverts or excavations
 - d** livestock, growing crops or trees
- 16** Damage to automated teller machines (ATM).

Conditions

The Policy Conditions apply to this Section and in addition:

1 Height Condition

It is a condition precedent to liability for Damage by Events 5, 6 and 7 that any Property Insured which is moveable in the basement or sub-basement of the Premises be kept at least 10 centimetres above floor level.

Section 2 – Money and Personal Assault

Definitions

Accident

Bodily injury caused by violent external and visible means.

Business Hours

The period during which the Insured or their partners, directors or employees are at the Premises for the purpose of the Business.

Insured Person

The Insured and any of their partners, directors or employees aged between 16 and 75 years.

Loss of Limb

Loss by physical severance or permanent and total loss of use of an entire hand or arm or an entire foot or leg which the Insured Person has survived for at least one month.

Loss of Sight

Total loss of sight of an eye which has lasted 3 months of the Insured Person's lifetime and is at the end of that period beyond hope of improvement.

Money

Cash, bank and currency notes, cheques, postal and money orders, luncheon vouchers, current postage stamps, trading stamps, holiday with pay stamps, national insurance stamps, national savings stamps, national savings certificates, bankers drafts, credit sales vouchers or receipts, VAT purchase invoices, gift tokens and consumer redemption vouchers belonging to the Insured or for which they are responsible.

Permanent Total Disablement

A disablement which permanently, completely and continuously prevents the Insured Person from attending to his usual occupation or any other occupation for which he is fitted by knowledge and training and which having lasted 104 weeks of the Insured Person's lifetime is at the end of that period beyond hope of improvement.

Temporary Total Disablement

A disablement which completely and continuously prevents the Insured Person from attending to their usual occupation.

Temporary Partial Disablement

A disablement which continuously prevents the Insured Person from attending to a substantial part of their usual occupation.

Cover

A The Insurer will indemnify the Insured against Damage occurring during the Period of Insurance to Money held in connection with the Business up to the Limits of Indemnity shown in the Schedule by any cause not excluded hereafter nor by the Policy Exclusions or Conditions of this Policy.

The Schedule sets out separate Limits of Indemnity for the following types of Money:

- 1** Crossed cheques, crossed postal orders, crossed bankers drafts, national insurance stamps affixed to cards, national savings certificates, credit sales vouchers or receipts and VAT purchase invoices
 - 2** Money other than in 1. above
 - a** in transit in the personal custody of the Insured or their partners, directors or authorised employees or of a security organisation approved by the Insurer or in a bank night safe and until liability is accepted by the bank
 - b** in registered post
 - c** within the Insured's Premises during Business Hours
 - d** within the Insured's Premises out of Business Hours not contained in a locked safe (including money in vending or gaming machines)
 - e** in a locked safe within the Premises or the Insured's private dwelling or that of any of the Insured's partners, directors or employees out of Business Hours
 - f** in the Insured's personal custody or the personal custody of any of the Insured's partners, directors or authorised employees out of Business Hours
 - g** in a self fill automated teller machine (ATM) at the Insured's Premises.
- B The Insurer will indemnify the Insured against Damage to any safe at the Premises or the Insured's private dwelling or that of any of the Insured's partners, directors or employees as a direct result of theft or attempted theft of Money.**
- C The Insurer will pay the sum or sums set out in the Scale of Compensation if any Insured Person acting in connection with the Business shall:**
- 1** sustain an Accident as a direct result of theft or attempted theft.
 - 2** suffer emotional stress necessitating professional counselling.

Section 2 – Money and Personal Assault (continued)

Scale of Compensation

Item	Amount
1 If any Insured Person shall sustain an Accident resulting directly and independently of any other cause within 12 months in <ul style="list-style-type: none"> a death b loss of one or more limbs and/or sight of one or both eyes c Permanent Total Disablement d Temporary Total Disablement e Temporary Partial Disablement * per week during such disablement	£25,000 £25,000 £25,000 £100* £50*
2 Cost of cleaning, repairing or replacing lost or Damaged clothing or personal effects of the Insured Person up to	£250
3 The cost of professional counselling not exceeding <ul style="list-style-type: none"> a an hourly cost of b an amount per person of c an amount in total of 	£30 £1,000 £5,000

Limitations

In respect of each Insured Person

- 1** compensation shall not be paid under more than one of the Items 1a., 1b. or 1c. of the Scale of Compensation for the consequences of the same Accident
- 2** weekly compensation under Items 1d. and/or 1e. of the Scale of Compensation will not be paid for more than 104 weeks in total in respect of one or more Accidents. Weekly compensation will be paid when the total amount to be paid has been agreed or, if the Insured requests, at the end of each period of 4 consecutive weeks disablement
- 3** compensation shall not be paid unless as soon as possible after an Accident the injured person is placed under the care of a qualified medical practitioner whose advice shall be followed. A post-mortem examination shall be carried out if required by and at the Insurer's own expense
- 4** compensation shall not be paid under Items 3a., 3b. and 3c. of the Scale of Compensation unless such counselling is recommended by a qualified medical practitioner and agreed to by the Insurer before costs are incurred.

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

Cover under this Section includes

1 National Lottery Scratch Cards

The Insurer will also indemnify the Insured in respect of National Lottery Scratch Cards whilst

- a** within the Insured's Premises during business hours, or
- b** contained in a locked safe as stated in Limit of Indemnity 2.e. subject to a limit of £800 any one claim.

2 Pay As You Go Mobile Phone Vouchers

The Insurer will also indemnify the Insured in respect of Pay As You Go Mobile Phone Vouchers

- a** within the Insured's Premises contained within the cash till during business hours, or
- b** whilst contained in a locked safe as stated in Limit of Indemnity 2.e.

subject to a limit of £800 any one claim.

Exclusions

The Policy Exclusions apply to this Section and in addition it does not insure:

- 1** any loss due to lack of integrity of any of the Insured's employees not discovered within 15 working days of the occurrence
- 2** any loss covered by or which but for the existence of this Section would be covered by any Policy of Fidelity Guarantee and this Section shall not contribute to such loss except in excess of any amount insured thereunder
- 3** any loss from any unattended vehicle
- 4** the first £250 of each and every loss in respect of Damage to Money within a self-fill automated teller machine (ATM)
- 5** any loss from an automated teller machine (ATM) which is not filled by the Insured

Conditions

The Policy Conditions except 13 and 14 apply to this Section and in addition:

1 Records Condition

The Insured shall keep a proper written record of all Property Insured hereunder and shall allow the Insurer at all reasonable times to inspect such records. A proper record shall also be kept of all Money in safe in some place other than in the said safe.

2 Keys Condition

It is a condition precedent to liability under Limit of Indemnity **2e** that whenever:

- a** the Premises is closed for business the key or keys of any safe shall be removed from the Premises or to that part of the Premises where the person responsible for their safety normally resides
- b** the Insured's private dwelling or that of any of the Insured's partners, directors or employees is left unattended, the key or keys of any safe shall be removed from the premises.

3 Accompaniment Condition

It is a condition precedent to any liability under Limit of Indemnity **2a.** of Cover A that Negotiable Money in Transit other than by a security organisation or by registered post will be accompanied by:

- a** 2 adults when in excess of £3,000
- b** 3 adults when in excess of £6,000.

4 Self Fill Automated Teller Machines (ATM) Condition

It is a condition precedent to liability under Limit of Indemnity **2g** that the automated teller machine (ATM) should be filled with cash sufficient for one days trading only and must be filled whilst the Premises are locked and customers are excluded from the Premises.

In addition, where the ATM is installed inside the Building:

- a** the cash must be removed from the ATM whilst the Premises are locked and customers are excluded from the Premises and placed in a safe of adequate security (as agreed by the Insurer) for the amount of cash
- b** the door to the ATM and the security container(s) within must be left open out of Business Hours
- c** prominent notices must be placed around the perimeter and within the Premises stating that the ATM holds no cash when Premises are closed for business

- d** the ATM must be located within the Premises as far away from accessible doors and windows as is reasonably practicable and secured to the floor by a proprietary fixing system installed by the ATM installer.

5 Fair Presentation

If a claim is made under Cover **C** of this Section, the Insurer will not invoke the remedies which might otherwise have been available to it under Policy Condition 15 (Fair Presentation of the Risk) as against the Insured, if the failure to make a fair presentation of the risk concerns only facts or information which relate to a particular partner, director or employee. If the partner, director or employee concerned or the Insured on their behalf makes a careless misrepresentation of facts, the Insurer may invoke the remedies available to it under Policy Condition 15 as against that partner, director or employee only, as if a separate insurance contract had been issued to such person, leaving the remainder of the Policy unaffected.

6 Fraudulent Claims

If any fraud to which Policy Condition 10 (Fraud) relates is perpetrated by or on behalf of an Insured Person (and not on behalf of the Insured), Policy Condition 10 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 3 – Goods in Transit

Definitions

Property Insured

Goods appertaining to the Business whilst in transit including loading and unloading anywhere in Great Britain, Northern Ireland, the Republic of Ireland, the Isle of Man or the Channel Islands by any of the Insured's own vehicles.

Sum Insured

The Insurer's liability under this Section in respect of any one vehicle is limited to the Sum Insured shown in the Schedule.

Cover

The Insurer will indemnify the Insured against Damage occurring during the Period of Insurance by any cause not excluded hereafter nor by the Policy Exclusions or Policy Conditions to the Property Insured.

