

# Policy Wording

Mid Corporate  
Business Combined

# Mid Corporate Business Combined Policy Wording

Arranged by



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## Your Insurance Specialist

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

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

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

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



## Your Insurer

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

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

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

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

## Important

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

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

# Introduction

Thank you for choosing Allianz Insurance plc.

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

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

We work in partnership with your insurance adviser to ensure you receive the highest levels of product and service excellence. Our technical experts understand how best to protect you against the risks your business faces.

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

## Important

**Should you need further details or have any questions, your insurance adviser will be delighted to help.**

**This document provides details of your Policy and the terms and conditions that apply. Please read it carefully and keep it in a safe place.**

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

The parts of the Policy which form your contract of insurance with Allianz Insurance plc are:

- this Introduction
- the proposal, presentation of the risk, or any other information supplied by you or on your behalf
- the Policy Definitions; the Insuring Clause; the General Exclusions and General Conditions, all of which apply to all Sections of the Policy (other than the Directors and Officers Liability or Professional Indemnity Sections)
- the Sections of cover selected by you (as shown on the Schedule) excluding any Section covering Directors and Officers Liability or Professional Indemnity

- the Exclusions and Conditions which apply to the Sections selected by you excluding any Section covering Directors and Officers Liability or Professional Indemnity
- the Schedule, which includes all clauses applied to the Policy while the Policy is in force.

If you have taken out Directors and Officers Liability and/or Professional Indemnity cover, each of those covers forms a separate contract of insurance between you and Allianz Insurance plc.

The parts of the Policy which form this separate contract or contracts of insurance with Allianz Insurance plc are:

- this Introduction (other than that part entitled 'Notifying a Claim')
- the proposal, presentation of the risk, or any other information supplied by you or on your behalf
- the Policy Definitions in so far as they are consistent with the definitions applied in the Directors and Officers Liability or Professional Indemnity Sections
- the Insuring Clause
- the Directors and Officers Liability or Professional Indemnity Section of cover selected by you (as shown on the Schedule)
- the Exclusions and Conditions which apply to the Directors and Officers Liability or Professional Indemnity Section of cover selected by you
- the Schedule, which includes all clauses applied to the Policy while the Policy is in force.

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

For ease of reference you will be given only one Policy number even if you have taken out Directors and Officers Liability and/or Professional Indemnity cover.

## Financial Services Compensation Scheme

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

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

# Insuring Clause

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

For Allianz Insurance plc

A handwritten signature in black ink, appearing to read 'SMG', with a horizontal line extending to the right.

Simon McGinn  
Chief Executive Allianz Commercial

# Policy Definitions

The following definitions apply to this Policy, unless amended by Section Definitions, and are denoted by bold text throughout this Policy.

## **Policy**

The contract of insurance formed of the documents described in the Introduction. Where cover is provided under the Directors and Officers Liability and/or Professional Indemnity **Sections, the Insured** has more than one contract of insurance and the definition of "the **Policy**" should be construed accordingly

## **Section/Sections**

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

## **Schedule**

The part of this **Policy** that details information forming part of this contract of insurance and that shows the **Sections** of this **Policy** that are operative

## **The Insurer**

Allianz Insurance plc

## **The Insured**

The Insured named and shown in the **Schedule**

## **Period of Insurance**

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

## **Business**

The Business Description stated in the **Schedule**

## **Premises**

The Premises stated in the **Schedule**

## **Sum Insured**

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

## **Total Sum Insured**

The total of the **Sums Insured** for each item payable by **the Insurer** under any **Section**

## **Excess** (not applicable to the Employers' Liability Section)

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

# General Conditions

## 1 Fair Presentation of the Risk

(Not applicable to the Directors and Officers Liability and Professional Indemnity Sections)

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

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

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

For the purposes of this condition references to:

- a** avoiding a **Policy** means treating the **Policy** as if it had not existed from the inception date (where the failure to make a fair presentation of the risk occurs before or at the inception of the **Policy**), the renewal date (where the failure occurs at renewal of the **Policy**), or the variation date (where the failure occurs when the **Policy** is varied);
- b** refunds of premium should be treated as refunds of premium back to the inception date, renewal date or variation date as the context requires;
- c** issuing a **Policy** should be treated as references to issuing the **Policy** at inception, renewing or varying the **Policy** as the context requires;
- d** premium should be treated as the premium payable for the particular contract of insurance which is subject to this condition (where there is more than one contract of insurance).

## 2 Reasonable Precautions

(Not applicable to the Directors and Officers Liability Section)

**The Insured** shall take all reasonable precautions to prevent accidents and any injury, loss, destruction or damage and shall take all reasonable steps to observe and comply with statutory or local authority laws, obligations and requirements.

## 3 Claims

(Not applicable to the Directors and Officers Liability Environmental Impairment Liability Section)

**Note that in addition to the General Claims Condition, Special or Additional Claims Conditions also apply to the individual Sections of the Policy. Please refer to each individual Section for details.**

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

- a** notify **the Insurer** as soon as reasonably possible
- b** pass immediately, and unacknowledged, any letter of claim to **the Insurer**
- c** notify **the Insurer** immediately upon being advised of any prosecution, inquest or enquiry connected with any injury, loss, destruction, damage or consequential loss which may form the subject of a claim under this **Policy**
- d** notify the police as soon as it becomes evident that any loss, destruction or damage has been caused by theft or malicious persons
- e** carry out and permit to be taken any action which may be reasonably practicable to prevent further loss, destruction, damage or consequential loss
- f** retain unaltered and unrepaired anything in any way connected with the injury, loss, destruction, damage or consequential loss for as long as **the Insurer** may reasonably require
- g** furnish with all reasonable despatch at **the Insured's** expense such further particulars and information as **the Insurer** may reasonably require
- h** make available at **the Insured's** expense any documents required by **the Insurer** with regard to any letter of claim
- i** not pay or offer or agree to pay any money or make any admission of liability without the previous consent of **the Insurer**

- j allow **the Insurer** in the name of and on behalf of **the Insured** to take over and, during such periods as **the Insurer** thinks proper, to have the absolute conduct and control of all negotiations and proceedings which may arise in respect of any claim and the settlement thereof and co-operate fully with **the Insurer** for that purpose.

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

## 4 Cancellation

(Not applicable to the Directors and Officers Liability Section)

Other than where General Condition 5 **Fraud** applies **the Insurer** may cancel this **Policy** by giving **the Insured** thirty (30) days' notice at their last known address. Provided the premium has been paid in full and no claim has been made during the **Period of Insurance**, **the Insured** shall be entitled to a proportionate rebate of premium in respect of the unexpired period of the insurance.

If the premium for this **Policy** is paid by instalments and in the event that **the Insured** fails to pay one or more instalments whether in full or in part **the Insurer** may cancel the **Policy** by giving fourteen (14) days notice in writing to **the Insured** sent to their last known address.

## 5 Fraud

(Not applicable to the Directors and Officers Liability and Professional Indemnity Sections)

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

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

**the Insurer** will:

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

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

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

## 6 Discharge of Liability

(Not applicable to the Directors and Officers Liability, Commercial Legal Expenses or Professional Indemnity Sections, or (except in respect of Personal Liability Cover if insured by such Section) to the Business Travel Section)

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

- A the Limit of Indemnity or
- B the **Sum Insured** or
- C a lesser amount for which such claim or claims can be settled after deduction of any sums already paid.

Upon such payment **the Insurer** shall relinquish the conduct and control of and be under no further liability in respect of such claim or claims except for costs and expenses which **the Insurer** have already agreed to bear incurred prior to the date of such payment.

## 7 Loss Reduction Conditions

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

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



# General Conditions (continued)

## 8 Law Applicable and Jurisdiction

(Not applicable to the Directors and Officers Liability Section)

Unless agreed otherwise by **the Insurer**:

- a the language of the Policy and all communications relating to it will be English;

and,

- b all aspects of the Policy including negotiation and performance are subject to English law and the decisions of English courts.

## 9 Rights of Parties

(Not applicable to the Directors and Officers Liability Section)

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

## 10 Assignment

(Not applicable to the Directors and Officers Liability Section)

**The Insured** shall not assign any of the rights or benefits under this **Policy** or any **Section** of this **Policy** without the prior written consent of **the Insurer**.

**The Insurer** will not be bound to accept or be affected by any notice of trust charge lien or purported assignment or other dealing with or relating to this **Policy** or any **Section** of this **Policy**.

## 11 Survey and Risk Improvement – Subjectivity Condition

(Not applicable to the Directors and Officers Liability Section)

### Subject to Survey

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

In the event that a survey should show that the risk or any part of it is not satisfactory in the opinion of **the Insurer**, then **the Insurer** reserves the right to

- a alter the premium or terms and conditions
- b exercise their right to cancel the **Policy**

- c leave the premium or terms and conditions unaltered.

**The Insurer** will advise **the Insured** of their decision and the effective date of such decision. If the premium terms or conditions are amended by **the Insurer** then **the Insured** will have fourteen (14) days to accept or reject the revised basis of indemnity.

If **the Insured** elect to reject the revised basis of premium, terms or conditions then they shall be entitled to a proportionate refund of premium (subject to an administration charge) for the unexpired period of cover provided that no claim has been made during the current **Period of Insurance**.

If **the Insurer** exercises their right to cancel the **Policy**, then **the Insured** shall be entitled to a proportionate refund of premium (subject to an administration charge) for the unexpired period of cover provided that no claim has been made during the current **Period of Insurance**.

### Risk Improvements

It is a precedent to the liability of **the Insurer** that **the Insured** must comply with all survey risk improvements required by **the Insurer** within completion time scales specified by **the Insurer**.

In the event that a risk improvement is not completed, or risk improvement procedures are not introduced, within the completion time scales specified by **the Insurer**, then **the Insurer** reserves the right to

- a alter the premium or terms and conditions
- b exercise their right to cancel the **Policy**
- c leave the premium or terms and conditions unaltered.

**The Insurer** will advise **the Insured** of their decision which will be effective either from the expiry of any time period specified by **the Insurer** for completion/introduction of the required survey risk improvements, or any other period specified by **the Insurer**.

If the premium, terms or conditions are amended by **the Insurer** then **the Insured** will have fourteen (14) days to accept or reject the revised basis of indemnity.

If **the Insured** elect to reject the revised basis of premium, terms or conditions then they shall be entitled to a proportionate refund of premium (subject to an administration charge) for the unexpired period of cover provided that no claim has been made during the current **Period of Insurance**.

If **the Insurer** exercises their right to cancel the **Policy**, then **the Insured** shall be entitled to a proportionate refund of premium (subject to an administration charge) for the unexpired period of cover provided that no claim has been made during the current **Period of Insurance**.

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

# General Exclusions

This Policy does not cover

## 1 Radioactive Contamination

(Not applicable to the Computer, Engineering Machinery Damage, Engineering – Business Interruption, Fidelity Insurance and Directors and Officers Sections)

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

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

Exclusions **a** and **b** do not apply to the Employers' Liability Section other than in respect of

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

Exclusions **c** and **d** do not apply to the Employers' Liability, Public Liability, Public and Products Liability, Accident and Business Travel Sections.

## 2 War

(Not applicable to the Employers' Liability, Accident Insurance and Business Travel, Terrorism, Fidelity Guarantee and Directors and Officers Sections)

Any claim, loss, damage, destruction, death, injury, disablement or liability, cost or expense, or any consequential loss, directly or indirectly caused by, arising out of, attributable to, or contributed to by:

- a** war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;

- b** the discovery, detonation or explosion of **Munitions** (including both controlled and uncontrolled detonations and explosions), whether or not a state of war is current at the time of discovery, detonation or explosion; or
- c** any action taken to disarm, diffuse, dispose of, neutralise, make safe, or otherwise remove **Munitions**, whether or not a state of war is current at the time,  
  
regardless of any other cause or event operating concurrently, independently or in any other sequence to cause the loss, damage or liability.

### For the purposes of this Exclusion

Loss includes, but is not limited to, financial and business interruption loss (including business interruption loss covered under the Extensions to the Business Interruption Sections), physical loss, loss of value, marketability or use of property, fines and penalties.

**Munitions** mean any weapons or munitions from a current or historic war, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection, or military or usurped power, including but not limited to bombs, missiles, torpedoes, mines, ammunition, explosive devices, or any parts thereof, and any unexploded, derelict, abandoned and unused munitions or weapons.

## 3 Terrorism

(Not applicable to the Computer, Engineering Machinery Damage, Engineering Business Interruption, Employers' Liability, Public Liability, Products Liability, Environmental Impairment Liability, Directors and Officers, Personal Accident, Sickness and Travel or Terrorism [when insured as a separate section] Sections)

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

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

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

In respect of **a** above an Act or Terrorism (Terrorism) means:-  
Acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of Her Majesty's government in the United Kingdom or any other government de jure or de facto

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

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

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

In respect of **b** above an act of Terrorism (Terrorism) means:-

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

In any action suit or other proceedings where **the Insurer** alleges that by reason of this exclusion any loss or destruction or damage or any consequential loss is not covered the burden of proving to the contrary shall be upon **the Insured**.

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

## 4 Cyber and Data Events

(Not applicable to Terrorism, Employers' Liability, Public Liability, Public and Products Liability, Computer, Directors and Officers, Accident, Sickness or Business Travel Sections)

- a** any **Cyber Loss**;
- b** any claim, loss, damage, destruction, cost, expense, or any consequential loss, directly or indirectly caused or contributed to by, arising out of or in connection with, or consisting of any **Data Loss**; or
- c** any cost, expense or fee incurred in replacing, reinstating, recovering, restoring or reproducing intangible elements of any **Computer System**,

regardless of any other cause or event operating or contributing concurrently, independently or in any other sequence to cause the claim, loss or damage.

But, subject to all the terms, conditions, limitations, exclusions and endorsements to this Policy:

- i** this exclusion will not apply to **Physical Damage to Tangible Property** at the **Premises** during the **Period of Insurance** by a **Non-Cyber Cause** which itself results from a **Cyber Act** or **Cyber Incident**, together with any business interruption solely and directly resulting from such **Physical Damage to Tangible Property**, provided always that the Policy will not cover:
  - a** any loss, costs or expenses comprising or consisting of **Data Loss** (including where resulting from **Physical Damage to Tangible Property**) other than as set out in sub-clause (ii) below;
  - b** any loss, distortion, erasure, corruption or alteration of or inability to access or use any other intangible property or assets or intangible elements of **Computer Systems** (including where resulting from **Physical Damage to Tangible Property**) or any business interruption resulting therefrom;
  - c** any business interruption caused or contributed to by any **Data Loss** which results directly or indirectly from **Physical Damage to Tangible Property**.
- ii** should **Data Processing Media** owned or operated by the Insured suffer physical loss or physical damage by a **Non-Cyber Cause** which is otherwise insured by this Policy, this exclusion will not apply to the cost of repairing or replacing the damaged **Data Processing Media** plus the costs of copying **Data** from back-up or from originals of a previous generation onto the replacement or repaired **Data Processing Media**, but only where such back-ups or originals of a previous generation still exist and are accessible and provided always that the Policy will not cover:
  - a** any research and engineering costs;
  - b** any costs of recreating, gathering or assembling the **Data**;
  - c** any reduction in value of **Data** or any amount pertaining to the value of such **Data** to **the Insured** or any **Third Party**, even if such **Data** cannot be recreated, gathered or assembled or copied from back-up or from originals of a previous generation;

# General Exclusions (continued)

- d any business interruption loss caused directly or indirectly by or contributed to by any **Data Loss** or by the copying from back-ups or originals of any **Data**.

## For the purposes of this Exclusion

Any reference to the word 'loss' includes, but is not limited to, financial and business interruption loss (including business interruption loss covered under any or all of the Extensions to the Business Interruption Sections), physical loss, loss of value, marketability or use of property (including intangible property), fines and penalties, other than where this exclusion refers specifically to a particular type of loss, such as 'physical loss' or loss comprising or consisting of loss of **Data** or loss of other intangible property, in which case the word 'loss' will be interpreted in the context within which it is used

**Computer System** means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, virtual server, cloud or microcontroller, including any similar system or any configuration or networks of the aforementioned and including any associated input, output, data storage or processing device, networking equipment, internet, intranet, virtual private network or similar facilities, or back up facility, located anywhere in the world and irrespective of whether such computer system is owned or operated by the **Insured** or any **Third Party**

**Cyber Loss** means any claim, loss, damage, destruction, cost, expense, or any consequential loss, directly or indirectly caused or contributed to by, or arising out of or in connection with any **Cyber Act** or **Cyber Incident** including, but not limited to, any action taken or advice given to control, prevent, suppress, or remediate any **Cyber Act** or **Cyber Incident** or to mitigate or otherwise reduce the effects of any **Cyber Act** or **Cyber Incident**

**Cyber Act** means any unauthorised, malicious or criminal act (whether or not directed at **the Insured**), regardless of time and place, or the threat or hoax thereof, involving access to, processing, use, manipulation or operation of, or impairing any **Computer System** or **Data**, including but not limited to any unauthorised or malicious direction of network traffic or introduction of code, malware, virus or ransomware

**Cyber Incident** means:

- i any error or omission involving access to, processing of, use of or operation of any **Computer System**, whether any such error or omission is made by or on behalf of the Insured or any **Third Party**;

- ii any partial or total unavailability or failure of or reduction in functionality or operability of any **Computer System** (whether temporary or permanent) or inability to access, process, use or operate any **Computer System**; or
- iii any partial or total inability to access, process, transmit, store or use any **Data** or any error or omission involving accessing, processing, transmitting, storing or using any **Data**, whether any such error or omission is made by or on behalf of the Insured or any **Third Party**

**Data** means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form which is (or is capable of being) used, accessed, processed, transmitted or stored by a **Computer System**.

**Data** is not limited to **the Insured's Data** but includes **Data** which is owned, accessed, processed, transmitted, stored or used by any **Third Party** anywhere in the world

**Data Loss** means any loss, distortion, erasure, corruption, theft, alteration, or manipulation of **Data** (whether temporary or permanent) or loss of use, reduction in functionality or reduction in value of **Data** or the act of (and costs and expenses associated with) repairing, replacing, reinstating, recovering, restoring or reproducing any **Data**

**Data Processing Media** means any tangible property insured by this Policy on which **Data** can be stored but not the **Data** itself

**Non-Cyber Cause** means a cause, other than a **Cyber Act**, **Cyber Incident**, **Data Loss** or other cyber related cause, which is not otherwise excluded by the Policy.

**Physical Damage to Tangible Property** means accidental, physical loss, damage or destruction to tangible property insured under this Policy which is owned by **the Insured** or for which **the Insured** is responsible, excluding any **Data** and intangible elements of **Computer Systems**

**Third Party** means any person or entity other than **the Insured** (including, but not limited to, information technology and computer service suppliers, data centre operators, internet service providers, customers or suppliers of **the Insured**, transport operators, infrastructure providers, utilities and supply undertaking service providers or producers, telecommunication service providers and persons or entities wholly unconnected with **the Insured**, its **Business**, its **Computer Systems** or any **Data** which it owns, uses or relies on)

## 5 Contagious and Infectious Disease

(Not applicable to Employers Liability, Public / Products Liability, Directors and Officers, Personal Accident, Business Travel, Computer, Breakdown, Legal Expenses and Terrorism Sections)

Loss, damage, destruction, cost, expense, or any consequential loss, directly or indirectly caused by, arising out of, attributable to, or controlled by:

- a** a **Contagious or Infectious Disease**;
- b** the fear or threat (whether actual or perceived) of a **Contagious or Infectious Disease**;
- c** the presence or suspected presence of **Pathogens** at, in or on the premises or property of any person or entity; or
- d** any action taken or advice given (whether or not by a competent authority) to prevent, reduce, control or mitigate the occurrence, outbreak, spread or effects of a **Contagious or Infectious Disease** or any **Pathogens**

irrespective of any other cause, occurrence or event operating concurrently, independently or in any sequence to cause the loss.

But this exclusion will not apply to **Physical Damage** to property insured under the Policy and any business interruption directly resulting from such **Physical Damage**, where such **Physical Damage** itself results from fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood, escape of water from any tank apparatus or pipe, impact by any road vehicle or animal or theft.

For the purpose of this exclusion:

Loss includes, but is not limited to financial and business interruption loss, loss of value, marketability or use of property, fines and penalties. Cost or expense includes, but is not limited to any cost to:

- i** clean-up, detoxify, decontaminate, or remove **Pathogens** from any property where the property is or is feared to have been affected by **Pathogens** or a **Contagious or Infectious Disease**;
- ii** monitor or test for **Pathogens** or a **Contagious or Infectious Disease**; or
- iii** provide medical treatment for persons affected by a **Contagious or Infectious Disease**

**Physical Damage** means physical loss, damage or destruction. For the avoidance of any doubt, the presence of a **Pathogen** on property or contamination of property by a **Pathogen** does not constitute **Physical Damage**;

Malicious persons do not include persons who maliciously, deliberately or recklessly:

- cause **Pathogens** to come into contact with the premises or property of any person or entity; or
- cause or attempt to cause another person or persons to contract a **Contagious or Infectious Disease** and, in or by so doing, cause **Pathogens** to come into contact with the premises or property of any person or entity.

**Contagious or Infectious Disease** means any disease, illness or condition affecting humans or animals which is caused by or can be transmitted by means of any **Pathogen**, where the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms (including from one human to another, one animal to another, from an animal to a human or vice versa, or through contaminated water, faeces or food).

**Pathogen** means any pathogen, including but not limited to a virus, bacterium, parasite, fungus, other organism, micro-organism, any variation or mutation thereof, whether deemed living or not, or any other substance or agent capable of causing a **Contagious or Infectious Disease**.



# Section 1 – Property Damage All Risks

## Definitions

### Damage/Damaged

Accidental loss or destruction of or damage to **Property Insured**.

### Specified Events

Fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, 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 apparatus or pipe or impact by any road vehicle or animal.

### Premises

The **Buildings** at the address or addresses shown in the **Schedule**, including their grounds, all within the boundaries for which **the Insured** are responsible and being, unless more specifically described in the **Schedule**, occupied by **the Insured** for the purpose of the **Business**.

### Property/Property Insured

**Buildings, Contents, Stock** and other items shown and/or described in the **Schedule**.

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

### Buildings

The buildings shown in the **Schedule** including

- landlord's fixtures and fittings, fixed glass and fixed sanitary ware in or on or pertaining to the buildings
- walls, gates and fences and so far as they are not otherwise insured
- small outside buildings, annexes, gangways, conveniences and other structures
- extensions communicating with the buildings
- roads, car parks, yards, paved areas, pavements and footpaths
- building management and security systems
- fuel tanks and their ancillary equipment and pipe work
- wind turbines and solar panels attached to the buildings
- landscaping and recreational features including ornaments and statues.

## Contents

Machinery, plant and all other contents belonging to **the Insured** or held by **the Insured** in trust and for which **the Insured** are responsible (other than landlord's fixtures and fittings, stock and other property specifically described in the **Schedule**) whilst in or on the buildings, including

- tenants' improvements, alterations and decorations
- contents in the open yards
- **Money**, for an amount not exceeding £1,000 in total
- deeds, documents, manuscripts and business books, but only for the cost of the materials and clerical labour expended in reproducing such records
- **Data Processing Media** but only in accordance with Basis of Settlement Adjustment 53. Data Processing Media set out in this Section
- rare books or works of art for an amount not exceeding £5,000 any one article or £10,000 in total
- tobacco, wines and spirits held for business entertainment purposes for an amount not exceeding £1,000 in total
- the contents of fuel tanks at the **Premises** for an amount not exceeding £2,000 and so far as they are not otherwise insured
- partners', directors', and employees' personal effects of every description (other than motor vehicles), for an amount not exceeding £1,000 for any one person.

### Data Processing Media

Tangible property on which **Data** can be stored but not the **Data** itself.

### Data

Information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form which is (or is capable of being) used, accessed, processed, transmitted or stored by **Data Processing Media**

### Data Processing Media

### Stock

Stock and materials in trade belonging to **the Insured** or held by **the Insured** in trust and for which **the Insured** are responsible, whilst in the buildings or in the open yards.

## Money

Cash, bank and currency notes, cheques, crossed bankers drafts, postal orders, luncheon vouchers, current postage stamps, trading stamps, National Insurance stamps, Holiday with Pay stamps, National Savings stamps, National savings certificates, Premium Bonds, credit sales vouchers or receipts, VAT purchase invoices, unexpired units in franking machines, gift tokens and consumer redemption vouchers belonging to **the Insured** or for which the **Insured** are responsible.

## Unoccupied

Any building or part of any building that is unfurnished, untenanted, empty or no longer in active use for a period exceeding 30 consecutive days.

## Contract Works

The permanent and temporary works undertaken by or on behalf of **the Insured** for the purpose of alteration or improvement to the **Premises** including all unfixed materials and goods, for which **the Insured** are responsible and whether supplied free of charge or not, delivered to or placed on or adjacent to the permanent and temporary works and intended for incorporation in them in performance of the contract at the **Premises** specified in the **Schedule**, excluding any tools, contractors plant and equipment, site huts and other temporary accommodation and their contents belonging to **the Insured** or hired by them under a hiring agreement, hire purchase, lease agreement or on a free loan.

## Cover

**The Insurer** will pay **the Insured** for **Damage to Property Insured** at the **Premises** shown in the **Schedule**, excluding

### 1 **Damage** 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** the bursting of any boiler (not being a boiler used for domestic purposes only), economiser or other vessel, machine or apparatus belonging to **the Insured** or under the control of **the Insured** in which internal pressure is due to steam only
- c** pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

but **the Insurer** will pay for subsequent **Damage** which itself results from a cause not otherwise excluded

- d** faulty or defective workmanship by **the Insured** or any employee of **the Insured**
- e** operational error or omission by **the Insured** or any employee of **the Insured** but **the Insurer** will pay for
  - i** such **Damage** not otherwise excluded which itself results from a **Specified Event**
  - ii** subsequent **Damage** which itself results from a cause not otherwise excluded
- f** acts of fraud or dishonesty by any partner, director or employee of **the Insured** but **the Insurer** will pay for such **Damage** not otherwise excluded which itself results from a **Specified Event**.

### 2 **Damage** caused by or consisting of:

- a** corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
- b** change in temperature, colour, flavour, texture or finish
- c** theft or attempted theft
  - i** which does not involve entry to or exit from a building or part of a building at the **Premises** by forcible and violent means or hold-up by violence or threat of violence to **the Insured** or any partner, director or employee of **the Insured** or any other person who has a legal right to be on the **Premises**
  - ii** to property in the open or in open fronted Buildings or in Buildings not on permanent foundations
  - iii** expedited or in any way brought about by **the Insured** or any partner, director or employee of **the Insured** or **Damage** consisting of
- d** joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them
- e** mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which such breakdown or derangement originates but **the Insurer** will pay for
  - i** such **Damage** not otherwise excluded, which itself results from a **Specified Event** or from any other accidental loss, destruction or damage
  - ii** subsequent **Damage** which itself results from a cause not otherwise excluded.



# Section 1 – Property Damage All Risks (continued)

**3** Loss or destruction or damage caused by pollution or contamination but **the Insurer** will pay for destruction or damage to the **Property Insured** not otherwise excluded, caused by

- a** pollution or contamination which itself results from a **Specified Event**
- b** any **Specified Event** which itself results from pollution or contamination.

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

- a** subsidence, ground heave or landslide
  - i** in respect of walls, gates, fences, roads, car parks, yards, forecourts, patios, pavements, footpaths, and similar hard surfaced areas unless covered by this **Section** and a building covered by this **Section** is **Damaged** by the same cause at the same time
  - ii** resulting from
    - a** the settlement or movement of made-up ground
    - b** coastal or river erosion
    - c** defective design or workmanship or the use of defective materials
  - iii** which commenced prior to the inception of this cover
  - iv** occurring as a result of demolition, construction, structural alteration or repair of any **Property** or as a result of ground works or excavation, at the same **Premises**
- b** normal settlement or bedding down of new structures
- c** disappearance, unexplained or inventory shortage, misfiling or misplacing of information.

**5** Destruction of or damage to any building or structure caused by its own collapse or cracking, but **the Insurer** will pay for such destruction or damage resulting from a **Specified Event** in so far as it is not otherwise excluded.

**6** **Damage** in respect of any building which is **Unoccupied** caused by

- a** freezing
- b** escape of water from any tank, apparatus or pipe
- c** malicious persons not acting on behalf of or in connection with any political organisation, but **the Insurer** will pay for such **Damage** caused by fire or explosion.

**7** **Damage** in respect of fences, gates and moveable property in the open caused by wind, rain, hail, sleet, snow, flood or dust.

**8** **Damage** to any **Property**

- a** caused by fire, resulting from its undergoing any heating process or any process involving the application of heat
- b** resulting from its undergoing any process of production, packing, treatment, testing, commissioning, service or repair, but **the Insurer** will pay for such **Damage** caused by fire or explosion.

**9** **Damage** in respect of

- a** jewellery, precious stones or precious metals, bullion, furs, curiosities
- b** works of art or rare books (other than in respect of **Damage** to such property defined as **Contents**, provided that **Contents** are specifically stated as insured in the **Schedule** and the **Damage** is not otherwise excluded)
- c** property in transit
- d** glass (other than fixed glass), sanitary ware (other than fixed sanitary ware), china, earthenware, marble or other fragile or brittle objects
- e** **Money** (other than in respect of **Damage** to such property defined as **Contents**, provided that **Contents** are specifically stated as insured in the **Schedule** and the **Damage** is not otherwise excluded), bonds or securities of any description

but **the Insurer** will pay for such **Damage** caused by a **Specified Event** in so far as it is not otherwise excluded.-

**10** **Damage** to

- a** vehicles licensed for road use (including accessories on them), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
- b** **Property** or structures in course of construction or erection and materials or supplies in connection with all such **Property** or structures
- c** land, piers, jetties, bridges, culverts or excavations
- d** livestock or growing crops

but **the Insurer** will pay for such property where specifically described in the **Schedule**.

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

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

**13 Damage** occasioned by nationalisation, confiscation, requisition, seizure or destruction by the Government or any public authority.

**14** Consequential loss or damage of any kind or description, except loss of rent when such loss is insured by this **Section**.

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

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

but **the Insurer** will pay for subsequent **Damage** which is not otherwise excluded and which itself results from a **Specified Event**.

**17** after the application of all other terms and conditions of this **Section** and the **Policy** including any Underinsurance (Average) Basis of Settlement Adjustment, and in respect of each separate **Premises**, the amount of the **Excess** specified in the **Schedule**.

