

# BUSINESS PACKAGE POLICY BOOKLET



COVER ASSEMBLED  
FOR YOUR BUSINESS

# Business Advice Service

These helplines are provided for Your use whilst Your Policy is in force.

DAS will not accept responsibility if the telephone helpline services operated by them are unavailable for reasons they cannot control.

## Eurolaw Commercial Legal and UK Tax Advice

### 0345 878 5024

Unlimited access, over the telephone, to a team of legal advisors, for confidential legal advice and guidance on any commercial legal problem affecting the Business such as:

- employment
- VAT
- prosecution
- contract disputes
- landlord and tenant disputes.

Eurolaw Commercial Legal advice can only be offered in respect of matters subject to the laws of and within the jurisdiction of courts or tribunals of:

- the United Kingdom
- the Channel Islands and the Isle of Man
- any member country of the European Union
- Switzerland and Norway

Wherever possible the Legal Advice helpline aims to provide immediate advice from a qualified legal advisor. However if this is not possible, DAS will arrange a call back at a time to suit You.

DAS' legal advisors provide advice on the laws of England and Wales 24 hours a day, 7 days a week, 365 days a year. Where advice is sought in an area of law beyond this jurisdiction or in respect of very specialist matters, DAS will refer You to one of DAS' specialist advisors. This will include European law and certain areas of law for Scotland and Northern Ireland.

Specialist advice is provided 9am–5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, DAS will call You back.

DAS offer confidential advice over the phone on any tax matters affecting the business, under the laws of the United Kingdom.

Tax advice is provided by tax advisors 9am–5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, DAS will arrange to call You the next working day between 9am and 5pm.

**This helpline is provided on Our behalf by DAS Legal Expenses Insurance Company Limited (DAS). All calls may be recorded.**

## Business Emergency Assistance Helpline

### 0345 878 5024

Assistance in the event of an emergency affecting the Business, such as:

- burst pipes or blocked drains causing flooding
- complete failure of the gas or electricity supply
- serious damage to the roof
- escape of water or oil from the central heating system

In the event of emergency assistance being required a reputable local contractor will be contacted but You must pay any call-out or repair charges. Our telephone call will bring assistance as quickly as possible.

As the helpline is available 24 hours a day and seven days a week, the Insured may call at any time. Please ensure that the Policy number is available when telephoning as this will be requested. This appears on the Policy Schedule.

**This helpline is provided on Our behalf by DAS Legal Expenses Insurance Company Limited. All calls may be recorded.**

## Counselling Helpline

### 0345 878 5029

Available 24 hours each day, 7 days every week, all year round.

A confidential counselling service for any Insured Person (and their immediate family who permanently live with them) over the telephone, if they are aged 18 or over and to 16 and 17 year olds, provided they are in full-time employment assisting issues such as:

- Stress
- Relationship
- Depression
- Bereavement
- Family

This service can also help with:

- Onward referral to relevant voluntary, self help groups or professional services
- Availability of planned (weekly) telephone counselling sessions, time to suit caller
- Details of face to face counsellors in the Insured Person's area

Any costs arising from the use of these referral services will not be paid by DAS.

**This helpline is provided on Our behalf by DAS Legal Expenses Insurance Company Limited. All calls may be recorded.**

## Health and Medical Assistance Helpline

**0345 878 5031**

Health and medical information is provided by a medically qualified person 9am–5pm, Monday to Friday, excluding public and bank holidays. If the Insured Person calls outside these times, a message will be taken and a return call arranged within the operating hours.

Advice and assistance concerning:

- Exercise Information
- Giving up smoking
- Comprehensive doctor, clinic and treatment facility database
- Sports injuries
- Complementary health
- Bespoke fact sheets can be sent out if requested
- Changing doctors
- Inoculations
- Nutrition assessment

**This helpline is provided on Our behalf by DAS Legal Expenses Insurance Company Limited. All calls may be recorded.**

In addition to these helplines, DAS offer on Our behalf access to the DAS Employment Manual.

The DAS Employment Manual offers comprehensive, up to date guidance on employment law. To view it, please visit [www.dasinsurance.co.uk/employment-manual](http://www.dasinsurance.co.uk/employment-manual)

If you'd like notifications of when updates are made to the Employment Manual, please email us at [employmentmanual@das.co.uk](mailto:employmentmanual@das.co.uk) quoting your policy number.

## Emergency Glazing & Security Assistance Helpline

**0345 878 5455**

Available 24 hours each day, 7 days every week, all year round.

Our glass replacement service provides an efficient replacement service for fixed internal and external glass.

In addition, replacement locks or emergency measures are also available.

Provided the Damage is covered by Your Policy, the cost will be settled with Our service providers. If, however, the Policy requires payment of the first amount of any claim, or if You are V.A.T registered, Our service provider will invoice You direct for this amount.

Note: Using any other repairer will not affect Your right to claim under this Policy.

**This helpline is provided on Our behalf by Our approved supplier panel and calls may be recorded.**

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# Business Package Policy

NIG policies are underwritten by U K Insurance Limited.

We will provide the insurance described in this Policy, which consists of individual Sections (subject to the terms, definitions, conditions, clauses and exclusions) for the Period of Insurance. The Policy should be read in conjunction with the Schedule, which confirms the Sections You are covered for.

# How to Use Your Policy

## Your Policy

Your Policy contains details of the extent of cover available to You, what is excluded from the cover and the conditions on which the Policy is issued.

We wish to provide You with a good standard of service. To help Us achieve this, it is important that You read this Policy carefully. If it does not meet Your requirements, or You have any comment or query about the Policy, please contact Us, through Your insurance adviser or at the office which issued Your Policy.

## Your Schedule

Your Schedule provides details of the insurance protection provided, the Sections of the Policy which are operative and the levels of cover You have.

Please examine Your Schedule to ensure it meets Your requirements.

## Making a Claim

To make a claim, first read the Policy and Schedule and check that You are covered. Then follow the instructions provided under Claims Conditions 2– Action by You.



You can tell Us about Your claim by visiting our website. You can do this at any time by scanning the QR code on the left hand side or by visiting **[nig.com/claims](http://nig.com/claims)**.

Alternatively, you can contact Your insurance advisor for a claim form.

If You are dissatisfied with the way in which a claim or any other matter has been dealt with, please refer to Important Information at the back of this policy booklet.

# General Definitions

These definitions apply to this Policy. In addition other more specific definitions apply under some of the Policy Sections and are stated in those Policy Sections.

Any word or expression to which a particular meaning has been given in the General Definitions in this Policy or in the Definitions within the Sections of this Policy will have that meaning wherever it appears when commencing with a capital letter in this Policy or the relevant Section respectively.

## Average

Whenever an item is declared to be subject to average under this Policy, if the property covered thereby at the commencement of any Damage insured against under this Policy is collectively of greater value than its Sum Insured, then You will be considered as Your own insurer for the difference and will bear a rateable share of the loss accordingly.

## Business

The business as stated in the Schedule.

## Business Hours

The period during which the Premises are actually occupied by You and/or Employees for the purposes of the Business.

## Damage

Accidental loss, destruction or damage.

## Employee

Any person while working for You in connection with the Business who is:

- a** under a contract of service or apprenticeship with You;
- b** under a contract of service or apprenticeship with some other employer and who is hired to or borrowed by You;
- c** a labour master or a person supplied by a labour master;
- d** engaged by a labour only sub-contractor;
- e** a self-employed person performing work under a similar degree of control and direction by You as a person under a contract of service or apprenticeship with You;
- f** a driver or operator of hired-in plant;
- g** a trainee or person undergoing work experience; or
- h** a voluntary helper.

## Index Linking

Whenever a Sum Insured is declared to be subject to index linking under this Policy it is adjusted at monthly intervals in line with suitable indices of costs.

At each renewal of the Policy the premium will be based on the adjusted Sums Insured.

## Period of Insurance

The period beginning with the Effective Date and ending with the Expiry Date (both stated in the New Business Schedule or latest effective Renewal Schedule as applicable) and any subsequent period for which You will pay and We will agree to accept Your premium.

## Policy

This policy including the Sections, and, the Schedule, all of which should be read together as one contract.

## Premises

Premises at the address(es) stated in the Schedule occupied by You for the purposes of the Business.

## Schedule

The schedule applicable to this Policy.

## Sum Insured

The sum insured as stated in the Schedule unless otherwise stated in this Policy.

## Vacant or Disused

Vacant, unoccupied or not in use for the intended purpose, for a period of more than 30 consecutive days.

## We/Us/Our

U K Insurance Limited trading as NIG and/or such other authorised Insurer as U K Insurance Limited may contract to underwrite any part of this Policy.

## You/Your

The person, persons, Limited Liability Partnerships or Limited or Public Limited Company, named in the Schedule and, in respect of Section 6: Employers' Liability, the Policyholder stated upon the Certificate of Employers Liability Insurance.

# General Conditions

**These Conditions apply to this Policy. You must comply with these Conditions. Where additional Conditions apply to a specific Section of this Policy, they are stated under that Section.**

## 1 Fair Presentation of the Risk

- a** You have a duty to make to Us a fair presentation of the risk before:
  - i** the inception of this Policy;
  - ii** an alteration made to this Policy, concerning changes in the risk which are relevant to the proposed alteration; and
  - iii** the renewal of this Policy; and
- b** In the event of a breach of such duty, if the breach is:
  - i** deliberate or reckless, We may:
    - a** in relation to an alteration made to this Policy, (despite the references to notice period and the refunding of premiums in General Condition 4 b) by notice to You at Your last known address treat this Policy as cancelled with effect from the time when the alteration was made and retain any premiums paid;
    - b** in relation to inception or renewal of this Policy, avoid this Policy and refuse all claims and retain any premiums paid;
  - ii** neither deliberate nor reckless and We would not have:
    - a** in relation to an alteration made to this Policy, agreed to the alteration on any terms, We may treat this Policy as if the alteration was never made, but in that event We:
      - i** will return any extra premium paid; or
      - ii** may (where the total premium was reduced as a result of the alteration), reduce proportionately the amount to be paid on a claim arising out of events after the alteration. We will pay on such claim a percentage of what We would otherwise have been liable to pay (whether on the original terms, or as varied), based on the total premium actually charged compared to the original premium charged; or
    - b** entered into this Policy on any terms, We may avoid this Policy and refuse all claims but will return any premiums paid; or

- iii** neither deliberate nor reckless and We:
  - a** would have entered into this Policy or agreed to the alteration made to this Policy, but on different terms (other than terms relating to the premium), this Policy or the alteration (as applicable) will be treated as if it had been entered into on those different terms if We require; and
  - b** in respect of an alteration made to this Policy:
    - i** would have agreed to the alteration, but would have charged an increased premium by more than We did or (in the case of an unchanged premium) would have increased the premium, We may reduce proportionately the amount to be paid on a claim arising out of events after the alteration.

We will pay on such claim a percentage of what We would otherwise have been liable to pay (whether on the original terms, or as varied, or under the different terms provided for by virtue of item **b iii a** above), based on the total premium actually charged compared to the premium that We would have charged;

- ii** (where the total premium was reduced as a result of the alteration), would have agreed to the alteration and We would have increased the premium, would not have reduced the premium, or would have reduced it by less than We did, We may reduce proportionately the amount to be paid on a claim arising out of events after the alteration.

We will pay on such claim a percentage of what We would otherwise have been liable to pay (whether on the original terms, or as varied, or under the different terms provided for by virtue of item **b iii a** above), based on the total premium actually charged compared to the original premium if We would not have changed it, and otherwise the increased or (as the case may be) reduced total premium We would have charged.



- c would have entered into this Policy (whether the terms relating to matters other than the premium would have been the same or different), but would have charged a higher premium, We may reduce proportionately the amount to be paid on a claim.

We will pay on such claim a percentage of what We would otherwise have been liable to pay (making provision for any different terms referred to in item **b iii a** above), based on the premium actually charged compared to the higher premium.

- c We will be entitled to vary the premium and any terms in respect of any ongoing acceptance of cover (where agreed by Us), in relation to a breach of the duty to make to Us a fair presentation of the risk.

## 2 Reasonable Precautions

It is a condition precedent to Our liability that You must:

- a take all reasonable precautions to prevent or minimise loss, destruction, damage, accident or injury;
- b maintain the Premises, machinery, equipment and furnishings in a good state of repair;
- c exercise care in the selection and supervision of Employees; and
- d comply with all relevant statutory requirements, manufacturers' recommendations and other regulations relating to the use, inspection and safety of property and the safety of persons.

## 3 Change of Risk or Interest

- a It is a condition precedent to Our liability that You will immediately notify Us if any alteration be made either in the Business or at the Premises or in any property therein or in any other circumstances whereby the risk is increased other than in accordance with:
  - i Extensions I Non-Invalidation and M Capital Additions under Section 1: Material Damage, of this Policy; or
  - ii General Condition 1,
 at any time after the Effective Date (as stated in the Schedule) of the Period of Insurance.
- b This Policy will cease to be in force if:
  - i Your interest in the Business ends, other than by death; or

- ii the Business is to be wound up or carried on by a liquidator or receiver or permanently discontinued, at any time after the Effective Date (as stated in the Schedule) of the Period of Insurance, unless its continuance be agreed by Us.

## 4 Cancellation

### a Your Cancellation Rights

- i This Policy may be cancelled by You within 14 days of receipt of this Policy (this is known as the "cooling off" period). If You elect to cancel within this period You must return all policy documentation to Your broker, intermediary or agent, who must return such documentation to Us and We will refund the full amount of premium paid by You. If a claim has been made or an incident notified to Us that could give rise to a claim during the "cooling off" period, this Policy will be treated by Us as in force and no refund of premium will be made.
- ii If You elect to cancel this Policy after the "cooling off" period has expired but still during any Period of Insurance, You must give 14 days' notice to Your broker, intermediary or agent. You will be entitled to a proportionate refund of premium based on the number of days remaining in the Period of Insurance, unless a claim has been made (or an incident notified to Us that could give rise to a claim) during the Period of Insurance when no refund of premium for the Period of Insurance will be made.
- iii Where You pay premiums by instalments any amount of premium returned under this General Condition will be reduced by any unpaid premiums or instalments due at the time of cancellation.

### b Our Cancellation Rights

- i We may cancel this Policy (or any Section of it) at any time and in any Period of Insurance by giving a minimum of 14 days' notice to You at Your last known address.
- ii If We cancel this Policy then You will be entitled to a proportionate refund of premium, based on the number of days remaining in the Period of Insurance, unless a claim has been made (or an incident notified to Us that could give rise to a claim) during the Period of Insurance when no refund of premium will be made.

- iii Where You pay premiums by instalments, any amount of premium refunded under this General Condition will be reduced by any unpaid premiums or instalments due at the time of cancellation.

In relation to cancellation in any of the circumstances outlined above, You will immediately return to Us any current Certificate(s) of Employers' Liability Insurance. The total amount refunded to You will be calculated by Us in accordance with the process set out above. The calculation made by Us will be final and binding.

## 5 Instalments

- a Notwithstanding General Condition 4 b, where the premium under this Policy is payable by instalments and You fail to pay one or more instalments, We may cancel this Policy by giving 7 days' notice at Your last known address, and You will immediately return to Us any current Certificate(s) of Employers' Liability Insurance.
- b Any amount of premium returned under this General Condition will be reduced by any unpaid premiums or instalments due at the time of cancellation.

The total amount of premium refunded to You will be calculated by Us in accordance with the process set out in General Condition 4 above. The calculation made by Us will be final and binding.

## 6 Choice of Law

You and We may choose which law will apply to this Policy. Unless both parties agree otherwise, English law will apply. We've supplied this Policy and other information to you in English and we'll continue to communicate with you in English.

## 7 Contracts (Rights of Third Parties) Act 1999

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

## 8 Security Protections

It is a condition precedent to Our liability under Sections 1, 4 and 9 of this Policy that the following protections and all additional fastenings and protections which have been stipulated by Us be fitted to the undermentioned openings at the Premises and put into full and effective operation at all times outside Business Hours:

- 1 on timber final exit doors:
  - a if single leaf, a mortice deadlock conforming to BS3621 with matching boxed steel striking plate;

- b if double leaf:
  - i on the first closing leaf, flush or barrel bolts, the latter at least 200mm (8") long, or key-operated locks or bolts, fitted top and bottom in every case; and
  - ii on the second closing leaf, a mortice deadlock conforming to BS3621 with matching boxed steel striking plate, or a substantial padlocking bar and good quality close shackle padlock; and
- c if single or double leaf, and also outward opening, hinge bolts fitted top and bottom.

- 2 on all other external timber doors, and on internal timber doors giving access to any part of the premises not occupied solely by You or to any adjoining premises (excluding sliding and fire exit doors):

- a if single leaf, a mortice deadlock conforming to BS3621 with matching boxed steel striking plate or key-operated mortice rack bolts fitted top and bottom;

- b if double leaf:
  - i on the first closing leaf, flush or barrel bolts, the latter at least 200mm (8") long, or key-operated locks or bolts, fitted top and bottom in every case; and
  - ii on the second closing leaf, a mortice deadlock conforming to BS3621 with matching boxed steel striking plate, or a substantial padlocking bar and good quality close shackle padlock; and
- c if single or double leaf, and also outward opening, hinge bolts fitted top and bottom.

- 3 on external aluminium or UPVC doors (excluding sliding and fire exit doors) cylinder operated mortice deadlock and, if double leaf, flush bolts on the first closing leaf.
- 4 on steel final exit doors and all sliding final exit doors (excluding sliding patio doors) substantial padlocking bar and good quality close shackle padlock.
- 5 on all other steel doors and all other sliding doors, substantial padlocking bar and good quality padlock, either close shackle if fitted externally or open shackle if fitted internally.
- 6 for electrically operated roller shutters, a key-operated isolation switch must be fitted to the electricity supply to the controls, the key being removed outside working hours. If this is not fitted, then one of the measures shown below for manually operated roller shutters must be fitted.

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

- i** cylinder profile lock welded to the shutter channel on each side one metre (40") from ground level;
  - ii** key-operated 'pinson' or 'bullet' locks; or
  - iii** the shutter door bolted internally with the bolt engaging into the door runner and padlocked into position using a good quality open shackle padlock;
- 7** on all fire exit doors panic bar, hinge bolts fitted top and bottom.
- 8** on all external basement and ground floor windows, fanlights and skylights, and on other accessible windows, fanlights and skylights, key-operated window locks with the keys removed when in operation; or solid steel bars not less than 16mm (5/8") diameter and not more than 125mm (5") apart, securely fixed to the brickwork or masonry, surrounding the window.
- 9** on sliding patio doors, a manufacturer's patent key operated locking system which engages boltwork into the door frame either at the top and bottom of the opening section of each door, or into the side frame in at least three points (in the latter case all hook or shoot bolts must be mushroom headed) or two key operated patio door locks fitted internally, one at the top and one at the bottom of each opening section.

Any alternative protections must be agreed by Us.

## 9 Automated Teller Machine

It is a condition precedent to Our liability under this Policy in respect of any premises containing an Automated Teller Machine (ATM) that where this is a Merchant Fill machine conditions **a** to **d** below apply or where this is a CIT Fill machine conditions **c** and **d** apply:

- a** the ATM units are emptied at the end of each working day and the money within transferred to a safe approved by Us for the amount of cash involved. Such transfer to be carried out only after the premises have been cleared of all customers then locked to deny further access to the premises and whilst there are at least two able bodied employees present in the premises during the transfer. Alternatively the cash shall

be deposited in a Bank Night Safe with the transfer being undertaken in accordance with the accompaniment requirements of the Policy.

- b** outside of business hours the ATM door and its security container within is left open, empty and unlocked.
- c** whenever the ATM is opened the premises are to be cleared of all customers then locked to deny further access to the premises and at least two able bodied employees are to be present in the premises.
- d** notices are prominently displayed within the premises stating that the ATM is protected by a smoke generating and/or banknote degradation system and holds no cash outside of working hours.

## 10 Sanctions, Prohibitions or Restrictions

We will not be deemed to provide cover and We will not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose Us to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America. General Condition 10 will not apply to Section 14: Cyber.

# Claims Conditions

**These Conditions apply to this Policy. You must comply with these Conditions. Where additional Conditions apply to a specific Section of this Policy, they are stated under that Section.**

## 1 Conditions Precedent

Every condition precedent to which this Policy or any Section or item thereof is, or may be, made subject will, from the time the condition precedent attaches, apply and continue to be in force during the whole currency of this Policy.

## 2 Action by You

It is a condition precedent to Our liability that You will:

- a** immediately notify Us on the happening of any incident which could result in a claim under this Policy.
- b** immediately notify Us of, and deliver to Us at your own expense, a claim with such detailed particulars and proofs as may reasonably be required by Us and (if demanded) by Us a statutory declaration of the truth of the claim and any matters connected therewith, within:
  - i** 7 days of the event giving rise to the claim, in the case of loss, destruction or damage, caused by riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons;
  - ii** 30 days of the expiry of the Indemnity Period (as defined in Section 2: Business Interruption, Extension 3 of Section 10: Engineering, of this Policy in respect of business interruption claims; or
  - iii** 30 days of the event giving rise to the claim in the case of any other claim, or such further time as We may allow; and
 notwithstanding items **b i** to **iii** above, You will immediately forward any claim by a third party or notice of any proceedings or any other correspondence and information received by You relating to such claim on receipt;
- c** give immediate notification to the police in respect of:
  - i** vandalism;
  - ii** theft or any attempt thereat; or
  - iii** loss of money by any cause whatsoever, in relation to this Policy;
- d** make no admission of liability or offer, promise or payment, without Our written consent;
- e** inform Us immediately of any impending prosecution, inquest or fatal accident enquiry or civil proceedings and send to Us immediately every relevant document;

- f** take all reasonable action to minimise any interruption or interference with the Business;
- g** produce to Us such books of account or other business books or documents or such other proofs, as may reasonably be required by Us for investigating or verifying the claim; and
- h** in respect of Damage to the property insured under Section 10: Engineering of this Policy, discontinue use of any damaged property unless We authorise otherwise until such property has been repaired to Our satisfaction. Any damaged parts that are replaced will be kept for inspection by Us.

## 3 Our Rights

We will be entitled:

- a** on the happening of any loss, destruction or damage, in respect of which a claim is made under this Policy, and without thereby incurring any liability or diminishing any of Our rights under this Policy, to enter, take or keep possession of the premises where such loss, destruction or damage has occurred and to take possession of, or require to be delivered to Us any property insured by this Policy and deal with such property for all reasonable purposes and in a reasonable manner;
- b** at Our discretion to take over and conduct in Your name, or any other person, the defence or settlement of any claim and to prosecute at Our expense and for Our benefit any claim for indemnity or damages against any other persons in respect of any risk insured by this Policy, and You will give all information and assistance required by Us;
- c** to any property for the loss of which a claim is paid under this Policy and You will execute all such assignments and assurances of such property as may be reasonably required, but You will not be entitled to abandon any property to Us; and
- d** in the event of any Occurrence (as defined in Section: 6 Employers' Liability, Section 7: Public Liability and Section 8: Products Liability, of this Policy respectively) resulting in any claim(s) under Sections 6, 7 and/or 8, of this Policy respectively, to pay to You the amount of the Indemnity Limit (as defined in Sections 6, 7 and 8, of this Policy respectively) for such Occurrence (less any sums already paid as damages in respect of such Occurrence and, in respect of Section 6 of this Policy, less costs and expenses, incurred before the date of payment) or any lesser amount for which the claim(s) can be settled, after such payment We will have no further responsibility in connection with such claim(s), except

in respect of Sections 7 and 8, of this Policy, for costs and expenses, incurred before the date of payment.

#### 4 Fraudulent Claims

In the event of any claim under the Policy being submitted which in any respect is intentionally exaggerated or fraudulent or if any fraudulent means or devices are used by You or anyone acting on Your behalf to obtain benefit under this Policy, We:

- a** will not be liable to pay the claim;
- b** may recover from You any sums paid by Us to You in respect of the claim; and
- c** may (despite the references to notice period and the refunding of premiums in General Condition 4 b ) by notice to You at Your last known address treat this Policy as having been cancelled with effect from the time of the fraudulent act and may:
  - i** refuse all liability to You under this Policy in respect of any event that gives rise to Our liability occurring after the time of the fraudulent act; and
  - ii** retain any premiums paid under this Policy.

#### 5 Subrogation

We will be subrogated to Your rights of recovery against any third party. Accordingly, it is a condition precedent to Our liability that any claimant under this Policy will, at Our request and expense, take and permit to be taken all necessary steps for Us to enforce any rights against any other party in Your name before or after any payment is made by Us.

#### 6 Other Insurances

Unless otherwise stated in this Policy:

- a** if at the time of any Occurrence (as defined in Section 6: Employers' Liability, Section 7: Public Liability and Section 8: Products Liability, of this Policy respectively) incident, loss, destruction or damage, which gives rise to a claim, there is any other insurance effected by or on Your behalf applicable to such Occurrence, incident, loss, destruction or damage, Our liability will be limited to its rateable proportion thereof; and
- b** if any other such insurance is subject to any provision whereby it is excluded from ranking concurrently with this Policy, whether in whole or in part or from contributing rateably, then Our liability hereunder will be limited to any excess beyond the amount which would have been payable under such other insurance had this Policy not been effected.

#### 7 Arbitration

If any differences arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference will be referred to an arbitrator in England who will decide the matter in dispute according to English law and will be appointed by the parties in accordance with the relevant English statutory provisions for the time being in force. Where any such difference is to be referred to arbitration under this Condition, the making of an award will be a condition precedent to any right of action against Us.



# General Exclusions

These General Exclusions set out what is not covered under this Policy. Where additional exclusions apply to a specific Section of this Policy, they are set out in that Section.

## This Policy does not cover

### 1 War, Government Action and Terrorism

- a loss, destruction or damage, to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any other costs directly or indirectly caused by or contributed to by or arising from:
  - i War, Government Action, Terrorism (or any action taken in controlling, preventing, suppressing or in any way relating to Terrorism); or
  - ii civil commotion in Northern Ireland;
 except to the extent stated in Section 13: Terrorism, of this Policy, where insured;
- b legal liability of whatsoever nature or any costs or expenses whatsoever directly or indirectly caused by or contributed to by or arising from:
  - i War, Government Action, Terrorism (or any action taken in controlling, preventing, suppressing or in any way relating to Terrorism); or
  - ii civil commotion in Northern Ireland,
 except to the extent stated in the Liability Provisions relating to this General Exclusion set out below.

For the purpose of this General Exclusion and its Liability Provisions:

**War** means war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to popular rising, military rising, insurrection, rebellion, revolution, or military or usurped power.

**Government Action** means martial law, confiscation, nationalisation, requisition or destruction of property by or under the order of any government or public or local authority or any action taken in controlling, preventing, suppressing or in any way relating to War.

**Terrorism** means any act or acts of any person or 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 and/or the threat thereof, of Her Majesty's government in the United Kingdom or any other government de jure or de facto.

In any action, suit or other proceedings, where We allege that, by reason of this General Exclusion as far as it relates to Terrorism, any loss, destruction or damage or resulting loss or expense or other costs either directly or indirectly caused by or contributed to by or arising from such event is not covered by this insurance, the burden of proving that such loss, destruction, damage, expense or costs is covered will be upon You.

### Liability Provisions

Subject otherwise to the terms, definitions, conditions, clauses and exclusions, of this Policy, We will indemnify You under Section 6: Employers' Liability, Section 7: Public Liability and Section 8: Products Liability, of this Policy, in respect of legal liability arising from Terrorism (or any action taken in controlling, preventing or suppressing Terrorism) provided that under:

- 1 Section 6 of this Policy, notwithstanding the Indemnity Limit (as defined in Section 6 of this Policy) stated in the Schedule, the Our liability (inclusive of interest thereon and all costs and expenses) payable in respect of any one Occurrence (as defined in Section 6 of this Policy) or in the aggregate in respect of a series of such Occurrences arising out of any one original cause, will not exceed £5,000,000;
- 2 Section 7 of this Policy, notwithstanding the Indemnity Limit (as defined in Section 7 of this Policy) stated in the Schedule, Our liability for all damages (including interest thereon) payable in respect of any one Occurrence (as defined in Section 7 of this Policy) or in the aggregate in respect of a series of such Occurrences arising out of any one original cause, will not exceed £5,000,000 or the amount of the Indemnity Limit stated in the Schedule in Section 7 of this Policy, whichever is the lower;
- 3 Section 8 of this Policy, notwithstanding the Indemnity Limit (as defined in Section 8 of this Policy) stated in the Schedule, Our liability for all damages (including interest thereon) payable in respect of all Occurrences (as defined in Section 8 of this Policy) in the aggregate during any one Period of Insurance, will not exceed £5,000,000 or the amount of the Indemnity Limit stated in the Schedule in Section 8 of this Policy, whichever is the lower; and
- 4 Section 7 and Section 8, of this Policy, notwithstanding items 2 and 3 above and the Indemnity Limit (as defined in Sections 7 and 8, of this Policy) stated in the Schedule, Our liability for all damages (including interest thereon and all costs and expenses) payable in respect of all Occurrences in the aggregate (as defined in Section 7 or Section 8, of

this Policy, as relevant) arising out of Pollution or Contamination (as defined in Section 7 or Section 8, of this Policy, as relevant), consequent upon Terrorism and which are deemed to have Occurred during any one Period of Insurance, will not exceed £5,000,000 in the aggregate under each Section or the amount of the Indemnity Limit in the aggregate stated in the Schedule in Section 7 and/or Section 8, of this Policy, whichever is the lower.

## 2 Sonic Bangs

loss, destruction or damage caused by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

## 3 Radioactive Contamination

loss, destruction or damage, to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any other costs either directly or indirectly caused by such loss, destruction or damage, or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

- a** ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
- b** the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

NOTE: As far as this General Exclusion concerns Bodily Injury (as defined in the relevant Sections of this Policy) caused to any Employee, if such Bodily Injury arises out of and in the course of employment or engagement of such person by You, this General Exclusion will apply only in respect of:

- i** the legal liability of any principal; or
- ii** legal liability assumed by You under agreement and which would not have attached in the absence of such agreement.

## 4 Pollution or Contamination

loss, destruction or damage, caused by pollution or contamination, except (unless otherwise excluded) destruction of or damage to the property insured caused by:

- a** pollution or contamination which itself results from a Defined Peril; or
- b** a Defined Peril which itself results from pollution or contamination.

This Exclusion will not apply to Section 6: Employers' Liability, Section 7: Public Liability and Section 8: Products Liability, of this Policy.