Exclusions

The Policy Exclusions apply to this Section and in addition it does not insure:

- 1 any Damage due to:
 - a depreciation or deterioration unless caused by accident to the conveying vehicle
 - b delay or loss of market
 - c default in packing or addressing of any parcel or package
- 2 any consequential loss of any kind or description
- 3 any theft of the Property Insured from any vehicle left unattended, unless such vehicle has all points of access closed and secured by all the locks and other protections and has all the keys removed from the vehicle
- 4 glass, livestock, precious metals or stones, jewellery, watches, furs, money, securities, stamps, documents, manuscripts, business books, plans or designs.

Conditions

The Policy Conditions except 3 and 14 apply to this Section and in addition:

1 Safeguarding of Property

The Insured shall take all reasonable measures to safeguard the Property Insured from Damage and to maintain vehicles in an efficient and roadworthy condition.

2 Employees

The Insured shall take all reasonable care in the selection of honest and competent employees.

3 Additional Theft Protection

If any additional protections to any vehicle are reasonably required by the Insurer following Damage due to theft the Insured shall comply within a reasonable period specified by the Insurer.

Section 4 – Deterioration of Stock

Definitions

Property Insured

Goods in any cold chamber situated at the Premises.

Sum Insured

The Insurer's liability under this Section is limited to the Sum Insured shown in the Schedule.

Cover

The Insurer will indemnify the Insured up to the Sum Insured against Damage occurring during the Period of Insurance to the Property Insured by deterioration or putrefaction solely and directly due to:

- A a rise or fall in temperature as a result of:**
 - i damage to or a fault in the refrigeration machinery**
 - ii failure of the public supply of electricity at the terminal ends of the Electricity Authority's service feeders at the Premises**
 - iii accidental failure of the electrical installation connecting the refrigeration machinery to the Electricity Authority's service feeders**
- B the action of the refrigerant or refrigerant fumes which have escaped from the refrigeration machinery.**

Exclusions

The Policy Exclusions apply to this Section and in addition it does not insure

- 1 any Damage:**
 - a** due to any of the Events described in Section 1. Trade Contents
 - b** under A.ii. of Cover due to:
 - i** drought
 - ii** a deliberate act of the Electricity Authority not performed for the sole purpose of safeguarding life or protecting any part of the Electricity Authority's system
 - c** due to any wilful act or neglect by the Insured
 - d** due to faulty packing or stowage, inherent defect or any form of normal trade loss
- 2** the first £50 of each claim.

Conditions

The Policy Conditions except 13 and 14 apply to this Section and in addition:

1 Maintenance Contract

In respect of any cold chamber which is over 10 years old it is a condition precedent to liability for loss or Damage under this Section that a contract is in force to maintain and adjust the refrigeration machinery in line with manufacturers or other competent specialists' instructions.

Section 5 – Business Interruption

Definitions

Annual Turnover

The Turnover during the 12 months immediately before the date of the Damage.

Damage

Destruction, damage or loss insured under Sections 1 and 7 of this Policy.

Gross Profit

The amount by which the sum of the Turnover and the amounts of the closing stock and work in progress shall exceed the sum of the amounts of the opening stock, work in progress and stock purchases.

Note: The amounts of the opening and closing stock and work in progress shall be arrived at in accordance with the Insured's normal accountancy methods, due provision being made for depreciation.

Indemnity Period

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.

Maximum Indemnity Period

As shown in the Schedule.

Outstanding Debit Balances

The total outstanding debit balances last recorded by the Insured under the provisions of Condition 4, adjusted for:

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

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

Rate of Gross Profit

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

Standard Turnover

The Turnover during the period corresponding with the Indemnity Period in the 12 months immediately before the date of the Damage appropriately adjusted where the Indemnity Period exceeds 12 months.

Notes:

- 1 Adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or other circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage.
- 2 To the extent that the Insured are accountable to the tax authorities for Value Added Tax all terms in this Section shall be exclusive of such tax.

Turnover

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

Cover

A If during the Period of Insurance the Business carried on by the Insured at the Premises is interrupted or interfered with as a direct result of Damage the Insurer will indemnify the Insured up to the Gross Profit Sum Insured shown on the Schedule.

- 1 **The loss of Gross Profit due to:**
 - a **Reduction in Turnover and**
 - b **Increase in Cost of Working:**
and the amount payable as indemnity shall be:
 - i **in respect of Reduction in Turnover: the sum produced by applying the rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall in consequence of the Damage fall short of the Standard Turnover**
 - ii **in respect of Increase in Cost of Working: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the Reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the sum produced by applying the rate of Gross Profit to the amount of the reduction thereby avoided**

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

2 The reasonable charges payable by the Insured to their professional accountants for producing such particulars or details or other proofs, information or evidence as may be required by the Insurer under the terms of Policy Condition 6 and reporting that such particulars or details are in accordance with the Insured's books of account or other business books or documents.

B In the event of Damage occurring during the Period of Insurance by any cause covered by Section 1 Trade Contents to the Insured's books of account or other business books or records at the Premises which results in the Insured being unable to trace or establish the Outstanding Debit Balance in whole or in part due to the Insured then the Insurer will pay to the Insured under the Outstanding Debit Balances Sum Insured shown on the Schedule the amount resulting from such Damage.

but not exceeding:

- a the difference between:

 - i the Outstanding Debit Balances and**
 - ii the total of the amounts received or traced in respect of such balances****
- b the additional expenditure incurred with the Insurer's previous consent in tracing and establishing customers' debit balances after the Damage**
- c the reasonable charges payable by the Insured to their professional accountants for producing any particulars or details of any other proofs, information or evidence as may be required by the Insurer under the terms of Policy Condition 6 and reporting that such particulars or details are in accordance with the Insured's books of account or other business books or documents.**

Provided that the Insurer's liability under this Section during any one Period of Insurance shall not exceed the Sums Insured stated in the Schedule.

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

Cover under this Section includes:

1 Denial of Access

Loss as insured by this Section resulting from interruption of or interference with the Business in consequence of Damage caused by any Event covered under Section 1 Trade Contents to property in the immediate vicinity of the Premises which shall prevent or hinder the use of or access to the Premises, whether the Insured's property or the Buildings at the Premises be Damaged or not.

2 Supply Undertakings

Loss as insured by this Section resulting from interruption of or interference with the Business in consequence of Damage caused by any Event covered under Section 1 Trade Contents to property at any Electricity Station or Sub-Station, Gas Works or Water Works of the Supply Undertaking from which the Insured obtains electric current, gas or water.

3 Specified Illnesses

Loss as a direct result of:

- a** any occurrence of a Specified Illness at the Premises or attributable to food or drink supplied from the Premises
- b** any discovery of an organism at the Premises likely to result in the occurrence of a Specified Illness
- c** any occurrence of a Specified Illness within a radius of 25 miles of the Premises
- d** any occurrence of Legionellosis at the Premises which causes restrictions on the use of the Premises on the order or advice of the competent local authority
- e** the discovery of vermin or pests at the Premises which causes restrictions on the use of the Premises on the order or advice of the competent local authority
- f** 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
- g** any occurrence of murder or suicide at the Premises.

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.

Section 5 – Business Interruption (continued)

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

- a** in the case of 3a, 3b, 3c and 3g above with the date of the occurrence or discovery
- b** in the case of 3d, 3e and 3f above with the date from which the restrictions on the Premises are applied

and ending not later than 12 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 Insurer's consent 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 Insurer's liability shall not exceed £5,000 in any one Period of Insurance, after the application of all other terms and conditions of this Section and of the Policy.

4 Suppliers Premises

Loss as insured by this Section resulting from interruption of or interference with the Business in consequence of Damage caused by any Event covered under Section 1 Trade Contents to property at the premises of any of the Insured's suppliers in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, except for Damage as described under Event 11 of Section 1 Trade Contents. The Insurer's liability under this Extension in respect of any one location is limited to £25,000.

5 Records Removed and in Transit

The insurance extends to include the amount of any loss ascertained in accordance with the provisions of this Section resulting from Damage

- a** in any premises within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man occupied by persons acting on the Insured's behalf and to which the Insured's books of accounts or other records are temporarily removed
- b** to the Insured's books of account or other business books or records whilst in transit within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

6 Subsidence, Ground Heave or Landslip

Loss as insured by this Section resulting from interruption of or interference with the Business in consequence of Damage caused by subsidence or ground heave of any part of the site on which the property stands, or landslip excluding:

- 1** Damage resulting from:
 - a** the normal settlement or bedding down of new structures
 - b** the settlement or movement of made-up ground
 - c** coastal or river erosion
 - d** defective design or workmanship or the use of defective materials
 - e** fire subterranean fire explosion earthquake or escape of water from any tank apparatus or pipe
- 2** Damage which commenced prior to the inception of this cover
- 3** Damage occurring as a result of demolition construction structural alteration or repair of any property or groundworks or excavation, at the same Premises
- 4** the first £1,000 of each and every loss at each separate Premises.

Special Condition

Insofar as this insurance relates to subsidence, ground heave or landslip this Policy shall be avoided if the risk is increased by reason of demolition groundworks excavation or construction being carried out on the same or any adjoining site.

Condition 3. Material Damage shall not apply to this Extension.

7 Government or Local Authority Action

Loss as insured by this Section resulting from prevention of access to the Premises due to the actions or advice of a government or local authority due to an emergency which is likely to endanger life or property.