## Basis of Settlement

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

The most **the Insurer** will pay for any one claim is

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

Irrespective of the number of insured parties the total liability of **the Insurer** to all of the insured parties collectively in respect of the cover insured by this **Section** shall not exceed the **Total Sum Insured** or in respect of any item its **Sum Insured** or any other stated limit of liability.

Any payment or payments by **the Insurer** to any one or more insured party shall reduce to the extent of that payment the liability of **the Insurer** to all parties arising from any one event giving rise to a claim under this **Section**.

The **Sums Insured** or limits of liability shall not be reduced by the amount of any claim following **Damage** as insured under this **Section** provided that

- a** **the Insurer** does not give written notice to the contrary within 30 days of the notification of any **Damage**
- b** **the Insured** pays the appropriate additional premium on the amount of the claim from the date of the **Damage** to the expiry of the **Period of Insurance**
- c** **the Insured** agrees to comply with any security recommendations or other measures **the Insurer** may require to reduce the risk of **Damage**.

## Basis of Settlement Adjustments

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

### 1 Index Linking

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

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

For **Contents** and other **Property** shown and/or described in the **Schedule**, the Retail Price Index (or some other suitable index **the Insurer** decides upon) will be used.

The above percentage changes will continue to be applied between the date of any **Damage** and the date when replacement or repair has been completed provided that the work of rebuilding or repair is commenced and carried out without unreasonable delay.

# Section 1 – Property Damage All Risks (continued)

## 2 Average (Underinsurance)

The **Sums Insured** by

- a** any items for **Buildings or Contents** subject to the Reinstatement (Day One Basis) clause are declared to be separately subject to Average as described in Special Condition 2 of such clause
- b** any other items of **Property Insured** (other than any **Sum Insured** applying solely to rent, fees, removal of debris or private dwellings) are declared to be separately subject to Average. This means if at the time of **Damage** the **Sum Insured** for any item is less than the value of the item covered by such **Sum Insured**, the amount payable by **the Insurer** will be proportionately reduced.

## 3 Contribution and Average

If at the time of **Damage** any other insurance has been effected by or on behalf of **the Insured** covering any of the **Property Damaged**, **the Insurer's** liability under this **Section** shall be limited **to the Insurer's** rateable proportion of such **Damage**.

If such other insurance is subject to Average (Underinsurance), this **Section** if not already subject to Average shall be subject to Average in like manner.

If such other insurance is subject to any provision which excludes it from ranking concurrently with this **Section**, either in whole or in part, or from contributing rateably, the liability of **the Insurer** under this **Section** shall be limited to that proportion of the **Damage** which the **Sum Insured** for this **Section** bears to the value of the **Property**.

## 4 Reinstatement (Day One Basis)

**A** Subject to the Special Conditions set out below, the basis on which the amount payable for **Buildings, Contents** and any other **Property** for which a Declared Value is specified in the **Schedule** is to be calculated will be the reinstatement of the **Property** lost, destroyed or damaged.

For this purpose "reinstatement" means

- i** the rebuilding or replacement of **Property** lost or destroyed which, provided **the Insurer's** liability is not increased, may be carried out

- a** in any manner suitable to the requirements of **the Insured**

- b** on another site

- ii** the repair or restoration of **Property** damaged

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

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

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

- i** any additional cost of reinstatement to comply with Public Authorities regulations, bye-laws or stipulations
- ii** professional fees
- iii** removal of debris costs.

## Special Conditions

- 1** At inception of each **Period of Insurance**, **the Insured** shall notify **the Insurer** of the Declared Value of **Property Insured**. In the absence of such declaration the last amount declared by **the Insured** will be taken as the Declared Value for the new **Period of Insurance**, appropriately adjusted if Index Linking applies.
- 2** If at the time of **Damage** the Declared Value of the **Property** is less than the cost of reinstatement (as defined in paragraph **A i**) at inception of the **Period of Insurance**, the amount payable by **the Insurer** will be proportionately reduced.
- 3** **The Insurer's** liability for the repair or restoration of **Property** damaged in part only, shall not exceed the amount which would have been payable if such **Property** had been wholly destroyed.
- 4** No payment beyond the amount **the Insurer** would have paid in the absence of this clause will be made
  - a** unless reinstatement commences and proceeds without unreasonable delay
  - b** until the cost of reinstatement has actually been incurred
  - c** where **Property Insured** at the time of **Damage** is covered by any other insurance effected by **the Insured**, or on behalf of **the Insured**, which is not on the same basis of reinstatement.
- 5** All the terms and conditions of this **Section** and the **Policy** shall apply
  - a** to any claim payable under the provisions of this clause, other than where they are expressly varied by the terms of this clause
  - b** where claims are payable as if this clause had not been incorporated, except that sums insured will be limited to 115% of Declared Values.

## 5 European Union and Public Authorities Regulations including Undamaged Property

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

- lost destroyed or damaged **Property**
- undamaged portions of such property excluding

**A** the cost incurred in complying with such regulations, bye-laws or stipulations

- i in respect of **Damage** occurring prior to the granting of this cover
- ii in respect of **Damage** not insured by this **Section**
- iii under which notice has been served upon **the Insured** before the date of **Damage** or where existing requirement must be completed within a stipulated period
- iv in respect of undamaged portions of the **Property** any property which has not sustained loss destruction or damage as insured by this **Section** or the **Policy**

**B** the additional cost that would have been required to make good the **Property Damaged** to a condition equal to its condition when new, had the necessity to comply with such regulations bye-laws or stipulations not arisen

**C** the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the Property by reason of compliance with any such regulations, bye-laws or stipulations.

### Special Conditions

- 1 The work of reinstatement must be commenced and carried out without unreasonable delay, and may be carried out upon another site (if such regulations, bye-laws or stipulations so necessitate) subject to there being no resulting increase in the liability of **the Insurer**.
- 2 If the liability of **the Insurer** is reduced by the application of any of the terms and conditions of this **Section** or the **Policy** (other than as a result of this clause) the liability of **the Insurer** under this clause will be reduced in like proportion.

- 3 The liability of **the Insurer** shall not exceed in respect of any one claim

- i in respect of undamaged portions of property (other than foundations) 15% of the total amount **the Insurer** would have been liable to pay to reinstate the property if the **Property Insured** by the item at the **Premises** where **Damage** occurred had been wholly destroyed
- ii in respect of the property suffering **Damage** the **Sum Insured** applicable to each separate premises

- 4 All the terms and conditions of this Section and the Policy shall apply to any claim payable under the provisions of this clause other than where they are expressly varied by the terms of this clause.

## 6 Services

Cover includes telephone, gas, water and electric instruments, meters, piping, cabling and the like and their accessories, including similar property in adjoining yards or roadways or underground, all pertaining to **Buildings or Contents** insured by this **Section**, being the property of **the Insured** or for which **the Insured** are responsible.

## 7 Alterations and Additions

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

- a alterations, additions and improvements (but not appreciation in value in excess of **Sums Insured**) to **Buildings**, machinery and plant
- b any newly acquired or newly erected **Buildings**, machinery or plant within the **United Kingdom**, for no more than 10% of the **Sum Insured** for each item covered, or £2,000,000 in total, whichever is the less, at any one **Premises** or at any one newly acquired address elsewhere than at the **Premises**, provided that **the Insured** shall give details of such alterations and additions to **the Insurer** within 90 days of the commencement date of **the Insured's** responsibility, effect specific cover retrospective to such date and pay the appropriate additional premium.

## 8 Professional Fees

**Sums Insured** and/or Declared Values for **Buildings** and **Contents** include an amount in respect of architects', surveyors', legal and consulting engineers' fees, other than where an item covering such fees is specifically described in the **Schedule**.

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

# Section 1 – Property Damage All Risks (continued)

## 9 Removal of Debris Costs

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

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

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

**The Insurer** will not pay for any costs or expenses

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

## 10 Temporary Removal

**Property Insured** (other than **Stock**) is covered whilst temporarily removed for cleaning, renovation, repair or similar purposes to any address elsewhere than at the **Premises**, including whilst in transit, within the **United Kingdom**.

**The Insurer** will not pay for

- a such **Property** more specifically insured
- b **Damage** to vehicles licensed for road use, in so far as they are insured by this **Section**, occurring elsewhere than at the premises from which such vehicles are covered
- c more than 10% of the Sum Insured or £250,000 whichever is the greater for each item covered, for **Damage** occurring elsewhere than at the premises.

## 11 Temporary Removal – Documents

If deeds and other documents (including stamps on them), manuscripts, plans and writings of every description, books and other business records are included in the **Property Insured**, such items are covered whilst temporarily removed to any address elsewhere than at the **Premises**, including whilst in transit, within the **United Kingdom**.

**The Insurer** will not pay for

- a such items more specifically insured
- b more than 10% of the figure stated within the definition of contents for computer systems records
- c more than 10% of the total value of such item.

## 12 Contract Price

In respect only of goods sold but not delivered, for which **the Insured** remain responsible under the terms of a contract of sale, where such contract of sale is cancelled following **Damage** by reason of its conditions, either wholly or to the extent of the **Damage**, cover will be based on the contract price.

For the purpose of this clause the value of all goods to which this basis of settlement could apply in the event of **Damage** will also be ascertained on this basis.

## 13 Electrical Apparatus

If any electrical apparatus or fittings are damaged by fire due to self-ignition, over-running, excessive pressure, short circuiting, self-heating or leakage of electricity, **the Insurer** shall not be liable for **Damage** to the particular piece of apparatus or fitting which has caused the fire, but **the Insurer** shall be liable for **Damage** to any other apparatus or fittings in consequence of such fire.

## 14 Customers' Goods

If **the Insured** have represented to customers that they will accept responsibility for **Damage** to the goods of customers or to goods for which such customers may be legally responsible, **the Insurer** agrees that all such goods in the **Premises** will be covered as **Stock**, except in so far as they are more specifically insured.

## 15 Data Processing and Ancillary Equipment

Cover includes **Damage** to data processing and ancillary equipment caused by dryness or dampness of atmosphere, extremes of temperature, corrosion or rust, if directly resulting from **Damage** to any air conditioning facilities.

## 16 Rent

Where an item covering rent is specifically described in the **Schedule**, cover applies only if a **Building** in respect of which rent is payable by or to **the Insured**, or any part of it, is unfit for occupation in consequence of **Damage**.

**The Insurer** will not pay for more than the proportion of the **Sum Insured** on rent that the period necessary for reinstatement bears to the term of rent covered.

## 17 Dismantling and Re-erection Costs

Cover includes the cost of dismantling, re-erection, fitting and fixing of **Contents** following **Damage**.

## 18 Glass and Neon/Illuminated Signs

Cover extends to include **Damage** to fixed glass, glass shelves, showcases and counter cases, mirrors and neon/illuminated signs.

Following **Damage** to glass or neon/illuminated signs **the Insurer** will pay the cost of



- a any necessary boarding-up or temporary glazing pending full replacement
- b replacing alarm foil, lettering, painting, embossing, silvering or other ornamental work on glass
- c **Damage** to **Contents** or **Stock** caused by broken glass
- d removing and re-fixing window fittings and other obstacles to replacing broken glass.

**The Insurer** will not pay for **Damage**

- 1 in respect of neon and illuminated signs
  - i arising from adjustment, repair, dismantling or erection of any part of the sign or whilst such sign is removed from its normal working position
  - ii arising from mechanical breakdown of the sign or any part of the sign
  - iii to any part of the sign by its own ignition, electrical breakdown or burn out
  - iv to tubes unless the glass is fractured
- 2 existing prior to the inception of this **Section**.

## 19 Locks and Keys

**The Insurer** will pay the costs incurred as a result of the necessary replacement of locks at the **Premises** following theft (as insured by this **Section**) of keys or entry swipe cards from the **Premises** or from the home of any director, partner or employee authorised by **the Insured** to hold such keys or cards, or following threat of or actual assault or violence to **the Insured** or any authorised employee, or if there is reasonable evidence that keys have been duplicated by an unauthorised person, provided that the liability of **the Insurer** will not

- a include the cost of replacing the locks of any safe or strongroom if the keys to such locks are left on the **Premises** whilst the **Premises** is closed for **Business**
- b exceed £25,000 any one claim and in total during any one **Period of Insurance**.

## 20 Fire Extinguishers, Sprinklers and Security Equipment

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

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

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

## 21 Metered Utilities

Cover includes additional water, gas, electricity, oil or other metered supply charges incurred by **the Insured** up to an amount of £50,000 any one claim, in consequence of **Damage**, but **the Insurer** will not pay for such charges incurred in respect of any building which is **Unoccupied**.

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

## 22 Exhibitions

**Property Insured** is covered whilst at any exhibition site anywhere in the **United Kingdom**, including whilst in transit to and from such exhibition, provided that such exhibition site is not under canvas or in the open.

Cover is extended to include non-recoverable Exhibition Expenses following abandonment by **the Insured** of any exhibition as a result of **Damage** by a **Specified Event**

- i to any building, stand or other property used by the **Insured** at such exhibition site
- ii to **Property Insured** whilst in transit to such exhibition

The most **the Insurer** will pay in respect of any one claim is £50,000.

For the purposes of this Basis of Settlement Adjustment the following definition applies:

Exhibition Expenses:

Costs directly incurred by **the Insured** in connection with the exhibition, including but not limited to advertising, printing, stationery, insurance premiums, charges for space and services, hire of stands, transport charges and the cost of installing stands fittings and exhibits.

# Section 1 – Property Damage All Risks (continued)

## 23 Trace and Access

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

## 24 Seventy Two Hours Clause

**Damage** occurring within 72 consecutive hours of and arising from the **Specified Events** of storm or flood is deemed to be one claim.

**The Insured** have the right to select the moment from which the 72-hour period shall be deemed to have commenced within the terms of this **Section**, provided that such **Damage** occurred prior to expiry of the **Period of Insurance**.

## 25 Freeholders, Lessors and Mortgagees

- a **The Insurer** agrees that the interest of any Freeholder, Lessee, Under Lessee and/or Mortgagee in respect of **Buildings** insured by this **Section** and which attached before the happening of any **Damage** shall be automatically noted in this insurance if requested by **the Insured**, but only to the extent that such interest is not otherwise insured and subject to their identity being disclosed in writing to **the Insurer** by **the Insured** in the event of **Damage**.
- b This insurance shall not be invalidated by any increase in the risk of **Damage** resulting from an alteration, act or omission which occurs without the authority or knowledge of any Freeholder and/or Lessor and/or Mortgagee, but this shall only protect the interest of such Freeholder, Lessor or Mortgagee and shall only apply if **the Insurer** is notified immediately on the party becoming aware of the increased risk and the payment of any reasonable additional premium is made.

## 26 Landscaped Grounds

Cover includes costs incurred by **the Insured** in consequence of **Damage to Property Insured** at the **Premises**, up to the amount of £50,000 any one claim, in restoring landscape to their original appearance when first laid out and planted but **the Insurer** will not pay for costs arising due to the failure of trees, shrubs, plants, turf and the like to germinate or become established.

## 27 Theft Damage to Buildings

Cover includes loss, destruction of or damage to a building or part of a building at the **Premises**, whether such building or part of a building is insured by this **Section** or not, but for which **the Insured** are responsible, caused by theft or attempted theft excluding

- A loss, destruction or damage
  - i of or to any **Unoccupied** building, unless agreed otherwise by **the Insurer** in writing
  - ii expedited or in any way brought about by **the Insured** or any partner, director or employee of **the Insured** or any other person who has a legal right to be on the **Premises**, unless such theft or attempted theft involves the threat of or assault or violence to **the Insured** or any partner, director or employee of **the Insured** or any other person who has a legal right to be on the **Premises**
  - iii of or to property
    - a in respect of which **the Insured** is not liable for repair costs
    - b in respect of which **the Insured** is able to recover repair costs from another source
    - c which is more specifically or otherwise insured.
- B after the application of all other terms and conditions of this **Section** and the **Policy** including any Underinsurance (Average) Basis of Settlement Adjustment, and in respect of each separate **Premises**, the amount of the **Excess** specified in the **Schedule** or £500 whichever is the greater.

Cover also includes the cost of any temporary boarding-up and making good in consequence of such loss, destruction or damage necessary to keep the **Premises** secure.

Exclusion **2 c i** of this **Section** does not apply to this Basis of Settlement Adjustment.

## 28 Leased and Rented Premises- Difference in Conditions & Difference in Limits

Cover extends to include **Damage** to buildings and fixtures and fittings within the **United Kingdom** which are insured under a more specific insurance but for which **the Insured** are legally liable as tenant and not as owner in accordance with the requirements of a lease (other than where **the Insured** contract to arrange the insurance) but only when the insured perils and/or definitions and/or conditions set forth in this **Section** are broader in meaning or scope than those of such more specific insurance.

Should such more specific insurance by virtue of its terms, conditions or limits of liability fail to indemnify **the Insured** in whole or in part, to the extent that such indemnity is not provided by such more specific insurance but which would have been had such more specific insurance followed the terms, conditions, exclusions and limits of the Cover under this **Section** and this **Policy**, then subject to all of the terms, conditions, exclusions and limits applicable to this **Section** and this **Policy** **the Insurer** will

indemnify **the Insured** against **Damage** as defined in this **Section** and this **Policy**, provided that

- a** **the Insurer** shall not be liable for more than £1,000,000 any one claim
- b** this Extension shall not provide an indemnity in respect of any deductible or excess applicable to such more specific insurance
- c** the sums insured under such more specific insurance represent the full replacement cost, or where applicable the full indemnity value
- d** if **the Insured** become aware that the buildings at any **Premises** are not insured by the landlord, **the Insured** shall arrange specific insurance thereon
- e** any claim for **Damage** must first be submitted to the insurer of such more specific insurance.

Unless **the Insurer** has confirmed that this **Section** and this **Policy** would indemnify **the Insured** in such circumstances, **the Insurer** shall not be liable and no amount shall be recoverable under this Extension

- i** for any **Damage** to the extent and up to the amount that such **Damage** is insured under such more specific insurance
- ii** for any **Damage** arising from a contingency which is specified in the lease which is to be insured by the landlord
- iii** where such more specific insurance has been cancelled, lapsed or avoided as a result of an act or omission on the part of **the Insured**
- iv** where such more specific insurance fails due to the breach of any condition or warranty contained therein.

**The Insurer** shall not be liable and no amount shall be recoverable under this Extension

- i** in respect of any shortfall in the indemnity provided by such more specific insurance due solely to the operation of any Average (Underinsurance) condition.
- ii** in respect of any **Damage** of whatsoever nature directly caused by resulting from or in connection with any act of Terrorism.

## 29 Reinstatement to Match – Computer Equipment

Where computer equipment has suffered **Damage** to the extent that repair is impractical and replacement by similar property in a condition equal to but not better or more extensive than when new is impossible, then **the Insured** may replace, repair or restore the property with equivalent property which employs current

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

### Cover also extends to include

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

Provided that

- a** the total liability of **the Insurer** is not increased beyond the amount
    - i** that would otherwise have been payable for the replacement, repair or restoration of the property lost destroyed or damaged in its original form
    - ii** that would have been payable for replacement, repair or modification of the whole property forming a set of articles, or suite of common design or function if such property had been wholly destroyed
  - b** **the Insurer** shall be liable only for the amount sufficient to enable **the Insured** to resume operations in substantially the same manner as before the **Damage**
  - c** where the property is lost, destroyed or damaged in part only, **the Insurer** will not pay more than the amount representing the cost which **the Insurer** would have paid for repair, restoration or replacement if such property had been wholly destroyed
  - d** if **Damage** to computer equipment results in undamaged computer records being incompatible with replacement computer equipment **the Insurer** will pay the costs of
    - i** modifying the computer equipment
    - or
    - ii** replacing computer records with reinstatement of programmes and/or information (but not for the value of the information to **the Insured**)
- whichever is the less.



# Section 1 – Property Damage All Risks (continued)

## 30 Obsolete Building Materials

The Basis of Settlement in respect of **Buildings** extends to include the reasonable additional costs incurred in replacement of **Damaged** materials which given consideration to the scientific and technical knowledge at the time of installation, construction or fitting were reasonably deemed to be fit for the purpose intended but require replacement with more suitable modern materials after the **Damage**.

The **Buildings** shall not be regarded as being better or more extensive than when new provided that **the Insurer's** liability in respect of any one claim is limited to

- a 10% of the Declared Value of such **Buildings** in respect of such additional costs or
- b the **Sum Insured** at each separate premises or the **Total Sum Insured** or any other limit of liability in this **Section**

whichever is the less at the time of any **Damage** in any one **Period of Insurance**.

## 31 Loss Minimisation and Prevention Expenditure

Cover extends to include costs and expenses necessarily and reasonably incurred by **the Insured** with the consent of **the Insurer** in

- A preventing or reducing imminent **Damage** which would have been insured under this **Section**
- B reducing, mitigating or otherwise alleviating **Damage** insured under this **Section** during and after the occurrence of such **Damage**, provided that
  - a the impending **Damage** was not reasonably foreseeable earlier and would be the natural outcome if such costs and expenses were not incurred
  - b the impending **Damage** did not arise from any defect in the **Property Insured**
  - c the **Damage** is not more specifically insured under this or any other policy, bond, indemnity, security or other legally binding contract
  - d the liability of **the Insurer** shall not exceed £50,000 in respect of any one claim.

## 32 Further Investigation Expenses

Where any buildings have suffered **Damage** and in the opinion of a competent construction professional there is a reasonable possibility of other **Damage** to portions of the same **Buildings** which is not immediately apparent, Cover extends to include the reasonable costs incurred by **the Insured** with **the Insurer's** prior consent in establishing whether or not such other **Damage** has occurred.

**The Insurer** will also pay the reasonable costs incurred by **the Insured** in establishing whether or not other insured buildings in the immediate vicinity for which the Insured are responsible have suffered **Damage** in the same incident, but only if such **Buildings** are subsequently found to have suffered such **Damage** for which **the Insurer** is liable under this **Section**.

Provided that the liability of **the Insurer** in any one **Period of Insurance** shall not exceed £10,000 (unless specified otherwise in the **Schedule**).

## 33 Inadvertent Omission to Insure

**The Insured** having notified **the Insurer** of their intention to insure all property which they own or for which they are responsible situate within the **United Kingdom** with **the Insurer** (unless otherwise agreed in writing by **the Insurer**) from the inception date of this **Section** of the **Policy**, and it being **the Insured's** belief that all such property is insured, then **the Insurer** agrees to extend cover under this **Section** so that if subsequently any such property is found to have inadvertently been left uninsured by **the Insured** during the **Period of Insurance** then **the Insurer** will deem such property to be insured by this **Section**, provided that

- a the maximum liability of **the Insurer** for any one claim in respect of **Buildings** and **Contents** in total shall not exceed £1,000,000 any one premises
- b **the Insured** carry out at not less than twelve monthly intervals a check to ensure that effective insurance is in force for all property owned or leased by the Insured or for which the Insured are responsible
- c **the Insured** shall give details in writing immediately an omission is discovered and within 30 days of the date of discovery shall provide **the Insurer** with the sums insured to apply for any such property, and effect specific cover retrospective to such date, and pay the appropriate additional premium
- d in respect of any buildings purchased for refurbishment or redevelopment the Basis of Settlement upon which the amount payable shall be calculated shall be the value of the **Property Insured** at the time of the **Damage**, less an appropriate deduction for wear and tear and prior depreciation, and in respect of any buildings due for demolition the Basis of Settlement shall be limited to the costs associated with clearing and securing the buildings
- e this Basis of Settlement Adjustment shall not apply in addition to any cover provided under the Alterations and Additions Basis of Settlement Adjustment or in respect of any appreciation in value

- f the value of the property which has been inadvertently omitted shall for the purpose of Average (Underinsurance) be added to the **Sum Insured** on the item to which the **Property** relates, or in the case of Reinstatement (Day One Basis) to the Declared Value.

### 34 Property Stored

Cover extends to include **Damage** to property comprising **Stock** whilst elsewhere than at the **Premises** and within the **United Kingdom**, excluding

- a property more specifically or otherwise insured
- b **Damage** to property in any yard, car park or open space or contained within an open sided structure or open sided building
- c **Damage** caused other than by the **Specified Events** of fire, lightening, explosion, aircraft or other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, escape of water from any tank apparatus or pipe or impact y any road vehicle or animal.

Provided that the liability of **the Insurer** in respect of any one claim shall not exceed 10% of the **Sum Insured on Stock** or £300,000 whichever is the less.

### 35 Sprinkler Installation Upgrading Costs

If following **Damage** **the Insurer** requires the upgrading of any automatic sprinkler installation in order that at the time of its reinstatement such installation will conform to Loss Prevention Council Rules for Automatic Sprinkler Installations current at the time of reinstatement, **the Insurer** will pay the costs incurred by **the Insured** provided that at the time of the **Damage** the installation conformed to the 28th or 29th Edition of such Rules when installed but did not conform to subsequent amendment to such Rules, provided that

- a the amount recoverable excludes any rate, tax, duty development or other charge or assessment arising out of capital appreciation as a result of complying with the requirements of **the Insurer**
- b the liability of **the Insurer** at the time of any **Damage** in respect of any one claim shall in no case exceed 20% of the **Sum Insured** for the item including such sprinkler installation, or any other limit of liability in this **Section** whichever is the less.

### 36 Drains, Sewers and Gutters

**Sums Insured** and/or Declared Values for **Buildings, Contents** and **Stock** include an amount in respect of costs incurred for cleaning and/or clearing of drains, sewers and gutters, other than where an item covering such costs is specifically described in the **Schedule**.

Cover applies only to such costs necessarily and reasonably incurred by **the Insured**, and for which **the Insured** are responsible, in consequence of **Damage**

**The Insurer** will not pay for any costs or expenses

- a incurred in cleaning and/or clearing other than from the site of such **Property Damage** and the area immediately adjacent to such site
- b arising from pollution or contamination of **Property** not insured by this **Section**.

### 37 Moulds, Tools and Dies

Cover includes moulds, tools, and dies belonging to **the Insured** or for which **the Insured** are responsible whilst at the **Premises** and whilst elsewhere than at the **Premises** at any premises within the **United Kingdom** not occupied by **the Insured**, including whilst in transit thereto and therefrom by road, rail or inland waterway, provided that the liability of **the Insurer** in respect of any one claim shall not exceed £250,000 (unless otherwise stated in the **Schedule**).

### 38 Branded Goods

In the event of a claim for **Damage** to branded or labelled merchandise covered by this **Section**, any salvage will not be disposed of by sale without the consent of **the Insured**. If such salvage is not disposed of by sale then the **Damage** will be assessed at the value agreed between **the Insured** and **the Insurer** and be taken into consideration at the settlement of the loss.

**The Insured** may at the expense of **the Insurer** stamp "salvage" on the merchandise or its containers or may remove or obliterate the brands or labels from such merchandise if such stamp removal or obliteration will not physically further **Damage** the merchandise, provided that **the Insured** re-label the merchandise or containers in compliance with the requirements of the law.

### 39 Unauthorised Use of Supplies

Cover includes water, gas, electricity, oil or other metered supply charges incurred by **the Insured** and for which **the Insured** are legally responsible, due to unauthorised use by persons taking possession of, keeping possession of or occupying any **Premises** without the written consent of **the Insured**, provided that

- a **the Insured** shall take all practicable steps to terminate such unauthorised use as soon as it is discovered
- b **the Insured** has advised **the Insurer** of such unauthorised use immediately on becoming aware of it
- c Section Condition 3 Unoccupied Premises has been complied with by **the Insured**

# Section 1 – Property Damage All Risks (continued)

- d the liability of **the Insurer** shall not exceed £50,000 in respect of any one claim and in total during any one **Period of Insurance**.

## 40 Contract Works

Cover for each **Buildings** item extends to include **Contract Works** undertaken in performance of any contract and for which **the Insured** are responsible under the terms of the contract, provided that

- a **the Insurer's** liability shall not exceed £500,000 in respect of any one contract in respect of all losses arising out of one occurrence
- b this insurance shall only apply in so far as the **Contract Works** are not otherwise insured
- c **the Insurer** shall not be liable for the first £1,000 of each and every claim.

## 41 Contractors Interest Clause

When **the Insured** is required by the terms or conditions of any contract to effect insurance on **Buildings** and **Contents** in the joint names of **the Insured** and of any contractor or sub-contractor named in such contract, **the Insurer** agrees to note such joint interests, provided that **the Insured** shall notify **the Insurer** of details of any single contract valued at £500,000 or more in advance of commencement of the work, and pay any additional premium **the Insurer** may require.

## 42 General Interests

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

## 43 Contracting Purchaser's Interest

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

## 44 Continuing Interest and Hire Charges

In the event of **Damage** at the **Premises** where **the Insured** are liable under contract for interest charges or continuing hire charges not recoverable under the terms of a lease or similar agreement in respect of property for which the **Insured** are

responsible and which is not otherwise insured **the Insurer** will pay such charges actually and reasonably incurred, subject to a limit of £25,000 any one claim and in total in any one **Period of Insurance**.

## 45 Undamaged Stock

The Basis of Settlement for **Stock** includes any loss incurred less the value of any salvage

- a in the event of undamaged **Stock** deteriorating and/or being condemned or otherwise becoming unusable
- b in respect of **Stock** which **the Insured** is obliged under contract to accept from any other party but is unable to use resulting solely from **Damage** as insured by this **Section**, provided that the liability of **the Insurer** in respect of any one claim shall not exceed 15% of the **Sum Insured on Stock**.

## 46 Fire Brigade

**The Insurer** will pay the reasonable costs charged by any Public Authority relating to the extinguishing or fighting of fire.

## 47 Value Added Tax (VAT)

To the extent that **the Insured** is accountable to the Tax Authorities for Value Added Tax, all terms in this **Section** shall be exclusive of such tax. However this **Section** extends to include any additional liability for Value Added Tax that **the Insured** may incur in respect of the self-supply of land in order to reinstate or repair property following **Damage**.