## Defined Perils

For the purposes of this General Exclusion, Defined Perils are:

fire, lightning, explosion, earthquake, 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, storm, flood, escape of water or oil from any tank apparatus or pipe, sprinkler leakage, theft or impact by any vehicle or animal.

## 5 Date Recognition

any claim which arises directly or indirectly from or consists of the failure or inability of any:

- a** electronic circuit, microchip, integrated circuit, microprocessor, embedded system, hardware, software, firmware, program, computer, data processing equipment, telecommunication equipment or systems, or any similar device; or
- b** media or systems used in connection with anything referred to in **a** above,

whether Your property or not, at any time to achieve any or all of the purposes and consequential effects intended by the use of any number, symbol or word to denote a date and this includes without any limitation the failure or inability to recognise, capture, save, retain or restore and/or correctly to manipulate, interpret, transmit, return, calculate or process any date, data, information, command, logic or instruction as a result of:

- i** recognising, using or adopting any date, day of the week or period of time, otherwise than as, or other than, the true or correct date, day of the week or period of time; or
- ii** the operation of any command or logic which has been programmed or incorporated into anything referred to in **a** and **b** above.

In respect of Section 1: Material Damage, Section 2: Business Interruption, Section 4: Loss of Business Money and Section 9: Specified All Risks, of this Policy, this Exclusion will not exclude subsequent Damage not otherwise excluded from this Policy 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, escape of water from any tank or apparatus or pipe, theft or impact by any vehicle or animal.

General Exclusion 5 will not apply to Section 6: Employers' Liability of this Policy.

## 6 Marine Policies

loss, destruction or damage to property which, at the time of the happening of the loss, destruction or damage, is insured by or would, but for the existence of this Policy, be insured by any marine policy or policies, except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this Policy not been effected.

## 7 Computer Virus and Hacking

- a** Damage to any computer or other equipment or component or system or item which processes, stores, transmits or retrieves data, or any part thereof whether tangible or intangible (including but without limitation any information or programs or software), and whether Your property or not, where such Damage is caused by Virus or Similar Mechanism or Hacking
- b** financial loss directly or indirectly caused by or arising from Virus or Similar Mechanism or Hacking

but this will not exclude Damage or financial loss, which is not otherwise excluded from this Policy and which results from fire, lightning, explosion, earthquake, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, the acts of malicious persons (including the acts of thieves but excluding the acts of malicious persons which do not involve physical force or violence), storm, flood, escape of water or oil from any tank or apparatus or pipe, sprinkler leakage or impact by any vehicle or animal.

For the purpose of this Exclusion

Virus or Similar Mechanism means 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 means unauthorised access to any computer or other equipment or component or system or item, which processes, stores, transmits or retrieves data, whether the Your property or not.

General Exclusion 7 will not apply to Section 6: Employers' Liability, Section 7: Public Liability, Section 8: Products Liability, Section 10: Engineering and Section 14: Cyber, of this Policy.

## 8 Infectious or Contagious Disease

- a** loss, destruction or damage, to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom; or
- b** any other losses, costs or expenses whatsoever; or
- c** any legal liability of whatsoever nature, directly or indirectly caused by or contributed to by or in any way arising from infectious or contagious disease and/or the fear or threat (actual or perceived) of infectious or contagious disease.

In this General Exclusion, the expression "infectious or contagious disease" shall mean any such disease whatsoever without limitation based upon its nature or characteristics (including, without limitation, the nature of any infective agent, any means of infection or transmission and/or any effects of the disease).

This General Exclusion shall not apply to:

- i** item b in Extension L Disease under Section 2: Business Interruption; and
  - ii** Section 6: Employers' Liability, Section 7: Public Liability, Section 8: Products Liability, Section 12: Commercial Legal Expenses and Section 13: Terrorism,
- of this Policy.



# Section 1: Material Damage

## Definitions

The definitions which apply to this Section are in addition to the General Definitions.

### Buildings

- a** structures (being built mainly of brick, stone, concrete or other non-combustible materials, unless otherwise advised to Us);
- b** landlords' fixtures and fittings, in and on the structures described in a above;
- c** central heating systems;
- d** small outside structures, extensions, annexes and gangways;
- e** concrete, paved or asphalt forecourts, yards, terraces, drives, footpaths, swimming pools or tennis courts;
- f** walls, gates and fences; and
- g** Glass and Sanitary Ware.

### Contingencies

- 1 a Fire** but excluding Damage caused by:
  - i** explosion resulting from fire;
  - ii** earthquake or subterranean fire;
  - iii a** its own spontaneous fermentation or heating; or
  - b** it undergoing any heating process or any process involving the application of heat; or
- b Lightning.**
- 2 Explosion**
  - a** of boilers or of gas, used for domestic purposes only but excluding Damage caused by earthquake or subterranean fire; or
  - b** otherwise but excluding Damage caused by or consisting of the bursting by steam pressure, of a boiler, economiser or other vessel, machine or apparatus, in which internal pressure is due to steam only and belonging to You or under Your control.
- 3 Aircraft** or other aerial devices, or articles dropped therefrom.
- 4 Earthquake, Subterranean Fire.**
- 5 Riot, civil commotion**, strikers, locked out workers, persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation, excluding Damage:
  - a** caused by cessation of work; or
  - b** due to confiscation, requisition or destruction, by or by order of the government or any public authority.

### 6 Malicious Persons or vandals, excluding Damage:

- a** caused by such malicious persons or vandals, acting on behalf of or in connection with any political organisation;
- b** caused by cessation of work;
- c** due to confiscation, requisition or destruction by or by order of the government or any public authority;
- d** caused by Theft as defined in Contingency 7;
- e** when the Premises are Vacant or Disused;
- f** in respect of property in the open unless agreed otherwise by Us; or
- g** in respect of property in any structure which is incapable of being locked.

### 7 Theft or any attempt thereof, involving:

- a** entry to or exit from the structures at the Premises by forcible and violent means excluding any such loss from any structure which is incapable of being locked; or
- b** violence or threat of violence, to You or any of Your directors or any of Your partners or any Employee, or their families,

excluding Damage:

- i** in respect of property in the open unless agreed otherwise by Us;
- ii** in respect of 7 a above when the Premises are Vacant or Disused; or
- iii** in respect of jewellery, precious stones, precious metals, bullion or furs, except where specifically stated in the Schedule as being insured.

### 8 Storm, Tempest, excluding Damage:

- a** caused by the escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal or dam;
- b** caused by inundation from the sea whether resulting from storm or otherwise;
- c** caused by frost, subsidence, ground heave or landslip;
- d** attributable solely to change in the water table level; or
- e** to walls (not forming part of the structure), fences, gates or moveable property in the open or in open sided structures.

**9 Flood** excluding Damage:

- a** caused by storm or tempest;
- b** caused by escape of water from any tank, apparatus or pipe;
- c** caused by frost, subsidence, ground heave or landslide;
- d** attributable solely to change in the water table level; or
- e** to walls (not forming part of the structure), fences, gates or moveable property in the open or in open sided structures.

**10 Escape of Water** from any tank, apparatus or pipe or escape of oil from any oil-fired heating installation or escape of beverages from storage containers, pipes and apparatus, excluding Damage:

- a** caused by water discharged or leaking, from any automatic sprinkler installations;
- b** when the Premises are Vacant or Disused;
- c** from any portable oil-fired heating installation; or
- d** occasioned by escape of beverages from bottled stock.

**11 Impact** by:

- a** falling trees or boughs, excluding Damage caused by lopping, pruning or felling;
- b** collapse or breakage of television or radio receiving aerials or satellite dishes; or
- c** vehicles or animals.

**12 Accidental Discharge or Leakage of Automatic Sprinkler Installations**, excluding Damage caused by or attributable to:

- a** heat caused by fire;
- b** freezing when the Premises are Vacant or Disused;
- c** repairs, alterations or extensions to the structures and/or sprinkler installations; or
- d** defects in construction or condition, of which You are aware.

**13 Subsidence, Ground Heave and Landslip**

Subsidence or ground heave, of any part of the site on which the Premises stand and landslip, but excluding:

- a** Damage to yards, car parks, roads, pavements, swimming pools, walls, gates and fences, unless also affecting a structure insured hereby;
- b** Damage caused by or consisting of:
  - i** the normal bedding down or settlement 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; or
- v** fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe;

**c** Damage which commenced prior to the Effective Date (as stated in the Schedule); or**d** Damage resulting from:

- i** demolition, construction, structural alteration or repair of any property; or
- ii** groundworks or excavation, at the same Premises.

**14 Any Accidental Cause** excluding:**a** Damage:

- i** caused by or specifically excluded in the Contingencies 1-13; or
- ii** caused by theft or any attempt thereat, not involving:
  - a** entry to or exit from structures, at the Premises by forcible and violent means; or
  - b** violence or threat of violence, to You or any of Your directors or any of Your partners or any Employee, or their families;

**b** Damage to the Property Insured caused by or consisting of:

- i** inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, its own faulty or defective design or materials; or
- ii** faulty or defective workmanship, operational error or omission, on Your part or the part of any of Your Employees, but this will not exclude subsequent Damage which results from a cause not otherwise excluded by this Policy;

**c** Damage caused by or consisting of:

- i** corrosion, rust, wet or dry rot, shrinkage, evaporation, leakage, loss of weight, dampness, contamination, fermentation, dryness, marring, scratching, vermin or insects; or
- ii** change in temperature, colour, flavour, texture or finish, or action of light,

Damage consisting of:

- iii** joint leakage, failure of welds, cracking, fracturing, collapse or overheating, of boilers, economisers, superheaters, pressure vessels, or any range of steam and feed piping in connection therewith; or

- iv mechanical or electrical breakdown or derangement, in respect of the particular machines, apparatus or equipment, in which such breakdown or derangement originates,
- but this will not exclude:
- i such Damage not otherwise excluded by this Policy which itself results from any other Damage not otherwise excluded by this Policy; or
  - ii subsequent Damage which itself results from a cause not otherwise excluded by this Policy (unless more specifically insured);
- d** Damage caused by or consisting of:
- i normal settlement or bedding down of new structures;
  - ii acts of fraud or dishonesty;
  - iii disappearance, unexplained or inventory shortage, misfiling or misplacing of information; or
  - iv electrical or magnetic injury, disturbance or erasure, of electronic records;
- e** destruction of or damage to a building or structure, caused by its own collapse or cracking;
- f** Damage in respect of movable property in the open or in open-sided structures, walls (not forming part of the structure), fences and gates, caused by wind, rain, hail, sleet, snow or dust;
- g** Damage to the Property Insured:
- i caused by fire resulting from its undergoing any heating process or any process involving the application of heat; or
  - ii (other than by fire or explosion) resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing, adjustment or repair;
- h** Damage:
- i caused by freezing; or
  - ii to fixed Glass and Sanitary Ware,
- in respect of any building which is Vacant or Disused;
- i** Damage in respect of:
- i jewellery, precious stones, precious metals, bullion or furs;
  - ii property in transit;
  - iii money, cheques, stamps, bonds, credit cards or securities of any description; or
  - iv fixed Glass and Sanitary Ware:
    - a due to repairs or alterations, being carried out at the Premises;
- b during installation or removal, of such glass or sanitary ware; or
  - c which was broken or cracked prior to the Effective Date (as stated in the Schedule);
- j** Damage in respect of:
- i vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft;
  - ii property or structures in the course of construction or erection and materials or supplies in connection with all such property in course of construction or erection;
  - iii land, roads, piers, jetties, bridges, culverts or excavations; or
  - iv livestock, growing crops or trees, unless specifically mentioned as insured by this Section; or
- k** Damage occasioned by delay, embargo, nationalisation, confiscation, requisition, seizure or destruction, by or by order of the government or any public authority.

### Glass

Internal and external fixed glass, showcases and mirrors.

### Plant, Machinery, Trade Fixtures (and all other contents)

- a machinery, plant, fixtures, fittings, and other trade equipment;
- b all office equipment and other contents at the Premises;
- c money and stamps (excluding Damage by theft or any attempt thereat), not exceeding £2,500 in total for all claims or series of claims, arising out of any one original cause;
- d patterns, models, moulds, plans and designs;
- e documents, manuscripts and business books, but only for the value of the materials as stationery together with the cost of clerical labour expended in writing up on such materials and not for the value to You of the information contained therein;
- f computer systems records for an amount not exceeding £25,000 in total, but only for the value of the materials together with reproduction costs including the cost of gathering information but excluding the value to You of the information;

- g** Your directors', Your partners', visitors', guests' and employees' personal effects, in so far as they are not otherwise insured, including clothing, pedal cycles, tools, instruments and the like, for an amount not exceeding £1,000 per person in total for all claims or series of claims, arising out of any one original cause but any cover granted under this insurance for Damage by theft, will not apply to personal effects partly or wholly of precious metal, jewellery, furs, money and securities of any description;
- h** wines, spirits, cigarettes and tobacco, held for entertainment purposes, for an amount not exceeding £250 in total for all claims or series of claims, arising out of any one original cause, in respect of Damage by theft or any attempt thereat (if such Damage is insured under this Section); and
- i** to the extent that they are not otherwise insured, motor vehicles, motor chassis, and contents thereof not exceeding £10,000 any one motor vehicle,

all Your property or property held in trust by You for which You are responsible, excluding signs, portable hand tools, electronic business machines, computers and software, which is more specifically insured.

### Property Insured

The items stated in Section 1: Material Damage in the Schedule.

### Rent

The money paid or payable to or by You in respect of accommodation and services, provided at the Premises.

### Sanitary Ware

Fixed baths, washbasins, pedestals, bidets, shower trays, sinks, lavatory pans and cisterns.

### Stock in Trade

Stock and materials in trade, work in progress, finished goods and customers' goods, all Your property or held by You in trust for which You are responsible, excluding any property which is more specifically insured.

### Tenants' Improvements

Structural fixtures and fittings, belonging to You, in or on the Premises, where You are the tenant and occupier of the Premises.

## Cover

In the event of Damage at the Premises to any Property Insured in connection with the Business occurring during the Period of Insurance and caused by any of the Contingencies (where stated in the Schedule), We will pay to You the value of such Property Insured or the amount of the Damage at the time of such Damage or, at Our own option, reinstate or replace such property.

Provided that:

- a** Our liability under this Section in total for all claims or series of claims, arising out of any one original cause, will not exceed the Sum Insured for each item (or any other stated limit of liability); and
- b** unless otherwise stated, the Sum Insured (or any other stated limit of liability) applies in the aggregate to property collectively described by each item under this Section.

## Extensions

**The insurance provided by this Section is extended to include the following:**

### A Professional Fees

The insurance by each item on Buildings, Tenants' Improvements and Plant, Machinery, Trade Fixtures (and all other contents), as set out in the Schedule, where insured by this Section, includes the cost of architects', surveyors', consulting engineers' and legal fees, necessarily and reasonably incurred in the reinstatement or repair of the property consequent on its Damage but will not include fees incurred for preparing any claim.

Our maximum liability under this Extension and this Section, for any item, will not exceed the Sum Insured for that item.

### B Public Authorities

The insurance by each item on Buildings, Tenants' Improvements and Plant, Machinery, Trade Fixtures (and all other contents), as set out in the Schedule, where insured by this Section, includes the cost of reinstatement of any Damage to the Property Insured and portions thereof not subject to Damage (other than foundations), incurred solely by reason of the necessity to comply with legislation and regulations under Acts of Parliament or local authority bye-laws, provided that:

- a** You receive a notice from the relevant body to comply after the Damage occurs;

- b** the work of reinstatement is completed within 12 months of the date of the Damage or within such further time as We may allow; and
- c** the total amount payable under this Extension and this Section, for any item, will not exceed:
  - i** in respect of the property subject to Damage, its Sum Insured; and
  - ii** in respect of portions of the property not subject to Damage, 15% of the total amount for which We would have been liable had the property been wholly destroyed,
 subject to the total amount payable in respect of **i** and **ii** above under this Extension and this Section, in total for all claims or series of claims, arising out of any one original cause, for any item, not exceeding its Sum Insured.

### **C Theft Damage to Buildings**

The cost of repairing Damage by theft or any attempt thereat, to Buildings at the Premises (whether or not Buildings are insured under this Section), if You are responsible for the repairs and the Damage is not otherwise insured.

### **D Damage to Framework (Glass)**

Any cover provided under this Section in respect of Damage to Glass, includes the reasonable costs of any necessary boarding up or temporary glazing, pending replacement of broken glass, and of removing and refixing window fittings and other obstacles to replacement.

### **E Underground Services**

Damage for which You are legally liable, by any of the Contingencies 1 to 14 inclusive (whether operative or otherwise under this Section) to underground pipes, cables, drains (and their relevant inspection covers), supplying services to and carrying waste from the Premises to the point of junction with public supply lines, mains and sewers.

### **F Clearing of Drains**

The insurance in respect of Buildings, where insured under this Section, extends to cover expenses necessarily and reasonably incurred in cleaning, clearing and/or repairing drains, gutters and sewers, in consequence of Damage (not otherwise excluded) by any of the Contingencies insured against at the Premises.

### **G Loss of Metered Water**

Cover for Damage caused by escape of water from any tank, apparatus or pipe (not being automatic sprinkler installations), where insured by this Section, includes the cost of water (calculated at the current rate per cubic metre) consumed as a direct result of the escape, subject to the amount payable under this Extension not exceeding £25,000 in total for all claims or series of claims, arising out of any one original cause.

### **H Other Interests**

Interests of third parties which You are required to include herein under the terms of any mortgage, property lease or hiring leasing or hire purchase agreement, are automatically deemed to be held covered under this Section subject to notification by You to Us of such interests as soon as is reasonably practicable.

### **I Non-Invalidation**

This insurance will not be invalidated by any act or omission or by any alteration, whereby the risk of Damage is increased unknown to or beyond Your control, provided that You immediately become aware thereof will give notice to Us and pay an additional premium if required by Us.

### **J Contracting Purchaser's Interest**

If at the time of Damage You have contracted to sell Your interest in any Buildings hereby insured and the purchase is subsequently completed, the purchaser, on completion of the purchase, will be entitled to benefit under this Policy in respect of such Damage (if and so far as the property is not otherwise insured against such Damage by them or on their behalf) without prejudice to the rights and liabilities of You or Us until completion.

### **K Mortgagees / Freeholders / Lessors**

The act or neglect of any mortgagor, leaseholder, lessee or occupier, of any Buildings hereby insured whereby the risk of Damage is increased without the knowledge of any mortgagee, freeholder or lessor, will not prejudice the interest of the latter parties in this insurance provided such parties will notify Us immediately on becoming aware of such increased risk and pay additional premium if required by Us.



**L Subrogation Waiver**

In the event of a claim arising under this Section, We agree to waive any rights, remedies or relief, to which We it might become entitled by subrogation against:

- a** any company which is the parent or subsidiary of Yours; or
- b** any company which is a subsidiary of a parent of Yours,

in each case within the meaning of the Companies Act 2006 or Companies (Northern Ireland) Order, as applicable, at the time the Damage occurs.

**M Capital Additions**

The insurance by this Section on Buildings, Tenants' Improvements and Plant, Machinery, Trade Fixtures (and all other contents) includes:

- a** alterations, additions and improvements, to such property but not appreciation in value; and
- b** any such property newly acquired and/or newly erected, anywhere in the United Kingdom, the Channel Islands or the Isle of Man, in so far as the same is not otherwise insured.

Provided that:

- i** Our maximum liability under this Extension will not exceed 10% of the total Sum Insured for all items in respect of Buildings, Tenants' Improvements and Plant, Machinery, Trade Fixtures (and all other contents), or in the aggregate £1,000,000, whichever is less;
- ii** You undertake to advise Us of the change of risk as soon as practicable and to pay any additional premium required by Us from the date of such change of risk; and
- iii** the provisions of this Extension will be fully reinstated following advice to Us of the change in risk.

**N Cost of Debris Removal/Re-erection**

The insurance by each item on Buildings, Tenants' Improvements, Plant, Machinery, Trade Fixtures (and all other contents) and Stock in Trade, includes costs and expenses necessarily incurred by You with Our consent in:

- a** removing debris;
- b** dismantling and/or demolishing;
- c** shoring up or propping; or

- d** re-erecting, fitting and fixing, in respect of Plant, Machinery, Trade Fixtures (and all other contents) only, in respect of the portion of such Property Insured which is the subject of a claim under this Section.

Our maximum liability under this Extension and this Section, for any item, will not exceed the Sum Insured for that item.

We will not pay for any costs or expenses:

- i** incurred in removing debris except from the site of any property which is the subject of a claim under this Section and the area immediately adjacent to such site; or
- ii** arising from pollution or contamination, of property not insured by this Section.

**O Temporary Removal (Cleaning, Renovation or Repair)**

The insurance by each item on Tenants' Improvements and Plant, Machinery, Trade Fixtures (and all other contents), where insured by this Section, includes such property while it is temporarily removed from the Premises for the purposes of cleaning, renovation, or repair, to any other premises within the United Kingdom, Channel Islands or the Isle of Man or in transit by road, rail or inland waterway, to or from such premises.

Provided that Our maximum liability under this Extension in respect of any item insured under this Extension will not exceed 15% of the Sum Insured on each item and in the case of documents, manuscripts, plans and the like, 15% of the total value thereof.

The cover provided by this Extension is subject to the following:

- a** Cover includes theft or any attempt thereat, excluding Damage in respect of jewellery, precious stones, precious metals, bullion or furs, except where specifically stated in the Schedule as being insured.
- b** In respect of such property in transit (whilst in Your control), Conditions 1 and 2 as set out in Section 3: Goods in Transit of this Policy and the Exclusions as set out in Section 3 of this Policy, whether Section 3 is operative or otherwise. Where there is any conflict between the Exclusions as set out in Section 3 and the Exclusions under this Section in this regard, those set out in Section 3 of this Policy will take precedence.
- c** Such property not being more specifically insured.

## P Temporary Removal (Transferred Between the Premises)

The insurance by each item on Plant, Machinery, Trade Fixtures (and all other contents) and Stock in Trade, where insured by this Section, includes such property whilst being transferred between the Premises by road, rail or inland waterway.

Provided that Our maximum liability under this Extension in respect of any item insured under this Extension, in respect of any such transfers at any one time will be the lesser of:

- a 15% of the total Sum Insured for all such items; or
- b £50,000 in the aggregate.

The cover provided by this Extension is subject to the following:

- a In respect of such property in transit (whilst in Your control), Conditions 1 and 2 as set out in Section 3: Goods in Transit of this Policy and the Exclusions as set out in Section 3 of this Policy, whether Section 3 is operative or otherwise. Where there is any conflict between the Exclusions as set out in Section 3 of this Policy and the Exclusions under this Section in this regard, those set out in Section 3 of this Policy will take precedence.
- b Such property not being more specifically insured.

## Q Stock at Exhibitions

The insurance in respect of Stock in Trade (where insured by this Section), includes such property while it is at any indoor exhibition within the United Kingdom, Channel Islands or the Isle of Man or in transit by road, rail or inland waterway, to or from such exhibition.

The cover provided by this Extension is subject to the following:

- a Cover in respect of theft or any attempt thereat, (where insured by this Section), only applies under this Extension where such cover involves forcible and violent entry to or exit from the exhibition premises but excluding Damage:
  - i from any structure which is incapable of being locked;
  - ii in respect of property in the open unless agreed otherwise by Us; or
  - iii in respect of jewellery, precious stones, precious metals, bullion or furs except where specifically stated in the Schedule as being insured.

- b In respect of such property in transit (whilst in Your control), Conditions 1 and 2 as set out in Section 3: Goods in Transit of this Policy and the Exclusions as set out in Section 3, whether Section 3 is operative or otherwise. Where there is any conflict between the Exclusions as set out in Section 3 of this Policy and the Exclusions under this Section in this regard, those set out in Section 3 of this Policy will take precedence.

- c Such property not being more specifically insured.

Provided that Our maximum liability under this Extension will not exceed £25,000 in total for all claims or series of claims, arising out of any one original cause.

## R Fire Brigade and Rescue Services Damage to Grounds

Damage caused by the Fire Brigade and rescue services or other emergency services equipment or personnel, in the course of combating fire, to the grounds at the Premises as far as You are responsible for the cost of repair, provided that Our maximum liability under this Extension in respect of any one event of such Damage will not exceed £25,000 in the aggregate.

## S Lock Replacement

The cost of changing locks on doors, windows, safes and strongrooms, at the Premises following theft, where insured by this Section, of keys from the Premises or from Your home or that of any of Your partners or any of Your directors or any Employee entrusted with keys, provided that Our maximum liability under this Extension as a result of any one event of such theft will not exceed £25,000 in the aggregate.

## T Contract Price

In respect only of goods sold but not delivered and for which You are responsible, subject to a sale contract, which following Damage, is cancelled by reason of its conditions wholly or to the extent of the Damage, Our liability will be based on the contract price. For the purposes of this insurance, the value of all goods to which this Extension could apply in the event of Damage will be ascertained similarly.

**U Trace and Access**

In the event of Damage resulting from escape of water or oil, where insured by this Section,

We will pay costs necessarily and reasonably incurred in locating the source of such Damage and subsequently making good, subject to Our maximum liability under this Extension not exceeding £25,000 in total for all claims or series of claims, arising out of any one original cause.

**V Fire Extinguishment and Security Equipment Expenses**

Costs reasonably and necessarily incurred with Our consent in:

- a** refilling fire extinguishment appliances, replacing used sprinkler heads and refilling sprinkler tanks; and
- b** re-setting fire and/or intruder alarms and/or closed circuit television equipment,

resulting from Damage to the Property Insured under this Section, subject to the following:

- i** It is a condition precedent to Our liability under this Section that You maintain all such equipment in accordance with the manufacturer's instructions;
- ii** We will not be liable under this Extension in respect of any costs recoverable from Your maintenance company or fire and rescue services; and
- iii** Our liability under this Extension will not exceed £25,000 in total for all claims or series of claims, arising out of any one original cause.

**W Loss of Rent**

Loss of Rent (where a Sum Insured is stated for Rent in the Schedule), which applies only if the Buildings at the Premises or any part thereof to which Rent relates are unfit for occupation in consequence of their Damage and then the amount payable will not exceed such proportion of the Sum Insured for loss of Rent as the period necessary for reinstatement bears to the maximum rental period, being the number of months stated in the Schedule.

**X Unauthorised Use of Gas, Water or Electricity**

We will pay the costs for which You are responsible for gas, water or electricity, arising from their unauthorised use by persons occupying the Premises without Your permission provided that You take all practical steps to end the unauthorised use as soon as it is discovered. The amount payable under this Extension will not exceed £25,000 in total for all claims or series of claims, arising out of any one original cause.

**Y Damage to Signs**

In the event of Damage to any sign, for which You are responsible for, at the Premises during the Period of Insurance, We will replace or repair such property or, at Our option, pay to You the costs of replacement of such property.

Provided that Our liability under this Extension will not exceed £5,000 in total for all claims or series of claims arising out of any one original cause.

We will not be liable under this Extension in respect of:

- a** Damage occasioned by or happening through repair, removal or erection, wear and tear, depreciation or deterioration;
- b** Damage to any part caused by mechanical or electrical defect; or
- c** Damage to tubes unless the glass is fractured.

**Z Inadvertent Omission to Insure**

For the purpose of this Extension, sub-paragraph **a** of General Condition 3 (Change of Risk or Interest) of this Policy does not apply.

You having notified Us of Your intention to insure all property in which You have an interest, under this Section, from the Effective Date (as stated in the Schedule) of the Period of Insurance and it being Your belief that all such property is insured under this Section then if thereafter it is found that You inadvertently omitted to insure any property in which You have an interest (whether at the Premises or at other premises occupied by You within the United Kingdom, Channel Islands or the Isle of Man) during the Period of Insurance, then We will deem such property to be insured under this Section subject to payment of an additional premium required by Us on all such property from the Effective Date (as stated in the Schedule) of the Period of Insurance or from the start date of Your interest in such property during the Period of Insurance if it was purchased after the Effective Date.

Provided that:

- a** You carry out an annual check to ensure that effective insurance is in place for all property in which You have an interest;
- b** You undertake to advise Us immediately an omission is discovered;
- c** in respect of any buildings
  - i** purchased for refurbishment or redevelopment, then Clause 2 (Reinstatement Basis of Settlement) will not apply; and



- ii due for demolition, Our liability will be limited to the costs associated with the clearing and securing of buildings;
- d this Extension will not apply in addition to any cover provided by Extension M of this Section or in respect of any appreciation in value;
- e the value of the property which has been inadvertently omitted will for the purpose of Clause 6 (Average) or provision 4 of Clause 2 (Reinstatement basis of Settlement) as applicable, be added to the Sum Insured on the item to which the property relates, or in the case of Provision 3 of Clause 3 Day One (non adjustable), if applicable, be added to the Declared Value; and
- f Our maximum liability under this Extension will not exceed £1,000,000 in the aggregate during any one Period of Insurance.

#### AA Cost of Fuel Spillage Clean-up

We will pay costs necessarily and reasonably incurred in removing spilt fuel from Your Premises following accidental escape of fuel caused by any of the Contingencies (where stated as operative in the Schedule) subject to Our maximum liability under this Extension not exceeding £25,000 in total for all claims or series of claims, arising out of any one original cause.

#### AB Further Investigation Expenses

In the event of Damage to Buildings insured by this Section if in the opinion of a competent construction professional there is, in respect of the same event, reasonable possibility of Damage to other:

- a portions of the same Buildings, which is not immediately apparent; or
- b Buildings, for which You are responsible, in the immediate vicinity,

We will pay costs necessarily and reasonably incurred by You and with Our consent, in establishing whether or not such other Damage has occurred.

Provided that

- i cover in respect of b above, is subject to such Buildings in the immediate vicinity, subsequently being found to have suffered Damage for which We are liable under this Section; and
- ii Our maximum liability under this Extension will not exceed £5,000 in the aggregate during any one Period of Insurance.

#### AC Loss Minimisation and Prevention Expenditure

The costs necessarily and reasonably incurred by You with Our consent, in preventing reducing or mitigating:

- a imminent Damage which would have been insured under this Section; or
- b otherwise alleviating Damage insured under this Section during and after the event of such Damage.

Provided that:

- i the impending Damage was not reasonably foreseeable at inception of the Period of Insurance and would be the inevitable outcome if such costs and expenses were not incurred;
- ii the impending Damage did not arise from any defect in the Property Insured;
- iii the impending Damage is not more specifically insured; and
- iv Our maximum liability under this Extension will not exceed £25,000 in total for all claims or series of claims, arising out of any one original cause.