The Insurer will not indemnify the Insured in respect of

- a** any incident lasting less than 4 hours
- b** any period other than the actual period when the access to the Premises was prevented
- c** cover that is already provided under Extension 3 Specified Illness of this Section

The maximum the Insurer will pay under this extension is £25,000, or the Business Interruption Sum Insured, whichever is the lower, in respect of the total of all losses occurring during the Period of Insurance.

8 Loss of Attraction

Any claim resulting from interruption of or interference with the Business in consequence of accidental loss or destruction of or damage (other than obstruction of roads, streets and the like by weather or climatic conditions) to property within one mile radius of the Premises which:

- a** prevents or hinders the use of the Premises, or
- b** causes a fall in the number of customers attracted to the Premises,

provided that the Maximum Indemnity Period therefore shall not exceed 12 months, whether the Premises or the property of the Insured therein is damaged or not (but excluding accidental loss or destruction of or damage to the property of any supply undertaking from which the Insured obtains electricity, gas, water or telecommunications services which prevents or hinders the supply of such services) shall be understood to be Business Interruption by an Event covered by this Section.

9 Lottery Winners

In the event an Employee or group of Employees resigns from his/her or their post(s) within the Business as a direct consequence of their securing a win in a Lottery, cover extends to include the additional costs and/or expenses the Insured incurs, including but not limited to:

- 1 recruitment and additional overtime costs
- 2 the cost of employing temporary staff for amounts in excess of permanent full time rates of payment.

Provided that:

- a** the Employee or group of Employees resigns within 14 days from the date of the successful Lottery win
- b** the amount won by any one Employee is not less than £100,000

- c** the Insurer's liability shall not exceed £25,000

For the purpose of this Extension the following definitions apply:

Indemnity Period

The period during which the Business results are affected due to an Employee or group of Employees resigning from his/her or their post(s) within the Business as a direct consequence of their securing a win in a Lottery, starting from the date of the first resignation and ending no later than the Maximum Indemnity Period.

Maximum Indemnity Period

One month.

Lottery

- UK National Lottery Prize Draws including Scratchcards
- UK National Football Pools
- Euro Millions Lottery
- Irish National Lottery
- UK Premium Bond Prize Draws.

10 Essential Personnel

Additional expenditure necessarily and reasonably incurred by the Insured during the Indemnity Period as a consequence of the death or permanent disablement of any principal, director or partner of the Insured by accidental and external means preventing the carrying out of their usual employment or occupation for the sole purpose of avoiding or diminishing any interruption of or interference with the Business carried on by the Insured at the Premises which but for that expenditure would have taken place during the Indemnity Period, provided that:

- i** the Maximum Indemnity Period in respect of this clause shall not exceed 12 months
- ii** the Insurer shall not be liable for more than £10,000 in respect of any one claim.

11 Failure of Supply

Loss as insured by this Section resulting from interruption of or interference with the Business in consequence of accidental failure of supply of

- i** electricity at the terminal ends of the service provider's feeders at the Premises
- ii** gas at the service provider's meters at the Premises
- iii** water at the service provider's main stop cock serving the Premises
- iv** land based telecommunications services (excluding intranet or extranet services) at the incoming line terminals or receivers at the Premises
- v** other telecommunications services (including intranet or extranet services) at the incoming line terminals or receivers at the Premises

Section 5 – Business Interruption (continued)

Provided that:

- a** in respect of the supply of land based and other telecommunications services the Maximum Indemnity Period shall not exceed 3 months
- b** the Insurer shall not be liable for any Business Interruption
 - i** which does not involve a cessation of supply for at least 4 consecutive hours in respect of the supply of electricity, gas or water services and for at least 12 consecutive hours in respect of the supply of land based and other telecommunications services
 - ii** resulting from the deliberate act of any supply undertaking or by the exercise by any such undertaking of its power to withhold or restrict supply or services not performed for the sole purpose of safeguarding life or protecting the supply undertaking's system
 - iii** resulting from failure caused by
 - strikes or any labour or trade dispute
 - drought
 - other atmospheric or weather conditions, but this shall not exclude failure due to damage caused by such conditions
 - iv** caused by or arising from or attributable to the failure of any overhead transmission and distributing lines and their supporting structures, other than those within 1 mile of the Premises
 - v** resulting from the failure of telecommunications services via satellite
 - due to the failure of any satellite prior to its attaining its full operating function or whilst in or beyond the final year of its design life
 - in the event of temporary interference with transmissions to and from satellites due to atmospheric weather, solar or lunar conditions
 - resulting from the transfer of the Insured's satellite facility to another party
 - vi** as insured under the Supply Undertakings Extension.

Conditions

The Policy Conditions except 13 and 14 apply to this Section and in addition:

1 Alteration

Unless the Insurer agrees in writing, cover under this Section shall automatically cease if during the Period of Insurance:

- 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

2 First Financial Year

In the event of the loss occurring before the end of the first financial year of the Business the results of the Business to the date of the Damage shall be used as a basis upon which to assess the loss, subject otherwise to all the terms and conditions of this Section.

3 Material Damage

It is a condition precedent to any liability under this Section (other than in respect of the prevention or hindrance of the use of the Premises) that there shall be in force an insurance covering the Insured's interest in the property at the Premises against such Damage and payment shall have been made or liability admitted therefor under such insurance.

4 Keeping Records

The Insured shall at the end of each month record the total amount outstanding in customer's accounts at that time, and a copy of such records shall be kept at a place other than the Premises.

5 This Condition is left intentionally blank

Exclusions

The Policy Exclusions apply to this Section and in addition it does not insure:

- 1** deliberate falsification of business records
- 2** the deliberate act of the Electricity Authority in restricting or withholding electricity supply
- 3** wear and tear and gradual deterioration, vermin, rust, damp or mildew
- 4** the connivance of any employee.

Section 6 – Liabilities

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 Channel Islands or the Isle of Man which includes:

- a** the ownership, maintenance and repair of Premises used for the business
- b** the provision and management of canteens, social, sports or welfare organisations for the benefit of Employees and the Insured's ambulance, first aid and fire services
- c** the execution of private duties by Employees of the Insured for any partner director or senior official of the Insured
- d** participation in exhibitions.

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.

Geographical Limits

- a** Great Britain, Northern Ireland, the Channel Islands and the Isle of Man
- 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 person normally resident within the territories specified in Geographical Limits part a. and occurring during any journey or temporary visit
 - ii** Products.

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 other than an Employee.

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 a, b or c.

Pollution or Contamination

- a** all pollution or contamination of buildings or other structures or of water or land and 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 one incident shall be deemed to have occurred at the time such incident takes place.

Products

Any goods or other property sold, supplied, delivered, installed, erected, repaired, altered, treated or tested by the Insured and not in the Insured's charge or control.

Section 6 – Liabilities (continued)

Cover

Event 1 – Employers' Liability

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 Geographical Limits during the continuance of this Section provided that any action for compensation in respect of such Injury is brought in a Court of Law within a Member country of the European Union.

Event 2 – Public and Products Liability

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 except as provided under Event 1 – Employers' Liability**
- b loss of or Damage to material property**
- c nuisance, trespass or interference with any easement or right of way, light, air or water resulting in financial loss**

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

Costs and Expenses

The Insurer will pay costs and expenses incurred by it or with its written consent:

- 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 Damage

which may be the subject of indemnity under this Section.

Limits of Indemnity

- a** Under Event 1 – Employers' Liability the Insurer's liability 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 stated in the Schedule.
- b** Under Event 2 – Public and Products Liability the Insurer's liability for all compensation and claimants costs and expenses payable in respect of
 - i** any one claim or series of claims arising out of one occurrence

- ii** all claims arising out of Injury and Damage occurring during any one Period of Insurance and caused by or arising from Products
- iii** all claims arising from Pollution or Contamination which is deemed to have occurred during any one Period of Insurance shall not exceed the limit stated in the Schedule.

- c** Under Event 2 – Public and Products Liability in respect of 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 its written consent in connection with the defence of such claims.

- d** Under Event 1 – Employers' Liability the Insurer's liability shall not exceed £5,000,000 in respect of an act of Terrorism.

- e** Under Event 2 – Public and Products Liability the Insurer's liability shall not exceed the limit of indemnity shown in the schedule or £5,000,000 (whichever is the lesser) in respect of an act of Terrorism.

- f** in respect of the indemnity provided under this Section for Extension 10 – Corporate Manslaughter and Corporate Homicide Act 2007 – Legal Defence Costs:
 - i** the Insurer's liability 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.

For the purposes of **d** and **e** the definition of an act of Terrorism is:

any act including but not limited to the use of force or violence and/or 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.

If the Insurer alleges that by reason of limitation **d** and **e** any Damage cost or expenses is not covered the burden of proving the contrary shall be upon the Insured.

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

1 Personal and Guests' Effects

Exclusion 2 of this Section shall not apply to personal effects or vehicles belonging to any partner director Employee or guest of or visitor to the Insured.

Provided that:

- a notice disclaiming liability in respect of Damage to vehicles is prominently displayed in any car park for which the Insured are responsible
- b the Insurer's liability in respect of the personal effects or vehicles of said guests or visitors shall not exceed:
 - i £5,000 in respect of any one guest or visitor
 - ii £25,000 in all in respect of any one Period of Insurance.