## 48 Pairs & Sets

In the event of **Damage** to any item insured consisting of one of a number of individual items forming part of a matching set of articles, or suite of common design or function, and where repair, replacement or restoration of undamaged portions of such **Property** is impractical, cover extends to include the cost of replacement, repair or modification of such **Property** which for the purposes of this **Section** shall not be regarded as being better or more extensive than when new, provided that

- a **Damage** is restricted to a clearly identifiable area or to a specific part
- b the total liability of **the Insurer** is not increased beyond the amount
  - i that would have otherwise been payable for the replacement, repair or restoration of the property lost, destroyed or damaged in its original form
  - ii that would have been payable for replacement, repair or modification of the whole property forming a set of articles, or suite of common design or function if such property had been wholly destroyed

- c **the Insurer** shall be liable only for the amount sufficient to enable **the Insured** to resume operations in substantially the same manner as before the **Damage**
- d where the property is lost, destroyed or damaged in part only, **the Insurer** will not pay more than the amount representing the cost which **the Insurer** would have paid for repair, restoration or replacement if such property had been wholly destroyed.

#### 49 Undamaged Tenants Improvements

In the event of **Damage** by a **Specified Event to Buildings or Contents**, in consequence of which **the Insured's** lease is terminated by the Lessor pursuant to a valid condition of **the Insured's** lease, cover extends to include the value of undamaged tenants fixtures, fittings, alterations, installations or additions made at the expense of **the Insured** and which cannot legally be removed, in or on a building occupied but not owned by **the Insured**, provided that

- a **the Insurer** shall not be liable for retaining walls, foundations or supports below the surface of the lowest floor or basement, or for outdoor trees, shrubs, plants or lawns
- b the maximum liability of **the Insurer** for any one claim shall not exceed £100,000.

#### 50 Motor Vehicles

Notwithstanding Exclusion 10 a, and provided they are more specifically insured, this **Section** will indemnify **the Insured** for loss or destruction or damage to motor vehicles licensed for road use (including accessories on them) owned or leased by **the Insured** whilst parked at the **Premises**, in respect of any amount over and above that recoverable under such more specific insurance.

Basis of Settlement Adjustment 4 Reinstatement (Day One Basis) shall not apply to this clause.

#### 51 Foundations

**Sums Insured** and/or Declared Values for each item on **Buildings** extend to include an amount in respect of foundations. If following **Damage** re-building is carried out upon another site, **the Insurer** agrees to treat abandoned foundations as **Damaged** whether or not such foundations are **Damaged**. Where abandoned foundations increase the resale value of the original building site, the increased value shall be regarded as salvage.

#### 52 Removal of Vermin or Vermin Nests

Cover includes costs incurred by **the Insured**, up to an amount of **£5,000** any one claim, in removing Vermin or Vermin nests from buildings at the **Premises**.

Provided that, the Insurer will not pay for the cost of removing nests already in buildings at the **Premises**, prior to inception of this cover.

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

#### 53 Data Processing Media

In the event of **Damage** to **Contents** comprising **Data Processing Media**, the amount payable by **the Insurer** will be:

the cost of purchasing blank **Data Processing Media** (without any **Data** thereon) to replace that which has been physically lost or destroyed; or the cost of repairing the **Data Processing Media** which has been physically damaged; and the costs of copying **Data** from back-up or from originals of a previous generation onto the replacement or repaired **Data Processing Media**, provided always that this **Policy** will not cover:

any research and engineering costs;

any costs of recreating, gathering or assembling **Data**;

any reduction in value of **Data** or any amount pertaining to the value of such **Data**, even if such **Data** cannot be recreated, gathered or assembled or copied from back-up or originals of a previous generation.

If **the Insured** elects not to repair or replace **Data Processing Media** which has been **Damaged**, the amount payable by **the Insurer** will not include any of the costs set out at sub-clauses a. to c. and the basis of settlement shall instead be the difference between the re-sale value of the **Data Processing Media** without any **Data** on it immediately before the **Damage** and the re-sale value of the **Data Processing Media** without any **Data** on it immediately after the **Damage**.

#### 54 Working From Home

Cover extends to include **Damage** to **Property Insured** (including electronic office equipment) temporarily removed from the **Premises** to the homes of employees whilst working from home.

The most the Insurer will pay in respect of any one claim is:

£1,500 any one item

A maximum of £3,000 at any one employee's home.

This extension is provided for Property otherwise covered under this Section and subject to the Excess shown in the **Policy Schedule**. The total **Sums Insured** will be limited to those specified in the **Policy Schedule**

# Section 1 – Property Damage All Risks (continued)

## Section Conditions

### 1 General Precautions

**The Insured** must

- a** take all reasonable precautions to keep the **Premises** and the **Property Insured** secure
- b** take all reasonable precautions to maintain the **Property Insured** in a good state of repair
- c** remove all keys including duplicate keys relative to the security of the **Premises** and to any safe or strongroom on the **Premises** from such secured premises when they are closed for **Business** or are left unattended.

### 2 Alteration in Risk

**The Insured** must notify **the Insurer** as soon as possible if during the **Period of Insurance** there is any alteration in the ownership of **the Insured**, or if in respect of any of the **Property Insured** there is any alteration

- a** due to its disposal or removal
- b** in respect of which the interest of **the Insured** ceases except by will or operation of law
- c** in respect of the risks of subsidence, ground heave or landslip where any demolition, construction, ground works or excavation work is being carried out on any adjoining site
- d** to the facts or matters set out in the **Schedule** or otherwise comprising the risk presentation made by **the Insured** to **the Insurer** at inception, renewal or variation of the **Policy**

which materially increases the risk of **Damage** as insured by this **Section**.

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

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

If **the Insured** fails to notify **the Insurer** of any such alteration, **the Insurer** may

- a** treat this **Section** and the **Policy** as if it had come to an end as at the date of the alteration of the risk, returning a proportionate amount of the premium for the unexpired **Period of Insurance**, if **the Insurer** would have cancelled this **Section** and the **Policy** had it known of the increase in risk

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

### 3 Change of Occupancy and Unoccupied Buildings

Unless **the Insurer** agrees otherwise in writing, it is a condition precedent to the liability of **the Insurer** that

- a** **the Insured** must notify **the Insurer** in writing as soon as they become aware that
  - i** any occupied buildings or occupied parts of any buildings become **Unoccupied**
  - ii** any **Unoccupied** buildings or **Unoccupied** parts of any buildings become occupied

**The Insurer** will notify **the Insured** of the terms and conditions to apply to such buildings and **the Insured** may be required to pay an additional premium

- b** in respect of any buildings or parts of any buildings that are **Unoccupied** or become **Unoccupied** after the commencement of cover under this **Section**, that until such buildings or parts of buildings again become occupied **the Insured** or their nominees must
  - i** turn off electricity, gas and water supplies at the mains and drain down all water systems except for those connected to automatic
    - fire alarm or intruder alarm installations
    - sprinkler installations or other fire suppression systems
  - ii** maintain automatic sprinkler installations and other fire suppression systems and automatic fire and intruder alarm installations, and keep them fully operational
  - iii** maintain a level of heating sufficient to prevent freezing of automatic sprinkler installations
  - iv** secure the buildings and the **Premises** and all points of access against entry by intruders, and put all protective and locking devices and any intruder alarm installations into full and effective operation



- v remove all waste, unfixed combustible materials and gas bottles, either within or outside the buildings, from the **Premises**
- vi carry out an internal and external inspection of the buildings and the **Premises** at least once every 7 days and
  - maintain a record of such inspections
  - ensure that any defects in the condition or state of repair of the buildings including any walls, gates and fences pertaining to them, or any defects in security, alarm or fire protection installations are rectified, remedied or repaired immediately
- vii notify **the Insurer** immediately if the buildings and/or the **Premises** are to be occupied by contractors for renovation, alteration or conversion purposes
- viii complete any risk improvements put forward by **the Insurer** within the timescales specified by **the Insurer**.

#### 4 Non Invalidation

This **Section** shall not be invalidated by

- a any act or omission or by any alteration unknown to or beyond the control of **the Insured** by which the risk of **Damage** is increased, provided that **the Insured** shall give notice to **the Insurer** (and pay an additional premium if required) immediately they become aware of such act, omission or alteration
- b workmen on the **Premises** carrying out repairs, general maintenance work or minor structural or other alterations.

#### 5 Intruder Alarm Condition

It is a condition precedent to the liability of **the Insurer** that where the buildings or any part of the buildings are protected by an Intruder Alarm Installation

- 1 such Intruder Alarm Installation
  - a must not be altered or amended in any way, unless such alteration or amendment has been approved in writing by **the Insurer**
  - b must be maintained under contract with the installers, or as otherwise approved in writing by **the Insurer**
- 2 all keys to the Intruder Alarm Installation must be removed from the **Premises** when the **Premises** are unattended

#### 3 the Insured must

- a maintain the secrecy of codes for the operation of the Intruder Alarm Installation and no details of such codes must be left on the **Premises** when the **Premises** are unattended
- b immediately notify **the Insurer** upon receipt of any communication giving notice that the level of response to the Intruder Alarm Installation has been or will be reduced or delayed
- c appoint at least two Keyholders and lodge written details (which must be kept up to date) with the alarm company and alarm receiving centre, and with the Police and/or the local authority if they so require

#### 4 in the event of notification of

- a activation of the Intruder Alarm Installation
- b any fault in the Intruder Alarm Installation
- c interruption of the means to transmit or receive signals to or from the Intruder Alarm installation

during any period that the Intruder Alarm Installation is set, a Keyholder must attend the **Premises** as soon as possible in order to confirm the security of the buildings and the **Premises** and reset the Intruder Alarm System in its entirety.

If the Intruder Alarm System cannot be reset in its entirety or all the means of communication used to transmit signals are not in full operation, a Keyholder must remain at the **Premises** unless **the Insurer** agrees otherwise in writing.

#### 5 the **Premises** must not be left without at least one Responsible Person in attendance without the agreement of **the Insurer**

- a unless the Intruder Alarm Installation is set in its entirety and with the means to transmit or receive signals (including the signalling path or paths) in full and effective operation
- b where the police have withdrawn their response to
  - i an alarm activation where the Intruder Alarm Installation does not include confirmed alarm activation technology
  - ii a confirmed alarm activation, where the Intruder Alarm Installation includes confirmed alarm activation technology.

# Section 1 – Property Damage All Risks (continued)

For the purposes of this Condition the following definitions apply:

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

"Keyholder" shall mean **the Insured** or any person or keyholding company authorised by **the Insured** who

**A** is available at all times to

- i** accept notification of alarm signals or faults relating to the Intruder Alarm Installation
- ii** attend and allow access to the **Premises** and the buildings

**B** has been fully trained in the operation of the Intruder Alarm Installation, including but not limited to the setting/unsetting of the installation.

"Responsible Person" shall mean **the Insured** or any person authorised by **the Insured** to be responsible for the security of the buildings and the **Premises**.

## 6 Inspection Requirement

**The Insurer** shall not be liable for **Damage** caused by explosion originating within any vessel, machine or apparatus or its contents, belonging to **the Insured** or under the control of **the Insured**, which requires to be examined to comply with any statutory regulations, unless there is in force a policy of insurance or other contact providing the required inspection service.

## 7 Additional Claims Conditions

In the event of **Damage**, **the Insured** shall at their own expense deliver to **the Insurer**

- a** within 30 days after such **Damage** (28 days in the case of **Damage** by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons or theft) or such further time as **the Insurer** may allow in writing
  - i** full information in writing of the property insured damaged, and the amount of damage
  - ii** details of any other insurances on the property insured covered by this section
- b** all such proof and information relating to the claim as may reasonably be required
- c** if required, a statutory declaration of the truth of the claim and of any matters connected with it.

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

## 8 Reinstatement

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

## 9 The Insurer's Rights Following a Claim

In respect of **Damage** for which a claim is made, **the Insurer** and any person authorised by **the Insurer** may without incurring any liability or diminishing any of **the Insurer's** rights in respect of the cover under this **Section**, enter take or keep possession of the **Premises** where such **Damage** has occurred, and take possession of or require to be delivered to **the Insurer** any **Property Insured**, and to deal with such **Property** for all reasonable purposes and in any reasonable manner.

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

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

## 10 Subrogation

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

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

## 11 Arbitration

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

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

## Section 2 – Money

### Definitions

#### Money

Negotiable and non-negotiable money belonging to **the Insured** or for which **the Insured** are responsible.

#### Negotiable Money

Cash, bank and currency notes, uncrossed cheques, giro cheques including pre-authenticated giro cheques, uncrossed warrants, uncrossed postal and money orders, current postage and revenue stamps, National Savings stamps and certificates, holiday with pay stamps and gift tokens, National Insurance stamps (whether affixed to cards or not), debit card sales vouchers, trading stamps, luncheon vouchers and bills of exchange, securities for money travel warrants and authenticated travel tickets and phone cards for use by **the Insured** or any partner, director or employee of the Insured in connection with **the Insured's Business**, consumer redemption vouchers and company sales vouchers and unexpired units in franking machines, all belonging to **the Insured** or for which **the Insured** has accepted responsibility.

#### Non-negotiable Money

Crossed warrants, crossed cheques, crossed giro drafts, crossed postal and money orders, crossed bankers drafts, crossed National Giro bank cash cheques, premium bonds, savings bonds, stamped National Insurance cards, National Savings Certificates, VAT purchase invoices and credit card sales vouchers all belonging to **the Insured** or for which **the Insured** has accepted responsibility.

#### In Transit

In transit in the personal custody of **the Insured**, any authorised partner, director or employee of **the Insured**, a security organisation approved by **the Insurer**, or by registered post.

#### Estimated Annual Carryingings

The estimate by **the Insured** of the total value of **Negotiable Money** to be in transit during the **Period of Insurance**.

#### Business Hours

The period during which **the Insured** or any partner, director or employee of **the Insured** is on the **Premises** for the purpose of the **Business**.

#### Insured Person

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

#### Accident

Bodily injury caused by accidental, violent, external and visible means.

#### Loss of Limb

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

#### Loss of Sight

Total loss of sight in one or both eyes which has lasted for three consecutive months of the **Insured Person's** lifetime, and is at the end of that period beyond hope of improvement.

#### Permanent Total Disablement

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

#### Unattended

Any vehicle with no person in charge or where neither **the Insured** nor any employee are in a position to keep the vehicle under observation and able to observe or prevent any attempt by any person to interfere with the vehicle.

#### Temporary Total Disablement

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

#### Temporary Partial Disablement

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



## Section 2 – Money (continued)

### Cover

**The Insurer** will pay **the Insured**

- A** for loss of or damage to money under any Item for which a Limit of Liability is specified in the **Schedule**
- B** for loss or damage sustained as a direct result of theft or attempted theft of **Money**, of or to
  - i** any safe or strongroom specified in Item 2 of the **Schedule**, or any bag or other container used by **the Insured** or any authorised partner, director or employee of **the Insured** to carry **Money**
  - ii** clothing and personal effects belonging to **the Insured** or to any partner, director or employee of **the Insured** following assault or violence or the threat of assault or violence
- C** when any **Insured Person** whilst engaged in connection with the **Business**, as a direct result of theft or attempted theft of **Money** involving assault or violence or the threat of assault or violence
  - i** suffers an **Accident** resulting within 12 months, directly and independently of any other cause, in death or disablement
  - ii** suffers emotional stress necessitating professional counselling, provided such counselling is recommended by a qualified medical practitioner and agreed to by **the Insurer** before costs are incurred.

### Exclusions

- 1** loss arising from the dishonesty of any partner, director or employee of **the Insured** which is not discovered within 15 working days of such loss
- 2** loss from or damage to any machine which uses coins, notes or tokens
- 3** loss due to theft of or from any **Unattended** vehicle
- 4** shortage due to error or omission
- 5** any loss under Item **2 f** (as described in the **Schedule**), unless the key or keys to the specified safes or strongrooms are removed from the **Premises**, or if a person is authorised to hold such keys and that person lives on the **Premises**, that person removes all keys to that part of the **Premises** in which that person actually lives
- 6** Loss or shortage due to depreciation, currency fluctuations or consequential loss or damage of any kind or description
- 7** loss, damage, death, **Accident**, disablement or emotional stress arising outside of the **United Kingdom**

- 8** Loss resulting directly or indirectly from forgery, fraudulent alteration or substitution, or fraudulent use of a computer or electronic transfer
- 9** Loss resulting from the use of any form of payment which proves to be counterfeit, false, invalid, uncollectible or irrecoverable for any reason
- 10** loss or damage directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether the property of **the Insured** or not, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure
  - i** correctly to recognise any date as its true calendar date
  - ii** to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
  - iii** to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information as a result of the operation of any command which has been programmed into any computer software or firmware, being a command which causes the loss of data or the inability to recognise, capture, save, retain, restore or correctly to manipulate, interpret, calculate or process any data on or after any date.

### Basis of Settlement

**The Insurer** will pay **the Insured** the amount of **Money** under any Item for which a Limit of Liability is specified in the Schedule at the time of loss or damage.

**The Insurer** will also pay

- the value of any safe or strongroom, of any bag or container used to carry **Money** or of the clothing or personal effects of the Insured or any partner, director or employee of the Insured lost or damaged at the same time, or at the Insurers option reinstate or replace such property or any part of such property
- compensation in respect of death, Accident, disablement or emotional stress.

The most **the Insurer** will pay for any one claim is

- A** for any one Item, the Limit of Liability specified in the Schedule
- B** for any one safe or strongroom, £10,000

- C** for any one bag or container, its value at the time of loss or damage
- D** for clothing or personal effects, £500 any one person
- E** for death, Accident, disablement or emotional stress, the amounts specified in the Table of Benefits.

## Basis of Settlement Adjustments

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

### 1 Contribution

If at the time of loss or damage any other insurance has been effected by or on behalf of the Insured covering Money or any other property insured by this Section in whole or in part, the Insurers liability under this Section shall be limited to the Insurers rateable proportion of such loss or damage.

### 2 Damage to the Premises

Provided that a Property Damage Section is insured under this Policy, in the event that buildings are not covered by such Property Damage Section the Insurer will pay

- A** costs for which the Insured are responsible, necessarily and reasonably incurred by the Insured to repair damage to the Premises as a direct result of theft or attempted theft of Money within the Insured's Premises (and as insured by this Section)
- B** the cost of any temporary boarding-up or making good necessary to keep the Premises secure.

The most the Insurer will pay for any one claim is £5,000.

### 3 Weekly Compensation

Weekly compensation will be paid when the total amount to be paid has been agreed, or if **the Insured** so request, at the end of each period of four consecutive weeks disablement.

## Table of Benefits

Compensation	Amount
<b>1 a</b> death	£50,000
<b>b</b> loss of one or more limbs and/or the sight of one or both eyes	£50,000
<b>c</b> Permanent Total Disablement	£50,000
<b>d</b> Temporary Total Disablement	per week £100
<b>e</b> Temporary Partial Disablement	per week £50
In respect of each Insured Person, compensation will not be paid by the Insurer	
<b>A</b> under more than one of a., b. or c. for the consequences of the same Accident	
<b>B</b> under d. and e. for more than 104 weeks in all in respect of one or more Accidents.	
<b>2</b> The cost of professional counselling	per hour £50 any one person £1,000 in total £5,000

## Section 2 – Money (continued)

### 4 Security Company Contingency Cover

Cover extends to indemnify **the Insured** in respect of loss of **Money** in the custody of a security company covered under this **Section** if in the event of loss **the Insured** are unable to recover such **Money** from the security company under the terms of the agreement between **the Insured** and the security company

It is a condition precedent to the liability of **the Insurer** that

- a there must be in force an agreement between **the Insured** and the security company in respect of **Money** in the custody of a security company
- b **the Insured** must provide **the Insurer** with a copy of the agreement between **the Insured** and the security company at the inception of cover
- c **the Insured** must obtain the written agreement of **the Insurer** before any changes are made to the agreement
- d **the Insured** must comply with the terms of the agreement.

### 5 Credit Card

Cover extends to include **the Insured's** legal liability for costs necessarily incurred by **the Insured** with the written consent of **the Insurer** as a result of use by an unauthorised person of bank cards, credit cards, charge cards or debit cards belonging to **the Insured** of for which **the Insured** are responsible and arising before the card company has received notification that a card has been lost or stolen, provided that

- 1 this Extension shall not apply in respect of
  - a any loss brought about by any failure to comply with the terms under which the card was issued
  - b any card issued personally to any of **the Insured's** directors, partners or employees
  - c losses arising after 48 hours from discovery of the loss of the card
  - d losses covered in whole or part by any other insurance, except in respect of any excess beyond the amount which would have been payable under such other insurance had this **Section** not been effected
- 2 the liability of **the Insurer** shall not exceed £1,000 in respect of any one claim.

## Section Conditions

The Policy Conditions apply to this Section and in addition:

### 1 Precautions

It is a condition precedent to the liability of **the Insurer** that **the Insured** must

- a keep the **Premises** secure and in a good state of repair
- b install any additional protections asked for by **the Insurer**
- c remove all keys including duplicate keys relative to the security of the **Premises** and to any safe or strongroom on the **Premises** from such secured **Premises** (or if a person is authorised to hold such keys and that person lives on the **Premises**, that person must remove all keys to that part of the **Premises** in which that person actually lives), when the **Premises** are closed for **Business** or left unattended
- d exercise due care in selecting employees to be entrusted with **Money**
- e keep a proper written record of all **Money** covered by this **Section** and allow **the Insurer** to inspect this record at all reasonable times.

### 2 Alteration in Risk

**The Insured** must notify **the Insurer** as soon as possible if during the **Period of Insurance** there is any alteration in the ownership of **the Insured**, or if in respect of **Money** or any other property insured there is any alteration

- a due to its disposal or removal
- b in respect of which the interest of **the Insured** ceases except by will or operation of law
- c in respect of the risks of subsidence, ground heave or landslip where any demolition, construction, ground works or excavation work is being carried out on any site adjoining the **Premises**
- d to the facts or matters set out in the **Schedule** or otherwise comprising the risk presentation made by **the Insured to the Insurer** at inception, renewal or variation of the **Policy** which materially increases the risk of loss or damage as insured by this **Section**.

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

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

If **the Insured** fails to notify **the Insurer** of any such alteration, **the Insurer** may

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

### 3 Non Invalidation

This **Section** shall not be invalidated by any act or omission or by any alteration unknown to or beyond the control of **the Insured** by which the risk of loss or damage is increased, provided that **the Insured** shall give notice to **the Insurer** (and pay an additional premium if required) immediately they become aware of such alteration.

### 4 Transit

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

- a two able-bodied adults when in excess of £7,500
- b three able-bodied adults when in excess of £15,000 unless otherwise agreed by **the Insurer** in writing or amended by a clause applicable to this **Section** as specified in the **Schedule**.

### 5 Additional Claims Conditions

- a In the event of loss or damage, **the Insured** shall at their own expense deliver to **the Insurer** within 30 days after loss or damage (28 days in the case of loss or damage by riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons or theft) or such further time as **the Insurer** may allow in writing
  - i full information in writing of the **Money** or other property insured lost or damaged, and the amount of loss or damage
  - ii details of any other insurances on the **Money** or other property insured covered by this **Section**

- b In the event of **Accident** or emotional stress **the Insured Person** must
  - i as soon as possible after the **Accident** has occurred, consult a qualified medical practitioner and follow the advice of such practitioner
  - ii submit to any medical examination made on behalf of **the Insurer**
  - iii in the event of a claim being made for the cost of professional counselling, supply **the Insurer** with a recommendation for treatment in writing by a qualified medical practitioner
- c In the event of the death of an **Insured Person** as a result of **Accident the Insurer** shall be entitled, at **the Insurers** expense, to arrange a post-mortem examination
- d **the Insured** shall at their own expense deliver to **the Insurer**
  - i all such proofs and information relating to the claim as may reasonably be required
  - ii if required, a statutory declaration of the truth of the claim and of any matters connected with it.

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

### 6 The Insurers Rights following a Claim

In respect of loss or damage for which a claim is made, **the Insurer** and any person authorised by **the Insurer** may without incurring any liability or diminishing any of **the Insurer's** rights in respect of the cover under this **Section**, enter take or keep possession of the **Premises** where such loss or damage has occurred, and take possession of or require to be delivered to **the Insurer** any **Money** or any other property insured, and to deal with such **Money** and other property insured for all reasonable purposes and in any reasonable manner.

No **Money** or other property insured may be abandoned to **the Insurer**, whether taken possession of by **the Insurer** or not.

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

### 7 Subrogation

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

## Section 2 – Money (continued)

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

### 8 Arbitration

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

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

### 9 Intruder Alarm Condition

It is a condition precedent to the liability of **the Insurer** that where the buildings or any part of the buildings are protected by an Intruder Alarm Installation

- 1 such Intruder Alarm Installation
  - a must not be altered or amended in any way, unless such alteration or amendment has been approved in writing by **the Insurer**
  - b must be maintained under contract with the installers, or as otherwise approved in writing by **the Insurer**
- 2 all keys to the Intruder Alarm Installation must be removed from the **Premises** when the **Premises** are unattended
- 3 **the Insured** must
  - a maintain the secrecy of codes for the operation of the Intruder Alarm Installation and no details of such codes must be left on the **Premises** when the **Premises** are unattended
  - b immediately notify **the Insurer** upon receipt of any communication giving notice that the level of response to the Intruder Alarm Installation has been or will be reduced or delayed
  - c appoint at least two Keyholders and lodge written details (which must be kept up to date) with the alarm company and alarm receiving centre, and with the Police and/or the local authority if they so require

- 4 in the event of notification of
  - a activation of the Intruder Alarm Installation
  - b any fault in the Intruder Alarm Installation
  - c interruption of the means to transmit or receive signals to or from the Intruder Alarm installation during any period that the Intruder Alarm Installation is set, a Keyholder must attend the **Premises** as soon as possible in order to confirm the security of the buildings and the **Premises** and reset the Intruder Alarm System in its entirety. If the Intruder Alarm System cannot be reset in its entirety or all the means of communication used to transmit signals are not in full operation, a Keyholder must remain at the **Premises** unless **the Insurer** agrees otherwise in writing.
- 5 the **Premises** must not be left without at least one Responsible Person in attendance without the agreement of **the Insurer**
  - a unless the Intruder Alarm Installation is set in its entirety and with the means to transmit or receive signals (including the signalling path or paths) in full and effective operation
  - b where the police have withdrawn their response to
    - i an alarm activation where the Intruder Alarm Installation does not include confirmed alarm activation technology
    - ii a confirmed alarm activation, where the Intruder Alarm Installation includes confirmed alarm activation technology.

For the purposes of this Condition the following definitions apply:

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

"Keyholder" shall mean **the Insured** or any person or keyholding company authorised by **the Insured** who

- A is available at all times to
  - i accept notification of alarm signals or faults relating to the Intruder Alarm Installation
  - ii attend and allow access to the **Premises** and the buildings

- B** has been fully trained in the operation of the Intruder Alarm Installation, including but not limited to the setting/unsetting of the installation.

"Responsible Person" shall mean **the Insured** or any a person authorised by **the Insured** to be responsible for the security of the buildings and the **Premises**.

## 10 Fair Presentation

If a claim is made under **Cover C** of this **Section**, **the Insurer** will not invoke the remedies which might otherwise have been available to it under General Condition **1** Fair Presentation of the Risk as against **the Insured**, if the failure to make a fair presentation of the risk concerns only facts or information which relate to a particular partner, director or employee. If the partner, director or employee concerned or **the Insured** on their behalf makes a careless misrepresentation of facts, **the Insurer** may invoke the remedies available to it under General Condition **1** as against that partner, director or employee only, as if a separate insurance contract had been issued to such person, leaving the remainder of the **Policy** unaffected.

## 11 Fraudulent Claims

If any fraud to which General Condition 5 relates is perpetrated by or on behalf of an **Insured Person** (and not on behalf of **the Insured**), General Condition 5 should be read as if it applies only to that **Insured Person's** claim and references to the **Policy** should be read as if they were references to the cover effected for that person alone and not to the **Policy** as a whole.

## Section 3 – Specified All Risks

### Definitions

#### Damage/Damaged

Accidental loss or destruction of or damage to **Property Insured**.

#### Premises

The buildings at the address or addresses shown in the **Schedule**, including their grounds, all within the boundaries for which **the Insured** are responsible and being, unless more specifically described in the **Schedule**, occupied by **the Insured** for the purpose of the **Business**.

#### Property/Property Insured

Property described in the **Schedule**.

#### Territorial Limits

**A** The **Premises**

**B** Anywhere within the **United Kingdom**

**C** Anywhere within countries of the European Union

**D** Anywhere in the world.

#### Unattended

Any vehicle with no person in charge or where neither **the Insured** nor any employee are in a position to keep the vehicle or property under observation and able to observe or prevent any attempt by any person to interfere with the vehicle or property.

### Cover

The Insurer will pay **the Insured** for **Damage to Property Insured** described in the **Schedule**, whilst within the **Territorial Limits** specified in the **Schedule**.

### Exclusions

**1** **Damage** caused by or arising from

- a** wear and tear, inherent defect
- b** rot, mildew, rust, corrosion, frost, pollution or contamination
- c** insects, woodworm, vermin
- d** dyeing, cleaning, repair, renovation
- e** electronic, electrical or mechanical breakdown, failure or derangement

**f** faulty manipulation, design, plan, specification or materials

**g** gradual deterioration, market depreciation

**h** consequential loss or damage of any kind or description

**2** **Damage** to **Property Insured** caused by its undergoing any process involving the application of heat

**3** **Damage** suffered by **the Insured** as a result of being deceived into knowingly parting with Property

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

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

**a** date including the failure a correctly to recognise any date as its true calendar date

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

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

**6** **Damage** not occurring within the **Territorial Limits** specified in the **Schedule**

**7** After the application of all other terms and conditions of this **Section** and the **Policy** including any Underinsurance (Average) Basis of Settlement Adjustment, and in respect of each separate **Premises**, the amount of the **Excess** specified in the **Schedule**.



## Basis of Settlement

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

The most **the Insurer** will pay for any one claim is

- A** the **Total Sum Insured**, or for each item its individual **Sum Insured**, at the time of **Damage**
- B** the amount of the **Sum Insured** remaining after deduction for any other **Damage** occurring during the same **Period of Insurance**, unless **the Insurer** agrees to reinstate any such **Sum Insured**.

Following **Damage** as insured by this **Section** the **Sums Insured** or limits of liability shall not be reduced by the amount of any claim provided that

- a** **the Insurer** does not give written notice to the contrary within 30 days of the notification of any **Damage**
- b** **the Insured** pays the appropriate additional premium on the amount of the claim from the date of the **Damage** to the expiry of the **Period of Insurance**
- c** **the Insured** agrees to comply with any security recommendations or other measures **the Insurer** may require to reduce the risk of **Damage**.