#### AD Seasonal Increase

The Sum Insured in respect of Stock in Trade, where insured by this Section, is increased in each Period of Insurance:

- a during November, December and January; and
- b for a period of 15 days preceding and including and Bank Holidays (other than occurring in the period stipulated in a above) and for a period of 15 days thereafter:

by 25% or £500,000, whichever is the lower.

#### AE Third Party Storage Sites

The insurance by each item on Plant, Machinery, Trade Fixtures (and all other contents) and Stock in Trade, where insured by this Section, includes such property while it is stored at third party storage locations within United Kingdom, Channel Islands or Isle of Man.

Provided that Our maximum liability under this Extension will not exceed:

- a £5,000 in total for all claims or series of claims, arising out of any one original cause, at any one location; subject to
- b a maximum amount of £25,000 in the aggregate during any one Period of Insurance.

The cover provided by this Extension is subject to the following:

- i Cover includes theft or any attempt thereat, excluding Damage in respect of jewellery, precious stones, precious metals, bullion or furs, except where specifically stated in the Schedule as being insured;
- ii Such property not being more specifically insured.

### AF Trade Samples

Damage to Your trade samples whilst in Your control anywhere in the United Kingdom, Channel Islands, the Isle of Man or any country within in the European Economic Area, including while in transit thereto or therefrom.

Provided that Our maximum liability under this Extension in respect of any individual trade sample insured under this Extension will not exceed £500, subject to a maximum amount of £10,000 in total for all claims or series of claims, arising out of any one original cause.

The cover provided by this Extension is subject to the following:

- a Cover includes theft or any attempt thereat, excluding Damage in respect of jewellery, precious stones, precious metals, bullion or furs, except where specifically stated in the Schedule as being insured.
- b In respect of such property in transit, Conditions 1 and 2 as set out in Section 3: Goods in Transit of this Policy and the Exclusions as set out in Section 3 of this Policy, whether Section 3 is operative or otherwise. Where there is any conflict between the Exclusions as set out in Section 3 of this Policy and the Exclusions under this Section in this regard, those set out in Section 3 of this Policy will take precedence.
- c Such property not being more specifically insured.

### AG Property other than Stock in Trade in the open

The insurance by this Section is extended to include Damage to property other than Stock in Trade in the open up to a limit of £1,000 for any one claim.

### AH Outside Catering

The insurance by this Section is extended to include Damage to catering equipment and Stock in Trade caused by an insured Contingency and occurring in any building where You are providing outside catering up to a limit of £1,000 any one claim.

### AI Alternative Accommodation

Costs reasonably and necessarily incurred with Our consent by You or Your family permanently residing at Your Premises in respect of alternative accommodation whilst Your Premises are uninhabitable following Damage resulting from an insured Contingency provided that the maximum period during which payment will be made under this Extension will not exceed 24 months from the date of the Damage and Our liability will not exceed £100,000 in total for all claims or series of claims, arising out of any one original cause

## Clauses

The following Clauses apply to this Section.

### 1 Designation

For the purpose of determining where necessary the item or column heading under which any property is insured, We agree to accept the designation under which such property has been entered in Your books.

### 2 Reinstatement Basis of Settlement

In the event that any property, other than Stock in Trade insured by this Section, is subject to Damage, the basis upon which the amount payable under such items is to be calculated will be the cost of Reinstatement subject to the Provisions set out below.

“Reinstatement” means:

- A the rebuilding or replacement, of property lost or destroyed; or
- B the repair or restoration, of property damaged, in either case to a condition substantially the same as but not better or more extensive than its condition when new together with, insofar as the insurance by the item provides, due allowance for:
  - a the additional cost of Reinstatement to comply with any legislation and regulations under Acts of Parliament or public authority requirements;
  - b professional fees; and
  - c debris removal costs.

Provisions

- 1 No payment beyond the amount which would have been payable had this Clause not been operative will be made:
  - a unless the work of Reinstatement is commenced and carried out with reasonable despatch;
  - b until the cost of Reinstatement has been incurred; and

**c** unless any other insurance covering Your interest in the property at the time of Damage is on the same basis of Reinstatement as this Policy, and if no such payment is made, then Our and Your rights and liabilities will be those which would have applied had this Clause not been operative.

**2** Reinstatement may be carried out at another site and in any manner suitable to You, subject to Our liability not being increased as a result.

**3** In the event of partial Damage to Property Insured Our liability for any loss will not exceed the cost which would have been incurred had such property been totally destroyed.

**4** Notwithstanding the General Definition of Average, each item insured under this Clause is declared to be separately subject to the following Condition of Average:

If the Sum Insured on any item at the time of Damage is less than 85% of the cost of reinstating the whole of the Property Insured by such item at the time of Reinstatement, then Our liability will not exceed that proportion of the amount of the Damage which the said Sum Insured bears to the sum representing the total cost of reinstating the whole of such property at that time.

### **3 Day One (Non Adjustable)**

Where You have stated the Declared Value in respect of each item against which a Declared Value is stated in the Schedule and upon which the premium has been calculated accordingly, this Clause will apply subject to the Provisions set out below:

Declared Value means Your assessment of the cost of Reinstatement of the Property Insured arrived at in accordance with paragraph A of Clause 2 (Reinstatement Basis of Settlement) above at the level of costs applying at the Effective Date (as stated in the Schedule) of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with, insofar as the insurance by the item provides, due allowance for:

- a** the additional cost of Reinstatement to comply with any legislation and regulations under Acts of Parliament or public authority requirements;
- b** professional fees; and
- c** debris removal costs.

### **Provisions**

**1** At the inception of each Period of Insurance, You will notify Us of the Declared Value of the Property Insured by each item of Property Insured to which this Clause applies. In the absence of such declaration, the last amount declared by You will be taken as the Declared Value for the ensuing Period of Insurance.

**2** Where by reason of Provision 1 of Clause 2 above no payment is to be made beyond the amount which would have been payable if Clause 2 above had not been incorporated therein, the rights and liabilities of Us and You, in respect of Damage, will be subject to the terms, definitions, conditions, clauses, and exclusions, of the Policy, including Average as if Clause 2 above had not been incorporated, except that Our liability in respect of each item of Property Insured to which this Clause applies will not exceed its Sum Insured.

**3** For the purpose of this Clause, Provision 4 of Clause 2 above is restated as follows:  
Notwithstanding the General Definition of Average, each item insured under this Clause is declared to be separately subject to the following Condition of Average:

If the Declared Value of any item at the time of the Damage is less than the cost of reinstating the whole of the Property Insured by such item at the inception of the Period of Insurance, then Our liability will not exceed that proportion of the amount of the Damage which the Declared Value bears to the sum representing the total cost of reinstating the whole of such property at the inception of the Period of Insurance.

**4** Our liability in respect of each item of Property Insured to which this Clause applies will not exceed its Sum Insured.

### **4 Workmen**

Workmen are allowed in and about the Premises for the purpose of carrying out new works or alterations, repairs, decoration, plant installation or general maintenance, without prejudice to the terms, definitions, conditions, clauses and exclusions, of this Policy.

## 5 Reinstatement of Losses

Unless written notice to the contrary is given by either Us or You, the Sums Insured (or any other stated limit of liability) under this Section will not be reduced by the amount of any loss and You will pay the appropriate extra premium based on the amount of the loss from the date thereof to the Expiry Date of the Period of Insurance (as stated in the Schedule).

This Clause does not apply where the Sum Insured (or any other stated limit of liability) is applied as a maximum in any one Period of Insurance.

## 6 Average

Each item of Property Insured by this Section is similarly but separately subject to Average as defined in the General Definitions.

## 7 Index Linking

The Sums Insured in respect of Buildings, Tenants' Improvements, Plant, Machinery, Trade Fixtures (and all other contents), Portable Hand Tools and Electronic Business Machines, Computers and Software, Stock in Trade, Customers' Goods, and Wines and Spirits are subject to Index Linking as defined in the General Definitions.

## 8 Non-Ferrous Raw Materials

Where a Sum Insured is stated for Non-Ferrous Raw Materials in the Schedule:

- a** this will be deemed to be the Declared Value for such item, upon which the premium has been calculated accordingly and this Clause will apply subject to the Provisions set out below:

For the purposes of this Clause, Declared Value means Your assessment of the value of the Non-Ferrous Raw Materials under this Section at the Effective date (as stated in the Schedule) of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with, insofar as the insurance by the item provides, due allowance for removal costs.

Provisions

- 1** At inception of each Period of Insurance, You will notify Us of the Declared Value of the Non-Ferrous Raw Materials to which this Clause applies. In the absence of such declaration, the last amount declared by You will be taken as the Declared Value for the ensuing Period of Insurance.
- 2** Our liability in respect of Non-Ferrous Raw Materials to which this Extension applies will be limited to 125% of the Declared Value.

- 3** Clause 6 Average under this Section does not apply to this Clause.

- b i** the cover provided by Extensions N and P of this Section will also apply; but
- ii** Clause 2 (Reinstatement Basis of Settlement) will not apply, in respect of such Non-Ferrous Raw Materials.

## Conditions

The following Conditions apply to this Section.

### 1 Intruder Alarm

**This Condition is only operative if the Intruder Alarm Condition appears under Section Endorsements in the Schedule for this Section.**

The following Definitions apply to this Condition and are in addition to the General Definitions and the Section Definitions.

#### Intruder Alarm System

The component parts including the means of communication used to transmit signals.

#### Alarmed Buildings

The Buildings or those portions of the Buildings, at the Premises protected by the Intruder Alarm System.

#### Responsible Person

You or any person authorised by You to be responsible for the security of the Buildings at the Premises.

#### Keyholder

You, or any person or keyholding company authorised by You, who is available at all times to accept notification of faults or alarm signals, relating to the Intruder Alarm System, attend and allow access to the Buildings at the Premises.

It is a condition precedent to Our liability in respect of Damage caused by theft or any attempt thereat, involving entry to or exit from the Buildings at the Premises by forcible and violent means, that:

- 1** the Buildings at the Premises are protected by an Intruder Alarm System installed as agreed by Us;
- 2** the Intruder Alarm System will be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the intruder alarm installers or other installers/engineers as agreed by Us;

- 3 no alteration to or substitution of:
  - a any part of the Intruder Alarm System;
  - b the procedures agreed with Us for police or any other response to any activation of the Intruder Alarm System; or
  - c the maintenance contract,
 will be made without Our agreement;
- 4 the Alarmed Buildings will not be left without at least one Responsible Person therein without Our agreement:
  - a unless the Intruder Alarm System is set in its entirety with the means of communication used to transmit signals in full operation; or
  - b if the Police have withdrawn their response to alarm calls;
- 5 all keys to the Intruder Alarm System are removed from the Buildings at the Premises when they are left unattended;
- 6 You maintain secrecy of codes for the operation of the Intruder Alarm System and no details of same are left in the Buildings at the Premises;
- 7 You will appoint at least two Keyholders and lodge written details (which must be kept up to date) with the alarm company and/or police authorities;
- 8 in the event of notification of any activation of the Intruder Alarm System or interruption of the means of communication, during any period that the Intruder Alarm System is set, a Keyholder will:
  - a attend the Buildings at the Premises as soon as reasonably possible;
  - b inspect the Buildings at the Premises for any signs of break-in or disturbance; and
  - c subject to condition 4 of this Condition, reset the Intruder Alarm System in its entirety with the means of communication used to transmit signals in full operation; and
- 9 in the event of You receiving any notification:
  - a that police attendance in response to alarm signals/call from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed;
  - b from a local authority or magistrate imposing any requirement for abatement of nuisance; or

- c that the Intruder Alarm System cannot be returned to or maintained in full working order,  
 You will advise Us as soon as possible and in any event not later than 10.00a.m. on the next working day and comply with any subsequent requirements stipulated by Us.

## 2 Fire Extinguishing Appliances in Efficient Working Order

It is a condition precedent to Our liability that fire extinguishing appliances are to be kept in efficient working order and maintained according to manufacturers guide lines.

## 3 Electrical Inspection

It is a condition precedent to Our liability that:

- a if the electrical installation at the Premises (or Your portion of the Premises):
  - i has not been inspected and tested. in accordance with BS7671, within the five years immediately preceding the inception of this Policy then such installation is inspected and tested, as soon as reasonably possible; or
  - ii has been inspected and tested, in accordance with BS7671, within the five years immediately preceding the inception of this Policy then such installation is inspected and tested, within five years from such inspection and tests or earlier if recommended in a report for such inspection and tests.

Provided that the electrical installation must be inspected and tested, by a Competent Person or member of the National Inspection Council for Electrical Contracting (NICEIC), Electrical Contractors Association (ECA), Electrical Contractors Association of Scotland (SELECT) or National Association of Professional Inspectors and Testers (NAPIT), in full accordance with BS7671 and an Electrical Installation Condition Report (based on the model given in Appendix 6 of BS7671) is issued to and retained by You;



- b** where the Electrical Installation Condition Report, referred to in a above:
  - i** makes any observations classified under 'SECTION E. Summary' and 'SECTION F. Recommendations', respectively, as 'UNSATISFACTORY' 'Danger present' (Code C1) and/or 'Potentially dangerous' (Code C2), the defects or departures, from the requirements of BS7671, must be remedied within 28 days of such inspection and tests;
  - ii** makes any observations classified as 'further investigation required', the investigation(s) must be carried out within 28 days of such inspection and tests; and
  - iii** recommends that the electrical installation is further inspected and tested, by a given date, then such inspection and tests must be carried out by that date; and
- c** all works referred to in b above (including iii thereunder) to be carried out by a Competent Person or a member of the organisation(s) referred to in a above, in full accordance with BS7671.

For the purposes of this Condition:

- 1** "Competent Person" means:
  - a** in respect of inspection and testing:
 

a person who has sufficient technical and practical knowledge and experience to conduct the inspection and testing, of the type of electrical installation at the Premises (or Your portion of the Premises) and is able to detect any defects and determine appropriate action, as required by BS7671; and
  - b** in respect of carrying out all works referred to in b above:
 

a person who has sufficient technical and practical knowledge and experience to undertake the necessary works, to prevent danger and injury, in full accordance with BS 7671.
- 2** "installation" means installation or installations, as applicable to the Premises (or Your portion of the Premises).

#### 4 Stillage

It is a condition precedent to Our liability that all Stock in Trade be kept on wooden pallets or metal racking so that such goods are at least 100 millimetres off the floor level.

#### 5 Fork Lift Trucks Charging

It is a condition precedent to Our liability:

- a** that whilst:
  - i** fork lift trucks; or
  - ii** the batteries from fork lift trucks (if removed from such trucks), are being charged, a clear area of at least 2 metres around and above the chargers and trucks or batteries, as relevant, must be maintained and kept clear of combustible materials at all times; and
- b** that charging only takes place during Business Hours.

#### 6 Unoccupied Premises

You will notify Us immediately You become aware:

- a** that the Premises are empty; and
- b** of any loss, destruction or damage to the empty Premises, whether such loss, destruction or damage is insured or not.

It is a condition precedent to Our liability that when the Premises become empty, You must ensure that:

- a** the Premises are inspected internally at least once every 7 days, by You or on Your behalf;
- b** all trade refuse and waste materials are removed from the interior of the Premises, with no accumulation of refuse or waste being allowed in the adjoining yards or spaces owned by You;
- c** the Premises is secure, by putting all protective, locking devices and any alarm protection, in effective operation;
- d** the gas, water and electricity supplies, are turned off at the mains (except electricity needed to maintain any fire or intruder alarm systems, or water and heating systems for sprinklered Premises);
- e** any additional protections that We may require are implemented within the timescale specified by Us;
- f** all damage to the Premises is rectified immediately;
- g** letterboxes are sealed to prevent the accumulation of junk mail; and
- h** the entry door is secured to a minimum of BS3621 mortise deadlock and plate.

## 7 Roof Condition

It is a condition precedent to Our liability that any felt on timber roof or roof with a pitch of 12.5 degrees or less is subject to the following inspection periods by a competent roofing contractor and evidence of the inspection must be retained with any recommendations implemented within 28 days of the inspection.

Unless under a guarantee the roof must be inspected every 2 years and have been inspected no more than two years prior to the Policy inception. If under a guarantee then following installation the inspection is to be undertaken every 5 years and then inspected every 2 years from the end of the guarantee.

Notwithstanding any other Excess applicable under this Section, We will not be liable for the first £500 of each and every claim for Damage to Property insured under this Section caused by Contingency 8 Storm, Tempest as defined within this Section in respect of any portion of the Premises with any roof listed within this Condition.

All claims or series of claims arising out of any one original cause will be treated as one claim.

## 8 Smoking

It is a condition precedent to Our liability that You will:

- a** enforce a no smoking policy at the Premises;
- b** only allow smoking in clearly marked designated areas;
- c** provide metal containers, in the designated smoking areas, with metal lids for the safe disposal of smoking materials; and
- d** when smoking materials are removed from the designated smoking area ensure that they are kept separate from all other combustible materials and are stored in metal containers with metal lids whilst awaiting removal from the Premises.

## 9 Subsidence

It is a condition precedent to Our liability in respect of any Damage insured under this Section caused by Contingency 13, that You will notify Us immediately of any demolition, groundworks, excavation or construction, being carried out on any adjoining site and We will then have the right to vary the terms or cancel this cover.

## Excess

This Section does not cover and We will not be liable for the amount of the Section Excess stated in the Schedule being the first part of each and every claim, for Damage caused by any of the following Contingencies:

- a** Contingencies 6, 7, 8, 9, 11, 12 and 14;
- b** Contingency 10;
- c** Contingency 13.

All claims or series of claims, arising out of any one original cause, will be treated as one claim.

## Exclusions

We will not be liable under this Section for:

- 1** loss of market, loss of use, monetary devaluation or any other loss arising as an indirect consequence of the Damage (other than loss of Rent when insured as an item under this Section);
- 2** property let out on hire;
- 3** loss resulting from You voluntarily parting with title or possession, of any property if induced to do so by deception;
- 4** Damage to any part of any electrical plant or apparatus, directly caused by breakdown, leakage of electricity or excessive pressure therein, by its own short circuiting or overrunning or electrical surges or spikes in the electricity supply, but Damage to any other part of such plant or apparatus or to other Property Insured by the spread of fire therefrom, is not excluded;
- 5** showcases, automatic or vending machines or their contents, situate outside the structures at the Premises unless specifically stated in the Schedule;
- 6** loss insured by a fidelity guarantee insurance; or
- 7** any claim for which more specific insurance applies under Section 10, of this Policy.

## Optional Cover: Loss of Licence

**This Optional Cover is operative only if it appears in the Schedule.**

**The following Definitions apply to this Optional Cover and are in addition to the General Definitions and the Section Definitions.**

## Definitions

### Indemnity Period

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

- 1** upon disposal, or
- 2** 12 months from the loss of licence

whichever is the earlier.

### Gross Income

The money paid or payable to You in respect of food, drink, accommodation and services, less the cost of food and drink.

## Cover

If the licence for the sale of excisable liquors which has been granted in respect of the Premises is forfeited, suspended or withdrawn We will pay You:

- 1** the amount by which the Gross Income during the Indemnity Period falls short of the Gross Income during the equivalent period immediately before the forfeiture, suspension or withdrawal of the licence
- 2** any reasonable additional expenses incurred in maintaining the Gross Income during the Indemnity Period but not more than the loss avoided under **1** above

less any amount saved during the Indemnity Period in respect of reduced expenses due to the event.

In adjusting the amount paid all variations or special circumstances affecting the Business shall be taken into account in order that the amount paid shall represent as nearly as practicable the results which would have been expected if forfeiture, suspension or withdrawal of the licence had not occurred.

If the event occurs in the first trading year, the payment under **1** above shall be based on the trading figures immediately before the forfeiture, suspension or withdrawal of the licence.

- 3** the reduction in value of the Premises if You are unable to obtain a licence for a period of twelve months from the date of forfeiture, suspension or withdrawal of the licence and You sell the Premises
- 4** all costs and expenses incurred by You with Our written consent
- 5** auditors' or accountants' charges reasonably incurred for producing and certifying details of a claim under this Section.

## Exclusions

This Section does not cover any loss if:

- 1** You are entitled to obtain payment of compensation under any legislation or Bye-law in respect of refusal to renew the licence
- 2** alterations to the Premises requiring the consent of the licensing or other authority shall be made without that consent
- 3** the Premises are closed for any period not required by law
- 4** the Premises are not maintained in a good state of sanitary condition or repair
- 5** the direction or requirement of the licensing or other authority is not complied with
- 6** the forfeiture or refusal to renew the licence occurs wholly or partly by or through Your misconduct, procurement, connivance, neglect or omission or by any omission by You to take any step necessary to keep the licence in force
- 7 a** prior or subsequent to the refusal to renew or forfeiture of the licence the Premises are required for any public purpose;
- b** surrender or refusal to renew or forfeiture arises under or results directly or indirectly from any scheme of town or country planning improvement or redevelopment;
- c** surrender, reduction or redistribution of licences; or
- d** arising from any alteration of the law affecting the grant, surrender, refusal to renew or forfeiture of licences.

Exclusions **2** to **6** inclusive shall not apply where You or any other claimant under this Section prove to Our reasonable satisfaction that the matter was completely beyond Your or their power or control.



## Special Conditions

### 1 Limit of Liability

The maximum amount payable during any Period of Insurance is the Sum Insured stated in the Schedule plus Professional Accountants Charges.

### 2 Value Added Tax

To the extent that You are accountable to the tax authorities for Value Added Tax all terms in this Section shall be exclusive of such tax.

### 3 Alternative Trading

If during the Indemnity Period food, drink or accommodation shall be supplied or services rendered elsewhere than at the Premises for the benefit of the Business either by You or by others on Your behalf the money paid or payable in respect of such food, drink, accommodation or services shall be brought into account in arriving at the reduction in Gross Income during the Indemnity Period.

### 4 Change in Circumstances

You shall on becoming aware of any:

- a** complaint against the Business
- b** proceedings against or conviction of the licence holder, manager, tenant or occupier of the Premises for any breach of the licensing law or any other matter whatsoever where the character or reputation of the person concerned is affected or called into question with respect to his honesty, moral standing or sobriety
- c** change in the tenancy or management of the Premises
- d** transfer or proposed transfer of the licence
- e** alteration in the purpose for which the Premises are used
- f** objection to renewal or other circumstances which may endanger the licence or its renewal

immediately give notice in writing to Us and supply such additional information and give such assistance as We may reasonably require.

### 5 Transfer of Licence

In the event of Your death, bankruptcy or incapacity or desertion of the Premises or conviction for any offence (where such conviction affects the character or reputation of the convicted person with respect to their honesty, moral standing or sobriety) of the tenant, manager, occupier or licence holder You shall where practicable and at Our request procure a suitable person to replace them and one to whom the justices will transfer the licence or grant the licence by way of renewal.

### 6 Forfeiture or Refused Renewal

In the event of the licence being forfeited or refused renewal You shall:

- a** give notice in writing to Us within 48 hours of receiving knowledge of such event stating the grounds upon which the licence was forfeited or refused renewal
- b** give all such assistance as We may require for the purpose of an appeal against such forfeiture or refusal to renew and allow Us and Our solicitors full discretion in the conduct of such proceedings
- c** apply if practicable and if required by Us for the grant of such new licence for the same or alternative premises as may enable You to continue the Business in a similar or alternative form
- d** provide a statement of Your loss if any together with such documents, statements and accounts as may be reasonably required by Us to verify the same and also if required by Us make a statutory declaration as to the truth, accuracy and comprehensiveness thereof and give Us free access to the Premises and the books and accounts thereof as may be necessary for ascertaining the value of the property and the goodwill of the Business.

# Section 2: Business Interruption

## Definitions

The definitions which apply to this Section are in addition to the General Definitions.

NOTE: In relation to the Rate of Gross Profit, Standard Turnover, Standard Gross Revenue, adjustments will be made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the Business, either before or after the Damage, which would have affected the Business had the Damage not occurred, so that the adjusted figures represent as accurately as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage.

## Book Debts

The total last amount recorded by You under the provisions of Clause 5 Monthly Records 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 said last record 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 thus adjusted will represent as nearly as reasonably practicable those which would have been obtained at the date of the Damage had the Damage not occurred.

## Customers' Accounts

Your accounts of all customers who are trading with You on a credit or hire purchase basis.

## Estimated Gross Profit

The amount declared by You to Us as representing not less than the Gross Profit which it is anticipated will be earned by the Business during the financial year most nearly concurrent with the Period of Insurance (or a proportionately increased multiple thereof where the Indemnity Period exceeds 12 months).

## Estimated Gross Revenue

The amount You declare to Us as representing not less than the Gross Revenue which it is anticipated will be earned by the Business during the financial year most nearly concurrent with the Period of Insurance (or a proportionately increased multiple thereof where the Indemnity Period exceeds 12 months).

## Explosion

- a of boilers or of gas, used for domestic purposes only but excluding Damage caused by earthquake or subterranean fire; or
- b otherwise but excluding Damage caused by the bursting by steam pressure, of any vessel, machine or apparatus (not being a boiler or economiser, on the Premises), in which internal pressure is due to steam only and belonging to or under Your control.

## Gross Profit

The amount by which:

- a the sum of the Turnover and the amounts of the closing stock and work in progress will exceed
- b the sum of the amounts of the opening stock and work in progress and the amount of the Uninsured Working Expenses.

For the purpose of this Definition, the amounts of the opening and closing stocks and work in progress will be arrived at in accordance with Your usual accounting methods, due provision being made for depreciation.

## Gross Revenue

The money paid or payable to You as fees for services rendered in the course of the Business at the Premises.

## Indemnity Period

The period beginning with the occurrence of the Damage and ending when the results of the Business will cease to be affected by the Damage but not exceeding the Indemnity Period being the number of months stated in the Schedule.

## 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 Gross Revenue

The Gross Revenue during the period in the 12 months immediately before the date of the Damage which corresponds with the Indemnity Period.

## Standard Turnover

The Turnover during that period in the 12 months immediately before the date of the Damage which corresponds with the Indemnity Period.

## Turnover

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

## Uninsured Working Expenses

The sum of:

- 1 purchases (net of discounts);
- 2 bad debts;
- 3 packaging carriage and freight; and
- 4 discounts allowed.

## Cover

If Damage by:

- 1 any of the Contingencies (other than the Contingency 2); or
- 2 Subsidence, Ground Heave and Landslip (shown as Insured in the Schedule if operative); insured under Section 1: Material Damage of this Policy or by Explosion (as defined in this Section), occurs during the Period of Insurance to property used by You at the Premises for the purposes of the Business and causes interruption to or interference with the Business at the Premises or if You are unable to trace or establish Book Debts in whole or in part due to You as a result of the Your books of account or other business books or records at the Premises being subject to Damage during the Period of Insurance, then We will indemnify You for the amount of loss resulting from such interruption, interference or Damage, in accordance with the basis of cover stated in the Schedule and described below.

Provided that payment will have been made or liability admitted for the Damage under an insurance policy covering Your interest in the property or payment would have been made or liability admitted, for the Damage, but for the operation of a proviso in the insurance excluding liability for losses below a specified amount.

And provided that Our liability under this Section in total for all claims or series of claims, arising out of any one original cause, will in no case exceed:

- 1 the Estimated Gross Profit or Estimated Gross Revenue, Sum Insured (as applicable); and
- 2 the Sum Insured for Increase in Cost of Working, Additional Increased Cost of Working, Book Debts and any other item insured hereunder (as applicable), unless otherwise stated.

## Basis of Cover

### Estimated Gross Profit

The insurance in respect of Estimated Gross Profit (when shown in the Schedule if operative) is limited to loss of Gross Profit due to (a) reduction in Turnover and (b) increase in cost of working, and the amount payable as indemnity thereunder will be:

- a 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 will in consequence of the Damage fall short of the Standard Turnover; and
- b 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 charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the Damage.

### Estimated Gross Revenue

The insurance in respect of Estimated Gross Revenue (when shown in the Schedule if operative) is limited to loss of Gross Revenue due to (a) reduction in Gross Revenue and (b) increase in cost of working, and the amount payable as indemnity thereunder will be:

- a in respect of reduction in Gross Revenue: the amount by which the Gross Revenue during the Indemnity Period will in consequence of the Damage fall short of the Standard Gross Revenue; and
- b 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 Gross Revenue which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the amount of the reduction thereby avoided,

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

### Book Debts

The insurance in respect of Book Debts (when shown in the Schedule if insured) is limited to loss sustained by You directly due to the Damage and the total amount payable will not exceed:

- a** the difference between:
  - i** any Book Debts; and
  - ii** the total of the amounts received or traced in respect thereof;
- b** the additional expenditure incurred with Our previous consent in tracing and establishing customers' debit balances after the Damage.

Provided that:

- i** if the Sum Insured be less than the Book Debts the amount payable will be proportionately reduced; and
- ii** it is a condition precedent to Our liability that Your books of account or other business books or records in which Customers Accounts are shown, are kept in fire resistant cabinets when not in use.

### Additional Increased Cost of Working

The insurance in respect of additional increased cost of working (when shown in the Schedule if operative) is limited to the reasonable costs for the additional cost of working which:

- a** is necessarily and reasonably incurred due to Damage, solely to maintain the Business during the Indemnity Period; and
- b** exceeds the amount recoverable in respect of increase in cost of working stated under:
  - i** Estimated Gross Profit; or
  - ii** Estimated Gross Revenue,
 (when shown in the Schedule if insured), in Basis of Cover of this Section.

### Professional Accountants Charges

Where insurance is arranged on Estimated Gross Profit or Estimated Gross Revenue or Additional Increased Cost of Working or Book Debts, under this Section, We will also pay You (within the Sum Insured for whichever is applicable) the reasonable charges payable by You to Your professional accountants for producing any particulars or details, contained in Your books of account or other business books or documents or such other proofs, information or evidence, as may be required by Us, and for reporting that such particulars or details are in accordance with Your books of account or other business books or documents.

### Extensions

**Any cover for loss in respect of Gross Profit or Gross Revenue, as insured by this Section, resulting from interruption to or interference with the Business in consequence of Damage to property, is extended to include such loss at or in the undernoted situations and will be deemed to be loss resulting from Damage to property used by You at the Premises for the purposes of the Business:**

#### A Unspecified Suppliers

The premises of Your suppliers, manufacturers or processors of components, goods or materials (but excluding the premises of any supply undertaking from which You obtain electricity, gas, water or telecommunications services), all in the United Kingdom, the Channel Islands or the Isle of Man.