2 Leased, Rented or Hired Premises

Exclusion 2 of this Section shall not apply to premises (including their fixtures and fittings) leased, rented or hired to the Insured.

This Extension shall not apply to:

- a liability attaching to the Insured under the terms of any tenancy or other agreement
- b liability arising out of the presence of Asbestos

3 Indemnity to Other Parties

If the Insured so requests, the Insurer will also 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 or fire services against liability incurred in such capacity
- b any of the Insured's partners, directors or Employees 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 such party was individually named as the Insured in this Section

- c any principal for whom the Insured is carrying out any work under any contract or agreement against liability arising out of the performance of such work by the Insured 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 but only to the extent required by the terms and conditions of such contract or agreement.

Provided that:

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

4 Health and Safety at Work – Legal Defence Costs

The Insurer will indemnify the Insured (and if they so request any of their partners, directors or Employees) subject to 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 Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 alleged to have been committed during the Period of Insurance in connection with the Business.

Provided that:

- a the Insurer shall have the absolute conduct and control of all the said proceedings and appeals
- b the Insurer will not pay for:
 - i fines or penalties of any kind
 - ii proceedings or appeals in respect of any deliberate or intentional criminal act or omission
 - iii costs or expenses insured by any other policy.

5 Contingent Motor Liability

Section Exclusion 4 a i shall not apply to liability arising out of the use in connection with the Business of any vehicle not owned, provided or being driven by the Insured.

- a This Extension shall not apply to such liability:
 - i in respect of Damage to the said vehicle
 - ii arising out of any such use in any country outside the European Union
 - iii incurred by any party other than the Insured and Extension 3 shall not apply.

6 Joint Insured – Cross Liabilities

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

Section 6 – Liabilities (continued)

7 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 Geographical Limits during the Period of Insurance:

- a** is obtained by such Employee in any Court situated in the territories specified in part **a** of the Geographical Limits Definition 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 requests pay to the said Employee the amount of any such compensation and costs to the extent that they remain unsatisfied.

Provided that:

- a** there is no appeal outstanding
- b** the Employee shall have assigned the judgement to the Insurer.

8 Consumer Protection Act – Legal Defence Costs

The Insurer will indemnify the Insured and if the Insured so requests any partner director or Employee of the Insured in the terms of this Section in respect of legal costs and expenses incurred with the Insurer's written consent 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 Part 2 of the Consumer Protection Act 1987 alleged to have been committed during the Period of Insurance in connection with the Business.

Provided that:

- 1** the Insurer shall have the absolute conduct and control of all the said proceedings and appeals
- 2** 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 and expenses insured by any other policy
- 3** the Insurer's liability under this extension for all costs and expenses payable in respect of all offences alleged to have been committed during any one Period of Insurance shall not exceed £25,000.

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:

any director or partner	£750
any Employee	£250

10 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:
 - i** in respect of Event 1 – Employers' Liability sustained and caused
 - ii** in respect of Event 2 – Public and Products Liability occurring 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.

11 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

Provided that the Insurer shall not in any event provide indemnity

- A under Exclusion 6a of this Section except as stated therein
- B in respect of liquidated damages or fines or damages imposed by or payable under any penalty clause.

12 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.

This Extension does not cover:

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

13 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, Employee of the Insured or Family member of such partner, director or Employee normally resident within Great Britain, Northern Ireland, the Isle of Man and the Channel Islands in the course of any journey or temporary visit to any other country made in connection with the business.

14 Data Protection

- a 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 resulting from failure of the Insured to comply with data protection legislation and caused in connection with the Business during the Period of Insurance.

Provided that the Insured is:

- i a registered user in accordance with data protection legislation
 - ii not in business as a data processing bureau.
- b 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.
- c The Insurer will not pay for:
 - i 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
 - ii any damage or distress caused by any act of fraud or dishonesty
 - iii the costs and expenses of rectifying, rewriting or erasing data
 - iv liability arising from the recording, processing or provision of data for reward or to determine the financial status of any person
 - v the payment of fines or penalties.

Section 6 – Liabilities (continued)

Exclusions

In respect of Event 1 – Employers' Liability, Policy Exclusion 3 of this Policy and the following Exclusions 10 and 11 apply to this Section.

In respect of Event 2 – Public and Products Liability, Policy Exclusions 2, 3 and 9 of this Policy and the following Exclusions 1 to 10 and 12 apply to this Section.

This Section does not cover:

- 1** any liability in respect of:
 - a** fines, penalties or liquidated damages
 - b** aggravated, punitive or exemplary damages or any damages resulting from the multiplication of compensatory damages.
- 2** liability in respect of Damage to any property belonging to or in the charge or the control of the Insured.
- 3** liability in respect of:
 - a** Damage to any goods or other property sold, supplied, delivered, installed or erected by 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

Provided that Exclusions **3a** and **3bi** shall not apply to liability in respect of Damage to said goods or other property if such 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.
- 4** any liability arising out of the ownership, possession or use by the Insured or on their behalf of:
 - a** any mechanically propelled vehicle or trailer attached thereto:
 - i** whilst on any road within the meaning of the Road Traffic Acts or other road traffic legislation, excepting liability arising out of the operation as a tool of any mechanical plant
 - ii** if such liability is insured by any other policy or is required by any traffic legislation to be the subject of compulsory insurance or other security
 - b** any craft designed to travel in on or through water, air or space (other than hand-propelled watercraft).
- 5** liability arising out of:
 - a** any error or omission in any advice, examination, prescription or treatment given by the Insured or anything used or supplied in connection therewith

- b** any goods dispensed, made up or manufactured by the Insured.
- 6** in respect of Injury 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 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 their Power of Attorney
 - d** Damage to computer tapes and/or discs and information recorded thereon.
- 7** liability in respect of Damage caused by or arising from Products exported by the Insured or with the Insured's knowledge to the United States of America or Canada.
- 8** any 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.
- 9** liability which is insured by or would but for the existence of this Section be insured by any other policy except in respect of any excess beyond the amount payable under such other policy or would have been payable under such other policy had this insurance not been effected.
- 10** liability in respect of Injury to any Employee who is working on, visiting or travelling to or from Offshore Installations.
- 11** 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.

- 12 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.

Conditions

The Policy Conditions except 3, 4, 13 and 14 apply to this Section and in addition:

1 Compulsory Insurance Legislation

The indemnity granted by this Section in respect of Injury to any Employee 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 part **a** of the Geographical Limits Definition but the Insured shall repay to the Insurer all sums paid by the Insurer which it would not have been liable to pay but for the provisions of such law.

Section 7 – Buildings

Definitions

All Risks Cover

Events 1-10 described under Section 1 Trade Contents of this Policy, incorporating the relevant exclusions and in addition the following Event 11:

Event 11

Accidental Damage of a sudden and unforeseen nature excluding Damage to the Property Insured caused by collapse, cracking, frost, landslip, subsidence, ground heave or settlement and the first £250 of each claim in respect of each separate Premises.

Property Insured

The Building and outbuildings situated at the Premises including walls, gates and fences, landlord's fixtures and fittings.

Sum Insured

- a The Insurer's liability under this Section is limited to the Sum Insured shown in the Schedule.
- b Index Linking
 - i The Sum Insured will be adjusted each month by the percentage change in the General Building Cost Index issued by the Building Cost Information Service of the Royal Institute of Chartered Surveyors (or some other suitable Index decided upon by the Insurer).
 - ii Additional premium will not be charged on such adjustments during the Period of Insurance. The renewal premium will be calculated on the adjusted Sum Insured applying on the last day of the month 3 months before renewal month.
 - iii In the event of insured Damage the monthly Index Linking adjustments will continue during the period between the date of Damage and the completion of repair or replacement, provided that the Insured takes all reasonable steps to have the repair or replacement carried out without delay. The period of Index Linking adjustments after Damage is limited to 1 year.

Cover

The Insurer will indemnify the Insured up to the Sum Insured in respect of Damage to the Property Insured occurring during the Period of Insurance by any of the Events shown.

Provided the Damaged Property is repaired or replaced, the amount payable, subject to the terms of this Section and the Policy Exclusions and Policy Conditions, shall be the cost of repair or replacement without deduction for wear and tear.

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

Cover under this Section includes:

1 Underground Services

The cost of repairing accidental Damage to underground water, gas, sewer, drain or fuel pipes and underground electricity or telephone cables.

2 Removal of Debris

The costs and expenses necessarily incurred by the Insured with the Insurer's consent in:

- a removing debris
- b dismantling or demolishing
- c shoring up or propping

of the portion or portions of the Property Insured Damaged by any Event covered under this Section.

3 Architects' Surveyors' and other Fees

Architects', surveyors', consulting engineers' and legal fees necessarily and reasonably incurred in the reinstatement of the Property Insured following Damage by any Event insured by this Section. This Extension does not apply in respect of fees for preparing any claim.

4 Statutory or Local Authority Costs

The costs incurred following Damage by any Event insured by this Section of reinstatement of the Property Insured to comply with statutory building regulations or Municipal or Local Authority bye-laws provided that notice has not been served on the Insured prior to the Damage.

5 Loss of Rent

Loss of rent paid or payable to the Insured following Damage by an Event insured by this Section to any Building or part of any Building which renders it uninhabitable or unaccessible. The Insurer will indemnify the Insured for such loss of rent during the period necessary to restore the Building to a habitable condition or to make it accessible.