## Basis of Settlement Adjustments

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

### 1 Average (Underinsurance)

**Sums Insured** are declared to be separately subject to Average. This means if at the time of **Damage** the **Sum Insured** for any item is less than the value of the item covered by such **Sum Insured**, the amount payable by **the Insurer** will be proportionately reduced.

### 2 Contribution and Average

If at the time of **Damage** any other insurance has been effected by or on behalf of **the Insured** covering any of the **Property Damaged**, **the Insurer's** liability under this **Section** shall be limited to **the Insurer's** rateable proportion of such **Damage**.

### 3 Data Processing and Ancillary Equipment

Cover includes **Damage** to data processing and ancillary equipment caused by dryness or dampness of atmosphere, extremes of temperature, corrosion or rust, if directly resulting from **Damage** to any air conditioning facilities.

### 4 General Interests

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

## Section Conditions

### 1 Precautions

It is a condition precedent to the liability of **the Insurer** that **the Insured** must

- a** keep the **Premises** secure and in a good state of repair
- b** ensure that all trade and/or domestic refuse is removed from
  - i** the **Buildings** at the end of each working day
  - ii** the **Premises** at least once a week
- c** install any additional protections asked for by **the Insurer** in the **Premises**, or in any vehicle
- d** remove all keys including duplicate keys relative to the security of
  - i** the **Premises** and to any safe or strongroom on the **Premises** from such secured **Premises** when they are closed for **Business** or are left unattended
  - ii** any vehicle from such secured vehicle when such vehicle is left unattended.

### 2 Alteration in Risk

**The Insured** must notify **the Insurer** as soon as possible if during the **Period of Insurance** there is any alteration in the ownership of **the Insured**, or if in respect of any of the **Property Insured** there is any alteration

- a** due to its disposal or removal
- b** in respect of which the interest of **the Insured** ceases except by will or operation of law



## Section 3 – Specified All Risks (continued)

- c in respect of the risks of subsidence, ground heave or landslip where any demolition, construction, ground works or excavation work is being carried out on any site adjoining the **Premises**
- d to the facts or matters set out in the **Schedule** or otherwise comprising the risk presentation made by **the Insured** to **the Insurer** at inception, renewal or variation of the **Policy** which materially increases the risk of **Damage** as insured by this **Section**.

Upon being notified of any such alteration, **the Insurer** may, at its absolute discretion a.

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

If **the Insured** fails to notify **the Insurer** of any such alteration, **the Insurer** may

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

### 3 Non Invalidation

This **Section** shall not be invalidated by any act or omission or by any alteration unknown to or beyond the control of **the Insured** by which the risk of **Damage** is increased, provided **the Insured** shall give notice to **the Insurer** (and pay an additional premium) immediately they become aware of such alteration.

### 4 Additional Claims Conditions

**The Insurer** will not pay for any claim for **Damage** which is not notified to **the Insurer** within 30 days of the occurrence of such **Damage**.

### 5 Reinstatement

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

### 6 The Insurer's Rights following a Claim

In respect of **Damage** for which a claim is made, **the Insurer** and any person authorised by **the Insurer** may without incurring any liability or diminishing any of **the Insurer's** rights in respect of the cover under this **Section**, enter take or keep possession of the **Premises** where such **Damage** has occurred, and take possession of or require to be delivered to **the Insurer** any **Property Insured**, and deal with such **Property** for all reasonable purposes and in any reasonable manner.

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

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

### 7 Subrogation

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

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

### 8 Vehicle Security Protections

It is a condition precedent to the liability of **the Insurer** that additional protections to any vehicle required by **the Insurer** shall:

- A** be installed in accordance with the specification agreed by **the Insurer**
- B** not be altered or varied unless agreed in writing by **the Insurer**
- C** be kept in full and working order at all times
- D** where appropriate to the type of protection, be serviced under a maintenance contract
- E** be secured or set whenever the vehicle is left loaded and **Unattended** with all keys or other portable operating devices being kept in the personal custody of the driver of the vehicle or of any other person authorised to be in the vehicle

## 9 Intruder Alarm Condition

It is a condition precedent to the liability of **the Insurer** that where the buildings or any part of the buildings are protected by an Intruder Alarm Installation

- 1** such Intruder Alarm Installation
  - a** must not be altered or amended in any way, unless such alteration or amendment has been approved in writing by **the Insurer**
  - b** must be maintained under contract with the installers, or as otherwise approved in writing by **the Insurer**
- 2** all keys to the Intruder Alarm Installation must be removed from the **Premises** when the **Premises** are unattended
- 3** **the Insured** must
  - a** maintain the secrecy of codes for the operation of the Intruder Alarm Installation and no details of such codes must be left on the **Premises** when the **Premises** are unattended
  - b** immediately notify **the Insurer** upon receipt of any communication giving notice that the level of response to the Intruder Alarm Installation has been or will be reduced or delayed
  - c** appoint at least two Keyholders and lodge written details (which must be kept up to date) with the alarm company and alarm receiving centre, and with the Police and/or the local authority if they so require
- 4** in the event of notification of
  - a** activation of the Intruder Alarm Installation
  - b** any fault in the Intruder Alarm Installation

- c** interruption of the means to transmit or receive signals to or from the Intruder Alarm installation

during any period that the Intruder Alarm Installation is set, a Keyholder must attend the **Premises** as soon as possible in order to confirm the security of the buildings and the **Premises** and reset the Intruder Alarm System in its entirety. If the Intruder Alarm System cannot be reset in its entirety or all the means of communication used to transmit signals are not in full operation, a Keyholder must remain at the **Premises** unless **the Insurer** agrees otherwise in writing

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

For the purposes of this Condition the following definitions apply:

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

"Keyholder" shall mean **the Insured** or any person or keyholding company authorised by **the Insured** who

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

"Responsible Person" shall mean **the Insured** or any a person authorised by **the Insured** to be responsible for the security of the buildings and the **Premises**.

## Section 3 – Specified All Risks (continued)

### Special Conditions (Applicable if shown in the Schedule as operative)

#### 1 Overnight Theft Exclusion

This **Section** excludes loss or damage due to theft or attempted theft of the **Property Insured** from any **Unattended** vehicle

- A** after the last transit of the day until next collected by the driver
- B** whilst otherwise in transit unless such vehicle has all points of access closed and secured by all locks and other protections and all keys have been removed from such vehicle

#### 2 Overnight Theft Exclusion – Locked Building or Yard Requirement

This **Section** excludes loss or damage due to theft or attempted theft of the **Property Insured** from any **Unattended** vehicle

- A** after the last transit of the day until next collected by the driver unless such vehicle is in a securely locked building or in a fully enclosed and locked yard
- B** whilst otherwise in transit unless such vehicle has all points of access closed and secured by all locks and other protections and all keys have been removed from such vehicle

#### 3 Theft Exclusion

This **Section** excludes loss of or damage to the **Property Insured** resulting from theft or attempted theft from any **Unattended** vehicle.

#### 4 Alarm Clause – Specified Vehicle

In respect of any vehicle specified in the Schedule this **Section** excludes loss of or damage to the **Property Insured** resulting from theft or attempted theft from any such specified vehicle that is left **Unattended**, unless the alarm system approved by **the Insurer** is

- A** put into operation and all alarm keys removed, and
- B** maintained in accordance with the terms and conditions of the installing company's agreement.

#### 5 Alarm Clause – Unspecified Vehicle

This **Section** excludes loss of or damage to the **Property Insured** resulting from theft or attempted theft from any **Unattended** vehicle unless the alarm system approved by **the Insurer** is

- A** put into operation and all alarm keys removed, and
- B** maintained in accordance with the terms and conditions of the installing company's agreement.

#### 6 Computer Equipment

In respect of computer equipment, it is a condition precedent to the liability of **the Insurer** in respect of any claim for **Damage** by theft or attempted theft that

- A** when such equipment is left **Unattended** inside any vehicle
  - i** the vehicle is securely locked and all security devices set in operation
  - ii** the vehicle is kept in a locked building of substantial construction or in a guarded security park between the hours of 9.00pm and 6.00am unless the vehicle is aboard a ship or ferry
  - iii** it is stored in the boot if the vehicle is a private car, or otherwise concealed from view
- B** when such equipment is in transit by air, it is carried as hand luggage
- C** when such equipment is in transit by ship or ferry, if not kept in accordance with **Ai** above it is kept in a securely locked cabin on board such vessel.

# Section 4 – Own Goods In Transit

## Definitions

### Goods

Goods belonging to **the Insured** or held by **the Insured** in trust and for which **the Insured** are responsible.

### Vehicle

Any vehicle owned or operated by **the Insured**.

### Transit

Carrying **Goods** in connection with the **Business** by any means of transit described in the **Schedule**, including

- loading and unloading **Goods**
- temporary storage of **Goods** in any building during transit, for up to 30 days.

### Territorial Limits

The **United Kingdom**, including sea or air transits therein.

### Money

Cash, bank and currency notes, uncrossed cheques, giro cheques including pre-authenticated giro cheques, uncrossed warrants, uncrossed postal and money orders, current postage and revenue stamps, National Savings stamps and certificates, holiday with pay stamps and gift tokens, National Insurance stamps (whether affixed to cards or not), debit card sales vouchers, trading stamps, luncheon vouchers and bills of exchange, securities for money travel warrants and authenticated travel tickets and phone cards for use by **the Insured** or any partner, director or employee of **the Insured** in connection with **the Insured's Business**, consumer redemption vouchers and company sales vouchers and unexpired units in franking machines, all belonging to **the Insured** or for which **the Insured** has accepted responsibility.

### Unattended

Any vehicle with no person in charge or where neither **the Insured** nor any employee are in a position to keep the **Vehicle or Goods** under observation and able to observe or prevent any attempt by any person to interfere with the **Vehicle or Goods**.

## Cover

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

- A** loss of or damage to **Goods in Transit** within the **Territorial Limits**
- B** loss of or damage to the clothing or personal effects of the driver of any **Vehicle** or of any other person authorised to be in the **Vehicle**.

## Exclusions

- 1** Loss or damage in respect of property more specifically insured.
- 2** Loss or damage due to
  - a** depreciation, deterioration or contamination, unless caused by accident to the conveying vehicle
  - b** inherent vice, leakage or ordinary loss in weight or volume
  - c** bruising, scratching, chipping, denting, rust, oxidation or discolouration.
  - d** mechanical or electrical breakdown, failure or derangement
  - e** faults in processing or the insufficiency or unsuitability of packing or preparation
  - f** Delay or loss of market confiscation or detention by Customs or other officials.
- 3** Damage to the contents of any package not involving outward and visible damage to the package.
- 4** Loss or damage due to theft of **Goods** from any **Unattended Vehicle**, unless such Vehicle has all points of access closed and secured by all locks and other protections and all keys have been removed from such **Vehicle**.
- 5** Loss or damage in respect of jewellery, precious stones, precious metals, bullion, furs, works of art, rare books, **Money**, bonds, securities of any description, deeds, documents, manuscripts, business books, plans, designs, livestock or **the Insured's** own machinery and plant (other than tools if specified as included in the **Schedule**).
- 6** Loss or damage directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether the property of **the Insured** or not, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date, including the failure to
  - i** correctly to recognise any date as its true calendar date
  - ii** to recognise, capture, save, retain, store and/or correctly to manipulate, interpret, calculate or process any date or information or command or instruction as a result of treating any date otherwise than as its true calendar date

## Section 4 – Own Goods In Transit (continued)

- iii to recognise, capture, save, retain, restore, and/or correctly to manipulate, interpret, calculate or process any data or information as a result of the operation of any command which has been programmed into any computer software or firmware, being a command which causes the loss of data or the inability to recognise, capture, save, retain, restore or correctly to manipulate, interpret, calculate or process any data on or after any date.
- 7 Consequential loss or damage of any kind or description, other than any General Condition of Average and Salvage charges for which **the Insured** becomes liable in respect of any **Transit** insured by this **Section**.
- 8 The amount of any **Excess** specified in the **Schedule**.

### Basis of Settlement

**The Insurer** will pay **the Insured** the value of the **Goods in Transit** at the time of loss or damage.

**The Insurer** will also pay the value of clothing or personal effects of the driver of any **Vehicle** or of any other person authorised to be in the **Vehicle** at the time of loss or damage.

The most **the Insurer** will pay for any one claim or series of claims arising out of any one occurrence of loss or damage is

- the Maximum any One **Vehicle**, the Maximum any One Loss or any other Limit of Liability specified in the **Schedule**
- for clothing or personal effects, £1000 per person.

In consideration of cover by this **Section** not being reduced by the amount of any claim, and in the absence of written notice by **the Insurer** to the contrary within 30 days of the notification of any loss or damage, **the Insured** will pay the appropriate additional premium on the amount of the claim from the date of loss or damage to the expiry of the **Period of Insurance**, and agrees to comply with any security recommendations or other measures **the Insurer** may require to reduce the risk of further loss or damage.

### Basis of Settlement Adjustments

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

#### 1 Contribution

If at the time of loss or damage any other insurance has been effected by or on behalf of **the Insured** covering any of the **Goods** or any of the other property insured, **the Insurer's** liability under this **Section** shall be limited to **the Insurer's** rateable proportion of such loss or damage.

#### 2 Sheets and Ropes

In respect of **Vehicles**, cover includes loss of or damage to sheets, ropes, packing materials and the like, but excluding loss or damage due to unexplained shortage or disappearance, wear and tear or depreciation.

#### 3 Additional Vehicles

Cover includes loss of or damage to **Goods** in any additional **Vehicle** not specified in the **Schedule** up to an amount of £5,000 any one claim, provided that **the Insured** shall advise **the Insurer** of the acquisition of such additional **Vehicle** within 21 days of its acquisition and pay any additional premium required by **the Insurer**.

#### 4 Substitute Vehicles

Cover includes loss of or damage to **Goods** arising out of the use of any **Vehicle** in substitution by **the Insured** whilst any **Vehicle** is undergoing service or repair, up to the amount of the Limit of Liability specified in the **Schedule** applicable to the **Vehicle** undergoing service or repair.

#### 5 Transhipment and Debris Removal Costs

Cover includes costs and expenses necessarily and reasonably incurred in

- a transhipment and recovery of **Goods** following collision or overturning of the conveying **Vehicle**, or impact with any object by the conveying **Vehicle**
- b removal of debris and site clearance following loss or damage to **Goods** up to an amount of £10,000 any one claim.

(**The Insurer** will not pay for such costs and expenses arising from pollution or contamination of or to property not insured by this **Section**.)

#### 6 FOB Conditions

Cover includes loss of or damage to **Goods** forwarded under FOB conditions, within the Territorial Limits, for a period not exceeding 30 days from the commencement of Transit, in respect of any one consignment whilst at dockside/airside or in temporary warehousing until placed on board ship or aircraft.

## Section Conditions

### 1 Precautions

It is a condition precedent to the liability of **the Insurer** that **the Insured** must

- a** take all reasonable measures to safeguard **Goods** and to maintain **Vehicles** in an efficient and roadworthy condition
- b** install any additional protections to any **Vehicle** asked for by **the Insurer**
- c** exercise due care in selecting employees to be entrusted with **Vehicles** or **Goods**.

### 2 Alteration in Risk

**The Insured** must notify **the Insurer** as soon as possible if during the **Period of Insurance** there is any alteration in the ownership of **the Insured**, or if in respect of **Goods** or any other property insured there is any alteration

- a** due to its disposal or removal
- b** in respect of which the interest of **the Insured** ceases except by will or operation of law
- c** in respect of the risks of subsidence, ground heave or landslip where any demolition, construction, ground works or excavation work is being carried out on any site adjoining the **Premises**
- d** to the facts or matters set out in the **Schedule** or otherwise comprising the risk presentation made by the Insured to the Insurer at inception, renewal or variation of the **Policy** which materially increases the risk of loss or damage as insured by this **Section**.

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

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

If **the Insured** fails to notify the Insurer of any such alteration, **the Insurer** may

- a** treat this **Section** and the **Policy** as if it had come to an end as at the date of the alteration of the risk, returning a proportionate amount of the premium for the unexpired **Period of Insurance**, if **the Insurer** would have cancelled this **Section** and the **Policy** had it known of the increase in risk

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

### 3 Non Invalidation

This **Section** shall not be invalidated by any act or omission or by any alteration unknown to or beyond the control of **the Insured** by which the risk of loss or damage is increased, provided that **the Insured** shall give notice to the Insurer (and pay an additional premium if required) immediately they become aware of such alteration.

### 4 Additional Claims Condition

In the case of **Transit** by road or rail carrier or by post, immediately the Insured becomes aware of any occurrence giving rise to or likely to give rise to a claim under this **Section**, **the Insured** shall take all practicable steps to notify the carrier concerned of any loss or damage within the time limits for notification of claims stipulated in the applicable conditions of carriage or contract.

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

### 5 The Insurers Rights following a Claim

In respect of loss or damage for which a claim is made, **the Insurer** and any person authorised by **the Insurer** may without incurring any liability or diminishing any of the Insurer's rights in respect of the cover under this **Section**, enter take or keep possession of any **Vehicle** where loss or damage has occurred, and take possession of or require to be delivered to **the Insurer** any **Goods** or other property insured, and to deal with such **Goods** and other property insured for all reasonable purposes and in any reasonable manner.

No **Goods** or other property insured may be abandoned to **the Insurer**, whether taken possession of by the Insurer or not.

### 6 Subrogation

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



## Section 4 – Own Goods In Transit (continued)

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

### 7 Arbitration

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

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

### 8 Vehicle Security Protections

It is a condition precedent to the liability of **the Insurer** that additional protections to any **Vehicle** required by **the Insurer** shall:

- A** be installed in accordance with the specification agreed by **the Insurer**
- B** not be altered or varied unless agreed in writing by **the Insurer**
- C** be kept in full and working order at all times
- D** where appropriate to the type of protection, be serviced under a maintenance contract
- E** be secured or set whenever the **Vehicle** is left loaded and **Unattended** with all keys or other portable operating devices being kept in the personal custody of the driver of the **Vehicle** or of any other person authorised to be in the **Vehicle**.

### 9 Declaration Condition

If the premium or part of any premium is calculated on estimates supplied to **the Insurer** by or on behalf of **the Insured**, **the Insured** shall keep a record of all such relevant particulars and shall allow **the Insurer** to inspect such records at any reasonable time.

**The Insured** shall furnish **the Insurer** with such information as **the Insurer** may require at the expiry of each **Period of Insurance**, within the period specified by **the Insurer**. The premium shall be adjusted annually and any difference shall be paid by or returned to **the Insured** subject to any agreed minimum or deposit premium specified in the **Schedule**.

### Special Conditions – Unattended Vehicles (Applicable if shown in the Schedule as operative)

#### 1 Overnight Theft Exclusion

This **Section** excludes loss or damage due to theft or attempted theft of **Goods** from any **Unattended Vehicle**

- A** after the last **Transit** of the day until next collected by the driver
- B** whilst otherwise in **Transit** unless such **Vehicle** has all points of access closed and secured by all locks and other protections and all keys have been removed from such **Vehicle**.

#### 2 Overnight Theft Exclusion – Locked Building or Yard Requirement

This **Section** excludes loss or damage due to theft or attempted theft of **Goods** from any **Unattended Vehicle**

- A** after the last **Transit** of the day until next collected by the driver unless such **Vehicle** is in a securely locked building or in a fully enclosed and locked yard
- B** whilst otherwise in **Transit** unless such **Vehicle** has all points of access closed and secured by all locks and other protections and all keys have been removed from such **Vehicle**.

#### 3 Theft Exclusion

This **Section** excludes loss of or damage to **Goods** resulting from theft or attempted theft from any **Unattended Vehicle**.

#### 4 Alarm Clause – Specified Vehicle

In respect of any **Vehicle** specified in the **Schedule** this **Section** excludes loss of or damage to **Goods** resulting from theft or attempted theft from such **Vehicle** if it is left **Unattended**, unless the alarm system approved by **the Insurer** is

- A** put into operation and all alarm keys are removed and
- B** maintained in accordance with the terms and conditions of the installing company's agreement.

#### 5 Alarm Clause – Unspecified Vehicle

This **Section** excludes loss of or damage to **Goods** resulting from theft or attempted theft from an **Unattended Vehicle**, unless the alarm system approved by **the Insurer** is

- A** put into operation and all alarm keys are removed and
- B** maintained in accordance with the terms and conditions of the installing company's agreement.

# Section 5 – Business Interruption All Risks

## Estimated Gross Profit

### Definitions

#### Business Interruption

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

#### Event

Accidental loss or destruction of or damage to property used by **the Insured** at the **Premises** for the purpose of the **Business**.

#### Premises

The buildings at the address or addresses shown in the **Schedule**, including their grounds, all within the boundaries for which **the Insured** are responsible and being, unless more specifically described in the **Schedule**, occupied by **the Insured** for the purpose of the **Business**.

#### Specified Events

Fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, 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 apparatus or pipe or impact by any road vehicle or animal.

#### Unoccupied

Any building or part of any building that is unfurnished, untenanted, empty or no longer in active use for a period exceeding 30 consecutive days.

#### Indemnity Period

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

#### Maximum Indemnity Period

The period shown in the **Schedule**

#### Turnover

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

#### Gross Profit

The amount by which the sum of the amount of the **Turnover** and the amount of the closing stock and work in progress shall exceed the amount of the opening stock and work in progress and the amount of the **Uninsured Working Expenses**.

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

#### Uninsured Working Expenses

Purchases (less discounts received) Carriage, packing and freight Discounts allowed Bad debts.

**Note:** The words and expressions used in this definition shall have the meaning usually attached to them in the books and accounts of **the Insured**.

#### Rate of Gross Profit

The rate of gross profit earned on the **Turnover** during the financial year immediately before the date of any **Event**.

#### Standard Turnover

The **Turnover** during that period in the twelve months immediately before the date of any **Event** which corresponds with the **Indemnity Period**.

#### Annual Turnover

The **Turnover** during the twelve months immediately before the date of any **Event**.

### Cover

**The Insurer** will pay **the Insured** for **Business Interruption** by any **Event**, excluding

- 1 **Business Interruption** 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 the bursting of any boiler (not being a boiler or economiser on the **Premises** or a boiler used for domestic purposes only), belonging to **the Insured** or under the control of **the Insured** in which internal pressure is due to steam only
  - c pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds but **the Insurer** will pay for subsequent **Business Interruption** which itself results from a cause not otherwise excluded
  - d faulty or defective workmanship by **the Insured** or any employee of **the Insured**
  - e operational error or omission by **the Insured** or any employee of **the Insured** but the Insurer will pay for:
    - i such **Business Interruption** not otherwise excluded which itself results from a **Specified Event**

## Section 5 – Business Interruption All Risks

### Estimated Gross Profit (continued)

- ii subsequent **Business Interruption** which itself results from a cause not otherwise excluded
- f acts of fraud or dishonesty by any partner, director or employee of **the Insured** but the Insurer will pay for such **Business Interruption** not otherwise excluded which itself results from a **Specified Event**.

#### 2 Business Interruption

- a caused by or consisting of corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
- b caused by or consisting of change in temperature, colour, flavour, texture or finish
- c arising directly from theft or attempted theft:
  - i which does not involve entry to or exit from a building at the **Premises** by forcible and violent means or hold – up by violence or threat of violence to **the Insured** or any partner, director or employee of **the Insured** or any other person who has a legal right to be on the **Premises** (but this shall not exclude theft or attempted theft of a building or part of a building where insured under the Theft Damage to Buildings Basis of Settlement Adjustment clause under the Property Damage Section)
  - ii to property in the open or in open fronted buildings or in buildings not on permanent foundations.
  - iii expedited or in any way brought about by **the Insured** or any partner, director or employee of **the Insured** or any other person who has the legal right to be on the **Premises**
- d consisting of joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, super-heaters, pressure vessels or any range of steam and feed piping connected to them
- e consisting of mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which such breakdown or derangement originates
- f caused by the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services but

**the Insurer** will pay for:

- i such **Business Interruption** not otherwise excluded which itself results from a **Specified Event** or from any other accidental loss, destruction or damage
- ii subsequent **Business Interruption** which itself results from a cause not otherwise excluded

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

- a pollution or contamination at the **Premises** which itself results from **Specified Event**
- b any **Specified Event** which itself results from pollution or contamination

- 4 **Business Interruption** caused by or consisting of

- a subsidence, ground heave or landslip
  - i in respect of walls, gates, fences, roads, car parks, yards, forecourts, patios, pavements, footpaths and similar hard surfaced areas unless a building at the same **Premises** is **Damaged** by the same cause at the same time
  - ii resulting from
    - a the settlement or movement of made up ground
    - b costal or river erosion
    - c defective design or workmanship or the use of defective materials
  - iii which commenced prior to the inception of this cover
  - iv occurring as a result of demolition, construction, structural alteration or repair of any property, or as a result of ground works or excavation, at the same **Premises**
- b normal settlement or bedding down of new structures

- 5 **Business Interruption** arising directly or indirectly from:

- a disappearance, unexplained or inventory shortage or the misfiling or misplacing of information

- 6 Loss resulting from destruction or damage to a building or structure used by **the Insured** at the **Premises** caused by its own collapse or cracking, but **the Insurer** will pay for such loss resulting from a **Specified Event** in so far as it is not otherwise excluded

- 7 **Business Interruption** in respect of fences, gates and moveable property in the open caused by wind, rain, hail, sleet, snow, flood or dust

#### 8 Business Interruption

- a caused by fire, resulting from any property undergoing any heating process or any process involving the application of heat
- b resulting from any property undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair, but **the Insurer** will pay for such **Business Interruption** caused by fire or explosion

**9 Business Interruption** in respect of any building which is **Unoccupied** caused by

- a** freezing
- b** escape of water from any tank, apparatus or pipe
- c** malicious persons not acting on behalf of or in connection with any political organisation, but the Insurer will pay for such **Business Interruption** caused by fire or explosion

**10 Business Interruption** in respect of

- a** glass (other than fixed glass), sanitary-ware (other than fixed sanitary-ware), china, earthenware, marble or other fragile or brittle objects
- b** vehicles licensed for road use (including accessories on them), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
- c** property or structures in course of construction or erection and materials or supplies in connection with all such property or structures
- d** land, piers, jetties, bridges, culverts or excavations
- e** livestock, growing crops or trees

but **the Insurer** will pay for such **Business Interruption** caused by a **Specified Event** in so far as it is not otherwise excluded.

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

- a** correctly to recognise any date as its true calendar date
- b** to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
- c** to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information as a result of the operation of any command which has been programmed into any computer software or firmware, being a command which causes the loss of data or the inability to recognise, capture, save, retain, restore or correctly to manipulate interpret, calculate or process any data on or after any date but **the Insurer** will pay for subsequent **Business Interruption** which is not otherwise excluded and which itself results from a **Specified Event**

## Basis of Settlement

**The Insurer** will pay **the Insured**, in respect of each item covered, the amount of their claim for **Business Interruption**, provided that at the time of any **Event**

- A** there is an insurance in force covering the interest of **the Insured** in the property at the **Premises** against such **Event** and that
  - i** payment has been made or liability has been admitted for payment, or
  - ii** payment would have been made or liability would have been admitted for payment but for the operation of a proviso in such insurance excluding liability for claims below a specified amount
- B** the most **the Insurer** will pay for any one claim is in the whole the **Total Sum Insured**, or in respect of any one item its **Sum Insured** or any other limit of liability in this **Section**.

The **Sums Insured** or limits of liability shall not be reduced by the amount of any claim as insured under this **Section** provided that

- a** **the Insurer** does not give written notice to the contrary within 30 days of the notification of any **Event**
- b** **the Insured** pays the appropriate additional premium on the amount of the claim from the date of the **Event** to the expiry of the **Period of Insurance**
- c** **the Insured** agrees to comply with any security recommendations or other measures **the Insurer** may require to reduce the risk of an **Event**.

**The Insurer** will pay **the Insured** as indemnity in consequence of **Business Interruption** for loss of **Gross Profit** due to

- A** Reduction in **Turnover**, and
- B** Increase in Cost of Working.

Reduction in **Turnover** means the sum produced by applying the **Rate of Gross Profit** to the amount by which the **Turnover** during the **Indemnity Period** falls short of the **Standard Turnover**.

Increase in Cost of Working means the additional expenditure (subject to the Uninsured Working Expenses clause) 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**.

# Section 5 – Business Interruption All Risks

## Estimated Gross Profit (continued)

### Basis of Settlement Adjustments

**The Insurer** will not pay **the Insured** for

- A** Increase in Cost of Working exceeding the sum produced by applying the **Rate of Gross Profit** to the amount of reduction in **Turnover** thereby avoided
- B** any amounts saved during the **Indemnity Period** in respect of any of the charges and expenses of the **Business** payable out of **Gross Profit** that may cease or be reduced.

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

#### 1 Average

If the **Sum Insured** by any item on **Gross Profit** is less than the sum produced by applying the **Rate of Gross Profit** to the **Annual Turnover**, or if the Departmental Trading clause applies is less than the aggregate of the sum produced by applying the **Rate of Gross Profit** for each department of the **Business** (whether affected by the **Event** or not) to its relative **Annual Turnover**, the amount payable will be proportionately reduced.

The amount of the **Annual Turnover** will be proportionately increased when the **Maximum Indemnity Period** exceeds 12 months.

#### 2 Alternative Premises

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

#### 3 Uninsured Working Expenses

If any working expenses of the business are excluded by this **Section** (having been deducted in arriving at **Gross Profit**), then in calculating the amount recoverable under this **Section** as Increase in Cost of Working, only that proportion of any such additional expenditure shall be taken into account that **Gross Profit** bears to the sum of **Gross Profit** and the **Uninsured Working Expenses**.

#### 4 Departmental Trading

If the **Business** is conducted in departments, the independent trading results of which can be ascertained, the Basis of Settlement for **Gross Profit** shall apply separately to each department affected.

#### 5 Trends and Variations

Adjustments shall be made to the figures representing the **Rate of Gross Profit**, the **Annual Turnover** and the **Standard Turnover** that may be necessary to provide for the trend of the **Business**, and for variations in or other circumstances affecting the **Business**, either before or after the **Event**, and which would have affected the **Business** had the **Event** not occurred, so that the adjusted figures represent as near as reasonably practicable results which but for the event would have been obtained during the relative period after the **Event**.

#### 6 New Business

If the **Business** is in its first year of trading during the first **Period of Insurance**, and an **Event** occurs before completion of such first **Period of Insurance**, **Rate of Gross Profit**, **Annual Turnover** and **Standard Turnover** shall mean the following.