#### B Unspecified Customers

The premises of any of Your customers in the United Kingdom, the Channel Islands or the Isle of Man, provided that for the purposes of this Extension the term "customers" means those companies, organisations or individuals, with whom at the time of the Damage You have contracts or trading relationships, to supply goods or services.

#### C Storage Sites

Any premises in the United Kingdom, the Channel Islands or the Isle of Man, not owned or occupied by You, where Your property is stored.

#### D Property in Transit

Whilst in transit in the United Kingdom, the Channel Islands or the Isle of Man.

#### E Contract Sites

Any situation in the United Kingdom, the Channel Islands or the Isle of Man, where You are carrying out a contract.

**F Public Utilities**

At any:

- a** generating station or sub-station, of any public electricity supply undertaking;
- b** land based premises of any public gas supply undertaking or of any natural gas producer linked directly therewith;
- c** water works or pumping station of any public water supply undertaking; or
- d** land based premises of any public telecommunications undertaking,

from which You obtain electricity, gas, water or telecommunications services all in the United Kingdom, the Channel Islands or the Isle of Man.

**G Denial of Access**

In the vicinity of the Premises preventing or hindering access to or use of such Premises, whether Your Premises or Your property therein is subject to Damage or not, but excluding the property of any supply undertaking from which You obtain electricity, gas, water or telecommunications services.

Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, Our liability in total for all claims or series of claims, arising out of any one original cause, will not exceed:

- a** in respect of Extensions A to F:  
10% of the Estimated Gross Profit or Estimated Gross Revenue Sum Insured; or £50,000, whichever is the less,
- b** in respect of Extension G, the Estimated Gross Profit or Estimated Gross Revenue, Sum Insured.

**Any cover for loss in respect of Gross Profit or Gross Revenue, as insured by this Section, is extended to include:**

**H Cost of Document Replacement**

The legal, clerical and other charges, necessarily incurred in consequence of the Damage in the replacement or restoration of deeds and other documents (including stamps thereon), manuscripts, plans, specifications and writings of every description and books (written and printed), books of account, card indexes and other business records, including such property if and in so far as it is not otherwise insured whilst temporarily at premises not in Your occupation or whilst in transit, in each case, within the United Kingdom, the Channel Islands or the Isle of Man.

Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, Our liability under this Extension in total for all claims or series of claims, arising out of any one original cause, will not exceed £50,000.

**I National Lottery**

Loss resulting from interruption to or interference with the Business at the Premises, in consequence of an Employee or Employees terminating their employment with You as a direct result of a confirmed win during the Period of Insurance on the National Lottery in the United Kingdom.

Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy:

- a** Our liability under this Extension in total for all claims or series of claims, arising out of any one original cause, will not exceed the Estimated Gross Profit or Estimated Gross Revenue, Sum Insured; and
- b** the Indemnity Period under this Extension will not exceed 3 months.

Notwithstanding the General Definition of Employee, for the purpose of this Extension, Employee means:

Any person while working for You in connection with the Business who is under a contract of service or apprenticeship, with You.

Notwithstanding the Definition of Indemnity Period under this Section, for the purpose of this Extension, Indemnity Period means:

The period beginning with the date of the confirmed win on the National Lottery and ending when the results of the Business will cease to be affected by such win.

**J Public Emergency**

Loss resulting from interruption to or interference with the Business at the Premises in consequence of the actions or advice of a competent Public Authority, due to an emergency likely to endanger life or property, in the vicinity of the Premises, which commencing during the Period of Insurance, prevents or hinders the use of or access to the Premises, excluding:

- a** any loss during the first four hours;
- b** cover provided by Extension M L Bomb Scares;
- c** labour disputes; or
- d** any loss occurring in Northern Ireland.



Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, Our liability under this Extension in total for all claims or series of claims, arising out of any one original cause, will not exceed £50,000.

Notwithstanding the Definition of Indemnity Period under this Section, for the purpose of this Extension, Indemnity Period means:

The period beginning with the use of or access to the Premises being prevented or hindered and ending when the results of the Business will cease to be affected by such prevention or hindrance, but not exceeding the Indemnity Period being the number of months stated in the Schedule.

## K Closure

Loss resulting from interruption to or interference with the Business at the Premises in consequence of closure of any part of the Premises, commencing during the Period of Insurance, by a competent Public Authority due to defective drains or other sanitary arrangements, vermin or pests.

Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, Our liability under this Extension in total for all claims or series of claims, arising out of any one original cause, will not exceed £50,000.

Notwithstanding the Definition of Indemnity Period under this Section, for the purpose of this Extension, Indemnity Period means:

The period beginning with the closure of any part of the Premises and ending when the results of the Business will cease to be affected by such closure but not exceeding the Indemnity Period being the number of months stated in the Schedule.

## L Disease

Loss resulting from interruption of or interference with the Business at the Premises in consequence of:

- a** murder or suicide, occurring at the Premises;
- b** the occurrence of the following diseases:  
Acute Encephalitis, Acute Poliomyelitis, Anthrax, Chickenpox, Cholera, Diphtheria, Dysentery, Legionellosis, Legionnaires Disease, Leprosy, Leptospirosis, Malaria, Measles, Meningococcal Infection, Mumps, Ophthalmia Neonatorum, Paratyphoid Fever, Bubonic Plague, Rabies, Rubella, Scarlet Fever, Smallpox, Tetanus, Tuberculosis, Typhoid Fever, Viral Hepatitis, Whooping Cough or Yellow Fever, at the Premises: or

- c** poisoning directly caused by the consumption of food or drink, provided at the Premises.

Provided that:

- i** the use of the Premises is restricted on the order or advice of a competent authority commencing during the Period of Insurance; and
- ii** after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, Our liability under this Extension under each of **a** to **c** above will not exceed £50,000 in the aggregate and in any one Period of Insurance.

Notwithstanding the Definition of Indemnity Period under this Section, for the purpose of this Extension, Indemnity Period means:

The period beginning with the restriction on the use of the Premises and ending when the results of the Business will cease to be affected by such closure but not exceeding the Indemnity Period being the number of months stated in the Schedule.

## M Bomb Scares

Loss resulting from interruption to or interference with the Business at the Premises in consequence of the suspected or actual presence of an incendiary or explosive device which commencing during the Period of Insurance, prevents or hinders access to the Premises, excluding:

- a** any loss during the first four hours; or
- b** any loss occurring in Northern Ireland.

Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, Our liability under this Extension in total for all claims or series of claims, arising out of any one original cause, will not exceed £50,000.

Notwithstanding the Definition of Indemnity Period under this Section, for the purpose of this Extension, Indemnity Period means:

The period beginning with the access to the Premises being prevented or hindered and ending when the results of the Business will cease to be affected by such prevention or hindrance, but not exceeding the Indemnity Period being the number of months stated in the Schedule.

**Where any cover for loss in respect of Gross Profit or Gross Revenue, is insured by this Section, the insurance provided by this Section is extended to include:**

#### **N Essential Personnel**

Loss resulting from interruption to or interference with the Business at the Premises during the Period of Insurance in consequence of the:

- a** death of any of Your Principals; or
- b** total and permanent disablement of any of Your Principals, which prevents them from attending to their normal occupation,

occurring during the Period of Insurance due to injury caused by accidental and violent means.

We will only pay the additional costs and/or expenses that You necessarily and reasonably incur, solely in order to minimise any interruption or interference, with the Business, during the Indemnity Period, which but for such additional costs and/or expenses would have taken place.

Provided that Our liability under this Extension will not exceed £25,000 in the aggregate and in any one Period of Insurance.

For the purposes of this Extension Principals means:

Any person who is an owner, partner, company director or trustee, of the Business.

Notwithstanding the Definition of Indemnity Period under this Section, for the purpose of this Extension, Indemnity Period means:

The period beginning with occurrence of the situations described in **a** or **b** of this Extension and ending when the results of the Business will cease to be affected by such situation but not exceeding the Indemnity Period being the number of months stated in the Schedule.

#### **O Exhibition Expenses**

Your irrecoverable expenses in respect of any trade exhibition in the United Kingdom, Channel Islands or the Isle of Man, following Damage occurring during the Period of Insurance by:

- a** any of the Contingencies (other than Contingency 2) under Section 1: Material Damage of this Policy; or
- b** Explosion (as defined in this Section),
  - i** at the exhibition venue; or
  - ii** to your property for use in connection with the exhibition whilst at the Premises or whilst in transit by road, rail or inland waterway.

Provided that:

- a** in the event of the exhibition not being held (or You being unable to exhibit at all) in consequence of the Damage, the amount payable will be limited to the irrecoverable expenses that You have paid or are liable to pay, in respect of the exhibition;
- b** if the exhibition does not run (or You are unable to exhibit) for the intended period in consequence of the Damage, the amount payable will be the loss computed in accordance with provision a above, adjusted for the period that You could not exhibit, subject to Our liability under this Extension not exceeding £25,000 in the aggregate and in any one Period of Insurance.

**Any cover for loss in respect of Gross Profit or Gross Revenue, as insured by this Section, is extended to include:**

#### **P Accidental Failure of Public Supply**

Loss resulting from interruption to or interference with the Business at the premises in consequence of:

- a** Failure of Electricity;
- b** Failure of Gas;
- c** Failure of Water; or
- d** Failure of Telecommunications,

We will not be liable under this Extension:

- 1** in respect of cover which is more specifically insured under Extension F of this Section; or
- 2** for loss arising directly or indirectly from a failure:
  - i** which does not involve a cessation of supply for at least 4 consecutive hours in respect of items **a**, **b** and **c** above and 12 consecutive hours in respect of item **d** above;
  - ii** caused by the deliberate act of any supply undertaking unless by the exercise by any such undertaking of its power to withhold or restrict supply or services for the sole purpose of safeguarding life or protecting the supply undertaking's system;
  - iii** caused by strikes or any labour or trade dispute; or
  - iv** caused by atmospheric or weather conditions but this will not exclude failure due to damage to equipment caused by such conditions.

Provided that after the application of all the terms definitions, conditions, clauses, endorsements and exclusions of the Policy:

- a** the Indemnity Period under this Extension will not exceed 3 months; and
- b** Our liability under this Extension in total for all claims or series of claims, arising out of any one original cause, will not exceed £25,000.

For the purpose of this Extension:

Failure of Electricity means:

The accidental total or partial failure of the public supply of electricity at the terminal point of the supply undertaking's service to the Premises.

Failure of Gas means:

The accidental total or partial failure of the public supply of gas at the supply undertaking's meters to the Premises.

Failure of Water means:

The accidental total or partial failure of the public supply of water at the supply undertaking's main stop cock serving the Premises (other than drought).

Failure of Telecommunications means:

The accidental total or partial failure of the public supply of telecommunications services at the incoming line terminals or receivers at the Premises.

Notwithstanding the Definition of Indemnity Period under this Section, for the purposes of this Extension, Indemnity Period means:

The period beginning with the failure of the public supply and ending when the results of the Business will cease to be affected by such failure.

**Any cover for loss in respect of Gross Profit or Gross Revenue, as insured by this Section, resulting from interruption to or interference with the Business in consequence of Damage to property, is extended to include:**

#### **Q Motor Vehicles**

Such loss to motor vehicles which are Your property and used in connection with the Business, occurring in the United Kingdom, Channel Islands or Isle of Man, and will be deemed to be loss resulting from Damage to property used by You at the Premises for the purposes of the Business:

Provided that:

- a** the cover provided by this Extension does not apply to Damage occurring at any premises owned or occupied by You; and

- b** after application of all the terms, definitions, clauses, endorsements and exclusions of the Policy, Our liability in total for all claims or series of claims, arising out of any one original cause, will not exceed the Estimated Gross Profit or Estimated Gross Revenue, Sum Insured.

**Any cover for loss in respect of Gross Profit or Gross Revenue, as insured by this Section, resulting from interruption to or interference with the Business in consequence of Damage to jigs, models, templates, moulds, dies, tools, plans, drawings or designs, all Your property or held by You in trust for which You are responsible, is extended to include:**

#### **R Patterns at Third Party Premises**

Such loss at the premises of the under noted, in the United Kingdom, Channel Islands or Isle of Man which are not owned or occupied by You, and will be deemed to be loss resulting from Damage to property used by You at the Premises for the purposes of the Business:

- a** machine makers;
- b** engineers;
- c** founders; and
- d** other metal workers.

Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, Our liability in total for all claims or series of claims, arising out of any one original cause, will not exceed the Estimated Gross Profit or Estimated Gross Revenue, Sum Insured.

### **Clauses**

**The following Clauses apply to this Section.**

#### **1 Departmental**

If the Business is conducted in departments, the independent trading results of which are ascertainable, the provisions of items a and b of the Estimated Gross Profit or Estimated Gross Revenue, when insured under this Section, under Basis of Cover in this Section will apply separately to each department affected by the Damage.

#### **2 Payments on Account**

Payments on account will be made to You during the Indemnity Period if desired.



### 3 Accumulated Stocks

In adjusting any loss, account will be taken and an equitable allowance made if any shortage in Turnover (where applicable) due to the Damage, is postponed by reason of the Turnover being temporarily maintained from accumulated stocks of raw materials, work in progress or finished goods, at the Premises or elsewhere.

### 4 Standing Charges (applicable to Estimated Gross Profit)

If any of the standing charges of the Business are not insured by this Section (having been deducted in arriving at the Gross Profit as defined herein) then in computing the amount recoverable hereunder as increase in cost of working, that proportion only of any additional expenditure will be brought into account which the Gross Profit bears to the sum of the Gross Profit and the uninsured standing charges.

### 5 Monthly Records (applicable to Book Debts)

You will at the end of each month record the total amount of debit balances outstanding as set out in Customers Accounts at that date and such record will be kept at a place other than Your own premises. If the recorded amount exceeds the Sum Insured applicable at the date of such record then, for the purposes of this Clause only, You will be deemed to have recorded such Sum Insured.

### 6 Reinstatement of Losses

Unless written notice to the contrary is given by either Us or You, the Sums Insured (or any other stated limit of liability) under this Section will not be reduced by the amount of any loss and You will pay the appropriate additional premium on the amount of the loss from the date thereof to the Expiry Date of the Period of Insurance (as stated in the Schedule).

This Clause does not apply where the Sum Insured (or any other stated limit of liability) is applied as a maximum in any one Period of Insurance.

### 7 Alternative Trading

If during the Indemnity Period goods are sold or services rendered, elsewhere than at the Premises for the benefit of the Business, either by You or by others on Your behalf, the money paid or payable in respect of such sales or services will be brought into account in arriving at the Turnover (where applicable) during the Indemnity Period.

### 8 Index Linking

The Sums Insured in respect of Estimated Gross Profit or Estimated Gross Revenue and Book Debts, are subject to Index Linking.

### 9 Value Added Tax

To the extent that You are accountable to the tax authorities for Value Added Tax, all terms of this Section will be exclusive of such tax.

## Exclusions

**We will not be liable under this Section for:**

- 1 loss arising directly or indirectly from:
  - a erasure, loss, distortion or corruption, of information on computer systems or other records, programmes or software, caused deliberately by rioters, strikers, locked out workers, persons taking part in labour disturbances or civil commotion or malicious persons; or
  - b other erasure, loss, distortion or corruption, of information on computer systems or other records, programmes or software, unless resulting from any of the Contingencies 1 to 12 of Section 1: Material Damage of this Policy in so far as it is not otherwise excluded; or
- 2 loss for which more specific insurance applies under Section 10, of this Policy.

# Section 3: Goods in Transit

## Definitions

The definitions which apply to this Section are in addition to the General Definitions.

### In Transit

#### 1 In respect of Method of Conveyance A:

Whilst the Property is being loaded upon, carried by, temporarily housed upon or being unloaded from the vehicle and concluding when the Property has either been placed at the Premises or receipt acknowledged by the consignee. This will include a period of temporary garaging not exceeding 30 days during the journey.

#### 2 In respect of Method of Conveyance B:

Whilst the Property is in the custody or control of the carrier until delivered to the consignee's premises and receipt acknowledged or in the case of return transit, placed at Your Premises. This will include a period of temporary garaging not exceeding 30 days during the journey.

### Method of Conveyance

- A** Vehicles owned or operated, by You (including by such vehicles involving sea or air transits, between the territories in the Territorial Limits).
- B** Carriers other than You by means of road, rail or air freight.

### Property

Merchandise and goods (including tools), used in connection with the Business belonging to You or Your responsibility.

### Territorial Limits

The United Kingdom, the Channel Islands, the Isle of Man and the Republic of Ireland.

### Cover

In the event of Damage to Property In Transit by the Method of Conveyance stated as letter A and/or B, in the Schedule, within the Territorial Limits and occurring during the Period of Insurance, We will subject to the Limit of Liability under this Section pay You the value of such Property or the amount of the Damage at the time of such Damage or, at Our option, replace or repair such Property.

### Limit of Liability

Our liability under this Section in total for all claims or series of claims, arising out of any one original cause, at any one location and to any one load or combination of loads of Property In Transit, which will not exceed the Sums Insured.

## Extensions

In the event of Damage to Property In Transit by Method of Conveyance A for which We have admitted liability under this Section, the insurance provided by this Section extends to include:

### A Damage to Packing Materials

Damage to packing materials, pallets, protective sheeting, ropes, tarpaulins, chains and toggles, belonging to You, while being carried on the vehicle, subject to a limit of £10,000 in total for all claims or series of claims, arising out of any one original cause;

### B Transfer Costs

The additional costs necessarily incurred in transferring such Property to another vehicle and carrying to the original destination, consequent upon fire or overturning or collision of the conveying vehicle, subject to a limit of £10,000 in total for all claims or series of claims, arising out of any one original cause;

### C Reloading Costs

The additional costs necessarily incurred in:

- a** reloading such Property which has fallen from the conveying vehicle; or
- b** resecuring such Property where there is a dangerous movement of the load,

subject to a limit of £10,000 in total for all claims or series of claims, arising out of any one original cause;

### D Debris Removal Costs

The additional costs necessarily incurred in removing debris, consequent upon Damage to the Property In Transit, subject to a limit of £10,000 in total for all claims or series of claims, arising out of any one original cause;

### E Personal Effects

Damage to personal effects belonging to the driver and/or attendant, whilst carried in any vehicle which is conveying Property In Transit, up to an amount not exceeding £500 per person in total for all claims or series of claims, arising out of any one original cause;

### F Substituted Vehicles

Damage to Property In Transit arising out of the use of any vehicle substituted by You whilst Your vehicle is undergoing service or repair, up to an amount not exceeding the Sum Insured applicable to the vehicle undergoing service or repair in total for all claims or series of claims, arising out of any one original cause; and

## G Containers

Damage to containers belonging to You or leased or hired to You (or for which You are responsible).

Provided that:

- a** the container is conveyed on a vehicle properly constructed for the purpose and is adequately secured to such vehicle;
- b** the container is loaded onto and unloaded from the vehicle by taking all reasonable precautions; and
- c** Our maximum liability under this Extension will not exceed:
  - i** £10,000 in total for all claims or series of claims, arising out of any one original cause, for any one container; subject to
  - ii** a maximum amount of £25,000 in the aggregate during any one Period of Insurance.

## Clauses

The following Clauses apply to this Section.

### 1 Reinstatement (Tools) Clause

In the event of tools used by You in connection with the Business and insured by this Section being subject to Damage, the basis upon which the amount payable in respect of such property is to be calculated, will be the cost of Reinstatement subject to the Provisions set out below.

“Reinstatement” means:

- A** the replacement of property lost or destroyed; or
- B** the repair or restoration, of property damaged, in either case to a condition substantially the same as but not better or more extensive than its condition when new.

### Provisions

- 1** No payment beyond the amount which would have been payable had this Clause not been operative will be made:
  - a** unless the work of Reinstatement is commenced and carried out with reasonable despatch;
  - b** until the cost of Reinstatement has been incurred; and
  - c** unless any other insurance covering Your interest in the property at the time of Damage is on the same basis of Reinstatement as this Policy, and if no such payment is made, then the rights and liabilities of Us and You, will be those which would have applied had this Clause not been operative.

- 2** In the event of partial Damage to such property, Our liability for any loss will not exceed the cost which would have been incurred had such property been totally destroyed.

### 2 Average

Each Sum Insured by this Section is similarly but separately subject to Average, as defined in the General Definitions.

### 3 Reinstatement of Losses

Unless written notice to the contrary is given by either Us or You, the Sums Insured (or any other stated limit of liability) under this Section will not be reduced by the amount of any loss and You will pay the appropriate additional premium on the amount of the loss from the date thereof to the Expiry Date of the Period of Insurance (as stated in the Schedule).

This Clause does not apply where the Sum Insured (or any other stated limit of liability) is applied as a maximum in any one Period of Insurance.

## Conditions

The following Conditions apply to this Section.

It is a condition precedent to Our liability that:

- 1** in respect of Method of Conveyance A, that whenever the loaded vehicle is left unattended during The Periods set out below then the corresponding Security Measures stated below will apply:

The Periods	Security Measures to Apply
<b>a</b> Between the hours of 6am and 9pm	<b>1</b>
<b>b</b> Between the hours of 9pm and 6am	<b>2</b>

### Security Measure 1

All keys must be removed from the vehicle, all doors and similar openings be locked, all windows be tightly closed and any special locking devices, immobilisers or alarms fitted be in operation.

### Security Measure 2

The vehicle must be housed in a locked building or in an open vehicle enclosure which is securely locked and/or guarded under constant surveillance.

- 2** You will keep Your vehicles in a good state of repair and in efficient roadworthy condition.
- 3** in respect of Method of Conveyance B, You will obtain a receipt from the carrier for all Property sent and if requested by Us, produce it in the event of any claim.

## Excess

This Section does not cover and We will not be liable for the amount of the Excess stated in the Schedule being the first part of each and every claim, in respect of Damage arising out of any one original cause at any one location and to any one load or combination of loads of Property In Transit.

All claims or series of claims arising out of any one original cause, will be treated as one claim.

## Exclusions

**We will not be liable under this Section for Damage to any Property In Transit arising out of or attributable to:**

- 1** wear and tear, deterioration, contamination, mildew, damp, rust, corrosion, insect or vermin;
- 2** inherent vice, latent defect, action of light or atmospheric or climatic conditions;
- 3** spillage, leakage, evaporation, loss of weight or shrinkage;
- 4** mechanical and/or electrical derangement or breakdown;
- 5** electrical or magnetic injury, disturbance or erasure, of electronic records; or
- 6** breakdown of refrigeration and/or insufficient insulation, unless caused by or directly traceable to fire, lightning or collision or overturning of the conveying vehicle;
- 7** defective or inadequate packing or insufficient addressing; or
- 8** delay, confiscation, requisition, embargo or nationalisation, by or by order of the government or any public authority;

**We will also not be liable under this Section in respect of:**

- 9** explosives or other dangerous goods (the term "dangerous goods" means goods specified in the Special Classification of Dangerous Goods issued by the railway authorities or otherwise not accepted for rail transport on the grounds of their dangerous or hazardous nature);
- 10** money and other negotiable instruments of every description, securities, deeds, Bonds, bills of exchange, promissory notes, jewellery, precious stones and metals and articles made therefrom, bullion, furs and livestock;
- 11** Property carried by You for hire or reward;
- 12** Damage to Property in or on soft topped, open topped, open sided or curtain sided vehicles, caused by theft or attempted theft (unless the conveying vehicle is stolen at the same time) or storm; or
- 13** depreciation, loss of market or any other loss arising as an indirect consequence of the Damage;

**We will not be liable under this Section for:**

- 14** loss insured by a fidelity guarantee insurance; or
- 15** any claim for which more specific insurance applies under Section 10 of this Policy.

# Section 4: Loss of Business Money

## Definitions

The definitions which apply to this Section are in addition to the General Definitions.

### Money

Cash, Bank and Currency Notes, Uncrossed Cheques, Girocheques, Postal Orders or Money Orders, unused current Postage Stamps, unaffixed National Insurance Stamps, National Savings and Holidays with Pay Stamps, Trading Stamps, Luncheon Vouchers, Mobile Phone Talk Vouchers, Gift Tokens, Consumer Redemption Vouchers, Travel Tickets, validated tickets for the National Lottery and Gaming Machine Tokens, all belonging to You or for which responsibility has been accepted by You, in connection with the Business.

### Non-negotiable Currency

Crossed Cheques, Girocheques, Postal Orders, Money Orders, Bankers' Drafts, or Giro Drafts, Unexpired Units in Franking Machines, Stamped National Insurance Cards, National Savings Certificates, Premium Bonds, Credit and Debit Card Sales Vouchers and Value Added Tax Purchase Invoices, all belonging to You or for which responsibility has been accepted by You, in connection with the Business.

### Situations

#### a Transit/Contract Sites

In transit in Your custody or any authorised person acting on Your behalf or by registered post or at any of Your contract sites while the Employees are working at such sites.

#### b Bank Night Safe

In a bank night safe.

#### c Premises During Business Hours

In an enclosed building at the Premises during Business Hours (not in an automated teller machine).

#### d Premises Outside Business Hours In Safe

In a locked safe (as agreed with Us) in an enclosed building in the Business portion at the Premises outside Business Hours.

#### e Premises Outside Business Hours Not In Safe

Not in a locked safe or automated teller machine, in an enclosed building at the Premises outside Business Hours.

#### f Travellers/Collectors

In the custody of travellers and collectors, for a maximum period of 24 hours but not in private dwellings.

#### g Private Dwellings

In Your private dwelling or that of any of Your partners or any of Your directors or any Employee if authorised by You.

## Cover

We will indemnify You for Damage, by any cause not excluded, to Money and Non-negotiable Currency, in any of the Situations occurring during the Period of Insurance.

Provided that Our liability under this Section in total for all claims or series of claims, arising out of any one original cause, will in no case exceed in respect of:

- 1 Money, the Maximum Amounts stated in the Schedule against each Situation; and
- 2 Non-negotiable Currency, the Maximum Amount stated in the Schedule for Non-negotiable Currency.

## Extensions

The insurance provided by this Section extends to include the following:

### A Damage to Safes

Damage to:

- a any safe, strongroom or franking machine; and
- b any container or waistcoat, whilst being used for carrying Money,

resulting from theft or attempted theft of Money, up to an amount not exceeding the cost of repair or replacement.

### B Damage to Personal Effects

Damage to clothing and personal effects (including money), belonging to You or any of Your partners or any of Your directors or any Employee, resulting from theft or attempted theft of Money, up to an amount not exceeding £1,000 for any one person in total for all claims or series of claims, arising out of any one original cause.



## C Credit Cards

We will indemnify You for any amount for which You become liable under the terms of issue of any bank charge, credit, debit or cash card, used only in connection with the Business following fraudulent use by any unauthorised person. Our liability will not exceed £500 for the total of all claims under this Extension during any one Period of Insurance.

Provided You report the loss to the issuing company immediately and to the police within 24 hours of discovering the loss and has complied with the conditions of issue of the card.

## Clause

The following Clause applies to this Section.

### Reinstatement of Losses

Unless written notice to the contrary is given by either Us or You, the Maximum Amounts stated in the Schedule (or any other stated limit of liability) under this Section, will not be reduced by the amount of any loss and You will pay the appropriate additional premium on the amount of the loss from the date of the loss to the Expiry Date of the Period of Insurance (as stated in the Schedule).

This Clause does not apply where the Maximum Amount stated in the Schedule (or any other stated limit of liability) is applied as a maximum in any one Period of Insurance.

## Conditions

The following Conditions apply to this Section.

It is a condition precedent to Our liability that:

### 1 Money Records

A complete record of all Money and Non-negotiable Currency, on the Premises, must be kept in a secure place other than in any safe or other receptacle, containing the Money or Non-negotiable Currency.

### 2 Safe Keys

Safe keys be removed from the Premises outside Business Hours.

### 3 Safes

Details of the safes used for containing Money must be lodged with Us by You.

### 4 Cash Tills

It is a condition precedent to Our liability that after Business Hours all cash tills must have their drawers left open with all contents deposited in a secure place not in the vicinity of the cash tills.

## 5 Transit Limits

Money (other than Non-negotiable Currency) in transit must be accompanied by the following numbers of responsible persons

Amount of Money in transit at any one time	Accompaniment requirement
Up to and including £3,000	1 person
Over £3,000 up to and including £6,000	2 persons
Over £6,000 up to and including £12,000	3 persons
Over £12,000	Approved security company

## 6 Intruder Alarm

Also applicable to this Section is Condition 1 as set out in Section 1: Material Damage of this Policy, if such Condition is operative under Section 1, for the Premises concerned.

## 7 Money in Automated Teller Machines

It is a condition precedent to Our Liability under this policy in respect of any premises containing an ATM machine(s) that:

- a the ATM(s) is secured to the floor by a minimum of four resin anchor bolts (minimum 12mm diameter to a minimum depth of 150mm) into a substantial concrete base of not less than 170mm thick;
- b the ATM(s) units are emptied at the end of each working day and the money within transferred to a suitably graded safe for the amount of cash involved or else deposited within a bank night safe. Such transfer to be carried out whilst the premises are locked and all customers excluded with at least two able bodied employees present during the transfer;
- c the ATM(s) door and security container within must be left open, empty and unlocked outside of Business Hours;
- d whenever the ATM(s) is opened the premises must be locked, all customers excluded and there must be at least two able bodied employees present; and
- e notices must be prominently displayed within the premises stating that the ATM(s) hold no cash outside working hours.

## Exclusions

### We will not be liable under this Section for Damage:

- 1 arising from fraud or dishonesty of any of Your partners or any of Your directors or any Employee, if not discovered within 14 working days of the occurrence of the Damage;
- 2 insured by a fidelity guarantee insurance;
- 3 from unattended motor vehicles;
- 4 arising from the use of any form of payment which proves to be counterfeit, false, fraudulent, invalid, uncollectible or irrecoverable, for any reason;
- 5 occurring outside the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland; or
- 6 due to errors, omissions, depreciation in value, loss of market or indirect loss of any kind.

# Section 5: Personal Accident (Assault)

## Definitions

The definitions which apply to this Section are in addition to the General Definitions.

### Injury

Accidental bodily injury caused solely and directly by violence occurring during theft or attempted theft of Money or Non-negotiable Currency, defined in Section 4: Loss of Business Money of this Policy, at any of the Situations described in Section 4 of this Policy or of other property from the Premises during Business Hours.

### Insured Person

You or any of Your partners or any of Your directors or any Employee, aged not less than 16 years or more than 75 years.

### Contingencies

- 1 Death (which will not be presumed by the disappearance of the Insured Person);
- 2 Loss of Limbs or Sight;
- 3 Permanent Total Disablement;
- 4 Temporary Total Disablement;
- 5 Temporary Partial Disablement; and
- 6 Medical Expenses.