Provided that:

- i cover for such costs shall only apply to the extent that such costs are not otherwise insured
- ii the maximum period during which payment under this Extension will be made shall not exceed 24 calendar months from the date of the Damage
- iii the Insurer's liability under this Extension shall not exceed 20% of the Sum Insured applying to the Building or to the parts of the Building Damaged.

6 Alterations and Additions

To the extent that they are not otherwise insured:

- a** alterations, additions and improvements (but not appreciation in value in excess of the Sum Insured) to Property Insured
- b** any newly acquired Property Insured

for no more than 15% of the total Property Insured Sum Insured, or £500,000, 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 90 days of the commencement date of the Insured's responsibility, effect specific cover retrospective to such date and pay the appropriate additional premium.

7 Contracting Purchasers

The Insurer agrees that without prejudice to the right 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.

8 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 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
- 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.

9 Theft Damage to Buildings

Damage to Building(s) insured under this Section caused by theft or attempted theft (not involving entry to or exit from the Buildings by forcible and violent means) excluding:

- a** Damage:
 - i** to any Unoccupied Building
 - ii** expedited or in any way brought about by the Insured or any partner, director or employee of the Insured or any

other person who has a legal right to be on the Premises, unless such theft or attempted theft involved the threat of or assault or violence to the Insured or any partner, director or employee of the Insured or any other person who has a legal right to be on the Premises

- iii** to Property which is more specifically or otherwise insured

- b** the first £1,000 of each and every claim

- c** any amount exceeding £25,000.

Exclusions

The Policy Exclusions apply to this Section and in addition it does not insure:

- 1** consequential loss of any kind or description
- 2** Damage to electrical equipment by short circuiting or overrunning not resulting in fire
- 3** Damage due to theft or attempted theft by or in collusion with any member of the Insured's family business staff or domestic servants
- 4** loss due to any person obtaining property by deception.
- 5** Damage caused by or consisting of acts of fraud or dishonesty by any partner director or employee of the Insured but the Insurer will pay for such Damage not otherwise excluded which itself results from an Event
- 6** Damage to any Property:
 - a** resulting from its undergoing any heating process or process involving the application of heat
 - b** resulting from its undergoing any process of production, packing, treatment, testing, commissioning, service or repair, but the Insurer will pay for such Damage caused by fire or explosion
- 7** Damage to:
 - a** vehicles licensed for road use (including accessories on them), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
 - b** Property or structures in course of construction or erection and materials or supplies in connection with all such Property or structures
 - c** land, pier, jetties, bridges, culverts or excavations
 - d** livestock, growing crops or trees
- 8** Damage to automated teller machines (ATM).

Section 7 – Buildings (continued)

Conditions

The Policy Conditions apply to this Section and in addition:

1 Felt Roof Condition

If any Building has a felt roof where the mineral felt surface has not been replaced for 10 years, then it is a condition precedent to liability for Damage that the felt roof is 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 shall be kept and produced if requested by the Insurer.

Section 8 – Loss of Licence

Definitions

Designated Premises Supervisor

The Designated Premises Supervisor is the individual specified in The Licence as the premises supervisor as defined by section 15 of the Licensing Act 2003.

Gross Profit

The amount by which the sum of the Turnover and the amounts of the closing stock and work in progress shall exceed the sum of the amounts of the opening stock, work in progress and stock purchases.

Note:

The amounts of the opening and closing stock and work in progress shall be arrived at in accordance with the Insured's normal accountancy methods, due provision being made for depreciation.

Indemnity Period

The period beginning with the occurrence of the Damage and ending no later than the Maximum Indemnity Period thereafter during which the results of the Business shall be affected in consequence of the Loss of Licence.

Licensing Authorities

Licensing Authorities are those authorities authorised under section 3 of the Licensing Act 2003.

Loss of Licence

- i** forfeiture, suspension or withdrawal of The Licence under the provisions of legislation governing such licences, or
- ii** refusal to renew The Licence after due application to the appropriate licensing authority

during the Period of Insurance.

Maximum Indemnity Period

12 Months

Operating Schedule

The Operating Schedule is the document that sets out the relevant licensable activities as defined by section 17 of the Licensing Act 2003.

Rate of Gross Profit

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

The Licence

The Premises Licence(s) granted to the Insured for the sale of excisable liquors and/or the provision of entertainment in connection with the Business at the Premises.

Turnover

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

Cover

In the event of Loss of Licence the Insurer will indemnify the Insured for:

- 1 the loss of Gross Profit**
- 2 any reasonable additional expenses incurred in maintaining the Gross Profit.**

Limit of Liability

The Insurer's liability under this Section during any one Period of Insurance shall not exceed the Sum Insured stated in the Schedule.

If the Insurer shall be liable to indemnify more than one party the total amount of indemnity to all parties shall not exceed the Sum Insured stated in the Schedule.

Section 8 – Loss of Licence (continued)

Basis of Settlement

- 1 In respect of Gross Profit the amount payable as indemnity shall be the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall in consequence of the Loss of Licence fall short of the Turnover during the period corresponding with the Indemnity Period in the 12 months immediately before the Loss of Licence.
- 2 In respect of any reasonable expenses the amount payable as indemnity shall be any reasonable expenses incurred with the consent of the Insurer in maintaining the Gross Profit during the Indemnity Period provided that the amount payable shall not exceed the loss avoided under (1) above.

Basis of Settlement Adjustments

- 1 Adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or other circumstances affecting the Business either before or after the Loss of Licence or which would have affected the Business had the Loss of Licence not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Loss of Licence would have been obtained during the relative period after the Loss of Licence.
- 2 To the extent that the Insured are accountable to the tax authorities for Value Added Tax, all terms in this Section shall be exclusive of such tax.
- 3 If within the Indemnity Period the Premises are sold the amount payable shall be the reduction in the value of the Premises in consequence thereof less any sum already paid in connection with the Loss of Licence.
- 4 In the event of the Loss of Licence occurring before the end of the first financial year of the Business, the results of the Business to the date of the Loss of Licence shall be used as a basis upon which to assess the loss, subject otherwise to all the terms and conditions of this Section.
- 5 The Insurer will reimburse the Insured reasonable charges payable by the Insured to their professional accountants for producing such particulars or details or other proofs, information or evidence as may be required by the Insurer under the terms of Policy Condition 6 and reporting that such particulars or details are in accordance with the Insured's book of account or other business books or documents.

Exclusions

The Policy Exclusions apply to this Section and in addition it does not cover the following:

- 1 any loss for which the insured is entitled to obtain compensation under the provision of any statute following refusal to renew The Licence.
- 2 any loss arising from the alteration of the law governing the grant, renewal, transfer, surrender, forfeiture, suspension or withdrawal of The Licence after the commencement of the Period of Insurance, unless the Insurer confirms in writing that this clause will continue to apply after such alteration.
- 3 forfeiture, suspension, withdrawal or lapsing of The Licence as a result of:
 - a actual or proposed compulsory acquisition of the Premises
 - b any scheme of town or county planning, improvement or redevelopment
 - c failure, other than for good cause, to keep the Premises open during the permitted hours
 - d failure to comply with any direction or requirement of Licensing Authorities or any other like authority
 - e failure to maintain the Premises in good sanitary and general repair
 - f alteration of the Premises without the consent of the appropriate authority
 - g the death or insolvency of the licence holder
 - h the licence holder being declared mentally incapable
 - i the Designated Premises Supervisor losing their personal licence
 - j the failure to notify the authorities about changes to the Operating Schedule.
- 4 forfeiture, suspension, withdrawal or lapsing of The Licence occasioned, wholly or in part, by any act or omission of the Insured or by the Insured's failure to take all reasonable action to maintain The Licence in force.
- 5 forfeiture, suspension or withdrawal of The Licence following police objections, unless The Licence is subsequently withdrawn by the Licensing Authorities.

Conditions

The Policy Conditions except 13 and 14 apply to this Section and in addition:

1 Notification of Matters Affecting the Licence

The Insured shall give notice to the Insurer immediately on becoming aware of any:

- a** notice, caution or complaint against the Premises or the control of the Business at the Premises or against any licence holder, manager, tenant, Designated Premises Supervisor or any other occupier of the premises
- b** legal proceeding against or conviction (other than convictions regarded as "spent" under the Rehabilitation of Offender Act current at the time) of any licence holder, manager, Tenant, Designated Premises Supervisor, or other occupier of the Premises for any breach of licensing laws or any other circumstance whereby the character or reputation of the person is affected or called into question in respect of their honesty, moral standing or sobriety
- c** other circumstances which may result in a claim being made
- d** objection to renewal or any other circumstance which might prejudice renewal of The Licence
- e** transfer, surrender or proposed transfer or surrender of The Licence
- f** change in the management or tenancy of the premises
- g** alteration in the Business at the Premises

and supply such information and give such assistance as the Insurer may reasonably require.

2 Action by the Insured

In the event of death, insolvency, or incapacity of, or the conviction or absconding of, any licence holder, manager, tenant, Designated Premises Supervisor, or other occupier of the Premises, the Insured shall at the request of the Insurer take all reasonable practicable steps to secure a replacement for such person, such replacement being acceptable to Licensing Authorities or any other like authority governing transfer of The Licence.

3 Alteration

Unless the Insurer agrees in writing, cover under this Section shall automatically cease if during the Period of Insurance:

- 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.