**Rate of Gross Profit** – the **Rate of Gross Profit** earned on the **Turnover** during the period between the date of commencement of the **Business** and the date of the **Event**.

**Annual Turnover** – the proportional equivalent, for the period of 12 months, of the **Turnover** realised during the period between the date of commencement of the **Business** and the date of the **Event**.

**Standard Turnover** – the proportional equivalent, for the period equal to the **Indemnity Period**, of the **Turnover** realised during the period between the date of commencement of the **Business** and the date of the **Event**.

#### 7 Auditors and Accountants Charges

If the auditors or professional accountants of **the Insured** produce any particulars or details required by **the Insurer** from **the Insured's** books of account or other business books or documents, or any other proofs, information or evidence under the terms of Condition 2 of this **Section**, **the Insurer** will pay **the Insured** the reasonable charges payable by **the Insured** to their auditors or professional accountants provided that the sum of such reasonable charges and any other amount payable under this **Section** shall not exceed the liability of **the Insurer** under this **Section**.



## 8 Value Added Tax

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

## 9 Current Cost Accounting

For the purposes of this **Section**, any adjustment implemented in current cost accounting shall be disregarded.

## 10 Payments on Account

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

## 11 Salvage Sale

If following an **Event** giving rise to a claim under this **Section** **the Insured** shall hold a salvage sale during the **Indemnity Period**, the Basis of Settlement of the insurance for any item of **Gross Profit** shall for the purpose of such claims be amended as follows:

- A Reduction in Turnover: the sum produced by applying the **Rate of Gross Profit** to the amount by which the **Turnover** during the **Indemnity Period** (less the **Turnover** relating to the period of the salvage sale) shall in consequence of the **Event** fall short of the **Standard Turnover**, from which sum shall be deducted the **Gross Profit** actually earned during the period of the salvage sale.

## 12 Accumulated Stocks

In adjusting any loss account shall be taken and an equitable allowance made if any reduction in **Turnover** due to an **Event** giving rise to a claim under this **Section** is postponed by reason of the **Turnover** being temporarily maintained from accumulated stocks of finished goods in warehouses or depots.

## 13 Claims Preparation Expenses

Cover extends to include the necessary and reasonable costs, expenses and charges incurred by **the Insured** in producing and certifying any particulars or details required by **the Insurer** in connection with any claim under this **Section** and which are incurred with the consent of **the Insurer** and for which **the Insurer** has admitted liability, provided that

- i such costs and expenses are limited to
  - any additional costs and expenses incurred by any employees of **the Insured** and the cost of materials used in furnishing the Insurer's requirements
  - the reasonable charges payable by **the Insured** to their auditors or professional accountants for producing such information as may be required by the Insurer

- ii **the Insurer** shall have the right to review and audit all documentation relating to such costs and expenses

- iii such costs expenses and charges are not otherwise recoverable under this **Section** or the **Policy**

- iv an **Excess** of £500 shall apply in respect of each and every claim

- v the liability of **the Insurer** shall not exceed £30,000 in respect of any one claim, and such limit shall apply in addition to the **Sums Insured** or limits applying under this **Section**.

## 14 Fines and Damages

Cover extends to indemnify **the Insured** against fines, penalties or damages imposed by the conditions of any contract between **the Insured** and their customer for breach of contract, and the amount payable shall be such sums as **the Insured** shall be legally liable to pay and shall pay in discharge of fines, penalties or damages for non-completion or late completion of orders or contracts, or in respect of cancellation of orders or contracts, incurred directly and solely as a result of **Business Interruption** at the **Premises**, provided that **the Insurer**

- i shall not be liable for the amount of any loss which is incurred after a period of 12 months beginning with the date of the occurrence of the **Event**

- ii shall not be liable for more than £10,000 in respect of any one claim.

## 15 Additional Rent – Data Processing and Ancillary Equipment

Cover extends to indemnify **the Insured** against the payment of additional rental arising in consequence of **Business Interruption** at the **Premises** to any data processing and/or ancillary equipment necessitated by the cancellation of the lease/hire contract in force at the date of the **Business Interruption** and its replacement by a new contract for similar equipment in respect of the period commencing after the expiry of the **Maximum Indemnity Period** and ending not later than 12 months thereafter or the expiry of the lease/hire contract in force at the date of the **Business Interruption** whichever is the sooner, provided that **the Insurer** shall not be liable for more than £25,000 in respect of any one claim.



# Section 5 – Business Interruption All Risks

## Estimated Gross Profit (continued)

### 16 Research and Development Costs

Cover extends to indemnify **the Insured** in respect of additional expenditure necessarily and reasonably incurred during the **Indemnity Period** solely to re-constitute records and re-work projects and to restore research and development projects to a state substantially similar to that which existed before the date of the **Event**, provided that

- i **the Insurer** shall not be liable for more than one third of the limit shown below in respect of such additional expenditure arising in the first quarter of the **Indemnity Period** following the date of the **Event** nor more than an equal proportion of the balance of the limit shown below per month in respect of the additional expenditure in the remainder of the **Indemnity Period**
- ii the **Maximum Indemnity Period** in respect of this clause shall not exceed 12 months
- iii **the Insurer** shall not be liable for more than £25,000 in respect of any one claim.

### 17 Essential Personnel

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

- i the **Maximum Indemnity Period** in respect of this clause shall not exceed 12 months
- ii **the Insurer** shall not be liable for more than £30,000 in respect of any one claim.

### 18 Public Relations Expenses

In the event of **Business Interruption** at the **Premises** Cover extends to include the additional expenditure necessarily and reasonably incurred during the **Indemnity Period** of employing suitable public relations personnel to deal with press and public announcements and other activities, provided that

- i the **Maximum Indemnity Period** in respect of this clause shall not exceed 3 months
- ii **the Insurer** shall not be liable for more than £10,000 in respect of any one claim.

### 19 Lottery Winners

Any claim for loss resulting from interruption of or interference with the **Business** in consequence of an Employee or group of **Employees** resigning from his/her or their posts within the **Business** as a direct consequence of their securing a win in a Lottery shall be understood to be **Business Interruption**, subject to the under noted Definitions and subject to all the terms, conditions and provisions of this **Section** and of the **Policy** except in so far as they may be expressly varied by this clause.

**The Insurer** will pay **the Insured** as indemnity in consequence of Business Interruption, for Increase in Cost of Working only.

**The Insurer** will not pay **the Insured** unless

- A the Employee or group of Employees resign within 14 days from the date of the successful Lottery win, and
- B the amount won by each Employee is £100,000 or more.

The maximum **the Insurer** will pay in any one **Period of Insurance** is £50,000.

## Definitions

### Employee/Employees

Any person who has been employed by the Insured for a period exceeding 12 consecutive months and who has

- i not served notice or been served notice of termination of their employment prior to such win, death or Disablement
- ii not been absent from their employment through disability, sickness or suspension for a period exceeding 4 weeks prior to such win, death or Disablement.

### Lottery

- UK National Lottery Prize Draws, including scratch cards
- Euro Millions Lottery

### Increase in Cost of Working

the additional costs and/or expenses necessarily and reasonably incurred, including but not limited to

- i recruitment and additional overtime costs
- ii the cost of employing temporary staff, for amounts in excess of permanent full time rates of payment

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.

**Indemnity Period**

The period during which the results of the Business shall be affected beginning with the date of the first resignation and ending not later than the Maximum Indemnity Period thereafter.

**Maximum Indemnity Period**

3 months.

**Extensions**

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

- A** accidental loss, destruction or damage at any Situation or to any Property shown below, or
- B** any of the under-noted Contingencies occurring during the **Period of Insurance** and within the **United Kingdom**, shall be understood to be **Business Interruption** by an **Event** covered by this **Section**, provided that, after the application of all other terms, conditions, exclusions and provisions of this **Section**, the **Policy** and the terms set out below, the liability of **the Insurer** for any one claim or claims arising out of or in connection with the same originating cause shall not exceed in the whole the **Total Sum Insured**, or the percentage of the **Total Sum Insured**, or the amount shown below (or the amount as specified otherwise in the **Schedule**) against any of the Situations or any of the Property or any Contingency as the Limit, whichever is the less.

To the extent that a claim or claims arising out of or in connection with the same originating cause are covered under more than one Extension, or under one Extension and the general cover afforded by this **Section**, **the Insurer's** maximum liability under this **Section** and all the Extensions combined shall not exceed the largest of any applicable Limits or **Sums Insured**.

**Situations****Suppliers**

The premises of any of **the Insured's** suppliers, manufacturers or processors of components, goods or materials, but excluding the premises of any separately specified supplier or of any supply undertaking from which **the Insured** obtain electricity, gas, water or telecommunications services. Limit 10% or £150,000 whichever is the less.

**Customers**

The premises of any of **the Insured's** customers, but excluding the premises of any separately specified customer. Limit 10% or £150,000 whichever is the less.

**Contract Sites**

Any situation not in the occupation of **the Insured** where **the Insured** are carrying out a contract. Limit 10% or £150,000 whichever is the less.

**Exhibition Sites**

Any exhibition site where the Insured are exhibiting goods or services, excluding any such site under canvas or in the open. Limit £50,000.

**Property****Property Stored**

Property of **the Insured** whilst stored elsewhere than at premises occupied by **the Insured**. Limit 10% or £150,000 whichever is the less.

**Transit**

Property of **the Insured** whilst in transit by road, rail or inland waterway, but only in respect of **Business Interruption** due to or arising from a **Specified Event**. Limit 10% or £150,000 whichever is the less.

**Supply Undertakings**

Property

- A** at any land based premises
- B** comprising any land based cable or pipe connecting to the terminal connecting point at the **Premises** or any pylon through which any such cable runs

of any supply undertaking service provider or producer from which **the Insured** obtains

- i** electricity (including generating stations or sub-stations)
- ii** gas (including any natural gas producer provided that it supplies gas directly to the supply undertaking or service provider which supplies gas to **the Insured**)
- iii** water (including water works and pumping stations)
- iv** telecommunications services (excluding intranet or extranet services)
- v** other telecommunications services providing intranet or extranet services

# Section 5 – Business Interruption All Risks

## Estimated Gross Profit (continued)

Provided that:

- a the **Maximum Indemnity Period** shall not exceed 1 month beginning with the date on which the damage occurred
- b **the Insurer** shall not be liable
  - i unless the loss, destruction or damage results in a complete cessation of the supply of the relevant service to the **Premises** for more than 48 consecutive hours
  - ii for the first 48 consecutive hours of cessation of the supply of the relevant service to the **Premises**
  - iii for any **Business Interruption** caused by loss or destruction of or damage to any overhead transmission and distributing cables or lines and their supporting structures (including pylons), other than where such loss, destruction or damage occurs to such cables, lines and structures situated within 1 mile of the **Premises**
  - iv for more than £1,000,000 for each occurrence (of loss, damage or destruction to the supply undertaking's, service provider's or producer's property) or series of occurrences arising out of or in connection with the same originating cause, irrespective of the number of the **Premises** which are affected by the occurrence or series of occurrences. Where the same originating cause results in loss, damage or destruction to the property of more than one supply undertaking, service provider or producer, **the Insurer** shall not be liable to pay more than £1,000,000 under this Extension in respect of all occurrences of loss, destruction or damage combined and in the aggregate, irrespective of the number of supply undertaking's, service provider's or producer's properties affected.

### Denial of Access

Property in the immediate vicinity of the **Premises**, which prevents or hinders the use of or access to the **Premises** whether the **Premises** or property in the **Premises** is destroyed or damaged or not, but excluding loss or destruction of or damage to the property of any supply undertaking from which **the Insured** obtains electricity, gas, water or telecommunications services which prevents or hinders the supply of such services to the **Premises**.

### Moulds, Tools and Dies

Moulds, tools and dies belonging to **the Insured** or for which **the Insured** are responsible whilst at the **Premises** or at any premises not in the occupation of **the Insured** or in transit by road, rail or inland waterway.

Limit £50,000.

### Documents

Documents belonging to **the Insured** or held by **the Insured** in trust, whilst at premises not in the occupation of **the Insured** or in transit by road, rail or inland waterway.

## Contingencies

### Failure of Supply

Accidental failure of supply of

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

Provided that

- a the **Maximum Indemnity Period** shall not exceed 1 month beginning with the date on which the failure of the supply first started occurring
- b **the Insurer** shall not be liable
  - i unless there is a complete cessation of the supply of the relevant service to the **Premises** of more than 48 consecutive hours
  - ii for the first 48 consecutive hours of cessation of the supply of the relevant service to the **Premises**
  - iii for any **Business Interruption** resulting from the deliberate act of any supply undertaking or service provider, or from any such undertaking or provider exercising its power to withhold or restrict supply or services or otherwise not performing its services, save where the supply undertaking or service provider is acting for the sole purpose of safeguarding life or protecting the supply undertaking's or service provider's system

- iv for any **Business Interruption** resulting from failure of supply caused by
  - a strikes or any labour or trade dispute
  - b drought
  - c other atmospheric or weather conditions, but this shall not exclude failure due to physical damage caused by such conditions
- v for any **Business Interruption** caused by the failure of any overhead transmission and distributing cables, lines and their supporting structures (including pylons), other than where such failure occurs to such cables, lines and structures situated within 1 mile of the **Premises**
- vi for any **Business Interruption** resulting from the failure of telecommunications services delivered via satellite
- vii for any **Business Interruption** which is insured under the Supply Undertakings Extension
- viii for more than £25,000 for each failure of supply or series of failures arising out of or in connection with the same originating cause, irrespective of the number of the **Premises** which are affected by the failures. Where the same originating cause results in failure of supply from more than one supply undertaking or service provider, **the Insurer** shall not be liable to pay more than £25,000 under this Extension in respect of all failures of supply combined and in the aggregate, irrespective of the number of supply undertakings or service providers involved.

## Section Conditions

### 1 Alteration in Risk

**The Insured** must notify **the Insurer** as soon as possible if during the **Period of Insurance** there is any alteration in the ownership of **the Insured**, or any alteration in or to the **Business** at the **Premises**

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

- d to the facts or matters set out in the **Schedule** or otherwise comprising the risk presentation made by **the Insured** to **the Insurer** at inception, renewal or variation of the **Policy**

which materially increases the risk of an **Event** and any other loss or expenditure as insured by this **Section**.

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

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

If **the Insured** fails to notify **the Insurer** of any such alteration, **the Insurer** may

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

### 2 Additional Claims Conditions

In the event of any **Event** in consequence of which **the Insured** make or may make a claim under this **Section**, **the Insured** shall at their own expense deliver to **the Insurer**

- A within 28 days of its happening, full details of **Business Interruption** caused by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons or theft

## Section 5 – Business Interruption All Risks

### Estimated Gross Profit (continued)

**B** not later than 30 days after expiry of the **Indemnity Period**, or such further time that **the Insurer** may allow, full information in writing of the particulars of the claim, together with details of all other policies covering property used by **the Insured** at the **Premises** for the purpose of the **Business** or any part of the business, and the amount of any resulting **Business Interruption**

**C** such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence that **the Insurer** may reasonably require for the purpose of investigating or verifying the claim, together with, if required, a statutory declaration of the truth of the claim and of any matters connected with it.

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

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

#### 3 Contribution

If at the time of any **Event** resulting in a claim under this **Section** there is any other insurance effected by or on behalf of **the Insured** covering such loss or any part of it, the liability of **the Insurer** under this **Section** shall be limited to **the Insurer's** rateable proportion of such loss.

#### 4 Subrogation

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

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

#### 5 Arbitration

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

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

#### 6 Declarations

**The Insured** may, at **the Insured's** option, provide **the Insurer** with a declaration confirmed by **the Insured's** auditors of the **Gross Profit** earned during the financial year most nearly concurrent with an expired **Period of Insurance**. If any **Event** has occurred giving rise to a claim for loss of **Gross Profit**, such declaration will be increased by **the Insurer** for the purpose of premium adjustment, by the amount by which the **Gross Profit** was reduced during such financial year solely in consequence of the **Event**.

If such declaration of **Gross Profit**, proportionately increased where the **Maximum Indemnity Period** exceeds 12 months, is less than the **Sum Insured on Gross Profit** for the relative **Period of Insurance**, the Insurer will allow a pro rata return of premium not exceeding 50% of the premium paid.

# Section 6 – Business Interruption All Risks

## Additional Cost of Working

### Definitions

#### Business Interruption

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

#### Event

Accidental loss or destruction of or damage to property used by **the Insured** at the **Premises** for the purpose of the **Business**.

#### Premises

The buildings at the address or addresses shown in the **Schedule**, including their grounds, all within the boundaries for which the Insured are responsible and being, unless more specifically described in the **Schedule**, occupied by **the Insured** for the purpose of the **Business**.

#### Specified Events

Fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, 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 apparatus or pipe or impact by any road vehicle or animal.

#### Unoccupied

Any building or part of any building that is unfurnished, untenanted, empty or no longer in active use for a period exceeding 30 consecutive days.

#### Indemnity Period

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

#### Maximum Indemnity Period

The period shown in the **Schedule**.

### Cover

**The Insurer** will pay **the Insured** for **Business Interruption** by any **Event**, excluding

#### 1 Business Interruption 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 the bursting of any boiler (not being a boiler or economiser on the **Premises** or a boiler used for domestic purposes only), belonging to **the Insured** or under the control of **the Insured** in which internal pressure is due to steam only
- c pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds but **the Insurer** will pay for subsequent **Business Interruption** which itself results from a cause not otherwise excluded
- d faulty or defective workmanship by **the Insured** or any employee of **the Insured**
- e operational error or omission by **the Insured** or any employee of **the Insured** but **the Insurer** will pay for:
  - i such **Business Interruption** not otherwise excluded which itself results from a **Specified Event**
  - ii subsequent **Business Interruption** which itself results from a cause not otherwise excluded
- f acts of fraud or dishonesty by any partner, director or employee of **the Insured** but **the Insurer** will pay for such **Business Interruption** not otherwise excluded which itself results from a **Specified Event**.

#### 2 Business Interruption

- a caused by or consisting of corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
- b caused by or consisting of change in temperature, colour, flavour, texture or finish
- c arising directly from theft or attempted theft:
  - i which does not involve entry to or exit from a building at the **Premises** by forcible and violent means or hold – up by violence or threat of violence to **the Insured** or any partner, director or employee of **the Insured** or any other person who has a legal right to be on the **Premises** (but this shall not exclude theft or attempted theft of a building or part of a building where insured under the Theft Damage to Buildings Basis of Settlement Adjustment clause under the Property Damage Section)
  - ii to property in the open or in open fronted buildings or in buildings not on permanent foundations
  - iii expedited or in any way brought about by **the Insured** or any partner, director or employee of **the Insured** or any other person who has the legal right to be on the **Premises**



# Section 6 – Business Interruption All Risks

## Additional Cost of Working (continued)

- d** consisting of joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, super-heaters, pressure vessels or any range of steam and feed piping connected to them
- e** consisting of mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which such breakdown or derangement originates
- f** caused by the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services but **the Insurer** will pay for:
  - i** such **Business Interruption** not otherwise excluded which itself results from a **Specified Event** or from any other accidental loss, destruction or damage
  - ii** subsequent **Business Interruption** which itself results from a cause not otherwise excluded
- 3** Loss resulting from pollution or contamination, but **the Insurer** will pay for such loss resulting from destruction of or damage to property used by **the Insured** at the **Premises** for the purpose of the **Business** not otherwise excluded, caused by
  - a** pollution or contamination at the **Premises** which itself results from **Specified Event**
  - b** any **Specified Event** which itself results from pollution or contamination
- 4 Business Interruption** caused by or consisting of
  - a** subsidence, ground heave or landslide
  - i** in respect of walls, gates, fences, roads, car parks, yards, forecourts, patios, pavements, footpaths and similar hard surfaced areas unless a building at the same **Premises** is **Damaged** by the same cause at the same time
  - ii** resulting from
    - a** the settlement or movement of made up ground
    - b** costal or river erosion
    - c** defective design or workmanship or the use of defective materials
  - iii** which commenced prior to the inception of this cover
  - iv** occurring as a result of demolition, construction, structural alteration or repair of any property, or as a result of ground works or excavation, at the same **Premises**
  - b** normal settlement or bedding down of new structures
- 5 Business Interruption** arising directly or indirectly from:
  - a** disappearance, unexplained or inventory shortage or the misfiling or misplacing of information
- 6** Loss resulting from destruction or damage to a building or structure used by **the Insured** at the **Premises** caused by its own collapse or cracking, but **the Insurer** will pay for such loss resulting from a **Specified Event** in so far as it is not otherwise excluded
- 7 Business Interruption** in respect of fences, gates and moveable property in the open caused by wind, rain, hail, sleet, snow, flood or dust
- 8 Business Interruption**
  - a** caused by fire, resulting from any property undergoing any heating process or any process involving the application of heat
  - b** resulting from any property undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair, but **the Insurer** will pay for such **Business Interruption** caused by fire or explosion
- 9 Business Interruption** in respect of any building which is Unoccupied caused by
  - a** freezing
  - b** escape of water from any tank, apparatus or pipe
  - c** malicious persons not acting on behalf of or in connection with any political organisation, but the Insurer will pay for such **Business Interruption** caused by fire or explosion
- 10 Business Interruption** in respect of
  - a** glass (other than fixed glass), sanitary-ware (other than fixed sanitary-ware), china, earthenware, marble or other fragile or brittle objects
  - b** vehicles licensed for road use (including accessories on them), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft

- c** property or structures in course of construction or erection and materials or supplies in connection with all such property or structures
- d** land, piers, jetties, bridges, culverts or excavations
- e** livestock, growing crops or trees

but **the Insurer** will pay for such **Business Interruption** caused by a **Specified Event** in so far as it is not otherwise excluded.

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

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

but **the Insurer** will pay for subsequent **Business Interruption** which is not otherwise excluded and which itself results from a **Specified Event**.

## Basis of Settlement

**The Insurer** will pay **the Insured**, in respect of each item covered, the amount of their claim for **Business Interruption**, provided that at the time of any **Event**

**A** there is an insurance in force covering the interest of **the Insured** in the property at the **Premises**

against such **Event** and that

- i** payment has been made or liability has been admitted for payment, or
- ii** payment would have been made or liability would have been admitted for payment but for the operation of a proviso in such insurance excluding liability for claims below a specified amount

**B** the most **the Insurer** will pay for any one claim is in the whole the **Total Sum Insured**, or in respect of any one item its **Sum Insured** or any other limit of liability in this **Section**.

**The Insurer** will pay **the Insured** as indemnity in consequence of **Business Interruption** for Additional Cost of Working.

Additional Cost of working means the additional expenditure necessarily and reasonably incurred in order to minimise any interruption or interference with the **Business** during the **Indemnity Period**.

## Basis of Settlement Adjustments

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

### 1 Auditors and Accountants Charges

If the auditors or professional accountants of **the Insured** produce any particulars or details required by **the Insurer** from **the Insured's** books of account or other business books or documents, or any other proofs, information or evidence under the terms of Condition 2 of this **Section**, **the Insurer** will pay **the Insured** the reasonable charges payable by **the Insured** to their auditors or professional accountants provided that the sum of such reasonable charges and any other amount payable under this **Section** shall not exceed the liability of **the Insurer** under this **Section**.

### 2 Value Added Tax

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

### 3 Current Cost Accounting

For the purposes of this **Section**, any adjustment implemented in current cost accounting shall be disregarded.

# Section 6 – Business Interruption All Risks

## Additional Cost of Working (continued)

### 4 Payments on Account

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

### 5 Claims Preparation Expenses

Cover extends to include the necessary and reasonable costs, expenses and charges incurred by **the Insured** in producing and certifying any particulars or details required by **the Insurer** in connection with any claim under this **Section** and which are incurred with the consent of **the Insurer** and for which **the Insurer** has admitted liability, provided that

- i such costs and expenses are limited to
  - any additional costs and expenses incurred by any employees of **the Insured** and the cost of materials used in furnishing **the Insurer's** requirements
  - the reasonable charges payable by **the Insured** to their auditors or professional accountants for producing such information as may be required by **the Insurer**
- ii **the Insurer** shall have the right to review and audit all documentation relating to such costs and expenses
- iii such costs expenses and charges are not otherwise recoverable under this **Section** or the **Policy**
- iv an **Excess** of £500 shall apply in respect of each and every claim
- v the liability of **the Insurer** shall not exceed £30,000 in respect of any one claim, and such limit shall apply in addition to the **Sums Insured** or limits applying under this **Section**.

## Extensions

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

- A loss, destruction or damage at any Situation or to any Property shown below, or

- B any of the under-noted Contingencies occurring during the **Period of Insurance** and within the **United Kingdom**, shall be understood to be **Business Interruption** by an **Event** covered by this **Section**, provided that, after the application of all other terms, conditions, exclusions and provisions of this **Section**, the **Policy** and the terms set out below, the liability of **the Insurer** for any one claim or claims arising out of or in connection with the same originating cause shall not exceed in the whole the **Total Sum Insured**, or the percentage of the **Total Sum Insured**, or the amount shown below (or the amount as specified otherwise in the **Schedule**) against any of the Situations or any of the Property or any Contingency as the Limit, whichever is the less.

To the extent that a claim or claims arising out of or in connection with the same originating cause are covered under more than one Extension, or under one Extension and the general cover afforded by this **Section**, **the Insurer's** maximum liability under this **Section** and all the Extensions combined shall not exceed the largest of any applicable Limits or **Sums Insured**.

## Situations

### Exhibition Sites

Any exhibition site where **the Insured** are exhibiting goods or services, excluding any such site under canvas or in the open. Limit £50,000.

## Property

### Supply Undertakings

Property

- A at any land based premises
- B comprising any land based cable or pipe connecting to the terminal connecting point at the **Premises** or any pylon through which any such cable runs

of any supply undertaking service provider or producer from which **the Insured** obtains

- i electricity (including generating stations or sub-stations)
- ii gas (including any natural gas producer provided that it supplies gas directly to the supply undertaking or service provider which supplies gas to **the Insured**)
- iii water (including water works and pumping stations)
- iv telecommunications services (excluding intranet or extranet services)
- v other telecommunications services providing intranet or extranet services

Provided that:

- a the **Maximum Indemnity Period** shall not exceed 1 month beginning with the date on which the damage occurred
- b **the Insurer** shall not be liable
  - i unless the loss, destruction or damage results in a complete cessation of the supply of the relevant service to the **Premises** for more than 48 consecutive hours
  - ii for the first 48 consecutive hours of cessation of the supply of the relevant service to the **Premises**
  - iii for any **Business Interruption** caused by loss or destruction of or damage to any overhead transmission and distributing cables or lines and their supporting structures (including pylons), other than where such loss, destruction or damage occurs to such cables, lines and structures situated within 1 mile of the **Premises**
  - iv for more than £1,000,000 for each occurrence (of loss, damage or destruction to the supply undertaking's, service provider's or producer's property) or series of occurrences arising out of or in connection with the same originating cause, irrespective of the number of the **Premises** which are affected by the occurrence or series of occurrences. Where the same originating cause results in loss, damage or destruction to the property of more than one supply undertaking, service provider or producer, **the Insurer** shall not be liable to pay more than £1,000,000 under this Extension in respect of all occurrences of loss, destruction or damage combined and in the aggregate, irrespective of the number of supply undertaking's, service provider's or producer's properties affected.

### Denial of Access

Property in the immediate vicinity of the **Premises**, which prevents or hinders the use of or access to the **Premises** whether the **Premises** or property in the **Premises** is destroyed or damaged or not, but excluding loss or destruction of or damage to the property of any supply undertaking from which **the Insured** obtains electricity, gas, water or telecommunications services which prevents or hinders the supply of such services to the **Premises**.

### Moulds, Tools and Dies

Moulds, tools and dies belonging to **the Insured** or for which **the Insured** are responsible whilst at the **Premises** or at any premises not in the occupation of **the Insured** or in transit by road, rail or inland waterway. Limit £50,000.

### Documents

Documents belonging to **the Insured** or held by **the Insured** in trust, whilst at **premises** not in the occupation of **the Insured** or in transit by road, rail or inland waterway.

## Contingencies

### Failure of Supply

Accidental failure of supply of

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

Provided that

- a the **Maximum Indemnity Period** shall not exceed 1 month beginning with the date on which the failure of the supply first started occurring
- b **the Insurer** shall not be liable
  - i unless there is a complete cessation of the supply of the relevant service to the **Premises** of more than 48 consecutive hours
  - ii for the first 48 consecutive hours of cessation of the supply of the relevant service to the **Premises**
  - iii for any **Business Interruption** resulting from the deliberate act of any supply undertaking or service provider, or from any such undertaking or provider exercising its power to withhold or restrict supply or services or otherwise not performing its services, save where the supply undertaking or service provider is acting for the sole purpose of safeguarding life or protecting the supply undertaking's or service provider's system

# Section 6 – Business Interruption All Risks

## Additional Cost of Working (continued)

- iv for any **Business Interruption** resulting from failure of supply caused by
  - a strikes or any labour or trade dispute
  - b drought
  - c other atmospheric or weather conditions, but this shall not exclude failure due to physical damage caused by such conditions
- v for any **Business Interruption** caused by the failure of any overhead transmission and distributing cables, lines and their supporting structures (including pylons), other than where such failure occurs to such cables, lines and structures situated within 1 mile of the **Premises**
- vi for any **Business Interruption** resulting from the failure of telecommunications services delivered via satellite
- vii for any **Business Interruption** which is insured under the Supply Undertakings Extension
- viii for more than £25,000 for each failure of supply or series of failures arising out of or in connection with the same originating cause, irrespective of the number of the **Premises** which are affected by the failures. Where the same originating cause results in failure of supply from more than one supply undertaking or service provider, **the Insurer** shall not be liable to pay more than £25,000 under this Extension in respect of all failures of supply combined and in the aggregate, irrespective of the number of supply undertakings or service providers involved.
- d to the facts or matters set out in the **Schedule** or otherwise comprising the risk presentation made by **the Insured to the Insurer** at inception, renewal or variation of the **Policy**

which materially increases the risk of an **Event** and any other loss or expenditure as insured by this **Section**.