### Loss of Limbs

Physical separation of one or more hands or feet or permanent and total loss of use of one or more hands or feet.

### Loss of Sight

Total and irrecoverable loss of sight in one or both eyes.

### Permanent Total Disablement

A disablement which permanently and continuously disables the Insured Person totally and absolutely from attending to their usual occupation, not being disablement following Loss of Limbs or Loss of Sight.

### Temporary Total Disablement

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

### Temporary Partial Disablement

A disablement which prevents the Insured Person from engaging in or giving attention to a substantial part of their usual occupation.

## Medical Expenses

The cost of medical, surgical or other remedial attention, treatment or appliances, given or prescribed by a qualified member of the medical profession and all hospital nursing home and ambulance charges.

## Cover

In the event of Injury to any Insured Person during the Period of Insurance whilst engaged in their occupation in the Business, which within 24 months is the sole cause of any of the Contingencies detailed above, We will pay under this Section the Benefits stated in the Schedule (unless otherwise stated in this Section), to You or Your legal representative.

## Extension

The insurance provided by this Section extends to include the following:

### Victim Support

If as a result of the theft or attempt thereof of Money or other non-negotiable Currency, at any of the situations under Section 4: Loss of Business Money of this Policy or of other property from the Premises during Business Hours, the Insured Person will suffer social and/or emotional impairment following assault or violence, or threat thereof, We will pay the fees for professional counselling but not exceeding:

- a any hourly cost of more than £40;
- b £1,000 for any Insured Person in total for all claims or series of claims, arising out of any one original cause; and
- c £5,000 in total for all Insured Persons and in total for all claims or series of claims, arising out of any one original cause.

## Conditions

The following Conditions apply to this Section.

- 1 The following Benefit limitations apply:
  - a No further Benefit will be payable to the same Insured Person after payment of any Benefit for Injury under Contingencies 2 or 3.
  - b Benefit under Contingency 3 is not payable before 104 weeks from the date of Injury or following a payment of Benefit under Contingency 2.
  - c Any Benefit paid under Contingency 4 will be deducted from any Benefit thereafter becoming payable under Contingencies 1, 2 or 3.

- d** Benefit under Contingencies 4 or 5 or any combination thereof:

  - i** is payable for a maximum of 104 weeks from the date of commencement of the first of these Contingencies to occur.
  - ii** will be payable when the total amount has been agreed by Us or at Your request at intervals of not less than four weeks (but not in advance) commencing four weeks after receipt by Us of written notice of the Injury for which the Benefit is to be paid by Us.
- e** Benefit under Contingency 5 is payable at a rate of 25% of the amount payable as Benefit under Contingency 4.
- f** Benefit under Contingency 6 will be reimbursement up to a sum of £1,000.
- 2** In the event of death of an Insured Person, We will be entitled to have a post mortem examination at Our expense.
- 3** In the event of disablement of an Insured Person, the Insured Person must immediately place himself under the care of a qualified medical practitioner and, as often as may be required, submit to medical examination at Our expense.
- 4** All certificates, information and evidence, required by Us, will be furnished at Your expense under this Section and will be in such form and of such nature as We will prescribe.

## Exclusion

We will not be liable under this Section in respect of any death or disablement attributable to or accelerated by any pre-existing physical or mental condition.

# Section 6: Employers Liability

## Definitions

The definitions which apply to this Section are in addition to the General Definitions.

### Bodily Injury

Bodily injury which includes death, disease or illness.

### Business

For the purpose of this Section only, the General Definition of Business is extended to include:

- a** the ownership, repair, maintenance and decoration of the Premises;
- b** private work undertaken by any Employee for You, or with Your consent, for any of Your directors or any of Your partners or any other Employee; and
- c** the provision and management of canteen, sports, social and welfare organisations, for the benefit of Employees and fire, security, first aid, medical and ambulance services.
- d** participation in trade shows or exhibitions

### Indemnity Limit

Our liability (inclusive of interest thereon and all costs and expenses) under this Section payable in respect of any one Occurrence or in the aggregate in respect of a series of Occurrences arising out of any one original cause, will not exceed the Indemnity Limit stated in the Schedule.

### Occurrence

Bodily Injury caused to any Employee anywhere within the Territorial Limits during the Period of Insurance and arising out of and in the course of employment or engagement, of such person by You in the Business.

### Territorial Limits

The United Kingdom, the Channel Islands and the Isle of Man.

## Cover

We will, subject to the Indemnity Limit, indemnify You under this Section against:

- 1 a** all sums which You become legally liable to pay as damages (including interest thereon); and
- b** claimants' costs and expenses, if You are ordered to pay them or paid with Our written consent, in respect of an Occurrence;
- 2** all costs and expenses, incurred by You with Our written consent in defending any claim under this Section; and

- 3** the solicitor's fees incurred with Our written consent for representation at proceedings in any court of summary jurisdiction in respect of any alleged act causing or relating to any Occurrence which may be the subject of indemnity under this Section or at any coroner's inquest or fatal accident inquiry.

## Extensions

The insurance provided by this Section is extended to include the following:

### A Court Attendance Costs

In the event of any of the undernoted persons attending court as a witness at Our request in connection with a claim in respect of which You are entitled to indemnity under this Section, We will pay compensation to You at the following rates per day for each day on which attendance is required:

- a** for You or any of Your directors or any of Your partners £500;
- b** any Employee £250.

### B Health and Safety at Work etc. Act 1974

We will indemnify You and, at Your request, any of Your directors or any of Your partners or any Employee, against legal costs and expenses, incurred in defending prosecutions for a breach of the Health and Safety at Work etc. Act 1974 or similar legislation in Northern Ireland, the Channel Islands or the Isle of Man or the Construction (Design and Management) Regulations 1994 or any similar health and safety legislation, committed or alleged to have been committed in the course of the Business during the Period of Insurance.

We will also pay the prosecution costs You are legally liable to pay and any other costs in appealing against any judgment given.

Provided that:

- a** this indemnity will not apply to:
  - i** the payment of any costs or expenses incurred without Our written consent; or
  - ii** the payment of fines or penalties;
- b** the prosecution relates to the health, safety and welfare of Employee(s);
- c** proceedings arise from an incident which relates to a claim or potential claim under this Section.



### C Indemnity to Principals

We will, at Your request, indemnify any principal to the extent required by a contract between You and the principal, in respect of legal liability arising from the performance of work by You for such principal.

Provided that:

- a** We will retain sole conduct and control of any claim; and
- b** the principal will observe, fulfil and be subject to the terms, definitions, conditions, clauses and exclusions, of this Policy, in so far as they can apply.

### D Indemnity to Others

You also includes:

- a** Your personal representatives in the event of Your death, but only in respect of legal liability incurred by You; and
- b** if at Your request:
  - i** any of Your directors or any of Your partners or Employee, while acting in connection with the Business, provided that You would have been entitled to indemnity under this Section if the claim had been made against You ; and
  - ii** any officer or member, of the Your canteen, sports, social or welfare organisations and fire, security, first aid, medical and ambulance services, in his/her respective capacity as such.

Provided that such persons will observe, fulfil and be subject to the terms, definitions, conditions, clauses and exclusions, of this Policy, in so far as they can apply.

### E Unsatisfied Court Judgments

In the event of a judgment for damages being obtained by any Employee or the personal representatives of any Employee, in respect of Bodily Injury caused to the Employee during any Period of Insurance and occurring in connection with the Business against any person or company, operating from premises within the Territorial Limits in any court situated in the Territorial Limits and remaining unsatisfied in whole or in part six months after the date of such judgment, We will, at Your request, pay to the Employee or the personal representatives of the Employee the amount of such damages and any awarded costs, to the extent that they remain unsatisfied.

Provided that:

- a** there is no appeal outstanding; and
- b** if any payment is made under the terms of this Extension, the Employee or the personal representatives of the Employee, will assign the judgment to Us.

### F Work Overseas

The indemnity provided under this Section is extended to apply in respect of legal liability for Bodily Injury caused to an Employee whilst temporarily engaged in work outside the Territorial Limits in connection with the Business provided that such Employee is ordinarily resident within the Territorial Limits.

### G Corporate Manslaughter and Corporate Homicide Act 2007

We will indemnify You against legal costs and expenses, incurred with Our prior written consent, in defence of any criminal proceedings (including any appeal against conviction arising from such proceedings) brought in respect of a charge, or investigations in connection with a charge, of corporate manslaughter or corporate homicide, under the Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Isle of Man or the Channel Islands, committed or alleged to be committed in the course of the Business during the Period of Insurance.

Provided that:

- a** Our liability under this Extension will be limited to a maximum amount of £1,000,000 in the aggregate and in any one Period of Insurance;
- b** this Extension will only apply to proceedings brought in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands;
- c** We must consent to the appointment of any solicitor or counsel, acting on Your behalf;
- d** You must immediately notify Us of receipt of any summons or other process, served upon You, which may give rise to proceedings arising from the cover under this Extension; and
- e** before We consent to fund any appeal, advice must have been received from Counsel that there is a strong probability that the appeal will be successful. Any information in support of this assertion requested by Us will be supplied by You.

It is understood that We will have no liability under this Extension:

- i if You have committed any deliberate or intentional criminal act that gives rise to a charge of corporate manslaughter or corporate homicide;
- ii for any fines or penalties, of any kind; or
- iii where You can obtain indemnity for the costs of defending a criminal proceeding in relation to corporate manslaughter or corporate homicide, from any other source or insurance or where but for the existence of this Extension You would have obtained indemnity from any other source or insurance.

embarkation onto a conveyance at the point of final departure to such rig or platform and continue until the time of disembarkation from a conveyance onto land on return from such offshore rig or platform.

## H Cross Liabilities

Where You comprise more than one party, We will treat each party as if a separate Policy had been issued to each, provided that nothing in this Extension will increase Our liability beyond the amount for which We would have been liable had this Extension not applied.

## Conditions

The following Conditions apply to this Section.

### 1 Right of Recovery

The indemnity provided by this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of legal liability to Employees within the Territorial Limits but You will repay to Us all sums paid by Us which We would not have been liable to pay but for the provisions of such law.

### 2 Certificate of Employers Liability Insurance

If this Policy or Section is cancelled, any Certificate of Employers Liability Insurance will be similarly cancelled from the same date.

## Exclusions

**We will not be liable under this Section in respect of Bodily Injury:**

- 1 caused to any Employee (other than the driver) being carried in or upon a motor vehicle or entering or getting onto or alighting from a motor vehicle, where such Bodily Injury is caused by or arises out of the use by You of a motor vehicle on a road. For the purpose of this Exclusion the expressions “motor vehicle”, “use” and “road”, will have the same meanings as they are used in Section VI of the Road Traffic Act 1988; or
- 2 arising in connection with any visits to or work on, any offshore rig or platform. A visit to or work on, any offshore rig or platform, will be deemed to commence at the time of

# Section 7: Public Liability

## Definitions

The definitions which apply to this Section are in addition to the General Definitions.

### Asbestos

Asbestos, asbestos fibres or any derivatives of asbestos.

### Bodily Injury

Bodily injury which includes death, disease or illness.

### Business

For the purpose of this Section only, the General Definition of Business is extended to include:

- a** the ownership, repair, maintenance and decoration of the Premises;
- b** private work undertaken by any Employee for You or, with Your consent, for any of Your directors or any of Your partners or any other Employee; and
- c** the provision and management of canteen, sports, social and welfare organisations, for the benefit of Employees and fire, security, first aid, medical and ambulance services.
- d** participation in trade shows or exhibitions

### Craft

Any vessel or craft or thing, made or intended to float on or in or travel through water, air or space.

### Indemnity Limit

Our liability under this Section for all damages (including interest thereon) payable in respect of any one Occurrence or in the aggregate in respect of a series of Occurrences arising out of any one original cause, will not exceed the Indemnity Limit stated in the Schedule.

### Occurrences

- 1** accidental Bodily Injury to any person;
- 2** Damage to Property;
- 3** accidental obstruction, trespass, nuisance or interference with any easement of air, light, water or way; or
- 4** wrongful arrest, detention, imprisonment or eviction of any person, malicious prosecution or invasion of the right of privacy,

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

### Pollution or Contamination

- a** All pollution or contamination of buildings or other structures or of water or land or the atmosphere; and

- b** all Damage or Bodily Injury, directly or indirectly caused by such pollution or contamination.

### Products Supplied

Any goods (including their containers, packaging, labelling and instructions for use) manufactured, sold, supplied, hired out, repaired, renovated, serviced, altered, erected, installed or treated, by You or on Your behalf, in connection with the Business and no longer in Your charge or control.

### Property

Physical property.

### Territorial Limits

The United Kingdom, the Channel Islands and the Isle of Man.

### Cover

We will, subject to the Indemnity Limit, indemnify You under this Section against:

- 1 a** all sums which You will become legally liable to pay as damages (including interest thereon); and
- b** claimants' costs and expenses, if You are ordered to pay them or paid with Our written consent, in respect of the Occurrences;
- 2** all costs and expenses, incurred by You with Our written consent in defending any claim under this Section; and
- 3** the solicitor's fees incurred with Our written consent for representation at proceedings in any court of summary jurisdiction in respect of any alleged act causing or relating to any Occurrence which may be the subject of indemnity under this Section or at any coroner's inquest or fatal accident inquiry.

### Extensions

The insurance provided by this Section is extended to include the following:

#### A Court Attendance Costs

In the event of any of the undernoted persons attending court as a witness at Our request in connection with a claim in respect of which You are entitled to indemnity under this Section, We will pay compensation to You at the following rates per day for each day on which attendance is required:

- a** You or any of Your directors or any of Your partners £500;
- b** any Employee £250.

**B Health and Safety at Work etc. Act 1974**

We will indemnify You and, at Your request, any of Your directors or any of Your partners or any Employee, against legal costs and expenses, incurred in defending prosecutions for a breach of the Health and Safety at Work etc. Act 1974 or similar legislation in Northern Ireland, the Channel Islands or the Isle of Man or the Construction (Design and Management) Regulations 1994 or any similar health and safety legislation, committed or alleged to have been committed in the course of the Business during the Period of Insurance.

We will also pay the prosecution costs You are legally liable to pay and any other costs in appealing against any judgment given.

Provided that:

- a** this indemnity will not apply to:
  - i** the payment of any costs or expenses incurred without Our written consent; or
  - ii** the payment of fines or penalties;
- b** the prosecution relates to the health safety and welfare of any person other than an Employee;
- c** proceedings arise from an incident which relates to a claim or potential claim under this Section.

**C Cross Liabilities**

Where You comprise more than one party, We will treat each party as if a separate Policy had been issued to each provided that nothing in this Extension will increase Our liability beyond the amount for which We would have been liable had this Extension not applied.

**D Member to Member Liability**

The indemnity provided by this Section is extended to indemnify any member of Your sports or social organisations, in respect of legal liability for accidental Bodily Injury or Damage to Property, sustained by fellow members of such organisations while engaged in the activities of such organisations.

**E Indemnity to Principals**

We will, at Your request, indemnify any principal to the extent required by a contract between You and the principal, in respect of legal liability arising from the performance of work by You for such principal.

Provided that:

- a** We will retain sole conduct and control of any claim; and

- b** the principal will observe, fulfil and be subject to the terms, definitions, conditions, clauses and exclusions, of this Policy, in so far as they can apply.

**F Indemnity to Others**

You also includes:

- a** Your personal representatives in the event of Your death, but only in respect of legal liability incurred by You; and
- b** if You request:
  - i** any of Your directors or any of Your partners or any Employee, while acting in connection with the Business, provided that You would have been entitled to indemnity under this Section if the claim had been made against You; and
  - ii** any officer or member, of Your canteen, sports, social or welfare organisations and fire, security, first aid, medical and ambulance services, in his/her respective capacity as such.

Provided that such persons observe, fulfil and be subject to the terms, definitions, conditions, clauses and exclusions, of this Policy, in so far as they can apply.

**G Leased or Rented Premises**

Exclusion 4 of this Section will not apply to legal liability for Damage to any premises (including their fixtures and fittings) leased, rented or hired, to You. Provided that the indemnity provided by this Section will not apply to Damage by any cause against which the lease or tenancy agreement stipulates that insurance will be effected by the lessee or tenant.

**H Defective Premises Act 1972**

The indemnity provided by this Section is extended to indemnify You under this Section in respect of legal liability incurred by You under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975, in connection with any business premises or land, disposed of by You.

Provided that this Extension will not apply to:

- a** the cost of rectifying any damage or defect, in the premises or land disposed of; or
- b** legal liability for which You are entitled to indemnity under any other policy.

**I Overseas Personal Liability**

The indemnity provided by this Section is extended to indemnify You and, at Your request, any of Your directors or any of Your partners or any Employee, or any family member accompanying them, while temporarily outside

the Territorial Limits in connection with the Business against legal liability as provided by this Section incurred in a personal capacity.

Provided that this indemnity will not apply:

- a** to legal liability arising out of the ownership or tenure of any land or building; or
- b** where indemnity is provided by any other insurance.

## **J Work Overseas**

The indemnity provided under this Section is extended to apply:

- a** within any member country of the European Union outside of the Territorial Limits where any person is temporarily engaged on Your Business; and
- b** elsewhere in the world where any person is temporarily engaged in non-manual work in connection with Your Business.

## **K Motor Contingent Liability**

Notwithstanding Exclusion 5 under this Section, the indemnity provided by this Section extends to indemnify You against legal liability arising out of the use in the course of the Business of any motor vehicle which is not the property of, nor provided by, You.

Provided that this indemnity will not apply:

- a** for loss, destruction or damage, to such vehicle or any property contained therein;
- b** whilst such vehicle is being driven by You;
- c** whilst such vehicle is being driven with Your consent by any person who does not hold a licence to drive such vehicle;
- d** for legal liability for which You are entitled to indemnity under any other insurance; or
- e** for legal liability arising outside the Territorial Limits.

## **L Corporate Manslaughter and Corporate Homicide Act 2007**

We will indemnify You against legal costs and expenses, incurred with Our prior written consent, in defence of any criminal proceedings (including any appeal against conviction arising from such proceedings) brought in respect of a charge, or investigations in connection with a charge, of corporate manslaughter or corporate homicide, under the Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Isle of Man or the Channel Islands, committed or alleged to be committed in the course of the Business during the Period of Insurance.

Provided that:

- a** Our liability under this Extension will be limited to a maximum amount of £1,000,000 in the aggregate and in any one Period of Insurance;
- b** this Extension will only apply to proceedings brought in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands;
- c** We must consent to the appointment of any solicitor or counsel, acting on Your behalf;
- d** You must immediately notify Us of receipt of any summons or other process, served upon You, which may give rise to proceedings arising from the cover under this Extension; and
- e** before We consent to fund any appeal, advice must have been received from Counsel that there is a strong probability that the appeal will be successful. Any information in support of this assertion requested by Us will be supplied by You.

It is understood that We will have no liability under this Extension:

- i** if You have committed any deliberate or intentional criminal act that gives rise to a charge of corporate manslaughter or corporate homicide;
- ii** for any fines or penalties, of any kind; or
- iii** where You can obtain indemnity for the costs of defending a criminal proceeding in relation to corporate manslaughter or corporate homicide, from any other source or insurance or where but for the existence of this Extension You would have obtained indemnity from any other source or insurance.

## **M Data Protection Legislation 2018**

We will indemnify You against any compensation claim in respect of material or non-material damage where such damage occurs during the Period of Insurance and happens in connection with the Business, provided that You:

- a** have complied in all respects with Your obligations under the Data Protection (Charges and Information) Regulations 2018;
- b** are not in business as a computer bureau; and
- c** were acting as a sole and independent controller in respect of the matter giving rise to the compensation claim.

Our liability under this Extension (including all compensation, costs and expenses) will be limited to a maximum amount of £1,000,000 in the aggregate and in any one Period of Insurance.



Provided that this indemnity will not apply to:

- i any material or non-material damage caused by any deliberate act or omission, by You, where such material or non-material damage could reasonably have been expected by You having regard to the nature and circumstances of such act or omission;
- ii any material or non-material damage caused by any act of fraud or dishonesty;
- iii the costs and expenses of rectifying, rewriting or erasing data (including personal 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 by You of any regulatory fines or penalties;
- vi any material or non-material damage caused by:
  - a any deliberate, reckless or negligent act of any of Your Employees; or
  - b any failure by an Employee to act in accordance with Your internal policies, procedures and guidelines; or
- vii where You are covered by any other insurance.

For the purposes of this Extension:

- i “GDPR” means:  
The retained EU law version of the General Data Protection Regulation (EU) 2016/679.
- ii “compensation claim” means:  
Any sums which You become legally liable to pay as compensation to any data subject under and in accordance with Article 82 of the UK GDPR, or any equivalent legislation in the Isle of Man or the Channel Islands, or any similar or successor legislation, including the Data Protection Act 2018 (as may be amended from time to time).
- iii “controller” will have the meaning given to it in Article 4(7) of the UK GDPR.
- iv “material or non-material damage” will be interpreted in accordance with Article 82 of the UK GDPR.

## Conditions

The following Conditions apply to this Section.

### 1 Costs Inclusive in U.S.A. and Canada

Where indemnity is provided under this Section for liability in respect of Occurrences in the United States of America or Canada or their dependencies or trust territories, the

Indemnity Limit stated in the Schedule will be the maximum amount payable by Us under this Section inclusive of all costs and expenses.

### 2 Use of Heat

It is a condition precedent to Our liability that the undernoted precautions must be complied with whenever the following equipment is used anywhere other than at Your Premises.

#### a Blow Lamps or Blow Torches

- i The area in which the blow lamps or blow torches is to be used is cleared of loose combustible material.
- ii Lighted blow lamps or blow torches are continuously attended and extinguished immediately after use.
- iii Blow lamps and blow torches are filled only in the open.
- iv A fire extinguisher, as deemed necessary in accordance with Your fire risk assessment or, where such assessment is not required by legislation, a suitable fire extinguisher appropriate for the work being undertaken, is kept available for immediate use within close proximity of the area in which the equipment is to be used.
- v A thorough examination is made in and about the area in which the work using the equipment has been undertaken, immediately after each period of work and again between 30 and 60 minutes after termination of such work for the day.

#### b Welding or Flame Cutting Equipment

- i The area in which the welding or flame cutting equipment is to be used is cleared of loose combustible material.
- ii Other combustible material, including floors in the area in which the welding or flame cutting equipment is to be used, is covered with overlapping sheets of incombustible material.
- iii Lighted welding or flame cutting equipment is continuously attended and extinguished immediately after use.
- iv Before applying heat to metal work built into or projecting through walls, partitions, ceilings or floors, examination is made to ensure that the other side of the metal work is not in hazardous proximity to combustible material which may be ignited by direct or conducted heat.
- v A fire extinguisher, as deemed necessary in

accordance with Your fire risk assessment or, where such assessment is not required by legislation, a suitable fire extinguisher appropriate for the work being undertaken, is kept available for immediate use within close proximity of the area in which the equipment is to be used.

- vi A thorough examination is made in and about the area in which the work using the welding or flame cutting equipment has been undertaken, including behind walls, partitions, ceilings or floors, immediately after each period of work and again between 30 and 60 minutes after termination of such work for the day.

#### **c Vessels for Heating of Bitumen or Bituminous Compounds**

- i Vessels for Heating of Bitumen or Bituminous Compounds are continuously attended and used only in the open whilst heating is taking place.
- ii If used on a roof or within a building such vessels will be placed on a flat surface of non-combustible material.

### **Excesses**

We will not be liable for the first amount of each and every claim under this Section in respect of the following Damage occurring elsewhere than at the Premises:

- A** Damage to Property other than as described in paragraphs **B** and **C** below;
  - B** Damage to Property arising out of the application of heat or the heating of bitumen or similar bituminous compounds; or
  - C** Damage to underground pipes or cables,
- shown as Excesses **A**, **B** and **C** respectively in the Schedule.

All claims or series of claims, arising out of any one original cause, will be treated as one claim.

### **Exclusions**

**We will not be liable under this Section in respect of:**

- 1** the cost of replacing or making good faulty, defective or incorrect:
  - a** workmanship; or
  - b** Products Supplied;
- 2** legal liability arising from advice, design, formula or specification, provided by You or on Your behalf for a fee or in circumstances where a fee would normally be charged;
- 3** legal liability for Bodily Injury caused to any Employee

arising out of and in the course of such person's employment or engagement, by You in the Business;

- 4** legal liability for Damage to Property belonging to You or in Your charge or under Your control, but this Exclusion will not apply to Your directors', Your partners', Your Employees' or visitors' Property or any premises (including contents) which are temporarily occupied by You for the purpose of work in connection with the Business (not being buildings which are owned by or leased, rented or hired to You);
- 5** legal liability caused by or arising from the ownership, possession or use by or on behalf of You of any:
  - a** Craft other than hand propelled watercraft; or
  - b** mechanically propelled vehicle (or trailer attached thereto) licensed for road use, other than legal liability caused by or arising from:
    - i** the use of plant as a tool of trade on site or at Premises;
    - ii** the loading or unloading of such vehicle; or
    - iii** the movement of any such vehicle not Your property which is interfering with the performance of the Business,

but this indemnity will not apply if, in respect of such liability, compulsory insurance or security is required under any legislation governing the use of the vehicle;

- 6** legal liability arising out of Products Supplied other than:
  - a** food or drink, sold or supplied for consumption by Your directors, partners, Employees or visitors; or
  - b** the disposal of furniture and office equipment, originally intended solely for use by You in connection with the Business and which is no longer required for that purpose;
- 7** liquidated damages, fines or penalties;
- 8** punitive, exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages;
- 9** legal liability in respect of Pollution or Contamination, other than that caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during any one Period of Insurance provided that:
  - a** all Pollution or Contamination, which arises out of any one original cause, will be deemed to have occurred at the time such original cause takes place;

- b** Our liability under this Section for all damages (including interest thereon) payable in respect of all Pollution or Contamination, which is deemed to have occurred during any one Period of Insurance, will not exceed in the aggregate the amount of the Indemnity Limit stated in the Schedule; and
  - c** this Exclusion does not apply to the United States of America and/or Canada and/or their dependencies or trust territories;
- 10** legal liability in respect of Pollution or Contamination, occurring in the United States of America and/or Canada and/or their dependencies or trust territories;
- 11** legal liability arising in connection with any visits to or work on, any offshore rig or platform. A visit to or work on, any offshore rig or platform, will be deemed to commence at the time of embarkation onto a conveyance at the point of final departure to such rig or platform and continue until the time of disembarkation from a conveyance onto land on return from such offshore rig or platform;
- 12**
  - a** exposure to;
  - b** inhalation of;
  - c** fears of the consequences of exposure to or inhalation of; or
  - d** the costs incurred by anyone in repairing, removing, replacing, recalling, rectifying, reinstating or managing (including those of any persons under any statutory duty to manage) any property arising out of the presence of,  
Asbestos including any product containing Asbestos; or
- 13** legal liability assumed by You under agreement which would not have attached in the absence of such agreement.

# Section 8: Products Liability

## Definitions

The definitions which apply to this Section are in addition to the General Definitions.

### Asbestos

Asbestos, asbestos fibres or any derivatives of asbestos.

### Bodily Injury

Bodily injury which includes death, disease or illness.

### Business

For the purpose of this Section only, the General Definition of Business is extended to include:

- a the ownership, repair, maintenance and decoration of the Premises;
- b private work undertaken by any Employee for You or, with Your consent, for any of Your directors or any of Your partners or any other Employee; and
- c the provision and management of canteen, sports, social and welfare organisations, for the benefit of Employees and fire, security, first aid, medical and ambulance services.
- d participation in trade shows or exhibitions

### Indemnity Limit

Our liability under this Section for all damages (including interest thereon) payable in respect of all Occurrences in the aggregate during any one Period of Insurance will not exceed the Indemnity Limit stated in the Schedule.

### Occurrences

- 1 accidental Bodily Injury to any person; or
- 2 Damage to Property,

occurring anywhere in the world during the Period of Insurance and caused by any Products Supplied in or from the United Kingdom, the Channel Islands or the Isle of Man.

### Pollution or Contamination

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

### Products Supplied

Any goods (including their containers, packaging, labelling and instructions for use) manufactured, sold, supplied, hired out, repaired, renovated, serviced, altered, erected, installed or treated, by or on Your behalf, in connection with the Business and no longer in Your charge or control.

## Property

Physical property.

## Cover

We will, subject to the Indemnity Limit, indemnify You under this Section against:

- 1 a all sums which You will become legally liable to pay as damages (including interest thereon); and
  - b claimants' costs and expenses, if You are ordered to pay them or paid with Our written consent, in respect of the Occurrences;
- 2 all costs and expenses, incurred by You with Our written consent in defending any claim under this Section; and
- 3 the solicitor's fees incurred with Our written consent for representation at proceedings in any court of summary jurisdiction in respect of any alleged act causing or relating to any Occurrence which may be the subject of indemnity under this Section or at any coroner's inquest or fatal accident inquiry.

## Extensions

The insurance provided by this Section is extended to include the following:

### A Court Attendance Costs

In the event of any of the undernoted persons attending court as a witness at Our request in connection with a claim in respect of which You are entitled to indemnity under this Section, We will pay compensation to You at the following rates per day for each day on which attendance is required:

- a You or any of Your directors or any of Your partners £500;
- b any Employee £250.

### B Health and Safety at Work etc. Act 1974

We will indemnify You and, at Your request, any of Your directors or any of Your partners or any Employee, against legal costs and expenses, incurred in defending prosecutions for a breach of the Health and Safety at Work etc. Act 1974 or similar legislation in Northern Ireland, the Channel Islands or the Isle of Man or the Construction (Design and Management) Regulations 1994 or any similar health and safety legislation, committed or alleged to have been committed in the course of the Business during the Period of Insurance.

We will also pay prosecution costs for which You are legally liable and any costs incurred with Our written consent, in appealing against any judgment given.

Provided that:

- a** this indemnity will not apply to:
  - i** the payment of any costs or expenses incurred without Our written consent; or
  - ii** the payment of fines or penalties;
- b** the prosecution relates to the health safety and welfare of any person other than an Employee;
- c** proceedings arise from an incident which relates to a claim or potential claim under this Section.

### C Consumer Protection and Food Safety Acts

We will indemnify You and, at Your request, any of Your directors or any of Your partners or any Employee, against legal costs and expenses, incurred with Our written consent in connection with the defence of any proceedings or an appeal against conviction arising from such proceedings, brought for a breach of:

- a** Part 2 of the Consumer Protection Act 1987; or
- b** Section(s) 7, 8, 14 and/or 15 of the Food Safety Act 1990, committed or alleged to have been committed in the course of the Business during the Period of Insurance.