4 Additional Claims Condition

The Insured shall:

- a** within 24 hours of becoming aware of a Loss of Licence or Lapsing of The Licence or of any circumstances likely to prejudice continuance of The Licence, give notice to the Insurer and as soon as possible thereafter provide a written statement substantiating the claim together with such documents, statements and accounts the Insurer may reasonably require
- b** give the Insurer such access to the Premises and to the Insured's books that the Insurer may require to quantify the amount of the loss
- c** give the Insurer all necessary assistance the Insurer may require to appeal against such Loss of Licence or lapsing of The Licence
- d** if practicable, and if required by the Insurer, apply for the grant of a new licence for the same or for alternative premises to enable the continuance of the Business or of a similar business

Section 9 – 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 (ET1) 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.

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 Commercial Tenancy Agreement

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 a breach of the Insured's Commercial Tenancy Agreement by the other party to that agreement.

Cover Event 7 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 8 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 9 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 10 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 11 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 12 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.

Commercial Tenancy Agreement

A written agreement under which the Insured:

- a** lets the Premises to a Commercial Tenant; or
- b** occupies the Premises as a Commercial Tenant in connection with the Business and in return for the payment of rent.

Commercial Tenant

The tenant named in the Commercial Tenancy Agreement who occupies the Premises for non-residential purposes.

Section 9 – Commercial Legal Expenses (continued)

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
- 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 12 elsewhere within the Geographical Limits.

Small Claims Limit

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

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.

Section 9 – Commercial Legal Expenses (continued)

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 11 Jury Service Allowance, Event 12 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 11 Jury Service Allowance
- 4 £50,000 Any One Claim relating to Event 12 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 12 described below.

Events (as shown in the 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

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

Section 9 – Commercial Legal Expenses (continued)

- 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 Commercial Tenancy Agreement

The Insured has cover for the pursuit of the Insured's legal rights in a dispute relating to the Insured's Commercial Tenancy Agreement.

In respect of Event 6 – Commercial Tenancy Agreement there is no cover for:

- a** any dispute relating to rent or service charges, tax, planning or building regulations or decisions
- b** any dispute relating to the renewal of a lease or Commercial Tenancy Agreement
- c** any dispute arising from an agreement the Insured enters into to let the Premises for residential purposes
- d** any dispute over the freehold or leasehold or commonhold or title of the Premises
- e** Adjudication
- f** any dispute with Government or local authority departments concerning the imposition of rates or other local taxes
- g** the defence of the Insured's legal rights other than in defending a counter-claim by the other party to the Commercial Tenancy Agreement.

7 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 7 – 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
- 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.

8 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.

9 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.

10 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 10 – Personal Injury there is no cover for disputes between the Insured and the Insured Person.

11 Jury Service Allowance

The Insured has cover for Jury Service Allowance.

12 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.

Section 9 – Commercial Legal Expenses (continued)

In respect of Event 12 – 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 12, 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 8 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.

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.

Section 9 – Commercial Legal Expenses (continued)

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 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.

Section 9 – Commercial Legal Expenses (continued)

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

Additional Services

In addition to the indemnity provided by the Insurer in respect of Events 1 to 12, 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.

Section 9 – Commercial Legal Expenses (continued)

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 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 12 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 10 – 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 a 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.

Section 10 – Terrorism (continued)

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

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

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**
- a **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.

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:

- a the alteration, modification, distortion, corruption of or damage to any computer or other equipment or component or system or item which processes, stores, transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) or
- b any alteration modification distortion erasure, corruption of data processed by any such computer or other equipment or component or system or item whether the property of the Insured or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Virus or Similar Mechanism or Hacking or Phishing or Denial of Service Attack.

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.

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.

Section 11 – Personal Accident

Definitions

Accidental Bodily Injury

Bodily injury caused by:

- a accidental violent external and visible means
- b unavoidable exposure to the elements.

Aircraft Accumulation Limit

The Insurer's maximum liability in total under this and any other group personal accident and/or business travel policies issued or to be issued by the Insurer to the Insured for all Losses involving any Scheduled Air Transport as shown in the Schedule.

Annual Salary

The annualised gross salary (excluding bonus payments) payable per annum by the Insured to the Insured Person as at the date of occurrence of the accident giving rise to Accidental Bodily Injury.

Associated Illness

Sickness or disease (except any psychological condition or disorder) that results directly from the Insured Person sustaining Accidental Bodily Injury that would not otherwise have arisen and had not previously arisen.

Benefit

The sum or sums of money that the Insurer has agreed to pay the Insured or, as applicable, the Insured Person as shown in the Schedule.

Business of the Insured

The Business of the Insured as shown in the Schedule.

Capital Sum Benefit

A Benefit that is not payable at a weekly rate.

Contamination

Contamination or poisoning of people by nuclear and/or chemical and/or biological substances that cause illness and/or disablement and/or Death.

Contamination by Terrorism Accumulation Limit

The Insurer's maximum liability in total under this and any other group personal accident, business travel and sickness policies issued or to be issued by the Insurer to the Insured in respect of any one Loss involving Contamination by Terrorism as shown in the Schedule.

Death

Death caused by Accidental Bodily Injury.

Employee

Any employee of the Insured or any other person acting in the capacity of an employee whilst working for the Insured in connection with the Business of the Insured.

Event Accumulation Limit

The Insurer's maximum liability in total under this and any other group personal accident and/or business travel and/or sickness policies issued or to be issued by the Insurer to the Insured for all Losses not involving air travel as shown in the Schedule.

Excess Period

The first period of Temporary Total Disablement or Temporary Partial Disablement for which no Benefit is payable as shown in the Schedule.

Illness

Any disease, medical complaint or medical condition which is not Accidental Bodily Injury.

Insured Person

Those persons specified in the Schedule as being Insured Persons.

Loss

A loss or series of losses arising out of or consequent upon or contributed to directly or indirectly by one originating event.

Loss of Hearing

Total and permanent loss of hearing in one or both ears that in the opinion of an independent qualified medical referee acceptable to the Insurer is never going to improve.

Loss of Internal Organ

Total and permanent:

- a loss by removal

or

- b effective loss of use

of one lung or one kidney, the spleen or the liver.

Loss of Limb

Total and permanent loss

- a by physical separation

or

- b 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 which will be considered as having occurred:

- a** in both eyes if the Insured Person's name has been added to the Register of Blind Persons maintained by the government on the authority of a fully qualified ophthalmic specialist

or

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

Loss of Speech

Total and permanent loss of the ability to speak or communicate verbally

Maximum Benefit

The maximum amount of Benefit payable, as shown in the Scale(s) of Compensation in the Schedule.

Maximum Benefit Period

The maximum length of time for which a Benefit is payable after the Excess Period has expired as shown in the Schedule.

Non-Scheduled Air Accumulation Limit

The Insurer's maximum liability in total under this and any other group personal accident and/or business travel policies issued or to be issued by the Insurer to the Insured for all Losses involving air travel other than Scheduled Air Transport as shown in the Schedule.

Occupational

- a** While an Insured Person is carrying out their occupational duties for the Insured or while travelling between:
 - i** an Insured Person's place of residence and place of work
 - ii** between places of work
 where the travel is at the expense of the Insured.
- b** At any time where Accidental Bodily Injury is the direct result of an unprovoked physical assault by another person.

Operative Times of Cover

The time and circumstances when cover under this Policy is effective within the Period of Insurance shown in the Schedule.

Permanent Total Disablement

Any permanent disablement other than

- a** Loss of Sight
- b** Loss of Hearing
- c** Loss of Limb
- d** Loss of Internal Organ
- e** Loss of Speech which having lasted without interruption for at least 12 months, has no reasonable prospect of improving, and in the opinion of an independent qualified medical referee acceptable to the Insurer, will in all probability permanently, completely and continuously prevent the Insured Person from engaging in or giving attention to:
 - i** their Usual Occupation if in gainful employment
 - ii** business profession or occupation of each and every kind if the Insured Person is not in gainful employment
 - iii** business schooling profession or occupation of each and every kind if the Insured Person is under 16 years of age or under 18 years of age and in full time education for the remainder of their life.

Permanent Partial Disablement

Means Loss of Sight, Loss of Hearing, Loss of Speech, Loss of Limb, Loss of Internal Organ.

Scale(s) of Compensation

The scale of Benefits as shown in the Schedule.

Scheduled Air Transport

A registered fixed wing aircraft which flies from an internationally recognised airport on a published schedule and which has more than 18 seats.

Temporary Partial Disablement

Disablement that completely prevents the Insured Person from performing more than 50% of the functions of their Usual Occupation.

Temporary Total Disablement

Disablement which completely prevents the Insured Person from performing each and every function of their Usual Occupation.

Terrorism

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, ethnic or similar purposes or reasons including the intention to influence any government and/or to put the public or any section of the public in fear.

Section 11 – Personal Accident (continued)

United Kingdom

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

Usual Occupation

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

War

Invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

Weekly Benefit

The amount shown in the Schedule under the Table of Sums Insured that the Insurer will pay to the Insured for each complete working week, during any period of Temporary Total Disablement or Temporary Partial Disablement of an Insured Person.

Weekly Wage

The gross basic weekly amount (or in the case of salaried employees 1/52nd of the Annual Salary) normally paid (excluding bonus payments) by the Insured to the Insured Person as at the date of occurrence of the accident giving rise to Accidental Bodily Injury for their Usual Occupation.