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

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

If **the Insured** fails to notify **the Insurer** of any such alteration, **the Insurer** may

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

### 2 Additional Claims Conditions

In the event of any **Event** in consequence of which **the Insured** make or may make a claim under this **Section**, **the Insured** shall at their own expense deliver to **the Insurer**

- A within 28 days of its happening, full details of **Business Interruption** caused by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons or theft

## Section Conditions

### 1 Alteration in Risk

**The Insured** must notify **the Insurer** as soon as possible if during the **Period of Insurance** there is any alteration in the ownership of **the Insured**, or any alteration in or to the **Business** at the **Premises**

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

- B** not later than 30 days after expiry of the **Indemnity Period**, or such further time that **the Insurer** may allow, full information in writing of the particulars of the claim, together with details of all other policies covering property used by **the Insured** at the **Premises** for the purpose of the **Business** or any part of the **Business**, and the amount of any resulting **Business Interruption**
- C** such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence that **the Insurer** may reasonably require for the purpose of investigating or verifying the claim, together with, if required, a statutory declaration of the truth of the claim and of any matters connected with it.

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

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

### 3 Contribution

If at the time of any **Event** resulting in a claim under this **Section** there is any other insurance effected by or on behalf of **the Insured** covering such loss or any part of it, the liability of the Insurer under this **Section** shall be limited to **the Insurer's** rateable proportion of such loss.

### 4 Subrogation

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

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

### 5 Arbitration

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

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



# Section 7 – Book Debts

## Definitions

### Event

Destruction of or damage to the **Insured's Records**

- A** at the **Premises**
- B** at any premises in the **United Kingdom** occupied by persons acting on behalf of **the Insured**, to which **Records** have been temporarily removed
- C** In transit, including sea or air transit, within the **United Kingdom**, but excluding such destruction or damage by theft or attempted theft.

### Records

**The Insured's** books of account or other business books or records.

### Outstanding Debit Balances

The total recorded by **the Insured** under the provisions of the Outstanding Debit Recording Condition adjusted for

- A** bad debts
- B** amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through **the Insured's** books at the time of the **Event**) to Customers' Accounts in the period between the date to which the total last recorded relates and the date of the **Event**
- C** any abnormal condition of trade which had or could have had a material effect on the **Business** so that the adjusted figures represent as near as reasonably practicable results which but for the **Event** would have obtained at the date of the **Event** had the **Event** not occurred.

## Cover

**The Insurer** will pay **the Insured** for **Outstanding Debit Balances** following any Event covered under the Business Interruption **Section** of this **Policy**.

## Basis of Settlement

**The Insurer** will pay **the Insured** the amount of their claim for **Outstanding Debit Balances** if in consequence of an **Event** **the Insured** are unable to trace or establish **Outstanding Debit Balances** in whole or in part.

The most **the Insurer** will pay for any one claim is the **Total Sum Insured** at the time of the **Event**.

The **Sums Insured** or limits of liability shall not be reduced by the amount of any claim as insured under this **Extension** provided that

- a** **the Insurer** does not give written notice to the contrary within 30 days of the notification of any **Event**
- b** **the Insured** pays the appropriate additional premium on the amount of the claim from the date of the **Event** to the expiry of the **Period of Insurance**
- c** **the Insured** agrees to comply with any security recommendations or other measures **the Insurer** may require to reduce the risk of an **Event**.

The insurance under this **Extension** is limited to loss sustained by **the Insured** directly due to the **Event** and the amount payable shall not exceed

- A** the difference between
  - i** the **Outstanding Debit Balances**, and
  - ii** the total of the amounts received or traced in respect of such balances
- B** the additional expenditure incurred with **the Insurer's** previous consent in tracing and establishing customers' debit balances after the **Event**.

## Basis of Settlement Adjustments

In calculating the amount **the Insurer** will pay **the Insured**, adjustments shall be made in accordance with the following clauses.

### 1 Average (Underinsurance)

If the **Total Sum Insured** at the time of the **Event** is less than the **Outstanding Debit Balances**, the amount payable will be proportionately reduced.

### 2 Accountants Charges

If the auditors or professional accountants of **the Insured** produce any particulars or details required by **the Insurer** from **the Insured's** books of account or other business books or documents, or any other proofs, information or evidence under the terms of Condition 2 of this **Extension**, **the Insurer** will pay **the Insured** the reasonable charges payable by **the Insured** to their auditors or professional accountants provided that if the sum of such reasonable charges and any other amount payable under this **Extension** shall not exceed the liability of **the Insurer** under this **Extension**.

### 3 Claims Preparation Expenses

Cover extends to include the necessary and reasonable costs, expenses and charges incurred **by the Insured** in producing and certifying any particulars or details required by **the Insurer** in connection with any claim under this **Section** and which are incurred with the consent of **the Insurer** and for which **the Insurer** has admitted liability, provided that

- i such costs and expenses are limited to
  - any additional costs and expenses incurred by any employees of **the Insured** and the cost of materials used in furnishing **the Insurer's** requirements
  - the reasonable charges payable by the Insured to their auditors or professional accountants for producing such information as may be required by **the Insurer**
- ii **the Insurer** shall have the right to review and audit all documentation relating to such costs and expenses
- iii such costs expenses and charges are not otherwise recoverable under this **Extension** or the **Policy**
- iv an **Excess** of £500 shall apply in respect of each and every claim
- v the liability of **the Insurer** shall not exceed £25,000 in respect of any one claim, and such limit shall apply in addition to the **Sums Insured** or limits applying under this **Extension**.

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

## Extension Conditions

Business Interruption Section Conditions 1, 2, 3, 4, 5 and 6 apply to this **Extension**, and in addition

### 1 Outstanding Debit Recording

At the end of each month **the Insured** shall record the total amount outstanding in Customers Accounts at that time, and keep a copy of such records at a place other than **the Insured's Premises**.

### 2 Additional Claims Conditions

In the event of any **Event** in consequence of which **the Insured** make or may make a claim under this **Extension**, **the Insured** shall at their own expense deliver to **the Insurer** full information in writing of the particulars of the claim, together with details of all other policies covering **Outstanding Debit Balances** or any part of them, and the amount of any resulting **Outstanding Debit Balances**.

# Section 8 – Business Interruption All Risks Estimated Revenue

## Definitions

### Business Interruption

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

### Event

Accidental loss or destruction of or damage to property used by **the Insured** at the **Premises** for the purpose of the **Business**.

### Premises

The buildings at the address or addresses shown in the **Schedule**, including their grounds, all within the boundaries for which **the Insured** are responsible and being, unless more specifically described in the **Schedule**, occupied by **the Insured** for the purpose of the **Business**.

### Specified Events

Fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, 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 apparatus or pipe or impact by any road vehicle or animal.

### Unoccupied

Any building or part of any building that is unfurnished, untenanted, empty or no longer in active use for a period exceeding 30 consecutive days.

### Indemnity Period

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

### Maximum Indemnity Period

The period shown in the **Schedule**.

### Revenue

The money paid or payable to **the Insured** for services rendered in the course of the **Business** at the **Premises**.

### Standard Revenue

The **Revenue** during that period in the twelve months immediately before the date of any **Event** which corresponds with the **Indemnity Period**.

### Annual Revenue

The **Revenue** during the twelve months immediately before the date of any **Event**.

## Cover

**The Insurer** will pay the Insured for **Business Interruption** by any **Event**, excluding

- 1 **Business Interruption** 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 the bursting of any boiler (not being a boiler or economiser on the **Premises** or a boiler used for domestic purposes only), belonging to **the Insured** or under the control of **the Insured** in which internal pressure is due to steam only
  - c pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

but **the Insurer** will pay for subsequent **Business Interruption** which itself results from a cause not otherwise excluded

  - d faulty or defective workmanship by **the Insured** or any employee of **the Insured**
  - e operational error or omission by **the Insured** or any employee of **the Insured** but **the Insurer** will pay for:
    - i such **Business Interruption** not otherwise excluded which itself results from a **Specified Event**
    - ii subsequent **Business Interruption** which itself results from a cause not otherwise excluded
  - f acts of fraud or dishonesty by any partner, director or employee of **the Insured** but **the Insurer** will pay for such **Business Interruption** not otherwise excluded which itself results from a **Specified Event**.
- 2 **Business Interruption**
  - a caused by or consisting of corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
  - b caused by or consisting of change in temperature, colour, flavour, texture or finish
  - c arising directly from theft or attempted theft:
    - i which does not involve entry to or exit from a building at the **Premises** by forcible and violent means or hold – up by violence or threat of violence to **the Insured** or any partner, director or employee of **the Insured** or any other person who has a legal right to be on the **Premises** (but this shall not exclude theft or attempted theft of a building

or part of a building where insured under the Theft Damage to Buildings Basis of Settlement Adjustment clause under the Property Damage Section)

- ii to property in the open or in open fronted buildings or in buildings not on permanent foundations
- iii expedited or in any way brought about by **the Insured** or any partner, director or employee of **the Insured** or any other person who has the legal right to be on the **Premises**
- d consisting of joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, super-heaters, pressure vessels or any range of steam and feed piping connected to them
- e consisting of mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which such breakdown or derangement originates
- f caused by the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services but **the Insurer** will pay for:
  - i such **Business Interruption** not otherwise excluded which itself results from a **Specified Event** or from any other accidental loss, destruction or damage
  - ii subsequent **Business Interruption** which itself results from a cause not otherwise excluded
- 3 Loss resulting from pollution or contamination, but **the Insurer** will pay for such loss resulting from destruction of or damage to property used by **the Insured** at the **Premises** for the purpose of the **Business** not otherwise excluded, caused by
  - a pollution or contamination at the **Premises** which itself results from **Specified Event**
  - b any **Specified Event** which itself results from pollution or contamination
- 4 **Business Interruption** caused by or consisting of
  - a subsidence, ground heave or landslide
    - i in respect of walls, gates, fences, roads, car parks, yards, forecourts, patios, pavements, footpaths and similar hard surfaced areas unless a building at the same **Premises** is **Damaged** by the same cause at the same time
    - ii resulting from

- a the settlement or movement of made up ground
- b costal or river erosion
- c defective design or workmanship or the use of defective materials

iii which commenced prior to the inception of this cover

iv occurring as a result of demolition, construction, structural alteration or repair of any property, or as a result of ground works or excavation, at the same **Premises**

b normal settlement or bedding down of new structures

5 **Business Interruption** arising directly or indirectly from:

- a disappearance, unexplained or inventory shortage or the misfiling or misplacing of information

6 Loss resulting from destruction or damage to a building or structure used by **the Insured** at the **Premises** caused by its own collapse or cracking, but **the Insurer** will pay for such loss resulting from a **Specified Event** in so far as it is not otherwise excluded

7 **Business Interruption** in respect of fences, gates and moveable property in the open caused by wind, rain, hail, sleet, snow, flood or dust

8 **Business Interruption**

a caused by fire, resulting from any property undergoing any heating process or any process involving the application of heat

b resulting from any property undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair, but **the Insurer** will pay for such **Business Interruption** caused by fire or explosion

9 **Business Interruption** in respect of any building which is **Unoccupied** caused by

- a freezing
- b escape of water from any tank, apparatus or pipe
- c malicious persons not acting on behalf of or in connection with any political organisation, but **the Insurer** will pay for such **Business Interruption** caused by fire or explosion

## Section 8 – Business Interruption All Risks Estimated Revenue (continued)

### 10 **Business Interruption** in respect of

- a glass (other than fixed glass), sanitary-ware (other than fixed sanitary-ware), china, earthenware, marble or other fragile or brittle objects
- b vehicles licensed for road use (including accessories on them), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
- c property or structures in course of construction or erection and materials or supplies in connection with all such property or structures
- d land, piers, jetties, bridges, culverts or excavations
- e livestock, growing crops or trees

but **the Insurer** will pay for such **Business Interruption** caused by a **Specified Event** in so far as it is not otherwise excluded.

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

- a correctly to recognise any date as its true calendar date
- b to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
- c to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information as a result of the operation of any command which has been programmed into any computer software or firmware, being a command which causes the loss of data or the inability to recognise, capture, save, retain, restore or correctly to manipulate interpret, calculate or process any data on or after any date but **the Insurer** will pay for subsequent **Business Interruption** which is not otherwise excluded and which itself results from a **Specified Event**

### Basis of Settlement

**The Insurer** will pay **the Insured**, in respect of each item covered, the amount of their claim for **Business Interruption**, provided that at the time of any **Event**

- A there is an insurance in force covering the interest of **the Insured** in the property at the **Premises** against such **Event** and that
  - i payment has been made or liability has been admitted for payment, or
  - ii payment would have been made or liability would have been admitted for payment but for the operation of a proviso in such insurance excluding liability for claims below a specified amount
- B the most **the Insurer** will pay for any one claim is in the whole the **Total Sum Insured**, or in respect of any one item its **Sum Insured** or any other limit of liability in this **Section**.

The **Sums Insured** or limits of liability shall not be reduced by the amount of any claim as insured under this **Section** provided that

- a **the Insurer** does not give written notice to the contrary within 30 days of the notification of any **Event**
- b **the Insured** pays the appropriate additional premium on the amount of the claim from the date of the **Event** to the expiry of the **Period of Insurance**
- c **the Insured** agrees to comply with any security recommendations or other measures **the Insurer** may require to reduce the risk of an **Event**.

**The Insurer** will pay **the Insured** as indemnity in consequence of **Business Interruption** for

- A Loss of **Revenue**, and
- B Increase in Cost of Working.

Loss of **Revenue** means the amount by which the **Revenue** during the **Indemnity Period** falls short of the **Standard Revenue**.

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

## Basis of Settlement Adjustments

**The Insurer** will not pay **the Insured** for

- A** Increase in Cost of Working exceeding the amount of loss of **Revenue** thereby avoided
- B** any amounts saved during the **Indemnity Period** in respect of any of the charges and expenses of the **Business** payable out of **Revenue** that may cease or be reduced.

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

### 1 Average

If the **Sum Insured** by any item on **Revenue** is less than the **Annual Revenue**, or if the Departmental Trading clause applies is less than the aggregate of the sum produced by the **Annual Revenue** for each department of the **Business** (whether affected by the **Event** or not), the amount payable will be proportionately reduced.

The amount of the **Annual Revenue** will be proportionately increased when the **Maximum Indemnity period** exceeds 12 months.

### 2 Alternative Premises

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

### 3 Departmental Trading

If the **Business** is conducted in departments, the independent trading results of which can be ascertained, the Basis of Settlement for **Revenue** shall apply separately to each department affected.

### 4 Trends and Variations

Adjustments shall be made to the figures representing the **Annual Revenue** and the **Standard Revenue** that may be necessary to provide for the trend of the **Business**, and for variations in or other circumstances affecting the **Business**, either before or after the **Event**, and which would have affected the **Business** had the **Event** not occurred, so that the adjusted figures represent as near as reasonably practicable results which but for the **Event** would have been obtained during the relative period after the **Event**.

### 5 New Business

If the **Business** is in its first year of trading during the first **Period of Insurance**, and an **Event** occurs before completion of such first **Period of Insurance**, **Annual Revenue** and **Standard Revenue** shall mean the following.

**Annual Revenue** – the proportional equivalent, for the period of 12 months, of **the Revenue** realised during the period between the date of commencement of the **Business** and the date of the **Event**.

**Standard Revenue** – the proportional equivalent, for the period equal to the **Indemnity Period**, of the **Revenue** realised during the period between the date of commencement of the **Business** and the date of the **Event**.

### 6 Auditors and Accountants Charges

If the auditors or professional accountants of **the Insured** produce any particulars or details required by **the Insurer** from **the Insured's** books of account or other business books or documents, or any other proofs, information or evidence under the terms of Condition 2 of this **Section**, **the Insurer** will pay **the Insured** the reasonable charges payable by **the Insured** to their auditors or professional accountants provided that the sum of such reasonable charges and any other amount payable under this **Section** shall not exceed the liability of **the Insurer** under this **Section**.

### 7 Value Added Tax

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

### 8 Current Cost Accounting

For the purposes of this **Section**, any adjustment implemented in current cost accounting shall be disregarded.

### 9 Payments on Account

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

### 10 Claims Preparation Expenses

Cover extends to include the necessary and reasonable costs, expenses and charges incurred by **the Insured** in producing and certifying any particulars or details required by **the Insurer** in connection with any claim under this **Section** and which are incurred with the consent of **the Insurer** and for which **the Insurer** has admitted liability, provided that



## Section 8 – Business Interruption All Risks Estimated Revenue (continued)

- i such costs and expenses are limited to
  - any additional costs and expenses incurred by any employees of **the Insured** and the cost of materials used in furnishing **the Insurer's** requirements
  - the reasonable charges payable by **the Insured** to their auditors or professional accountants for producing such information as may be required by the Insurer
- ii **the Insurer** shall have the right to review and audit all documentation relating to such costs and expenses
- iii such costs expenses and charges are not otherwise recoverable under this **Section** or the **Policy**
- iv an **Excess** of £500 shall apply in respect of each and every claim
- v the liability of **the Insurer** shall not exceed £30,000 in respect of any one claim, and such limit shall apply in addition to the **Sums Insured** or limits applying under this **Section**.

### 11 Fines and Damages

Cover extends to indemnify **the Insured** against fines, penalties or damages imposed by the conditions of any contract between **the Insured** and their customer for breach of contract, and the amount payable shall be such sums as **the Insured** shall be legally liable to pay and shall pay in discharge of fines, penalties or damages for non-completion or late completion of orders or contracts, or in respect of cancellation of orders or contracts, incurred directly and solely as a result of **Business Interruption** at the **Premises**, provided that **the Insurer**

- i shall not be liable for the amount of any loss which is incurred after a period of 12 months beginning with the date of the occurrence of the **Event**
- ii shall not be liable for more than £10,000 in respect of any one claim.

### 12 Additional Rent – Data Processing and Ancillary Equipment

Cover extends to indemnify **the Insured** against the payment of additional rental arising in consequence of **Business Interruption** at the **Premises** to any data processing and/or ancillary equipment necessitated by the cancellation of the lease/hire contract in force at the date of the **Business Interruption** and its replacement by a new contract for similar equipment in respect of the period commencing after the expiry of the **Maximum Indemnity Period** and ending not later than 12 months thereafter or the expiry of the lease/hire contract in force at the date of the **Business Interruption** whichever is the sooner, provided that **the Insurer** shall not be liable for more than £25,000 in respect of any one claim.

### 13 Research and Development Costs

Cover extends to indemnify **the Insured** in respect of additional expenditure necessarily and reasonably incurred during the **Indemnity Period** solely to re-constitute records and re-work projects and to restore research and development projects to a state substantially similar to that which existed before the date of the **Event**, provided that

- i **the Insurer** shall not be liable for more than one third of the limit shown below in respect of such additional expenditure arising in the first quarter of the **Indemnity Period** following the date of the **Event** nor more than an equal proportion of the balance of the limit shown below per month in respect of the additional expenditure in the remainder of the **Indemnity Period**
- ii the **Maximum Indemnity Period** in respect of this clause shall not exceed 12 months
- iii **the Insurer** shall not be liable for more than £25,000 in respect of any one claim.

### 14 Essential Personnel

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

- i the **Maximum Indemnity Period** in respect of this clause shall not exceed 12 months
- ii **the Insurer** shall not be liable for more than £30,000 in respect of any one claim.

### 15 Public Relations Expenses

In the event of **Business Interruption** at the **Premises** Cover extends to include the additional expenditure necessarily and reasonably incurred during the **Indemnity Period** of employing suitable public relations personnel to deal with press and public announcements and other activities, provided that

- i the **Maximum Indemnity Period** in respect of this clause shall not exceed 3 months
- ii **the Insurer** shall not be liable for more than £10,000 in respect of any one claim.

## 16 Lottery Winners

Any claim for loss resulting from interruption of or interference with the Business in consequence of an Employee or group of Employees resigning from his/her or their posts within the Business as a direct consequence of their securing a win in a Lottery shall be understood to be Business Interruption, subject to the under noted Definitions and subject to all the terms, conditions and provisions of this Section and of the Policy except in so far as they may be expressly varied by this clause.

**The Insurer** will pay **the Insured** as indemnity in consequence of Business Interruption, for Increase in Cost of Working only.

The Insurer will not pay the Insured unless

- A** the Employee or group of Employees resign within 14 days from the date of the successful Lottery win, and
- B** the amount won by each Employee is £100,000 or more.

The maximum **the Insurer** will pay in any one Period of Insurance is £50,000

## Definitions

### Employee/Employees

Any person who has been employed by the Insured for a period exceeding 12 consecutive months and who has

- i** not served notice or been served notice of termination of their employment prior to such win, death or Disablement
- ii** not been absent from their employment through disability, sickness or suspension for a period exceeding 4 weeks prior to such win, death or Disablement.

### Lottery

- UK National Lottery Prize Draws, including scratch cards
- Euro Millions Lottery

### Increase in Cost of Working

The additional costs and/or expenses necessarily and reasonably incurred, including but not limited to

- i** recruitment and additional overtime costs
- ii** the cost of employing temporary staff, for amounts in excess of permanent full time rates of payment

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.

## Indemnity Period

The period during which the results of the Business shall be affected beginning with the date of the first resignation and ending not later than the Maximum Indemnity Period thereafter.

## Maximum Indemnity Period

3 months.

## Extensions

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

- A** accidental loss, destruction or damage at any Situation or to any Property shown below, or
- B** any of the under-noted Contingencies occurring during the **Period of Insurance** and within the **United Kingdom**, shall be understood to be **Business Interruption** by an **Event** covered by this **Section**, provided that, after the application of all other terms, conditions, exclusions and provisions of this **Section**, the **Policy** and the terms set out below, the liability of **the Insurer** for any one claim or claims arising out of or in connection with the same originating cause shall not exceed in the whole the **Total Sum Insured**, or the percentage of the **Total Sum Insured**, or the amount shown below (or the amount as specified otherwise in the **Schedule**) against any of the Situations or any of the Property or any Contingency as the Limit, whichever is the less.

To the extent that a claim or claims arising out of or in connection with the same originating cause are covered under more than one Extension, or under one Extension and the general cover afforded by this **Section**, **the Insurer's** maximum liability under this **Section** and all the Extensions combined shall not exceed the largest of any applicable Limits or **Sums Insured**.

## Situations

### Exhibition Sites

Any exhibition site where **the Insured** are exhibiting goods or services, excluding any such site under canvas or in the open. Limit £50,000.

# Section 8 – Business Interruption All Risks

## Estimated Revenue (continued)

### Property

#### Supply Undertakings

Property

- A** at any land based premises
- B** comprising any land based cable or pipe connecting to the terminal connecting point at the **Premises** or any pylon through which any such cable runs

of any supply undertaking service provider or producer from which **the Insured** obtains

- i** electricity (including generating stations or sub-stations)
- ii** gas (including any natural gas producer provided that it supplies gas directly to the supply undertaking or service provider which supplies gas to **the Insured**)
- iii** water (including water works and pumping stations)
- iv** telecommunications services (excluding intranet or extranet services)
- v** other telecommunications services providing intranet or extranet services

Provided that:

- a** the **Maximum Indemnity Period** shall not exceed 1 month beginning with the date on which the damage occurred
- b** **the Insurer** shall not be liable
  - i** unless the loss, destruction or damage results in a complete cessation of the supply of the relevant service to the **Premises** for more than 48 consecutive hours
  - ii** for the first 48 consecutive hours of cessation of the supply of the relevant service to the **Premises**
  - iii** for any **Business Interruption** caused by loss or destruction of or damage to any overhead transmission and distributing cables or lines and their supporting structures (including pylons), other than where such loss, destruction or damage occurs to such cables, lines and structures situated within 1 mile of the **Premises**

- iv** for more than £1,000,000 for each occurrence (of loss, damage or destruction to the supply undertaking's, service provider's or producer's property) or series of occurrences arising out of or in connection with the same originating cause, irrespective of the number of the **Premises** which are affected by the occurrence or series of occurrences. Where the same originating cause results in loss, damage or destruction to the property of more than one supply undertaking, service provider or producer, **the Insurer** shall not be liable to pay more than £1,000,000 under this Extension in respect of all occurrences of loss, destruction or damage combined and in the aggregate, irrespective of the number of supply undertaking's, service provider's or producer's properties affected.

#### Denial of Access

Property in the immediate vicinity of the **Premises**, which prevents or hinders the use of or access to the **Premises** whether the **Premises** or property in the **Premises** is destroyed or damaged or not, but excluding loss or destruction of or damage to the property of any supply undertaking from which **the Insured** obtains electricity, gas, water or telecommunications services which prevents or hinders the supply of such services to the **Premises**.

#### Moulds, Tools and Dies

Moulds, tools and dies belonging to **the Insured** or for which **the Insured** are responsible whilst at the **Premises** or at any premises not in the occupation of **the Insured** or in transit by road, rail or inland waterway. Limit £50,000.

#### Documents

Documents belonging to **the Insured** or held by **the Insured** in trust, whilst at premises not in the occupation of **the Insured** or in transit by road, rail or inland waterway.

### Contingencies

#### Failure of Supply

Accidental failure of supply of

- i** electricity at the terminal ends of the service provider's feeders at the **Premises**
- ii** gas at the service provider's meters at the **Premises**
- iii** water at the service provider's main stop cock serving the **Premises**

- iv land based telecommunications services (excluding intranet or extranet services) at the incoming line terminals or receivers at the **Premises**
- v other telecommunications services (including intranet or extranet services) at the incoming line terminals or receivers at the **Premises**

Provided that

- a the **Maximum Indemnity Period** shall not exceed 1 month beginning with the date on which the failure of the supply first started occurring
- b the **Insurer** shall not be liable
  - i unless there is a complete cessation of the supply of the relevant service to the **Premises** of more than 48 consecutive hours
  - ii for the first 48 consecutive hours of cessation of the supply of the relevant service to the **Premises**
  - iii for any **Business Interruption** resulting from the deliberate act of any supply undertaking or service provider, or from any such undertaking or provider exercising its power to withhold or restrict supply or services or otherwise not performing its services, save where the supply undertaking or service provider is acting for the sole purpose of safeguarding life or protecting the supply undertaking's or service provider's system
- iv for any **Business Interruption** resulting from failure of supply caused by
  - a strikes or any labour or trade dispute
  - b drought
  - c other atmospheric or weather conditions, but this shall not exclude failure due to physical damage caused by such conditions
- v for any **Business Interruption** caused by the failure of any overhead transmission and distributing cables, lines and their supporting structures (including pylons), other than where such failure occurs to such cables, lines and structures situated within 1 mile of the **Premises**
- vi for any **Business Interruption** resulting from the failure of telecommunications services delivered via satellite
- vii for any **Business Interruption** which is insured under the Supply Undertakings Extension

- viii for more than £25,000 for each failure of supply or series of failures arising out of or in connection with the same originating cause, irrespective of the number of the **Premises** which are affected by the failures. Where the same originating cause results in failure of supply from more than one supply undertaking or service provider, **the Insurer** shall not be liable to pay more than £25,000 under this Extension in respect of all failures of supply combined and in the aggregate, irrespective of the number of supply undertakings or service providers involved.

## Section Conditions

### 1 Alteration in Risk

**The Insured** must notify **the Insurer** as soon as possible if during the **Period of Insurance** there is any alteration in the ownership of **the Insured**, or any alteration in or to the **Business** at the **Premises**

- a due to the **Business** being wound up or carried on by a liquidator or receiver or permanently discontinued
- b in respect of which the interest of **the Insured** ceases other than by death
- c in respect of the risks of subsidence, ground heave or landslip where any demolition, construction, ground works or excavation work is being carried out on any adjoining site
- d to the facts or matters set out in the **Schedule** or otherwise comprising the risk presentation made by **the Insured to the Insurer** at inception, renewal or variation of the **Policy**

which materially increases the risk of an **Event** and any other loss or expenditure as insured by this **Section**.

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

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

If **the Insured** fails to notify **the Insurer** of any such alteration, **the Insurer** may

- a treat this **Section** and the **Policy** as if it had come to an end as at the date of the alteration of the risk, returning a proportionate amount of the premium for the unexpired **Period of Insurance**, if **the Insurer** would have cancelled this **Section** and the **Policy** had it known of the increase in risk

# Section 8 – Business Interruption All Risks

## Estimated Revenue (continued)

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

### 2 Additional Claims Conditions

In the event of any event in consequence of which **the Insured** make or may make a claim under this **Section**, **the Insured** shall at their own expense deliver to **the Insurer**

- A** within 28 days of its happening, full details of **Business Interruption** caused by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons or theft
- B** not later than 30 days after expiry of the **Indemnity period**, or such further time that **the Insurer** may allow, full information in writing of the particulars of the claim, together with details of all other policies covering property used by **the Insured** at the **Premises** for the purpose of the **Business** or any part of the **Business**, and the amount of any resulting **Business Interruption**
- C** such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence that **the Insurer** may reasonably require for the purpose of investigating or verifying the claim, together with, if required, a statutory declaration of the truth of the claim and of any matters connected with it.

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

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

### 3 Contribution

If at the time of any **Event** resulting in a claim under this **Section** there is any other insurance effected by or on behalf of **the Insured** covering such loss or any part of it, the liability of **the Insurer** under this **Section** shall be limited to **the Insurer's** rateable proportion of such loss.

### 4 Subrogation

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

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

### 5 Arbitration

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

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

### 6 Declarations

**The Insured** may, at **the Insured's** option, provide **the Insurer** with a declaration confirmed by the Insured's auditors of the **Revenue** earned during the financial year most nearly concurrent with an expired **Period of Insurance**. If any event has occurred giving rise to a claim for loss of **Revenue**, such declaration will be increased by **the Insurer** for the purpose of premium adjustment, by the amount by which the **Revenue** was reduced during such financial year solely in consequence of the **Event**.

If such declaration of **Revenue**, proportionately increased where the **Maximum Indemnity period** exceeds 12 months, is less than the **Sum Insured on Revenue** for the relative **Period of Insurance**, the Insurer will allow a pro rata return of premium not exceeding 50% of the premium paid.