Provided that this indemnity will not apply to:

- i** the payment of fines or penalties;
- ii** proceedings or appeals in respect of any deliberate act or omission by You or any of Your directors or any of Your partners or any Employee; or
- iii** costs or expenses, insured by any other policy of insurance.

### D Cross Liabilities

Where You comprise more than one party, We will treat each party as You as if a separate Policy had been issued to each provided that nothing in this Extension will increase Our liability beyond the amount for which We would have been liable had this Extension not applied.

### E Indemnity to Others

You also includes:

- a** Your personal representatives in the event of Your death, but only in respect of legal liability incurred by You; and
- b** if You so request:
  - i** any of Your directors or any of Your partners or any Employee, while acting in connection with the Business, provided that You would have been entitled to indemnity under this Section if the claim had been made against You; and

- ii** any officer or member, of Your canteen, sports, social or welfare organisations and fire, security, first aid, medical and ambulance services, in his/her respective capacity as such.

Provided that such persons observe, fulfil and be subject to the terms, definitions, conditions, clauses and exclusions, of this Policy, in so far as they can apply.

### F Corporate Manslaughter and Corporate Homicide Act 2007

We will indemnify You against legal costs and expenses, incurred with Our prior written consent, in defence of any criminal proceedings (including any appeal against conviction arising from such proceedings) brought in respect of a charge, or investigations in connection with a charge, of corporate manslaughter or corporate homicide, under the Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Isle of Man or the Channel Islands, committed or alleged to be committed in the course of the Business during the Period of Insurance.

Provided that:

- a** Our liability under this Extension will be limited to a maximum amount of £1,000,000 in the aggregate and in any one Period of Insurance;
- b** this Extension will only apply to proceedings brought in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands;
- c** We must consent to the appointment of any solicitor or counsel, acting on Your behalf;
- d** You will immediately notify Us of receipt of any summons or other process, served upon You, which may give rise to proceedings arising from the cover under this Extension; and
- e** before We consent to fund any appeal, advice must have been received from Counsel that there is a strong probability that the appeal will be successful. Any information in support of this assertion requested by Us will be supplied by You.

It is understood that We will have no liability under this Extension:

- i** if You have committed any deliberate or intentional criminal act that gives rise to a charge of corporate manslaughter or corporate homicide;
- ii** for any fines or penalties, of any kind; or
- iii** where You can obtain indemnity for the costs of defending a criminal proceeding in relation to



corporate manslaughter or corporate homicide, from any other source or insurance or where but for the existence of this Extension You would have obtained indemnity from any other source or insurance.

## G Vendor's Liability

If You so request, We will indemnify any legal personality (hereinafter referred to as "Vendor") but only in connection with the sale or distribution of any Products Supplied in the course of the Vendor's business and only in so far as is necessary to meet the terms of any agreement between You and the Vendor.

Provided that:

- a** this Extension will not apply to liability caused by or arising from:
  - i** any alteration, treatment or preparation, made by the Vendor to any Products Supplied;
  - ii** labelling, packing or repacking, by the Vendor of any Products Supplied other than repacking into the original packing;
  - iii** any failure by the Vendor to maintain any Products Supplied in a merchantable quality;
  - iv** any advice or express warranty, given by the Vendor other than in accordance with the instructions given by You;
  - v** any distribution or sale, for a purpose unauthorised by You; or
  - vi** the fault or negligence of the Vendor;
- b** the Vendor is not a subsidiary or parent company of Yours;
- c** the Vendor will observe, fulfil and be subject to the terms, definitions, conditions, clauses and exclusions, of this Policy, in so far as they can apply;
- d** nothing in this Extension will increase Our liability beyond the amount for which We would have been liable had this Extension not applied; and
- e** the Vendor is not a person, company or organisation, operating within the United States of America and/or Canada and/or their dependencies or trust territories.

## H Data Protection Legislation 2018

We will indemnify You against any compensation claim in respect of material or non-material damage where such damage occurs during the Period of Insurance and happens in connection with the Business, provided that You:

- a** have complied in all respects with Your obligations

under the Data Protection (Charges and Information) Regulations 2018;

- b** are not in business as a computer bureau; and
- c** were acting as a sole and independent controller in respect of the matter giving rise to the compensation claim.

Our liability under this Extension (including all compensation, costs and expenses) will be limited to a maximum amount of £1,000,000 in the aggregate and in any one Period of Insurance.

Provided that this indemnity will not apply to:

- i** any material or non-material damage caused by any deliberate act or omission, by You, where such material or non-material damage could reasonably have been expected by You having regard to the nature and circumstances of such act or omission;
- ii** any material or non-material damage caused by any act of fraud or dishonesty;
- iii** the costs and expenses of rectifying, rewriting or erasing data (including personal 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 by You of any regulatory fines or penalties;
- vi** any material or non-material damage caused by:
  - a** any deliberate, reckless or negligent act of any of Your Employees; or
  - b** any failure by an Employee to act in accordance with Your internal policies, procedures and guidelines; or
- vii** where You are covered by any other insurance.

For the purposes of this Extension:

- i** "GDPR" means:  
The retained EU law version of the General Data Protection Regulation (EU) 2016/679.
- ii** "compensation claim" means:  
Any sums which You become legally liable to pay as compensation to any data subject under and in accordance with Article 82 of the UK GDPR, or any equivalent legislation in the Isle of Man or the Channel Islands, or any similar or successor legislation, including the Data Protection Act 2018 (as may be amended from time to time).

- iii “controller” will have the meaning given to it in Article 4(7) of the UK GDPR.
- iv “material or non-material damage” will be interpreted in accordance with Article 82 of the UK GDPR.

## Condition

The following Condition applies to this Section.

### Costs Inclusive in U.S.A. and Canada

Where indemnity is provided under this Section for liability in respect of Occurrences in the United States of America or Canada or their dependencies or trust territories, the Indemnity Limit stated in the Schedule will be the maximum amount payable by Us under this Section inclusive of all costs and expenses.

## Exclusions

We will not be liable under this Section in respect of:

- 1 Damage to or the cost of repair, alteration, replacement, removal or recall of any Products Supplied, which give rise to a claim hereunder or any refund for such Products Supplied;
- 2 legal liability arising from advice, design, formula or specification, provided by You or on Your behalf for a fee or in circumstances where a fee would normally be charged;
- 3 legal liability for Bodily Injury caused to any Employee arising out of and in the course of such person's employment or engagement, by You in the Business;
- 4 legal liability caused by or arising from Property in Your charge or control;
- 5 Products Supplied which to Your knowledge are to be used as a critical part in connection with the flying or navigation of any aircraft, spacecraft, rocket, missile or satellite;
- 6 liquidated damages, fines or penalties;
- 7 punitive, exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages;
- 8 legal liability in respect of Pollution or Contamination, other than that caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during any one Period of Insurance provided that:
  - a all Pollution or Contamination, which arises out of any one original cause, will be deemed to have occurred at the time such original cause takes place; and
  - b this Exclusion does not apply to the United States of America and/or Canada and/or their dependencies or trust territories;
- 9 legal liability in respect of Pollution or Contamination, occurring in the United States of America and/or Canada and/or their dependencies or trust territories;
- 10 Products Supplied which, to Your knowledge are exported to the United States of America and/or Canada and/or their dependencies or trust territories, unless otherwise agreed by Us;
- 11
  - a exposure to;
  - b inhalation of;
  - c fears of the consequences of exposure to or inhalation of; or
  - d the costs incurred by anyone in repairing, removing, replacing, recalling, rectifying, reinstating or managing (including those of any persons under any statutory duty to manage) any property arising out of the presence of, Asbestos including any product containing Asbestos; or
- 12 legal liability assumed by You under agreement (other than under any condition or warranty of goods, implied by law) unless such liability would have attached in the absence of such agreement.

# Section 9: Specified All Risks

## Definitions

The definitions which apply to this Section are in addition to the General Definitions.

### Geographical Limit A

Anywhere in the United Kingdom, the Channel Islands and the Isle of Man.

### Geographical Limit B

Europe which means anywhere in the United Kingdom, the Channel Islands, the Isle of Man and the countries of the European Union.

### Geographical Limit C

Worldwide which means anywhere in the world.

### Property Insured

The machinery and/or apparatus stated in Section 9: Specified All Risks in the Schedule being Your property or property for which You are responsible.

## Cover

In the event of Damage by any cause (not otherwise excluded under this Policy) to any of the Property Insured in connection with the Business, occurring within the Geographical Limits stated in the Schedule during the Period of Insurance, We will pay to You, the value of such Property Insured or the amount of the Damage at the time of such Damage or, at Our option, reinstate or replace such property.

Provided that:

- a** Our liability under this Section in total for all claims or series of claims, arising out of any one original cause, will not exceed the Sum Insured for each item (or any other stated limit of liability); and
- b** unless otherwise stated, the Sum Insured (or any other stated limit of liability) applies in the aggregate to any property collectively described by each item under this Section.

## Extensions

- 1** In respect of any vending machine described in the Schedule, the insurance provided by this Section extends to include the contents (other than cash) of such machine provided that:
  - a** Damage to such contents occurs at the same time as Damage to the machine itself; and
  - b** Our liability under this Extension in total for all claims or series of claims, arising out of any one original cause, will not exceed £100.

- 2** Also applicable to this Section are Extensions **B, H, I, K** and **L**, as set out in Section 1: Material Damage of this Policy, whether Section 1 is operative or otherwise.

## Clauses

The following Clauses apply to this Section.

### 1 Average

Each item of property insured under this Section is similarly but separately subject to Average, as defined in the General Definitions.

### 2 Section 1: Material Damage Clauses

Also applicable to this Section are Clauses 2 and 5, as set out in Section 1: Material Damage of this Policy, whether Section 1 is operative or otherwise.

## Conditions

The following Conditions apply to this Section.

### 1 Intruder Alarm

Also applicable to this Section is Condition 1 as set out in Section 1: Material Damage of this Policy, if such Condition is operative under Section 1, for the Premises concerned.

### 2 Property in Transit

The cover provided by this Section in respect of the Property Insured in transit (whilst in Your control), is subject to:

- a** Conditions 1 and 2, as set out in Section 3: Goods in Transit of this Policy and the Exclusions as set out in Section 3, whether Section 3 is operative or otherwise. Where there is any conflict between the Exclusions as set out in Section 3 of this Policy and the Exclusions under this Section in this regard, those set out in Section 3 of this Policy will take precedence.
- b** such property not being more specifically insured.

## Excess

This Section does not cover and We will not be liable for the amount of the Excess stated in the Schedule being the first part of each and every claim.

All claims or series of claims, arising out of any one original cause, will be treated as one claim.

## Exclusions

### We will not be liable under this Section in respect of:

- 1 Damage to the Property Insured caused by or consisting of:
  - a inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, its own faulty or defective design or materials;
  - b faulty or defective workmanship, operational error or omission, on Your part or the part of any Employee; or
  - c the bursting by steam pressure, of a boiler (not being a boiler used for domestic purposes only), economiser or other vessel, machine or apparatus, in which internal pressure is due to steam only and belonging to or under Your control,

but this will not exclude subsequent Damage which results from a cause not otherwise excluded;

- 2 Damage to the Property Insured caused by or consisting of:
  - a corrosion, rust, wet or dry rot, shrinkage, evaporation, leakage, loss of weight, dampness, contamination, fermentation, dryness, marring, scratching, vermin or insects; or
  - b change in temperature, colour, flavour, texture or finish, or action of light.

Damage to the Property Insured consisting of:

- c joint leakage, failure of welds, cracking, fracturing, collapse or overheating, of boilers, economisers, superheaters, pressure vessels, or any range of steam and feed piping in connection therewith; or
- d mechanical or electrical breakdown or derangement in respect of the particular machines, apparatus or equipment, in which such breakdown or derangement originates,

but this will not exclude:

- i such Damage not otherwise excluded which itself results from any of the Contingencies 1-12 (inclusive) within Section 1 of this Policy or from any other Damage not otherwise excluded from this Policy; or
- ii subsequent Damage which itself results from a cause not otherwise excluded by this Policy (unless more specifically insured);

- 3 Damage to the Property Insured caused by or consisting of:
  - a theft or any attempt thereat;
    - i from the Premises unless involving entry to or exit from the structures at the Premises by forcible and violent means but not;
      - a from any structure which is incapable of being locked; or
      - b property in the open unless agreed otherwise by Us;
    - ii other than from the Premises between the hours of 9pm and 6am unless the Property Insured is in Your personal custody or that of any of Your partners or any of Your directors or any Employee or in a securely locked or occupied building; or
    - iii from any building which is Vacant or Disused;
  - b subsidence, ground heave or landslip unless resulting from fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe;
  - c normal settlement or bedding down of new structures;
  - d acts of fraud or dishonesty;
  - e disappearance, unexplained or inventory shortage, misfiling or misplacing of information; or
  - f electrical or magnetic injury, disturbance or erasure, of electronic records other than by lightning;
- 4 Damage in respect of movable property in the open or in open-sided structures, fences and gates, caused by wind, rain, hail, sleet, snow, flood or dust;
- 5 Damage to the Property Insured:
  - a caused by fire resulting from its undergoing any heating process or any process involving the application of heat; or
  - b (other than by fire or explosion) resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing, adjustment or repair;
- 6 Damage to the Property Insured:
  - a caused by freezing;
  - b caused by escape of water from any tank, apparatus or pipe or escape of oil from any fixed oil-fired heating installation; or
  - c caused (other than by fire or explosion) by malicious persons or vandals;

in any building which is Vacant or Disused;

- 7 Damage occasioned by delay, embargo, nationalisation, confiscation, requisition, seizure or destruction, by or by order of the government or any public authority;
- 8 loss of market, loss of use, monetary devaluation or any other indirect loss arising as a consequence of the Damage;
- 9 Damage to any part of any electrical plant or apparatus, directly caused by breakdown, leakage of electricity or excessive pressure therein, by its own short circuiting or overrunning or electrical surges or spikes in the electricity supply but Damage to any other part of such plant or apparatus or to other Property Insured by the spread of fire therefrom, is not excluded;
- 10 property let out on hire;
- 11 loss resulting from You voluntarily parting with title or possession, of any property if induced to do so by deception;
- 12 loss insured by a fidelity guarantee insurance; or
- 13 any claim for which more specific insurance applies under any of Section 10, of this Policy.

# Section 10: Engineering

**This Section automatically applies when Section 1: Material Damage is Insured**

## Definitions

**The definitions which apply to this Section are in addition to the General Definitions.**

### Accident

Means:

- a** electrical or mechanical Breakdown, including rupture or bursting caused by centrifugal force;
- b** artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;
- c** Explosion or Collapse of Covered Equipment operating under steam or other fluid pressure owned or leased by You, or operated under Your control;
- d** any condition or event (not otherwise excluded), occurring inside equipment operating under steam or other fluid pressure;
- e** any condition or event (not otherwise excluded), occurring inside hot water boilers or other water heating equipment and their associated oil or water storage tanks; or
- f** Damage caused by or due to operator error that results in the overloading of Covered Equipment.

### Biomass and Biogas Installations

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

### Breakdown

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

### Collapse

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

### Computer Equipment

- a** electronic, computer or other data processing equipment;
- b** peripherals used in conjunction with **a**; or
- c** software and programs licensed to You and installed on **a** above

### Covered Equipment

Equipment, owned by You or for which You are responsible, built to operate under vacuum or pressure, other than weight of contents, or used for the generation, transmission or utilisation of energy.

Excluding:

- a** any supporting structure, foundation, masonry, brickwork, cabinet, compartment or air supported structure or building;
- b** any insulating or refractory material;
- c** any sewer piping, underground vessels or piping, or piping forming a part of a sprinkler system;
- d** any water piping other than, boiler feedwater piping, boiler condensate return piping, hot water heating and supply piping or water piping forming a part of a refrigerating or air conditioning system;
- e** any wind generator sets, photo voltaic or solar electricity generating equipment of greater than 75Kw;
- f** any vehicle, aircraft, floating vessel, or any equipment mounted on such vehicle, aircraft or floating vessel (other than vehicle recovery cranes or equipment);
- g** mobile plant and equipment;
- h** dragline, excavation or construction equipment;
- i** equipment manufactured by You for sale;
- j** tools, dies, cutting edges, crushing surfaces, trailing cables, non metallic linings, driving belts or bands or any part requiring periodic renewal;
- k** any electronic equipment, other than Computer Equipment, that is used for research, diagnostic, treatment, experimental or other medical or scientific purposes;
- l** any Production or Process Equipment;



- m** domestic laundry, kitchen, audio visual and home entertainment equipment, when such equipment is used in private living quarters;
- n** cinema projection and sound equipment;
- o** any Biomass or Biogas Installation; and
- p** any Hydroelectric Installation.

### Cyber Event

- a** a failure of electronic equipment to correctly recognise, process or store any data;
- b** a hostile, malicious, illegal or transgressive act committed through electronic systems or, including but not limited to:
  - i** a virus (a program, code, programming instruction or any set of instructions, intended to damage, interfere with or have a negative effect on computer programs, data or operations);
  - ii** hacking (unauthorised access to any computer or other electronic equipment);
  - iii** a denial of service attack (any actions or instructions intended to damage, interfere with or affect the availability or performance of networks, network services, network connectivity or telecommunication systems).

### Electronic Derangement

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

Electronic Derangement does not include:

- i** the rebooting, reloading or updating of software or firmware;
- ii** the incompatibility of Covered Equipment with any software or equipment installed, introduced or networked, within the previous 30 days;
- iii** the Covered Equipment being of insufficient size, specification or capacity;
- iv** malfunction resulting from causes excluded under Exclusion 2 below.

### Explosion

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

### Hazardous Substance

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

### Hydroelectric Installations

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

### Media

All forms of electronic, magnetic and optical tapes and discs, for use in any electronic computer or electronic data processing equipment.

### Perishable Goods

Any perishable good which it is normal practice to place into a refrigeration unit for purposes of preservation.

### Production or Process Equipment

Any machine or apparatus which takes in, processes, forms, cuts, shapes, grinds or conveys:

- a** raw materials;
- b** materials undergoing a process; or
- c** the finished product,

including any equipment forming a part of the dedicated, power supply, driving or controlling mechanism, for such machine or apparatus.

### Cover

In the event of Damage at the Premises to Covered Equipment resulting from an Accident and occurring during the Period of Insurance, We will pay to You the value of such Covered Equipment or the amount of the Damage at the time of such Damage or, at Our option, reinstate or replace such Covered Equipment.

Provided that Our liability under this Section will not exceed £3,000,000 in total for all claims or series of claims, arising out of any one original Accident.

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

## Extensions

The insurance provided by this Section is extended to include the following:

These Extensions do not increase the maximum amount payable in respect any one original Accident as specified under Cover in this Section.

### 1 Hazardous Substances

As a result of an Accident We will cover You for the additional cost to repair or replace Covered Equipment because of contamination by a Hazardous Substance including any additional expenses incurred to clean up or dispose of such equipment.

The amount payable under this Extension will not exceed £25,000 in total for all claims or series of claims, arising out of any one original Accident.

### 2 Computer Equipment, Reinstatement of Data and Increased Costs of Working

**A** We will be liable under this Extension for Damage caused by or resulting from an Accident to Computer Equipment.

The amount payable under this Extension **2A** will not exceed £250,000 in total for all claims or series of claims, arising out of any one original Accident in respect of Damage to Computer Equipment.

**B** In addition, unless otherwise excluded, We will be liable for costs incurred in reinstating data lost or damaged as a consequence of Damage caused by an Accident to Covered Equipment.

Provided that:

- a i** Our liability is limited to the cost of reinstating data onto Media; and
- ii** The amount payable under this Extension **2B** will not exceed £25,000 in total for all claims or series of claims, arising out of any one original Accident, in respect of such costs;

**b** We will not be liable for Damage to software; or

**c** We will not be liable under this Extension for costs more specifically described in **C** below.

**C** In addition, unless otherwise excluded, We will pay reasonable costs necessarily incurred in minimising or preventing the resulting interruption or interference to Your computer operations.

The amount payable under this Extension **2C** will not exceed £25,000 in total for all claims or series of claims, arising out of any one original Accident, in respect of such additional costs.

### 3 Business Interruption

We will cover You for any loss as described under Section 2: Business Interruption of this Policy if stated as insured in the Schedule resulting from Damage caused by an Accident to Covered Equipment, other than in respect of any loss resulting from Extension 10 of this Section.

The amount payable under this Extension will not exceed £30,000 in the aggregate during any one Period of Insurance.

### 4 Public Authorities/Law or Ordinance

If Damage caused by an Accident to Covered Equipment results in Damage to a Building as defined in and insured under Section 1: Material Damage of this Policy, and the costs of reinstatement are increased by enforcement of any public authority, ordinance in force or law in force, at the time of the Damage to such Building, that regulates the construction or repair of buildings, or establishes zoning or land use requirements, We will be liable for the following additional costs to comply with such Public Authority, ordinance or law:

- a** Your actual expenditure for the cost to demolish and clear the site of undamaged parts;
- b** Your actual expenditure for increased costs to repair, rebuild or construct such Building. If such Building is repaired or rebuilt, it must be intended for similar use or occupancy as the current Building, unless otherwise required by Public Authority, zoning or land use, ordinance or law;
- c** loss as described under Section 2: Business Interruption of this Policy as a result of **a** or **b** above.

We will not be liable for:

- i** any fine;
- ii** any liability to a third party;
- iii** any increase in loss due to a Hazardous Substance other than as specifically insured under Extension 1 of this Section; or
- iv** increased construction costs until such Building is actually repaired or replaced.

### 5 Expediting Expenses

In respect of Damage to Covered Equipment or Computer Equipment, We will be liable for the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement.

The amount payable under this Extension will not exceed £20,000 in total for all claims or series of claims arising out of any one original Accident.

## 6 Hire of Substitute Item

If Covered Equipment is subject to Damage as a result of an Accident, We will also indemnify You against the cost of hire charges actually incurred by You during the Period of Insurance for the necessary hire of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item subject to Damage.

The amount payable under this Extension will not exceed £5,000 in total for all claims or series of claims arising out of any one original Accident.

## 7 Storage Tanks and Loss of Contents

Damage at the Premises to oil storage tanks or water tanks (other than sprinkler system tanks) including connected pipework belonging to You or for which You are responsible, caused by an Accident.

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

- a leakage discharge or overflow from the oil storage tanks caused by or resulting from an Accident; and
- b contamination of the contents of the oil storage tanks caused by or resulting from an Accident;

including cleaning costs incurred as a result of such loss.

The amount payable under this Extension will not exceed £7,500 in total for all claims or series of claims arising out of any one original Accident.

## 8 Loss Avoidance Measures

We will cover the reasonable costs necessarily incurred by You to take exceptional measures to prevent or mitigate impending Damage to Covered Equipment or Computer Equipment, caused by an Accident.

Provided that:

- a Damage would reasonably be expected if such measures were not implemented;
- b We are satisfied that Damage has been avoided or mitigated by means of the exceptional measures;
- c the terms, definitions, conditions, clauses, and exclusions of this Policy apply as if Damage had occurred; and
- d if Damage had occurred it would have resulted in a claim that would have been insured under this Section.

The amount payable under this Extension will not exceed the cost of Damage which would have otherwise occurred subject to a maximum amount of £5,000 in total for all claims or series of claims arising out of any one original Accident.

## 9 Perishable Goods

We will cover You for Damage to Perishable Goods owned by You in any refrigeration unit owned by You due to change in temperature caused by an Accident or failure of the electricity supply.

We will not cover Damage caused:

- a by the deliberate act of any electricity supply undertaking in terminating, disconnecting, restricting or withholding the supply of electricity;
- b by neglect or misuse;
- c by wear and tear or, deterioration of the refrigeration unit or other gradually operating cause; or
- d as a result of incorrect setting of the thermostats or automatic controlling devices.

The amount payable under this Extension will not exceed:

- a £15,000 in respect of frozen or chilled foods; and
- b £5,000 in respect of any other Perishable Goods, in total for all claims or series of claims arising out of any one original Accident.

Provided that We will not be liable for 20% of any amount that would otherwise have been payable where the refrigeration unit is over 10 years old.

## 10 Damage To Own Surrounding Property

We will be liable for Damage to property belonging to You or in Your custody or control and for which You are responsible, directly resulting from Explosion or Collapse of any steam boiler, steam generator, economiser, superheater, steam pipework or steam vessel.

The amount payable under this Extension will not exceed £1,000,000 in total for all claims or series of claims arising out of any one original cause.

## 11 Debris Removal

In respect of each claim for Damage for which liability is accepted under this Section, We will cover the costs incurred in the removal of debris and protection of the Covered Equipment and Computer Equipment, not exceeding:

- a £25,000; or
- b 20% of the amount payable for such Damage, whichever is the lower, in total for all claims or series of claims, arising out of the original cause.

## Conditions

The following Conditions apply to this Section.

### 1 Back Up Records

You must back up original data at least every 7 days.

You must take precautions to make sure that all data is stored safely.

If You fail to keep to this condition, We may still pay a claim if You can show that formal procedures are in place to keep to this Condition and that the failure was an accidental oversight or as a result of circumstances beyond Your control.

### 2 General Conditions, Claims Conditions or General Conditions

Where there is any conflict between the General Definitions, General Conditions, Claims Conditions or General Exclusions, of this Policy, and the terms, definitions, conditions, clauses and exclusions, under this Section, the interpretation under this Section will take precedence.

## Excess

This Section does not cover and We will not be liable for the first £200 of each and every claim.

All claims or series of claims, arising out of any one original cause, will be treated as one claim.

## Exclusions

We will not be liable under this Section for:

- 1 Damage caused by or resulting from:
  - a a hydrostatic, pneumatic, or gas pressure test, of any boiler or pressure vessel;
  - b an insulation breakdown test of any type of electrical equipment;
  - c depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions, unless such Damage results from an Accident; or
  - d solidification, biological activity or spontaneous chemical reaction, in the contents of tanks or materials being processed therein;
- 2 loss or damage of any kind caused by a Cyber Event;
- 3 Damage to data or Media caused by or resulting from:
  - a programming error or programming limitation;
  - b loss of data other than for the reinstatement of data lost or damaged, as provided for under Extension 2B;
  - c loss of access;

d loss of use; or

e loss of functionality;

- 4 Damage recoverable under any maintenance agreement or any warranty or guarantee, or which would be recoverable but for breach of Your obligations under any such agreement, warranty or guarantee; or
- 5 any costs incurred due to a delay in resuming operations resulting from the need to reconstruct or re-input data or programs on Media where You have not fully complied with Condition 1 Back Up Records.

# Section 11: Fidelity Guarantee

## Definitions

The definitions which apply to this Section are in addition to the General Definitions.

### Employee

Notwithstanding the General Definition of Employee, for the purpose of this Section Employee means:

Any person while working for You in connection with the Business who is under a contract of service or apprenticeship with You.

### Improper Financial Gain

Improper financial gain which will not include the payment of or increase in salaries, bonuses, fees, promotions, rewards, pensions or other employee benefits.

### Specific Event

All thefts insured by this Section and committed by any one Employee or series of Employees working in collusion with each other.

## Cover

We will, subject to the Limit of Indemnity, indemnify You in the event of theft of money or other property, Your property or held by You in trust for which You are responsible, arising solely and directly from any act of fraud or dishonesty, by any Employee.

Provided that such event:

- 1 occurs during the Period of Insurance;
- 2 is intended to make Improper Financial Gain for the Employee or for any other party or organisation;
- 3 arises during the uninterrupted employment of such Employee by You;
- 4 is discovered within the period of 12 calendar months of such event; and
- 5 occurs in the United Kingdom, the Channel Islands or the Isle of Man.

## Conditions

The following Conditions apply to this Section.

It is a condition precedent to Our liability that:

### 1 Auditors

Your accounts must be examined by external auditors at least every 12 months.

### 2 Cash Receipts

Employees receiving cash and cheques, in the course of their duties, must be required to remit all monies received to You and/or bank in full all monies received, on the date of receipt or on the next banking day.

### 3 Reconciliation

Independently of Employees required by You to administer bank statements, receipts, counterfoils and supporting documentation, all such items must be checked at least monthly against the cash book entries and the balance tested with cash and unrepresented cheques.

### 4 Cheque Signing

All manually prepared cheques drawn for more than £25,000 will require two manually applied signatures, being Yours and/or any Employee authorised by You, to be added after the amount has been inserted and supporting documentation examined and signed by such parties.

In respect of computer or machine prepared cheques drawn for more than £25,000, at least one manually applied signature, being Yours or an Employee authorised by You, must be added after the cheque has been printed and supporting documentation examined and signed by such party.

Your bank or building society must be advised of the above signatory requirements.

All signed documentation pertaining to any issued cheque must be retained by You for inspection.

### 5 Cash and Petty Cash

Cash in hand and petty cash will be checked independently of Employees responsible for such cash at least monthly and additionally without warning every six months.

### 6 Investment Control

Dual control will be exercised over all investments with investment documents designed to ensure that no one person can be authorised to complete a transaction from beginning to end.

You must instruct Your bank or building society and stockbrokers to this effect.

### 7 Computer Security

Security checks must be built into all computer functions with reconciliations made as necessary.

Responsibilities for authorisation of transactions, processing of transactions and handling of output must be exercised by different Employees.



## 8 Vetting of Employees

Written references from previous employers (or the school in respect of students or Employees who have not been employed since leaving school) must be obtained for the period of 2 years immediately preceding the Employee working for You.

The reference must confirm the dates of employment (or schooling) and the honesty of the Employee.

The maximum period between periods of employment (and/or schooling) in an Employee's references should be 28 days. If any period is longer, every effort should be made to evidence what the Employee was doing during such period and establish that such period did not include dishonesty.

## 9 Annual Holiday

Every Employee responsible for money, goods accounting, operating computers or computer programming must be required to take an uninterrupted holiday of at least two weeks in each calendar year during which they perform no duties and are required to stay away from their place of work.

## 10 Termination of Employees

Immediately upon termination of the contract for any Employee, You must take all reasonable action so as to prevent theft arising, including but not restricted to:

- a** the removal of any access keys held by the Employee;
- b** the changing of any alarm or security codes, that the Employee would have had knowledge of; and
- c** the removal of the Employee from any computer system to which the Employee had access.

## 11 Police Notification

Upon the discovery of any event which may give rise to a claim under this Section, You must notify the police authority immediately and assist in taking all practical steps to identify the Employee responsible and to trace and recover the money and/or property.