Cover

The Insurer will pay the Insured compensation in accordance with the Scale(s) of Compensation specified in the Schedule if any Insured Person suffers Accidental Bodily Injury during the Period of Insurance and Operative Time of Cover which, within 12 months thereof solely, directly and independently of any other cause results in the:

- a Death**
- b Permanent Total Disablement**
- c Permanent Partial Disablement**
- d Temporary Total Disablement**
- e Temporary Partial Disablement of an Insured Person.**

Exclusions

Policy Exclusions 3, 5 and 10 apply to this Section and in addition it does not cover:

Any claim arising out of or consequent upon or contributed to directly or indirectly by:

- 1** any Insured Person committing a criminal act or taking part or whilst engaged in civil commotions or riots of any kind.
- 2** an Insured Person
 - a** taking illegal drugs or taking non-prescribed drugs for recreational purposes or taking drugs prescribed for the Insured Person's own drug addiction or alcoholism
 - b** serving in the Armed Forces of any Nation or International Authority
 - c** committing suicide, attempted suicide or intentional self-injury
 - d** engaging in air travel as aircraft crew of any kind carrying out any trade or technical operation whilst an aircraft is in flight
 - e** motor cycling (other than in respect of mopeds or scooters up to 50cc)
 - f** hunting
 - g** engaging in winter sports other than curling or skating
 - h** mountaineering or rock climbing (necessitating the use of ropes or guides)
 - i** engaging in armed or unarmed combat sports, pot holing, skin-diving or other hazardous activity
 - j** riding or driving in any kind of race or endurance test (or practice therefor)
 - k** any gainful occupation outside the Business of the Insured specified in the Policy.
- 3** war (whether declared or not):
 - a** between any of the Major Powers (specifically China, France, the United Kingdom, any of the former member states of the Soviet Union and the United States of America) and/or
 - b** within Europe in which any of such Major Powers or their armed forces are involved or any enforcement action within Europe by or on behalf of the United Nations.
- 4** ionising radiations radioactive contamination or radiation of any kind including the radioactive, toxic or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- 5** pregnancy or childbirth
- 6** sexually transmitted diseases including 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

- 7** The following Exclusion applies to any Loss in excess of the Contamination by Terrorism Accumulation Limit shown in the Schedule.

Claims are not payable as a result of any event directly or indirectly arising out of 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. 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 or Insured Person, as applicable.

- 8** travel to a country or area that the Foreign Office Travel Advice Unit has advised against all travel unless agreed in writing by the Insurer.
- 9** any claim in excess of:
- a** £100,000
 - b** the Event Accumulation Limit, Non-scheduled Air Accumulation Limit, Aircraft Accumulation Limit
 - c** Contamination by Terrorism Accumulation Limit whichever shall be the lower.
- 10** any claim in respect of:
- a** any Benefit during the Excess Period
 - b** sickness or disease (with the exception of Associated Illness)
- 11** an Insured Person being affected by alcohol where the alcohol level is greater than 80 milligrams per 100 millilitre of blood.

If the Insured then fails to pay such amount within seven (7) days of the Insurer giving notice to the Insured of the default in payment the Insurer may cancel this Policy by giving seven (7) days' notice in writing to the Insured.

3 Assignment

The Insured and the Insured Person must not assign any of the benefits under this Section. The Insurer will not be bound to accept or be affected by any notice of trust, charge, lien or purported assignment or other dealing with or relating to this Section.

4 Cancellation –War Risks

The Insurer may cancel cover under this Section in respect of War risks at any time and at its discretion by sending seven (7) days notice by recorded delivery post to the Insured at the Insured's last known address.

5 Benefit Limits

- a** The Insurer will not pay more than the Maximum Benefit for Benefits 1 to 6 or any other sum insured as shown in the Schedule for any one Insured Person.
- b** The Maximum Benefit payable in respect of Death of an Insured Person under 16 years of age or under 18 years of age and in full time education shall not exceed £10,000 or the Benefit stated in the Schedule whichever is the lower.
- c** The maximum Weekly Benefit payable for
 - Temporary Total Disablement will not exceed 100%
 - Temporary Partial Disablement will not exceed 50% of the Insured Person's normal Weekly Wage.

It is the duty of the Insured to inform the Insurer if any claim payment does exceed these limits. Payment will be proportionately reduced until these limits are not exceeded.

- d** Payment by the Insurer to the Insured of any Weekly Benefit does not prejudice the Insured's entitlement to any other Benefit but payment of Weekly Benefits will cease if the Insurer pays any of the Capital Sum Benefits and the Insurer will not be liable to pay any further Benefits in respect of the same Insured Person for the same Loss.
- e** The Schedule shows the Weekly Benefit payable to the Insured for each complete working week of Temporary Total Disablement or Temporary Partial Disablement. Payment for any incomplete working week will be calculated as a proportion of the Weekly Benefit shown in the Schedule equivalent to the number of days of disablement compared to the number of days which the Insured normally pays the Insured Person to work in a normal week.
- f** The Insurer will not pay more than one of the Benefits 1 to 6 shown in the Table of Sums Insured in respect of any one Insured Person for injuries Arising from the same Loss.

Conditions

The Policy Conditions of this Policy apply to this Section with the exception of Policy Conditions 2, 11, 12, 13 and 17.

In addition the following Conditions apply to this Section.

1 Duty of Disclosure

All information supplied to the Insurer by or on behalf of the Insured or Insured Person in connection with this Policy must be truthful and complete including any information supplied in relation to a claim.

2 Payment of Premium

The Insured must pay to the Insurer all premiums due to the Insurer together with all taxes due on the premiums.

If the Insurer agrees to accept payment of premiums by instalments and payment of any instalment is not made on a due date for whatever reason the full outstanding balance shall become payable immediately.

Section 11 – Personal Accident (continued)

- g** The Insurer will not pay more than one of Benefits 1, 7 and 8 shown in the Scale(s) of Compensation in respect of any one Insured Person for the same Loss.
- h** The Insurer will not pay more than one of Benefits 7 and 8 shown in the Scale(s) of Compensation for an accident arising from separate originating Losses concurrently.

6 Disappearance

Death of any Insured Person shall not be presumed by reason of their disappearance. If after a reasonable period of time has elapsed the Insurer having examined all the evidence available has no reason to suppose other than that the Insured Person has sustained an accident during the Operative Time of Cover resulting in their Death, the disappearance of such Insured Person shall be deemed to constitute Death by accident for the purposes of this Policy.

In the event of the Insured Person's re-appearance after payment of compensation under Benefit 1 in the Scale(s) of Compensation the beneficiary thereof will repay such compensation to the Insurer unless probate has been granted or legal evidence of the presumption of Death has been supplied to the Insurer.

7 Claims conditions

No claim will be paid unless the Insured and where applicable the Insured Person complies strictly with these conditions:

- a** The Insured or Insured Person 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 a claim under this Policy.
- b** The Insured or Insured Person must provide the Insurer with all information and evidence which the Insurer may reasonably require at no cost to the Insurer.
- c** The Insured or Insured Person must at the Insurer's request provide a medical examination report in respect of any Accidental Bodily Injury where the Insured requires the Insurer to consider a claim under this policy for which the Insurer will pay the cost of the medical examination fee.
- d** The Insured must ensure that as soon as possible after the occurrence of any Accidental Bodily Injury the Insured Person obtains and follows the advice of a registered medical practitioner.
The Insurer will not be liable for any bodily injury or medical condition which is worsened or prolonged or any other consequences which arise as a result of the Insured Person's failure to obtain and follow such advice and to use such treatment remedies or appliances as may be prescribed.
- e** In the event of the Death of an Insured Person the Insurer will be entitled to have a post-mortem examination carried out at its expense.

- f** For the Insured to claim for Weekly Benefits under this policy the Insured Person must have no other weekly benefits insurance in force except as declared to and accepted by the Insurer during the Period of Insurance.

8 Accumulation Limits

The Insurer's maximum liability for all accepted claims in total in respect of all Insured Persons involved in the same Loss shall not exceed the Aircraft Accumulation Limit, Event Accumulation Limit, Non-scheduled Air Accumulation Limit or Contamination by Terrorism Accumulation Limit as applicable. Where the total of all individual claims exceeds the limit applicable the individual claims shall be reduced proportionately until the total of all individual claims does not exceed the limit applicable in the Schedule.

9 Age Limitation

Unless otherwise agreed by the Insurer and specifically noted in this Section no person aged 75 or over at commencement of the Period of Insurance will be covered by this Section.

Section 12 – Theft by Employee

Definitions

Acting in Collusion

All circumstances where two or more Employees are concerned or implicated together or materially assist each other in committing the acts of Theft.

Date of Acceptance

- 1 the commencement date of the first Period of Insurance or
- 2 the date on which the Employee enters into a contract of service or apprenticeship with the Insured

whichever is the latest.

Employee

Any person

- 1 under a contract of service or apprenticeship with the Insured or
- 2 undergoing training under any Government approved training scheme under the control of the Insured in connection with the Business whilst in the service of the Insured
- 3 normally resident in the Territorial Limits
- 4 any director of the Insured if such person
 - a is also employed by the Insured under a contract of service and
 - b controls no more than 5 per cent of the issued share capital of the Insured company or of any subsidiary of the Insured company
- 5 any person retired from full-time employment with the Insured who is working for the Insured as a consultant under the control or direction of the Insured.