# Section 9 – Employers' Liability

## Definitions

### 1 Injury

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

### 2 Employee

**A** Any person under a contract of service or apprenticeship with **the Insured**

**B** any of the following persons whilst working for **the Insured** in connection with the **Business**

**i** any labour master or labour only subcontractor or person supplied by him

**ii** any self-employed person providing labour only

**iii** any home worker or outworker

**iv** any trainee or person undergoing work experience

**v** any voluntary helper

**vi** any person who is borrowed by or hired to **the Insured**

**vii** any person working under the Community Offenders Act 1978, the Community Service by Offenders (Scotland) Act 1978 or similar legislation

**viii** any prospective employee being assessed by **the Insured** as to their suitability for employment

**ix** any person a court of law in the **United Kingdom** deems to be an employee

### 3 Business

The **Business** specified in the **Schedule** conducted solely from the **United Kingdom** and including

**A** the ownership, maintenance and repair of **Premises** used in connection therewith

**B** the provision and management of

**i** canteen, social, sports or welfare organisations for the benefit of **Employees**

**ii** fire and security services of **the Insured**

**iii** ambulance, first aid and medical services

**C** the execution of private duties by **Employees** for any partner, director or senior official of **the Insured**

**D** the repair and/or servicing of **the Insured's** motor vehicles

**E** the training or retraining of any **Employee** at Government or other training centres

**F** participation at trade shows, exhibitions or conferences

**G** the organisation of or participation by the Insured in fund raising or other charitable events

**H** the provision of nursery creche or child care facilities where incidental to the **Business**

**I** the provision of car parking for the benefit of **Employees**, customers and visitors

### 4 Territorial Limits

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

**B** elsewhere in the world in respect of **Injury** sustained by any **Employee** resident within the territories specified in Definition **4 A** above and caused whilst such **Employee** is temporarily employed outside these territories provided that any action for compensation in respect of such **Injury** is brought in a court of law within the said territories or any other member country of the European Union

### 5 Offshore Installations

**A** Any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation

**B** any installation in the sea or tidal waters which is intended for the storage or recovery of gas

**C** any pipe or system of pipes in the sea or tidal waters

**D** any installation which is intended to provide accommodation for persons who work on or from the locations specified in Definition **5 A**, **5 B** or **5 C** above

### 6 An Act of Terrorism

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



## Section 9 – Employers' Liability (continued)

### Cover

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

In addition **the Insurer** will pay costs and expenses incurred by **the Insurer** or with the written consent of **the Insurer**

- a** in connection with the defence of any claim
  - b** for representation of **the Insured**
    - i** at any coroners inquest or fatal accident inquiry in respect of death
    - ii** at proceedings in any court of summary jurisdiction or on indictment in any higher court in respect of any alleged breach of statutory duty resulting in **Injury**
- which may be the subject of indemnity under this Section.

### Limit of Indemnity

**The Insurer's** liability for all compensation, costs and expenses payable (including interest thereon and the costs of defending a Health and Safety legislation prosecution) in respect of any one claim or series of claims arising out of one occurrence shall not exceed the Limit of Indemnity stated in the **Schedule**.

Provided that

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

### Extensions

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

#### A Indemnity to Other Parties

The indemnity provided by this **Section** will also apply:

- a** in the event of the death of **the Insured**, to any personal representative of the Insured in respect of liability incurred by **the Insured**

and if the Insured so request **the Insurer** will indemnify the following parties

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

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

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

Provided that

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

#### B Health and Safety at Work - Legal Defence Costs

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

- a** costs and expenses incurred with **the Insurer's** written consent

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

Provided that

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

**The Insurer** will not pay for

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

### **C Unsatisfied Court Judgements**

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

- a** is obtained by such **Employee** in any court situate within the **United Kingdom** against any person or corporate body domiciled or operating from premises within the **United Kingdom** and
- b** remains wholly or partly unsatisfied six months after the date of such judgement

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

Provided that

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

### **D Court Attendance Compensation**

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

- i** any director or partner £1000
- ii** any **Employee** £500

### **E Corporate Manslaughter and Corporate Homicide Act 2007– Legal Defence Costs**

**The Insurer** will indemnify **the Insured** in respect of

- a** legal costs and expenses incurred with the prior written consent of **the Insurer** and
- b** costs of the prosecution awarded against **the Insured** in connection with the defence of any criminal proceedings (including any appeal against conviction arising from such proceedings) brought under The Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Channel Islands or the Isle of Man in respect of any fatal injury sustained and caused during the **Period of Insurance** in the course of the **Business** and which may be subject to indemnity under this **Section**

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

**The Insurer** will not pay for

- i** any fines or penalties imposed on the Insured or the cost of implementing any remedial order or publicity order
- ii** legal costs and expenses in connection with an appeal unless a solicitor or counsel advise that there are strong prospects of succeeding in the appeal or recovering costs awarded against **the Insured** at all times throughout the appeals process. Any change to such prospect of success during the appeals process may result in cover being removed
- iii** costs and expenses provided by another source or any other insurance or where but for the existence of this Extension would have been provided by such source or insurance
- iv** costs and expenses in connection with the defence of any criminal proceedings brought in any country other than the **United Kingdom**

## Section 9 – Employers' Liability (continued)

- v costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by **the Insured** or any partner or director of **the Insured** or any **Employee**.

### Exclusions

This **Section** does not cover

- 1 liability in respect of **Injury** to any **Employee** arising out for the ownership, possession or use by or on behalf of **the Insured** of any mechanically propelled vehicle or trailer attached thereto if such liability is required any road traffic legislation to be the subject of compulsory insurance or other security.
- 2 liability in respect of Injury to any **Employee** who is working on, visiting or travelling to or from **Offshore Installations**.

### Section Conditions

#### 1 Compulsory Insurance Legislation

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

#### 2 Certificate of Employers' Liability

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

#### 3 Other Insurances

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

#### 4 Alteration in Risk

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

- a in or to the **Business**
- b in the ownership of **the Insured**
- c to the facts or matters set out in the **Schedule** or otherwise comprising the risk presentation made by **the Insured to the Insurer** at inception, renewal or variation of the **Policy**

which materially increases the risk of legal liability to pay costs and expenses as insured by this **Section**.

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

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

If **the Insured** fails to notify **the Insurer** of any such alteration, **the Insurer** may

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

#### 5 Declaration Condition

If the premium or part of any premium is calculated on estimates supplied to **the Insurer** by or on behalf of **the Insured**, the Insured shall keep a record of all such relevant particulars and shall allow **the Insurer** to inspect such records at any reasonable time.

**The Insured** shall furnish **the Insurer** with such information as **the Insurer** may require at the expiry of each **Period of Insurance**, within the period specified by **the Insurer**. The premium shall be adjusted annually and adjusted premiums shall be subject to a minimum premium for each section of 90% of the premium specified in the schedule.

# Section 10 – Public & Products Liability

## Definitions

### 1 Injury

- A** Bodily injury, death, disease, illness, mental injury, mental anguish or nervous shock
- B** invasion of the right of privacy, false arrest, false imprisonment, false eviction or malicious prosecution of any person

### 2 Employee

- A** Any person under a contract of service or apprenticeship with **the Insured**
- B** any of the following persons whilst working for **the Insured** in connection with the **Business**
  - i** any labour master or labour only subcontractor or person supplied by him
  - ii** any self-employed person providing labour only
  - iii** any home worker or outworker
  - iv** any trainee or person undergoing work experience
  - v** any voluntary helper
  - vi** any person who is borrowed by or hired to the Insured
  - vii** any person working under the Community Offenders Act 1978, the Community Service by Offenders (Scotland) Act 1978 or similar legislation
  - viii** any prospective employee being assessed by **the Insured** as to their suitability for employment
  - ix** any person a court of law in the **United Kingdom** deems to be an employee

### 3 Business

The **Business** specified in the **Schedule** conducted solely from the **United Kingdom** and including

- A** the ownership, maintenance and repair of **Premises** used in connection therewith
- B** the provision and management of
  - i** canteen, social, sports or welfare organisations for the benefit of **Employees**
  - ii** fire and security services of **the Insured**
  - iii** ambulance, first aid and medical services
- C** the execution of private duties by **Employees** for any partner, director or senior official of **the Insured**

- D** the repair and/or servicing of **the Insured's** motor vehicles
- E** the training or retraining of any **Employee** at Government or other training centres
- F** participation at trade shows, exhibitions or conferences
- G** the organisation of or participation by **the Insured** in fund raising or other charitable events
- H** the provision of nursery creche or child care facilities where incidental to the **Business**
- I** the provision of car parking for the benefit of **Employees**, customers and visitors

### 4 Territorial Limits

- A** the **United Kingdom**
- B** in respect of **Injury**, loss or damage caused by or arising from
  - i** manual and non-manual work occurring during any temporary visit or journey anywhere in the world (other than the United States of America or Canada) and
  - ii** non-manual work occurring during any temporary visit or journey to the United States of America or Canada by any partner, director or Employee of the Insured normally resident within the **United Kingdom**
- C** anywhere in the world in respect of **Products**

### 5 Products

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

### 6 Pollution or Contamination

- A** All pollution or contamination of buildings or other structures or of water or land or the atmosphere; and
- B** all **Injury**, loss or damage directly or indirectly caused by such pollution or contamination.

All **Pollution or Contamination** which arises out of one incident shall be deemed to have occurred at the time such incident takes place

### 7 Offshore Installations

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

## Section 10 – Public & Products Liability (continued)

- C** any pipe or system of pipes in the sea or tidal waters
- D** any installation which is intended to provide accommodation for persons who work on or from the locations specified in Definition **7 A**, **7 B** or **7 C** above

### 8 An Act or Terrorism

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

### 9 Asbestos

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

## Cover

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

- a** **Injury** to any person
- b** loss of or damage to material property
- c** nuisance, trespass, obstruction or interference with any right of way, light, air or water occurring within the **Territorial Limits** during the **Period of Insurance** in connection with the **Business**.

In addition **the Insurer** will pay costs and expenses incurred by **the Insurer** or with the written consent of the Insurer

- a** in connection with the defence of any claim b. for representation of **the Insured**
  - i** at any coroners inquest or fatal accident inquiry in respect of death
  - ii** at proceedings in any court of summary jurisdiction or on indictment in any higher court in respect of any alleged breach of statutory duty resulting in **Injury**, loss or damage which may be the subject of indemnity under this **Section**.

## Limit of Indemnity

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

- iii** all **Pollution or Contamination** which is deemed to have occurred during any one **Period of Insurance** shall not exceed the Limit of Indemnity stated in the **Schedule**.

**B** In respect of all claims against **the Insured** made within the legal jurisdiction of the United States of America or Canada or any dependency or trust territory the Limit of Indemnity shall be inclusive of the amount of all

- i** claimants' costs and expenses
- ii** costs and expenses incurred by **the Insurer** or with the written consent of **the Insurer** in connection with the defence of such claims. Provided that
  - i** in respect of an **Act of Terrorism** the liability of **the Insurer** shall not exceed the Limit of Indemnity stated in the **Schedule** or £5,000,000 (whichever is the lesser).

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

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

## Extensions

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

### A Indemnity to Other Parties

The indemnity provided by this **Section** will also apply:

- a in the event of the death of **the Insured**, to any personal representative of **the Insured** in respect of liability incurred by **the Insured** and if **the Insured** so request **the Insurer** will indemnify the following parties
- b any officer or committee member or other member of **the Insured's** canteen, social, sports, welfare organisations, fire and security services or ambulance, first aid and medical services against liability incurred in such capacity
- c any partner, director or **Employee** of the **Insured** against liability incurred in such capacity and in respect of which **the Insured** would have been entitled to indemnity under this **Section** if the claim had been made against **the Insured** as though each party were individually named as **the Insured** in this **Section**
- d any principal for whom **the Insured** have agreed to execute work under contract or agreement against liability arising out of the performance of such work by **the Insured** and in respect of which **the Insured** are legally liable and would have been entitled to indemnity under this **Section** if the claim had been made against **the Insured**

Provided that

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

#### B Joint Insured Cross Liabilities

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

#### C Overseas Personal Liability

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

#### D Motor Contingent Liability

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

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

For the purpose of this cover Extension 1 (Injury to **Employees**) does not apply.

#### E Health and Safety at Work – Legal Defence Costs

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

- a costs and expenses incurred with **the Insurer's** written consent
- b costs and expenses of the prosecution awarded against any such party in connection with criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 committed or alleged to have been committed during the **Period of Insurance** in connection with the **Business**

Provided that

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

**The Insurer** will not pay for

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

#### F Data Protection Act

**The Insurer** will indemnify **the Insured** and if **the Insured** so requests any **Employee** or director or partner of **the Insured** for damage or distress occurring as a result of an offence under Section 168 of the Data Protection Act 2018 committed during the **Period of Insurance** within the **United Kingdom** and arising in connection with the **Business** provided that **the Insured** is registered with the Information Commissioner's Office.



## Section 10 – Public & Products Liability (continued)

**The Insurer** will not pay for

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

For the purposes of this Exclusion

**Data** includes but is not limited to **Personal Data**, facts, concepts and information, software or other coded instructions in a formalised manner useable for communications, interpretation or processing.

**Personal Data** means any information relating to an identified or **Identifiable Natural Person**.

An **Identifiable Natural Person** is one who can be identified, directly or indirectly, in particular by reference to an identifier such as name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental economic, cultural or social identity of that natural person.

The liability of **the Insurer** under this **Extension** shall not exceed the **Limit of Indemnity** shown in the **Schedule** or £1,000,000 (whichever is the lesser) and such **Limit of Indemnity** shall be inclusive of the amount of all claimants' costs and expenses and all costs and expenses incurred by **the Insurer** or with the written consent of **the Insurer** in connection with the defence of any claim.

### G Defective Premises Act 1972

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

**the Insured** Provided that this Extension does not cover

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

### H Consumer Protection and Food Safety Acts – Legal Defence Costs

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

- a** Part 2 of the Consumer Protection Act 1987
  - or
  - b** Section(s) 7, 8, 14, and/or 15 of the Food Safety Act 1990 committed or alleged to have been committed during the **Period of Insurance** in connection with the **Business**
- Provided that **the Insurer** shall have the conduct and control of all the said proceedings and appeals.

**The Insurer** will not pay for

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

### I Court Attendance Compensation

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

- i** any director or partner £1000
- ii** any **Employee** £500

**J Contractual Liability**

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

Provided that **the Insurer** shall not in any event provide indemnity

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

**K Corporate Manslaughter and Corporate Homicide Act 2007 – Legal Defence Costs**

**The Insurer** will indemnify **the Insured** in respect of

- a** legal costs and expenses incurred with the prior written consent of **the Insurer** and
- b** costs of the prosecution awarded against **the Insured** in connection with the defence of any criminal proceedings (including any appeal against conviction arising from such proceedings) brought under The Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Channel Islands or the Isle of Man in respect of any fatal injury occurring during the **Period of Insurance** in the course of the **Business** and which may be the subject of indemnity under this **Section**

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

**The Insurer** will not pay for

- i** any fines or penalties imposed on **the Insured** or the cost of implementing any remedial order or publicity order
- ii** legal costs and expenses in connection with an appeal unless solicitor or counsel advise that there are strong prospects of succeeding in the appeal or recovering costs awarded against **the Insured** at all times throughout the appeals process. Any change to such prospect of success during the appeals process may result in cover being removed
- iii** costs and expenses provided by another source or any other insurance or where but for the existence of this extension would have been provided by such source or insurance
- iv** costs and expenses in connection with the defence of any criminal proceedings brought in any country other than the **United Kingdom**

- v** costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by **the Insured** or any partner or director of **the Insured** or any **Employee**

**L Obstructing Mechanically Propelled Vehicles**

If a mechanically propelled vehicle which is not the property or responsibility of **the Insured** causes an obstruction within the **United Kingdom** to the extent of interfering with the carrying out of the **Business** then notwithstanding Exclusion 5 (Mechanically Propelled Vehicles) **the Insurer** will indemnify **the Insured** in the terms of this **Section** in respect of the legal liability of **the Insured** for the **Injury** or loss of or damage to material property arising from the movement of such vehicle by **the Insured** or by any **Employee**

Provided that

- a** such movement shall be limited to the minimum necessary to clear the obstruction
- b** the indemnity will not apply to loss of or damage to such vehicle or its contents
- c** this Extension shall not apply to circumstances for which a certificate of insurance or security is required in accordance with road traffic legislation

**Exclusions**

This **Section** does not cover

**1 Injury to Employees**

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

**2 Work on Offshore Installations**

liability in respect of **Injury**, loss or damage arising in connection with work on or travel to or from **Offshore Installations**.

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

liability in respect of

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

## Section 10 – Public & Products Liability (continued)

### 4 Pollution or Contamination

liability in respect of

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

### 5 Mechanically Propelled Vehicles

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

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

except where more specifically insured by any other policy.

### 6 Vessels or Craft

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

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

### 7 Property in the charge or control of the Insured

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

- a** personal effects or vehicles of any partner, director or **Employee** of or visitor to **the Insured**
- b** **Premises** (and their contents) not belonging, leased, rented or hired to **the Insured** but temporarily in the charge of **the Insured** for the purpose of carrying out work

- c** **Premises** (including their fixtures and fittings) leased, rented or hired to **the Insured** but this **Section** does not cover liability attaching to **the Insured** solely under the terms of any tenancy or other agreement.

### 8 Damage of Goods Supplied

liability in respect of

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

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

- 1** any alteration, repair or servicing work executed
- 2** any other goods or property sold, supplied, delivered, installed or erected by **the Insured** under a separate contract.

### 9 Products

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

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

## 10 Advice and Design

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

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

Liability in respect of loss of or damage to any property

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

## 12 Computer Date Recognition

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

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

## 13 Asbestos

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

## 14 Excess

The amount of the **Excess** shown in the **Schedule**.

## 15 Cyber and Data Events

Any loss, damage, expense or liability howsoever arising out of **Cyber and Data Event**

Definitions

**Cyber and Data Event** means

- a** any unauthorised **Processing of Data** by **the Insured**
- b** any breach of laws and infringement of regulations pertaining to the maintenance or protection of **Data**
- c** any **Network Security Failure** in the **Insured's Sphere**

**Data** includes but is not limited to **Personal Data**, facts, concepts and information, software or other coded instructions in a formalised manner useable for communications, interpretation or processing.

**Personal Data** means any information relating to an identified or **Identifiable Natural Person**.

An **Identifiable Natural Person** is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

**Processing** means any operation or set of operations which is performed on data or on sets of data, whether or not by automated means, such as collection, recording, organisation, structuring, storage, adaption or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.

## Section 10 – Public & Products Liability (continued)

**Damage to Data** means any loss, destruction or corruption of **Data**. Any **Damage to Data** of a **Third Party** by **the Insured** is not deemed to be a **Cyber and Data Event** if there is not any **Network Security Failure** involved.

**Insured's Sphere** means any system or device leased, owned, operated, or lost by or which is made available or accessible to **the Insured** for the purpose of **Processing Data**.

**Network Security Failure** means any non-physical and technological failure of computer system security or other technological security measures leading to unauthorised access and/or theft of **Data**, loss of operational control of **Data**, transmission of virus or malicious code and/or denial of service.

This exclusion does not apply to:

- 1 **Bodily injury**, death or disease to any person
- 2 **Loss** of or damage to material property including any consequential financial losses caused by the operation of **the Insured's Business**
- 3 Nuisance, trespass, obstruction or interference with any right of way, light, air or water
- 4 **Pollution or Contamination** occurring other than in the United States of America or Canada and caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the **Period of Insurance**

- c to the facts or matters set out in the **Schedule** or otherwise comprising the risk presentation made by **the Insured** to **the Insurer** at inception, renewal or variation of the **Policy** which materially increases the risk of legal liability to pay costs and expenses as insured by this **Section**.

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

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

If **the Insured** fails to notify **the Insurer** of any such alteration, **the Insurer** may

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

### Section Conditions

#### 1 Other Insurances

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

#### 2 Alteration in Risk

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

- a in or to the **Business**
- b in the ownership of **the Insured**

#### 3 Declaration Condition

If the premium or part of any premium is calculated on estimates supplied to **the Insurer** by or on behalf of **the Insured**, the Insured shall keep a record of all such relevant particulars and shall allow **the Insurer** to inspect such records at any reasonable time.

**The Insured** shall furnish **the Insurer** with such information as **the Insurer** may require at the expiry of each **Period of Insurance**, within the period specified by **the Insurer**. The premium shall be adjusted annually and adjusted premiums shall be subject to a minimum premium for each section of 90% of the premium specified in the schedule.

# Section 11 – Terrorism

## Definitions

### Act of Terrorism

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

### Computer System

A computer or other equipment or component or system or item which processes, stores, transmits or receives **Data**.

### Consequential Loss

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

### Damage

Loss or destruction of or damage to **Property Insured**.

### 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**.

### Event

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

## General Cover Policy

### a This Policy

or

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

## Hacking

Unauthorised access to any **Computer System**, whether the property of **the Insured** or not.

## 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

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

## Nuclear Reactor

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

## Phishing

Any access or attempted access to **Data** made by means of misrepresentation or deception.

## Property/Property Insured

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

- 1 property insured under a
  - a Marine, Aviation or Transit policy
  - b Motor Insurance policy (other than Motor Trade policy)
  - c Road Risks Section of a Motor Trade policy



## Section 11 – Terrorism (continued)

**d** reinsurance policy or agreement

**e** Bankers Blanket Bond

whether such policy or agreement includes cover for an Act of Terrorism or not

**2** any land or building which is insured in the name of an individual and is occupied as a private residence or any part thereof which is so occupied, unless the building is used for both commercial and residential purposes and:

**a** both commercial and residential portions are insured under the same policy, and

**b** the square footage of the commercially occupied portion of the building exceeds 20% of the total square footage of the building.

### Note:

Trustees that hold blocks of flats and/or private dwelling houses under a trust or a person who owns blocks of flats and/or private dwelling houses in the business of a sole trader are not deemed to be individuals, except that where the property is a private dwelling house or a self-contained unit insured as part of a block of units and is occupied as a private residence by any of the trustees or any beneficiary of the trust or by the sole trader, it will be deemed to be insured in the name of an individual

**3** 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**

### Territorial Limits

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

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

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

### 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

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

**a** **Damage**, or

**b** **Consequential Loss**

occasioned by or happening through or in consequence of an **Act of Terrorism** within the **Territorial Limits**.

Provided always that the insurance by this **Section**:

**a** is not subject to the General Exclusions of the **General Cover Policy**.

**b** is subject otherwise to all the terms and conditions of the **General Cover Policy** except where expressly varied within this **Section**.

**c** is subject to a maximum **Period of Insurance** of 12 months from the Effective Date or any subsequent Renewal Date of this **Policy**.

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

**i** no subsequent **Period of Insurance** by this **Section** shall extend beyond the next Renewal Date of this **Policy**.

**ii** the renewal premium due in respect of this **Section** has been received by **the Insurer**.

**d** is not subject to any Long Term Undertaking applying to the **General Cover Policy**.

**e** is not subject to any terms in the **General Cover Policy** which provide for adjustments of premium.

## Basis of Settlement

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

The most **the Insurer** will pay for any one **Event** is:

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

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

## Section Exclusions

**The Insurer** will not pay for:

### 1 Digital and Cyber Risk Exclusion

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

- a damage to or the destruction of any **Computer System** or
- b any alteration, modification, distortion, erasure or corruption of **Data** in each case whether the property of **the Insured** or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **Virus or Similar Mechanism** or **Hacking** or **Phishing** or **Denial of Service Attack**.

Provided that this Exclusion 1. will not apply to **Damage** or **Consequential Loss** solely to the extent that such **Damage** or **Consequential 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 System**; and

ii comprises:

- a the cost of reinstatement, replacement or repair in respect of damage to or destruction of **Property** insured by **the Insured**; or
- b the amount of business interruption loss suffered directly by **the Insured** 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 **the Insured** or as a direct result of denial, prevention or hindrance of access to or use of the **Property** insured by **the Insured** by reason of an **Act of Terrorism** causing damage to other **Property** within one mile of the **Property** insured by **the Insured** 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 **the Insured** to avoid or diminish such loss; and

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 part of any de jure or defacto government of any nation, country or state.

iv The meaning of **Property** for the purposes of this proviso shall (additionally to those exclusions in the definition of **Property**) exclude:

- a any money (including **Money** as defined elsewhere in the **General Cover Policy**), currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any other financial instrument of any sort whatever;

and

- b any **Data**.

# Section 11 – Terrorism (continued)

**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 shall 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 **Section**. 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 **Section**.

**vi** For the avoidance of doubt, the burden of proof shall be on **the Insured** to prove or establish all the matters referred to in sub-paragraphs (i) to (ii) above.

## 2 Riot, Civil Commotion and War

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

## 3 Territorial Limits

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

## 4 Private Residences

any loss whatsoever or any expenditure resulting or arising therefrom or any **Consequential Loss** directly or indirectly relating to a private residence property when insured in the name of a private individual caused by or contributed to by or arising from:

- a** the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- b** ionising radiation or contamination by radioactivity or from the combustion of any radioactive material;
- c** chemical and/or biological and/or radiological irritants contaminants or pollutants.

## Section Conditions

### 1 Burden of Proof

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

# Section 12 – Commercial Legal Expenses

## Definitions

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

### Acts of Parliament

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

### Adjudication

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

### Any One Claim

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

### Awards of Compensation

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

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

### Basic Awards

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

## Claim

### Cover Event 1 Employment

An application to an Employment Tribunal brought by or on behalf of any **Employee** against **the Insured** for monetary damages or other relief, including a request for reinstatement or re-engagement.

The circumstances that give rise to a **Claim** will begin immediately **the Insured** first receives an **Employee's** Claim Form (ET1) from an Employment Tribunal.

### Cover Event 2 Taxation Proceedings

The circumstances that give rise to a **Claim** will begin immediately **the Insured** or **the Insured's** accountant first receives written notification from:

- a** HM Revenue & Customs expressing dissatisfaction with **the Insured's** tax affairs, or
- b** HM Revenue & Customs with an assessment or written decision or notice of civil penalty in respect of VAT.

### Cover Event 3 Criminal Prosecution Defence

A criminal prosecution brought against the **Insured Person**. The circumstances that give rise to a **Claim** will begin immediately proceedings are issued against the **Insured Person**.

### Cover Event 4 Damage to Premises

A civil proceeding (including an application for injunctive or non-pecuniary relief, third party action, or counterclaim) brought by **the Insured** for the pursuit of monetary damages or other relief. The circumstances that give rise to a **Claim** will begin immediately **the Insured** first sends written notice to another party that it is **the Insured's** intention to hold that other party responsible for actual physical damage to the **Insured's Premises** resulting in provable financial loss to **the Insured**.

### Cover Event 5 Data Protection

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

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

## Section 12 – Commercial Legal Expenses (continued)

### Cover Event 6 Commercial Tenancy Agreement

A civil proceeding (including an application for injunctive or non-pecuniary relief, third party action, or counterclaim) brought by **the Insured** for the pursuit of monetary damages or other relief. The circumstances that give rise to a **Claim** will begin immediately the **Insured** first sends written notice to another party that it is the **Insured's** intention to hold that other party responsible for a breach of the **Insured's Tenancy Agreement**.

### Cover Event 7 Licence Protection

An event which results in a hearing in regard to withdrawing, restricting or suspending the **Insured's Business** licence. The circumstances that give rise to a **Claim** will begin immediately **the Insured** first receives notification from the relevant licensing authority of their intention to withdraw, restrict or suspend the **Insured's Business** licence.

### Cover Event 8 Personal Injury

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

### Cover Event 9 Jury Service Allowance

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

### Cover Event 10 Contract

A civil proceeding (including an application for injunctive or non-pecuniary relief; third party proceeding, or counterclaim) brought by or against **the Insured** for monetary damages or other relief. The circumstances that give rise to a **Claim** will begin immediately **the Insured**:

- a** first sends written notice to another party to a **Contract** that it is the intention of the **Insured** to hold that other party responsible for any actual or alleged breach of that **Contract**, or
- b** first receives written notice that it is the intention of another party to a **Contract** to hold **the Insured** responsible for any actual or alleged breach of that **Contract**.

### Compensatory Awards

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

### Contract

An actual or alleged contract, to which **the Insured** is a party, for the sale, purchase, hire, service, supply or repair of goods or for the supply or purchase of a service. For the avoidance of doubt a **Contract** does not include any actual or alleged contract with an **Employee**.

### Data Protection Compensation Awards

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

### Employee

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

### Excess

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

### Insured Person

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

### Insurer

Allianz Insurance plc trading as Allianz Legal Protection.

### Jury Service Allowance

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

- a** the time the **Insured Person** is off work including the time it takes to travel to and from the court. This will be calculated to the nearest half day assuming that a whole day is eight hours.

- b** if the **Insured Person** works full time, the salary or wages for each day equals 1/250th of the **Insured Person's** annual salary or wages.
- c** if the **Insured Person** works part time, the salary or wages will be a proportion of the **Insured Person's** weekly salary or wages.

### Lawphone Legal Helpline

A telephone advisory service provided by **the Insurer**:

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

**The Insured** should contact **Lawphone Legal Helpline** on 0370 241 4140.

### Legal Expenses

Fees and Expenses

- a** any unrecovered professional fees, expenses or other disbursements reasonably and properly incurred by the **Legal Representative**, at such rates or in such amounts as may be agreed or confirmed by the written consent of **the Insurer** in respect of any **Claim**, including costs and expenses of expert witnesses and those incurred by **the Insurer** in connection with such **Claim**.
- b** any costs incurred by other parties, insofar as the **Insured Person** is held liable in a civil court or tribunal to pay such costs or under a settlement made with another party with **the Insurer's** consent.
- c** any unrecovered professional fees, expenses or other disbursements reasonably and properly incurred by the **Legal Representative** in an appeal, at such rates or in such amounts as may be agreed or confirmed by the written consent of **the Insurer**, or in resisting an appeal against the judgment of a relevant court or tribunal, up to such amounts agreed, confirmed or consented to by **the Insurer**.
- d** any unrecovered professional fees, expenses or other disbursements reasonably and properly incurred by **the Legal Representative**, at such rates or in such amounts as may be agreed or confirmed by the written consent of the **Insurer** in connection with any **Claim** relating to **Taxation Proceedings**, but excluding any tax or VAT or additional tax or VAT or interest and penalties demanded assessed or requested by the relevant authorities.

### Legal Representative

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

### Reasonable Prospects of a Satisfactory Outcome

**Reasonable Prospects of a Satisfactory Outcome** only exist if:

- a** The **Insured Person** is more likely than not to succeed assuming the case was determined at trial or other final hearing at first instance and where the likely damages claimed and recovered by or against the **Insured Person** will exceed the **Insured Person's** own likely **Legal Expenses** or
- b** any lawyer appointed by **the Insurer** or any other lawyer appointed on behalf of the **Insured Person** would advise a reasonable private paying client to proceed having regard to the prospects of success and taking into account all of the circumstances of the **Claim**.