## 12 Cessation of cover

Upon discovery of theft by an Employee, all indemnity under this Section in relation to further theft by such Employee will cease with immediate effect.

## 13 Withholding of Monies

Any monies owed by You to an Employee found responsible for theft must be withheld and such sum will be deducted from any payment made by Us.

## Basis of Settlement

In the event of theft of money or other property indemnified by this Section, the basis upon which the amount payable under such items is to be calculated will be the value at the time of the event or, at Our option, the replacement or reinstatement of such property.

### Limit of Indemnity

In respect of a Specific Event, Our liability will not exceed the Limit of Indemnity stated in the Schedule.

Subject to Our indemnity under this Section in any one Period of Insurance not exceeding the Aggregate Limit of Indemnity stated in the Schedule.

### Auditors' Fees

Where there is a valid claim under this Section, We will also pay any reasonable costs for:

- a** auditors' fees incurred for the purpose of substantiating the amount of the claim; and
- b** the cost of rewriting or amending any computer software programs or security codes, so as to prevent recurrence of theft arising from use of computer hardware.

Provided that Our indemnity will not exceed in total the Limit of Indemnity applicable had such costs not been payable.

## Excess

This Section does not cover and We will not be liable for the amount of the Excess stated in the Schedule being the first part of each and every claim.

All claims or series of claims, arising out of any one original cause, will be treated as one claim.

## Exclusions

**We will not be liable under this Section for:**

- 1** loss attributable solely to any unexplained shortages;
- 2** loss caused by an Employee before the cover for such Employee inception;
- 3** loss where You continue to entrust the defaulting Employee with access to money and/or goods, after becoming aware of any material fact that questions the honesty of the Employee; or
- 4** any indirect loss arising as an indirect consequence of the event in respect of which indemnity is provided by this Section.



# Section 12: Commercial Legal Expenses

## Definitions

The definitions which apply to this Section are in addition to the General Definitions.

### Appointed Representative

The Preferred Law Firm, law firm, tax consultancy, accountant or other suitably qualified person We appoint to act on the Insured Person's behalf.

### Costs and Expenses

- a** All reasonable, proportionate and necessary costs chargeable by the Appointed Representative and agreed by DAS in accordance with the DAS Standard Terms of Appointment; and
- b** The costs incurred by opponents in civil cases if the Insured Person has been ordered to pay them, or the Insured Person pays them with the agreement of DAS.

### Countries Covered

- a** For insured incidents Legal defence (excluding 5 Statutory notice appeals), and Personal injury The United Kingdom, the European Union, the Isle of Man, the Channel Islands, Albania, Andorra, Bosnia Herzegovina, Gibraltar, Iceland, Liechtenstein, Monaco, Montenegro, North Macedonia, Norway, San Marino, Serbia, Switzerland and Turkey.
- b** For all other insured incidents The United Kingdom, the Isle of Man and the Channel Islands.

### DAS

DAS Legal Expenses Insurance Company Limited.

### DAS Standard Terms of Appointment

The terms and conditions (including the amount We will pay to an Appointed Representative) that apply to the relevant type of claim, which could include a conditional fee agreement (no win, no fee). Where a law firm is acting on Your behalf the amount We will pay is currently £100 per hour. This amount may vary from time to time.

### Date of Occurrence

- a** For civil cases (other than as specified under **c** to **e** below), the date of the event that leads to a claim. If there is more than one event arising at different times from the same originating cause, the Date of Occurrence is the date of the first of these events. This is the date the event happened, which may be before the date You or an Insured Person first became aware of it.
- b** For criminal cases, the date the Insured Person began, or is alleged to have begun, to break the law.

- c** For Insured Incident C. Statutory Licence Appeal, the date when You first became aware of the proposal by the relevant licensing or regulatory authority to suspend, alter the terms of, refuse to renew or cancel Your licence, mandatory registration or British Standard Certificate of Registration.
- d** For Insured Incident I. Tax Protection, the date when HM Revenue & Customs, or the relevant authority, first notifies You of its intention to carry out an enquiry. For VAT or Employer Compliance Disputes, the date the dispute arises during the Period of Insurance following the issue of an assessment, written decision or notice of a civil penalty.
- e** For Insured Incident B. Legal Defence 5. Statutory Notice Appeals, the date when the Insured Person is issued with the relevant notice and has the right to appeal.

### Employer Compliance Dispute

A dispute with HM Revenue & Customs concerning Your compliance with Pay As You Earn, Social Security, Construction Industry or IR35, legislation and regulations.

### Insured Incident

As set out in sub-sections A to I under the heading "Insured Incidents" of this Section 12 (Legal Expenses).

### Insured Person

- a** You and Your directors, partners, managers, employees and any other individuals declared to Us by You.
- b** A person contracted to work for You, who works for You on the same basis as Your employees, and performs that work under Your supervision and direction.

### Preferred Law Firm or Tax Consultancy

A law firm, barrister, or tax expert, DAS choose to provide legal or other services. These specialists are chosen as they have the proven expertise to deal with the Insured Person's claim and must comply with the DAS agreed service standard levels, which DAS audit regularly. They are appointed according to the DAS Standard Terms of Appointment.

### Reasonable Prospects

- a** For civil cases, the prospects that the Insured Person will recover losses or damages or a reduction in tax or National Insurance liabilities (or obtain any other legal remedy that DAS have agreed to, including an enforcement of judgment), or make a successful defence must be at least 51%. A Preferred Law Firm or tax consultancy on Our behalf, will assess whether there are Reasonable Prospects.
- b** For criminal cases, there is no requirement for there to be prospects of a successful outcome.

- c For civil and criminal appeals the prospects of a successful outcome must be at least 51%.

### Tax Enquiry

A written notice of enquiry, issued by HM Revenue & Customs, to carry out an Income Tax or Corporation Tax compliance check which either:

- i includes a request to examine any aspect of Your books and records; or
- ii advises of a check of Your whole tax return.

### Value Added Tax (VAT) Dispute

A dispute with HM Revenue & Customs following the issue of an assessment, written decision or notice of a civil penalty, relating to Your VAT affairs.

### Making a Claim

#### Important information

Please do not ask for help from a lawyer, accountant or anyone else before DAS have agreed that the Insured Person does so. If they do, We will not pay the costs involved even if DAS accept the claim.

#### Reporting the claim

Please refer to the Helpline Services section in this Policy booklet for the legal advice services which are available.

If the issue cannot be dealt with through legal advice and needs to be dealt with as a potential claim under this Section of the Policy:

- Call DAS on **0345 878 5033**, available 24 hours a day, 7 days a week.
- Have the policy number ready (this is as shown on the Schedule) for when DAS ask for details about the claim.

#### DAS will assess the claim

- To check the claim is covered by the policy.
- If it is covered, it will be sent to a lawyer who specialises in that type of claim.

#### The lawyer will

- assess the case and tell the Insured Person how likely it is that the claim will succeed.

#### If the Insured Person is more likely than not to win, the lawyer will

- Manage the case from start to finish

Please note this is an overview of the claims process for guidance purposes only. DAS' claims handlers can answer any questions the Insured Person may have when they receive

the claim, alternatively the Insured Person can visit [www.das.co.uk/legal-protection/how-to-claim](http://www.das.co.uk/legal-protection/how-to-claim)

### Terms of the Agreement

Claims under this Section are administered and managed by DAS on Our behalf.

We agree to provide the insurance described in this Section for You (or where specified, the Insured Person) in respect of any Insured Incident as stated in this Section arising in connection with the Business shown in the Schedule subject to the terms, conditions, exclusions and limitations set out in this Section and Policy.

Provided that:

- 1 Reasonable Prospects exist for the duration of the claim;
- 2 the Date of Occurrence of the Insured Incident is during the Period of Insurance or
- 3 during the currency of a previous equivalent legal expenses insurance, provided that:
  - i the previous legal expenses insurance policy required You to report claims during its currency;
  - ii You could not have notified a claim previously as You could not have reasonably been aware of the insured incident;
  - iii cover has been continuously maintained in force;
  - iv any claim that should have been covered under a previously operative legal expenses insurance policy will not be covered by DAS, and
  - v the available limit of indemnity will be limited to the lesser of the sums payable under this or Your previous policy;
- 4 any legal proceedings will be dealt with by a court, or other body which DAS agrees to, within the Countries Covered; and
- 5 the Insured Incident happens within the Countries Covered.

#### What We will pay

We will pay an Appointed Representative, on Your behalf, Costs and Expenses incurred following an Insured Incident, and any compensation awards that DAS have agreed to, provided that:

- 1 the most We will pay for all claims resulting from one or more event arising at the same time or from the same originating cause, for Costs and Expenses and compensation awards, is shown as the indemnity limit in the Schedule
- 2 the most We will pay for the total of all compensation

awards under Insured Incident A Employment Disputes and Compensation Awards 2 Compensation awards in any one period of insurance shall not exceed £1,000,000

- 3 the most We will pay for Costs and Expenses is no more than the amount DAS would have paid to a Preferred Law Firm or tax consultancy. The amount We will pay a law firm (where acting on Your behalf) is currently £100 per hour. This amount may vary from time to time;
- 4 in respect of an appeal or the defence of an appeal, You must tell DAS as soon as possible and within the statutory time limits allowed, that You want to appeal. Before We pay the Costs and Expenses for appeals, DAS must agree that Reasonable Prospects exist;
- 5 for an enforcement of judgment to recover money and interest due to You after a successful claim under this Section, DAS must agree that Reasonable Prospects exist;
- 6 where an award of damages is the only legal remedy to a dispute and the cost of pursuing legal action is likely to be more than any award of damages, the most We will pay in Costs and Expenses is the value of the likely award; and
- 7 in respect of Insured Incident B Legal Defence 6. Jury Service and Court Attendance, the maximum We will pay is the Insured Person's net salary or wages for the time that the Insured Person is attending court or tribunal, less any amount You, the court or tribunal pays.

#### We will not pay

- 1 In the event of a claim, if You decide not to use the services of a Preferred Law Firm or tax consultancy, You will be responsible for any costs that fall outside the DAS Standard Terms of Appointment and these will not be paid by Us.
- 2 If the Insured is registered for VAT, We will not pay the VAT element of any Costs and Expenses.
- 3 We will not be responsible for the first £500 of any contract dispute claim where the amount in dispute exceeds £5,000 (including VAT). If You are using a Preferred Law Firm, You will be asked to pay this within 21 days of Your claim having been assessed as having Reasonable Prospects.

If You are using Your own law firm, this will be within 21 days of their appointment (following confirmation that Your claim has Reasonable Prospects). If You do not pay this amount the cover for Your claim could be withdrawn.

#### Insured Incidents

##### A Employment Disputes and Compensation Awards

#### 1 Employment Disputes

We will pay Costs and Expenses to defend Your legal rights:

- a before the issue of legal proceedings in a court or tribunal
  - i following the dismissal of an Employee; or
  - ii where an employee or ex-employee has contacted ACAS ('Advisory, Conciliation and Arbitration Service') to commence the Early Conciliation procedure; or
- b in unfair dismissal disputes under the ACAS Arbitration Scheme; or
- c in legal proceedings in respect of any dispute relating to:
  - i a contract of employment with You; or
  - ii an alleged breach of the statutory rights of an Employee, ex-Employee or prospective Employee under employment legislation.

#### Exclusions

We will not pay any claim relating to the following:

- 1 unless equivalent legal expenses insurance was continuously in force before:
  - a any dispute where the originating cause of action arises within the first 90 days of the commencement of cover under this Section;
  - b any dispute with an employee who was subject to a written or oral warning (formal or informal) within 180 days immediately preceding the inception date of this Section of the Policy; if the Date of Occurrence was within the first 180 days of the inception of cover under this Section of the Policy and the dispute relates directly to the same matter(s) which gave rise to that warning; or
  - c any notice of redundancy or alleged redundancy or unfair selection for redundancy arising within the first 180 days of the inception of cover under this Section of the Policy;
- 2 employee internal disciplinary or grievance procedures;
- 3 damages for personal injury;
- 4 Transfer of Undertakings (TUPE) Regulations 2006 or the Transfer of Employment (Pension Protection) Regulations; or
- 5 pursuing Your legal rights.

## 2 Compensation Awards

We will pay:

- a** any basic and compensatory award; and/or
- b** an order for compensation following a breach of Your statutory duties under employment legislation,

in respect of a claim DAS have accepted under insured incident A1 Employment Disputes.

Provided that:

- a** in cases relating to performance and/or conduct, You have throughout the employment dispute either:
  - i** followed the ACAS Code of Disciplinary and Grievance Procedures; or
  - ii** followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland; or
  - iii** sought and followed advice from the DAS legal advice service; (telephone **0345 878 5024**)
- b** for an order of compensation following Your breach of statutory duty under employment legislation You have at all times sought and followed advice from the DAS legal advice service since the date when You should have known about the employment dispute; (telephone **0345 878 5024**)
- c** for any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, You have sought and followed advice from DAS before starting any redundancy process or procedure with Your employees (telephone **0345 878 5024**)
- d** the compensation is awarded by a tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in writing in advance by DAS; and
- e** The total amount payable by Us for all compensation awards and sums of money in settlement of a dispute, shall not exceed £1,000,000 in the aggregate and in any one Period of Insurance.

## Exclusions

We will not pay any claim relating to the following:

- 1** any compensation award relating to the following:
  - a** trade union activities, trade union membership or non-membership;
  - b** pregnancy or maternity rights, paternity, parental or adoption rights;
  - c** health and safety related dismissals brought under section 44 of the Employment Rights Act 1996; or
  - d** statutory rights in relation to trustees of occupational pension schemes;
- 2** non-payment of money due under a contract;
- 3** any award ordered because You have failed to provide relevant records to Employees under National Minimum Wage legislation;
- 4** a compensation award or increase in a compensation award relating to failure to comply with a current or previous recommendation made by a tribunal; or
- 5** a settlement agreed and payable following conciliation under the ACAS Early Conciliation procedure.

## 3 Employee Civil Legal Defence

We will pay Costs and Expenses to defend the Insured Person's (other than Your) legal rights if:

- a** an event arising from their work as an Employee leads to civil action being taken against them under legislation for unlawful discrimination; or
- b** civil action is being taken against them as trustee of a pension fund set up for the benefit of Your employees.

We will only provide cover for an Insured Person (other than You) at Your request.

## 4 Service Occupancy

We will pay Costs and Expenses to recover possession of premises owned by You, or for which You are responsible from Your employee or ex-employee.

### Exclusion

We will not pay any claim relating to defending Your legal rights other than defending a counter-claim that is an Insured Incident under this Section of the Policy.

## B Legal Defence

Provided that for each of the following sections 1 to 6 of Insured Incident B Legal Defence cover You request Us to provide cover for the Insured Person, We will pay Costs and Expenses to defend the Insured Person's legal rights for:

### 1 Criminal Pre-proceedings Cover

prior to the issue of legal proceedings, when dealing with the Police, Health and Safety Executive and/or Local Authority Health and Safety Enforcement Officer, where it is alleged that the Insured Person has or may have committed a criminal offence.

Provided that for claims relating to the Health and Safety at Work etc. Act 1974, the Countries Covered shall be any place where the Act applies.

Please note that We will only cover criminal investigations and/or prosecutions which arise in direct connection with the activities of the Business. Please see Terms of the Agreement wording of this Section.

### Exclusions

We will not pay any claim relating to the following:

- 1 any criminal investigation or enquiry by, with or on behalf of HM Revenue & Customs; or
- 2 investigations due to alleged infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

### 2 Criminal Prosecution Defence

following an event which leads to the Insured Person being prosecuted in a court of criminal jurisdiction.

Provided that for claims relating to the Health and Safety at Work etc. Act 1974, the Countries Covered shall be any place where the Act applies.

Please note that We will only cover criminal investigations and/or prosecutions which arise in direct connection with the activities of the Business. Please see Terms of the Agreement wording of this Section.

### Exclusion

We will not pay any claim relating to the prosecution due to alleged infringement of road traffic laws or

regulations in connection with the ownership, driving or use of a motor vehicle.

## 3 Data Protection

If civil action is taken against the Insured Person for compensation under data protection legislation, when handling personal data in their capacity as a data controller and/or a data processor by:

- 1 an individual. We will also pay any compensation award in respect of such a claim; or
- 2 a data controller and/or data processor, which arises out of, or relates to, a claim made by an individual for compensation against that data controller and/or data processor. We will not pay any compensation award in respect of such a claim.

Provided that in respect of 1 above, any sum of money in settlement of a dispute is awarded by a court under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in advance by DAS.

Please note that We will not cover the cost of fines imposed by the Information Commissioner, or any other regulatory and/or criminal body. Please see General Exclusion 3 Court awards and fines under this Section.

### Exclusions

We will not pay any claim relating to:

- 1 the loss, alteration, corruption or distortion of, or damage to stored personal data; or
- 2 a reduction in the functionality, availability, or operation of stored personal data

resulting from hacking (unauthorised access), malicious or negligent transfer (electronic or otherwise) of a computer program that contains any malicious or damaging code, computer virus or similar mechanism.

## 4 Wrongful Arrest

If civil action is taken against the Insured Person for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the Period of Insurance.

## 5 Statutory Notice Appeals

In an appeal against the imposition or terms of any statutory notice issued under legislation affecting Your Business.



### Exclusions

We will not pay any claim relating to the following:

- 1 an appeal against the imposition or terms of any statutory notice issued in connection with Your licence, mandatory registration or British Standard Certificate of Registration; or
- 2 a statutory notice issued by an Insured Person's regulatory or governing body.

### 6 Jury Service and Court Attendance

In the event of an Insured Person's absence from work:

- a to perform jury service; or
- b to attend any court, tribunal or at the request of the Appointed Representative.

The maximum We will pay is the Insured Person's net salary or wages for the time that they are absent from work less any amount You, the court or tribunal, have paid them.

### Exclusions

We will not pay any claim relating to:

- 1 any claim if You or the Insured Person are unable to prove the loss.

### C Statutory Licence Appeal

We will pay Costs and Expenses for:

an appeal to the relevant statutory or regulatory authority, court or tribunal, following a decision by a licensing or regulatory authority to suspend, or alter the terms of, or refuse to renew, or cancel Your licence, mandatory registration or British Standard Certificate of Registration.

### Exclusions

We will not pay any claim relating to the following:

- 1 the original application or renewal application, of a statutory licence, mandatory registration or British Standard Certificate of Registration; or
- 2 the ownership, driving or use of a motor vehicle.

### D Contract Disputes

We will pay Costs and Expenses in a contractual dispute arising from an agreement, or an alleged agreement which has been entered into by You or on Your behalf for the purchase, hire, sale or provision of goods or of services.

Provided that:

- a the amount in dispute exceeds £500 (including VAT);
- b if the amount in dispute exceeds £5,000 (including VAT), You must pay the first £500 of any claim. If You are using a Preferred Law Firm, You will be asked to

pay this within 21 days of Your claim having been assessed as having Reasonable Prospects. If You are using Your own law firm, this will be within 21 days of their appointment (following confirmation your claim has Reasonable Prospects). If You do not pay this amount the cover for Your claim could be withdrawn;

- c if the amount in dispute is payable in instalments, the instalments due and payable at the time of making the claim exceed £500 (including VAT); and
- d if the dispute relates to money owed to You, a claim under the Section is made within 90 days of the money becoming due and payable.

### Exclusions

We will not pay any claim relating to the following:

- 1 a dispute arising from an agreement entered into prior to inception of cover under this Section if the Date of Occurrence is within the first 90 days of inception of cover under this Section unless equivalent legal expenses insurance was continuously in force immediately prior to inception of the cover provided by this Section
- 2
  - a a dispute relating to an insurance policy, other than when Your insurer refuses Your claim
  - b the sale, purchase, terms of a lease, licence, or tenancy, of land or buildings. However, We will cover a dispute with a professional adviser in connection with these matters
  - c a loan, mortgage, pension, guarantee or any other financial product. However, We will cover a dispute with a professional adviser in connection with these matters
  - d a motor vehicle owned by, or hired or leased to You other than agreements relating to the sale of motor vehicles where You are engaged in the business of selling motor vehicles;
- 3 a dispute with an Employee or ex-Employee which arises out of, or relates to, a contract of employment with You (Please refer to insured incident Employment disputes and compensation awards.)
- 4 a dispute which arises out of the:
  - a sale or provision of computer hardware, software, systems or services; or
  - b purchase or hire of computer hardware, software, systems or services tailored by a supplier to Your own specification;
- 5 a dispute arising from a breach or alleged breach of professional duty by an Insured Person; or



- 6 The recovery of money and interest due from another party, other than disputes where the other party indicates that a defence exists.

## E Tenancy Disputes

We will pay Costs and Expenses in a civil action relating to a tenancy dispute between You and Your landlord under the terms of the lease or tenancy agreement applying to the Premises.

### Exclusions

We will not pay any claim arising from or relating to:

- 1 the negotiation, review or renewal of the lease or tenancy agreement; or
- 2 a dispute arising from or relating to rent or service charges.

## F Debt Recovery

We will pay Costs and Expenses in a dispute relating to the recovery of money and interest due from the sale or provision of goods or services, including enforcement of judgments.

Provided that:

- a the debt exceeds £500 (including VAT);
- b a claim for debt recovery is made within 90 days of the money becoming due and payable; and
- c DAS have the right to select the method of enforcement, or to forego enforcing judgement if DAS are not satisfied that there are, or will be, sufficient assets available to satisfy judgement.

### Exclusions

We will not pay any claim relating to the following:

- 1 any debt arising from an agreement entered into prior to inception of cover under this Section if the debt is due within the first 90 days of inception of cover under this Section, unless equivalent legal expenses insurance was continuously in force immediately prior to inception of the cover provided by this Section;
- 2
  - a the settlement payable under an insurance policy;
  - b the sale, purchase, terms of a lease, licence, or tenancy, of land or buildings;
  - c a loan, mortgage, pension, guarantee or any other financial product. However, We will cover a dispute with a professional adviser in connection with these matters; or
  - d a motor vehicle owned by, or hired or leased to, You other than agreements relating to the sale of motor vehicles where You are engaged in the business of selling motor vehicles;

- 3 a dispute which arises out of the supply, hire, sale or provision of computer hardware, software, systems or services;
- 4 the recovery of money and interest due from another party where the other party indicates that a defence exists; or
- 5 any dispute which arises from debts You have purchased from a third party.

## G Property Protection

We will pay Costs and Expenses in a civil dispute relating to physical property which is owned by You, or is Your responsibility, following:

- 1 any event which causes or could cause physical damage to such physical property;
- 2 a legal nuisance (meaning any unlawful interference with Your use or enjoyment of Your land, or some right over, or in connection with it); or
- 3 a trespass.

Please note that You must have, or there must be Reasonable Prospects of establishing You have, the legal ownership or right to the physical property that is the subject of the dispute.

### Exclusions

We will not pay any claim relating to the following:

- 1 a contract You have entered into (please refer to insured incident D Contract Disputes);
- 2 physical property which is in transit or which is lent or hired out;
- 3 goods at premises other than those occupied by You unless the goods are at such premises for the purpose of installations or use in work to be carried out by You;
- 4 mining subsidence;
- 5 defending Your legal rights but We will cover defending a counter-claim that is an insured incident under this policy;
- 6 a motor vehicle owned or used by, or hired or leased to an Insured Person (other than damage to motor vehicles where You are in the business of selling motor vehicles); or
- 7 the enforcement of a covenant by or against You.

## H Personal Injury

At Your request, We will pay Costs and Expenses for an Insured Person's and their family members' legal rights following a specific or sudden accident that causes them bodily injury or results in their death.

### Exclusions

We will not pay any claim relating to the following:

- 1 any illness or bodily injury that happens gradually;
- 2 psychological injury or mental illness, unless the condition follows a specific or sudden accident that has caused physical bodily injury;
- 3 the defence of an Insured Person's or their family members' legal rights other than in defence of a counter-claim which is an Insured Incident under this Section of the Policy; or
- 4 clinical negligence.

### I Tax Protection

We will pay Costs and Expenses for:

- 1 a Tax Enquiry;
- 2 an Employer Compliance Dispute.
- 3 a VAT Dispute.

Provided that:

You have taken reasonable care to ensure that all returns are complete and correct and are submitted within the statutory time limits allowed.

Please note We will only cover tax claims which arise in direct connection with the activities of the Business. See the Terms of Agreement wording of this Section.

### Exclusions

We will not pay for any claim relating to the following:

- 1 a tax avoidance schemes;
- 2 any failure to register for Value Added Tax or Pay As You Earn;
- 3 any investigation or enquiries by, with or on behalf of HM Revenue & Customs Special Investigations Section, Special Civil Investigations, Criminal Investigations Unit, Criminal Taxes Unit, under Public Notice 160 or by the Revenue & Customs Prosecution Office;
- 4 any claim relating to import or excise duties and import VAT; or
- 5 any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences.

### General Exclusions applicable to the Commercial Legal Expenses Section

We will not pay any claim under this Section in respect of:

- 1 any claim reported to DAS more than 180 days after the date the Insured Person should have known about the Insured Incident;

- 2 Costs and Expenses incurred before expressed acceptance of a claim by DAS;
- 3 fines, penalties, compensation or damages, which the Insured Person is ordered to pay by a court or other authority, other than compensation awards covered under Insured Incidents A. Employment Disputes and Compensation Awards and B. Legal Defence;
- 4 legal action an Insured Person takes, which DAS or the Appointed Representative have not agreed to, or where the Insured Person does anything that hinders Us, DAS or the Appointed Representative;
- 5 any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements;
- 6 Any wilful act or omission of an Insured Person deliberately intended to cause a claim under this Policy;
- 7 any claim relating to rights under a franchise or agency agreement, entered into by You;
- 8 Any claim under this Section of the Policy for a dispute with DAS. For disagreements with DAS about the handling of a claim refer to Condition 8, under this section;
- 9 any claim relating to a shareholding or partnership share, in the Business;
- 10 Costs and Expenses arising from or relating to judicial review, coroner's inquest or fatal accident inquiry;
- 11 any claim where either at the start of, or during the course of a claim:
  - a You are declared bankrupt;
  - b You have filed a bankruptcy petition;
  - c You have filed a winding-up petition;
  - d You have made an arrangement with Your creditors;
  - e You have entered into a deed of arrangement;
  - f You are in liquidation; or
  - g part or all of Your affairs or property are in the care or control of a receiver or administrator;
- 12 any claim relating to written or verbal remarks that damage the Insured Person's reputation; or
- 13 any claim where an Insured Person is not represented by a law firm, barrister or tax expert.

## Conditions applicable to the Commercial Legal Expenses Section

- 1
  - a On receiving a claim, if representation is necessary, DAS will appoint a Preferred Law Firm or tax consultancy, as Your Appointed Representative to deal with Your claim. They will try to settle Your claim by negotiation without having to go to court.
  - b If the appointed Preferred Law Firm or tax consultancy cannot negotiate settlement of Your claim and it is necessary to go to court and legal proceedings are issued or there is a conflict of interest, then You may choose a law firm or tax expert to act as the Appointed Representative. DAS will choose the Appointed Representative to represent You in any proceedings where We are liable to pay a compensation award.
  - c If You choose a law firm as Your own Appointed Representative who is not a Preferred Law Firm or tax consultancy, DAS will give Your choice of law firm the opportunity to act on the same terms as a Preferred Law Firm or tax consultancy. However, if Your Appointed Representative refuse to act on this basis, the most We will pay is the amount DAS would have paid if Your choice of law firm had agreed to the DAS Standard Terms of Appointment. The amount We will pay a law firm (where acting on Your behalf) is currently £100 per hour. This amount may vary from time to time.
  - d The Appointed Representative must co-operate with DAS at all times and must keep DAS up to date with the progress of the claim.
- 2 An Insured Person must:
  - a co-operate fully with Us, DAS and the Appointed Representative; and
  - b give the Appointed Representative any instructions that DAS ask them to.
- 3
  - a An Insured Person must tell DAS if anyone offers to settle a claim and must not negotiate or agree to any settlement without DAS' expressed consent.
  - b If an Insured Person does not accept a reasonable offer to settle a claim, We will not pay further Costs and Expenses.
  - c DAS may decide to pay an Insured Person the reasonable value of the claim that the Insured Person is claiming or is being claimed against them instead of starting or continuing legal action. In these circumstances an Insured Person must allow DAS to take over and pursue or settle a claim in their name. An Insured Person must allow DAS to pursue at its own expense and for their benefit, any claim for compensation against any other person and an Insured Person must give DAS all the information and help DAS need to do so.
- 4
  - a An Insured Person must instruct the Appointed Representative to have Costs and Expenses taxed, assessed or audited, if DAS ask for this.
  - b An Insured Person must take every step to recover Costs and Expenses and court attendance and jury service expenses that We have to pay and must pay to DAS any amounts that are recovered.
- 5 If the Appointed Representative refuses to continue acting for an Insured Person with good reason or if an Insured Person dismisses the Appointed Representative without good reason, the cover We provide will end at once, unless DAS agrees to appoint another Appointed Representative.
- 6
  - a If an Insured Person settles a claim or withdraws their claim without Our agreement, or does not give suitable instructions to the Appointed Representative, We can withdraw cover and will be entitled to reclaim any Costs and Expenses DAS have paid.
  - b If during the course of a claim Reasonable Prospects no longer exist the cover We provide will end at once. We will pay any Costs and Expenses and compensation awards We have agreed to, up to the date cover was withdrawn.
- 7 If there is a disagreement between an Insured Person and DAS on the merits of the claim or proceedings, or on a legal principle, DAS may suggest the Insured Person obtains at their own expense an opinion on the matter from an independent and appropriate expert. The expert must be approved in advance by DAS and the cost expressly agreed in writing between the Insured Person and DAS. Subject to this We will pay the cost of obtaining the opinion if the expert's opinion indicates that it is more likely than not that the Insured Person will recover damages (or obtain any other legal remedy that DAS have agreed to) or make a successful defence. This does not affect the Insured Person's rights under Condition 8, under this section.
- 8 If there is a disagreement about the handling of a claim and it is not resolved through DAS' internal complaints procedure the Financial Ombudsman Service may be able to help. This is a free arbitration service for eligible complaints. (Details available from [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk))

If the dispute is not covered by the Financial Ombudsman Service there is a separate arbitration process available. The arbitrator will be a jointly agreed barrister, solicitor or other suitably qualified person. If there is a disagreement over the choice of arbitrator, DAS will ask the Chartered Institute of Arbitrators to decide. The arbitrator will decide who will pay the costs of the arbitration. For example, costs may be split between the parties or one party may pay all the costs.