One Claim

All acts of Theft throughout the continuation of this insurance (or any insurance issued in substitution therefor or for which this insurance is substituted) committed by one individual Employee or by two or more Employees Acting in Collusion.

Territorial Limits

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

Theft

Any act of fraud or dishonesty by any Employee committed with the clear intent of obtaining an improper financial gain for themselves or for any other person or organisation intended by the Employee to receive such gain other than salaries, fees, commission or other employee benefit earned in the normal course of employment.

Cover

The Insurer will pay the Insured for direct loss of Money or goods belonging to the Insured or for which they are legally responsible caused by any act of Theft committed during the continuation of this Section by any Employee described in the Schedule under this Section and discovered no later than 24 months after

- 1 the termination of this Section
- 2 the termination of the insurance in respect of any Employee whichever occurs first.

Basis of Settlement

The amount payable by the Insurer as indemnity to the Insured shall be the value of the Money or the goods at the time of the loss or at the Insurer's option the replacement or reinstatement of such goods.

Limit of Indemnity

The liability of the Insurer under this Section

- 1 in respect of any One Claim
 - a caused by one Employee shall not exceed the Limit of Indemnity stated in the Schedule applicable to that Employee
 - b caused by two or more Employees Acting in Collusion shall not exceed the greater of the individual Limits of Indemnity stated in the Schedule applicable to the Employees involved
 - c irrespective of the number of Periods of Insurance during which the insurance by this Section (and any insurance issued in substitution therefor) shall remain in force shall not exceed the Limit of Indemnity stated in the Schedule
- 2 in respect of any one Period of Insurance shall not exceed the Aggregate Limit of Indemnity stated in the Schedule.

Section 12 – Theft by Employee (continued)

Extensions

1 Auditors Fees and Rewriting of System Records

As a direct result of loss of Money or goods resulting in a valid claim under this Section the Insurer will also pay for

- a** auditors fees incurred with the Insurer's written consent solely to substantiate the amount of the claim up to a maximum amount of £2,500 any one claim. This cost is payable in addition to the Limit of Indemnity.
- b** the reasonable cost of rewriting or amending the software, programs or systems where such rewriting or amending is necessary to correct the programs or amend the security codes following the fraudulent use of computer hardware or software programs or computer systems the subject of a claim for which liability is admitted under this Section, the maximum amount payable shall not exceed the Limit of Indemnity.

2 Previous Insurance

If this insurance immediately supersedes a fidelity insurance effected by the Insured (the "Superseded Insurance") the Insurer will indemnify the Insured in respect of any loss discovered during the continuation of this insurance but committed during the continuation of the Superseded Insurance if the loss is not recoverable thereunder solely because the period allowed for discovery has expired

Provided that

- a** such insurance had been continuously in force from the time of the loss until inception of this Section
- b** the loss would have been insured by this insurance has it been in force at the time of the loss
- c** the liability of the Insurer shall not exceed
 - i** the amount recoverable under the insurance in force at the time of the loss or
 - ii** the Limit of Indemnity under this insurance. whichever is the less

In any event the total liability of the Insurer in respect of any one claim continuing through both the term of the Superseded Insurance and the continuation of this insurance shall not exceed the Limit of Indemnity applicable under this Section.

Exclusions

The Policy Exclusions apply to this Section and in addition it does not cover the following:

- 1** loss of interest or consequential loss of any kind.
- 2** loss caused by any act of any Employee committed prior to the Date of Acceptance applicable to that Employee.
- 3** loss where the Insured continues to entrust the defaulting Employee with money or goods after becoming aware of any material fact bearing on the honesty of the said Employee.
- 4** if there is any change in the nature of the Business unless such change is agreed by the Insurer in writing.
- 5** any unexplained shortages.
- 6** the first £250 of each and every loss.

Conditions

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

1 Cessation of Cover

Immediately following the discovery by the Insured of any act of Theft by an Employee all liability for further acts of Theft by that Employee shall cease.

2 Claims (Action by the Insured)

On the discovery of any act which may give rise to a claim the Insured shall

- a** notify the Insurer immediately
- b** notify the police authority immediately and take all practical steps to discover any guilty person and to trace and recover the money and goods
- c** carry out and permit to be taken any action which may be reasonably practicable to prevent further loss
- d** deliver to the Insurer at their own expense within thirty (30) days after such act, or such further time as the Insurer may allow:
 - i** full information in writing of the Money or goods lost and of the amount of the loss
 - ii** details of any other insurances on any Money or goods hereby insured
 - iii** all such proofs and information relating to the claim as may be reasonably required

- iv if demanded a statutory declaration of the truth of the claim and of any matters connected with it.

No claim under this Section shall be payable unless the terms of this Section condition have been complied with.

3 Non Contribution

If

- a at the time of loss of Money or goods for which the Insured is legally responsible or
- b at the time a claim arises for Money or goods for which the Insured is legally responsible

the Insured is, or would but for the existence of this insurance, be entitled to indemnity under any other insurance or to recover under any guarantee or indemnity fund the Insurer shall not be liable except in respect of any excess beyond the amount which would have been payable under such other insurance, guarantee or fund had this insurance not been effected.

4 Employee's Money

Any Money of the Employee in the Insured's hands upon discovering of any loss and any Money which but for the Employee's theft would have been due to the Employee from the Insured shall be deducted from the amount of the loss before a claim is made under this insurance.

5 Recoveries of further monies

Any recoveries effected by the Insured less any costs incurred in recovery shall accrue

- a in the event that the Insured's claim has exceeded the Limit of Indemnity firstly to the benefit of the Insured to reduce or extinguish the amount of the Insured's loss (but not in respect of the amount of the Excess)
- b thereafter to the benefit of the Insurer to the extent of the claim paid or payable
- c finally to the benefit of the Insured where Excess had been deducted from the claim.

6 Minimum Standards of Control

The Insured must comply with the Minimum Standards of control below

- a All Employees must be instructed as to their duties and responsibilities in respect of the Minimum Standards of Control and compliance enforced
- b **Money**
 - i Cash Receipts - Employees are required to pay in daily all cash and cheques received in the course of the Business. Money received must be paid over to the employer or banked.
 - ii Cash and Petty Cash - cash in hand and petty cash must be checked independently of Employees responsible at least monthly and additionally without warning every six (6) months.
 - iii Reconciliation - bank statements stamped bank paying slips receipts counterfoils and vouchers must be checked at least monthly against cash book entries and the balance tested with cash and unrepresented cheques. This must be done independently of the Employee
 - 1 making the cash book entries
 - 2 signing cheques
 - 3 paying into the bank.
 - iv "Cheques" signing - all cheques or other bank instruments drawn for more than £10,000 must be manually signed by two (2) authorised persons after the amount has been inserted and the Insured must have advised their bankers accordingly.
 - v No cheque or instrument must be signed until one signatory has validated the requisition examined the supporting documentation and ensured the payee is a genuine client or creditor.
 - vi Wages - wages and salary sheets must be checked independently of the Employees responsible for their preparation to ensure that the amounts are correct and that no fictitious names have been included
- c **Stock**

Stocktaking - there must be a physical check on all stock and materials held against verified stock records independently of Employees responsible at intervals of not more than twelve (12) months

Section 12 – Theft by Employee (continued)

d Computer Security

- i** All computer operations and security precautions must have been vetted by professional auditors and any recommendations made fully complied with.
- ii** All Employees with access to wage accounts or stock control functions must have a secure individual password to access the system which must be changed at least every six (6) months.
- iii** All computer media (disc tapes etc) in respect of wages accounts or stock control must be securely stored in locked cabinets when not in use by authorised Employees.

e Auditors

The accounts of the Insured, including all subsidiary companies, must be examined by external auditors every twelve (12) months. All recommendations or alternative acceptable to the auditors must be implemented without delay.

f References

The Insured must obtain satisfactory references to confirm the honesty of each Employee who will be responsible for Money, goods, accounts, computer operations or computer programming.

Such references must be obtained directly from former employers for the three years immediately preceding engagement and before the Employee is entrusted without supervision. Any gaps in service must be accounted for.

References need not be obtained in respect of Employees who have satisfactorily and continuously served the Insured for at least three years in another capacity before being entrusted with the duties referred to above.

In respect of Employees joining directly from School or Government sponsored youth training schemes one character reference shall be obtained.

A written report of any verbal reference shall be made at the time it is obtained. The original copy of each written reference and the record of any verbal reference shall be retained by the Insured and shall be made available for inspection by the Insurer upon request.

g Termination of Service

Upon the termination of service of any Employee the Insured shall take all reasonable precautions to prevent a loss as insured by this Section, including but not limited to:

- i** the changing of all alarm and other security codes or passwords the Employee had or may have had knowledge of
- ii** the deletion or invalidation of any access codes or passwords the Employee has to access computer or other systems.

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 8150**

The Insured should quote the Master Policy reference contained within the schedule under Section 9 - Commercial Legal Expenses and provide a brief summary of the problem. The details will be passed to an adviser 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 currency 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 the Tax Advice Helpline cannot engage in documentation review or enter into any written correspondence with the Insured, except where the advisor considers it appropriate to forward details of written procedures to the Insured by email. Advice and guidance will be in accordance with the advisers' 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 adviser, 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 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 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 Allianz direct – you pay nothing except the policy excess and the VAT.

The service 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 Employers' 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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www.allianz.co.uk

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Allianz Insurance plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential
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