### Taxation Proceedings

HM Revenue & Customs (Full Enquiry)

- a** preparation of documents and representation of **the Insured** in respect of a Full Enquiry investigation by HM Revenue & Customs into **the Insured's** tax affairs.
- b** preparation of documents and representation of **the Insured** at an HM Revenue & Customs Commissioners Hearing resulting from a Full Enquiry.
- c** the conduct of an appeal against a decision of the HM Revenue & Customs Commissioners resulting from a Full Enquiry.

provided that:

- i** investigation by HM Revenue & Customs into **the Insured's** tax affairs is notified to **the Insurer** at the time HM Revenue & Customs send a written notification to **the Insured** or **the Insured's** accountant expressing dissatisfaction with **the Insured's** tax affairs.
- ii** submission to the relevant authorities of **the Insured's** accounts and related taxation computations have not been or are not unduly delayed.

### PAVE Investigation

- a** examination at the **Insured's Premises** of PAYE records with which HM Revenue & Customs have expressed dissatisfaction.
- b** investigation and preparation prior to negotiation and representation on **the Insured's** behalf.
- c** attendance at meetings and negotiations with HM Revenue & Customs on **the Insured's** behalf.



## Section 12 – Commercial Legal Expenses (continued)

- d** representation of **the Insured** at an HM Revenue & Customs Commissioners' Hearing.
- e** representation of **the Insured** at an appeal against a decision of the HM Revenue & Customs Commissioners' following a Hearing.

provided that a dispute relating to PAYE regulations is notified to the **Insurer** when, following a PAYE examination, HM Revenue & Customs send a written notification to the Insured or the **Insured's** accountant expressing dissatisfaction.

### VAT Decisions and Penalties

- a** investigation and preparation of documents prior to representation of **the Insured** at a VAT Tribunal or in reaching agreement upon a settlement with HM Revenue & Customs under the local review procedure.
- b** preparation of documents and representation of **the Insured** at a VAT Tribunal for the purpose of appealing against an assessment or written decision or civil penalty issued by HM Revenue & Customs.
- c** representation of **the Insured** at an appeal against a VAT Tribunal decision.

provided that a VAT assessment or written decision or civil penalty is notified to **the Insurer** at the date at which HM Revenue & Customs send an assessment or written decision or notice of civil penalty to **the Insured** or **the Insured's** accountant in respect of VAT.

### Self-Assessment Return Investigation (Full Enquiry)

Preparation of documents and representation of **the Insured** following the issue of a Formal Notice under Section 9A of the Taxes Management Act 1970 or Section 12AC of the Taxes Management Act 1970 or S24 (1) Schedule 18 Finance Act 1998 which requires the examination of all the **Business** books or records.

### Tenancy Agreement

A contract between **the Insured** and the owner of the **Premises** relating to the occupancy of the **Premises** by **the Insured** in connection with the **Business** and in return for the payment of rent.

### Territorial Limits – (Events 1, 2, 3, 4, 5, 6, 7, 9 and 10)

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

### Territorial Limits – (Event 8 only)

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

### Witness Attendance Allowance

The payment of up to £100 per day to **the Insured** in respect of the **Insured Person** who is absent from work as a result of his or her attending as a witness for **the Insured** at a hearing, court, tribunal or arbitration within the **Territorial Limits** at the request of the **Legal**

**Representative** with **the Insurer's** written consent of, but only in so far as this is not otherwise recoverable from the relevant hearing, court, tribunal or arbitration. The amount that **the Insurer** will pay is based on:

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

## Limit of Indemnity

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

- 1** £100,000 **Any One Claim** other than a **Claim** relating to Event 9: Jury Service Allowance and Event 10 Contract.
- 2** £5,000 **Any One Claim** relating to Event 9: Jury Service Allowance.
- 3** £5,000 **Any One Claim** relating to Witness Attendance Allowance.
- 4** £50,000 **Any One Claim** relating to Event 10: Contract.
- 5** £500,000 for all **Claims** which first occurred during the **Period of Insurance**. (collectively the Limit of Indemnity)

The above amounts are all inclusive of **Legal Expenses**.

## Cover

**The Insurer** agrees to pay up to the Limit of Indemnity and on behalf of the **Insured Person**, **Legal Expenses**, **Awards of Compensation**, **Data Protection Compensation Awards**, **Jury Service Allowance** and **Witness Attendance Allowance** incurred by the **Insured Person** in the pursuit or defence of any **Claim** brought within the **Territorial Limits** and which first occurred during the **Period of Insurance** and falls within the Cover provided by the following Events.

## Events

(operative where shown in the Policy Schedule)

### 1 Employment

**The Insured** has cover for:

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

#### **b Awards of Compensation.**

Provided that:

- a** **the Insured** have issued all necessary documentation to an **Employee** as required by legislation.
- b** **the Insured** has consulted with and then followed with due diligence the advice and procedures provided by the **Lawphone Legal Helpline** before making any significant variation to an **Employee's** contract or taking any action which might lead to the giving of a formal warning to, or the dismissal of, an **Employee**.
- c** **the Insured** has consulted with the **Lawphone Legal Helpline** immediately **the Insured** knew, or ought reasonably to have known, of any cause event or circumstance which has given or may give rise to a **Claim** involving **the Insured**.
- d** the incident giving rise to the **Claim** occurs at least 3 months after the start of the first **Period of Insurance**. This will not apply if **the Insured** had cover which is equivalent to that provided under this **Section** under another legal expenses policy up to the start of the first **Period of Insurance**.

### 2 Taxation Proceedings

**The Insured** has cover for **Taxation Proceedings**.

Provided that the **Taxation Proceedings** arise out of the **Business**.

### 3 Criminal Prosecution Defence

The **Insured Person** has cover for the defence of a criminal prosecution. Provided that the criminal prosecution arises out of the **Business**.

### 4 Damage to Premises

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

Provided that

- a** the **Premises** are used solely for the **Insured's Business**; and
- b** the incident giving rise to the **Claim** occurs at least 3 months after the start of the first **Period of Insurance**. This will not apply if **the Insured** had cover which is equivalent to that provided under this **Section** under another legal expenses policy up to the start of the first **Period of Insurance**.

### 5 Data Protection

**The Insured** has cover for:

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

#### **d Data Protection Compensation Awards.**

### 6 Commercial Tenancy Agreement

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

### 7 Licence Protection

**The Insured** has cover for the defence of **the Insured's** legal rights after any event which results in a hearing in regard to withdrawing, restricting or suspending **the Insured's Business** licence. Provided that the hearing arises out of **the Insured's Business**.

### 8 Personal Injury

The **Insured Person** has cover for the pursuit of his or her legal rights following an event which causes the **Insured Person's** death or bodily injury. Provided that the death or bodily injury arises out of the **Business**.

### 9 Jury Service Allowance

**The Insured** has cover for **Jury Service Allowance**.

### 10 Contract

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

Provided that:

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

## Section 12 – Commercial Legal Expenses (continued)

and

- b** the amount in dispute is more than £5,000, other than a dispute where the **Insured** is pursuing a **Claim** in respect of the construction alteration or repair of any building, or part of that building, or structure when the amount in dispute must be more than £25,000.

### Exclusions

In addition to the General Exclusions of this **Policy** the following also apply to this **Section**:

- 1** In respect of Event 1 – Employment there is no cover for:

- a** an **Excess** of £500 in respect of each **Claim**.
- b** any **Claim** arising as a result of **the Insured's** failure to consult with and then follow with due diligence the advice and procedures provided by the **Lawphone Legal Helpline** before making any significant variation to an **Employee's** contract or taking any action which leads to the giving of a formal warning to, or the dismissal of, an **Employee**.
- c** any dispute with an **Employee** who was subject to either a written or verbal warning (formal or informal) in the 6 months immediately preceding the first **Period of Insurance**.
- d** any breach or alleged breach of the Transfer of Undertakings (Protection of Employment) Regulations 2006 or the Acquired Rights Directive.
- e** any dispute based upon, arising from or in consequence of any industrial dispute, industrial or labour arbitration or collective bargaining agreements.
- f** any dispute to do with sub-contracting or contracts for services with anyone who is self employed.

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

- a** an **Excess** of £500 in respect of each **Claim**.
- b** the technical or routine treatment of matters not connected with or arising out of an expression of dissatisfaction with the **Insured's** tax affairs.
- c** the preparation of accounts or self assessment returns.
- d** **Taxation Proceedings** which arise out of deliberate or reckless or careless misstatements by **the Insured** in returns or submissions made to the relevant authorities.
- e** **Taxation Proceedings** which arise out of a failure to make accurate, truthful and up to date submissions of returns.

- f** **Taxation Proceedings** which arise out of a failure to observe statutory time limits or requirements.

- g** **Taxation Proceedings** which arise solely from an investigation of earlier accounts or records.

- h** the defence of any criminal prosecution.

- i** any matter handled by the National Investigation Service of HM Revenue & Customs or an enquiry by HM Revenue & Customs under S60 VAT Act 1994.

- j** any matter handled by the Special Compliance Office of HM Revenue & Customs or the Special Investigations Section of HM Revenue & Customs.

- k** any Aspect enquiry by HM Revenue & Customs.

- l** any IR 35 enquiry by HM Revenue & Customs.

- 3** in respect of Event 3 – Criminal Prosecution Defence there is no cover for:

- a** an **Excess** of £100 in respect of each claim.
- b** criminal proceedings being brought against **the Insured Person** for:
  - i** fraud, theft, money laundering or other dishonesty.
  - ii** offences against another person, including offences of a sexual nature.
  - iii** the manufacture, distribution or use of alcohol, drugs, indecent or obscene materials.
  - iv** owning, possessing, hiring or using aircraft, watercraft, motor vehicles, trailers or caravans.
  - v** Taxation Proceedings.
  - vi** pollution.
- c** any costs awarded against the **Insured Person** by a court of criminal jurisdiction.

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

- a** an Excess of £100 in respect of each Claim.
- b** any dispute arising from the actual or alleged performance of, or failure to perform, in whole or in part, an actual or alleged Contract between the Insured and a third party.
- c** any dispute relating to mining or other subsidence or heave.
- d** any dispute relating to rent or service charges, tax, planning or building regulations or decisions.

- e** any dispute relating to the renewal of a lease or Tenancy Agreement.
  - f** any dispute over the freehold or leasehold or commonhold or title of the Premises.
  - g** Adjudication.
  - h** any dispute with Government or local authority departments concerning the imposition of rates or other local taxes.
  - i** any dispute relating to the ownership, possession, hiring or use of aircraft, watercraft, motor vehicles, trailers or caravans.
- 5** In respect of Event 5 – Data Protection there is no cover for:
- a** an Excess of £100 in respect of each Claim.
  - b** any dispute or legal proceeding which relates to the prosecution of the Insured in respect of any actual or alleged fraud or theft.
  - c** any dispute or legal proceeding which arises from a failure to register as a Data Controller. **d** any dispute or legal proceeding which arises from a failure to comply with any legislative requirement concerning the processing of Sensitive Personal Data.
- 6** In respect of Event 6 – Commercial Tenancy Agreement there is no cover for:
- a** an Excess of £100 in respect of each Claim.
  - b** any dispute relating to rent or service charges, tax, planning or building regulations or decisions.
  - c** any dispute relating to the renewal of a lease or Tenancy Agreement.
  - d** any dispute over the freehold or leasehold or commonhold or title of the Premises.
  - e** Adjudication.
  - f** any dispute with Government or local authority departments concerning the imposition of rates or other local taxes.
- 7** In respect of Event 7 – Licence Protection there is no cover for:
- a** an Excess of £500 in respect of each Claim.
  - b** any hearing arising out of a commercial decision by the Insured.
  - c** the first application for, or the renewal of, the Insured's licence
  - d** any licence hearing relating to in whole or in part:
    - i** owning, driving or using a motor vehicle
    - ii** to drug offences
    - iii** under age drinking; or
    - iv** allegations of sexual or indecent activities.
- 8** In respect of Event 8 – Personal Injury there is no cover for disputes between the Insured and the Insured Person.
- 9** In respect of Event 10 – Contract there is no cover for:
- a** an Excess of £500 in respect of each Claim
  - b** any dispute which occurs within the first three months of the start of the first Period of Insurance. This will not apply if the Insured had cover which is equivalent to that provided under this Policy Section under another legal expenses policy up to the start of the first Period of Insurance.
  - c** the recovery of money and interest due from another party other than a dispute where the other party has indicated an intention to defend the Claim and that party has a realistic chance of defending the Claim.
  - d** the pursuit or defence of any **Claim** brought by or against **the Insured** caused by or arising from or in relation to professional services, advice or specification given by **the Insured** or on **the Insured's** behalf.
  - e** any dispute arising from or as a consequence of any breach or alleged breach of professional duty or any error or omission in any advice given by **the Insured** or on **the Insured's** behalf.
  - f** any dispute where a **Claim** is brought against **the Insured** caused by or arising from the provision of goods or services relating to the construction, alteration or repair of any building, or part of that building, or structure.
  - g** any dispute relating to computer hardware, software, systems or services.
  - h** any arbitration unless wholly in accordance with the Arbitration Act 1996.
  - i** **Adjudication.**
  - j** any dispute in respect of tenancy, assignment, bailment, bills of exchange, credit and securities or guarantee.
  - k** any dispute relating to a lease, licence or tenancy of land or buildings other than a dispute with a professional adviser in connection with the drafting of a lease, licence or **Tenancy Agreement.**
  - l** any dispute relating to the legal right of **the Insured** to own, occupy or use any land or building or any benefit or alleged benefit attaching to the land.

## Section 12 – Commercial Legal Expenses (continued)

- m** any dispute relating to the ownership, possession, hiring or use of motor vehicles.
- n** any dispute arising out of the amount payable under an insurance policy.

In respect of all Events there is no cover for:

**10 Legal Expenses, Awards of Compensation, Data Protection Compensation Awards, Jury Service Allowance or Witness Attendance Allowance** incurred without **the Insurer's** written Consent following acceptance of a **claim**.

- 11** Any **Claim** which does not arise from or relate to the **Business**, other than a **Claim** in respect of **Jury Service Allowance**.
- 12** Any **Claim** in respect of which the **Insured Person** is, or but for the existence of this **Section** would be, entitled to an indemnity or contribution under any other policy or certificate of insurance except for any excess beyond the amount which would have been covered under such other policy or certificate of insurance.
- 13** Any **Claim** in respect of which the **Insured Person** is entitled to an indemnity or contribution under any other **Section** of this **Policy**.
- 14** Any **Claim** in respect of which the **Insured Person** is entitled to Legal Aid.
- 15** Any cause, event or circumstance occurring prior to or existing at the inception or on or after the renewal of this **Section** and which the **Insured Person** knew, or ought reasonably to have known, may give rise to a **Claim** by or against the **Insured Person**.
- 16** Any **Claim** that **the Insured** fails to notify to **the Insurer** within 6 months of the first occurrence of any cause, event or circumstance that gives rise to the **Claim**.
- 17** Any **Claim** arising out of a deliberate, conscious, intentional or reckless act by the **Insured Person** or where the **Insured Person** has shown wilful disregard for the need to take all reasonable steps to avoid, prevent and limit any such **Claim**.
- 18** Any **Claim** made, brought or commenced outside of the **Territorial Limits**.
- 19** Any **Claim** where in **the Insurer's** opinion there are no **Reasonable Prospects of a Satisfactory Outcome**.
- 20** Fines or other penalties imposed by a court, tribunal or regulator.
- 21** Any dispute between the **Insured Person** and **the Insurer**.
- 22** Any dispute between the **Insured Person** and the **Legal Representative** in respect of a **Claim** under this **Section**.

- 23** Any **Claim** relating to damage to goods in transit or goods lent or hired to third parties or goods at premises other than the **Premises**.
- 24** Any **Claim** arising from or relating to the operation of a franchise or distribution agreement.
- 25** Any **Claim** arising from or relating to a shareholding agreement or a partnership agreement or a trust.
- 26** Any **Claim** arising as a result of an allegation of libel or slander.
- 27** Any **Claim** relating to patents, copyrights, trademarks, merchandise marks, registered designs or other intellectual property, breach of secrecy or confidentiality, restrictive covenants or a passing off action.
- 28** Any **Claim** arising from or relating to an application for judicial review or other challenge to any legislation or proposed legislation.
- 29** Any **Claim** relating to any non-contracting party's right to enforce all or any part of this **Section**. The Contracts (Rights of Third Parties) Act 1999 does not apply to this **Section**.
- 30** Defending the **Insured Person** in any legal proceedings arising from:
  - a** bodily injury, illness, disease or death, or
  - b** loss, destruction or damage to property, or
  - c** alleged or actual breach of any duty owed as a director or officer of **the Insured**.
- 31** Any VAT attaching to **Legal Expenses** incurred with **the Insurer's** consent which is recoverable by the **Insured Person** from elsewhere.

### Conditions

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

#### A General Conditions

##### 1 Change of Risk

It is a condition precedent to the liability of **the Insurer** to provide Cover under this **Policy** that **the Insured** must notify **the Insurer** in writing of any alteration during the **Period of Insurance** which would materially affect **the Insurer's** assessment of the risk and that part of this insurance affected shall cease to be in force unless such alteration is agreed in writing by **the Insurer**.



Upon notification of any alteration **the Insurer** will alter the premium and **the Insured** will pay an additional premium to, or receive a refund of premium from, **the Insurer** as the case may be.

## 2 Arbitration

Any dispute between the **Insured Person** and **the Insurer** concerning this **Section** shall be referred to a single arbitrator who will be either a solicitor or barrister agreed upon by the parties or failing agreement one who is nominated by the President of the appropriate Law Society or by the Chairman of the Bar Council or appropriate professional body within the **Territorial Limits**. All the costs of the arbitration shall be met in full by the party against whom the decision is made.

If the decision is not clearly made against one party the arbitrator will have the power to apportion costs. If the decision is made in **the Insurer's** favour, the **Insured Person's** costs will not be recoverable under this **Section**.

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

## 3 Maintenance of Records

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

## 4 Disclosure of the Existence of this Section

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

## 5 Assignment

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

## B Claims Process Conditions

### 1 Notification of Claim

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

If the **Insured Person** fails to notify **the Insurer** within 6 months of the first occurrence of such cause, event or circumstance any **Claim** arising from that cause, event or circumstance will not be accepted.

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

### Important procedure for Employment Disputes

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

## 2 Consent

It is a condition precedent to the **Insurer's** liability to provide cover under this **Section** that consent to accept a **Claim** and:

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

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

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

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

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

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

## 3 Dealing with the Claim

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

**The Insurer** may withdraw Consent previously given at any time if facts become known which would mean that a particular **Claim** would not have been accepted under the terms of this **Section** or



## Section 12 – Commercial Legal Expenses (continued)

if there are no longer **Reasonable Prospects of a Satisfactory Outcome**. Provided there has been full compliance with the **Section** terms **the Insurer** agrees to indemnify **the Insured Person** in respect of **Legal Expenses** incurred up to the date when **the Insurer** notified the **Insured Person** that Consent had been withdrawn.

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

### 4 Duty of the Insured Person to Minimise Claims

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

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

### 5 The Insurer's Right to Settle Claim

**The Insurer** shall have the right to take over and conduct in the name of the **Insured Person** any **Claim** at any time and can settle any **Claim** on behalf of the **Insured Person** on such terms as **the Insurer** deems appropriate.

### 6 Insolvency of the Insured Person

If during the course of any **Claim** to which **the Insurer** has given support, **the Insurer** has the right to withdraw that support immediately if the **Insured Person**;

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

### 7 Appeal Procedure

If following legal proceedings to which **the Insurer** has given Consent, the **Insured Person** wishes to appeal against the judgment or decision of a court or tribunal, it is a condition precedent to the **Insurer's** liability to continue to provide cover

under this **Section** that the grounds of such appeal must be submitted to **the Insurer** in good time and by secure means so that **the Insurer** may consider whether there are **Reasonable Prospects of a Satisfactory Outcome** in respect of the appeal and if so whether to Consent to such further action.

**The Insurer** will inform the **Insured Person** and the **Legal Representative** of their decision.

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

### 8 Legal Proceedings

#### a Freedom to choose a Legal Representative

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

For any other **claim** **the Insurer** will choose the **Legal Representative** at any time before **the Insurer** agrees that legal proceedings need to be issued or defended. The **Insured Person** can only choose a **Legal Representative** if **the Insurer** agrees that legal proceedings need to be issued or defended or if a conflict of interest arises which means that the **Legal Representative** originally chosen by **the Insurer** cannot act for the **Insured Person**.

The **Insured Person** must send the name and address of the **Insured Person's** chosen **Legal Representative** to **the Insurer**. If **the Insurer** agrees to appoint a **Legal Representative** that the **Insured Person** chooses, that **Legal Representative** will be appointed on the same terms as **the Insurer** would have appointed its chosen **Legal Representative**.

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

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

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

due to any unreasonable conduct or failure to act by the **Insured Person**, the **Legal Representative** reasonably refuses to continue acting for the **Insured Person**, or

- ii the **Insured Person** unreasonably dismisses the **Legal Representative** without the Insurers agreement.

**b Disclosures to the Legal Representative**

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

**c Access to Information**

The **Insurer** is entitled to receive from the **Legal Representative** any information, document or advice in connection with any **Claim**, even if privileged. On request the **Insured Person** will give to the **Legal Representative** any instructions necessary to secure the required access.

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

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

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

- iii the **Insured Person** and on their behalf the **Legal Representative** will report in writing the result of the **Claim** to the **Insurer** when it is finished.

**e Payment of Legal Representative's Bills**

All bills relating to any **Claim** the **Insured Person** receives from the **Legal Representative** should be forwarded to the **Insurer** without delay. If the **Insurer** requires the **Insured Person** must ask the **Legal Representative** to submit the bill of costs for assessment by the appropriate Law Society or court.

The **Insured Person** is responsible for the payment of all **Legal Expenses**. The **Insurer** may settle these direct if requested by the **Insured Person** to do so.

The payment of some **Legal Expenses** does not imply that all **Legal Expenses** will be paid. The **Insured Person** must not, without the **Insurer's** written consent, enter into any agreement with the **Legal Representative** as to the basis of calculation of **Legal Expenses**.

**f Instruction of Counsel**

If, during the course of any **Claim** (other than where Claims Process Condition 2 applies), the **Insured Person** or the **Legal Representative** considers it necessary and wishes to instruct counsel, counsel's name must first be submitted to the **Insurer** for Consent to the proposed instruction. Failure to do so will result in the **Insurer** not paying counsel's fees incurred prior to the **Insurer's** approval.

**g Conduct of the Claim**

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

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

If the **Insured Person** fails to comply with either i, ii or iii then the **Insurer's** liability to provide Cover under this **Section** will cease immediately and the **Insurer** will not be responsible for the payment of **Legal Expenses** and will be entitled to reimbursement of all **Legal Expenses** already paid or incurred.

## Section 12 – Commercial Legal Expenses (continued)

### h Award of Costs

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

### i Alternative Dispute Resolution

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

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

### Communications

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

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

Allianz Legal Protection  
2530 The Quadrant  
Aztec West  
Almondsbury  
Bristol  
BS32 4AW  
Telephone: 0370 243 4340

# Additional Benefits

## 24 Hour Lawphone Legal Advice Helpline

When the Commercial Legal Expenses Section of this Policy is operative, **the Insured** gains the automatic benefit of access to a team of qualified legal advisers for advice on any commercial legal matter 24 hours a day, 365 days a year. The advice **the Insured** receives from the Lawphone Legal Advice Helpline will always be according to the laws of Great Britain and Northern Ireland.

To use this service ring **0370 241 4140**.

**The Insured** should quote the Master Policy reference contained within the **Policy Schedule** and provide a brief summary of the problem. The details will be passed to an adviser who will return **the Insured's** call.

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

This telephone helpline is provided by Allianz Legal Protection, part of Allianz Insurance plc, who may record calls to protect **the Insured**.

## Allianz Legal Online

When the Commercial Legal Expenses Section of this **Policy** is operative, **the Insured** has access to extensive on line **Business** support via Allianz Legal Online. This facility provides tools and services that will help **the Insured** to produce legal paperwork in connection with the **Insured's Business**, for example, bespoke contracts of employment. In addition it provides **the Insured** with up to date guidance and advice on many legal issues, such as, employment legal procedures, managing the **Insured's Business** and debt recovery. A registration number is required to access this web site [www.allianzlegal.co.uk](http://www.allianzlegal.co.uk) and this is shown on the **Policy Schedule**. If **the Insured** has any problems relating to the Legal Documentation Service please e-mail Epoq Sales Limited at [support@allianzlegal.co.uk](mailto:support@allianzlegal.co.uk).

## 24 Hour Glass Replacement

Broken glass is dangerous and in some circumstances can be a security risk. Allianz have negotiated a special arrangement with Solaglas one of Britain's leading glass replacement specialists.

Solaglas will bill us direct; you pay nothing except for the excess and the VAT.

This service is available 24 hours a day, all year round. To use this service telephone FREE on 0800 474747 and state your Policy number.

# Notifying a Claim

## (Not applicable to Commercial Legal Expenses Section claims)

Claims under this **Policy** should be notified to **the Insurer** in accordance with General Condition 3 at the following Allianz Claims Handling Offices.

Please provide your policy number, and as much information as possible about the claim. Alternatively you may contact Touchstone Underwriting as follows:

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

## Allianz Claims Handling Office Telephone Numbers:

For Property Damage claims (handled in Birmingham)  
Tel: 0344 412 9988

For Liability and Accident claims (handled in Milton Keynes)  
Tel: 0344 893 9500

## Allianz address for claims correspondence:

Allianz Claims  
PO Box 10509  
51 Saffron Road  
Wigston  
LE18 9FP

Lines are open from 9am to 5pm Monday to Friday. Outside our normal opening hours contact us on our 24 hour claim notification line  
Tel: 0345 604 9824.

For Medical Emergency whilst overseas- Tel: +44(0) 208 603 9514.

## Commercial Legal Expenses Section Claims

If **the Insured** needs to make a **Claim** under any operative cover provided by the Legal Expenses **Section**, as stated in the **Policy Schedule the Insured** should call Lawphone Legal Helpline on **0370 241 4140** and quote the Master Policy reference contained within the **Policy Schedule**.

**The Insured** will be asked for a brief summary of the problem and these details will be passed on to an adviser who will call **the Insured** back. **The Insurer** will send **the Insured** a claim form. **The Insured** should fill in the claim form and return it to **the Insurer** without delay at the address shown below, together with a copy of **the Insured's** current **Policy Schedule** and payment in the form of a cheque made out to Allianz Legal Protection for the **Excess** due in respect of the **Claim**.

**The Insurer** will contact the **Insured Person** once the claim form, **Policy Schedule** and **Excess** payment have been received.

Please note that the **Insured Person** must not appoint a solicitor. If the **Insured Person** has already seen a solicitor before **the Insurer** has accepted the **Insured Person's** claim, **the Insurer** will not pay any fees or other expenses that the **Insured Person** has incurred.

If the **Insured Person's** claim is covered, **the Insurer** will appoint the **Legal Representative** that **the Insurer** has agreed to in the **Insured Person's** name and on the **Insured Person's** behalf, subject to the terms and conditions of the Legal Expenses **Section**. **The Insurer** will only start to cover the **Insured Person's Legal Expenses** from the time **the Insurer** has accepted the claim and appointed the **Legal Representative**.

## The Insurer's address is:

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

Claims Department opening hours: Monday to Friday – 9am to 5pm.

# Complaints Procedure

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

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

If you have a complaint, to do with any Section of your Policy other than Commercial Legal Expenses please contact our Customer Satisfaction Manager at:

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

Telephone number: 01483 552438  
Fax Number: 01483 790538  
Email: [accscsm@allianz.co.uk](mailto:accscsm@allianz.co.uk)

If your complaint relates to the Commercial Legal Expenses Section of your Policy, please contact our Customer Satisfaction Manager at:

Allianz Legal Protection  
Redwood House  
Brotherswood Court  
Great Park Road  
Bradley Stoke  
Bristol  
BS32 4QW

Phone: 0845 0700 886  
Email: [legalprotection@allianz.co.uk](mailto:legalprotection@allianz.co.uk)

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

If you do not refer your complaint in time, the Ombudsman will not have our permission to consider your complaint and so will only be able to do so in very limited circumstances.

For example, if the Ombudsman believes that the delay was as a result of exceptional circumstances.

The Financial Ombudsman Service  
Exchange Tower  
London  
E14 9SR

Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)  
Telephone: 0800 0234567 or 0300 1239123  
Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

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



# Privacy Notice Summary

Please find below a summary of our Privacy Notice.

The full notice can be found on the Allianz UK website:  
[allianz.co.uk/privacy-notice.html](https://allianz.co.uk/privacy-notice.html).

If you would like a printed copy of our Privacy Notice, please contact the Data Rights team using the details below.

Allianz Insurance plc is the data controller of any personal information given to us about you or other people named on the policy, quote or claim. It is your responsibility to let any named person know about who we are and how this information will be processed.

Allianz Insurance plc, Allianz Engineering Inspection Services Limited, Petplan Ltd and VetEnvoy are companies within the Allianz Holdings.

**Anyone whose personal information we hold has the right to object to us using it.**

**They can do this at any time by telling us and we will consider the request and either stop using their personal information or explain why we are not able to.**

If you wish to exercise any of your data protection rights you can do so by contacting our Data Rights team:

Telephone: **0208 231 3992**  
Email: [datarights@allianz.co.uk](mailto:datarights@allianz.co.uk)  
Address: Allianz Insurance Plc, Allianz,  
57 Ladymead, Guildford,  
Surrey, GU1 1DB

Any queries about how we use personal information should be addressed to our Data Protection Officer:

Telephone: **0330 102 1837**  
Email: [dataprotectionofficer@allianz.co.uk](mailto:dataprotectionofficer@allianz.co.uk) Address:  
Data Protection Officer, Allianz,  
57 Ladymead, Guildford,  
Surrey, GU1 1DB

# Employers Liability Tracing Office

If your policy provides Employers Liability cover information relating to your insurance policy will be provided to the Employers Liability Tracing Office (the “ELTO”) and added to an electronic database, (the “Database”) in a format set out by the Employer’s Liability Insurance: Disclosure by Insurers Instrument 2011.

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

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

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

The Database will be managed by the ELTO and further information can be found on the ELTO website [www.elto.org.uk](http://www.elto.org.uk)

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[www.allianz.co.uk](http://www.allianz.co.uk)

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Allianz Insurance plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the  
Prudential Regulation Authority. Financial Services Register number 121849.

Arranged by



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Meridian House  
71 Clarendon Road  
Watford WD17 1DS

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