**9** An Insured Person must:

- a** keep to the terms and conditions of this Section of the Policy;
- b** take reasonable steps to avoid and prevent claims;
- c** take reasonable steps to avoid incurring unnecessary costs;
- d** send everything We or DAS ask for in writing; and
- e** report to DAS full and factual details of any claim as soon as possible and give DAS any information that is needed.

**10** Notwithstanding Claims Condition 6 under this Policy, if any claim covered under this Section is also covered by another policy, or would have been covered if this Section did not exist, We will only pay Our share of the claim even if the other insurer refuses the claim.

**11** This Section is governed by the law that applies in the part of the United Kingdom, Channel Islands or Isle of Man where Your Business is registered. Otherwise the law of England and Wales applies.

All Acts of Parliament mentioned in this Section include equivalent laws in Scotland, Northern Ireland, the Isle of Man and the Channel Islands as appropriate.

**12** Where there is any conflict between the General Definitions, General Conditions, Claims Conditions or General Exclusions, of this Policy, and the terms, definitions, conditions and exclusions, under this Section, the interpretation under this Section will take precedence.

## DAS BUSINESSLAW

Visit [www.dasbusinesslaw.co.uk](http://www.dasbusinesslaw.co.uk) to access the free online law guide and download legal documents to help Your Business.

Developed by solicitors and tailored by You using our smart document builders you can create ready-to-sign contracts, agreements and letters in minutes. You can also buy legal documents from the site, ranging from simple debt recovery letters to employment contracts.

Register using the voucher code **DASBNI100** to gain access to a range of free documents.

## How to make a complaint

DAS always aim to give the Insured Person a high quality service.

If the Insured Person thinks DAS have let them down, they can contact DAS by:

- phoning **0344 893 9013**
- emailing **customerrelations@das.co.uk**
- writing to the **Customer Relations Department, DAS Legal Expenses Insurance Company Limited, DAS House, Quay Side, Temple Back, Bristol BS1 6NH**
- completing DAS' online complaint form at **[www.das.co.uk/about-das/complaints](http://www.das.co.uk/about-das/complaints)**

Further details of DAS' internal complaint-handling procedures are available on request.

If the Insured Person is not happy with the complaint outcome or if DAS have been unable to respond to the Insured Person's complaint within 8 weeks, the Insured Person may be able to contact the Financial Ombudsman Service for help. This is a free arbitration service for eligible complaints. (Details available from **[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)**)

The Insured Person can contact them by:

- phoning **0800 023 4567** (free from mobile phones and landlines) or 0300 123 9123
- emailing **complaint.info@financial-ombudsman.org.uk**
- writing to **The Financial Ombudsman Service, Exchange Tower, London, E14 9SR**

Further information is available on their website: **[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)**

Using this service does not affect the Insured Person's right to take legal action.

### Data Protection

DAS holds data in accordance with the current Data Protection Regulations and Legislation.

DAS Legal Expenses Insurance Company Limited (DAS) Group will use any personal information, including sensitive personal information as defined in the Data Protection Act 2018 for the purpose of dealing with the Insured Person's claim. It will also be used, if required, for the purpose of administering and underwriting your policy, for giving advice and assistance, and to update DAS Group records.

For full information on how DAS will process your data please visit: [www.das.co.uk/legal/privacy-statement](http://www.das.co.uk/legal/privacy-statement).

### DAS Regulatory Information

#### DAS Head and Registered Office:

DAS Legal Expenses Insurance Company Limited,  
DAS House, Quay Side, Temple Back, Bristol BS1 6NH  
Registered in England and Wales, company number 103274.  
Website: [www.das.co.uk](http://www.das.co.uk)

DAS Legal Expenses Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (FRN202106) and the Prudential Regulation Authority.

#### Financial Services Compensation Scheme

DAS are covered by the Financial Services Compensation Scheme (FSCS).

Compensation from the scheme may be claimed if DAS cannot meet their obligations. This will be dependent on the type of business and the circumstances of the claim. More information on the compensation scheme arrangements can be found on the FSCS website, [www.fscs.org.uk](http://www.fscs.org.uk)



# Section 13: Terrorism

## Definitions

The definitions which apply to this Section are in addition to the General 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.

### Computer Systems

A computer or other equipment or component or system or item which processes, stores, transmits or receives Data.

### Covered Loss

All losses:

- a** arising under any of the Heads of Cover (other than Non-Damage Business Interruption Head of Cover) as a result of damage to or the destruction of Property insured in the Territory, the proximate cause of which is an Act of Terrorism;
- b** arising under the Non-Damage Business Interruption Head of Cover.

### Data

Data of any sort whatever, including without limitation, tangible or intangible data and any programs or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses or anything similar, files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites, or any information whatever.

### Denial of Service Attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or Computer 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, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other Computer Systems.

### Hacking

Unauthorised access to any Computer System whether or not Your property.

## Head of Cover

Any of the following five types of insurance cover:

- a** Buildings and completed structures
- b** Other property (including contents, engineering, contractors and computers)
- c** Business Interruption
- d** Book Debts
- e** Non-Damage Business Interruption

Provided always that each Head of Cover will be deemed to be a separate Head of Cover whether the item insured is insured under this or separate policies, under separate terms of a policy or under separate sections of combined or package policies.

### Non-Damage Business Interruption

All losses arising as a result of interruption or interference with Your Business in consequence of:

- a** access to, exit from or use of any Premises located within the Territory occupied by You, being impaired or prevented due to the actions of the police, competent authority or any other statutory authority, the proximate cause of which is an Act of Terrorism; or
- b** an Act of Terrorism in the vicinity of, but in no event further than one mile from, any Premises within the Territory occupied by You which results in the Business having a diminished attraction to customers and solely in consequence of thereof, an identifiable reduction in Your Business, provided that the Indemnity Period in no event irrespective of what is shown in the Schedule shall exceed three months.

### 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 or adapted for:

- a** the production or use of atomic energy;
- b** the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations; or
- c** the storage, processing or disposal of nuclear fuel or 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.

### Phishing

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

### Private Individual

Any person other than a:

- a** beneficiary, trustee or body of trustees where insurance is arranged in accordance with the terms of a trust;
- b** person who owns or is otherwise insured in respect of Residential Property for the purpose of a business as a sole trader;
- c** person who owns or is otherwise insured in respect of Residential Property of which in excess of 20% is commercially occupied.

Provided that if the property is a private dwelling house or a self-contained unit insured as part of a block of flats, is subject to a trust or executorship of a will and is occupied as a private residence by a beneficiary or a trustee of the trust in question or sole trader or by a beneficiary or an executor of the will in question or the property is located in premises owned by any such person the property insured will be deemed to be insured in the name of a Private Individual.

The definition of Private Individual will include two or more persons where insurance is arranged in their several names and/or the Insured Name on the Schedule includes the name of a bank or building society or other financial institution for the purpose of noting their interest in the property insured.

### Residential Property

Private dwelling houses and flats (including household contents and personal effects as insured).

### Territory

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

### Terrorism Insurance

Insurance for Acts of Terrorism under the terms of this insurance.

### Virus or Similar Mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used to damage, interfere with, adversely affect, infiltrate or monitor computer programs, Computer Systems, Data 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 and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

### Cover

- 1** all losses under any of the Heads of Cover (other than Non-Damage Business Interruption Head of Cover) as a result of damage to or destruction of the Property insured and loss consequent on interruption to or interference with the Business in the Territory caused by or resulting from an Act of Terrorism; and
- 2** all losses arising under the Non-Damage Business Interruption Head of Cover within the Territory,

as insured by this Policy.

Provided that Our liability shall not exceed in any one Period of Insurance:

- 1** in all, the total Sum Insured; or
- 2** for any item its sum insured or any other stated limit of liability stated in the Schedule or elsewhere in the Policy, whichever is the less.

### Clause

The following Clause applies to this Section:

#### Rent Designation

For the purpose of this Section, where a Rent item is stated in the Schedule under Section: 1 Material Damage, We will designate this item under Section: 2 Business Interruption.

### Conditions

- 1** We will not indemnify You unless and until:
  - a** HM Treasury has certified that an event or events have been an Act of Terrorism; or
  - b** a Tribunal constituted under the terms of Schedule 3 to a Retrocession Agreement between Pool Reinsurance Company Ltd and HM Treasury has determined that an event or events have been an Act of Terrorism.

- 2 Any conditions or terms which provide for adjustments of premium based on declarations on expiry of the Period of Insurance will not apply to Terrorism Insurance.
- 3 Any long term agreement applying to this Policy will not apply to Terrorism Insurance.

Subject otherwise to all the terms and conditions of this Policy.

## Exclusions

**The insurance provided by this Section is not subject to any of the exclusions of this Policy, however We will not be liable under this Section for:**

- 1 any loss whatsoever directly or indirectly caused by or contributed to by or arising from 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;
- 2 any loss whatsoever directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from:

- a Damage to or the destruction of any Computer System; or
- b any alteration, modification, distortion, erasure or corruption of Data;

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

Provided that Covered Loss (other than any loss arising under the Non-Damage Business Interruption Head of Cover) otherwise falling within this Exclusion 2 will not be treated as excluded by Exclusion 2 solely to the extent that such Covered Loss:

- i results directly (or, solely as regards ii c below, indirectly) from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any Computer Systems; and

- ii comprises;
  - a the cost of reinstatement, replacement or repair in respect of damage to or destruction of Property insured by You; or
  - b the amount of business interruption loss suffered directly by You itself by way of loss of or reduction in profits, revenue or turnover or increased cost of working as a direct result of either damage to or destruction of Property insured by You or as a direct result of denial, prevention or hindrance of access to or use of the Property insured by You by reason of an Act of Terrorism causing damage to other Property within one mile of the Property insured by You to which access is affected; or
  - c the amount of loss caused by the cancellation, abandonment, postponement, interruption, curtailment or relocation of an event as a result of damage to or destruction of Property and any additional costs or charges reasonably and necessarily paid by You to avoid or diminish such loss;
- iii is not proximately caused by an Act of Terrorism in relation to which the relevant organisation or any persons acting on behalf of or in connection with that organisation are controlled by, acting on behalf of or in part of any de jure or de facto government of any nation, country or state;
- iv The meaning of "Property" for the purposes of this Proviso will (additionally to those exclusions in the definition of "Property" below and anywhere else) exclude:
  - a any money (including "Money" as defined or otherwise in any insurance policy), currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable on non-negotiable instruments, financial securities or any financial instrument of any sort whatsoever; and
  - b any Data;

- v Notwithstanding the exclusion of Data from Property, to the extent that damage to or destruction of Property within the meaning of sub-paragraph ii above indirectly results from any alteration, modification, distortion, erasure or corruption of Data, because the occurrence of one or more of the matters referred to in sub-paragraph i above results directly or indirectly from any alteration, modification, distortion, erasure or corruption of Data, that will not prevent cost or business interruption loss directly resulting from damage to or destruction of such Property and otherwise falling within sub-paragraphs i and ii above from being recoverable under this Terrorism Insurance. In no other circumstances than the previous sentence, however, will any loss or losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of Data be recoverable under this Terrorism insurance; and
- vi For the avoidance of doubt, the burden of proof will be on You to prove or establish all matters referred to in sub-paragraphs i to ii above;

The proviso to Exclusion 2 shall not apply in respect of any loss arising under the Non-Damage Business Interruption Head of Cover.

- 3 Damage or any consequential loss arising from such Damage to any Nuclear Installation or Nuclear Reactor and all fixtures and fittings situated thereon and attached thereto and all pipes, wires, cables, drains or other conduits or service media of any description which are affixed or connected to or in any way serve such Nuclear Installation or Nuclear Reactor, but this Exclusion shall not exclude loss arising from Damage to other types of property arising from an Act of Terrorism occurring at the site of a Nuclear Installation or Reactor;
- 4 Any Residential Property insured in the name of a Private Individual.

# Section 14: Cyber

**Claims under this Section of the Policy are administered and managed on Our behalf by HSB Engineering Insurance Limited who is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.**

## Making a Claim

When making a claim, it is very important that all the requirements of the Policy are met – particularly Claims Condition 2 Action by You, Condition 1 Reporting a Claim and Condition 2 Claims co-operation of this Section. If they are not met, then We may not pay part or all the claim. Claims under this Section should be reported to HSB Engineering Insurance Limited at:

Claims Department  
HSB Engineering Insurance Limited  
Chancery Place  
50 Brown Street  
Manchester M2 2JT

Phone: **+44 (0) 330 100 3432**

Email: **new.loss@hsbeil.com**

## Definitions

**The definitions which apply to this Section are in addition to the General Definitions.**

### Business Income

- 1** the amount of net income (profit or loss before taxes) which You would have earned after the Time Excess if the Cyber Event had not happened; and
- 2** normal operating expenses that continue, including ordinary payroll.

### Computer System

For the purpose of this Section, this shall mean:

Any electronic device that connects to the internet or to other electronic devices and any associated Data, software, programs, websites, intranet or extranet sites and computer networks, but not including equipment held as stock or which You have manufactured and is intended for sale or repair in the course of Your Business.

### Computer Virus

For the purpose of this Section, this shall mean:

Any malware, program code or programming instruction designed to have a damaging effect on a Computer System.

### Cyber Event

- 1** loss, corruption, accidental or malicious deletion of or change to, unauthorised access to, or theft of Data;
- 2** Damage to websites, intranet or extranet sites;

- 3** Damage or disruption caused by Computer Virus, Hacking or Denial of Service Attack; or

- 4** failure of or variation in the supply of electricity or telecommunications networks owned and operated by You; affecting Your Computer System, the Computer System of a Service Provider or customer of Yours.

## Damage

For the purpose of this Section, this shall mean:

Total or partial loss, damage, destruction, breakdown or corruption.

## Damages

- 1** financial compensation You must pay, except for fines and penalties, liquidated damages, punitive or exemplary damages or aggravated damages; or
- 2** third parties' costs and expenses You must pay as a result of a claim being brought against You.

## Data

For the purpose of this Section, this shall mean:

Facts, concepts, information, ideas, text, recordings and images which are converted to a form which can be processed by Computer Systems, but not including software and programs.

## Data Privacy Obligations

Legal obligations relating to securing, managing and preventing unauthorised access or use of Data, and arising under:

- 1** applicable data protection regulations anywhere in the world associated with the confidentiality of, access to, control of and use of Personal Data which are in force at the time You discover You have failed to keep to Your Data Privacy Obligations;
- 2** guidance from the UK's Information Commissioner's Office or similar supervisory authorities worldwide to which You are subject;
- 3** the Payment Card Industry Data Security Standard or other contractual obligations relating to handling credit-card and debit-card information; and
- 4** privacy statements and confidentiality agreements.

## Defence Costs

Costs and expenses We agree to in writing for investigating, settling or defending a claim against You.

## Denial of Service Attack

Malicious and unauthorised attack which overloads any Computer System.

### Directors and Officers

Directors, officers, principals, partners or members while they are employed by You and under Your control in connection with the Business.

### Employee

For the purpose of this Section, this shall mean any:

- 1 person employed, borrowed or hired by You, including apprentices;
- 2 labour master or labour-only subcontractor (or a person supplied by any of them);
- 3 self-employed person;
- 4 person taking part in any government or otherwise authorised work experience, training, study, exchange or similar scheme;
- 5 person doing voluntary work for You; or
- 6 person supplied to You under a contract or agreement which states that they are in Your employment;

when they are working for You in connection with Your Business, but not including Your Directors and Officers.

### Hacking

Unauthorised or malicious access to any Computer System by electronic means.

### Indemnity Period

The period during which You suffer a loss of Business Income or must pay extra costs, starting on the date of the Cyber Event and ending no later than the last day of the Indemnity Period shown in the Schedule.

### Personal Data

Information which could identify a person or allow identity theft or other fraud to take place.

### Service Provider

A business that You hire under a written contract to perform services on Your behalf in connection with Your business.

### Time Excess

The time period, as stated in the Schedule, for which We will not pay any loss of Business Income.

### Cover

The most We will pay will not exceed the Sum Insured stated in the Schedule. This amount will apply to any and all of the following insured events arising for the Period of Insurance:

### Insured Events

#### 1 Computer System Damage and Loss of Business Income

We will pay for the following arising as a result of a Cyber Event You discover during the Period of Insurance:

##### a Computer System Restoration

The cost of investigating, reconfiguring and rectifying any Damage to Your Computer System or the Computer System of a Service Provider, and restoring and recreating Data,

##### Exclusion

We will not pay any claim for the value of Data to You.

##### b Computer Virus Removal

The cost of locating and removing a Computer Virus from Your Computer System.

##### c Professional Assistance

The cost of hiring professional consultants to make recommendations on how to prevent Your Computer System from being infected by a Computer Virus or to prevent Hacking.

##### d Business Income and Extra Costs

Loss of Business Income and Extra Costs to prevent or reduce the disruption to the functions carried out by Your Computer System during the Indemnity Period.

### Condition

The amount We pay for loss of Business Income will be based on Your Business Income during the 12 months before the Cyber Event, as recorded in Your accounts. We will make adjustments to reflect trends and circumstances which may affect the Business Income or which would have affected the Business Income whether or not the Cyber Event had happened. Any loss of Business Income We pay will be included within, not in addition to the Sum Insured stated in the Schedule.

#### 2 Cyber Crime

We will pay for the following which You discover during the Period of Insurance:

##### a Fraud

Your financial loss:

- 1 following Hacking that results in fraudulent input, destruction or modification of Data in Your Computer System, or the Computer System of Your Service Provider, leading to:
  - i money being taken from any account;
  - ii goods, services, property or financial benefit being transferred; or



- iii any credit arrangement being made; but excluding Hacking by Directors and Officers or Employees;

- 2 resulting from You transferring funds from Your account to that of a third party as a direct result of a fraudulent electronic communication;

as long as You have not received any benefit in return, and You cannot recover the loss from a financial institution or other third party.

We will also pay the cost of proving that the transaction was fraudulent and that the contract or agreement was entered into fraudulently.

#### **b Telephone Hacking**

Your liability to make any payment to Your telephone Service Provider as the result of Hacking into Your Computer System.

#### **c Cyber Ransom**

The cost of responding to a ransom demand, and with Our written consent the payment of a ransom demand, if anyone has or threatens to:

- i disrupt Your Computer System by introducing a Computer Virus, or to initiate a Hacking attack or Denial of Service Attack against You;
- ii release, publish, corrupt, delete or alter Your Data if this would cause You harm or damage Your reputation;

provided You can demonstrate that You have reasonable grounds to believe that the threat is not a hoax, and You have reported it to the police.

### **3 Data Breach Expense**

If during the Period of Insurance You discover that in the course of Your Business You have failed to keep to Your Data Privacy Obligations, We will pay the following:

#### **a Professional Assistance**

The cost of hiring professional legal and forensic information-technology services to investigate and tell You how You should respond.

#### **b Notification Costs**

The cost of informing affected parties, the data privacy regulator and other relevant third parties or organisations worldwide.

#### **c Customer Support**

The cost of providing the following support services to affected parties as the result of You failing to comply with Your Data Privacy Obligations:

- i credit file monitoring, identity theft assistance and helping the affected parties correct their credit records and take back control of their personal identity; and

- ii providing a helpline to respond to enquiries after informing affected parties.

These services will only be provided for 12 months, providing:

- i the Data Privacy Obligations You have failed to keep to, relate to Personal Data; or
- ii You must provide the relevant service under Your Data Privacy Obligations.

#### **d Public Relations**

Public-relations and crisis-management expenses, if We have given Our written consent, for communicating with the media, Your customers and the public to minimise damage to brands and business operations, and any damage to Your reputation.

### **4 Cyber Liability**

We will pay Damages and Defence Costs arising from a claim first made against You during the Period of Insurance and in the course of Your Business as a result of:

#### **a Data Privacy**

You or Your Service Provider failing to secure, or prevent unauthorised access to, publication of or use of Data including any inadvertent interference with any right to privacy or publicity, breach of confidence or Your Data Privacy Obligations.

##### **Extension**

We will also pay fines and penalties if You have failed to meet Your Data Privacy Obligations if insurable under applicable law.

#### **b Computer Virus Transmission**

You unintentionally transmitting, or failing to prevent or restrict the transmission of, a Computer Virus, Hacking attack or Denial of Service Attack from Your Computer System to a third party.

For the purposes of **4 Cyber Liability**, references to 'You' also means any of Your Employees or Directors and Officers.

## **Conditions**

The following Conditions apply to this Section

### **1 Reporting a Claim**

It is a Condition precedent to Our Liability that as soon as You know about any incident or circumstance that may give rise to a claim that You tell the person who arranged the policy (or Us), providing full details, as soon after the incident or circumstance as possible.

### **2 Claims co-operation**

It is a condition precedent to Our liability that as soon as You know about any incident or circumstance that may give rise to a claim You must also:

- a** take all reasonable steps and precautions to prevent further Damage, loss of business income or other loss covered by this Section;
- b** immediately tell the police about any loss or damage relating to crime and get a crime reference number;
- c** keep any damaged parts of the Computer System, other property covered by this Section and other evidence and allow Us to inspect it; and
- d** give Us details of any other insurances You may have which may cover Damage, loss of business income, Damages, Defence Costs or other loss insured by this Section.

In the case of You knowing about an incident or circumstance that has resulted in, or may result in:

- i** a claim being made against You;
- ii** You receiving a demand for Damages;
- iii** You receiving a notice of regulatory action; or
- iv** You receiving a notice of any other process seeking Damages;

You must:

- 1** immediately send Us every letter, writ, summons or other document You receive in connection with the claim or circumstance, and record all information relating to a claim against You that is covered under **4 Cyber Liability**;
- 2** co-operate with Us fully and provide in a timely manner all the information and assistance We may require to investigate Your claim or circumstance;
- 3** tell Us if You recover money from a third party (you may need to give the money to Us); and
- 4** not admit responsibility or liability, or agree to pay any money or provide any services on Our behalf, without Our written permission.

### 3 Data Protection Authority

You must have paid the relevant data protection fee to or registered with, the supervisory authority established for the purpose of monitoring the application of data protection regulations that applies to Your Business unless You are exempted from doing so by the relevant legislation.

### 4 Controlling Defence

We can, but do not have to, take control of investigating, settling or defending any claim made against You. We would take this action in Your name. If necessary, We will appoint an adjuster, solicitor or any other appropriate

person to deal with the claim. We may appoint Your solicitor, but only on a fee basis similar to that of Our solicitor, and only for work done with Our permission in writing. We will only defend claims if We think that there is a reasonable chance of being successful, and after taking the costs of the defence into account.

### 5 Data Backup

You must back up Your Data at least every 7 days.

If a Service Provider processes or stores Data for You, You must make sure that the terms of the contract between You and the Service Provider allow Data to be backed up in line with this Condition.

You must take precautions to make sure that all Data is stored safely.

However, if You can demonstrate that formal procedures were and remain in place to comply with this Condition and that the failure was an accidental oversight or as a result of circumstances beyond Your control We may still pay the claim.

### 6 Defence Software

Your Computer System must be protected by anti-virus software which is:

- a** licensed to You;
- b** paid for and not freely available; and
- c** updated at least every 7 days.

Your Computer System must also be protected by a firewall on all external gateways to the internet, and that firewall must be maintained.

### 7 Protecting Data

You must make sure that You take precautions for disposing of and destroying hardware and hard copy files, in order to protect Data.

### 8 Reasonable Care

You must:

- a** make sure that Your Computer System is used and maintained as recommended by the manufacturer or supplier;
- b** keep a record of all Data back-up procedures carried out;
- c** take all reasonable steps and precautions to prevent or reduce Damage or other loss covered by this Section; and
- d** not continue to use Your Computer System after Damage, unless We have given Our written consent.

## 9 Recoveries

If You have made a claim and You later recover money from a third party, You must tell Us immediately. If We have paid the claim, You may have to give the money to Us.

If We have paid a claim and We then recover money from a third party, We will give You any proceeds above the amount We paid You in connection with the claim.

Any amount due from You or Us must be paid as soon as reasonably possible.

## 10 Tax

Any claim We pay will not include VAT unless You cannot recover part or all of the VAT You have paid.

## Exclusions

We will not pay for any claim, cost or loss under this Section caused by or resulting from the following:

### 1 Associated Companies or Other Insured Parties

Any claim brought against You by:

- a** another person named in the Schedule;
- b** any of Your parent or subsidiary companies; or
- c** any company of which You are a Director, Officer, partner or Employee of and have a financial interest in.

However, We will pay for any claim brought against You by Your Employees or Directors or Officers as a result of You failing to keep to Your Data Privacy Obligations. We will not pay any more than an unrelated third party would have received under the same circumstances.

### 2 Circumstances Before This Section Started

- a** Circumstances which existed before any cover provided by this Section started, and which You knew about; or
- b** Claims or circumstances which You have already reported, or which You should have reported, to a previous insurer before the Period of Insurance.

### 3 Confiscation

Your property being confiscated or Damaged by, or under the order of, any government, public or police authority, other than:

- a** to protect life or prevent Damage to property; or
- b** as the result of a regulatory investigation after You have failed, or allegedly failed, to keep to Your Data Privacy Obligations.

## 4 Credit-card or Debit-card Fraud

For **2 Cyber Crime**, any financial loss resulting from actual or alleged fraudulent use of credit card or debit card.

## 5 Deficiency or Improvements

The cost of correcting any failings in procedures, systems or security.

## 6 Deliberate Act of a Utility Supplier

Loss of Business Income or any other cost resulting from a deliberate act or decision of a gas or electricity supplier, grid operator or telecommunications operator, except where that act or decision was necessary to protect life or prevent Damage to property.

## 7 Employers' Liability

You failing to keep to any obligation You have to Your Employees or Directors and Officers unless this is specifically insured by Your Policy after Your Data Privacy Obligations have not been met.

## 8 External Network Failure

For **1 Computer System Damage and Loss of Business Income**, the failure or interruption of any electrical power supply network or telecommunication network not owned and operated by You.

Telecommunication networks include, but are not limited to, the internet, internet Service Providers, domain name system Service Providers, cable and wireless providers, internet exchange providers, search engine providers, internet protocol networks (and similar networks that may have different designations) and other providers of telecommunications or internet infrastructure.

This exclusion will not apply to any cost or loss caused by or resulting from physical Damage, if otherwise insured by this Section, to the electrical power supply network, telecommunication network or other property.

## 9 Financial Reporting

Any mistakes in financial statements or representations concerning the Business.

## 10 Indirect Loss

Penalties You must pay under a contract for any delay or in connection with guarantees of performance or efficiency.

## 11 Intentional Acts

Any intentional act, or failure to act, by You or Your Directors and Officers, unless the act or failure to act is a measure to prevent or minimise injury, Damage to Your Computer System, loss of Business Income or a claim for Damages.

## 12 Legislation and Regulations

Any actual or alleged breach of any taxation, restraint of trade, competition or anti-trust law or regulation.

## 13 Normal Upkeep

The cost of normal Computer System maintenance.

## 14 Patent

Infringement of any patent without the patent holder's permission.

## 15 Product Liability

Goods, products or software You have sold, supplied, manufactured, constructed, installed, maintained, repaired, altered or treated.

## 16 Professional Indemnity

Any inadequate or incorrect Professional advice or services You have provided.

## 17 Sanction Limitation

We will not make any payment under this Section if doing so would expose Us to any sanction, prohibition or restriction under any United Nations resolutions, or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

## 18 Telecommunications Systems

Atmospheric or environmental conditions causing temporary interference with any satellite signal.

## 19 Time Excess

Loss of Business Income arising during the Time Excess as stated in the Schedule.

## 20 Trading Risk

Your commercial decision to stop trading, or the decision of a Service Provider, customer or supplier of Yours to stop or reduce trade with You or restrict services.

## 21 Wear and Tear

Losses due to:

- a** wear and tear, gradual deterioration or rust;
- b** scratching or chipping of painted or polished surfaces;
- c** erosion or corrosion; or
- d** gradual reduction in performance.

## 22 Your Insolvency or Bankruptcy

Your insolvency or bankruptcy.

# Important Information

## Your right to cancel

If this cover does not meet your requirements, please return all your documents and any certificate to the broker, intermediary or agent, who arranged the Policy within 14 days of receipt. We will return any premium paid in accordance with General Condition 4 Cancellation.

## Cancellation

If you wish to cancel the contract at any other time, please contact the broker, intermediary or agent, who arranged the Policy. Any return of premium will be made in accordance with General Condition 4 Cancellation.

## How to make a claim

Please contact, in the first instance, the broker, intermediary or agent, who arranged the Policy. Please quote your Policy number.

## How to complain

If you have an enquiry or complaint arising from your Policy, please contact the broker, intermediary or agent who arranged the Policy for you. If the broker is unable to resolve your complaint or it is regarding the terms and conditions of the Policy they will refer it to NIG.

If your complaint is still outstanding you can write to NIG direct at the following address:

Customer Relations Manager,  
NIG  
Churchill Court Westmoreland Road Bromley BR1 1DP

Email: **complaints@nig-uk.com**.

Please ensure that you quote your policy number in all correspondence. Details of NIG's complaints procedures including information on what you should expect in response to your complaint can be found on NIG's website at **www.nig.com/contact-us/complaints**.

Once you receive a written response and if you remain dissatisfied, you may refer your complaint to the Financial Ombudsman Service (FOS). Their address is:

The Financial Ombudsman Service  
Exchange Tower London E14 9SR

Telephone: **0800 023 4567** or **0300 123 9123**.

Their website also has a great deal of useful information: **www.financial-ombudsman.org.uk**.

## Details about our Regulator

NIG policies are underwritten by U K Insurance Limited who is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, registration number 202810. The Financial Conduct Authority website, which includes a register of all regulated firms can be visited at **www.fca.org.uk**, or the Financial Conduct Authority can be contacted on **0800 111 6768**. The Prudential Regulation Authority website can be visited at **www.bankofengland.co.uk/pr**, or the Prudential Regulation Authority can be contacted on **020 7601 4878**.

## Financial Services Compensation Scheme

Under the Financial Services and Markets Act 2000, should we be unable to meet our liabilities to policyholders, compensation may be available. Insurance advising and arranging is covered for 90% of the claim, without any upper limit. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, without any upper limit. Information can be obtained on request, or by visiting the Financial Services Compensation Scheme website at **www.fscs.org.uk**

**Whoever you are contacting, please always quote your Policy Number as it will help your enquiry or complaint to be dealt with promptly.**





[www.nig.com](http://www.nig.com)